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OFFERING MEMORANDUM

EMPRESA DISTRIBUIDORA DE ELECTRICIDAD DE MENDOZA S.A.
(incorporated in the Republic of Argentina)
U.S.$300,000,000, 9.750% Notes due 2033
(ISIN: Reg S USP37213AH17 / 144A US29245HAH93; CUSIP: Reg S P37213AH1 / 144A 29245HAH9)

We are offering U.S.$300,000,000 aggregate principal amount of our 9.750% Notes due 2033 (the "**Notes**"). Of the aggregate principal amount of Notes, an aggregate principal amount of U.S.$100,000,000 is expected to be subscribed in the Local Offering (as defined below) with U.S. dollars deposited in bank accounts in financial institutions in Argentina ("**MEP**"). See "*Plan of Distribution—Local Offering*." Interest on the Notes offered hereby will be payable semi-annually, in cash, in arrears on June 11 and December 11 of each year commencing on December 11, 2026 until the principal of the Notes is repaid in full. The maturity date is June 11, 2033 (the "**Maturity Date**"), and the principal amount of the Notes will be paid in instalments on the following dates and as further described herein: 33.3% of the original principal amount of the Notes on June 11, 2031, 33.3% of the original principal amount of the Notes on June 11, 2032, and the remainder on the Maturity Date.

Prior to the Maturity Date, we may at our option, redeem the Notes, in whole or in part, on the terms described under "Description of the Notes—Optional Redemption." In the event of certain developments affecting taxation at any time subsequent to the date of issuance of the Notes, we may redeem the Notes, in whole, but not in part, as described under "Description of the Notes—Redemption for Taxation Reasons."

The Notes will constitute our direct, unconditional, unsecured and unsubordinated obligations and will rank at all times at least *pari passu* in right of payment with all of our other existing and future unsecured and unsubordinated indebtedness (other than obligations preferred by statute or by operation of law, including, without limitation, tax and labor related claims). The Notes will be subordinated to all of our existing and future secured obligations to the extent of the value of the assets securing such obligations, and to all of the existing and future obligations of our subsidiaries.

Investing in the Notes involves risks. See "*Risk Factors*" beginning on page 20.

Issue Price: 95.679% plus accrued interest, if any, from June 11, 2026.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or under any state securities laws and are being offered only: (1) to qualified institutional buyers under Rule 144A under the Securities Act ("**Rule 144A**") and (2) outside the United States in compliance with Regulation S under the Securities Act ("**Regulation S**"). Prospective purchasers that are qualified institutional buyers are hereby notified that the sellers of the Notes may be relying on the exemption from the provisions of section 5 of the Securities Act provided by Rule 144A. For a description of certain restrictions on transfer, see "Transfer Restrictions."

The Notes will constitute *obligaciones negociables simples no convertibles en acciones* under the Argentine Negotiable Obligations Law No. 23,576, as amended by Argentine Law No. 23,962 as amended by the Argentine Productive Financing Law No. 27,440 (the "**Negotiable Obligations Law**"), will be issued and placed in accordance with such law, Argentine Capital Markets Law No. 26,831 as amended by the Argentine Productive Financing Law No. 27,440 (the "**Argentine Capital Markets Law**"), the General Resolution No. 622/2013, as amended and supplemented (the "**CNV Rules**"), issued by the Argentine Securities Commission (the *Comisión Nacional de Valores*, or "**CNV**") and any other applicable law and/or regulation, and will be entitled to the benefits set forth therein and subject to the procedural requirements thereof, as well as in the Argentine Capital Markets Law and the applicable resolutions of the CNV. In particular, pursuant to Article 29 of the Negotiable Obligations Law, in the event of a default by us in the payment of any amount due under a Note, the holder of such Note will be entitled to institute summary judicial proceedings (*juicio ejecutivo*) in the Republic of Argentina ("**Argentina**") to recover payment of any such amount.

This offering memorandum constitutes a prospectus for the purposes of Part IV of the Luxembourg law on prospectuses for securities dated July 16, 2019.

The Notes will be offered in Argentina by means of an Argentine prospectus (the "**Argentine Prospectus**") and an Argentine pricing supplement in the Spanish language (the "**Argentine Pricing Supplement**"), in accordance with CNV Rules containing substantially the same information as this offering memorandum, other than with respect to the description of U.S. securities and tax laws that are relevant to the Notes, but in a different format, under the Program approved by the CNV through Resolution No. RESFC-2023-22399-APN-DIR#CNV, dated August 23, 2023, updated on April 24, 2024, further updated and increased through Disposition No. DI-2025-66-APN-GE#CNV, dated April 28, 2025, and subsequently updated on May 13, 2026 (the "**Program**") and pursuant to the terms and conditions approved by our Shareholders' meeting held on April 8, 2025, and our Board of Directors' meetings held on May 6, 2026 and May 20, 2026. The CNV authorization means only that the information requirements of the CNV have been satisfied. The CNV has not rendered and will not render any opinion in respect of the accuracy of the information contained in the Argentine Prospectus, in the Argentine Pricing Supplement or in this offering memorandum. The accuracy of all the information contained herein is our responsibility.

The approval to conduct the public offering of the Notes described in this offering memorandum is included within the public offering authorization granted by the CNV under the Program, in accordance with Article 23, Section IV, Chapter V, Title II of the CNV Rules. Neither this offering memorandum nor the Argentine Pricing Supplement have been previously reviewed or approved by the CNV.

Neither the U.S. Securities and Exchange Commission (the "SEC") nor any state securities commission or regulatory authority has approved or disapproved of these Notes or determined if this offering memorandum is accurate or complete. Any representation to the contrary is a criminal offense.

The Company is responsible for the information given in this offering memorandum. The Company hereby declares that to the best of its knowledge, the information contained in this offering memorandum is true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make this offering memorandum misleading.

There is currently no public market for the Notes. Application has been made to have the Notes listed on the Luxembourg Stock Exchange ("**LuxSE**"), admitted to trading on the Euro MTF market, listed and admitted for trading on *Bolsas y Mercados Argentinos S.A.* ("**BYMA**") through the Buenos Aires Stock Exchange (the "**BCBA**") acting in accordance with the authority delegated by BYMA to the BCBA, and admitted to trading on the *A3 Mercados S.A.* ("**A3 Mercados**"). No assurances can be given that such listings will be maintained.

The Notes offered hereby to purchasers in book-entry form through the facilities of The Depository Trust Company ("**DTC**") and its direct and indirect participants, including the Euroclear System ("**Euroclear**") and Clearstream Banking *société anonyme* ("**Clearstream**") were delivered on June 11, 2026 (the "**Issue Date**").

Global Coordinators and Joint Lead Book-Runners

BofA Securities **UBS Investment Bank**

Joint Lead Book-Runner

BTG Pactual

The date of this offering memorandum is June 26, 2026.

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We have not, and the Initial Purchasers have not, authorized anyone to provide you with any other or inconsistent information, and we and the Initial Purchasers take no responsibility for any other or inconsistent information that anyone else may provide you. We are not, and the Initial Purchasers are not, making an offer of these securities in any jurisdiction where the offer is not permitted. You should not assume that the information contained in this offering memorandum is accurate as of any date other than the date of this offering memorandum regardless of the time of delivery of this offering memorandum or any offer or sale of the Notes. Our business, financial condition, results of operations and prospects may have changed since that date.

Unless otherwise noted, in this offering memorandum, we use the terms "**Edemsa**," the "**Company**," the "**Issuer**," "**we**," "**us**" and "**our**" generally refer to Empresa Distribuidora De Electricidad De Mendoza S.A., unless the context requires otherwise or as otherwise indicated. References to "**dollars,**" "**U.S. dollars**," "**U.S. dollar**," or

"**U.S.$"** are to the lawful currency of the United States and references to "**Pesos**," "**Peso**," "**pesos**," "**peso**," or "**Ps.**" are to the lawful currency of Argentina. Certain monetary amounts and other figures included in this offering memorandum have been rounded according to established commercial standards. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

In this offering memorandum, unless otherwise specified or the context otherwise requires, a reference to a law or a provision of a law is a reference to that law or provision as extended, amended or re-enacted.

This offering memorandum has been prepared by us solely for use in connection with the proposed offering of the Notes. We reserve the right to reject any offer to purchase, in whole or in part, for any reason, or to sell less than all of the Notes offered by this offering memorandum. BofA Securities, Inc., Banco BTG Pactual S.A. – Cayman Branch and UBS Securities LLC (the "**Initial Purchasers**") will act as Initial Purchasers with respect to the offering of the Notes offered hereby. We have prepared this offering memorandum solely for use in connection with the proposed offering of the Notes outside of Argentina, and it may only be used for that purpose. This offering memorandum does not constitute an offer to any other person or to the public in general to subscribe for or otherwise acquire the Notes.

You must (1) comply with all applicable laws and regulations in force in any jurisdiction in connection with the possession or distribution of this offering memorandum and the purchase, offer or sale of the Notes, and (2) obtain any required consent, approval or permission for the purchase, offer or sale by you of the Notes under the laws and regulations applicable to you in force in any jurisdiction to which you are subject or in which you make such purchases, offers or sales, and neither we nor the Initial Purchasers nor their agents have any responsibility therefor. See "*Transfer Restrictions*" for information concerning some of the transfer restrictions applicable to the Notes.

You acknowledge that:

- you have been afforded an opportunity to request from us, and to review, all additional information considered by you to be necessary to verify the accuracy of, or to supplement, the information contained in this offering memorandum;

- you have not relied on the Initial Purchasers or their agents or any person affiliated with the Initial Purchasers or their agents in connection with your investigation of the accuracy of such information or your investment decision; and

- no person has been authorized to give any information or to make any representation concerning us or the Notes other than those as set forth in this offering memorandum. If given or made, any such other information or representation should not be relied upon as having been authorized by us, the Initial Purchasers or their agents.

In making an investment decision, you must rely on your own examination of our business and the terms of this offering, including the merits and risks involved. The Notes have not been recommended by any federal or state securities commission or regulatory authority. Furthermore, these authorities have not confirmed the accuracy or determined the adequacy of this offering memorandum. Any representation to the contrary is a criminal offense. You should be aware that you may be required to bear the financial risks of an investment in the Notes for an indefinite period of time.

Neither we nor the Initial Purchasers represent that this offering memorandum may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by us or the Initial Purchasers that is intended to permit a public offering of any Notes or distribution of this offering memorandum in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this offering memorandum nor any advertisement or other offering material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations.

The approval to conduct the public offering of the Notes described in this offering memorandum is included within the public offering authorization granted by the CNV under the Program, in accordance with Article 23, Section IV, Chapter V, Title II of the CNV Rules. Neither this offering memorandum nor the Argentine Pricing Supplement have been previously reviewed or approved by the CNV.

This offering memorandum may only be used for the purpose for which it has been published. The Initial Purchasers and the Local Placement Agents are not making any representation or warranty as to the accuracy or completeness of the information contained in this offering memorandum, and nothing contained in this offering memorandum is, or shall be relied upon as, a promise or representation, whether as to the past or the future. The Initial Purchasers and the Local Placement Agents have not independently verified any of such information and make no representation or warranty as to the accuracy or completeness of the information contained in this offering memorandum.

To the extent current foreign exchange regulations remain in place in Argentina, none of the payments to be made in connection with the Notes will be made through the Argentine foreign exchange market.

You should carefully review this entire offering memorandum before making an investment decision. Neither we, nor the Initial Purchasers, nor the Local Placement Agents, have authorized anyone to provide information that is different or additional to the information contained in this offering memorandum. Neither we, nor the Initial Purchasers, nor the Local Placement Agents, take responsibility for any other information that others may give you. If anyone provides you with different or additional information, you should not rely on it. You should assume that the information in this offering memorandum is accurate only as of the date on its front cover, regardless of the time it is delivered or of any sale of the Notes. Our business, financial condition, results of operations and prospects may change after the date on the front cover of this offering memorandum.

See "*Risk Factors*" for a description of certain factors relating to an investment in the Notes, including information about our business. None of us, the Initial Purchasers or any of our or their representatives is making any representation to you regarding the legality of an investment by you under applicable legal investment or similar laws. You should consult with your own advisors as to legal, tax, business, financial and related aspects of a purchase of the Notes.

This offering memorandum relates to the Notes, which are a series of notes to be issued under the Program.

We are a stock corporation (*sociedad anónima*) incorporated under the laws of Argentina and the liability of our shareholders is limited to their subscribed and paid-in capital under Argentine General Corporations Law No. 19,550, as amended (the "**Argentine Corporations Law**"). Prospective purchasers acknowledge and agree that neither our shareholders, nor our affiliates or subsidiaries, will be liable for any obligation under the Notes.

The Notes will constitute *obligaciones negociables simples no convertibles en acciones* under the Negotiable Obligations Law, will be entitled to the benefits set forth therein and subject to the procedural requirements established therein and in Law No. 26,831 and the applicable CNV regulations.

The Program for the issuance of *obligaciones negociables simples no convertibles en acciones* (simple, non-convertible negotiable obligations) was approved by our shareholders on July 20, 2023, which also approved the delegation of powers to our Board of Directors and ratified the actions taken by our Board of Directors on May 23, 2023. The subsequent update of the Program was approved by our Board of Directors on April 24, 2024, further updated and increased by our shareholders' meeting held on April 8, 2025, and our Board of Directors' meeting held on May 6, 2026 and May 20, 2026. The Program was authorized by the CNV through Resolution No. RESFC-2023-22399-APN-DIR#CNV, dated August 23, 2023, updated on April 24, 2024, further updated and increased through Disposition No. DI-2025-66-APN-GE#CNV, dated April 28, 2025, and subsequently updated on May 13, 2026.

The issuance of the Notes was approved at the meeting of our Board of Directors held on May 20, 2026, pursuant to the delegation of powers previously approved by the Company's Shareholders' Meeting on April 8, 2025.

The terms and conditions of the Notes were approved by the subdelegate on May 26, 2026, as such subdelegation of powers was previously approved by our Board of Directors at a meeting held on May 20, 2026.

This offer of the Notes shall be conducted by means of an offering that qualifies as a public offering under Argentine law and the regulations of the CNV. In order to comply with those regulations, the placement of the Notes in Argentina will be done through a book-building process, in accordance with Article 1, Section I, Chapter IV, Title VI of the CNV Rules. See "*Plan of Distribution—Argentina—Book-Building*."

The Initial Purchasers and the Local Placement Agents make no representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this offering memorandum. Nothing contained in this offering memorandum is, or shall be relied upon as, a promise or representation by the Initial Purchasers and the Local Placement Agents as to the past or future. The Initial Purchasers and the Local Placement Agents assume no responsibility for the accuracy or completeness of any such information.

This offering memorandum is personal to the offeree to whom it has been delivered and does not constitute an offer to any other person or to the public in general to acquire the Notes. Distribution of this offering memorandum to any person other than the offeree and those persons, if any, engaged to advise that offeree with respect thereto is unauthorized, and any disclosure of any of its contents without our prior written consent is prohibited. You may not use any information herein for any purpose other than considering the purchase of the Notes. You agree to the foregoing by accepting delivery of this offering memorandum.

The Initial Purchasers participating in this offering may engage in transactions that stabilize, maintain or otherwise affect the price of the Notes, including over-allotment, stabilizing and short-covering transactions in the Notes, and the imposition of a penalty bid during and after this offering of the Notes. Such stabilization, if commenced, may be discontinued at any time. For a description of these activities, see "*Plan of Distribution*."

Any and all website addresses included in this offering memorandum are included as textual references only, and the information contained in such websites (or accessed through them) is not incorporated into this offering memorandum, shall not be regarded as part of such offering memorandum and do not constitute investment materials.

Process Agent

We have appointed CT Corporation System as agent to receive service of process under the indenture governing the Notes.

Additional Information

While any Notes remain outstanding, we will make available, upon request, to any holder and any prospective purchaser of notes the information required pursuant to Rule 144(A)(d)(4)(i) under the Securities Act, during any period in which we are not subject to Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**").

ENFORCEMENT OF CIVIL LIABILITIES

We are incorporated under the laws of Argentina. Substantially all of our assets are located outside the United States. The majority of our directors and officers and certain advisors named herein reside in Argentina or elsewhere outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon us or such persons or to enforce against us or them in United States courts judgments predicated upon the civil liability provisions of the federal securities laws of the United States.

We have been advised by our Argentine counsel, DLA Piper Argentina, that, pursuant to Section 243 of the Argentine Civil and Commercial Code, a substantial portion of our assets located in Argentina could not be subject to attachment or foreclosure if a court were to find that such properties are necessary for the provision of an essential public service, unless the Argentine Government or Provincial Government otherwise approves the release of such property affected as an essential public service. In accordance with Argentine law, as interpreted by the Argentine courts, assets which are necessary to the provision of an essential public service may not be attached, whether preliminarily or in aid of execution.

Our Argentine counsel has also advised us that judgments of United States courts for civil liabilities based upon the federal securities laws of the United States may be enforced in Argentina, provided that the requirements of Articles 517 through 519 of the Federal Civil and Commercial Procedure Code of Argentina (if enforcement is sought before federal courts) are met as follows: (i) the judgment, which must be final in the jurisdiction where rendered, was issued by a court competent in accordance with the Argentine principles regarding international jurisdiction and resulted from a personal action, or an in rem action with respect to personal property if such was transferred to Argentine territory during or after the prosecution of the foreign action, (ii) the defendant against whom enforcement of the judgment is sought was personally served with the summons and, in accordance with due process of law, was given an opportunity to defend against foreign action, (iii) the judgment is valid in the jurisdiction where rendered and meets authenticity requirements under Argentine law, (iv) the judgment does not violate the principles of public policy of Argentine law, and (v) the judgment is not contrary to a prior or simultaneous judgment of an Argentine court.

Subject to compliance with Articles 517 through 519 of the Federal Civil and Commercial Procedure Code described above, a judgment against us or the persons described above obtained outside Argentina would be enforceable in Argentina without reconsideration of the merits.

We have been further advised by our Argentine counsel that:

- original actions based on the federal securities laws of the United States may be brought in Argentine courts and that, subject to applicable law, Argentine courts may enforce liabilities in such actions against us, our directors, our executive officers and the advisors named in this offering memorandum; and

- the ability of a judgment creditor to satisfy a judgment by attaching certain assets of ours is limited by provisions of Argentine law.

FORWARD-LOOKING STATEMENTS

This offering memorandum contains statements that we believe constitute forward-looking statements. These forward-looking statements may include statements regarding the intent, belief or current expectations of us and our management, including statements with respect to trends affecting our financial condition, financial ratios, results of operations, business, strategy, as well as our plans with respect to capital expenditures, business strategy and investments, among others. Many important factors, in addition to those discussed elsewhere in this offering memorandum, could cause our actual results to differ materially from those expressed or implied in our forward-looking statements, including, among other things:

- economic and geopolitical developments in regional or global markets, such as Russia's invasion of Ukraine, and the ongoing military conflicts in the Middle-East and among Iran, Israel and United States of America;
- uncertainties related to current or future Government interventions, proposed legislation or legal actions, including with respect to changes to the currency and foreign exchange markets;
- general political, economic, social, demographic and business conditions in Argentina and, particularly, in the geographic market we serve;
- the impact of any new tariff revision or segmentation applicable to our users;
- the evolution of energy losses and the impact of fines and penalties and uncollectible debt;
- the impact of regulatory reform and changes in the regulatory environment in which we operate;
- changes in the market conditions in the electricity industry, including changes in supply and demand, and/or to the regulatory framework applicable to energy generation and/or transmission, which may affect our operations;
- electricity shortages;
- the high temperatures and extreme climate registered over the last years, which affects energy distribution services;
- potential disruption or interruption of our services;
- the revocation or amendment of our concession by the regulatory authority;
- our ability to implement our capital expenditure plan, including our ability to arrange financing when required and on reasonable terms;
- high volatility and depreciation of the Peso;
- the impact of high rates of inflation on our costs;
- changes and volatility in local, regional and global markets;
- acts of terrorism, cybersecurity incidents, and related disruptions;
- the role of both the Argentine and Provincial Governments in the recognition of the Company's future increased costs;

- Argentina's ongoing refinancing and review process with the with the International Monetary Fund ("**IMF**") under the Extended Facilities Program approved in 2025; and

- additional matters identified in "—Risk Factors."

These statements include our current expectations and assumptions and are not a guarantee of future performance. You should not place undue reliance on these forward-looking statements. While we consider these expectations and assumptions to be reasonable, they are subject to material risks, uncertainties, changes and other factors which may be beyond our control or may be difficult to predict. Accordingly, our future financial condition, prices, financial ratios, results of operations, business, strategy, geographic concentration, production volumes, reserves, capital expenditures, cost savings, investments and dividend policies could differ materially from those expressed or implied in any such forward-looking statements. Such factors include, but are not limited to, currency fluctuations, the cost of energy, the ability to realize cost reductions and operating efficiencies without unduly disrupting business operations, the business operations of our clients, replacement of hydrocarbon reserves, environmental, regulatory and legal considerations and general economic and business conditions in Argentina, our creditworthiness and the creditworthiness of Argentina, counter-party risks, as well as on logistical, operational and labor matters, as well as those described in the "Risk Factors" section included in this offering memorandum.

Should one or more of these factors or situations materialize, or should the underlying assumptions prove to be incorrect, the actual results may differ considerably from those that are described as being foreseen, considered, estimated, expected, predicted or intended in this offering memorandum.

In light of these risks, uncertainties and assumptions, the forward-looking events described in this offering memorandum may not occur. These forward-looking statements speak only as of the date of this offering memorandum and we undertake no obligation to update or revise any forward-looking statement, whether as a result of new information or future events or developments. Additional factors affecting our business emerge from time to time and it is not possible for us to predict all of these factors, nor can we assess the impact of all such factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. Although we believe that the plans, intentions and expectations reflected in or suggested by such forward-looking statements are reasonable, we cannot assure you that those plans, intentions or expectations will be achieved. In addition, you should not interpret statements regarding past trends or activities as assurances that those trends or activities will continue in the future. All written, oral and electronic forward-looking statements attributable to us or to the persons acting on our behalf are expressly qualified in their entirety by this cautionary statement.

PRESENTATION OF FINANCIAL AND THIRD-PARTY INFORMATION

Certain Financial Information

Our fiscal year ends on December 31 of each year. Our audited annual financial statements as of December 31, 2025 and 2024 and for the fiscal years ended December 31, 2025, 2024 and 2023, including the notes thereto (the "**Audited Annual Financial Statements**"), have been prepared in accordance with IFRS Accounting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**"), have been approved by the Board of Directors' meeting held on May 6, 2026, and are included in this offering memorandum.

This offering memorandum also includes our unaudited interim financial statements as of March 31, 2026 and for the three months ended March 31, 2026 and 2025 (the "**Unaudited Financial Statements**", and together with the Audited Annual Financial Statements, the "**Financial Statements**"). The Unaudited Financial Statements have been prepared in accordance with International Accounting Standard ("**IAS**") 34 "Interim Financial Reporting" and they should be read in conjunction with the Audited Annual Financial Statements. The accounting principles used in the preparation of the Unaudited Financial Statements are consistent with those used in the preparation of the Audited Annual Financial Statements. Our Unaudited Financial Statements do not include all the information and disclosures required in the Audited Annual Financial Statements and should be read in conjunction with them. Our historical results for the three months ended March 31, 2026 are not necessarily indicative of results to be expected for the year ending December 31, 2026, or any future period.

Except as otherwise disclosed in this offering memorandum, no material changes have occurred in the prospects and in our financial position since March 31, 2026.

Functional and Presentation Currency

We maintain our financial books and records in Argentine Pesos, which is our functional currency and publish our Financial Statements in Argentine Pesos. Our Financial Statements and other financial information included in this offering memorandum, unless otherwise specified, are stated in Argentine Pesos.

Solely for the convenience of the reader, certain amounts presented in Pesos in this offering memorandum have been converted into U.S. dollars at specified exchange rates. Unless otherwise specified, all exchange rate information contained in this offering memorandum has been derived from information published by *Banco de la Nación Argentina* ("**Banco Nación**") as of December 31, 2025, or March 31, 2026, as applicable, without any independent verification by us. As a result of fluctuations in the U.S. dollar-Peso exchange rate, the exchange rate at such dates may not be indicative of current or future exchange rates. Such fluctuations may affect the U.S. dollar equivalent of Peso amounts included in this offering memorandum. Consequently, these translations should not be construed as a representation that the Peso amounts represent, or have been, or could be converted into U.S. dollars at that or any other rate. See "*Exchange Rate Information and Exchange Controls*" for information regarding the rates of exchange between the Peso and the U.S. dollar.

Application of IAS 29 "Financial Reporting in Hyperinflationary Economies ("IAS 29")

IAS 29 requires that financial statements of an entity whose functional currency is the currency of a hyperinflationary economy, whether they are based on a historical cost approach or a current cost approach, be stated in terms of the measuring unit current at the end of the reporting period. This requirement also includes comparative information presented in the financial statements. In general terms, we recast for inflation by applying the change in a general price index from the date of acquisition or the date of revaluation, as appropriate, to the end of the reporting period to non-monetary items.

In order to determine whether an economy is categorized as a hyperinflationary economy under IAS 29, the standard details several factors to be assessed, including the existence of a cumulative inflation rate over three years approaching, or exceeding, 100%. Argentina has been considered a high-inflation economy for accounting purposes according to IAS 29 since July 1, 2018.

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Accordingly, we presented our Audited Annual Financial Statements in terms of current pesos as of December 31, 2025, and our Unaudited Financial Statements in terms of current pesos as of March 31, 2026, applying the guidance in IAS 29. We have not recast our Audited Annual Financial Statements to measure them in terms of current pesos as of March 31, 2026, the most recent financial period included herein. Therefore, the Audited Annual Financial Statements are not directly comparable to the Unaudited Financial Statements. The change in the consumer price index in Argentina between December 31, 2025 and March 31, 2026 was 9.4%. For more information, see note 2.1.1 to the Audited Annual Financial Statements and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*". Also, see "*Risk Factors—Risks relating to Argentina—If the high levels of inflation continue, the Argentine economy and our results of operations could be adversely affected*".

Third-Party Information

The information set forth in this offering memorandum with respect to the market environment, market developments, growth rates, trends and competition in the markets and segments in which we operate are based on information published by the Argentine federal and local governments through the *Instituto Nacional de Estadísticas y Censos* (the Argentina National Statistics and Census Institute, or "**INDEC**"), the *Banco Central de la República Argentina* (the Central Bank of Argentina, "**Central Bank**" or "**BCRA**"), the Ministry of Economy, through the *Secretaría de Energía* (the "**Secretary of Energy**" or "**SE**"), the *Ente Provincial Regulador Eléctrico* (the Province of Mendoza's Electricity Regulatory Agency, or "**EPRE**" as per its acronym in Spanish), the National Electricity Regulatory Agency ("**ENRE**" as per its acronym in Spanish) and *Compañía Administradora del Mercado Mayorista Eléctrico S.A.* ("**CAMMESA**"). The information sourced from these entities has been accurately reproduced and, to the best of our knowledge, no facts have been omitted that would render the reproduced information inaccurate or misleading.

Market studies are frequently based on information and assumptions that may not be exact or appropriate, and their methodology is by nature forward looking and speculative. This offering memorandum also contains estimates made by us based on third-party market data, which in turn is based on published market data or figures from publicly available sources. Where such information has been reproduced in this offering memorandum, it has been accurately replicated and, to the best of our knowledge, no facts have been omitted that would render the reproduced information inaccurate or misleading.

Although we have no reason to believe any of this information or these sources are inaccurate in any material respect, neither we nor the Initial Purchasers have verified the figures, market data or other information on which third parties have based their studies. Therefore, we do not assume responsibility for the accuracy of the information from third-party studies presented in this offering memorandum or for the accuracy of the information on which such third-party estimates are based.

This offering memorandum also contains estimates of market data and information derived therefrom which cannot be gathered from publications by market research institutions or any other independent sources. Such information is based on our internal estimates. In many cases there is no publicly available information on such market data, for example from industry associations, public authorities or other organizations and institutions. We believe that these internal estimates of market data and information derived therefrom are helpful in order to give investors a better understanding of the industry in which we operate as well as our position within this industry. Although we believe that our internal market observations are reliable, such estimates are not reviewed or verified by any external sources. In addition, such estimates reflect various assumptions made by us that may or may not prove accurate, as well as the exercise of a substantial degree of judgment by management as to the scope and presentation of such information. No representations or warranties can be made concerning the accuracy of our estimates of market data and the information presented therefrom. These may deviate from market data estimates made by our competitors or future statistics provided by market research institutes or other independent sources. We cannot assure you that our market data estimates, or the assumptions are accurate or correctly reflect the state and development of, or our position in, the industry.

None of the publications, reports or other published industry sources referred to in this offering memorandum were commissioned by us or prepared at our request. We have not sought or obtained the consent of any of these sources to include such market data in this offering memorandum.

Rounding

Certain amounts which appear in this offering memorandum (including percentage amounts) have rounded according to established commercial standards. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

WHERE YOU CAN FIND MORE INFORMATION

Copies of our bylaws, the indenture, as it may be amended or supplemented from time to time, our Audited Annual Financial Statements and Unaudited Financial Statements, and this offering memorandum will be available free of charge at our principal executive offices, as well as at the offices of the Trustee (as defined below). This document contains summaries of certain agreements that we may enter into in connection with the offering of Notes. The descriptions contained of these agreements do not purport to be complete and are subject to, or qualified in their entirety by reference to, the definitive agreements. Copies of the definitive agreements may be obtained on request at no cost by writing or mailing us at the following address: Belgrano 815, Ciudad de Mendoza, Provincia de Mendoza, Argentina, aleal@edemsa.com.

We are also required to furnish periodically certain information in Spanish with the CNV, the BYMA (through the BCBA) and the A3 Mercados such as quarterly and annual reports and notices of material events (*hechos relevantes*). All such reports and notices are available on the CNV website (www.argentina.gob.ar/cnv), the BYMA website (www.byma.com.ar) and the A3 Mercados website (www.a3mercados.com.ar). The documents filed with the CNV, the BYMA and the A3 Mercados are not a part of this offering memorandum and are not incorporated by reference herein. Web addresses named in this section or elsewhere in this offering memorandum and the information therein are not part of this offering memorandum and are not incorporated by reference herein.

SUMMARY

This summary highlights information contained elsewhere in this offering memorandum. This summary may not contain all the information that may be important to you, and we urge you to read this entire offering memorandum carefully, including the "Risk factors" section included elsewhere in this offering memorandum, as well as our Financial Statements, before deciding to invest in the Notes.

Our Company

We are the largest electricity distributor in the Province of Mendoza (the "**Province**") in terms of number of users, energy sold (both in GWh and Pesos), and territory covered. We began operating on August 1, 1998, following the privatization of Energía Mendoza Sociedad del Estado ("**EMSE**"), a state-owned electricity generation, transmission and distribution company of the Province, pursuant to the Provincial Framework Law (as defined below) and the Transformation Law (as defined below).

The Province is the fourth most populous province of the 23 Argentine Provinces, comprising a total area of 148,827 square kilometers and a population of approximately 2.0 million according to the National Census conducted in 2022.

The Province initially granted us with an exclusive 30-year concession (the "**Concession**") until August 1, 2028 (the "**Concession Term**") to distribute electricity over an area comprising approximately 109,908 square kilometers in the western part of the Province (excluding the area supplied by Cooperativa Eléctrica Godoy Cruz and other areas served by Empresa Distribuidora de Electricidad del Este S.A. ("**EDESTESA**")), which includes the departments of the Capital, Las Heras, Guaymallén, Luján, Maipú, Tunuyán, Tupungato, San Carlos, Lavalle (west zone), San Rafael and Malargüe (the "**Concession Area**"). The Concession Area represents approximately 74% of the total area of the Province. In 2023, the Province extended the Concession Term over the Concession Area for an additional 20 years (i.e., until July 31, 2048), in accordance with the transactional agreement signed between the Secretariat of Public Services of the Province (currently the Secretariat of Energy and Mining of the Province, the "**Regulatory Authority**"), in its capacity as application and regulatory authority, and us on January 3, 2023 (the "**Transaction Agreement**"), which was approved by Decree No. 70/23 published in the Official Gazette of the Province on January 31, 2023, and ratified by our unanimous extraordinary general meeting dated February 17, 2023. In addition, the Transaction Agreement regularized certain revenues not received by us in the Third, Fourth and Fifth Tariff Periods, and the Regulatory Authority restricted itself from tendering our class A shares for sale and from making any monetary claim against us in connection with the extension of the Concession Term.



Source: Company filings, ADEER, and INDEC.

The estimated population of our Concession Area as of December 31, 2025 was approximately 1.5 million and includes the City of Mendoza and much of the surrounding metropolitan area. Our distribution network, as of December 31, 2025, comprises approximately 970 kilometers of high-voltage transmission lines, 8,596 kilometers of medium-voltage lines, and 19,433 kilometers of low-voltage lines (including public lighting and connections) with 14,572 substations that transform

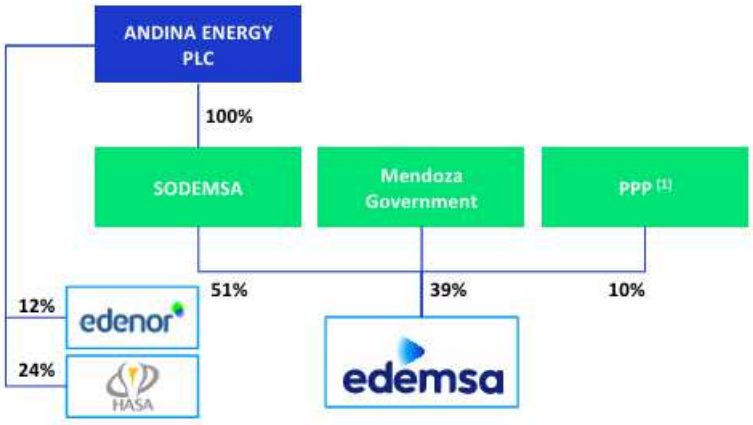
energy into low voltage, 46 HV/MV transformer stations, 25 distribution centers, 595 feeders, and 5 thermal power plants. In addition, as of December 31, 2025, we had 101 power transformers and 15,654 distribution transformers.

In 2023, we amended our bylaws to expand our corporate purpose, allowing us to engage in activities related to renewable energy generation and the development of technologies associated with renewable energy sources.

As of December 31, 2025, we had 778 employees, 92% of whom are covered by various collective bargaining agreements. As of December 31, 2025, we had over 485,500 customers, approximately 82% of which were residential. These customers represent approximately 71% and 3.1% of the electricity users in the Province and Argentina, respectively. Our management considers our residential customers represent a stable and diversified customer base.

We are regulated by the Provincial Government, the EPRE, the ENRE, the SE and CAMMESA. The EPRE has broad regulatory powers in the electricity distribution industry in the Province.

As of the date of this offering memorandum, our share ownership is as follows:



* "PPP" refers to the Participated Ownership Program, which is integrated by employees and former employees of EMSE. For more information, see "*Major Shareholders and Related Party Transactions*" in this offering memorandum.

We are controlled by SODEM S.A. ("**SODEMSA**"). For more information, see "*Major Shareholders and Related Party Transactions*" in this offering memorandum.

Our Concession

According to the Concession Agreement, we have the exclusive right to provide the public service of distribution and commercialization of electricity within our Concession Area for a period of 30 years, which term was extended for another 20 years until July 31, 2048, in accordance with the Transactional Agreement.

The Concession is mainly subject to the Provincial Electric Sector Transformation Law No. 6,498 and the Provincial Electric Regulatory Framework Law No. 6,497 (amended by Law No. 7,543) (the "**Provincial Framework Law**") and to certain provincial decrees, basically Decree No. 1,621/97, Decree No. 196/98 that regulates the Provincial Framework Law, Decree No. 197/98 that regulates the Transformation Law, which created the different companies into which EMSE was divided and Decree No. 2704/08.

The exclusive right to distribute electricity in a geographic area does not include the exclusive right to sell electricity within that area. Certain customers may purchase electricity directly in the spot and term markets. See "*The Argentine Electricity Framework.*" However, if electricity purchased from third parties is delivered using our distribution system, a toll charge applies as a function of transmission services, both in the case where the distributor delivers its own electricity to the customer and in the case where the customer purchases electricity directly from a third party. See "— *Tariff Structure*".

Concession Term

The exclusivity of the Concession may expire or the Concession Area may be modified by the Province prior to the expiration of the Concession Term if technical innovations exist that enable alternative competitive sources of supply at the end of each Management Period (as defined below) or if we fail to satisfy new demand for electricity in circumstances where we are obliged to satisfy it. The total or partial loss of exclusivity would also reduce or terminate our obligation to supply electricity.

Tariff Update

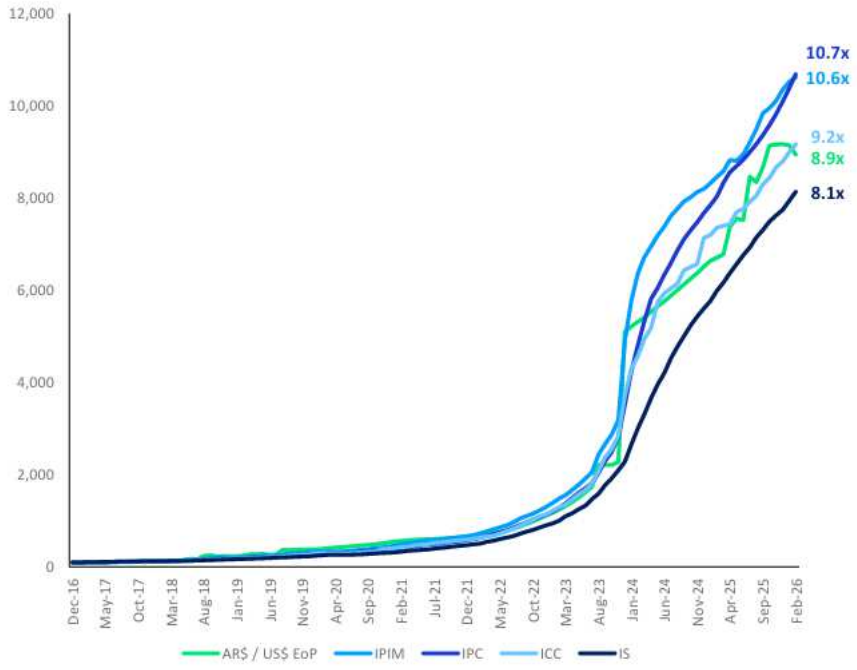
In 2023 and 2024, in addition to extending our Concession for 20 additional years (i.e., through 2048), we were able to regularize our commercial debt with CAMMESA (originating from the purchase of energy, especially during the pandemic) and our fifth year (2023-2028) Tariff Review Process ("**RT**", the former Integral Tariff Revision process (*Revisión Tarifaria Integral*)) was completed, resulting in an updated electricity tariffs schedule that incorporated our increased costs (VAD adjustment) and also sets forth automatic quarterly adjustments to address inflation levels moving forward. As a result, scheduled adjustments for February, May, August, and November 2024 and 2025, as well as February 2026, have been successfully implemented. Most recently, on May 8, 2026, the EPRE issued Resolution No. 100/26, approving the new tariff schedules effective as of May 1, 2026.

The indexes incorporated into the quarterly adjustments have also historically exhibited a relatively strong correlation with peso devaluations.

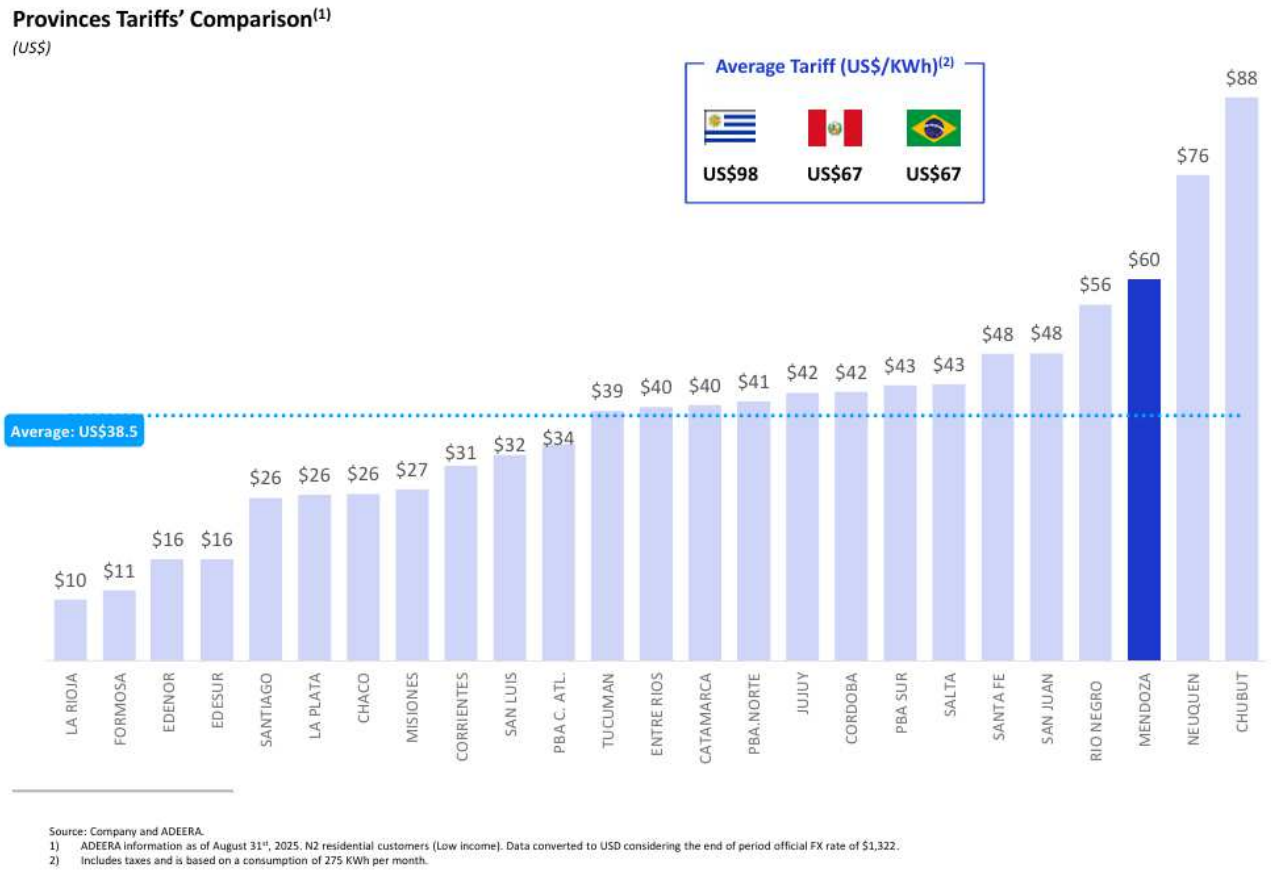
Main Indexes (1)

Index	Overview
IPIM	Índice de Precios Internos al por Mayor – measures wholesale price change, usually used to track inflation from the producers' perspective
IPC	Índice de Precios al Consumidor – measures the variation of price of a basket of goods and services from the consumers' perspective, used to track inflation rate for consumers and as an adjustment index for wages and pensions
ICC	Índice del Costo de la Construcción – measures the variation of costs used to build a standard building in Argentina
IS	Índice de Salarios – measures the evolution of wages across public sector, formal private sector, and informal private workers

Indexes Evolution Across the Years (Dec-16 = 1)



16 Source: BCRA and INDEC. Data up to February 2026.
(1) Not exhaustive



Source: Company and ADEERA.
1) ADEERA information as of August 31st, 2025. N2 residential customers (Low income). Data converted to USD considering the end of period official FX rate of $1,322.
2) Includes taxes and is based on a consumption of 275 KWh per month.

Our Competitive Strengths

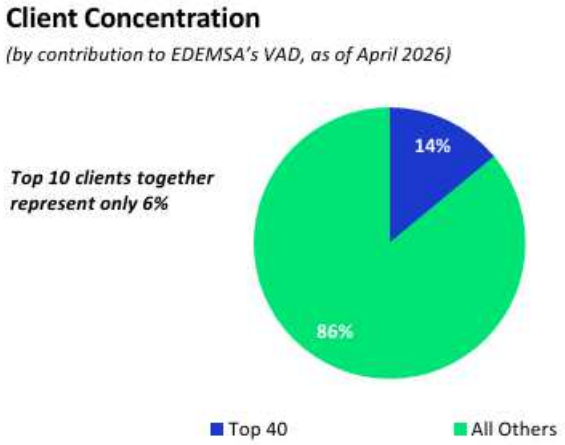
We believe that our main strengths are as follows:

We are the largest electricity distributor in the Province of Mendoza in terms of number of users, energy sold (both in GWh and Pesos) and territory covered in 2025

We are the largest electricity distribution company in the Province of Mendoza and one of the largest in Argentina in terms of number of users and electricity sold (both in GWh and in Pesos) and area covered (74% of the total territory of the Province). As such, the Company benefits from economies of scale with respect to many of its operating expenses, including salaries and employee benefits. The Company also actively participates in industry decision-making bodies and works closely with the local government to address the challenges faced by the energy sector in the Province.

We have an active and diversified customer base in a highly developed area of Argentina

The Company operates exclusively in the western part of the Province of Mendoza (excluding the area supplied by Cooperativa Eléctrica Godoy Cruz and other areas served by EDESTESA), which includes the departments of the Capital, Las Heras, Guaymallén, Luján, Maipú, Tunuyán, Tupungato, San Carlos, Lavalle (west zone), San Rafael and Malargüe, representing approximately 74% of the total area of the Province. The Mendoza urban area (*Gran Mendoza*) is one of the highest populated areas in Argentina. In addition, the Company has a mix of residential, commercial, and industrial users, with residential users representing the predominant segment. By collecting payments directly from customers, we can minimize the risk of late or missed payments, and our top line does not depend on CAMMESA.



The Company has a seasoned and highly experienced management team

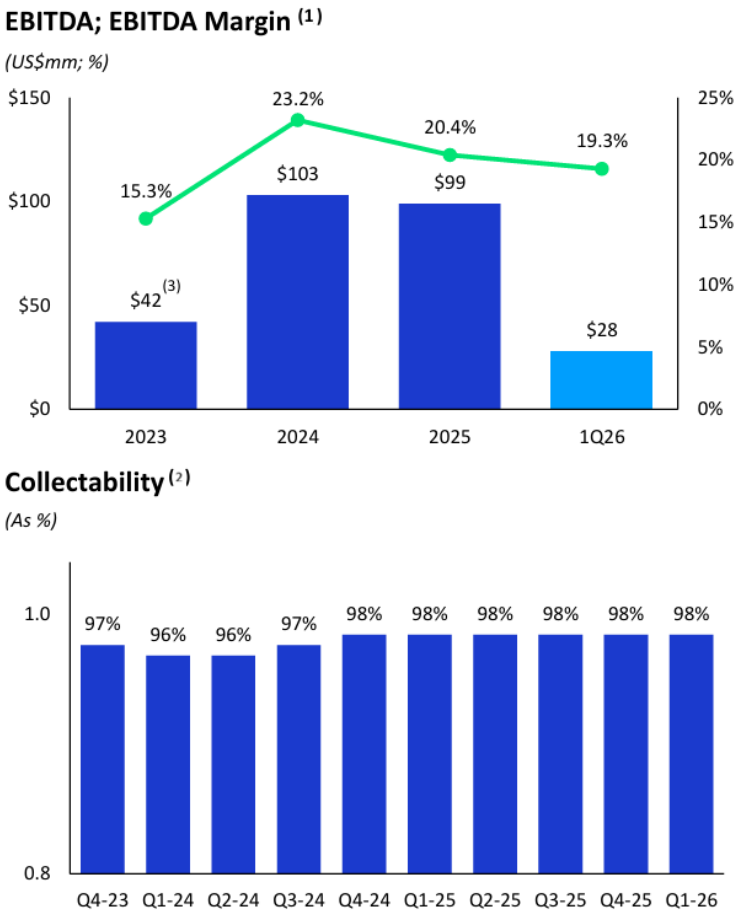
The management team of the Company comprises members of the Board of Directors and the Senior Management. All of them have extensive experience in the electricity industry and in their respective areas of expertise. The Company's Senior Management encourages internal promotion of its personnel and provides training and other opportunities for its employees to continue to grow with the Company.

We have considerable experience in the operation of electric power distribution systems and good indicators of service quality, with optimal levels of operating performance and efficiency

The Company has extensive experience in the operation of electricity distribution systems and has received multiple ISO certifications for its commercial, technical, and administrative processes, including service quality, safety and environmental protection.

Strong capital structure and conservative policies could contribute to timely debt repayments

In terms of financial strengths, the Company has a solid capital structure and conservative policies that we expect will contribute to timely debt repayments.



Note: All figures converted to U.S.$ at the official end of period exchange rate of December 31, 2025, of Ps.1,459.42/U.S.$, and March 31, 2026, of Ps.1,382.76/U.S.$.

(1) EBITDA includes CAMMESA adjustment for U.S.$41 million, a one-time gain recognized in the EBITDA due to its accounting treatment.

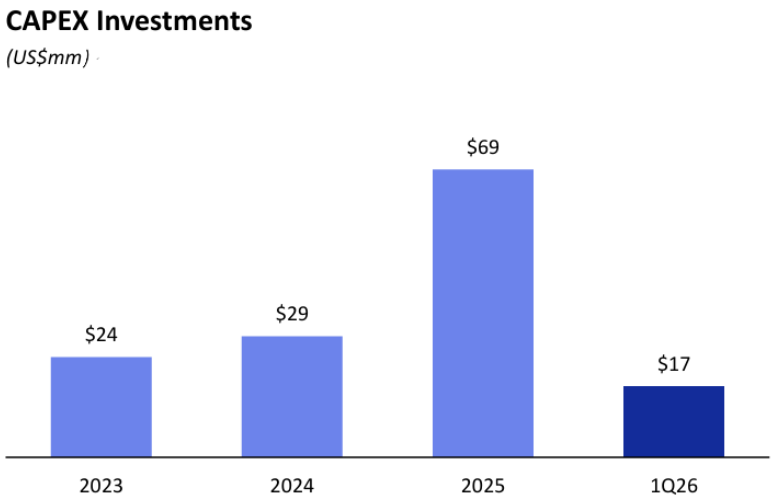
(2) Figures show average collectability days for each quarter, as billing days.

Our Business Strategy

The Company seeks to continue to satisfy the significant demand in its concession area while maximizing its profitability and equity value. The Company aims to accomplish this objective through the following key business strategies:

The Company continues to deliver high-quality service within its Concession area while expanding its reach

The Company aims to continue serving its customers in accordance with the terms and conditions of the Concession, distributing electricity in the concession area with quality levels that meet or exceed those required by the Concession Agreement and the regulatory framework. To this end, it plans to continue allocating a significant portion of its capital investments to the maintenance, extension, and expansion of its network.



Note: All figures converted to U.S.$ at the official end of period exchange rate of December 31, 2025, of Ps.1,459.42/U.S.$, and March 31, 2026, of Ps.1,382.76/U.S.$.

Recent Investments



Focus on increasing its operating efficiency

We seek to allocate significant resources to improve the quality of our technical services and the safety of our public infrastructure with a goal of reducing the number of fines imposed by Argentine regulators in the normal course of business. We manage the Company's resources with efficiency, by maximizing results through the continuous improvement of the processes and quality of the services rendered to our customers, and by strengthening our infrastructure through investments in our network and technology.

Smart and Digitalized Grid

We are continuously working to prepare ourselves to become a smart distributor capable of managing a network that not only delivers energy, but also receives it from users, facilitating the deployment of solar panels and renewable sources of distributed energy. We seek to promote the creation of a "smart and digitalized grid" and to be a vehicle for the transformation of the transportation system and its electrification. We believe that achieving these goals is essential to assist Argentina complying with local renewable energy sourcing requirements and applicable international commitments.

Recent Developments

(i) Recent Developments Relating to Our Indebtedness

In April 2026, we entered into short-term loans with three commercial banks for an aggregate amount of Ps. 40,000 million, allocated as follows:

- **Banco San Juan**: Ps. 15,000 million, disbursed on April 30, 2026, maturing on June 26, 2026, bearing interest at a fixed rate of 30.00% per annum;
- **Banco Credicoop**: Ps. 10,000 million, disbursed on April 29, 2026, maturing on June 29, 2026, bearing interest at a fixed rate of 31.18% per annum; and
- **Banco de la Nación Argentina**: Ps. 15,000 million, disbursed on April 29, 2026 (in 16 separate disbursements aggregating Ps. 15,000 million), maturing on June 29, 2026, bearing interest at a fixed rate of 26.94% per annum.

In May 2026, we fully repaid (i) the Series 1 Notes in the amount of Ps. 61,666 million, and (ii) the Series 5 Notes in the amount of Ps. 13,949 million**.** For further information regarding the Series 1 Notes and the Series 5 Notes, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Debt*".

(ii) Tender Offer and Consent Solicitation in respect of our 2031 Notes

On May 20, 2026, we launched (i) a tender offer (the "**Tender Offer**") to purchase for cash any and all of our outstanding 9.75% Step-up Notes due 2031 (the "**Existing Notes**") issued under the indenture dated July 28, 2025 (the "**Existing Notes Indenture**") entered into by us, The Bank of New York Mellon, as trustee, co-registrar, principal paying agent and transfer agent, and Banco de Valores S.A., as registrar, transfer agent and paying agent in Argentina and representative of the trustee in Argentina, and (ii) a solicitation of consents (the "**Consent Solicitation**" and, together with the Tender Offer, the "**Offer and Solicitation**") from holders of the Existing Notes to certain proposed amendments to the Existing Notes Indenture and the Existing Notes that would, among other things, eliminate most of the restrictive covenants and certain affirmative covenants thereunder (the "**Proposed Amendments**"), in each case pursuant to the terms of, and subject to the conditions set forth in, the offer to purchase and consent solicitation statement, dated as of May 20, 2026 (the "**Offer and Solicitation Statement**"). The adoption of the Proposed Amendments requires the consent of holders of more than 50% of the aggregate outstanding principal amount of the Existing Notes (the "**Requisite Consents**"). The Consent Solicitation was instrumented in accordance with Section 14 of the Negotiable Obligations Law (as amended by Section 151 of the Argentine Productive Financing Law No. 27,440) and any other applicable regulation. The Offer and Solicitation was conditioned, among other things, on (x) obtaining the Requisite Consents to enter into a supplemental indenture giving effect to the Proposed Amendments (y) receiving tenders representing at least 80% of the aggregate outstanding principal amount of the Existing Notes (the "**Minimum Participation Condition**") and (z) the closing of this offering. As of May 20, 2026, the aggregate outstanding principal amount of the Existing Notes outstanding was U.S.$150,000,000.

On June 4, 2026, we announced the early tender results in connection with the Offer and Solicitation. As of 5:00 p.m. (New York City time) on June 3, 2026 (the "**Early Tender Deadline**"), Existing Notes representing U.S.$126,145,000 in aggregate principal amount (84.10% of the outstanding amount) had been validly tendered and accepted for purchase, satisfying both the Minimum Participation Condition and the Requisite Consents threshold under the Existing Notes Indenture. We have elected to exercise our Early Settlement Right (as defined in the Offer and Solicitation Statement) and will, on the early settlement date (expected to occur on June 11, 2026), (i) execute a supplemental indenture giving effect to the Proposed Amendments and (ii) pay the early tender offer consideration of U.S.$1,000 per U.S.$1,000 principal amount of Existing Notes accepted for purchase, plus accrued interest. The Offer and Solicitation will expire at 5:00 p.m. (New York City time) on June 18, 2026, unless extended or earlier terminated.

BofA Securities, Inc., Banco BTG Pactual S.A. – Cayman Branch and UBS Securities LLC are acting as dealer managers in the Offer and Solicitation.

Settlement of the Offer and Solicitation is expected to be subject to the satisfaction of certain conditions, including the settlement of this offering. We are permitted, subject to applicable law, to amend, extend or terminate

the Offer and Solicitation, and there can be no assurance that we will consummate the Offer and Solicitation. This offering memorandum is not an offer to purchase or a solicitation of an offer to sell the Existing Notes, does not constitute a solicitation of consents and does not constitute a redemption notice for the Existing Notes. The Offer and Solicitation is being made pursuant to the Offer and Solicitation Statement, which has been made available to holders of the Existing Notes. Holders of the Existing Notes should read the Offer and Solicitation Statement carefully, as it contains important information regarding the Offer and Solicitation.

General Information

Our principal executive offices are located at Belgrano 815, Ciudad de Mendoza, Provincia de Mendoza, Argentina, and our general telephone number at this location is +54 0261 4497461. Our website is www.edemsa.com. None of the information available on our website will be deemed to be included or incorporated by reference into this offering memorandum.

SUMMARY OF FINANCIAL AND OTHER INFORMATION

The following tables present our selected financial and operating data as of and for each of the periods presented. You should read this information together with our Financial Statements included in this offering memorandum, as well as the information under "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" in this offering memorandum. See "*Presentation of Financial and Third-Party Information—Functional and Presentation Currency*."

Except as otherwise disclosed in this offering memorandum, no material changes in the prospects and in our financial position have occurred since March 31, 2026.

The following tables show, for each of the periods indicated, a summary of our statement of comprehensive income and of our statement of financial position:

Summary of Results

Statement of Comprehensive Income Data
(Pesos in thousands)

	For the fiscal years ended December 31,			For the three months ended March 31,	
	2025	**2024**	**2023**	**2026**	**2025**
	In thousands of $				
- Revenues	708,712,208	648,743,910	402,893,400	198,010,578	232,114,070
- Costs of sales	(470,990,881)	(429,227,532)	(339,743,724)	(129,634,236)	(142,279,712)
Gross profit	**237,721,327**	**219,516,378**	**63,149,676**	**68,376,342**	**89,834,358**
- Selling expenses	(56,650,645)	(48,157,041)	(41,518,302)	(16,679,782)	(14,309,058)
- General and administrative expenses	(65,462,267)	(46,070,277)	(47,282,225)	(20,182,530)	(14,888,305)
- Net impairments of financial assets	(6,298,393)	(4,542,953)	(1,854,390)	(2,307,826)	(1,392,596)
- Other Income and Expenses	9,285,916	6,507,017	8,824,261	1,135,060	1,892,561
Operating income / (loss)	**118,595,938**	**127,253,124**	**(18,680,980)**	**30,341,264**	**61,136,960**
- Financial income, net	35,058,769	29,673,090	92,761,093	1,475,204	11,422,465
- Financial expenses, net	(51,307,773)	(73,552,647)	(64,860,828)	(41,653,852)	(10,435,596)
- Exchange rate difference, net	(11,272,612)	102,896	(401,488)	10,126,013	(395,339)
- Other financial results	-	-	59,377,319	-	-
- Net monetary gain / (loss) (RECPAM)	(4,648,392)	13,454,657	186,953,486	773,325	(668,563)
Income before income tax	**86,425,930**	**96,931,120**	**255,148,602**	**1,061,954**	**61,059,927**
- Income tax	(31,749,631)	(20,053,659)	(106,374,533)	(6,746,414)	(21,989,749)
Net income for the year	**54,676,299**	**76,877,461**	**148,774,069**	**(5,684,460)**	**39,070,178**
Other comprehensive income					

Items that will not be reclassified subsequently to profit or loss for the fiscal year					
- Actuarial Profit / (loss) from defined benefit plans	(144,695)	(1,529,320)	274,462	-	1,128
- Income tax	(104,317)	404,384	(810,781)	-	-
Other comprehensive (loss)/income for the fiscal year net of income tax	**(249,012)**	**(1,124,936)**	**(536,319)**	**-**	**1,128**
Comprehensive income for the fiscal year attributable to the Company's shareholders	**54,427,287**	**75,752,525**	**148,237,750**	**(5,684,460)**	**39,071,306**

Statement of Financial Position
(Pesos in thousands)

	As of December 31,		As of March 31,
	2025	**2024**	**2026**
	In thousands of $		
Asset			
Current assets	**585,533,776**	**368,016,994**	**568,575,543**
Cash and cash equivalents	147,247,719	40,289,227	78,347,674
Financial assets at fair value through profit or loss	129,853,340	149,402,856	158,789,630
Other financial assets at amortized cost	53,340,985	-	63,704,297
Trade receivables	134,047,086	133,999,709	152,403,964
Other receivables	85,424,526	15,230,325	78,378,541
Inventories	35,620,120	29,094,877	36,951,437
Non-current assets	**569,437,273**	**505,387,720**	**632,718,132**
Other receivables	666	876	666
Inventories	8,246,918	6,693,306	8,483,206
Property, plant and equipment	561,189,689	498,693,538	624,234,260
Intangible assets	-	-	-
Total assets	**1,154,971,049**	**873,404,714**	**1,201,293,675**
Shareholders' equity and liabilities			

Shareholders' equity attributable to the Company's shareholders			
Share capital and inflation adjustment of shares capital	88,793,134	88,793,134	97,177,240
Legal Reserve	13,573,907	9,786,280	14,855,588
Voluntary Reserve	227,745,325	155,780,427	249,249,699
Other comprehensive income/(loss)	(249,012)	(1,124,936)	(272,524)
Retained earnings	54,676,299	76,877,461	54,154,532
Total shareholders' equity attributable to the Company's shareholders	**384,539,653**	**330,112,366**	**415,164,535**
Liabilities			
Current liabilities	**335,390,775**	**280,143,397**	**347,746,883**
Trade and other accounts payable	171,404,369	158,501,698	178,298,791
Income tax	31,099,890	43,867,330	34,937,953
Benefit plans	1,251,083	533,158	1,251,083
Other debts	3,116,132	1,882,155	4,394,708
Borrowings	100,693,972	32,696,738	100,695,125
Provisions	27,825,329	42,662,318	28,169,223
Non-current liabilities	**435,040,621**	**263,148,951**	**438,382,257**
Trade and other accounts payable	**393,379**	-	393,379
Benefit plans	7,925,106	7,856,525	8,836,809
Other debts	22,399,665	22,113,380	22,903,223
Borrowings	243,508,011	75,708,527	232,374,746
Provisions	206,557	145,631	200,481
Deferred income tax liabilities	160,607,903	157,324,888	173,673,619
Total liabilities	**770,431,396**	**543,292,348**	**786,129,140**
Total shareholders' equity and liabilities	**1,154,971,049**	**873,404,714**	**1,201,293,675**

Statement of Cash Flow
(Pesos in thousands)

	For the fiscal years ended December 31,			For the three months ended March 31,	
	2025	**2024**	**2023**	**2026**	**2025**
	In thousands of $				
CASH CHANGES					
Cash and cash equivalents at the beginning of the fiscal year / period	40,289,227	(9,407,173)	3,017,631	161,151,276	44,093,453
Financial results generated by cash and cash equivalents	31,488,536	**6,732,192**	-	(3,405,276)	1,930,730
Net increase / (decrease) in cash and cash equivalents	75,469,956	42,964,208	(12,424,804)	(79,398,326)	(7,769,680)
Cash and cash equivalents at fiscal year/period-end	**147,247,719**	**40,289,227**	**(9,407,173)**	**78,347,674**	**38,254,503**
Net income for the year/period before income tax	86,425,930	96,931,120	255,148,602	1,061,954	61,059,927
Financial results accrued and/or considered as financing or investing activity	33,162,484	5,320,516	(63,243,807)	29,894,393	(25,902)
Debt restructuring and other income and expenses	-	-	(63,805,915)	-	-
Net monetary position (loss) – RECPAM	4,648,392	(13,454,657)	(186,953,486)	(773,325)	668,563
Adjustments to arrive at net cash flow from operating activities:					
Depreciation of property, plant and equipment	26,145,365	23,345,711	21,108,136	7,876,361	6,510,269
Provision for lawsuits and other claims	17,700,677	20,991,061	19,811,464	4,575,291	3,876,426
Impairment of non financial assets	6,298,394	4,542,954	1,858,683	2,307,825	1,392,596
Changes in operating assets and liabilities:					
Increase in trade receivables	(40,883,430)	(142,051,035)	(56,181,959)	(21,635,390)	(29,986,415)
(Increase)/Decrease in other receivables	(74,977,145)	(10,293,375)	(22,445,142)	13,014,276	304,533
Increase in inventories	(7,080,133)	(41,827,106)	(22,096,648)	3,492,652	(8,738,943)
Increase in trade payables and other debts	22,649,963	159,448,594	149,130,130	(2,055,116)	3,686,942
Payment of fines and others	(22,210,298)	(11,850,133)	(7,705,331)	(4,237,474)	(6,978,050)
Net cash flow generated from operating activities	**51,880,199**	**91,103,650**	**24,624,727**	**33,521,447**	**31,769,946**
Acquisitions of property, plant and equipment	(100,759,729)	(41,714,273)	(35,215,289)	(23,104,412)	(12,070,813)
Acquisitions of financial assets at fair value and other investment	(54,807,767)	(87,741,509)	(12,297,170)	(65,165,349)	(20,024,320)
Net cash flow applied to investing activities	**(155,567,496)**	**(129,455,782)**	**(47,512,459)**	**(88,269,761)**	**(32,095,133)**
Borrowings payments	(35,700,470)	(9,548,354)	(32,147,170)	(91,249)	(74,288)
Payment of interest	(20,292,861)	(8,691,538)	(9,427,460)	(15,482,431)	(4,045,125)
Collection from borrowings obtained	263,194,949	109,832,587	47,505,812	-	-

Net cash flow generated from financing activities	**207,201,618**	**91,592,695**	**5,931,182**	**(15,573,680)**	**(4,119,413)**
Inflation adjustment on cash and cash equivalent (loss) /gain	(28,044,365)	(10,276,355)	4,531,746	(9,076,332)	(3,325,080)
Net increase / (decrease) in cash and cash equivalents	**75,469,956**	**42,964,208**	**(12,424,804)**	**(79,398,326)**	**(7,769,680)**

	For the fiscal years ended December 31,			**For the three months ended March 31,**	
	2025	**2024**	**2023**	**2026**	**2025**
Non-cash transactions	**In thousands of $**				
Transfer of inventories to property, plant and equipment	**12,118,213**	**6,480,690**	**7,194,486**	**5,172,641**	**1,958,270**

SUMMARY OF THE OFFERING

Issuer	Empresa Distribuidora de Electricidad de Mendoza S.A., a stock corporation (*sociedad anónima*) organized under Argentine law.
Notes Offered	U.S.$300,000,000 aggregate principal amount of 9.750% Notes due 2033.
Specified Currency of Settlement and Payments	U.S. dollars. To the extent current foreign exchange regulations remain in place in Argentina, none of the payments to be made in connection with the Notes will be made through the Argentine foreign exchange market.
Notes Issue Date	June 11, 2026 (the "**Issue Date**").
Maturity Date	June 11, 2033 (the "**Maturity Date**").
Interest Rate	9.750% per annum.
Interest Payment Dates	Interest on the Notes will be payable semi-annually, in cash, in arrears on June 11 and December 11 of each year commencing on December 11, 2026 until the principal of the Notes is redeemed or repaid in full.
Payment of Principal Amounts	The principal amount of the Notes will be paid in installments, on the dates, and in the percentages of the original principal amount of the Notes set forth below:

33.33%	June 11, 2031
33.33%	June 11, 2032
33.34%*	June 11, 2033

* For the avoidance of doubt, final principal amount payment will be for the remaining principal amount.

Record Dates	The date immediately preceding an Interest Payment Date (whether or not a business day).
Day Count Basis	Interest will be calculated on the basis of a 360-day year consisting of twelve 30-day months.
Status and Ranking	The Notes will qualify as "*obligaciones negociables simples no convertibles en acciones*" under the Negotiable Obligations Law. The Notes will constitute our direct, unconditional, unsecured and unsubordinated obligations and will rank at all times at least *pari passu* in right of payment with all of our other existing and future unsecured and unsubordinated indebtedness (other than obligations preferred by statute or by operation of law, including, without limitation, tax and labor related claims). The Notes will be subordinated to all of our existing and future secured obligations to the extent of the value of the assets securing such obligations, and to all of the existing and future obligations of our subsidiaries.

Redemption for Taxation Reasons ..... We may redeem the Notes at our option in whole, but not in part, at a price equal to 100% of the outstanding principal amount thereof, together with any accrued but unpaid interest and any Additional Amounts to the redemption date, upon the occurrence of certain Argentine tax events; *provided* that, if at the time of the redemption any principal amount has already been paid, then the price shall apply to the outstanding principal amount thereof. See "*Description of the Notes—Redemption and Repurchase—Redemption for Taxation Reasons*."

Optional Redemption..... At any time on or after June 11, 2028 and prior to maturity, upon not less than 30 nor more than 60 days' notice to the Trustee, Edemsa may redeem all or part of the Notes. These redemptions will be in amounts of U.S.$10,000 or integral multiples of U.S.$1,000 in excess thereof at the following redemption prices (expressed as percentages of their principal amount) plus, in each case, accrued and unpaid interest and Additional Amounts, if any, to the redemption date, if redeemed during the 12 month period commencing on June 11 of the years set forth below. This redemption is subject to the right of holders of record on the relevant regular Record Date that is prior to the redemption date to receive interest due on an Interest Payment Date. If at the time of these redemptions any principal amount has already been paid, then the below percentages shall apply to the outstanding principal amount thereof.

Year	Redemption Price
2028	104.875%
2029	102.438%
2030 and thereafter	100%

See "*Description of the Notes—Optional Redemption*."

Change of Control Offer..... Upon the occurrence of a Change of Control Repurchase Event, the holders of the Notes may require us to repurchase all or any part of such Notes at a purchase price in cash equal to 101% of the aggregate principal amount of such Notes to be repurchased plus accrued and unpaid interest and Additional Amounts, if any, to the date of purchase; *provided* that, if at the time of such repurchase any principal amount has already been paid, then the purchase price shall apply to the outstanding principal amount thereof. See "*Description of the Notes—Repurchase at the Option of Holders Upon a Change of Control Repurchase Event*."

Certain Covenants ..... The indenture contains covenants that will, among other things, limit our ability to:

- incur additional indebtedness;
- make restricted payments;
- incur or permit to exist certain liens;
- enter into certain transactions with affiliates; and
- merge, consolidate, sell and convey all or substantially all of our assets.

These covenants are subject to a number of important qualifications and exceptions. For more information, see "*Description of the Notes—Covenants*."

Events of Default	Upon the occurrence of an Event of Default, the Notes may, and in certain cases shall, become immediately due and payable. See "*Description of the Notes—Events of Default*."
Withholding Taxes; Additional Amounts	We will make our payments in respect of the Notes without withholding or deduction for any Taxes imposed by Argentina, or any political subdivision or any taxing authority thereof, except as required by applicable law. In the event that such withholdings or deductions are required by law, we will, subject to certain exceptions, pay such Additional Amounts (as defined herein) as are necessary to ensure that the holders receive the same amount as the holders would otherwise have received in respect of payments on the Notes in the absence of such withholdings or deductions. See "*Description of the Notes—Additional Amounts.*"
Additional Notes	We may from time to time, without the consent of the holders of the Notes, subject to the limitations on Incurrence of Indebtedness and other provisions of the Indenture, create and issue additional Notes (the "**Additional Notes**") having terms and conditions the same as those of the Notes offered hereby (or in all respects except with respect to the date of issuance and the initial issuance price); provided that any Additional Notes shall be issued under a separate CUSIP or ISIN number unless the Additional Notes are issued pursuant to a "qualified reopening" of the original series, are otherwise treated as part of the same "issue" of debt instruments as the original series or are issued with less than a *de minimis* amount of original issue discount ("**OID**"), in each case for U.S. federal income tax purposes. The Notes offered hereby and any Additional Notes would be treated as a single class for all purposes under the indenture, including with respect to redemptions, and will vote together as one class on all matters with respect to the Notes.
Tender Offer and Consent Solicitation	Concurrently with this offering, we launched the Offer and Solicitation to (i) purchase for cash any and all of our Existing Notes issued under the Existing Notes Indenture and (ii) solicit consents from holders of the Existing Notes to the Proposed Amendments, in each case pursuant to the terms of, and subject to the conditions set forth in, the Offer and Solicitation Statement. The Consent Solicitation will be instrumented in accordance with Section 14 of the Negotiable Obligations Law (as amended by Section 151 of the Argentine Productive Financing Law No. 27,440) and any other applicable regulation. As of the date of this offering memorandum, the aggregate outstanding principal amount of the Existing Notes was U.S.$150,000,000. This offering memorandum is not an offer to purchase or a solicitation of an offer to sell the Existing Notes, does not constitute a solicitation of consents and does not constitute a notice of redemption of the Existing Notes. BofA Securities, Inc., Banco BTG Pactual S.A. – Cayman Branch and UBS Securities LLC are acting as dealer managers in the Offer and Solicitation.
Subscription with MEP under the Local Offering	Of the aggregate principal amount of Notes, U.S.$100,000,000 have been subscribed in the Local Offering with U.S. Dollars deposited in bank accounts held in financial institutions in Argentina (commonly known as "**MEP**"). See "*Plan of Distribution–Local Offering–MEP*

	Local Offering."
Use of Proceeds.....	We will allocate an amount equal to the net proceeds from the sale of the Notes offered hereby, which will be approximately U.S.$275,037,000 (after deducting fees and expenses), in compliance with the requirements of Article 36 of the Negotiable Obligations Law for (1) repayment and/or refinancing of indebtedness (including, but not limited to, the repayment of the Existing Notes pursuant to the Offer and Solicitation, subject to the terms thereof); and (2) investments in projects and fixed assets located in Argentina. This allocation shall be dedicated to activities aligned with our corporate purpose, including investments in renewable energy and energy storage. Pending such uses, the net proceeds from the sale of the Notes may be invested in short-term temporary investments, including (without limitation) high-quality marketable securities, fixed-term deposits and money market instruments. See "*Use of Proceeds.*"
Transfer Restrictions.....	We have not registered the Notes under the Securities Act. The Notes are subject to restrictions on transfer and may only be offered in transactions exempt from or not subject to the registration requirements of the Securities Act. See "*Transfer Restrictions*."
Listing.....	Application has been made to list the Notes on the LuxSE, admitted to trading on the Euro MTF market, on the BYMA through the BCBA acting in accordance with the authority delegated by the BYMA to the BCBA, and admitted to trading on the A3 Mercados. No assurances can be given that such listings will be maintained.
Form and Denomination.....	The Notes have been issued in the form of one or more Global Notes, without coupons, registered in the name of a nominee of DTC, as depositary, for the accounts of its direct and indirect participants, including Euroclear and Clearstream. The Notes have been issued in minimum denominations of U.S.$10,000 and integral multiples of U.S.$ 1,000 in excess thereof. See "*Description of the Notes—The Clearing Systems*."
Global Coordinators and Joint Lead Book-Runners.....	BofA Securities, Inc. and UBS Securities LLC
Joint Lead Book-Runner.....	Banco BTG Pactual S.A. – Cayman Branch
Local Placement Agents.....	Balanz Capital Valores S.A.U., Global Valores S.A. and Banco Mariva S.A.
Local Settlement Agent.....	Global Valores S.A. is expected to coordinate the settlement of the Notes paid for with MEP under the Local Offering. See "*Plan of Distribution–Local Offering–MEP Local Offering*."
Governing Law.....	The indenture and the Notes will be governed by the laws of the State of New York; *provided* that all matters relating to the due authorization, execution, issuance and delivery of the Notes by us, all

	matters relating to the legal requirements necessary in order for the Notes to qualify as "*obligaciones negociables*" under Argentine law, and certain matters related to holders meetings, including quorums, majorities, and requirements for convocation, shall be governed by the Negotiable Obligations Law, the Argentine General Companies Law No. 19,550, as amended, and/or other applicable Argentine laws and regulations.
Legal Entity Identifier	254900L7KLS0HQJ56Y35
CUSIP/ISIN/Common Codes	CUSIP: Regulation S: P37213AH1 / Rule 144A: 29245HAH9 ISIN: Regulation S: USP37213AH17 / Rule 144A: US29245HAH93 Common Codes: Regulation S: 340882598 / Rule 144A: 340882628
Trustee, Co-Registrar, Principal Paying Agent and Transfer Agent.....	The Bank of New York Mellon.
Registrar, Transfer and Paying Agent in Argentina and Representative of the Trustee in Argentina.....	Banco de Valores S.A.
Risk Factors.....	You should carefully consider all of the information in this offering memorandum. See "*Risk Factors*" in this offering memorandum for a description of the certain significant risks in connection with an investment in the Notes.

RISK FACTORS

You should carefully consider the risks described below, as well as the other information in this offering memorandum, before making an investment decision. Our business, financial condition and results of operations could be materially and adversely affected by any of these risks. The trading price of the Notes could decline due to any of these risks, and you may lose all or part of your investment. The risks described below are those known to us as of the date of this offering memorandum and that we currently believe may materially affect us or investors in the Notes. However, such risks may not be the only ones that we could face. Additional risks not presently known to us or that we currently consider immaterial may also impair our business operations.

Risks relating to Argentina

Our business is largely dependent on economic and political conditions in Argentina.

We are a stock corporation (*sociedad anónima*) incorporated under the laws of the Republic of Argentina and all of our operations and units are located in Argentina. Accordingly, our financial condition and results of operations depend to a significant extent on macroeconomic, regulatory, political and financial conditions prevailing in Argentina, including growth rates, inflation rates, currency exchange rates, taxes, interest rates, and other local, regional and international events and conditions that may affect Argentina in any manner. For example, a slowdown in economic growth or economic recession could lead to decreased demand for electricity in our concession area or a decline in the purchasing power of our users, which, in turn, could lead to a decrease in collection rates from our users or increased energy losses due to illegal use of our service. Several factors have impacted the Argentine economy in the recent past, and may continue to impact it in the future, including, among others, inflation rates, exchange rates, commodity prices, public debt, availability of IMF assistance, amendments to the tax regime and policies on trade and fiscal balances.

Our activity is highly regulated and subject to uncertainties due to political and economic factors, changes in legislation, termination and modification of contractual rights, control of prices and currency fluctuations, among others.

We cannot assure that the Argentine Government will not adopt policies that could adversely affect the Argentine economy or our business, financial condition or results of operations. In addition, we cannot assure you that future economic, regulatory, social and political developments in Argentina will not impair our business, financial condition or results of operations, or cause the market value of the Notes to decline.

A global or regional financial crisis, unfavorable credit and market conditions may negatively affect our liquidity, users, business, and results of operations

The effects of a global or regional financial crisis and related turmoil in the global financial system may have a negative impact on our business, ability to access credit and the international capital markets, financial condition and results of operations, which is likely to be more severe in an emerging market economy, such as Argentina. See "*—Argentina's ability to obtain financing from international markets could be limited, which may impair its ability to implement reforms and foster economic growth and, consequently, affect our business, results of our operations and growth prospects.*"

Global economic and financial crises negatively affect emerging economies like Argentina's. Additionally, abrupt changes in monetary and fiscal policies or foreign exchange regimes could rapidly affect local economic output, while lack of appropriate levels of investment in certain economy sectors could reduce long-term growth. Access to the international financial markets could be limited. Consequently, an increase in public spending not correlated with an increase in public revenues could affect Argentina's fiscal results and generate uncertainties that might affect the economy's growth levels.

In recent years, several trading partners of Argentina (such as Brazil, Europe and China) have experienced significant slowdowns or recession periods in their economies. While the vast majority of economies recovered during 2021 and 2022 after the global COVID-19 pandemic, if such slowdowns or recessions were to recur, this may impact

the demand for products coming from Argentina and hence affect its economy. Additionally, there is uncertainty as to how the trade relationship between the Mercosur member States will unfold, in particular between Argentina and Brazil. We cannot predict the effect on the Argentine economy and our operations of trade disputes that may arise between Argentina and Brazil, or in case either country decided to exit the Mercosur or undertake negotiations for free trade agreements with third nations aside from Mercosur.

In addition, the global macroeconomic environment faces various challenges. There is considerable uncertainty over the long-term effects of the monetary and fiscal policies adopted by the central banks and financial authorities of some of the world's leading economies, including the United States, Europe and China. Some of these monetary measures negatively impacted financial markets during 2025.

Since October 2023, an armed conflict between Israel and Hamas-led Palestinian militant groups has taken place primarily in and around the Gaza Strip, with clashes spilling over into the West Bank and the Israel-Lebanon border. In October 2025, Israel and Hamas reached a ceasefire agreement as part of a broader international peace plan; however, the durability of the ceasefire remains uncertain, with claims of breaches having been made. The United Nations has reinstated sanctions on Iran over its nuclear program, and the United States has intensified a pressure campaign including sanctions targeting entities linked to the financing of Hamas and Hezbollah.

In late February 2026, a major regional conflict erupted after the United States and Israel launched large-scale airstrikes against Iran, targeting military, government, and nuclear-related infrastructure; Iran responded with widespread missile and drone attacks against Israel, U.S. bases, and several Gulf countries, drawing in regional actors and disrupting airspace, energy infrastructure, and civilian life across the Middle East. Iran also closed the Strait of Hormuz to international shipping, a critical maritime chokepoint for global oil and gas trade. Although the United States and Iran agreed to a temporary ceasefire on April 8, 2026, mediated by Pakistan, subsequent diplomatic efforts failed and the United States imposed a naval blockade on Iranian ports on April 13, 2026, which has continued to disrupt global oil and gas markets and global supply chains. These developments have caused significant casualties, displacement and market volatility, and have prompted intense international diplomatic efforts aimed at preventing further escalation. The persistence or escalation of these conditions could increase uncertainty in international markets and contribute to volatility in global financial conditions, which in turn could adversely affect the Argentine economy and our business.

There have been concerns about unrest and terrorist threats in the Middle East, Europe and Africa and over the conflicts involving Iran, Ukraine, Russia, Syria and North Korea. There have also been concerns regarding the relationship among China and other Asian countries, which could lead to or exacerbate potential conflicts in relation to territorial disputes, and the possibility of an economic conflict between the United States and China, which began in 2018. An escalation of the conflict could cause disruption, volatility and instability in the global markets and a disruption in oil prices, and in turn in the Argentine economy and, consequently, on our business, financial condition or results of operations.

The effects of an economic crisis on our users and on us cannot be predicted. Weak global and local economic conditions, together with increased international tension and oil & gas constraints, could lead to reduced demand or lower prices for energy, hydrocarbons and related oil products and petrochemicals, which could have a negative effect on our revenues. Economic factors such as unemployment, inflation and the unavailability of credit could also have a material adverse effect on the demand for energy and, therefore, on our business, financial condition and results of operations. The financial and economic situation in Argentina or in other countries in Latin America, such as Brazil, may also have a negative impact on us and third parties with whom we do, or may do, business.

Changes in U.S. trade and other policies under the current U.S. administration may adversely impact our business, financial condition, and results of operations

Changes in U.S. trade policy, including the tariff measures promoted by President Donald Trump, have increased uncertainty in global trade and financial markets. Since 2025, the United States has implemented or proposed broad tariff increases on imports from numerous trading partners, in some cases ranging from 10% to over 40%, as part of a protectionist strategy aimed at reducing trade deficits and addressing perceived unfair trade practices. These measures have contributed to heightened trade tensions and have prompted retaliatory actions or negotiations with several countries.

In addition, recent legal and policy developments—including a U.S. Supreme Court ruling limiting certain tariff authorities and subsequent efforts by the administration to introduce new tariffs under alternative legal frameworks—have added further uncertainty regarding the future direction of U.S. trade policy.

Such developments may disrupt global supply chains, increase the cost of imported goods, and contribute to volatility in international markets and economic activity.

Likewise, these evolving trade measures could increase the cost of critical electricity distribution infrastructure and equipment, particularly for companies like us that rely on imports for infrastructure expansion and maintenance.

We offer a range of services associated with electricity distribution. We are dependent on imported equipment to provide many of these services. Given our reliance on imported equipment, changes in U.S. trade policies that cause disruption in the international market may materially adversely impact our costs and ability to import such equipment. For example, if our access to key suppliers or technology is restricted, or if our customers face economic constraints due to increased costs of goods and services resulting from international tariffs, trade restrictions, or changes in U.S. or foreign government regulations, our financial condition and results of operations could be materially and adversely affected.

In addition, to the extent that changes in the political environment due to the imposition of tariffs or other measures negatively impact us or the markets in which we operate, our business, financial condition, and results of operations could be materially and adversely affected. Given the expanding scope of trade restrictions and the uncertainty surrounding future policies of the Trump administration, we can provide no assurances regarding the full extent of any potential impact on our operations. To the extent that changes in the political or regulatory environment due to the imposition of tariffs or other measures negatively impact us or the markets in which we operate, our business, financial condition, and results of operations could be materially and adversely affected.

The Argentine economy remains vulnerable and any significant decline may adversely affect our business, results of operations, and financial condition

The Argentine economy has experienced significant volatility in recent decades, characterized by periods of low or negative growth, high levels of inflation and currency depreciation. Sustainable economic growth in Argentina depends on a variety of factors including the international demand for Argentine exports, the stability and competitiveness of the Peso against foreign currencies, confidence among consumers and foreign and domestic investors and a stable rate of inflation, national employment levels and the circumstances of Argentina's regional trade partners. The Argentine macroeconomic environment, in which we operate, remains vulnerable, as reflected by the following economic conditions:

- according to the data published by the INDEC in 2026, for the year ended December 31, 2025, Argentina's real GDP increased by 4.4% compared to the same period in 2024;
- inflation remains high (31.5% during 2025 as reported by the INDEC in January 2026) and may continue at those levels in the future, while regulated electricity tariffs may lag behind;
- investment as a percentage of GDP remains low to sustain the growth rate of the past decades;
- protests or strikes may adversely affect the stability of the political, social and economic environment and may negatively impact the global financial market's confidence in the Argentine economy;
- energy or natural gas supply by generators may not be sufficient to supply increased industrial activity (thereby limiting industrial development) and consumption, mostly at peak demand such as in the winter season;
- unemployment and informal employment remain high, which could have a bearing on energy theft levels potentially impacting our results and operations; and

- the Argentine Government's economic expectations may not be met and the process of restoring the confidence in the Argentine economy may take longer than anticipated.

As in the recent past, Argentina's economy may be adversely affected if political and social pressures inhibit the implementation by the Argentine Government of policies designed to control inflation, generate growth and enhance consumer and investor confidence, or if policies implemented by the Argentine Government that are designed to achieve these goals are not successful. These events could materially affect our financial condition and results of operations, or cause the market value of the Notes to decline.

The Peso has been subject to significant depreciation against the U.S. dollar in the past and may be subject to fluctuations in the future. We cannot predict whether and to what extent the value of the Peso could depreciate or appreciate against the U.S. Dollar and the way in which any such fluctuations could affect our business. The value of the Peso compared to other currencies is dependent, in addition to other factors listed above, on the level of international reserves maintained by the Central Bank, which has also shown significant fluctuations in recent years. As of December 31, 2025, the international reserves of the BCRA totaled U.S.$41,167 million. According to the exchange rate information published by Banco Nación, the Peso depreciated in real terms by 30% against the U.S. Dollar during the year ended December 31, 2025.

Current Argentine exchange controls and the implementation of further exchange controls could adversely affect our results of operations.

In April 2025, the Argentine Government and the BCRA have implemented a series of measures aimed at gradually lifting foreign exchange controls. Since April 2025, individuals are permitted to access the foreign exchange market for savings and investment purposes without the previous monthly limit of U.S.$ 200. However, cash purchases are limited to U.S.$ 100 per month, and a 30% surcharge remains on card purchases and tourism-related payments. Restrictions on the payment of dividends from new profits reported in financial statements from 2025 onwards have been lifted. Additionally, the "dollar blend" mechanism and the 30-day waiting period for accessing foreign currency for payments of final goods and services imports have been eliminated. Restrictions on imports of capital goods have also been relaxed.

Furthermore, effective April 21, 2025, the Central Bank introduced significant regulatory changes. Prior approval is no longer required for the payment of principal on financial debts with affiliates, provided that the debt has an average life of at least 180 days and the funds are settled through the foreign exchange market from April 21,2025. Repatriation of direct investments by non-residents in companies (excluding controlling companies of local financial entities) is exempt from prior approval, given that the capital contribution is settled through the foreign exchange market from April 21, 2025, and the repatriation occurs at least 180 days after settlement. Similarly, repatriation by non-residents of capital services, income, and proceeds from the sale of portfolio investments in locally listed instruments is also exempt, provided that the investment was made with funds entered and settled in the local foreign exchange market from April 21, 2025, and a 180-day waiting period after the investment has elapsed.

In addition, during the second half of 2025, the Central Bank implemented further measures aimed at easing access to the foreign exchange market and simplifying certain requirements applicable to cross-border transactions, including additional flexibilization of conditions for the repayment of financial indebtedness and the distribution of dividends. Notwithstanding these developments, certain restrictions and regulatory requirements remain in place, and there can be no assurance that additional restrictions will not be introduced in the future.

Despite these recent changes, exchange controls remain largely in place, and a detailed plan and estimated timeline for their complete removal have not been disclosed. Given the unpredictable nature of political and economic events, there is no assurance that the Central Bank will lift further exchange controls in the near future, refrain from modifying current regulations, or avoid reinstating past restrictions, including mandatory refinancing plans related to our foreign currency-denominated indebtedness. The possibility exists that more severe restrictions on currency exchange could be established, or multiple exchange rates could be created for different types of transactions, substantially modifying the applicable exchange rate at which we acquire currency to service our outstanding liabilities denominated in currencies other than the Argentine Peso. Such measures could affect our ability to comply with our financial obligations when due, raise capital, refinance our debt at maturity, and/or undermine our ability to make

interest and principal payments on the Notes.

In the event of a crisis and political, economic, and social instability in Argentina, resulting in a significant economic contraction, there is a possibility of radical changes to the current government's economic, exchange, and financial policies. These changes may be implemented with the aim of preserving the balance of payments, BCRA foreign exchange reserves, preventing capital flight, or a significant depreciation of the Argentine Peso. Potential changes could include the mandatory conversion of foreign currency-denominated obligations of legal entities resident in Argentina to Argentine Pesos. The implementation of such restrictive measures, in addition to external factors that are beyond the Company's control, may have a significant impact on its capacity to make payments in foreign currency.

We cannot predict whether, and to what extent, the value of the Peso may depreciate or appreciate against the U.S. Dollar or other foreign currencies, and how these uncertainties will affect the demand for electricity. Furthermore, no assurance can be given that, in the future, no additional currency or foreign exchange restrictions or controls will be imposed. Existing and future measures may negatively affect Argentina's international competitiveness, discouraging foreign investments and lending by foreign investors or increasing foreign capital outflow which could have an adverse effect on economic activity in Argentina, and which in turn could adversely affect our business and results of operations. We cannot predict how these conditions will affect the demand for services provided by Edemsa or our ability to meet our liabilities denominated in currencies other than the Peso, including our Notes. Any restrictions on transferring funds abroad imposed by the Government could undermine our ability to pay dividends on our ADSs or make payments (of principal or interest) under our outstanding indebtedness in U.S. Dollars, as well as to comply with any other obligation denominated in foreign currency.

Intervention and future policies of the Argentine Government may affect the economy as well as the operations of the energy distribution industry, including Edemsa

The Argentine Government has historically exerted significant influence over the economy, and our Company operates in a highly regulated environment. The Argentine Government may enact numerous, far-reaching regulations affecting the economy and electricity companies in particular.

Companies operating in Argentina may face the risk of strikes, expropriation, nationalization, mandatory reformation of existing contracts, and changes in tax laws, including tax increases and retroactive tax claims. Likewise, recent changes in Argentina's labor regulatory framework may affect employment conditions and the broader business environment. On February 27, 2026, the Argentine Congress approved the Labor Modernization Law (*Ley de Modernización Laboral*) No. 27,802, aimed at modernizing labor regulations and encouraging formal employment. The law was promulgated by Decree No. 137/2026 and published in the Official Gazette on March 6, 2026. The reform introduces several modifications to the existing labor regime, including changes to severance calculations, greater flexibility in hiring arrangements, adjustments to vacation and working-time rules (including the possibility of extending daily working hours to up to 12 hours by written agreement and the creation of an "hours bank" mechanism), and measures intended to reduce labor litigation and employment costs for employers. While the government has presented these measures as part of a broader effort to stimulate investment and reduce informality in the labor market, the reform has generated political, social and legal debate, and its ultimate economic impact and implementation remain uncertain. In particular, on March 30, 2026, the National Labor Court No. 63 issued an injunction suspending the application of 82 articles of Law No. 27,802 in a class action filed by the *Confederación General del Trabajo* (the main Argentine labor union confederation, or "CGT"). On April 23, 2026, however, Chamber VIII of the National Labor Court of Appeals granted suspensive effect to the National Government's appeal, restoring the full effectiveness of Law No. 27,802 while the judicial review continues. The ultimate scope and enforceability of the reform remain subject to ongoing judicial review.

Since we operate in a context in which the governing law and applicable regulations change frequently, also as a result of changes in government administrations, it is difficult to predict if and how our activities will be affected by such changes.

We cannot assure you that future legal reforms and/or economic, regulatory, social and political developments in Argentina will not adversely affect our business, financial condition or results of operations, or cause the decrease of the market value of our securities.

If the high levels of inflation continue, the Argentine economy and our results of operations could be adversely affected

Historically, inflation has materially undermined the Argentine economy and the Argentine Government's ability to create conditions for economic growth. In recent years, Argentina has confronted inflationary pressures, evidenced by significantly higher fuel, energy and food prices, among other factors. Please see the following inflation registered during the last months:

Year	Month	Inflation MoM (%)	Inflation YoY (%)
2025	January	2.21%	84.54%
	February	2.40%	66.87%
	March	3.73%	55.93%
	April	2.78%	47.26%
	May	1.50%	43.48%
	June	1.62%	39.42%
	July	1.90%	36.57%
	August	1.88%	33.56%
	September	2.08%	31.76%
	October	2.34%	31.31%
	November	2.47%	31.37%
	December	2.85%	31.55%
2026	January	2.90%	32.41%
	February	2.90%	33.05%
	March	3.40%	32.60%
	April	2.60%	32.40%
	May	2.10%	33.20%

According to data published by INDEC, Consumer Price Index ("**CPI**") rates were 3.4%, 2.9% and 2.9% for March, February and January 2026, while for 2025, 2024, and 2023 were 31.5%, 117.8%, and 211.4% respectively. Despite the decline recorded in inflation rates in recent months, the Argentine Government's adjustments to electricity and gas tariffs, as well as the increase in the price of gasoline have affected prices, creating additional inflationary pressure. If the value of the Peso cannot be stabilized through fiscal and monetary policies, an increase in inflation rates could be expected.

A high inflation rate environment affects Argentina's foreign competitiveness by diluting the effects of the Peso depreciation, negatively impacting employment and the level of economic activity and undermining confidence in Argentina's banking system, which may further limit the availability of domestic and international credit to businesses. In this sense, a slowdown in economic growth or economic recession could lead to a decreased demand for electricity in our concession area or a decline in the purchasing power of our users, which, in turn, could lead to a decrease in collection rates from our users or increased energy losses due to illegal use of our service.

In turn, a portion of the Argentine debt continues to be adjusted by the Stabilization Coefficient (*Coeficiente de Estabilización de Referencia*, or "**CER**"), a currency index, that is strongly correlated with inflation. Therefore, any significant increase in inflation would cause an increase in the Argentine external debt and consequently in Argentina's financial obligations, which could exacerbate the stress on the Argentine economy. The efforts undertaken by the Argentine Government to reduce inflation have not achieved the desired results so far. A continuing inflationary environment could undermine our results of operations, adversely affect our ability to finance the working capital

needs of our businesses on favorable terms, and adversely affect our results of operations and cause the market value of the Notes to decline.

There is uncertainty regarding the effectiveness of the policies implemented by the Argentine Government to reduce and control inflation and the potential impact of those policies. Despite the Argentine Government's ongoing efforts to curb and reduce inflation, projections indicate an upward trend in the coming months. An increase in inflation may adversely affect the Argentine economy, which in turn may have a negative impact on our financial condition and own results of operations.

The Peso currently qualifies as a currency of a hyperinflationary economy and we are required to restate our historical financial statements in accordance with IFRS, in terms of the measuring unit current at the end of the reporting year, which could adversely affect our results of operations and financial condition

The Peso currently qualifies as a currency of a hyperinflationary economy and we are required to restate our historical financial statements by applying inflationary adjustments to our financial statements.

Pursuant to IAS 29 "Financial Reporting in Hyperinflationary Economies", the financial statements of entities whose functional currency is that of a hyperinflationary economy must be restated for the effects of changes in a suitable general price index. IAS 29 does not prescribe when hyperinflation arises but includes several characteristics of hyperinflation. The IASB does not identify specific hyperinflationary jurisdictions. However, in June 2018, the International Practices Task Force of the Centre for Quality ("**IPTF**"), which monitors "highly inflationary countries," categorized Argentina as a country with projected three-year cumulative inflation rate greater than 100%. Additionally, some of the other qualitative factors of IAS 29 were present, providing prima facie evidence that the Argentine economy was hyperinflationary for the purposes of IAS 29. Therefore, Argentine companies using IFRS are required to apply IAS 29 to their financial statements for periods ending on and after July 1, 2018.

Any further inflation adjustments into our financial statements may have effects on our business, results of operations and financial condition.

Argentina's ability to obtain financing from international markets could be limited, which may impair its ability to implement reforms and foster economic growth and, consequently, affect our business, results of our operations and growth prospects

Argentina's ability to access international capital markets depends in part on its relationship with multilateral financial institutions, including the International Monetary Fund (the "**IMF**"), and on its capacity to implement macroeconomic reforms. Argentina has a history of sovereign debt defaults and restructurings, most notably following its 2001 default and subsequent debt exchanges in 2005 and 2010, as well as the restructuring of approximately U.S.$66.5 billion of external bonds completed in 2020.

In 2018, Argentina entered into a Stand-By Arrangement with the IMF, which was later replaced in March 2022 by a 30-month Extended Fund Facility ("**EFF**") program aimed at refinancing approximately U.S.$44 billion owed to the IMF. The program included a series of quarterly reviews and policy commitments focused on fiscal consolidation, monetary stability and structural reforms. In April 2025, Argentina and the IMF announced a new 48-month arrangement under the EFF framework totaling approximately SDR 15.3 billion (approximately U.S.$20 billion), including an initial disbursement of approximately U.S.$12 billion and additional funding linked to periodic program reviews. On April 15, 2025, the BCRA received the first disbursement under the EFF in the total amount of U.S.$12 billion. On the same date, the Argentine government and the IMF's technical team reached a staff-level agreement that enables access to approximately U.S.$1 billion under the second review of the EFF, with only the IMF Executive Board's approval remaining to finalize the disbursement of the funds. The arrangement is part of a broader financing package that also contemplates additional funding from multilateral institutions and bilateral financing arrangements.

The success of the IMF-supported program will depend on the Argentine government's ability to continue implementing macroeconomic reforms and maintaining the political support necessary to sustain fiscal and monetary adjustments. There can be no assurance that the program's objectives will be achieved or that Argentina will maintain

continued access to IMF funding. Any failure to comply with program targets or to secure continued financing could adversely affect Argentina's access to international capital markets, increase macroeconomic volatility and negatively affect the Argentine economy, which in turn could adversely affect our business, results of operations and financial condition.

Fluctuations in the value of the Peso could adversely affect the Argentine economy and could in turn adversely affect our results of operations

The Peso suffered important fluctuations during the last years. We are unable to predict the future value of the Peso against the U.S. Dollar. If the Peso devaluates further, any negative effects on the Argentine economy could have adverse consequences on our business, our results of operations and the market value of our ADSs, including as measured in U.S. Dollars.

Fluctuations in the value of the Peso may adversely affect the Argentine economy, our financial condition and results of operations. The Peso has been subject to significant depreciation against the U.S. dollar in the past and may be subject to further fluctuation in the future. A depreciation of the Peso against major foreign currencies may also have an adverse impact on our capital expenditure program and increase the Peso amount of our trade liabilities and financial debt denominated in foreign currencies. The depreciation of the Peso may have a negative impact on the ability of certain Argentine businesses to service their foreign currency-denominated debt, lead to high inflation, significantly reduce real wages, jeopardize the stability of businesses whose success depends on domestic market demand, including public utilities and the financial industry and adversely affect the Argentine Government's and our ability to honor its foreign debt obligations.

Argentine public expenditure may affect the Argentine economy

Public expenditure increased throughout the last decade in Argentina. The Argentine Government adopted several measures to finance its public expenditure.

The new administration has reduced public spending, including energy and transportation subsidies, and has significantly reduced transfers of federal funds to the provinces. However, high public expenditure levels could reoccur in the future.

As of the date of this offering memorandum, we cannot predict how the measures that the Argentine Government has applied to reduce public expenditure will impact the Argentine economy, and, in turn, our business, our financial condition and the results of our operations.

The Argentine economy remains vulnerable to external shocks that could be caused by significant economic difficulties facing Argentina's major regional trading partners, or by more general "contagion" effects. Such external shocks and "contagion" effects could have a material adverse effect on Argentina's economic growth and, therefore, on our results of operations and financial condition

Although economic conditions vary from country to country, investors' perceptions of events occurring in certain countries have in the past substantially affected, and may continue to substantially affect, capital flows into and investments in securities of issuers from other countries, including Argentina. There can be no assurance that the Argentine financial system and securities markets will not be adversely affected by policies that may be adopted by foreign governments or the Argentine Government in the future. Argentina can also be adversely affected by negative economic or financial events that take place in other countries, subsequently affecting our operations and financial condition, including our ability to repay our debt at maturity.

Argentina's economy is vulnerable to external shocks. For example, economic slowdowns, especially in Argentina's major trading partners such as Brazil, have led to declines in Argentine exports in the past. Specifically, fluctuations in the price of commodities sold by Argentina and a significant fluctuation of the Peso against the U.S. dollar could harm Argentina's competitiveness and affect its exports. In addition, international investors' reactions to events occurring in one market may result in a "contagion" effect which could lead to an entire region or class of investment being disfavored by international investors. Additionally, financial and securities markets in Argentina are

also influenced by economic and market conditions in other markets worldwide.

The situation of the U.S. economy and the economic measures taken by the federal administration could adversely affect the economy of developing countries, including Argentina. The U.S. economy has recently registered its highest inflation rates over the last decades, although inflation appears to be falling faster in the United States than in other economies. We cannot predict the decisions and policies that the U.S. administration will adopt in the future, which could generate uncertainty in the international markets and could have a negative effect on developing economies, such as Argentina.

Furthermore, Venezuela has experienced a prolonged political and economic crisis characterized by disputed elections, institutional instability and international sanctions, which has contributed to significant economic contraction and migration flows in the region. Recent political developments, including the removal of former president Nicolás Maduro in early 2026 and the ongoing political transition, have created additional uncertainty regarding the country's institutional and economic outlook. These developments may also affect neighboring countries through increased migration, trade disruptions and broader political and economic volatility in the region.

Similarly, recent geopolitical developments, including the armed conflict between the United States and Israel on one side and Iran on the other that has been ongoing since late February 2026, have contributed to increased economic volatility and geopolitical repositioning affecting global and regional markets. While geographically distant from Latin America, such conflicts may adversely affect global supply chains through instability in key maritime and distribution routes, potentially increasing transportation costs, disrupting international trade flows and generating additional uncertainty in emerging markets, including Argentina.

In sum, international investors' perceptions of events occurring in one market may generate a "contagion" effect by which an entire region or class of investment is disfavored by international investors. Argentina could be adversely affected by negative economic or financial developments in other emerging and developed countries, which in turn may have material adverse effects on the Argentine economy and, indirectly, on our business, financial condition and results of operations, and the market value of the Notes.

The application of certain laws and regulations could adversely affect our results of operations and financial condition

The Company's operations and business could be affected by the adoption of restrictions on the import of products.

As of the date of this offering memorandum, Edemsa cannot guarantee that in the future, measures limiting or restricting the import of products will not be adopted which may have an impact on the goods used by the Company as inputs, causing the Company an adverse effect on its net worth, economic, financial or other situation, its results of operations, business operations and/or its ability to comply with its obligations in general.

On August 7, 2014, Law No. 26,944 on State Responsibility was enacted to regulate the liability of the Argentine Government and public officers, including state liability for unlawful and lawful actions. In particular, it states that the Argentine Government shall not be liable for the damages caused by public services concessionaires. In the Province of Mendoza, Law No. 8,968, published on May 11, 2017, governs the Province's patrimonial liability for damages arising from its specific activities of public power.

On September 18, 2014, the Argentine Congress enacted Law No. 26,991 amending Law No. 20,680 (the "**Supply Law**"), which became effective on September 28, 2014, to increase control over the supply of goods and provision of services. The Supply Law includes the ability of the Argentine Government to regulate consumer rights under Article 42 of the Constitution and permits the creation of an authority to maintain the prices of goods and services (the "**Observer of Prices of Goods and Services**"). The Observer of Prices of Goods and Services was created by Law No. 26,992.

However, by means of Executive Order No. 70/23 (the "**DNU**"), the new administration abrogated the Supply Law and Law No. 26,992. Additionally, the DNU included several measures to reduce the size of the public

administration and public spending at the federal level, and to deregulate the economy. The DNU, which become effective on December 29, 2023, declared an economic, social security, tariff, health and social emergency until December 31, 2025 and promoted the deregulation of trade, services and industry throughout the national territory.

Most notably, the DNU amended the following bodies of law: Law No. 18,425 (*Gondola Law*), Law No. 27,221 (*Real Estate Leasing Law*), Law No. 20,680 (*Supply Law*), Law No. 27,437 (*Buying Law (with the exception of criminal offences*)), Law No. 20,705 (*State-Owned Companies Law*) and Law 13,653 (*Regime for the Operation of State-owned Companies*).

On December 16, 2023, by means of Decree No. 55/2023 (and any extensions thereof), the government declared an emergency in the energy sector and instructed the SE to implement a course of actions in relation to each segment of electricity generation, transmission and distribution. It also determined the start of a comprehensive tariff review to be implemented before December 31, 2024, and provided for the continuity of ENRE's intervention. The Omnibus Act proposes to liberalize in the electricity market, unify the control bodies and to establish legal framework for the development of infrastructure by the private sector in the areas of hydrocarbons and energy transport.

Regarding the unification of the bodies that regulate the sector, the Omnibus Act creates the National Regulatory Body for Gas and Electricity, which, once established, would replace and assume the functions of the ENRE and ENARGAS.

The SE was also empowered to redetermine the structure of subsidies in force in order to ensure end users' access to basic and essential provision of: (i) electricity under Laws Nos. 15.336 and 24.065, as supplemented, amended and regulated eligibility; and (ii) natural gas under Laws Nos. 17.319 and 24.076, as supplemented, amended and regulated. Eligibility for this benefit shall mainly consider a percentage of the income of the cohabiting group, individually or jointly for electricity and natural gas, to be established by the regulation. For the purpose of calculating the cost of basic consumption, the electricity tariffs in force at each supply point shall be considered.

The Secretary of Energy shall define the specific mechanisms for the allocation and effective collection of subsidies by users.

In addition to the review by Congress, the DNU may also be subject to judicial review as to its constitutionality, in cases arising from its enforcement or application. Some courts have already suspended the application of certain sections. It is not possible to predict whether the DNU will remain in force after its review by Congress, nor whether the new administration will issue new decrees that could affect our business.

In addition, on December 27, 2023, the Argentine Government sent to the National Congress a draft bill entitled "Bases and Starting Points for the Freedom of the Argentine People" (*"Bases y Puntos de Partida para la Libertad de los Argentinos"*), the final text of which was approved by National Congress on June 28, 2024 (the "***Ley de Bases***" or "**Omnibus Act**," indistinctly). The *Ley de Bases* declared a public emergency in administrative, economic, financial, and energy matters for a period of one year (which expired in July 2025), and delegated a series of legislative powers to the Argentine Government for the same period of one year. During the period in which the delegated powers were in effect, the Argentine Government issued numerous decrees and regulations implementing the reforms contemplated by the *Ley de Bases*, including in respect of state reform, privatizations, deregulation of economic activities, labor matters, the energy sector and tax regularization regimes (the latter under Law No. 27,743 on Fiscal Palliative and Relevant Measures, also enacted on June 28, 2024). Following the 2025 Legislative Elections (as defined below), in which "La Libertad Avanza" significantly expanded its congressional representation, the Argentine Government has signaled its intention to seek further legislative reforms; however, no assurance can be given as to the scope, timing or content of any such reforms.

The implementation of the aforementioned laws and regulations has modified or could modify, as applicable, Argentina's legal system. Future changes in applicable laws and regulations (including as a result of a change in government administration), administrative or judicial proceedings, including potential future claims by us against the Argentine Government, cannot be predicted and we cannot assure you that such changes will not adversely affect our business, financial condition and results of operations.

The Argentine economy and finance may be adversely affected as a consequence of a decrease in the international prices of commodities that Argentina exports

The global commodities market is characterized by its volatility. Commodities exports have contributed significantly to the Argentine Government's revenues. Accordingly, the Argentine economy has remained relatively dependent on the price of its exports (mainly soy).

A sustained decrease in the international price of the main commodities exported by Argentina, or any future climate event or condition may have an adverse effect on the agriculture, and therefore on the Argentine Government's revenues and its capacity to comply with the payments on its public debt, eventually generating recessive or inflationary pressures, and in turn affecting our business, financial situation and the results of our operations.

Failure to adequately address actual and perceived risks of institutional deterioration and corruption may adversely affect Argentina's economy and financial condition

A lack of a solid and transparent institutional framework for contracts with the Argentine Government and its agencies and corruption allegations have affected and continue to affect Argentina. Argentina ranked 104 of 182 in the Transparency International's 2025 Corruption Perceptions Index.

Recognizing that the failure to address these issues could increase the risk of political instability, distort decision-making processes and adversely affect Argentina's international reputation and ability to attract foreign investment, the Argentine Government announced several measures aimed at strengthening Argentina's institutions and reducing corruption. These measures have included the reduction of criminal sentences in exchange for cooperation with the government in corruption investigations, increased access to public information, the seizing of assets from corrupt officials, increasing the powers of the Anticorruption Office (*Oficina Anticorrupción*), submitting a bill for the issuance of a new public ethic law, among others. The Argentine Government's ability to implement any of these initiatives is uncertain as it would be subject to independent review by the judicial branch, as well as legislative support from opposition parties.

We cannot estimate the impact that current or future anti-corruption initiatives and investigations may have on the Argentine economy. Similarly, it is not possible to predict the duration or how far-reaching the effects of any investigation might be, particularly in the energy sector, or if there will be any future investigation in this or other industry. In turn, the decrease in investor confidence resulting from any of these, among other issues, could have a significant adverse effect on the growth of the Argentine economy, which could, in turn, harm our business, our financial condition and results of operations.

Any downgrade in the credit rating or rating outlook of Argentina could adversely affect our corporate debt, affecting also our liquidity

On June 24, 2021, Morgan Stanley Capital International ("**MSCI**") announced the reclassification of Argentina to the standalone or independent category with effect as of November 2021, thus being excluded from the MSCI indexes. In June 2019, Argentina had entered the emerging market category. According to MSCI, the downgrade primarily reflected the reinstatement of foreign exchange controls in September 2019. While most of these restrictions remained in place until April 11, 2025, when the Argentine Government announced reforms that significantly eased access to the foreign exchange market, certain regulatory measures and limitations may continue to apply.

In 2023 and 2024, Argentina has continued to face macroeconomic instability, including triple-digit inflation, a deep recession, and persistent currency volatility. Following the inauguration of President Javier Milei in December 2023, the government initiated a series of aggressive fiscal and monetary reforms, including steps to eliminate the fiscal deficit and dismantle exchange rate restrictions.

Reflecting these ongoing changes, Fitch Ratings upgraded Argentina's long-term foreign-currency rating from "CC" to "CCC" in November 2024, followed by a further upgrade to "CCC+" in May 2025. In July 2025, Moody's Investors Service upgraded Argentina's sovereign rating to "Caa1" with a stable outlook, and in December

2025, S&P Global Ratings upgraded Argentina's long-term foreign-currency sovereign credit rating from "CCC" to "CCC+" with a stable outlook, citing improved liquidity, lower inflation and easing economic vulnerabilities following the midterm elections. On May 5, 2026, Fitch Ratings upgraded Argentina's long-term foreign currency and local currency issuer default rating to "B-" from "CCC+", with a stable outlook, that reflects structurally improved fiscal and external balances, progress on economic reforms and improved prospects for FX reserve accumulation. Despite remaining speculative in nature, these positive rating actions reflect gradual progress rather than continuing deterioration.

There can be no assurance that Argentina's credit rating or rating outlook will not be downgraded in the future, or that current efforts at stabilization will succeed, which could have an adverse effect both on the rating and the market price of our Notes, affecting our own liquidity.

Uncertainty regarding the national government could adversely affect our business and prospects.

After winning the presidential run-off election with 55.69% of the votes, Javier Milei, candidate for the party "La Libertad Avanza" took office on December 10, 2023. After the 2023 election, La Libertad Avanza initially held only seven of the 72 representatives in the Senate and 41 of the 257 representatives in the Chamber of Deputies. The new administration has stated its intention to reduce government spending and the government deficit and to implement favorable trade policies, but we cannot assure that such policies will be implemented and, if so, to what extent, considering that the party has a minority of representatives in both houses of Congress.

From the moment the current administration came to power, the reduced legislative representation initially obtained by "La Libertad Avanza" in Congress affected its ability to promote acts of Congress, having to negotiate with the opposition on different points in each bill to obtain the support of the opposition. At the same time, certain circumstances led the opposition to join forces and promote laws that the administration had previously publicly rejected, some of which were the subject matter of presidential vetoes. By way of example, both the Omnibus Act enacted in July 2024, which included structural modifications in energy matters and the President's vetoes to the reform of the retirement and pension bill or the increase in universities budgets that had been originally passed by Congress, obtained votes from different political parties.

On May 18, 2025, legislative elections in Buenos Aires City, "La Libertad Avanza" secured a decisive victory with 30.1% of the vote, reshaping the composition of the local legislature. On October 26, 2025, Argentina held its midterm legislative elections, in which one-half of the seats in the Chamber of Deputies and one-third of the seats in the Senate were renewed (the "**2025 Legislative Elections**"). La Libertad Avanza obtained 42.03% of the votes for the Senate, followed by Fuerza Patria and its allies with 31.72%, securing 13 and 7 new seats, respectively. In the Chamber of Deputies, the results were 40.66% and 31.7%, translating into 64 and 44 new seats, respectively. As a result, the ruling party significantly expanded its congressional representation, although it continues to require consensus with other political forces to advance its legislative agenda, including the deregulation measures contemplated under the Omnibus Act.

On the day following the 2025 Legislative Elections, Argentine financial markets reacted positively: the peso appreciated against the U.S. dollar, the prices of Argentine sovereign debt securities increased, and equity indexes registered significant gains, reflecting an improvement in investor confidence regarding the continuity of the administration's policies. However, there can be no assurance that this immediate improvement in market sentiment will be sustained over time. As of the date of this offering memorandum, we cannot predict the impact that the measures and the political situation described above will have on the Argentine economy in general or the measures that the deregulation scenario foreseen in the Omnibus Act may be carried out.

We cannot assure whether other events, such as the implementation of new government policies, could have an adverse impact on our operations and financial results as well as on its ability to repay the Notes.

Volatility in the regulatory framework, even if the current administration implements economic policy reforms, and the impact on the Argentine economy of these measures and any other measures adopted by a new administration, are uncertain.

The Argentine Government has enacted various regulations from time to time to reform the regulatory

framework governing a number of different activities as a measure to stimulate the economy, some of which had had adverse effects on the Issuer's business. Although the new administration eliminated some of these regulations, political and social pressure could hinder the Argentine Government's implementation of policies designed to stimulate growth and increase consumer and investor confidence. Furthermore, as of the date of this offering memorandum, the impact that the reforms adopted by the current government will have on the Argentine economy as a whole and on the financial sector, in particular, is uncertain and cannot be predicted. It is also unclear at this time what additional measures the current government may implement in the future and the effects such measures may have on the Argentine economy.

Measures already adopted by the Argentine Government or measures to be implemented in the future could be detrimental to the economy and may not benefit, or could harm, the Issuer's business. In particular, the Issuer has no control over the implementation of reforms to the regulatory framework governing its operations and cannot assure that such reforms, if implemented, will be beneficial. The failure of these measures to achieve the proposed objectives could adversely affect the Argentine economy as well as our business, financial condition and results of operations and our ability to repay the Notes.

Risks Relating to the Electricity Distribution Sector

The Argentine Government has intervened in the electricity sector in the past, and may continue to intervene

Historically, the Argentine Government has exerted a significant influence on the economy, including the energy sector, and companies such as us that operate in such sector have done so in a highly regulated context that aims mainly at guaranteeing the supply of domestic demand.

To address the Argentine economic crisis, from time to time the Argentine Government adopted the Public Emergency Law and other regulations, which made a number of material changes to the regulatory framework applicable to the electricity sector. These changes severely affected electricity generation, distribution and transmission companies and included the freezing of nominal distribution margins, the revocation of adjustment and inflation indexation mechanisms for electricity tariffs, a limitation on the ability of electricity distribution companies to pass on to the user increases in costs due to regulatory charges and the introduction of a new price-setting mechanism in the Wholesale Electric Market (*Mercado Eléctrico Mayorista,* or the "**WEM**") which had a significant impact on electricity generators and generated substantial price differences within the market. From time to time, the Argentine Government intervened in this sector by, for example, granting temporary nominal margin increases, proposing a new social tariff regime for residents of poverty-stricken areas, removing discretionary subsidies, creating specific charges to raise funds that were transferred to government-managed trust funds that finance investments in generation and distribution infrastructure and mandating investments for the construction of new generation plants and the expansion of existing transmission and distribution networks.

On December 17, 2015, the Argentine Government issued Decree No. 134/15 declaring the emergency of the national electricity sector which was in effect until December 31, 2017. However, on December 21, 2019, the Argentine Congress adopted the Law No. 27,541 on Social Solidarity and Productive Reactivation in the Framework of the Public Emergency, as amended and supplemented (the "**Productive Reactivation Law**"), which declared a public emergency in electricity tariffs and energy matters until December 31, 2020, and delegated to the Argentine Executive Power certain powers normally reserved to Congress or otherwise not within the purview of the Argentine Executive Power (including the ability to make determinations in the renegotiation of public tariffs). Additionally, on December 16, 2020, the Argentine Government issued Decree No. 1020/20 which extended the freeze on electricity rates prescribed by the Productive Reactivation Law or until the new transitional electricity rate schedules come into effect.

On December 16, 2023, by means of Decree No. 55/2023 (and any extensions thereof), the government declared an emergency in the energy sector and instructed the SE to implement a course of actions in relation to each segment of electricity generation, transmission and distribution. It also determined the start of a comprehensive tariff review, and provided for the continuity of ENRE's intervention. Likewise, the Omnibus Act also includes the unification of the gas and electricity governmental bodies which would continue the agency's intervention. Through Decree No. 1023/2024, the emergency of the energy sector with respect to the generation, transport and distribution

segments of electricity under federal jurisdiction was extended until July 9, 2025, and the intervention of the ENRE was prolonged until the establishment and appointment of the Board of Directors of the National Gas and Electricity Regulatory Entity. Subsequently, Executive Order No. 370/2025 further extended such emergency until July 9, 2026. The decree also extended the intervention of the ENRE, and the National Gas Regulatory Entity ("**ENARGAS**") until that date, or until the board of directors of the newly created National Gas and Electricity Regulatory Entity is appointed and becomes operational.

Within the framework of the emergency in the National Electricity Sector established by Decree No. 55/2023 (and any extensions thereof), the SE has been instructed to prepare, put into effect and implement a program of necessary and indispensable actions in relation to the segments included in the aforementioned emergency, in order to establish price sanction mechanisms under competitive and free access conditions, maintain income levels in real terms and cover investment needs, so as to guarantee the continuous provision of public electricity and natural gas transmission and distribution services under appropriate technical and economic conditions for providers and users of all categories. However, we cannot assure whether the implementation of the program would regularize the operating deficit of the WEM's power and energy compensation funds and accounts.

Decree No. 70/2023 further declared public emergency in economic, financial, fiscal, administrative, social security, tariff, health and social matters until December 31, 2025. The Executive Branch empowered the SE to (i) redetermine the current subsidy structure in order to ensure end users access to basic and essential consumption of electricity and natural gas, considering the income of the cohabiting group; and (ii) define the specific mechanisms that materialize the allocation and effective collection of subsidies, determining the roles and tasks to be performed by public actors, concessionary companies and other actors or agents as appropriate.

The Ley de Bases (i) declared a public emergency in administrative, economic, financial and energy matters; (ii) in its Article 162, enabled the Executive Power to adapt the Electric Energy Regulatory Framework (established in Laws No. 15,336 and No. 24. 065), in accordance with the following principles: to promote the opening of international trade of electric energy; to ensure free commercialization and maximum competition in the electric energy industry; to promote the economic dispatch of energy transactions on the basis of remuneration in the hourly economic cost of the system; to adjust the tariffs of the energy system based on the real costs of supply in order to cover the investment needs and guarantee the rendering of the energy services.

On February 16, 2024 ENRE issued Resolution No. 102/2024 notifying the new tariff table and the values per category of the of own distribution costs ("**CPD**", also referred as value added for distribution ("**VAD**"). Low-income consumers (categorized as N2) will see an increase of around 70%. Meanwhile, middle-income consumers (known as N3) will see an increase of around 65%, although for the last universe if they exceed 600 KW/h the jump will be in the area of 130%. Lastly, high income consumers (N1) will see an increase of around 150%.

In the Province of Mendoza and pursuant to the Concession Agreement and applicable laws and regulations, the Government of the Province is responsible for setting our rates for each subsequent five-year period. In 2023 and 2024, in addition to extending our Concession for 20 additional years (i.e., through 2048), our fifth year (2023-2028) Tariff Review Process (RTI) was completed, resulting in an updated tariffs schedule that incorporated our increased costs (VAD adjustment) and also sets forth automatic quarterly adjustments to address inflation levels moving forward. As a result, scheduled adjustments for February, May, August, and November 2024 and 2025, as well as February 2026, have been successfully implemented. Most recently, on May 8, 2026, the EPRE issued Resolution No. 100/26, approving the new tariff schedules effective as of May 1, 2026.

We cannot assure you that other regulations or measures that may be adopted by the Argentine or Provincial Government will not have a material adverse effect on our business and results of operations or on the market value of the Notes, or that the Argentine or Provincial Government will not adopt other regulations in the future that may increase our obligations, including increased taxes, unfavorable changes to our tariff structure or remuneration scheme and other regulatory obligations, compliance with which would increase our costs and could have an adverse impact on our results of operations and cause a decrease in the market value if the Notes.

There is uncertainty as to what other measures the Argentine Government may adopt in connection with tariffs on public services and their impact on the Argentine economy

As explained in other risk factors in this offering memorandum, following the economic crisis of 2001-2002, the subsequent freeze on electricity rates in Pesos and the significant depreciation of the Argentine Peso against the U.S. dollar, there was a lack of acknowledgement by governmental authorities of the actual increasing cost of our operations.

Notwithstanding the measures recently adopted as provisory increase of electricity rates, there is uncertainty as to what measures the Argentine Government may adopt in connection with tariffs, whether tariffs will be updated in connection with the RT, and from time to time to reflect our increase in operating costs, and their impact on demand. Likewise, no assurance can be given that any future reduction in subsidies will not increase our clients' delinquency rates or a delay in our collections.

In the Province of Mendoza, the RT process corresponding to the Sixth Tariff Period (2023–2028) has been completed, with the application of quarterly VAD adjustments as provided for in local regulations.

Moreover, through Resolution No. 21/2025, the SE established the "Guidelines for the Normalization of the WEM and its Progressive Adaptation", allowing owners of generation, self-generation, or cogeneration projects using conventional thermal, hydroelectric, or nuclear energy sources -commercially authorized as of January 2025- to enter into supply contracts in the term market with demanding agents, distributors, or large users of the WEM. This measure could have a significant impact on the costs of energy purchase.

Electricity demand may be affected by tariff increases, which could lead distribution companies, such as us, to record lower revenues

In 2025, the energy injected into the Company's networks, including demand from its major large users in the WEM ("**GUMA**"), amounted to 4,004.08 GWh, representing a decrease of 1.2% compared to 2024. Excluding GUMA, the Company's 2025 demand totaled 3,664.0 GWh, a 1.7% decrease year-on-year.

We cannot make any assurance that any future increases in the cost of electricity will not have a material adverse effect on electricity demand or result in a decline in collections from users. In this respect, we cannot assure you that these measures or any future measure will not lead electricity companies, like us, to record lower revenues and results of operations, which may, in turn, have a material adverse effect on the market value of the Notes.

Energy shortages may act as a brake on growing demand for electricity and disrupt distribution companies' ability to deliver electricity to their customers, which could result in customer claims and material penalties imposed on these companies

The recurring economic crises and the resulting emergency measures have had and continue to have a material adverse effect on other energy sectors, including oil and gas companies, which has led to a significant reduction in natural gas supplies to generation companies that use this commodity in their generation activities. In addition, Argentina needs to import energy or gas and their prices have recently risen.

As a result, the supply of energy to our company could be affected and any failures in the transportation system could also jeopardize our distribution network, which, in turn, could prevent us from experiencing continued growth in our business and could lead to failures to provide electricity to customers. Under Argentine law, distribution companies are responsible to their customers for any disruption in the supply of electricity. As a result, distribution companies may face customer claims and fines and penalties for disruptions caused by energy shortages even when these are attributable to generators and transportation companies unless the relevant Argentine authorities determine that energy shortages constitute force majeure. To date, the Argentine authorities have not been called upon to decide under which conditions energy shortages may constitute force majeure. In the past, however, the Argentine authorities have recognized the existence of force majeure only in limited circumstances, such as internal malfunctions at the customer's facilities, extraordinary meteorological events (such as major storms) and third-party work in public thoroughfares. We cannot make assurances that we will not experience a lack of energy supply that could adversely affect our business, financial condition and results of operations, as well as our ability to repay our debts.

If the demand for energy is increased suddenly, the difficulty in increasing the capacity of distribution

companies in a short or medium term, could adversely affect the Company, which in turn could result in customer complaints and substantial fines for any interruptions

The condition of the Argentine electricity market has provided little incentive to generators and distributors to further invest in increasing their generation and distribution capacity, respectively, which would require material long-term financial commitments. In 2025, the increase in the capacity of our own facilities resulting from the investment process was higher than the increase in demand, and the service quality indicators have continued improving. Regarding the coming years, there is uncertainty about the availability of resources to continue with this process.

Additionally, according to Argentine law, distribution companies, such as us, are responsible to their users for any disruption in the supply of electricity. Consequently, customers can direct their claims to the distribution companies. Also, distribution companies are subject to fines and penalties for service disruptions caused by energy shortages, unless the respective Argentine authorities determine that energy shortages constitute force majeure events. As a result, we could face user claims and fines and penalties for service disruptions caused by energy shortages unless the relevant Argentine authorities determine that energy shortages constitute force majeure.

We cannot assure that we will not experience a lack in the supply of energy or that any claims, fines, penalties or government intervention will not have a materially adverse effect on our financial condition and results of operations and cause the market value of our Notes to decline.

Risks Relating to Our Business

Legal reforms to the electricity and gas regulatory framework could adversely affect our business

On July 7, 2025, the Argentine Executive Branch, exercising the delegated authority granted under the Omnibus Act, enacted Decrees No. 450, 451, and 452/2025, which introduced significant amendments to the regulatory framework applicable to the electricity and gas sectors. These reforms include modifications to the Electric Power Legal Framework (Law No. 15,336), the Electricity Regulatory Framework (Law No. 24,065), the establishment of the National Gas and Electricity Regulatory Agency (ENRGE) as the new unified regulatory body, amendments to the Gas Law (Law No. 17,319), and a two-year transition period during which the SE must issue the necessary implementing and complementary regulations. For additional information, see "*The Argentine Electricity Framework—The Current Legal Electricity Framework*."

Due to the nature and broad scope of these reforms, and in light of the fact that many of the implementing regulations have yet to be issued, we cannot predict the scope, timing, or effects of these changes on our business, results of operations, or financial condition. Although the Concession Agreement and the applicable provincial regulatory framework —which determine both the Company's remuneration and the VAD, as well as the pass-through of supply costs to the end-user tariff— would not be modified by the changes to the federal regulatory framework described herein, there is a risk that such legal and regulatory modifications—whether through the enactment of additional implementing regulations or changes in the interpretation or application of existing rules—could affect our operations, tariff structure, regulatory obligations, or cost recovery mechanisms and, therefore, impact our ability to generate revenue, access financing, or comply with regulatory requirements, and may otherwise adversely affect our business.

The electricity sector is subject to extensive regulation by federal and state regulatory agencies and regulatory changes may negatively affect our results of operations.

The electricity industry in the Province of Mendoza is subject to a complex set of laws and regulations, and is regulated by the EPRE. In addition, as a participant in the WEM, we are subject to regulation by CAMMESA and ENRE, which are the federal regulatory agencies. We are subject to extensive regulation in terms of tariffs, the quality of our service and other aspects of the electricity distribution services we provide. We cannot predict how any of the regulatory agencies that exercise control over our operations (i.e., EPRE, ENRE and CAMMESA), will exercise such control. In addition, the laws or regulations we are subject to may change in the future and any such change could materially adversely affect our operations or plans, affecting the market value of the Notes.

The Concession under which we provide electricity distribution services is also subject to laws and regulations. The Concession was granted for an initial period of 30 years that began on August 1, 1998, and was subsequently extended for another 20 years, in accordance with the settlement agreement we entered into with the Province on January 3, 2023 and approved by Decree No. 70/23 published in the Official Gazette of the Province on January 31, 2023 (the "**Settlement Agreement**"). The Concession and the Provincial Framework Law contain various requirements, including quality standards, non-discriminatory access to our network, environmental protection, and restrictions on transfers of our shares. Failure to comply with these or any other requirements could result in the imposition of sanctions by the EPRE and, under certain circumstances, the seizure of our Class A Shares (representing 51% of our shares) and the revocation of the concession.

Under the Settlement Agreement, the Provincial Government agreed not to initiate a tender for the award of Class A shares at the end of a Management Period, as a result of SODEMSA's intention to retain ownership of the Class A shares, which was notified to the Provincial government on March 13, 2023. In addition, under the Settlement Agreement, the Provincial Government undertook not to make any monetary claim against us based on the extension of the concession term.

We operate our business in accordance with the Concession Agreement granted by the Provincial Government, the revocation or termination of which would have a material adverse effect on our business

We have been carrying out our activities since August 1, 1998 under the Concession Agreement granted by the Provincial Government. This agreement contains various requirements relating to the operation of our activity and compliance with applicable laws and regulations. The fulfillment of our obligations under the Concession Agreement is guaranteed by a pledge of the Class A common shares in favor of the Provincial Government throughout the concession period. Consequently, if certain events of noncompliance with the Concession Agreement were to occur, the Provincial Government would have the right to foreclose on the pledge of our Class A common shares, which would negatively impair on our ability to operate a significant part of our business and, consequently, have a material adverse effect on our results of operations, affecting the market value of the Notes. In addition, under the Concession Agreement the Provincial Government may decide to terminate the concession in the event of our insolvency or bankruptcy.

If the Concession Agreement is terminated or if the Provincial Government enforces its pledge on the Class A common shares, we may not be able to continue with our operations which would have a material adverse effect on our results of operations and, as a result, a decrease in the market value of the Notes.

Downgrades in our credit ratings could have negative effects on our funding costs and business operations

Credit ratings are assigned to the Company. The credit ratings are based on information furnished by us or obtained by the credit rating agencies from independent sources and are also influenced by the credit ratings of Argentine Government bonds and general views regarding the Argentine financial system as a whole. The credit ratings are subject to revision, suspension or withdrawal by the credit rating agencies at any time. A downgrade, suspension or withdrawal in our credit ratings could result in, among others, the following: (i) increased funding costs and other difficulties in raising funds; (ii) the need to provide additional collateral in connection with financial market transactions; and (iii) the termination or cancellation of existing agreements. As a result, our business, financial condition and results of operations could be materially and adversely affected.

Our business is subject to risks arising from natural disasters, catastrophic accidents and terrorist attacks. Additionally, our businesses are subject to the risk of mechanical or electrical failures and any resulting unavailability may affect our ability to fulfil our demand and thus adversely affect our business and financial performance

The electric power distribution infrastructure that we rely on, may be damaged by flooding, hurricanes, strong windstorms, fires, earthquakes, extreme weather temperatures, heat waves and other catastrophic disasters arising from natural or accidental or intentional human causes. We could experience severe business disruptions, significant decreases in revenues based on lower demand arising from catastrophic events, or significant additional costs to us not otherwise covered by insurance policies. There may be an important time lag between a major accident, catastrophic event or terrorist attack and our definitive recovery from our insurance policies, which typically carry

non-recoverable deductible amounts. In addition, any of these events could cause adverse effects on the energy demand of some of our customers and of consumers generally in the affected market. Some of these considerations, could have a material adverse effect on our business, financial condition and our result of operations.

Additionally, our assets are subject to the risk of mechanical or electrical failures and may experience periods of unavailability affecting our ability to fulfil our energy demand. Any unplanned unavailability of our energy demand, so we could be subject to fines and penalties. We cannot assure that any other event in the Argentine network will not affect our facilities and consequently their availability to fulfil our energy demand and our operational results.

Our operations could cause environmental risks and any change in environmental laws, climate change legislation or regulations restricting emissions of greenhouse gases ("GHGs") and legal frameworks promoting an increase in the participation of energies from renewable sources could significantly impact our business and result in increased operating costs

In December 1993, Argentina approved the United Nations Framework Convention on Climate Change ("**UNFCCC**") through Law No. 24,295. The UNFCCC, which entered into force on March 21, 1994, deals with the stabilization of the GHGs concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system.

On June 20, 2001, Argentina approved the Kyoto Protocol to the UNFCCC ("**Protocol**"), which entered into force on February 16, 2005. This Protocol deals with the reduction of certain GHGs (carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride) in the atmosphere.

On April 29, 2015, Argentina approved the Doha Amendment through Law No. 27,137, which entered into force in 2015.

Later, the 2015 United Nations Climate Change Conference adopted by consensus the Paris Agreement, which is known to be the successor of the Protocol. The agreement deals with GHG emission reduction measures, targets to limit global temperature increases and requires countries to review and "represent a progression" in their intended nationally determined contributions. Countries agreed they will aim to achieve the long-term goal to limit global warming to well below 2°C above pre-industrial levels, and pursue efforts to further limit the temperature increase to 1.5°C. On October 5, 2016, the threshold for entry into force of the Paris Agreement was achieved. International treaties together with increased public awareness related to climate change may result in increased regulation to reduce or mitigate GHG emissions. Under Federal Law No. 27,270, dated September 1, 2016, Argentina approved the Paris Agreement.

Furthermore, Argentine Law No. 26,190, as amended and complemented by Law No. 27,191 and its implementing decrees, established a legal framework which promotes an increase in the participation of energies from renewable sources in Argentina's electricity market.

During 2023 the 28th Conference of the Parties (COP 28), also known as the Climate Summit, took place. Under the umbrella of COP28, 198 countries have signed the Dubai Agreement. Said agreement recognizes the need for deep, rapid and sustained reductions in GHG, and states that said gases must be reduced by 43% by 2030 and 60% by 2035, from 2019 levels, and achieve net zero carbon dioxide emissions by 2050. It also sets the 2030 target of tripling global renewable energy capacity and doubling the global average annual rate of improvement in energy efficiency.

Compliance with legal and regulatory changes relating to climate change, including those resulting from the implementation of international treaties, may in the future increase our costs to operate and maintain our facilities, install new emission controls on our facilities and administer and manage any GHG emissions program. More stringent environmental regulations can result in the imposition of costs associated with GHG emissions, either through environmental agency requirements relating to mitigation initiatives or through other regulatory measures such as GHG emissions taxation and market creation of limitations on GHG emissions that have the potential to increase our operating costs.

Some of our operations are subject to environmental risks that could arise unexpectedly and cause material adverse effects on our results of operations and financial condition. In addition, the occurrence of any of these risks could lead to personal injury, loss of life, environmental damage, repair and expenses, equipment damage and liability in civil and administrative proceedings. We cannot assure you that we will not incur additional costs related to environmental issues in the future, which could adversely affect our results of operations and financial condition. In addition, we cannot ensure that our insurance coverage is sufficient to cover the losses that could potentially arise from these environmental risks.

In addition, we are subject to a broad range of environmental legislation in Argentina. Local, provincial and national authorities in Argentina may implement new environmental laws and regulations and may require us to incur higher costs to comply with new standards. The imposition of more stringent regulatory and permit requirements in relation to our operators in Argentina could significantly increase the costs of our activity.

We cannot predict the general effects of the implementation of any new environmental laws and regulations on our financial condition and results of operations.

Changes in weather conditions or the occurrence of severe weather (whether or not caused by climate change or natural disasters), could adversely affect our operations and financial performance

Weather conditions have influenced and in the future may influence the demand for electricity, our ability to provide it and the costs of providing it. In particular, severe weather may adversely affect our results of operations by causing significant demand increases, which we may be unable to meet without a significant increase in operating costs. This could strongly impact the continuity of our services and our quality indicators. Furthermore, any such disruptions in the provision of our services could expose us to fines and orders to compensate those users affected by any such power cuts, as has occurred in the past. Our financial condition, results of operations and cash flows could therefore be negatively affected by increased operating costs, litigation or decreases in revenue relating to changes in weather conditions and severe weather.

We may not be able to adjust our rates to reflect increases in our distribution costs on a timely basis, or at all, which could have a material adverse effect on our results of operations.

Pursuant to the Provincial Framework Law and the Concession Agreement, the Provincial Government is responsible for setting the tariffs that will be in effect during each five-year tariff period. At the same time, the tariffs are also adjusted every quarter based on seasonal variations in energy prices in the WEM.

On November 10, 2023, Decree No. 2348/23 was published in the Official Gazette of the Province by which the VAD adjustment procedure was modified effective as of February 1, 2024. On February 10, 2025, as part of the VAD adjustment procedure for February 2025, EPRE notified Resolution No. 31/25 with the new tariff tables applicable from February 1, 2025. Subsequently, on June 4, 2025, the EPRE issued EPRE Resolution No. 149/25, setting the new tariff schedules effective as of May 1, 2025. EPRE then issued Resolution No. 194/25, which approved the tariff schedules applicable from August 1, 2025, and Resolution No. 46/25, which approved the tariff schedules applicable from November 1, 2025 through January 31, 2026 (with an estimated average increase in the electricity bill of approximately 6.5%). On January 30, 2026, EPRE issued Resolution No. 25/26, setting the new tariff schedules effective as of February 1, 2026. Most recently, on May 8, 2026, the EPRE issued Resolution No. 100/26, approving the new tariff schedules effective as of May 1, 2026.

We cannot guarantee that future regulations will result in rates that allow us to command certain profit levels in the future.

If we are unable to adjust our rates appropriately, or if there is a significant lag between the time we incur the additional costs and the time we receive the increase in revenue, we could experience a significant decline in operating results, which could negatively affect our ability to repay the Notes.

Our distribution rates may be subject to challenges by consumer groups.

In recent years, our rates have not been challenged by consumer associations. However, we cannot guarantee that users or consumer associations will not file challenges to the rates. If any challenge were successful and, therefore, prevented us from applying any tariff adjustment granted by the Provincial Government, we could face a decrease in revenues, and a decrease in our operating results, which could have a material adverse effect on our financial situation and the market value of the Notes.

We have been, and may continue to be, subject to fines and penalties that could have a material adverse effect on our financial condition and results of operations

We operate in a highly regulated environment and have been, and in the future may continue to be, subject to significant fines and penalties imposed by regulatory authorities. Such fines are mostly related to energy outages, measured both in frequency and duration, but can also include reasons outside our control, such as service disruptions attributable to problems at generation facilities or in the transmission network that result in a lack of electricity supply. As of December 31, 2025 and 2024, our accrued fines and penalties totaled Ps. 27,216,233 thousand and Ps. 42,232,881 thousand (restated as of December 31, 2025), respectively, in accordance with our Audited Annual Financial Statements. As of March 31, 2026 and December 31, 2025, our accrued fines and penalties totaled Ps. 27,578,043 thousand and Ps. 27,216,233 thousand, respectively, in accordance with our Unaudited Financial Statements.

We cannot assure that we will not incur significant fines in the future, which could have a material adverse effect on our financial condition, our results of operations and the market value of the Notes.

The increase in illegal constructions and unsanctioned urbanizations within our Concession Area may affect our ability to distribute energy to our customers, as well as produce an increase in public safety risks.

Within certain areas of the Province of Mendoza covered by our Concession, the number of illegal settlements and informal urbanizations has increased over the years, and the existing ones have grown larger in terms of the number of people living in them, as well as in terms of the size and complexity of the constructions built to house their inhabitants. These phenomena are particularly present in certain districts within the Greater Mendoza metropolitan area, where energy theft represents one of the main causes of our energy losses.

The growth of such constructions on such land increases the risk of physical contact with such networks, which may cause service interruptions and even provoke accidents.

We continuously report these cases to the community, the governmental authorities, and the EPRE, and also files criminal proceedings in connection therewith. However, we do not have the legal authority to remove such illegal constructions, and we cannot assure that those constructions will not continue to grow and affect the electric system in general.

If we are unable to control our energy losses, especially through energy theft, our operating results could be negatively affected

The terms of the Concession Agreement do not allow the cost of additional energy purchased to be passed on to the our customers to cover any energy loss exceeding the tariff-recognized loss factor. Consequently, if we were to experience energy losses greater than those recognized, we could record lower operating profits than expected. Over the past few years, the level of energy losses, particularly from non-technical causes, has started to rise, partly as a result of rising poverty levels and cases of fraud. Although we continue to make investments to reduce energy losses, these continue to exceed the recognized loss factor. Our energy losses amounted to 16.9% in 2025, 16.8% in 2024, and 16.3% in 2023. We cannot assure that energy losses will not continue to increase in future periods, which may lead to lower profit margins and could negatively affect our financial position, results of operations and the market value of the Notes.

Pursuant to the Concession Agreement, the Provincial Government may foreclose on its pledge on the Class A common shares in certain circumstances, which could have a material adverse effect on our business and financial situation

Pursuant to the Concession Agreement, the Provincial Government may seize the pledged Class A shares in any of the following circumstances: (i) violation of the transfer restrictions described above (see "*Risk factors– The electricity sector is subject to extensive regulation by federal and state regulatory agencies and regulatory changes may negatively affect our results of operations*"); (ii) failure to comply with certain commitments under the Concession Agreement; (iii) repeated failure by us to comply with our material obligations under the Concession Agreement and failure to remedy the same at the request of the EPRE; (iv) if the total amount of our penalties exceeds 20% of our annual sales before taxes and interest for that year; (v) if our Controlling Shareholder allows or constitutes a pledge on our Class A shares in favor of third parties, and does not lift it when so requested by the EPRE; (vi) if we do not collaborate in the international public bidding for the sale of the Class A shares under the Concession Agreement; and (vii) if our bylaws are modified or the proportion or voting rights of its Class A shares are changed without the prior authorization of the EPRE.

If the Provincial Government were to foreclose its pledge on the Class A common shares enforcing its rights under the Concession Agreement, pending the sale of such shares, the Provincial Government would also be entitled to exercise the voting rights associated with such shares. Any such enforcement action by the Provincial Government would have a material adverse effect on our business, financial condition and results of operations, adversely affecting the market value of the Notes.

The Concession Agreement also establishes a system of sanctions in the event that we do not comply with our obligations under the Concession Agreement, including warnings, fines and the execution of the pledged shares. The fines imposed by the EPRE are determined based on (i) the damage caused by our failure to comply with the required quality standards; (ii) the severity of the non-compliance; and (iii) the average price of the energy sold to the customer. Under certain circumstances, the EPRE may also take into account our compliance history. In the event of non-compliance, we must credit the amount of the sanction to the account of the affected customer or to an accumulation account (i.e., a bank account at Banco Nación in the name of the EPRE) (the "**Accumulation Account**"). Without prejudice to the foregoing, we are liable for direct damages caused to the particular customer. Provincial Law No. 7,543 establishes that only direct damages of a minor amount can be claimed in administrative proceedings.

We are controlled by SODEM S.A. with minority shareholders holding the remaining capital stock; our interests, the interests of our controlling shareholder and the interests of the minority shareholders may differ with your interests as a holder of the Notes.

As of the date of this offering memorandum, our shares are held by the shareholders set forth in the section "Major Shareholders and Related Party Transactions." There may be circumstances in which our controlling shareholder, SODEM S.A., may have different views, positions, or interests than our minority shareholders. Our interests, the interests of our controlling shareholders and the interests of the minority shareholders may differ with your interests as a holder of the Notes.

Non-compliance by the Provincial Government could lead to the termination of our concession and have a material adverse effect on our business and financial situation

If the Provincial Government fails to comply with its obligations in such a way that we are unable to comply with our obligations under its Concession Agreement or in such a way that our service is materially affected, we may request the termination of the Concession. Following the termination of the Concession, all of our assets used to provide the electricity distribution service would be transferred to a new state company to be established by the Provincial Government, which will have all the rights of the Concession. Within thirty days thereafter, the Province will organize a national and international public tender for the sale of 100% of our share capital, and the proceeds thereof will be paid to us, without prejudice to the fact that we will be entitled to make claims for the damages that this may have been caused.

Any such breach could have a material adverse effect on our business and financial condition and affect the market value of the Notes.

The expiration of the management period could result in the sale of the Company's controlling interest.

Our Concession is currently set to expire on July 31, 2048, following the 20-year extension of the original 30-year Concession granted upon our privatization in 1998. The original 30-year term of the Concession was divided into three 10-year management periods (each, a "**Management Period**"), the first of which commenced on August 1, 1998. Under the Concession Agreement, at least 12 months prior to the expiration of each Management Period, the EPRE is required to conduct a national and international public tender for the sale of all of the Class A shares representing 51% of our share capital, currently held by SODEMSA. For a description of the tender mechanism and its potential outcomes, see "*Our Concession—Management Periods*."

Under the Transactional Agreement signed with the Province on January 3, 2023 (approved by Decree No. 70/23), which has been incorporated into the regulatory framework of our Concession, SODEMSA is entitled to elect, prior to the end of each Management Period during the extended Concession Term, to retain ownership of the Class A shares of Edemsa, in which case the Provincial Government has undertaken not to call for a tender for the sale of such Class A shares. SODEMSA exercised such option for the first time by notification dated March 13, 2023, in connection with the extension of the Concession Term. However, we cannot assure you that SODEMSA will continue to exercise this right at the end of each future Management Period or that the tender mechanism will not be triggered in the future for any other reason. In the event that the tender mechanism were to be triggered and SODEMSA were to fail to retain the Class A shares, such transfer of our controlling interest could constitute a Change of Control under the Indenture governing the Notes. We may not have sufficient funds at the time to make the required repurchases. See "*Risks Relating to the Notes—We may be unable to make a change of control offer required by the Indenture and/or otherwise repurchase the Notes upon the occurrence of a change of control repurchase event, which would cause a default under the Indenture*." Any such transfer of our controlling interest could have a material adverse effect on our business, financial condition and results of operations.

We may be unable to import certain equipment to meet growing demand for electricity, which could lead to a breach of our Concession Agreement and could have a material adverse effect on our operations and financial position

Certain exchange controls established by the Argentine Government and future restrictions on imports that may be adopted in the future could limit or delay our ability to purchase capital goods that are necessary for our operations (including carrying out specific projects). Under our concession, we are obligated to satisfy all of the demand for electricity originated in our concession area, maintaining at all times certain service quality standards that have been established for our concession. If we are not able to purchase significant capital goods to satisfy all of the demand or suffer unexpected delays in the import process, we could face fines and penalties which may, in turn, adversely affect our activity, financial position, results of operations and/or the market value of the Notes.

We employ a largely unionized labor force and could be subject to an organized labor action, including work stoppages that could have a material effect on our business

As of December 31, 2025, 92% of our employees were covered by collective bargaining agreements. Although our relations with unions are currently stable, we cannot assure you that we will not experience work disruptions or stoppages in the future, which could have a material adverse effect on our business and revenues. We cannot assure you that we will be able to negotiate salary agreements or labor conditions on the same terms as those currently in effect, or that we will not be subject to strikes or work stoppages before or during the negotiation process. If we are unable to negotiate salary agreements or if we are subject to demonstrations or work stoppages, our results of operations, financial condition and the market value of the Notes could be materially adversely affected.

We could incur material labor liabilities in connection with our outsourcing that could have an adverse effect on our business and results of operations

We outsource a number of activities related to our business to third-party contractors in order to maintain a flexible cost base. As of December 31, 2025, we had approximately 1,256 third-party employees related to third party´s contracts. Although we have very strict policies regarding compliance with labor and social security obligations by contractors, we are not in a position to ensure that contractors will not initiate legal actions to seek indemnification from us based upon a number of judicial rulings issued by labor courts in Argentina which have recognized joint and several liability between the contractor and the entity to which it is supplying services under certain circumstances.

Our performance is largely dependent on recruiting and retaining key personnel

Our current and future performance and the operation of our business are dependent upon the contributions of our senior management and our skilled team of engineers and other employees. We depend on our ability to attract, train, motivate and retain key management and specialized personnel with the necessary skills and experience. There is no guarantee that we will be successful in retaining and attracting key personnel and the replacement of any key personnel who were to leave could be difficult and time consuming. The loss of the experience and services of key personnel or the inability to recruit suitable replacements and additional staff could have a material adverse effect on our business, financial condition and results of operations.

We are subject to anti-corruption, anti-bribery, anti-money laundering and antitrust laws and regulations in Argentina. Any violation thereunder could have a material adverse effect on our reputation and the results of our operation

We are subject to national and international anti-corruption, anti-bribery, anti-money laundering and antitrust laws and regulations. Likewise, we are subject to certain restrictions on our relationships with certain non-cooperative countries. We have internal procedures and an Ethic and Compliance Code that are mandatory for all our personnel and suppliers. However, no assurance can be given that such policies and procedures are sufficient to prevent or detect fraud, violation of the law or inappropriate behavior from our employees, directors, officers, shareholders, agents and suppliers.

We are involved in various legal proceedings which could result in unfavorable decisions for us, which could in turn have a material adverse effect on our financial position and results of operations

We are party to a number of legal proceedings, some of which have been pending for several years. We cannot be certain that these claims will be resolved in our favor and responding to the demands of litigation may divert our management's time and attention and our financial resources and unfavorable decisions may have a material adverse effect on our financial position and results of operations. See "*—Legal Proceedings*."

In the event of an accident or other event not covered by our insurance, we could face significant losses that could materially adversely affect our business and results of operations

As of March 31, 2026, our physical assets (including transformer stations, distribution centers, underground chambers, thermal power plants, buildings (such as offices and agencies), transformers, power generators, and portable IT equipment) were insured for up to U.S.$300.1 million. However, we do not carry insurance coverage for losses caused by our network or business interruption, including for loss of our concession. Although we believe our insurance coverage is commensurate with standards for the distribution industry, no assurance can be given of the existence or sufficiency of risk coverage for any particular risk or loss. If an accident or other event occurs that is not covered by our current insurance policies, we may experience material losses or have to disburse significant amounts from our own funds, which may have a material adverse effect on our financial condition and results of operations and the market value of the Notes.

We currently are not able to effectively hedge our currency risk in full and, as a result, a devaluation of the Peso may have a material adverse effect on our results of operations and financial condition

Our revenues are collected in Pesos pursuant to tariffs that are not indexed to the U.S. Dollar, while a significant portion of our existing financial indebtedness is denominated in U.S. Dollars, which exposes us to the risk of loss from devaluation of the Peso. We currently seek to hedge this risk in part by holding U.S. Dollar-denominated cash and cash equivalents and by investing in local U.S. Dollar-denominated instruments such as local government securities, but we continue to have substantial exposure to the U.S. Dollar. Notwithstanding the substantial easing of foreign exchange restrictions announced by the Argentine Government in April 2025, certain restrictions on the purchase of foreign currency by legal entities, including for hedging purposes, remain in place. As a result, our ability to access the Argentine foreign exchange market to acquire U.S. Dollars in order to fully hedge our financial position continues to be limited.

Pursuant to the Concession Agreement, the VAD component of our tariffs is subject to automatic quarterly adjustments based on a basket of publicly available cost indices (including, among others, indices reflecting variations in the prices of metals, electrical materials and motors, as well as wholesale and retail inflation), which historically have been correlated with the evolution of the U.S. Dollar / Peso exchange rate. Although these adjustment mechanisms may partially mitigate the impact of a devaluation of the Peso on our results of operations over time, they do not eliminate our exposure to currency risk, in particular due to the time lag between the occurrence of a devaluation and the implementation of the corresponding tariff adjustment, and because the basket of indices may not fully reflect the impact of a sharp currency depreciation in the short term. Furthermore, the application of the tariff adjustment mechanism depends on the EPRE issuing the corresponding resolutions on a timely basis, which is subject to regulatory and political factors outside our control.

If we continue to be unable to effectively hedge all or a significant portion of our currency risk exposure, and the tariff adjustment mechanism described above does not adequately or timely offset the impact of a devaluation of the Peso, our debt service burden may significantly increase, which, in turn, may have a material adverse effect on our financial condition and results of operations, as well as our ability to repay our debts, including the Notes.

A substantial number of our assets are not subject to attachment or foreclosure and the enforcement of judgments obtained against us by our shareholders may be substantially limited

A substantial number of our assets are essential to the public service we provide. Under Argentine law, as interpreted by the Argentine courts, assets which are essential to the provision of a public service are not subject to attachment or foreclosure, whether as a guarantee for an ongoing legal action or in aid of enforcement of a court judgment. Accordingly, the enforcement of judgments obtained against us by our creditors may be substantially limited to the extent our creditors seek to attach those assets to obtain payment on their judgment.

The exclusivity of electricity distribution in our service area may be adversely affected by technological or other changes in the energy distribution industry, which could have a material adverse effect on our business.

Although our concession grants us the exclusive right to distribute electric energy within our service area, this exclusivity may be revoked in whole or in part if technological developments make it possible for energy distribution to evolve from its current condition of natural monopoly to a competitive business. In no event does the total or partial revocation of our exclusive distribution rights entitle us to claim or obtain reimbursement or indemnification. Although, to our knowledge, there are no current projects to introduce new technologies in the medium or long term that could reasonably modify the composition of the electricity distribution business, we cannot assure you that future developments will not allow competition in our sector that would adversely affect the exclusivity right granted to us under our concession. Any total or partial loss of our exclusive right to distribute electricity within our service area would likely lead to increased competition and result in lower revenues, which could have a material adverse effect on our financial condition, our results of operations and the market value of the Notes.

Certain of our outstanding financial indebtedness contains bankruptcy, reorganization proceedings and expropriation events of default, and we may be required to repay all of our outstanding debt upon occurrence of any such events

As of the date of this offering memorandum, the principal amount of our outstanding notes includes the following: (i) U.S.$33,579 thousand Series 3 Notes due 2027 (including the Additional Series 3 Notes, the "**Series 3 Notes**"); (ii) U.S.$150,000 thousand 9.75% Step-up Notes due 2031 (the "**Series 6 Notes**" or "**Existing Notes**"); and (iii) Ps. 22,400,096 thousand Series 7 Notes due 2026 (the "**Series 7 Notes**" and, together with the Series 3 Notes and the Series 6 Notes, the "**Outstanding Notes**"). Under our Outstanding Notes, certain expropriation and condemnation events with respect to us may constitute an event of default, which, if declared, could trigger the acceleration of our obligations under the relevant Outstanding Notes and require us to immediately repay all such accelerated debt. In addition, our Outstanding Notes contain certain events of default related to bankruptcy and voluntary reorganization proceedings. If we are not able to comply with certain payment obligations as a result of our financial situation and if the requirements set forth in the Argentine Bankruptcy Law No. 24,522 are met, any creditor, or even us, could file for our bankruptcy, or we could file for a voluntary reorganization proceeding. In addition, our Outstanding Notes contain cross-default and/or cross-acceleration provisions that could cause our debt to be accelerated if the debt containing expropriation or bankruptcy and/or reorganization proceeding events of default goes into default or is

accelerated. In such a case, we would expect to actively pursue formal waivers from the corresponding financial creditors to avoid such potential situation, but in the event such waivers are not timely obtained and immediate repayment is required, we could face short-term liquidity problems, which could adversely affect our results of operations and cause the market value of the Notes to decline.]

Cybersecurity events, such as interruptions or failures in our information technology systems as well as cyber-attacks, could adversely affect our business, financial condition, results of operations and cash flows

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 (such as Supervisory Control and Data Acquisition ("**SCADA**") and other electric infrastructure management systems. Cybersecurity risks have generally increased in recent years as a result of the proliferation of new technologies and the increased sophistication and activities of cyber-attacks. Through part of our grid and other initiatives, we have increasingly connected equipment and systems to the internet. Due to the critical nature of our infrastructure and the increased accessibility enabled through connection to the internet, we may face a heightened risk of cybersecurity incidents such as computer break-ins, phishing, identity theft and other disruptions that could negatively affect the security of information stored in and transmitted through our computer systems and network infrastructure. In the event of a failure of any of our information technology systems or a cyber-attack, we could have our business operations disrupted, property damaged, and user information stolen; experience substantial loss of revenues, response costs and other financial loss; and be subject to increased regulation, litigation and damage to our reputation. It should be mentioned that contingency plans in place may not be sufficient to cover liabilities associated with any such events and therefore, applicable insurance coverage may be deemed inadequate, preventing us from receiving full compensation for the losses sustained as a result of such a disruption.

In this regard, we are developing a Strategic Cybersecurity Plan aimed at strengthening the resilience of our technological infrastructure against cyber threats. This plan includes, among other measures, the acquisition of specialized protection software (such as endpoint detection and response systems (EDR), next-generation firewalls, and industrial network security solutions (OT/ICS)), as well as the hiring of specialized technical consultants to assess vulnerabilities, conduct periodic security audits, and design incident response protocols. The plan also includes ongoing employee training to promote early threat detection and the implementation of best practices in information security. Although we intend to continue to implement security technology devices and establish operational procedures to prevent disruption resulting from, and counteract the negative effects of cybersecurity incidents within the next years, it is possible that not all of our current and future systems are or will be entirely free from vulnerability and these security measures will not be successful.

As of the date of this offering memorandum, we have not identified any cybersecurity threats that have materially affected or are reasonably likely to materially affect our business strategy, operations results, or financial condition. However, we cannot eliminate all cybersecurity risks or provide assurances that we have not experienced an undetected cybersecurity incident in the past or that we will not experience one in the future. Any significant disruption to our service or access to our systems could result in revenue loss, legal actions, regulatory penalties, reputational harm, among other consequences. Accordingly, cybersecurity is an important risk for us and a cyber-attack could adversely affect our business, results of operations and financial condition.

We may not realize the anticipated benefits from new business opportunities, including renewable energy projects, which involve significant risks and uncertainties

As part of our strategy to diversify our business and prepare for the energy transition, we are currently exploring investments in renewable energy generation projects, including solar photovoltaic projects in the Province of Mendoza (see "*Business—Our Business Strategy—Investments in Renewable Energy Projects*"). The development and ultimate viability of these projects is conditioned upon, among other things, the successful completion of this offering, as well as our ability to obtain necessary permits, complete construction within budget and on schedule, and secure off-take arrangements on commercially reasonable terms.

Solar photovoltaic projects located in the Province of Mendoza are exposed to various regulatory, operational, climatic and infrastructure-related risks that could affect their generation, dispatch, commercialization and profitability. In particular, the sustained growth of renewable generation in certain regions of the Argentine

Interconnection System ("**SADI**"), together with existing limitations in electricity transmission capacity and delays in the execution of grid expansion works, could result in operational restrictions and curtailment of energy dispatch (both scheduled and circumstantial), affecting the effective capacity to evacuate the energy generated. In addition, CAMMESA and various sectorial reports have warned of transmission capacity restrictions and dispatch limitations in corridors linked to renewable projects, including in the Centro-Cuyo region of the SADI. Furthermore, photovoltaic generation depends on climatic variables and solar irradiation that cannot be fully predicted or controlled and may result in deviations from estimated levels of energy production and capacity factors.

We also have limited experience operating in the renewable energy generation sector, which differs from our core electricity distribution business in terms of regulatory framework, technological requirements and commercial dynamics. Our ability to execute these projects successfully depends on factors that may be outside our control, including the availability of project financing on acceptable terms, fluctuations in the cost of equipment and construction materials (which are subject to international supply chain dynamics and exchange rate movements), the evolution of the Argentine regulatory framework applicable to renewable energy (including SE Resolution No. 400/2025 and related regulations), and the ability of CAMMESA, the SE or other relevant counterparties to honor their obligations under any power purchase or similar arrangements. If we are unable to realize the anticipated benefits from these new business opportunities, or if the projects do not generate the returns we anticipate, our financial condition, results of operations and ability to repay the Notes could be materially adversely affected.

Risks Relating to the Notes

We have decided not to settle the proceeds of our current notes through the MLC as a result of which we will not have access to the official exchange market and, therefore, exchange controls and restrictions on transfers abroad and capital inflows may increase the cost of servicing our foreign currency debt obligations, including the Notes, or force us to resort to legally available alternative mechanisms that may be less reliable.

Argentina has historically imposed limitations on foreign currency inflows and outflows for purposes of economic stabilization. On September 1, 2019, the Argentine Government issued Executive Decree No. 609/2019 (as amended) which, *inter alia*, reinstated certain foreign currency exchange restrictions. Decree No. 609/2019 was further regulated, amended and complemented by several regulations issued by the Central Bank (included, but not limited to, Communication "A" 8307, as further amended, supplemented and restated). In April 2025, the Argentine Government announced a partial lifting of such restrictions through Communications "A" 8226 y 8227, and subsequently issued additional regulations, including Communications "A" 8361, 8390 and 8417 (among others), easing certain restrictions on individuals and on corporate debt and intercompany financing, although significant restrictions remain in place for legal entities.

Despite these developments, exchange controls are not fully lifted, and the current framework continues to evolve. There is no guarantee that additional liberalizations will occur, or that the Central Bank will not reimpose restrictions. Settling proceeds of the offering through the MLC is one of the conditions to future access to the MLC for payment of principal and interest under the Notes.

We have decided not to settle the proceeds of our current notes through the MLC, so under applicable restrictions as of the date of this offering memorandum, we will not have access to the official exchange market to make payments of principal or interests under the Notes. We cannot assure you that the existing regulations will change and that access to the MLC will be available or that such prior settlement requirement will be lifted in the future, which would force us to resort to legally available alternative mechanisms to make such payments. These alternative mechanisms may be more costly or less reliable, and resorting to them could adversely impact our ability to meet our debt obligations, including our obligations under the Notes. Additionally, the gap between these rates and the official exchange rate has fluctuated significantly in the past and may increase again in the future, which may also adversely affect our ability to meet our debt obligations. See "*Exchange Rate Information and Exchange Controls—Alternative Foreign Exchange Mechanisms (MEP and Cable)*", "*Exchange Rate Information and Exchange Controls—Repayment of Cross-Border Debt through access to the MLC*" and "*Description of the Notes—Foreign Exchange Restrictions*" in this offering memorandum.

An active trading market for the Notes may not develop or be sustained.

Application has been made to have the Notes listed on the LuxSE, admitted to trading on the Euro MTF market, listed and admitted for trading on BYMA through the BCBA acting in accordance with the authority delegated by the BYMA to the BCBA, and admitted to trading on the A3 Mercados; however, we cannot assure you that these applications will be accepted or that the listings will be maintained.

If an active trading market is not developed or maintained, you may experience difficulty in reselling the Notes or may be unable to sell them at an attractive price or at all. Furthermore, even if a market is maintained, if the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, declines and volatility in the market for similar securities, general economic conditions and our financial performance or results of operations.

In addition, there is no limit to the aggregate principal amount of Notes that may be purchased in the Local Offering with MEP. Investors purchasing their Notes with MEP in the Local Offering may not have the same investment horizon as other investors purchasing the Notes, which could contribute to fluctuations in the trading price and liquidity of the Notes. See "*Plan of Distribution—Local Offering*."

We cannot assure you that an active trading market for the Notes will develop, or, if one does develop, that it will be maintained. If an active trading market for the Notes does not develop or is not maintained, the market price and liquidity of the Notes may be materially and adversely affected. The Initial Purchasers of this offering have advised us that they currently intend to make a market in the Notes. However, the Initial Purchasers are not obligated to do so, and any market-making with respect to the Notes may be discontinued at any time without notice.

The Notes will be subject to transfer restrictions which could limit your ability to resell your Notes.

The Notes have not been registered under the Securities Act or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Notes may be offered and sold only (a) to "Qualified Institutional Buyers" (as defined in Rule 144A under the Securities Act) in compliance with Rule 144A; (b) pursuant to offers and sales that occur outside the United States in compliance with Regulation S under the Securities Act; (c) pursuant to another exemption from registration under the Securities Act; or (d) pursuant to an effective registration statement under the Securities Act, in each case in accordance with any applicable securities laws of any state of the United States or any other jurisdiction. These restrictions could impair your ability to resell any Notes you purchase. See "*Transfer Restrictions*."

We may redeem the Notes prior to maturity.

The Notes are redeemable by us (i) in the event of certain changes in Argentine taxes or (ii) at our option for any other reason subject, in certain cases, to payment of a "make-whole" amount. We may choose to redeem the Notes at times when prevailing interest rates may be relatively low. Accordingly, an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the Notes.

The Indenture relating to the Notes will impose significant operating and financial restrictions on us which may prevent us from capitalizing on business opportunities.

The Indenture will include covenants that, among other things, limit our ability to:

- incur additional indebtedness;
- pay dividends or make distributions or repurchase or redeem stock;
- prepay, redeem or repurchase certain indebtedness;
- make loans and investments;
- sell assets;

- create or permit liens on its property or assets;
- enter into transactions with affiliates or shareholders;
- enter into agreements restricting our Restricted Subsidiaries' ability to pay dividends; and
- consolidate, merge or sell all or substantially all of our assets.

These restrictions could limit our ability to seize attractive growth opportunities for our businesses that are currently unforeseeable, particularly if we are unable to incur financing or make investments to take advantage of these opportunities. In addition, the breach of any of these covenants or the failure to meet any of such conditions could result in a default under the Notes. Our ability to comply with these covenants may be affected by events beyond our control, including prevailing economic, financial and industry conditions and the authorizations used in our business.

The terms of the Indenture provide only limited protection against significant events that could adversely impact your investment in the Notes.

The Indenture governing the Notes will not afford you protection in the event of certain highly leveraged transactions that may adversely affect the market, such as any leveraged recapitalization, refinancing, restructuring or acquisition initiated by us. As a result, we could enter into any such transaction even though the transaction could increase the total amount of our outstanding indebtedness, adversely affect our capital structure or credit rating or otherwise adversely affect the holders of the Notes. If any such transaction were to occur, the value of your Notes could decline. In addition, the Indenture governing the Notes contains only limited financial covenants and includes exceptions to the covenants limiting our ability to incur indebtedness and make restricted payments.

If we fail to generate sufficient cash flow to meet our debt service obligations, we may be required to restructure our debt and if we are unable to do so, we may be forced into reorganization or bankruptcy proceedings.

Our ability to meet our debt service requirements, including our obligations with respect to the Notes, depends on our future performance, which is subject to a number of factors, many of which are outside our control, such as our ability to obtain tariff increases. We cannot assure you that we will generate sufficient cash flow from operating activities to meet our debt service and working capital requirements. If we are unable to generate sufficient cash flow from operations in the future to make scheduled principal or interest payments on our debt when due, we may be required to refinance all or a portion of our existing debt, including the Notes, or to obtain additional financing. We cannot assure you that any such refinancing would be possible or that any additional financing could be obtained. Our inability to obtain such refinancing or financing may have a material adverse effect on our operations and the holders of our Notes. Furthermore, if we are not able to service our debt our creditors may require the immediate repayment of their debt and seek other remedies, including the attachment of our attachable assets. In this case, we cannot assure you that we will be able to reach an agreement with our creditors to restructure our outstanding debt as successfully as in the past or at all. If we were not able to reach a satisfactory agreement with our creditors, we would likely be forced to commence reorganization or bankruptcy proceedings under Argentine Law No. 24,522, as amended and supplemented (the "**Argentine Bankruptcy Law**"), which could adversely affect our ability to repay the Notes.

Moreover, if we become subject to a bankruptcy, liquidation or reorganization proceeding or if we enter into an out-of-court reorganization agreement and/or similar proceedings, current Argentine regulations applicable to the Notes (including the provisions of the Negotiable Obligations Law) will be subject to the provisions of the Argentine Bankruptcy Law, and other laws and regulations applicable to business reorganization proceedings, and consequently, certain terms and conditions of the Notes may not be enforced.

In addition, under the terms of the Concession Agreement, the Argentine Government has the right to revoke our concession if we become subject to a bankruptcy proceeding. If the Argentine Government decides that we may not continue rendering services, all of our assets will be transferred to a new state-owned company that will be sold in a public bidding process.

In the event of reorganization proceedings or an out-of-court reorganization agreement, noteholders

might have a different voting procedure from other creditors.

The Argentine Bankruptcy Law establishes a different voting procedure for noteholders from that used by other unsecured creditors for the purposes of calculating the majorities required by the Argentine Bankruptcy Law (which require the absolute majority of creditors representing two-thirds (2/3) of the unsecured debt). Pursuant to this system, noteholders may have significantly less bargaining power than our other financial creditors in the event of reorganization.

Moreover, case law has dictated that those noteholders who fail to attend a meeting in order to vote or who abstain from voting will not be counted for purposes of calculating such majorities. As a result of the reorganization proceedings, the bargaining power of noteholders may be lessened vis-à-vis our other financial and trade creditors.

Argentine Bankruptcy Law provisions may be less favorable than U.S. bankruptcy laws

Argentine Bankruptcy Law establishes more limited rights for creditors in the event of a bankruptcy, liquidation or reorganization proceeding compared to the extensive protections offered in the U.S. bankruptcy system. Additionally, bankruptcy proceedings in Argentina can often be prolonged and complex compared to the more streamlined processes in the U.S.

Therefore, a bankruptcy process in Argentina could potentially lead to higher costs for all parties involved and to holders of the Notes having less influence in the restructuring process and facing challenges in recovering their claims.

Holders of the Notes may find it difficult to enforce civil liabilities against us or our directors, officers and controlling persons.

We are organized under the laws of Argentina and our principal place of business (*domicilio social*) is in the City of Buenos Aires, Argentina. Our directors, officers and controlling persons reside outside the United States. In addition, a substantial portion of our assets and their assets is located outside the United States. As a result, it may be difficult or impossible for holders of the Notes to effect service of process within the United States on such persons or to enforce judgments against them, including in any action based on civil liabilities under the U.S. federal securities laws. In addition, under Argentine law, enforcement of foreign judgments would be recognized, provided that the requirements of Articles 517 through 519 of the Federal Civil and Commercial Procedure Code of Argentina are complied with, including the requirement that the judgment does not violate principles of public policy of Argentine law, as determined by the Argentine court. We cannot assure you that an Argentine court would not deem the enforcement of foreign judgments, requiring us to make a payment under the Notes in foreign currency outside of Argentina, to be contrary to Argentine public policy, if at that time there are legal restrictions prohibiting Argentine debtors from transferring foreign currency outside of Argentina to cancel indebtedness. Based on the opinion of our Argentine counsel, there is doubt as to the enforceability against our directors, officers and controlling persons in Argentina, in original actions, of liabilities based solely on the U.S. federal securities laws.

In addition, Argentine courts will not order the attachment prior to execution or attachment in aid of execution on any property located in Argentina and determined by such courts to be essential for the provision of public services. Pursuant to Argentine law, assets that are essential to the provision of public services may not be attached, whether preliminarily or in aid of execution.

The assets related to the distribution and sale of electricity are considered part of an activity of general interest (*actividad de interés general*) and attachment thereon is not restricted as a matter of law. However, if an Argentine court were to determine that any of our assets was essential for the provision of public services, unless the Argentine Government expressly grants a waiver to the extent permitted under applicable law, according to Section 234 of the Argentine Civil and Commercial Code, such assets would not be subject to attachment, execution or other legal process as long as the determination stands, and, as a result, Argentine courts may not order enforceability of judgments against any of our assets that are found by a court of law to be essential to the provision of a public service and the ability of our creditors to realize a judgment against such assets may be adversely affected.

In addition, creditors of the Company may hold negotiable instruments or other instruments governed by Argentine law that grant rights to attach the assets of the Company at the inception of judicial proceedings in the relevant jurisdiction, which attachment is likely to result in priorities benefitting those creditors when compared to the rights of holders of the Notes.

The price at which holders will be able to sell their Notes prior to maturity will depend on a number of factors and may be substantially less than the amount holders originally invested.

The market value of the Notes at any time may be affected by changes in the level of risk perceived in connection with the Company or the market. For example, an increase in the level of the risk perceived could cause a decrease in the market value of the Notes.

The level of risk perceived will be influenced by complex and interrelated political, economic, financial and other factors that can affect the capital markets generally and/or the market in which the Company operates.

Certain of our assets may not be attached or foreclosed on.

Pursuant to Argentine law, assets that are essential to the provision of a public service may not be attached, whether preliminarily or in aid of execution. As a result, Argentine courts may not order enforceability of judgments against any of our assets that are found by a court of law to be essential to the provision of a public service.

We cannot assure you that the credit ratings for the Notes will not be lowered, suspended or withdrawn by the Rating Agencies.

The credit ratings of the Notes may change after issuance. Such ratings are limited in scope, and do not address all material risks relating to an investment in the Notes, but rather reflect only the views of the rating agencies at the time the ratings are issued. An explanation of the significance of such ratings may be obtained from the applicable rating agency. We cannot assure you that such credit ratings will remain in effect for any given period of time or that such ratings will not be lowered, suspended or withdrawn entirely by any rating agency, if, in the judgment of such rating agency, circumstances so warrant. Any lowering, suspension or withdrawal of such ratings may have an adverse effect on the market price and trading of the Notes.

In addition, credit ratings impact the interest rates we pay on funds that we borrow and the market's perception of our financial strength. If the ratings on the Notes were downgraded and the market were to perceive any such downgrade as a deterioration of our financial strength, our cost of borrowing would likely increase and our profit could decrease, all of which could have a material adverse effect on us. Any such downgrade could also adversely affect the trading price and marketability of the Notes.

Payments of judgments against us on the Notes could be in Pesos.

In the event that proceedings are brought against us in Argentina, either to enforce a judgment or as a result of an original action brought in Argentina, we may not be required to discharge those obligations in a currency other than pesos or the then applicable currency of Argentina. As a result, investors may suffer a U.S. dollar shortfall if they obtain a judgment or a distribution in bankruptcy in Argentina if the investors are not able to acquire in the Argentine foreign exchange market the equivalent U.S. dollars at the prevailing exchange rate.

Deterioration in general economic and market conditions and the perception of risks in other countries, especially the United States and emerging market economies, may adversely affect the market price of the Notes.

The market value of securities issued by Argentine entities, including us, may be affected by economic and market conditions in other countries, including the United States, European Union and Latin American countries and other emerging-market countries. Although economic conditions in those countries may differ significantly from economic conditions in Argentina, investors' reactions to developments in other countries may have an adverse effect on the market value of securities by Argentine entities. Additionally, crises elsewhere may diminish investor interest in securities issued by Argentine entities, including the Notes. These events could adversely affect the market price of the Notes, restrict our access to capital markets and compromise our ability to finance our operations in the future on

acceptable terms or at all. To the extent that economic problems in emerging market countries or elsewhere adversely affect Argentina, the price of the Notes could be adversely affected. Furthermore, we cannot assure you that, in the event of adverse developments in emerging market economies, the international capital markets will remain open to companies with significant Argentine operations or that the resulting interest rates in such markets will be advantageous to us.

Holders of Notes may be required to bear the financial risks of an investment in the Notes for a long period.

The maturity date is June 11, 2033, and the payment of principal amounts will be in instalments payable as follows and further described herein: 33.33% of the original principal amount of the Notes on June 11, 2031, 33.33% of the original principal amount of the Notes on June 11, 2032, and 33.34% of the original principal amount of the Notes (representing the remaining principal amount) on the Maturity Date. Except in limited circumstances, we will be under no obligation to redeem or repurchase the Notes prior to such date, although we may elect to do so in certain circumstances. Holders of Notes will have no right to call for the redemption of the Notes, and the Notes will become due and payable only in the limited circumstances relating to specified Events of Default (see "*Description of the Notes—Events of Default*"). Furthermore, holders of Notes may only be able to transfer their Notes at a price less than the principal amount thereof or not at all. Holders of Notes should therefore be aware that they may be required to bear the financial risks associated with an investment in long-term securities and may not recover their investment in the foreseeable future.

We may be unable to make a change of control offer required by the Indenture and/or otherwise repurchase the Notes upon the occurrence of a change of control repurchase event, which would cause a default under the Indenture.

The terms of the Indenture require us to make an offer to repurchase the Notes upon the occurrence of a change of control repurchase event. Any financing arrangements we may enter may require repayment of amounts outstanding in the event of a specified change of control repurchase event and limit our ability to fund the repurchase of the Notes in certain circumstances. It is possible that we will not have sufficient funds at the time of the specified change of control repurchase event to make the required offer to repurchase the Notes or that restrictions in our other financing arrangements will not allow any such repurchases. See "*Description of the Notes—Repurchase at the Option of Holders Upon a Change of Control Repurchase Event*."

The Notes will be (i) effectively subordinated to any of our existing and future secured indebtedness and (ii) structurally subordinated to any indebtedness of our subsidiaries.

The Notes will constitute our direct, unconditional, unsecured and unsubordinated obligations and will rank at all times at least *pari passu* in right of payment with all of our other existing and future unsecured and unsubordinated indebtedness, except for obligations preferred by mandatory provisions of law (including tax and labor-related claims). However, the Notes will not be secured by any of our assets and, as a result, will be effectively subordinated to any of our existing and future secured indebtedness to the extent of the value of the assets securing such indebtedness. In the event of our bankruptcy, liquidation, reorganization or other winding-up, the holders of our secured indebtedness, if any, will be entitled to receive proceeds from the realization of the assets securing such indebtedness to satisfy their claims prior to any distribution to holders of the Notes. As of the date of this offering memorandum, we had no secured indebtedness outstanding. The Notes Indenture contains limitations on our ability to incur additional indebtedness, including secured indebtedness, subject to certain exceptions as described under "*Description of the Notes—Certain Covenants—Limitation on Indebtedness" and "—Limitation on Liens*." Any pledge of our assets in respect of future secured indebtedness would reduce the assets available to satisfy claims of holders of the Notes, and the Notes could be effectively subordinated to such secured indebtedness with respect to the pledged collateral.

In addition, the Notes are not guaranteed by any of our subsidiaries. Therefore, the Notes will be structurally subordinated to any indebtedness incurred by our subsidiaries in the future, unless such subsidiaries become guarantors under the Indenture governing the Notes.

The Notes may be issued with OID for U.S. federal income tax purposes.

If the stated principal amount of the Notes exceeds their issue price by more than a statutorily defined *de minimis* amount, the Notes will be issued with OID for U.S. federal income tax purposes. If the Notes are issued with OID, holders subject to U.S. federal income taxation will be required to include such OID in gross income (as ordinary income) as it accrues (on a constant yield to maturity basis), in advance of the receipt of cash payment thereof and regardless of such holders' regular method of accounting for U.S. federal income tax purposes. See "*Taxation—Certain U.S. Federal Income Tax Considerations*" section.

USE OF PROCEEDS

We will allocate an amount equal to the net proceeds from the sale of the Notes offered hereby, which will be approximately U.S.$275,037,000 (after deducting fees and expenses), in compliance with the requirements of Article 36 of the Negotiable Obligations Law in accordance with the following breakdown and order of priority.

1. Repayment and/or refinancing of indebtedness:

   (a) If the Offer and Solicitation is consummated, up to approximately 47% of the net proceeds will be applied to the repurchase of our Existing Notes in the context of, and in accordance with the terms of, the Offer and Solicitation (see "*Recent Developments—Tender Offer and Consent Solicitation in respect of our 2031 Notes*"); and

   (b) Up to approximately 25% of the net proceeds will be applied to: (a) the refinancing of the amounts applied to the repayment of our Series 1 Notes, (b) the refinancing of the amounts applied to the repayment of our Series 5 Notes, and (c) cover future scheduled payments and/or the prepayment of our Series 7 Notes (for further information, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Debt*").

2. Investments in projects and fixed assets located in Argentina:

   (a) Up to approximately 17% of the net proceeds will be applied to investments in works for the maintenance and expansion of the Company's distribution network, as well as projects related to our electricity distribution activities and energy storage, and to the acquisition of related fixed assets and capital goods; and

   (b) Up to approximately 11% of the net proceeds will be applied to the development and/or financing of projects related to solar power generation, renewable energy and energy storage, and to the acquisition of related fixed assets and capital goods, including capital contributions to subsidiaries or affiliates of the Company that are dedicated to the development of such projects.

Depending on the actual amount of Notes issued, the percentages set forth in the preceding paragraphs may vary proportionally. In all cases, the application set forth in paragraph 1(a) shall have priority.

The application and allocation of the proceeds obtained will be influenced by various factors outside our control, including the economic and financial market conditions prevailing from time to time. Any change in these or other factors may make it necessary or advisable for us to review, at our discretion, the purposes for the application of the net proceeds obtained from the issuance. Therefore, we may adjust the application of proceeds described above in accordance with our evolving commercial strategy.

Certain of the Initial Purchasers or their affiliates may hold positions in our Existing Notes and, accordingly, may receive a portion of the proceeds from this offering to the extent they tender Existing Notes in the Tender Offer. The Initial Purchasers will also be acting as dealer managers and solicitation agents in connection with the Offer and Solicitation.

Pending such uses, the net proceeds from the sale of the Notes may be invested in short-term temporary investments, including (without limitation) high-quality marketable securities, fixed-term deposits and money market instruments. The proceeds resulting from such temporary investment of funds shall be added to the amount to be credited as final application.

We estimate that, in all cases, the net proceeds will be applied prior to the Maturity Date of the Notes.

We undertake to apply the proceeds obtained from the issuance of the Notes within the time periods set forth in the CNV Rules. The actual application of proceeds will be duly reported to and certified before the CNV in

accordance with the CNV Rules. Any deviation from the disclosed application plan will be reported by us as material event (*Hecho Relevante*) on the CNV website.

We undertake to ensure that there is, at all times, traceability of the use of the proceeds from the issuance of the Notes.

CAPITALIZATION

The following table sets forth our capitalization, total shareholders' equity and total borrowings as of March 31, 2026, on (i) an actual basis and (ii) as adjusted to give effect to the issuance of the Notes offered hereby and the use of the proceeds therefrom, including the application of the net proceeds thereof as described under "Use of Proceeds," as if all such transactions had occurred on March 31, 2026 (and reflecting that 84.10% of the Existing Notes were validly tendered at or prior to the Early Tender Deadline and accepted for repurchase, thereby satisfying the Minimum Participation Condition set forth in the Offer and Solicitation).

This table should be read together with our Unaudited Financial Statements, as well as the information under "Management's Discussion and Analysis of Financial Condition and Results of Operations" in this offering memorandum.

	As of March 31, 2026			
	Actual	**As adjusted (1)(2)(4)**	**Actual(3)**	**As adjusted (1)(2)(3)(4)**
	(thousands of Ps.)		***(thousands of U.S.$)***	
Current borrowings				
Lease liabilities	150,132	150,132	109	109
Corporate notes(5)	100,544,993	1,328,102	72,753	961
Non-current borrowings				
Lease liabilities	52,179	52,179	38	38
Corporate notes	232,322,567	472,590,102	168,106	341,961
Total borrowings	333,069,871	474,120,515	241,006	343,069
Total shareholders' equity	415,164,535	380,664,990	300,408	275,445
Total capitalization	748,234,406	854,785,505	541,414	618,514

(1) Adjusted to reflect the sources and uses of funds of U.S.$275,037,000 (equivalent to Ps.380,101 million), calculated after deducting fees and expenses, as described under "Use of Proceeds".
(2) Assumes the consummation of the Tender Offer, pursuant to which U.S.$126,145,000 (equivalent to Ps.174,332 million) principal amount of our Existing Notes are repurchased for cash on the early tender settlement date, for an aggregate cash consideration of approximately U.S.$126,145,000 (equivalent to Ps.174,332 million), based on the early tender offer consideration of such Tender Offer to purchase for cash.
(3) Amounts related to the Notes were converted at the exchange rate published by *Banco de la Nación Argentina* on March 31, 2026 of Ps.1,382 to U.S.$1.00.
(4) Amounts under the "as adjusted" column do not reflect the impact of applying IFRS 9, which are under analysis by the Company's management.
(5) Does not include the short term debt incurred and prepayments made since March 31, 2026, as described under "Summary—Recent Developments—Recent Developments Relating to Our Indebtedness."

Other than as described under "Summary—Recent Developments—Recent Developments Relating to Our Indebtedness," there have been no material adverse changes to our total capitalization since March 31, 2026.

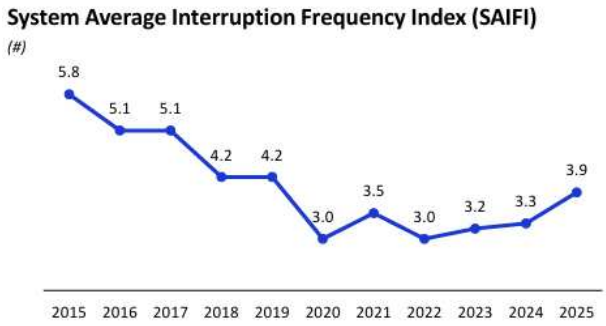
Envisioned Investment Benefits

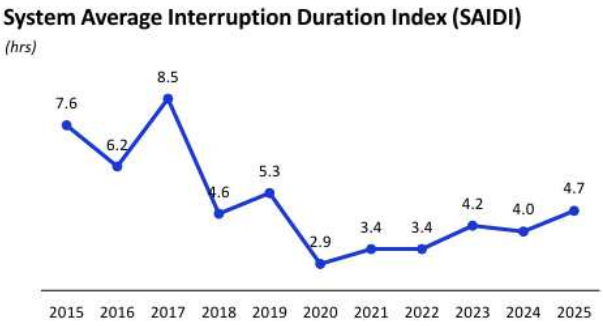
We expect that the issuance of the Notes offered hereby, and the application of the net proceeds thereof as described under "Use of Proceeds," will bring the following investment benefits.

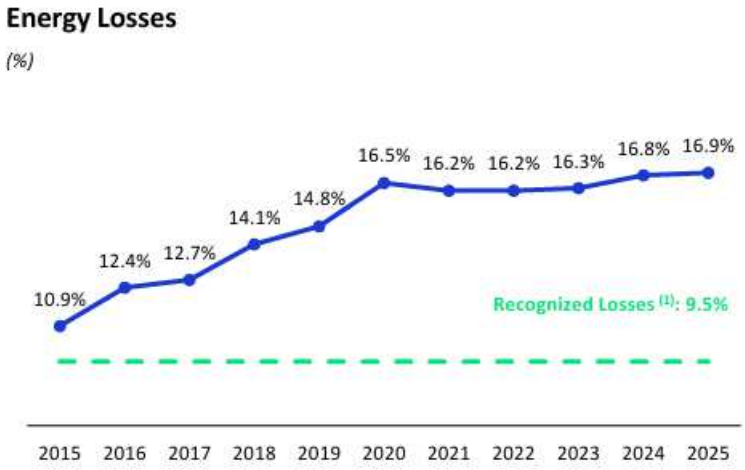
Improved Service Quality to Reduce Regulatory Penalties

The investment plan prioritizes targeted upgrades intended to reduce the System Average Interruption Duration Index (SAIDI) and the System Average Interruption Frequency Index (SAIFI). These quality indicators are closely monitored by the regulator and serve as the basis for potential fines. By improving grid reliability and reducing service disruptions, we aim to significantly lower exposure to regulatory penalties while enhancing the client

experience and public perception.







Note: SAIFI and SAIDI show semester that begins in February and ends in July.
(1) Recognized Losses in the electricity tariff refer to the electrical energy that is lost during generation, transmission, and distribution, and that is included in the tariff that consumers pay.

Reduction of Energy Losses to Improve Margins

A key focus of the investment strategy is to address both technical and non-technical energy losses. Through modernization of infrastructure, improved metering systems, and enhanced monitoring, we expect to reduce technical losses. Simultaneously, investments in anti-fraud technology and enforcement are designed to combat energy theft. Together, these initiatives are expected to yield a material improvement in operating margins and overall efficiency.

Strategic Expansion of the Regulatory Asset Base Ahead of the Upcoming RTI

The next comprehensive Tariff Review Process (RTI) is scheduled for 2028. Capital expenditures made prior to this date may be recognized in the regulatory asset base, directly influencing the tariff structure to be approved by the regulator. By front-loading investments in grid improvements, substations, and network expansion, we seek to strengthen our cost recovery position and secure a more favorable tariff framework in the next regulatory cycle.

Opportunistic and Strategic Investments for Long-Term Value Creation

In addition to core utility investments, we remain open to exploring broader strategic opportunities that support long-term growth and energy transition objectives. These may include selective acquisitions or joint ventures in renewable energy generation, grid electrification projects, and transmission infrastructure. Such investments are aligned with our vision to enhance energy security, grid resilience, and operational flexibility, while positioning the network for the increasing demands of a decarbonized energy landscape.

EXCHANGE RATE INFORMATION AND EXCHANGE CONTROLS

Exchange Rates

Official Foreign Exchange Market

The following table shows, for the periods indicated, average and period-end exchange rates expressed in Argentine peso per U.S. dollar (ask price published by *Banco Nación*). There can be no assurance that the Argentine peso will not depreciate or appreciate in the future. The Federal Reserve Bank of New York does not report a noon buying rate for Argentine peso.

	Average [1]	**Period-end**
	(Argentine peso per U.S. dollar)	
Year ended December 31,		
2022	131.08	177.16
2023	280.92	808.45
2024	916.42	1,032.00
2025	1,245.42	1,455.00
Month		
January 2026	1,449.55	1,447.00
February 2026	1,407.85	1.397,00
March 2026	1,395.97	1,382.00
April 2026	1,389.00	1,394.00
May 2026 (as of May 22, 2026)	1,394.33	1,403.00

(1) Calculated using the average of the exchange rates on each day during the period (for annual and monthly periods).

No representation is made that Argentine peso amounts have been, could have been or could be converted into U.S. dollars at the foregoing rates on any of the dates indicated.

Alternative Foreign Exchange Mechanisms (MEP and Cable)

The Argentine government has imposed in the past, and may impose again in the future, exchange controls that limit the availability of foreign currency and restrict the transfer of funds outside Argentina, which has resulted in the existence of multiple exchange rates outside the Argentine Foreign Exchange Market ("**MLC**" for its Spanish acronym).

In particular, certain transactions involving securities may be settled in foreign currency including through the purchase and sale of securities with settlement in foreign currency in Argentina (*dólar MEP or "MEP U.S. Dollar"*) or abroad (*dólar cable* or *contado con liquidación*). The implicit exchange rates arising from such securities transactions may differ, and have differed in the past, from the exchange rates available in the official foreign exchange market (see table above).

As of May 22, 2026, the value of the MEP (*Dólar MEP*)/Argentine Peso exchange rate published by BYMA (Índices BYMA) was Ps. 1,426.99 to U.S.$1.00 and, therefore, there is a gap between the official exchange rate and the value of certain capital market mechanisms used to access U.S. dollars, such as the MEP U.S. Dollar and the *contado con liquidación*. The gap between these rates and the official exchange rate has fluctuated significantly and may increase again.

See "*Risk Factors—Risks Relating to the Notes—We have decided not to settle the proceeds of our current notes through the MLC as a result of which we will not have access to the MLC and, therefore, exchange controls and restrictions on transfers abroad and capital inflows may increase the cost of servicing our foreign currency debt obligations, including the Notes, or force us to resort to legally available alternative mechanisms that may be less reliable*."

Exchange Controls

The following is a summary of the main measures taken by the Central Bank with the purpose of regulating inflows and outflows in the MLC to maintain the exchange rate stability and protect international reserves in view of the high degree of uncertainty and volatility in the exchange rate by tightening exchange controls and restrictions on the inflow and outflow of foreign exchange. In this regard, as of the date of this offering memorandum, the Central Bank has issued a series of communications, which introduced additional restrictions to access the MLC relating, among others, to transactions with securities and other external liquid assets, holding and disposal of liquid foreign assets and repayment of external indebtedness.

In order to access the MLC for the making of any payment abroad, local residents must (i) have their foreign-currency holdings in the country deposited in accounts with local financial institutions and (ii) meet specific repatriation and holding requirements for external liquid assets, as described below.

The term "liquid external assets" comprise, among others: holdings of foreign currency notes and coins, holdings of gold in the form of good delivery bars or coins, demand deposits in foreign financial institutions and other investments allowing for the immediate availability of foreign currency (for example, investments in foreign public securities, funds in investment accounts deposited with investment managers located abroad, crypto assets, funds deposited in payment service providers' accounts, etc.). Funds deposited abroad which may not be freely used by the customer as they are reserve or guarantee funds constituted under foreign financing agreements, or funds kept as collateral for foreign transactions with derivatives entered into abroad are exempted from such definition. Other exceptions apply including, among others, funds deposited in foreign bank accounts disbursed under external financial indebtedness for an amount not to exceed the amount of the debt service payments corresponding to the following 365 (three hundred and sixty-five) calendar days. Certain repatriation obligations were also imposed under the referred regulations.

Moreover, local residents are required to file an affidavit certifying: (i) that, the customer has not performed security sales transactions with settlement in in foreign currency, transferred securities to depository institutions abroad, exchange securities for other external liquid assets nor purchased foreign securities in the country with pesos during the 90 (ninety) calendar days preceding the access to the MLC and that it undertakes not to carry out those transactions during the following 90 calendar days; and (ii) in the case of legal entities, (a) the identity of the individuals or legal entities exercising direct control over the customer, and (b) that, on such date and during the previous 90 (ninety) calendar days, the customer has not transferred in the country any local currency funds or other liquid local assets, to any individual or legal entity exercising direct control over them, except for those directly associated to regular transactions between residents for the acquisition of goods and/or services.

In addition, to access the MLC the client must not be included in (i) the Agency for Revenue Collection and Customs Control (*Agencia de Recaudación y Control Aduanero* or "**ARCA**")'s database of apocryphal invoices or documents; and (ii) the list of individual tax IDs (CUIT) registering inconsistent transactions provided and updated by the Central Bank. If the client is included in the referred list, the intervening financial institution must reinforce the control measures to ensure the reasonableness and genuineness of the transactions.

As of April 2025, the BCRA issued Communication "A" 8230 introducing certain easing measures applicable to foreign exchange transactions, particularly for foreign direct investments and financial indebtedness with related parties. Under this regulation:

- Local residents are allowed to access the MLC for the repayment of principal on financial indebtedness with related parties abroad, without prior approval from the Central Bank, provided that (i) the funds were entered and settled in the MLC as from April 21, 2025, and (ii) the loan has an average life of no less than 180 calendar days.

- Foreign investors are authorized to repatriate foreign direct investments, including capital reductions and share repurchases, without prior Central Bank approval, subject to the same conditions of prior inflow and settlement in the MLC and a minimum 180-day holding period.

- Non-resident investors may access the MLC to repatriate capital and income derived from portfolio investments in instruments traded on regulated markets authorized by the CNV, provided that (i) the

investment was made with funds entered and settled in the MLC as from April 21, 2025 and (ii) a financial institution issues a certificate supporting the investment's origin.

The requirement set forth in item (i) and (ii) shall also be considered fulfilled when a non-resident investor applies foreign currency directly, as of May 23, 2025, to the primary subscription of debt securities issued by the Federal Treasury, in accordance with subsection 3.13.1.12 of the foreign exchange regulations.

These provisions represent a partial relaxation of the foreign exchange regime applicable to cross-border investments and debt servicing under certain criteria, reinforcing the importance of compliance with procedural and timing requirements.

As an additional condition for accessing the foreign exchange market under the provisions of subsection 3.5.3, the BCRA requires that any transfer abroad for the payment of principal on debt securities issued after May 16, 2025, must be made no earlier than 18 months following the date of issuance.

For more information regarding Argentina's foreign exchange policies, you should seek advice from your legal counsel and read the applicable rules mentioned herein, including their amendments, which can be found at the following websites: www.infoleg.gov.ar and the Central Bank's website: www.bcra.gov.ar. The information contained on these websites is not part and shall not be deemed incorporated into, this offering memorandum.

Recent Changes to the Argentine FX Controls Regime

On August, 2025, the Central Bank published Communication "A" 8307 ("**Communication 8307**") which contained an amended and restated text of the Central Bank foreign exchange regulations reflecting the changes introduced by Communications "8226, 8227, 8230, 8234, 8244, 8245, 8254, 8257, 8261, 8296, 8299 and 8304.

Since August 25, 2025, the Central Bank issued the following foreign exchange regulations (Communications "A"): 8330, 8331, 8359, 8361, 8390, 8417, 8426 and 8441.

Repayment of Cross-Border Debt through Access to the MLC

Proceeds from cross-border financial indebtedness, as the proceeds from this offering of Notes, must be entered into Argentina and settled in the MLC as a requirement for subsequent access to the MLC in order to service principal and interest payments. Consequently, although settlement through the MLC of proceeds from such transactions is not mandatory under existing regulations, failing to settle the proceeds from the offering of the Notes through the MLC will prevent future access to the MLC for purposes of principal and interest payments under the Notes.

Moreover, in order to access the MLC, local entities, such as the Company, are required to file an affidavit (as described above), in which, among other things, local entities will need to represent (i) that the entity accessing the MLC has not performed security sales transactions with settlement in foreign currency, transferred securities to depository institutions abroad, exchanged securities for other external liquid assets, nor purchased foreign securities in the country with pesos, during the 90 (ninety) calendar days preceding the access to the MLC and undertake not to carry out those transactions during the following 90 (ninety) calendar days; and (ii) in the case of legal entities, (a) the identity of the individuals or legal entities exercising direct control over the customer, and (b) that, on such date and during the previous 90 (ninety) calendar days, the customer has not transferred in the country any local currency funds or other liquid local assets, to any individual or legal entity exercising direct control over them, except for those directly associated to regular transactions between residents for the acquisition of goods and/or services.

Argentine entities typically enter into the types of transactions described in (i) above as an alternative mechanism to purchase US Dollars and transfer them outside of Argentina. Such transactions, although fully legal and also recognized as valid securities transactions pursuant to certain judicial precedents, will –as per the current regime– prevent the relevant entity from accessing the MLC for at least 90 (ninety) days. See "*Risk Factors—Risks Relating to the Notes— We have decided not to settle the proceeds of our current notes through the MLC as a result of which we will not have access to the official exchange market and, therefore, exchange controls and restrictions on transfers abroad and capital inflows may increase the cost of servicing our foreign currency debt obligations, including the Notes*."

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following review is based on our Audited Annual Financial Statements and Unaudited Financial Statements. This summary may not contain all the information that may be important to you. Before making an investment decision, we urge you to read this entire offering memorandum carefully, including the "Risk Factors" section, including our Audited Annual Financial Statements and Unaudited Financial Statements.

Our Business

Overview

We are the largest electricity distributor in the Province in terms of number of users, energy sold (both in GWh and Pesos), and territory covered. We began operating on August 1, 1998, following the privatization of Energía Mendoza Sociedad del Estado (EMSE), a state-owned electricity generation, transmission and distribution company of the Province, pursuant to the Provincial Framework Law (as defined below) and the Transformation Law (as defined below).

We serve two markets: (i) the regulated market, which comprises users who are unable to purchase their electricity requirements directly through the WEM, and (ii) the unregulated market, which comprises large users that purchase their electricity requirements directly from generators in the WEM. In both markets, the energy price is regulated. The difference is that large users can bypass the cost of the local jurisdiction (distributor) and pay only for the costs of national jurisdiction (generation and transportation). The local toll fee is added only if they use the distributor's network. The ENRE regulates the terms and conditions of our services and the electricity tariffs we charge users in both the regulated and unregulated markets.

Factors Affecting Our Results of Operations

In 2023, a series of significant agreements were reached, which impacted positively our economic, financial, and equity position throughout 2023 and 2024, and are expected to continue contributing in future periods.

On December 29, 2022, the SE, the Regulatory Authority, the EPRE, and us signed the "Memorandum of Agreement Special Regime for the Regularization of Obligations". Subsequently, in September 2023, CAMMESA accepted the debt refinancing proposal submitted by us, which involved the repayment of past-due debt in 96 monthly increasing installments, with an interest rate equivalent to 50% of the rate in force in the WEM.

At the provincial level, on January 3, 2023, the Regulatory Authority and us signed the Transaction Agreement to regularize uncollected revenues during the Third, Fourth and Fifth Tariff Periods. We agreed to waive all administrative and/or judicial claims for uncollected revenues, the Concession Term was extended for 20 years starting August 1, 2028, the concession fee was reduced to 6%, and our debt repayment plans with CAMMESA were incorporated into the tariff schedules, among others.

Additionally, Decree No. 2348/23, issued in November 2023, modified the intra-period VAD adjustment procedure by reducing the adjustment frequency from six months to three months. It also established a gradual and progressive implementation of the Sixth Tariff Period, which was originally set to take effect in August 2023 but was applied in November 2023 and February 2024. Furthermore, CAMMESA debt repayment plans were included in tariff schedules starting in February 2024. During 2024, quarterly tariff adjustments were applied progressively.

Within this context, the 2024 fiscal year showed a recovery in operating results (shifting from a loss in 2023 to a profit in 2024) and greater stability and predictability for future periods. This is expected to allow for improved management and increased investment in infrastructure.

During 2025 fiscal year, we further consolidated the economic, financial and equity position achieved in the previous year, following the material agreements entered into in 2023 at both national and provincial levels.

This favorable environment enabled our return to the local capital markets through the issuance of Notes Series 1, 2, 3, 4, 5 and 7 during 2024 and 2025. It also enabled us to access long-term financing in the international capital markets through the issuance of Series 6 Notes in 2025. The proceeds of such placements were intended to finance our investment plan and working capital, among other uses.

Our operations are affected by an additional number of factors as described in "Business" in this offering memorandum. See, also, "Risk Factors" in this offering memorandum.

Three months ended March 31, 2026, compared to the three months ended March 31, 2025

Revenues

Revenues decreased by 14.7%, to Ps. 198,011 million for the three-month period ended March 31, 2026, from Ps. 232,114 million for the three-month period ended March 31, 2025.

This decrease was mainly due to lower energy purchase costs, which are directly passed through to electricity tariffs through the pass-through mechanism, and a reduction in VAD. The VAD in the first quarter of 2025 included certain tariff adjustments granted during 2024 that were applied gradually and impacted early 2025 but were not present in the first quarter of 2026.

Additionally, energy sales decreased by 7.9% in volume terms, mainly due to a general reduction across all tariff categories and particularly due to lower consumption under the agricultural irrigation tariff (T2), affected by weather conditions.

Energy losses remained relatively stable at 16.87% for the three-month period ended March 31, 2026, compared to 16.88% for the same period in 2025.

Costs of Sales

Costs of sales decreased by 8.9%, to Ps. 129,634 million for the three-month period ended March 31, 2026, from Ps. 142,280 million for the three-month period ended March 31, 2025. The following table shows the variations in each component of our costs:

	For the three months ended March 31, (in thousands of Pesos)		
	2026	**2025**	**%**
Purchase of energy	74,551,298	93,115,365	(19.9%)
Third-party fees and services	14,640,486	11,578,171	26.4%
Remunerations and social security contributions	9,619,086	7,850,359	22.5%
Depreciation of property, plant and equipment	6,837,469	5,651,563	21.0%
Concession fee	6,728,066	8,123,795	(17.2%)
Maintenance and repairs	4,733,965	3,411,895	38.7%
Other Distribution expenses	12,523,866	12,548,564	(0.2%)
Total	**129,634,236**	**142,279,712**	**(8,9%)**

- *Purchase of energy*: Decreased by 19.9%, mainly due to lower energy purchase costs in real terms and a decrease in physical demand during the period. As these costs are directly transferred to electricity tariffs, this variation is consistent with the decrease in revenues.
- *Third-party fees and services*: Increased by 26.4%, primarily due to higher operational activity and cost adjustments granted to contractors.
- *Remunerations and social security contributions*: Increased by 22.5%, mainly as a result of salary adjustments during the period.
- *Depreciation of property, plant and equipment*: Increased by 21.0%, reflecting the higher level of capital expenditures and the expansion of the asset base.
- *Concession fee:* Decreased by 17.2%, mainly due to the reduction in the VAD, which serves as the basis for calculating such fee.
- *Maintenance and repairs:* Increased by 38.7%, driven by higher operating activity and increased maintenance requirements.

Gross profit

As a result of the above, gross profit decreased by 23.9%, to Ps. 68,376 million for the three-month period ended March 31, 2026, from Ps. 89,834 million for the same period in 2025. This decrease was mainly driven by the reduction in revenues, partially offset by the decrease in cost of sales.

Selling Expenses

The following table sets forth the principal components of our selling expenses for the periods indicated.

	For the three months ended March 31, (in thousands of Pesos)		
	2026	**2025**	**%**
Third-party fees and services	9,171,178	6,983,601	31.3%
Remunerations and social security contributions	4,009,335	3,570,239	12.3%
Taxes, fees and contributions	2,223,617	2,404,113	(7.5%)
Depreciation of property, plant and equipment	720,687	595,689	21.0%
Advisor's fees	247,961	564,152	(56.0%)
Other selling expenses	307,004	191,264	60.5%
Total	**16,679,782**	**14,309,058**	16.6%

Selling expenses increased by 16.6%, to Ps. 16,680 million for the three-month period ended March 31, 2026, compared to Ps. 14,309 million for the same period in 2025.

This increase was mainly due to:

- Higher third-party fees and services (+31.3%), as a result of increased operational activity.
- An increase in remunerations and social security contributions (+12.3%), driven by salary adjustments.
- A decrease in taxes, fees and contributions (-7.5%), mainly due to lower transactional taxes associated with reduced billing levels.
- Higher depreciation of property, plant and equipment (+21.0%), reflecting the increased asset base.
- A decrease in advisor's fees (-56.0%), mainly due to lower fees linked to reduced revenues during the period.

General and Administrative Expenses

The following are the principal components of our general and administrative expenses for the periods indicated.

	For the three months ended March 31, (in thousands of pesos)		
	2026	**2025**	**%**
Third-party fees and services	10,828,517	5,666,337	91.1%
Remunerations and social security contributions	4,932,347	3,985,371	23.8%
Training and other personnel expenses	1,714,376	2,004,553	(14.5%)
Taxes, fees and contributions	374,758	238,494	57.1%
Other general and administrative expenses	2,332,532	2,993,550	(22.1)%
Total	**20,182,530**	**14,888,305**	**35.6%**

General and administrative expenses increased by 35.6%, to Ps. 20,183 million for the three-month period ended March 31, 2026, from Ps. 14,888 million for the same period in 2025.

This increase was mainly due to:

- A significant increase in third-party fees and services (+91.1%), mainly attributable to higher professional fees and outsourced services.
- An increase in remunerations and social security contributions (+23.8%), as a result of salary adjustments.
- A decrease in training and other personnel expenses (-14.5%), reflecting lower personnel-related costs compared to the prior period.
- An increase in taxes, fees and contributions (+57.1%), mainly due to higher tax charges.

Net Impairment of Financial Assets

The net impairment loss on financial assets amounted to Ps. 2,308 million for the three-month period ended March 31, 2026, compared to Ps. 1,393 million for the same period in 2025. This increase was mainly due to a higher allowance for doubtful accounts associated with the increase in accounts receivable and delinquency during the period. However, no material collectability issues have been observed.

Other Income and Expenses

Other income decreased to Ps. 1,135 million for the three-month period ended March 31, 2026, from Ps. 1,893 million for the same period in 2025, mainly due to lower income from services rendered to third parties and leasing activities.

Operating income

Operating income decreased to Ps. 30,341 million for the three-month period ended March 31, 2026, compared to Ps. 61,137 million for the same period in 2025. This decrease was mainly driven by the reduction in gross profit and the increase in operating expenses, particularly third-party fees and services.

Financial income, net

Financial income decreased to Ps. 1,475 million for the three-month period ended March 31, 2026, from Ps. 11,422 million for the same period in 2025.

This decrease was mainly due to the absence of gains from changes in the fair value of financial assets recorded in the prior period. During the first quarter of 2026, the decrease in the exchange rate negatively affected the valuation of financial investments denominated in foreign currency, resulting in lower returns compared to the same period in 2025.

Financial expenses, net

Financial expenses increased significantly to Ps. 41,654 million for the three-month period ended March 31, 2026, compared to Ps. 10,436 million for the same period in 2025.

This increase was mainly due to losses from changes in the fair value of financial assets during the period, in contrast with the prior period, which benefited from favorable valuation effects. This variation is largely explained by the decrease in the exchange rate, which generated losses in financial investments denominated in foreign currency. Additionally, financial expenses were impacted by higher interest expenses associated with increased financial indebtedness, particularly related to the issuance of corporate notes.

Exchange rate difference, net

Foreign exchange differences resulted in a gain of Ps. 10,126 million for the three-month period ended March 31, 2026, compared to a loss of Ps. 395 million for the same period in 2025. This variation is mainly due to the impact of exchange rate movements on U.S. dollar-denominated liabilities, in a context of a decrease in the exchange rate during the period.

Net monetary gain / (loss) (RECPAM)

The result from the monetary position resulted in a gain of Ps. 773 million for the three-month period ended March 31, 2026, compared to a loss of Ps. 669 million for the same period in 2025. This variation is mainly explained by changes in the net monetary position and inflation dynamics during the period.

Income Tax

Income tax expense amounted to Ps. 6,746 million for the three-month period ended March 31, 2026, compared to Ps. 21,990 million for the same period in 2025. The variation is mainly due to the lower taxable income during the current period.

Other comprehensive results

No comprehensive results were recognized for the three months ended March 31, 2026, compared to a loss of Ps. 1.128 million for the same period in 2025.

Comprehensive Income for the year

As a result of the above, we recorded a net loss of Ps. 5,684 million for the three-month period ended March 31, 2026, compared to a net gain of Ps. 39,071 million for the same period in 2025.

Fiscal year ended December 31, 2025, compared with fiscal year ended December 31, 2024

Revenues

Revenues increased by 9.2%, to Ps. 708.712 million for the fiscal year ended December 31, 2025, from Ps. 648.744 million for the fiscal year ended December 31, 2024. This increase was mainly due to the quarterly VAD adjustments during 2024 and in February, May and November 2025, which had an impact on sales for the entire 2025

fiscal year vis a vis an impact for only part of the 2024 fiscal year. Additionally, revenues were affected by the increase in supply costs that are directly transferable to the tariff.

Energy sales decreased by 1.4%, mainly due to lower consumption under the T2 agricultural irrigation tariff. Energy losses slightly increased to 16.9% for the fiscal year ended December 31, 2025, compared to 16.8% for the for the fiscal year ended December 31, 2024.

Costs of Sales

Costs increased by 9.7%, to Ps. 470,991 million for the fiscal year ended December 31, 2025, from Ps. 429,228 million for the fiscal year ended December 31, 2024. The following table shows the variations in each component of our costs:

	For the fiscal years ended December 31, (in thousands of Pesos)		
	2025	**2024**	**%**
Purchase of energy	279,383,506	263,432,778	6.1%
Third-party fees and services	47,663,992	34,980,095	36.3%
Remunerations and social security contributions	32,742,976	33,582,009	(2.5%)
Concession fee	24,504,580	22,538,223	8.7%
Depreciation of property, plant and equipment	22,696,792	20,266,412	12.0%
Materials	18,598,591	11,824,088	57.3%
Other Distribution expenses	45,400,444	42,603,927	6.6%
Costs of Sales	**470,990,881**	**429,227,532**	**9.7%**

- *Purchase of energy:* The cost of energy and capacity purchases for the fiscal year ended December 31, 2025, amounted to Ps. 279,384 million compared to Ps. 263,433 million for the fiscal year ended December 31, 2024. This 6.1% increase was primarily due to higher supply costs in the WEM, particularly throughout 2024, which only partially impacted that fiscal year and fully impacted 2025. Supply costs are passed through to the sales tariff via the pass-through mechanism.
- *Third-party fees and services:* The 36.3% increase in third-party fees and services for the fiscal year ended December 31, 2025, was mainly due to higher operational activity and cost adjustments granted during the year.
- *Remunerations and social security contributions:* Remunerations and social security contributions for the fiscal year ended December 31, 2025 decreased by 2.5%.
- *Concession fee:* The 8.7% increase in concession fee for the fiscal year ended December 31, 2025, was mainly due to the VAD increase, which serves as the basis for calculating of such fee.
- *Depreciation of property, plant and equipment:* The 12.0% increase in depreciation of property, plant and equipment for the fiscal year ended December 31, 2025, was mainly due to the higher level of investment throughout the period.
- *Materials:* The 57.3% increase in materials usage for the fiscal year ended December 31, 2025, was mainly attributed to expansion of operational activities throughout the period.

Gross profit

Our gross profit increased to Ps. 237,721 million for the fiscal year ended December 31, 2025, from Ps. 219,516 million for the fiscal year ended December 31, 2024. This increase was mainly due to the rise in revenues, driven by tariff adjustments, as mentioned above.

Selling Expenses

Our selling expenses include third-party fees and services, remunerations and social security contributions, taxes, fees and contributions, depreciation of property, plant and equipment, advisor fees and other selling expenses.

The following table sets forth the principal components of our selling expenses for the periods indicated.

	For the fiscal year ended December31, (in thousands of Pesos)		
	2025	**2024**	**%**
Third-party fees and services	28,628,665	22,703,760	26.1%
Remunerations and social security contributions	14,369,037	14,557,628	(1.3%)
Taxes, fees and contributions	8,168,335	6,052,199	35.0%
Depreciation of property, plant and equipment	2,392,300	2,136,132	12.0%
Advisor's fees	1,700,528	1,659,381	2.5%
Other selling expenses	1,391,780	1,047,941	32.8%
Total	**56,650,645**	**48,157,041**	**17.6%**

Selling expenses increased by 17.6%, to Ps. 56,651 million for the fiscal year ended December 31, 2025, compared to Ps. 48,157 million for the fiscal year ended December 31, 2024. This increase was mainly due to:

- Higher third-party fees and services resulting from increased operational activity compared to the previous fiscal year.
- Remunerations and social security contributions for the fiscal year ended December 31, 2025 decreased by 1.3%.
- A rise in taxes, fees, and contributions, mainly due to the higher debits and credits tax, driven by increased cash flow movements during the fiscal year.
- Higher depreciation of property, plant and equipment, reflecting the higher level of investment during the year.

General and Administrative Expenses

The following are the principal components of our general and administrative expenses for the periods indicated.

	For the fiscal year ended December31, (in thousands of pesos)		
	2025	**2024**	**%**
Third-party fees and services	29,316,989	19,788,189	48.2%
Remunerations and social security contributions	16,522,383	14,769,956	11.9%
Training and other personnel expenses	7,958,474	4,808,988	65.5%
Maintenance and repairs	2,297,931	1,203,476	90.9%
Taxes, fees and contributions	2,051,968	721,971	184.2%
Other general and administrative expenses	7,314,522	4,777,697	53.1%
Total	**65,462,267**	**46,070,277**	**42.1%**

General and administrative expenses increased by 42.1%, to Ps. 65,462 million for the fiscal year ended December 31, 2025, from Ps. 46,070 million for the fiscal year ended December 31, 2024. This increase was mainly due to an increase in professional fees and third-party fees and services, attributable to higher fees incurred during the fiscal year. Remunerations and social security contributions increased by 11.9%, as a result of tariff adjustments and bonus payments. Training and other personnel expenses increased due to certain personnel-related costs. An increase in maintenance and repairs is also observed, driven by higher operating activity during the fiscal year. Taxes, fees and contributions increased primarily as a result of the gross turnover tax.

Net Impairment of Financial Assets

The net impairment loss on Financial Assets corresponds to the increase in the allowance for doubtful accounts. Although such allowance increased by 38.6% as a result of higher sales, social conditions and certain delinquency in payments, no collectability issues have been observed with respect to current receivables, given the availability of the service interruption and suspension mechanism in the event of payment delays by customers.

Other income and expenses

Other income includes Services rendered to third parties and the leasing of poles

Operating income

Operating income remained relatively stable, at Ps. 118,596 million for the fiscal year ended December 31, 2025, compared to Ps. 127,253 million for the fiscal year ended December 31, 2024.

Financial income, net

Financial income gains totalled Ps. 35,059 million for the fiscal year ended December 31, 2025, compared to Ps. 29,673 million for the fiscal year ended December 31, 2024, mainly due to the increased return on financial investments during the year.

Financial expenses, net

Financial expenses totalled Ps. 51,308 million for the fiscal year ended December 31, 2025, compared to Ps. 73,553 million for the fiscal year ended December 31, 2024. Although, on the one hand, interest accrued on the Notes increased, on the other hand, commercial and tax-related interest expenses decreased significantly. Also, in fiscal year 2024, there were included financial costs corresponding to the Service Quality Provision (which is adjustable to the new tariff schedules).

Exchange rate difference, net

Foreign exchange differences resulted in a loss of Ps. 11,273 million for the fiscal year ended December 31, 2025, compared to a gain of Ps. 103 million for the fiscal year ended December 31, 2024. This significant variation compared to the previous fiscal year is due to the foreign exchange impact on dollar-denominated liabilities (mainly the Class 3 and Class 6 Notes) resulting from the increase in the exchange rate, partially offset by holdings of cash and cash equivalents and financial investments denominated in the same currency.

Net monetary gain / (loss) (RECPAM)

The result from the monetary position reflects a loss of Ps. 4,648 million for the fiscal year ended December 31, 2025, compared to a gain of Ps. 13,455 million for the fiscal year ended December 31, 2024. This is due to the increase in monetary assets net of monetary liabilities during fiscal year 2025 and to the decrease in inflation in 2025 compared to 2024.

Income Tax

A higher tax charge was recorded in fiscal year ended December 31, 2025 compared to fiscal year ended December 31, 2024, which was influenced by the effects generated by the inflation adjustment on the deferred tax of the previous fiscal year.

Other comprehensive income

Other comprehensive income reflects the actuarial losses on employee benefits for the fiscal year ended December 31, 2025, resulting in a net loss after income tax of Ps. 249 million (compared to a loss of Ps. 1,125 million in the fiscal year ended December 31, 2024).

Comprehensive Income for the year

As a result of the above, we recorded a gain of Ps. 54,427 million for the fiscal year ended December 31, 2025, compared to a gain of Ps. 75,753 million for the fiscal year ended December 31, 2024.

Fiscal year ended December 31, 2024, compared with fiscal year ended December 31, 2023

Revenues

Revenues increased by 61%, to Ps. 648,744 million for the fiscal year ended December 31, 2024, from Ps. 402,893 million for the fiscal year ended December 31, 2023. This increase was mainly due to tariff adjustments under the sixth tariff period, which were implemented gradually in November 2023 and February 2024, along with staggered adjustments to the VAD. Energy sales remained stable. Energy losses slightly increased to 16.8% in 2024 compared to 16.3% in 2023.

Costs of sales

Costs increased by 26,3%, to Ps. 429,228 million for the fiscal year ended December 31, 2024, from Ps. 339,744 million for the fiscal year ended December 31, 2023. The following table shows the variations in each component of our costs.

	For the fiscal years ended December 31, (in thousands of Pesos)		
	2024	**2023**	**%**
Purchase of energy	263,432,778	207,055,796	27.2%
Third-party fees and services	34,980,095	22,612,642	54.7%
Remunerations and social security contributions	33,582,009	33,864,599	(0.8%)
Concession fee	22,538,223	13,590,180	65.8%
Lawsuits and other claims	21,019,410	19,345,641	8.7%
Depreciation of property, plant and equipment	20,266,412	18,323,974	10.6%
Other distribution costs	33,408,605	24,950,892	33.9%
Total	**429,227,532**	**339,743,724**	**26.3%**

- *Energy and Capacity Purchases:* The cost of energy and capacity purchases for the fiscal year ended December 31, 2024, amounted to Ps.263,433 million. Compared to the total of Ps.207,056 million for the fiscal year ended December 31, 2023, this represents a 27.2% increase. This increase is primarily due to higher supply costs in February, June, and August 2024. It is important to note that supply costs are passed through to the sales tariff via the pass-through mechanism.

- *Materials and Spare Parts*: The increase in materials usage for the fiscal year ended December 31, 2024, is mainly attributed to the intensification of operational activities throughout the year.
- *Third-party fees and services*: The increase is due to higher activity by suppliers and contractors during the year.
- *Remunerations and social security contributions*: Remained practically unchanged, with no significant variations.
- *Concession Fee*: Increased by 65.8%, driven by the VAD adjustment during the fiscal year, as VAD serves as the basis for calculating the concession fee.
- *Lawsuits and Other Claims*: The increase is due to higher penalties for service quality, which have risen as a result of the higher cost of energy, a key factor in their calculation.

Gross profit

Our gross profit increased to Ps. 219,516 million for the fiscal year ended December 31, 2024, from Ps. 63,150 million for the fiscal year ended December 31, 2023. This increase was mainly due to the 61% rise in revenues, driven by tariff adjustments under the sixth tariff period and staggered VAD increases.

Selling Expenses

Our selling expenses include third-party fees and services, remunerations and social security contributions, taxes, fees and contributions, depreciation of property, plant and equipment, advisor fees and other marketing expenses.

The following table sets forth the principal components of our selling expenses for the periods indicated.

	For the fiscal years ended December 31, (in thousands of Pesos)		
	2024	**2023**	**%**
Third-party fees and services	22,703,760	19,062,447	19.1%
Remunerations and social security contributions	14,557,628	13,980,852	4.1%
Taxes, fees and contributions	6,052,199	4,742,704	27.6%
Depreciation of property, plant and equipment	2,136,132	1,931,395	10.6%
Advisor's fees	1,659,381	1,000,601	65.8%
Other selling expenses	1,047,941	800,303	30.9%
Total	**48,157,041**	**41,518,302**	**16.0%**

Selling expenses increased by 16%, to Ps. 48,157 million for the fiscal year ended December 31, 2024, compared to Ps. 41,518 million for the fiscal year ended December 31, 2023. This increase was mainly due to:

- Higher third-party fees and services resulting from increased operational activity compared to the previous fiscal year.
- An increase in remunerations and social security contributions.
- A rise in taxes, fees, and contributions, mainly due to the higher debits and credits tax, driven by increased sales and purchases during the fiscal year.
- Higher advisor's fees, which are also directly related to the volume of sales for the year.

General and Administrative Expenses

The following are the principal components of our general and administrative expenses for the periods indicated.

	For the fiscal years ended December 31, (in thousands of pesos)		
	2024	**2023**	**%**
Third-party fees and services	19,788,189	19,741,454	0.2%
Remunerations and social security contributions	14,769,956	14,227,033	3.8%
Training and other personnel expenses	4,808,988	7,193,022	(33.1%)
Advisor's fees	1,450,629	1,090,792	33.0%
Maintenance and repairs	1,203,476	913,601	31.7%
Other general and administrative expenses	4,049,039	4,116,323	(1.6%)
Total	**46,070,277**	**47,282,225**	**(2.6%)**

General and administrative expenses decreased by 2,6%, to Ps. 46,070 million for the fiscal year ended December 31, 2024, from Ps. 47,282 million for the fiscal year ended December 31, 2023. This decrease was mainly due to the following reasons:

- A 3.8% increase in remunerations and social security contributions.
- A decrease in other miscellaneous personnel expenses, which had seen a sharp increase in 2023.
- An increase in advisor fees, as this cost is directly linked to the higher sales volume for the fiscal year.

Net Impairment of Financial Assets

A loss of Ps. 4,543 million was recorded in 2024, compared to a devaluation of Ps. 1,854 million in the previous fiscal year. This impairment loss on financial assets is mainly due to the increase in the allowance for doubtful accounts, driven by a significant rise in sales and accounts receivable balances. However, no issues with uncollectibility have been observed.

Other income and expenses

The other income and expenses amounted to Ps. 6,507 million for the fiscal year ended December 31, 2024, compared to Ps. 8,824 million for the fiscal year ended December 31, 2023. The primary variation is due to a Ps. 4,429 million gains recorded in 2023, resulting from certain credits recognized by CAMMESA in favor of the distributor as part of a debt renegotiation agreement executed during that year.

Operating Income / (Loss)

Operating profit / (loss) increased from a net loss of Ps. 18,681 million for the fiscal year ended December 31, 2023, to a net profit of Ps. 127,253 million for the fiscal year ended December 31, 2024. The increase was mainly due to the growth of the Gross Profit, generated by the 61% rise in revenues, driven by tariff adjustments under the sixth tariff period and staggered VAD increases.

Financial income, net

Financial income gains totalled Ps. 29,673 million for the fiscal year ended December 31, 2024, compared to Ps. 92,761 million for year ended December 31, 2023, mainly due lower performance of financial investments in this period compared to the previous year, when there was a marked increase at the end of 2023 due to currency depreciation.

Other Financial Results

In other financial results, the 2023 period included a significant and unusual financial gain resulting from the debt restructuring with CAMMESA for Ps. 59,377 million. This restructuring resulted in a reduction of accrued interest and a valuation gain due to the interest rates and installment structure of the payment plan.

Financial expenses, net

Financial expenses totalled Ps. 73,553 million for the fiscal year ended December 31, 2024, compared to Ps. 64,861 million for the fiscal year ended December 31, 2023. This financial cost increase is explained by changes in the increase in interest on corporate notes issued in May and November 2024, despite the reduction in commercial interest following the restructuring with CAMMESA. It is worth mentioning that within the commercial interests, financial costs corresponding to service quality provision (adjustable to the new tariff charts) were recognized.

Net Monetary gain / (loss) (RECPAM)

The result from the monetary position is significantly lower in the current period due to the large reduction in net monetary liabilities exposed to inflation and the decrease in inflation in 2024 compared to 2023.

Income Tax

Our income tax showed a loss of Ps. 20,054 million for the fiscal year ended December 31, 2024, compared to a loss of Ps. 106,375 million for the fiscal year ended December 31, 2023. This decrease in income tax was mainly due to the lower inflation adjustment in 2024 compared to the previous fiscal year.

Other comprehensive results

The net other comprehensive results after tax were a loss of Ps. 1,125 million for the fiscal year ended December 31, 2024, compared to a loss of Ps. 536 million for the fiscal year ended December 31, 2023.

Comprehensive Income for the year

As a result of the above, we recorded a gain of Ps. 75,753 million in the fiscal year ended December 31, 2024, compared to a gain of Ps. 148,238 million for the fiscal year ended December 31, 2023.

Liquidity and Capital Resources

Sources and Uses of Funds

In the fiscal year ended December 31, 2025, the Company continued operating under the tariff framework implemented during 2024, which had a positive impact on revenues and cash generation. However, during 2025, the Company faced higher operating and financial pressures, mainly driven by increased operating costs, continued investment requirements and higher financial expenses associated with increased indebtedness.

Tariff adjustments implemented during 2025, particularly those applied in February, May and November, contributed to partially offset inflationary pressures on operating costs and supported the Company's cash generation. Nevertheless, the Company's financial performance was affected by macroeconomic factors, including exchange rate fluctuations and their impact on financial results.

Despite the regulatory framework in place, the Company continues to operate in a context of economic uncertainty and volatility. Management closely monitors the evolution of key variables affecting the business, including tariff adjustments, inflation, exchange rate movements and demand levels, in order to define its operational and financial strategy and assess potential impacts on liquidity and cash flows.

In this context, the Company continues to execute its investment plan, focusing on maintaining and expanding its distribution network and improving service quality, in line with the obligations under the concession agreement.

We believe that the current tariff scheme, together with periodic adjustments, will continue to support the recovery of operating margins and allow the Company to meet its operating costs, financial obligations and investment requirements. However, no assurance can be given that future tariff adjustments will fully offset cost increases or macroeconomic impacts.

The Financial Statements must be read in the light of the circumstances described above and have been prepared using the going concern basis of accounting.

Our principal uses of cash continue to be operating costs, capital expenditures under our investment plan and the servicing of our financial debt. In this regard, during 2025, the Company increased its reliance on external financing, mainly through the issuance of corporate notes, to support its investment needs and liquidity position.

As of March 31, 2026 and 2025, our cash and cash equivalents amounted to Ps. 78,348 million and Ps. 38,255 million, respectively. We generally invest our cash in various types of mutual funds and other short-term financial instruments.

The table below reflects our cash and cash equivalents position at the dates indicated and the net cash provided by (used in) operating, investing and financing activities during the periods indicated:

	For the fiscal years ended December 31,			**For the three months ended March 31,**	
	(in thousands of pesos)				
	2025	**2024**	**2023**	**2026**	**2025**
CASH CHANGES					
Cash and cash equivalents at the beginning of the fiscal year	40,289,227	(9,407,173)	3,017,631	161,151,276	44,093,453
Income generated by cash and cash equivalents	31,488,536	**6,732,192**	-	(3,405,276)	1,930,730
Net increase / (decrease) in cash and cash equivalents	75,469,956	42,964,208	(12,424,804)	(79,398,326)	(7,769,680)
Cash and cash equivalents at fiscal year-end	**147,247,719**	**40,289,227**	**(9,407,173)**	**78,347,674**	**38,254,503**
Net income for the year before taxes	86,425,930	96,931,120	255,148,602	1,061,954	61,059,927
Financial results accrued and/or considered as financing or investing activity	33,162,484	5,320,516	(63,243,807)	29,894,393	(25,902)
Debt restructuring and other income and expenses	-	-	(63,805,915)	-	-
Net monetary position (loss) - RECPAM	4,648,392	(13,454,657)	(186,953,486)	(773,325)	668,563
Adjustments to arrive at net cash flow from operating activities:					
Depreciation of property, plant and equipment	26,145,365	23,345,711	21,108,136	7,876,361	6,510,269
Provision for lawsuits and other claims	17,700,677	20,991,061	19,811,464	4,575,291	3,876,426
Impairment of non financial assets	6,298,394	4,542,954	1,858,683	2,307,825	1,392,596
Changes in operating assets and liabilities:					
Increase in trade receivables	(40,883,430)	(142,051,035)	(56,181,959)	(21,635,390)	(29,986,415)
Increase in other receivables	(74,977,145)	(10,293,375)	(22,445,142)	13,014,276	304,533
Increase in inventories	(7,080,133)	(41,827,106)	(22,096,648)	3,492,652	(8,738,943)
Increase in trade payables, other debts and others	22,649,963	159,448,594	149,130,130	(2,055,116)	3,686,942
Payment of fines and others	(22,210,298)	(11,850,133)	(7,705,331)	(4,237,474)	(6,978,050)
Net cash flow generated from operating activities	**51,880,199**	**91,103,650**	**24,624,727**	**33,521,447**	**31,769,946**

Acquisition for the acquisition of property, plant and equipment	(100,759,729)	(41,714,273)	(35,215,289)	(23,104,412)	(12,070,813)
Acquisition of financial assets at fair value	(54,807,767)	(87,741,509)	(12,297,170)	(65,165,349)	(20,024,320)
Net cash flow applied to investing activities	**(155,567,496)**	**(129,455,782)**	**(47,512,459)**	**(88,269,761)**	**(32,095,133)**
Borrowings payments	(35,700,470)	(9,548,354)	(32,147,170)	(91,249)	(74,288)
Payment of interest	(20,292,861)	(8,691,538)	(9,427,460)	(15,482,431)	(4,045,125)
Collection from borrowings obtained	263,194,949	109,832,587	47,505,812	-	-
Net cash flow generated from financing activities	**207,201,618**	**91,592,695**	**5,931,182**	**(15.573.680)**	**(4,119,413)**
Inflation adjustment on cash and cash equivalent	(28,044,365)	(10,276,355)	4,531,746	(9,076,332)	(3,325,080)
Net increase / (decrease) in cash and cash equivalents	**75,469,956**	**42,964,208**	**(12,424,804)**	**(79,398,326)**	**(7,769,680)**

Net Cash flows generated from operating activities

Net cash flows generated from operating activities decreased by 43%, to Ps. 51,880 million in the period ended December 31, 2025, from Ps. 91,104 million in the period ended December 31, 2024. Changes in net cash flows generated by operating activities were primarily due to a decrease in net income before taxes and higher working capital requirements, mainly driven by increases in trade receivables, other receivables and inventories, which used funds. These effects were partially offset by adjustments related to depreciation, provisions and other non-cash items.

Net cash flows generated from operating activities increased by 6%, to Ps. 33,521 million for the three months ended March 31, 2026, from Ps. 31,770 million for the three months ended March 31, 2025. Changes in net cash flows generated by operating activities were primarily due to adjustments related to financial results, partially offset by an increase in trade receivables during the period.

Net Cash flows applied to investing activities

Net cash flows applied to investing activities increased by 20%, to Ps. 155,567 million in the period ended December 31, 2025, compared to Ps. 129,456 million in the period ended December 31, 2024. Changes in net cash flows applied to investing activities were primarily due to the acquisition of property, plant and equipment and continued investment in financial assets at fair value.

Net cash flows applied to investing activities increased by 175%, to Ps. 88,270 million for the three months ended March 31, 2026, compared to Ps. 32,095 million for the three months ended March 31, 2025. This variation was mainly due to higher acquisitions of financial assets at fair value and increased capital expenditures during the period.

Net Cash flows generated from financing activities

Net cash flows generated from financing activities increased significantly to Ps. 207,202 million in the period ended December 31, 2025, compared to Ps. 91,593 million in the period ended December 31, 2024, mainly due to the issuance of new bonds during the year, partially offset by interest payments and debt amortizations.

Net cash flows generated from financing activities decreased to Ps. (15,574) million for the three months ended March 31, 2026, compared to Ps. (4,119) million for the three months ended March 31, 2025, mainly due to higher interest payments during the period.

Capital Expenditures

The Concession Agreement does not require us to make mandatory capital expenditures. However, the Concession Agreement sets forth specific quality standards that become progressively more stringent over time, which require us to make additional capital expenditures. Penalties are imposed on us for non-compliance with the terms of

the Concession Agreement, including quality standards. We are also not subject to any limitations on the amount of capital expenditures we are required to make pursuant to our concession and applicable laws or regulations.

Our capital expenditures consist of net cash used in investing activities during a specified period plus supplies purchased in prior periods and used in such specified period.

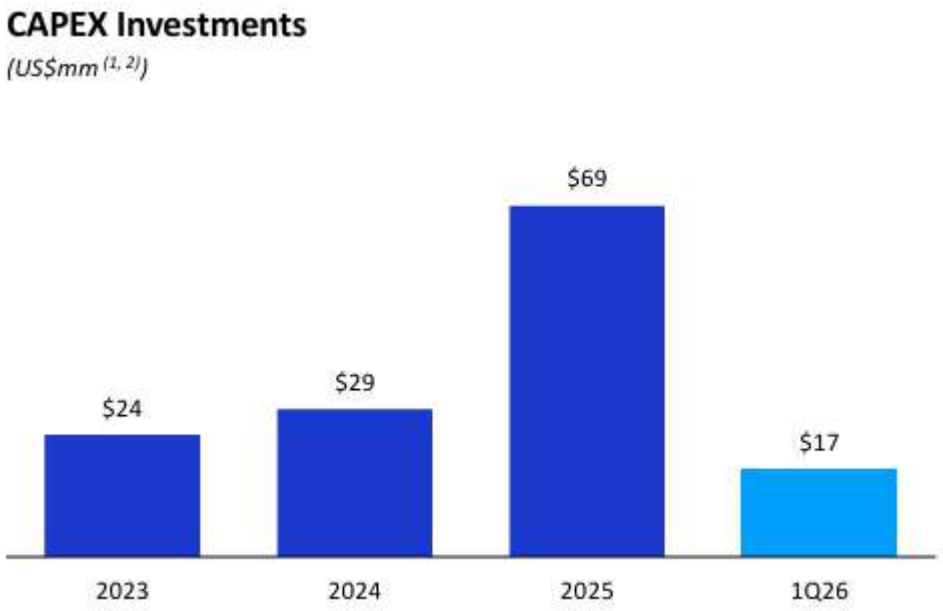
The following table sets forth our actual capital expenditures as of March 31, 2026:

Additions for the three months ended March 31, 2026	**(in thousands of pesos)**
Machinery	564,868
Works in progress	17,705,797
Other	8,815
Total as of 03.31.2026	**18,279,480**

The following table sets forth our capital expenditures as of December 31, 2025:

Additions for the year 2025	**(in thousands of pesos)**
Power grids and transformer stations	20,650
Land and buildings	269,351
Machinery	2,284,749
Chambers, platforms and distribution transformers	23,067
Works in progress	84,386,295
Other	2,643,473
Total as of 12.31.2025	**89,627,585**

Investments made as of March 31, 2026, and December 31, 2025, amounted to Ps.18,279 and 89,628 million, respectively. Investments made to develop projects was given priority over any other disbursements as a way to maintaining the provision of the public service under reliable conditions, main objective of the concession.



Note: All figures converted to U.S.$ at the official end of period exchange rate of (1) December 31, 2025, of Ps.1,459.42/U.S.$, and (2) March 31, 2026, of Ps.1,382.76/U.S.$.

In order to meet electricity demand, improve the quality of the service, and reduce non-technical losses, the majority of the investments were earmarked for the increase of capacity, the installation of remote-control equipment in the medium-voltage network, the connection of new electricity supplies, and the installation of self-administered energy meters. All the investments are made prioritizing environment protection and public safety.

Debt

Global Program for the Issuance of Notes

On August 23, 2023, the CNV authorized us to create a global program for the issuance of simple, non-convertible into shares notes, for a maximum amount of up to U.S.$80 million or its equivalent in other currencies and/or units of value and/or measure. Under such global program, on May 6, 2024, we issued Series 1 and Series 2 Notes and on November 29, 2024, we issued Series 3 and Series 4 Notes.

As of April 28, 2025, the CNV authorized an increase in the amount of the Global Program for the issuance of corporate notes up to the sum of U.S.$400 million or its equivalent in other currencies and/or units of value and/or measure. Within this framework, on May 12, 2025, we issued Series 3 Additional Notes and Series 5 Notes, on July 28, 2025, we issued Series 6 Notes, and on December 18, 2025, we issued Series 3 Additional Notes and Series 7 Notes.

The details of the corporate notes (the "**Corporate Notes**") issued is as follows:

- **Series 1 Notes,** denominated in UVA, subscribed and paid in pesos at the Initial UVA value and payable in pesos at the applicable UVA value, at a fixed interest rate of 5%, maturing on May 6, 2026 for UVA 31,928,347, equivalent to Ps.28,431,874 thousands at the Initial UVA Value, and with quarterly interest payments (the first interest payment date being August 6, 2024).
- **Series 2 Notes,** denominated and payable in pesos at a variable interest rate corresponding to the sum of the Private Badlar Rate plus a margin of 7% due on May 6, 2025 for Ps.6,607,014 thousands and with quarterly interest payments (the first interest payment date being August 6, 2024). The principal and interest of Series 2 was fully repaid upon maturity.

- **Series 3 Notes,** denominated, subscribed and payable in US dollars in the country, at a fixed interest rate of 8%, maturing on November 29, 2027 for U.S.$16,088 thousands and with semi-annual interest payments (the first interest payment date being May 29, 2025).
- **Series 3 Additional Notes**, issued in May 2025 for U.S.$12,333 thousands and in December 2025 for U.S.$5,158 thousands, with the same conditions of payment as Series 3 Notes.
- **Series 4 Notes,** denominated and payable in pesos at a variable interest rate corresponding to the sum of the Private Badlar Rate plus a margin of 7%, maturing on November 29, 2025, for Ps.17,045,539 thousand and with quarterly interest payments (the first interest payment date being March 1, 2025). The principal and interest of Series 4 was fully repaid upon maturity.
- **Series 5 Notes,** denominated, subscribed, paid-in and payable in pesos at a variable interest rate corresponding to the Private TAMAR Rate plus a margin of 7%, maturing on May 12, 2026 for Ps.13,948,834 thousand and with quarterly interest payments (the first interest payment date being August 12, 2025). The principal and interest of Series 5 was fully repaid upon maturity.
- **Series 6 Notes,** denominated, subscribed, paid-in and payable in US dollars. They were issued at a price of 92.93% of their nominal value, for an aggregate amount of U.S.$150 million payable in US dollars. They accrue step-up interest at 9.75% until July 28, 2029, 10.75% until July 28, 2030, and 11.75% until maturity in 2031 (the first interest payment date being January 28, 2026). Amortization of principal will be made in three installments on July 28, 2029 (33.33%), July 28, 2030 (33.33%) and July 28, 2031 (33.34%).
- **Series 7 Notes,** denominated, subscribed, paid-in and payable in pesos at a variable interest rate corresponding to the Private TAMAR Rate plus a margin of 6.5% maturing on December 18, 2026 for Ps.22,400,096 thousand and with quarterly interest payments (the first interest payment date being March 18, 2026).

Pursuant to the IFRS 9, the debt above was initially recognized at fair value. As of March 31, 2026, the debt was valued at amortized cost and amounted to Ps. 332,867,560 thousand (as of December 31, 2025, Ps. 343,970,853 thousand). It was disclosed under “Borrowings - Corporate Notes” classified as current and non-current pursuant to the terms of the issue. Interest accrual on this debt is included in “Net financial expenses” under “Interest and other charges” in the statement of comprehensive income.

As of the date of this offering memorandum, all payments have been made.

The terms and conditions of the Corporate Notes include a series of covenants such as:

- The Issuer must pay the Corporate Notes at maturity.
- The Issuer undertakes to maintain its corporate existence and all necessary records for this purpose and to adopt all necessary measures to maintain all rights, titles and permits necessary for the normal course of business,
- The Issuer will keep records of all financial transactions and all assets, in accordance with generally accepted accounting principles in Argentina,
- The Issuer shall comply with all applicable laws, rules and resolutions of each governmental body having jurisdiction over it or its activities,
- The Issuer must maintain and keep current insurance policies; and
- The Issuer may not change the closing of its fiscal year or its corporate purpose, make or allow any change in the accounting policies that affect the presentation of its financial statements.

Series 6 Notes were issued under Rule 144A and Regulation S under the U.S. Securities Act of 1933, and are listed on the Luxembourg Stock Exchange and admitted to trading on its Euro MTF Market, as well as on Bolsas y Mercados Argentinos S.A. (BYMA) and A3 Mercados S.A.

The main covenants undertaken in connection with such issuance are detailed below:

- Limitation on Indebtedness: Additional indebtedness may be incurred provided that no default has occurred and (i) the leverage ratio does not exceed: 3.50 to 1.00 if the transaction occurs prior to January 1, 2027; and 3.00 to 1.00 if the transaction occurs on or after January 1, 2027.

Notwithstanding the foregoing, no additional indebtedness shall be permitted if the total indebtedness of EDEMSA and its Restricted Subsidiaries exceeds the lesser of: (i) U.S.$330 million; or (ii) an amount equal to 3.0 times EBITDA for the most recently ended period of four consecutive fiscal quarters.

- Transactions with affiliates are 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: (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 U.S.$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 not prohibited in an aggregate amount not to exceed 10% of the Edemsa's consolidated tangible assets, provided, however, that (i) the aggregate amount of restricted payments made in any fiscal year shall not exceed 2% of the consolidated tangible assets; and (ii) the minimum cash balance is maintained after any such restricted payment.

- Limitations on Mergers, Consolidations, Sales and Conveyances.

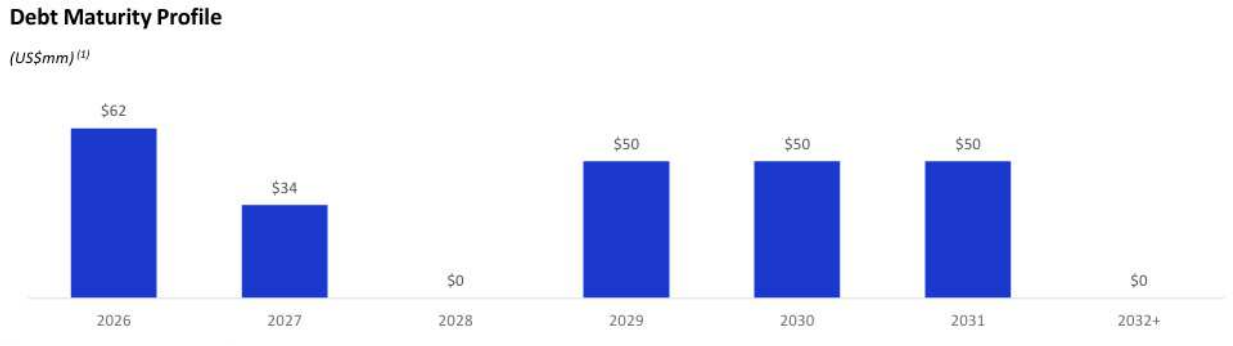
The Company applied the proceeds from the issuance of the Corporate Notes to investments in infrastructure projects, working capital, and general corporate purposes. In particular, to date, the proceeds from the Corporate Notes are being allocated to electrical infrastructure works in the concession area, advances for the purchase of materials, and payments to regular suppliers, among other intended uses.

The following table summarizes the current Corporate Notes:

Series	Issue date	Currency	Amount (in thousands)	Interest rate	Amortization	Expiration date	Interest payment	1st interest payment
3	11/29/2024; 05/12/2025; 12/18/2025	Dollars	33,579	8%	Bullet	11/29/2027	semi-annual	5/29/2025
6	7/28/2025	Dollars	150,000	9.75%/ 10.75%/ 11.75% (incremental)	three installments (33.33%/ 33.33%/ 33.34%)	7/28/2031	semi-annual	1/28/2026
7	12/18/2025	Pesos	22,400,096	TAMAR + 6.50%	Bullet	12/18/2026	quarterly	3/18/2026

Interest and principal on our Series 3 Notes (including the Additional Series 3 Notes) issued under our global program are payable in U.S. dollars. We have not settled the proceeds from our Series 3 Notes through the MLC and, therefore, we do not have access to the official exchange market to make payments of principal or interests under the Notes. For more information, please see "*Exchange Controls—Repayment of Cross-Border Debt through access to the MLC*," "*Description of the Notes–Foreign Exchange Restrictions*" in this offering memorandum and "*Risk Factors—Risks Relating to the Notes—We have decided not to settle the proceeds of our current notes through the MLC as a result of which we will not have access to the official exchange market and, therefore, exchange controls and restrictions on transfers abroad and capital inflows may increase the cost of servicing our foreign currency debt obligations, including the Notes*."

Also, the following graphs summarize our debt maturity profile:



Note: Figures as of March 31, 2026.
(1) Figures converted to U.S.$ at the official end of period exchange rate of March 31, 2026, of Ps.1,382/U.S.$.

Evolution of Loans

The following shows the evolution of loans:

	For the three months ended March 31,2026	For the fiscal year ended December 31, 2025
	In thousands of $	
Opening balances of the period	**376,702,534**	**108,405,265**
Monetary position - loss	(31,893,522)	(56,057,658)
New borrowings	-	263,194,949
Accrual of interest	3,834,539	84,652,758
Payments and other movements	(15,573,680)	(55,481,515)
Subtotal	**333,069,871**	**344,713,799**
Partial purchase Series 1 Corporate Notes	-	(511,816)
Balances at year-end	**333,069,871**	**344,201,983**

In April 2026, we entered into short-term loans with three commercial banks for an aggregate amount of Ps. 40,000 million, allocated as follows:

- **Banco San Juan**: Ps. 15,000 million, disbursed on April 30, 2026, maturing on June 26, 2026, bearing interest at a fixed rate of 30.00% per annum;
- **Banco Credicoop**: Ps. 10,000 million, disbursed on April 29, 2026, maturing on June 29, 2026, bearing interest at a fixed rate of 31.18% per annum; and
- **Banco de la Nación Argentina**: Ps. 15,000 million, disbursed on April 29, 2026 (in 16 separate disbursements aggregating Ps. 15,000 million), maturing on June 29, 2026, bearing interest at a fixed rate of 26.94% per annum.

In addition, on May 6, 2026, we fully repaid the Series 1 Notes in the amount of Ps. 61,666 million, and on May 12, 2026 we fully repaid the Series 5 Notes in the amount of Ps. 13,949 million. For further information regarding the Series 1 Notes and the Series 5 Notes, see "*Liquidity and Capital Resources—Debt*".

Debt Situation with CAMMESA

Agreement for debt prior to January 31, 2016

During fiscal year 2018, we and CAMMESA agreed to a payment plan for the debt due prior to January 31, 2016. This payment plan had a financing term of 90 monthly installments with maturities between April 2018 and September 2025 and a fixed interest rate of 10%.

As of the end of fiscal year 2025, the payment plan has been fully settled.

Agreement signed in 2023 for the regularization of obligations

Between 2018 and 2021, various tariff arrears caused the Company to incur debt with CAMMESA. Furthermore, as a result of the COVID-19 pandemic, the Argentine Government, through Decree No. 260/20, extended the health emergency established by Law No. 27,541 and issued a series of national and provincial regulations that established limitations on the suspension or disconnection of electricity service to users for non-payment, among other measures.

This context had an unfavorable impact on the entire electric power distribution sector, so, in order to establish a special procedure for the normalization of the payment chain in the WEM, through Section 87 of Law No. 27,591, the Ministry of Energy established a special system for the regularization of obligations. These measures were regulated by the Ministry of Energy, and various complementary regulatory provisions were issued.

In this context and within the framework of this national regulation, we have entered into a series of related agreements: (a) Memorandum of Agreement Special Regime for the Regularization of Obligations - Section 1 of SE Resolution No. 40/21 and SE Resolution No. 642/22; (b) Transactional Agreement with the Provincial Government; and (c) Offer Letter to Regularize Debt with CAMMESA. For further details, see Note 24 to the Audited Annual Financial Statements.

Regarding the latter, on August 31, 2023, we issued an offer letter for the regularization of obligations with the Ministry of the Economy and Finance (WEM), which was received and accepted by CAMMESA on September 4, 2023, and September 14, 2023, respectively, and through which a debt regularization payment plan was implemented. We undertook to pay the recognized debt less than the credits recognized by the SE, which resulted in an original financed amount of Ps. 7,384 million. The payment plan considered a grace period of 6 months from the date of the agreement, a payment term of 96 monthly installments (increasing installments with semi-annual capitalization) and an interest rate equivalent to 50% of the rate in force in the WEM. In this context, the refinanced and updated debt balance as of January 28, 2024 (time of end of the grace period) amounted to Ps. 17,669 million, with the first installment due in February 2024.

Failure to pay on time any of our obligations corresponding to the agreed payment plan and/or failure to pay the total current billing that we were obligated to cancel as of September 1, 2022 for our energy and power purchases, would be reported by CAMMESA to the SE, who may have ordered the termination of the Memorandum of Agreement or a part of it, as long as we did not remedy the breach within ten business days of being notified in writing by CAMMESA to that effect.

Pursuant to IFRS 9, the new debt resulting from the agreement entered into with CAMMESA was initially recognized in fiscal year 2023 at its fair value, which results from discounting the flow of installments at an estimated market rate.

The accrual of interest on this debt in the period ended on March 31, 2026 amounts to Ps. 2,544 million (on March 31, 2025, it was Ps. 2,694 million restated as of March 31, 2026) and is included in the “Financial expenses” caption on the “Commercial interests” line in the statement of comprehensive income.

At the end of this period, this debt is valued at amortized cost and amounts to Ps. 27,298 million and as of December 31, 2025, it is valued at Ps. 25,516 million, having been disclosed under the “Other debts” caption, classified

as current and non-current depending on the maturity of the agreed installments. This payment plan is being fulfilled and there are no unpaid maturities at the end of the period.

Special Credit Regime Agreement

Article 1 of Resolution No. 1/2025 of the Undersecretariat of Electric Energy, issued under the framework of Article 8 of Decree No. 186/2025, approved a Special Credit Regime for electricity distribution companies that, as of December 31, 2023, had no outstanding overdue debt with CAMMESA and that had paid in full all transactions corresponding to 2024 and through March 2025.

Under such framework, on July 10, 2025, the Company and the Undersecretariat of Electric Energy entered into a settlement agreement (*Acta Acuerdo*) whereby the Undersecretariat acknowledged a credit in our favor in the amount of Ps. 46,344,514 thousand (equivalent to two transactions for the month of February 2025), to be granted in 12 equal and consecutive monthly installments, which will be reflected as a credit in the invoice issued monthly by CAMMESA to us that began in August 2025.

In turn, we undertook to execute a works plan aimed at improving the electrical infrastructure within our concession area, in accordance with the schedule attached to the *Acta Acuerdo*, for a total amount of Ps. 46,344,492 thousand.

As of March 31, 2026, we had disclosed Ps. 28,618,785 thousand as Advances Received (net of the works settlements submitted), under the “Trade and other accounts payable–Other debts–Advances received” line item.

Any breach by us of the obligations assumed under the *Acta Acuerdo*, and/or any failure to pay current invoicing for energy purchases, will render the *Acta Acuerdo* null and void, with the consequent loss of the benefits acknowledged thereunder, entitling CAMMESA to issue a new debt settlement, if any, and apply the corresponding interest and surcharges.

BUSINESS

Overview

We are the largest electricity distributor in the Province in terms of number of users, energy sold (both in GWh and Pesos), and territory covered. We began operating on August 1, 1998, following the privatization of Energía Mendoza Sociedad del Estado (EMSE), a state-owned electricity generation, transmission and distribution company of the Province, pursuant to the Provincial Framework Law and the Transformation Law.

The Province is the fourth most populous province of the 23 Argentine Provinces, comprising a total area of 148,827 square kilometers and a population of approximately 2.0 million according to the National Census conducted in 2022.

The Province initially granted us with the Concession for the Concession Term to distribute electricity over an area comprising approximately 109,908 square kilometers in the western part of the Province (excluding the area supplied by Cooperativa Eléctrica Godoy Cruz and other areas served by EDESTESA), which includes the departments of the Capital, Las Heras, Guaymallén, Luján, Maipú, Tunuyán, Tupungato, San Carlos, Lavalle (west zone), San Rafael and Malargüe (the "**Concession Area**"). The Concession Area represents approximately 74% of the total area of the Province. In 2023, the Concession Term was extended for an additional 20 years (i.e., until July 31, 2048), in accordance with the Transactional Agreement signed with the Province on January 3, 2023, which was approved by Decree No. 70/23 published in the Official Gazette of the Province on January 31, 2023, and ratified by our unanimous extraordinary general meeting dated February 17, 2023. In addition, the Transaction Agreement regularized certain revenues not received by us in the Third, Fourth and Fifth Tariff Periods, and the Regulatory Authority restricted itself from tendering our class A shares for sale and from making any monetary claim against us in connection with the extension of the Concession Term.

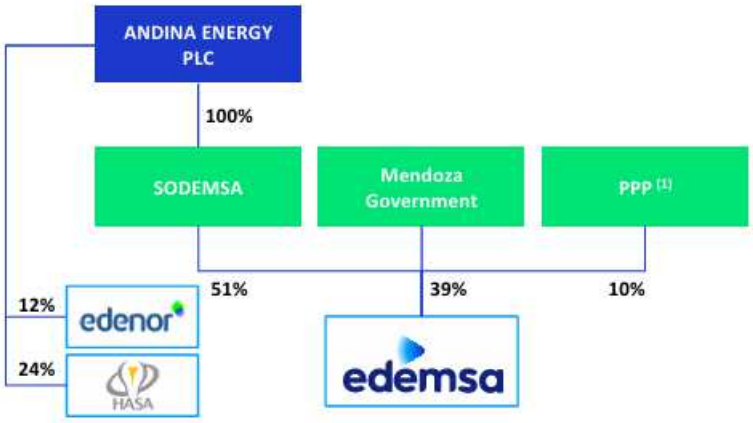
The estimated population of our Concession Area as of December 31, 2025 was approximately 1.5 million and includes the City of Mendoza and much of the surrounding metropolitan area. Our distribution network, as of December 31, 2025, comprises approximately 970 kilometers of high-voltage transmission lines, 8,596 kilometers of medium-voltage lines, and 19,433 kilometers of low-voltage lines (including public lighting and connections) with 14,572 substations that transform energy into low voltage, 46 HV/MV transformer stations, 25 distribution centers, 595 feeders, and 5 thermal power plants. In addition, as of December 31, 2025, we had 101 power transformers and 15,654 distribution transformers.

In 2023, we amended our bylaws to expand our corporate purpose, allowing us to engage in activities related to renewable energy generation and the development of technologies associated with renewable energy sources.

As of December 31, 2025, we had 777 employees, 93% of whom are covered by various collective bargaining agreements. As of December 31, 2025, we had over 485,500 customers, approximately 82% of which were residential. These customers represent approximately 71% and 3.1% of the electricity users in the Province and Argentina, respectively. Our management considers our residential customers represent a stable and diversified customer base.

We are regulated by the Provincial Government, the EPRE, the ENRE, the SE and CAMMESA. The EPRE has broad regulatory powers in the electricity distribution sector in the Province.

Our share ownership as of December 31, 2025, was as follows:



* "PPP" refers to the Participated Ownership Program, which is integrated by employees and former employees of EMSE. For more information, see "*Major Shareholders and Related Party Transactions*" in this offering memorandum.

We are controlled by SODEMSA. For more information, see "*Major Shareholders and Related Party Transactions*" in this offering memorandum.

Historical Background

We were created by Provincial Law No. 6,498 (on Transformation of the Provincial Electricity Sector) and Regulatory Decree No. 197/98. Since August 1, 1998, we have been responsible, pursuant to the Concession Agreement signed on July 15, 1998, for the supply and commercialization of electric energy to customers located in eleven departments of the Province.

In accordance with Laws No. 6,497 and 6,498, the Government of the Province launched the so-called "transformation" process of the provincial electricity sector in the mid-1990s. Therefore, it divided the activities carried out by the former state-owned company, EMSE, into distribution and generation of electricity. We obtained the right to operate the distribution portion.

The Concession Term granted to us initially was 30 years old and expired in 2028. However, on January 3, 2023, the Secretariat of Public Services of the Province, in its capacity as application and regulatory authority, signed with us a Transactional Agreement to regularize certain revenues not received by us in the Third, Fourth and Fifth Tariff Periods, which was approved by Decree No. 70/23 published in the Official Gazette of the Province on January 31, 2023. In such agreement, among others, the authority granted us an extension of the Concession Agreement for an additional period of twenty (20) years starting on August 1, 2028 (i.e., until July 31, 2048), restricting itself from tendering the Company's class A shares for sale and from making any monetary claim against us in connection with the extension of the Concession Term.

Our operations are governed by the Provincial Electric Regulatory Framework, Law No. 6,497; by the Provincial Electric Sector Transformation Law No. 6,498, modified by Law No. 7,543; its regulatory Decrees No. 196/98, No. 197/98 and No. 2,704/08; the Concession Agreement together with its Annexes, Energy Supply Regulations, Tariff Regime, Tariff Schedule, Public Service Quality Standards and Sanctions regime; the Letter of Understanding and Complementary Act signed in April and December 2005, respectively, approved by Decree No. 3,050/05 and Law No. 7,544, resulting from the renegotiation of the electricity sector contracts due to the national and provincial economic emergency declared in 2001. EDEMSA is also governed by Decree No. 70/2023, which ratified the Settlement Agreement entered into with the Province of Mendoza and the Agreement Act of the Special Regime for the Regularization of Obligations entered into with the National Secretariat of Energy, within the legal framework of which EDEMSA's concession term was extended for an additional 20 years.

Our Concession

According to the Concession Agreement, we have the exclusive right to provide the public service of distribution and commercialization of electricity within our Concession Area for a period of 30 years, which term was extended for another 20 years until July 31, 2048, in accordance with the Transactional Agreement.

The Concession is mainly subject to the Provincial Electric Sector Transformation Law No. 6,498 and the Provincial Electric Regulatory Framework Law No. 6,497 (amended by Law No. 7,543) and to certain provincial decrees, basically Decree No. 1,621/97, Decree No. 196/98 that regulates the Provincial Framework Law, Decree No. 197/98 that regulates the Transformation Law, which created the different companies into which EMSE was divided and Decree No. 2704/08.

The exclusive right to distribute electricity in a geographic area does not include the exclusive right to sell electricity within that area. Certain customers may purchase electricity directly in the spot and term markets. See "*The Argentine Electricity Framework*." However, if electricity purchased from third parties is delivered using our distribution system, a toll charge applies as a function of transmission services, both in the case where the distributor delivers its own electricity to the customer and in the case where the customer purchases electricity directly from a third party. See "*—Tariff Structure*".

Concession Term

The exclusivity of the Concession may expire or the Concession Area may be modified by the Province prior to the expiration of the Concession Term if technical innovations exist that enable alternative competitive sources of supply at the end of each Management Period (as defined below) or if we fail to satisfy new demand for electricity in circumstances where we are obliged to satisfy it. The total or partial loss of exclusivity would also reduce or terminate our obligation to supply electricity.

Management Periods

The Concession Term was divided into three 10-year Management Periods. At least 12 months prior to the expiration of each Management Period, the EPRE will conduct a national and international public tender for the sale of all our Class A shares representing 51% of our share capital. At the end of a Management Period, our Class A shareholders are entitled to submit in a sealed envelope their valuation of our Class A shares. If this valuation is higher than the highest bid received in the tender called by the EPRE, such shareholders will retain the shares without having to make any payment. If the valuation is equal to the highest bid submitted in the tender, the EPRE will request new bids. If the valuation is lower than the highest bid submitted in the tender, our Class A shares shall be transferred to the highest bidder in the tender and such shareholders will receive the amount of their respective valuations submitted in a sealed envelope. If such shareholders do not submit a valuation, our Class A shares are to be transferred to the highest bidder.

If eighteen months before the end of a Management Period, our Class A shareholders duly notify the Grantor of their decision to retain ownership of their majority stake, the authority may decide not to tender such shares for sale and authorize the continuation of SODEMSA, as the owner of the majority stake in the management of the Company.

In relation to the above, in 2007, SODEMSA informed the Provincial Government of its decision to continue to hold the Company's share package. Accordingly, on January 3, 2008, Decree No. 2,912/07 was published in the Official Gazette of the Province, pursuant to which the authority ordered authorized SODEMSA to retain the Company's share package for a new management period. At the time of starting the second management period, on January 27, 2017, SODEMSA expressed its intention to retain ownership of the Company's Class A shares, so the authority did not call for a tender on such shares.

By signing the Transactional Agreement extending the Concession Term through 2048, the authority undertook not to call for a tender for the sale of the Class A shares, as would have occurred at the end of the relevant Management Period, in light of the holders' intention to retain ownership of such shares. SODEMSA, as the holder of all Class A shares as of the date of this offering memorandum, notified the authority on March 13, 2023 of its intention to retain ownership of the Class A shares.

Transfer of the Concession

Our obligations and rights under the Concession (except for the right to assign credits as collateral) may not be assigned without the prior consent of the Province.

Restrictions on the transfer of shares

The holders of Class A shares could modify or sell their shares during the first five years of the Concession Term without the prior authorization of the authority. However, after that date, the holders may sell their shares only with prior authorization from the EPRE, and such shares shall continue to be subject to the pledge described below. Similarly, the shareholders of SODEMSA could not modify their initial holdings or sell their shares in SODEMSA during the first five years of the Concession Term without the prior authorization of the authority. Pursuant to the provisions of the Concession Agreement, Electricite de France International SA ("**EDFI**"), a subsidiary of the former technical operator, was also required to hold at least 20% of SODEMSA's share capital during that initial period. Furthermore, until July 31, 2003, EDFI could not reduce to less than 10% the common shares it held without the prior approval of the EPRE. However, such term expired and since EDFI's retirement, we have been self-managed, complying with the requirements and purposes of the provincial regulatory framework and the electrical regulatory policy established for this purpose.

Pledge of shares

Our Class A shares must remain pledged to the Province throughout the Concession Term to guarantee our performance under the Concession Agreement. In the event of foreclosure on our Class A shares, the proceeds from the sale thereof will be used, first, to pay indemnities in amounts determined according to the Concession Agreement and the balance will be returned to the holders of the Class A shares. The Province may foreclose on the pledged Class A shares in any of the following circumstances: (i) violation of the transfer restrictions described above; (ii) failure to comply with certain covenants under the Concession Agreement; (iii) repeated failure by us to comply with our material obligations under the Concession and failure to remedy such failure at the request of EPRE; (iv) when the total amount of our penalties exceeds 20% of our annual sales before taxes and interest for such year; (v) when SODEMSA permits or establishes a pledge on our Class A shares in favor of third parties, and does not lift the same when so requested by the EPRE; (vi) if we do not collaborate in the international public tender for the sale of the Class A shares in accordance with the Concession Agreement; and (vii) if our bylaws are modified or the proportion or voting rights of our Class A shares are changed without the prior authorization of the EPRE.

Our obligations

The Concession Agreement establishes that we are obligated, among other things, to: (i) satisfy all demand for electricity distribution services in the Concession area within the specified quality standards; (ii) provide energy at certain voltages specified in the Concession Agreement or at any other level agreed on with the EPRE; (iii) make the necessary investments in order to maintain the supply of energy and punctually meet the demand according to the specified quality standards; (iv) allow non-discriminatory access by third parties to our transmission systems, provided that there is available capacity; (v) carry out our operations in such a way as not to constitute a threat to public safety or the environment, in accordance with the provisions issued by the Ministry of Energy and CAMMESA that regulate transactions in the WEM; (vi) promote the efficient use of electric energy among our users; (vii) not encumber our properties affected by the supply of electricity distribution services; and (viii) sign any supply contract we deems necessary to meet current and future electricity demand within our Concession area and (ix) pay the Canon (as described below).

Sanctions

The Concession Agreement establishes a sanctions regime to address any failure on our part to comply with the obligations under the Concession Agreement, including warnings, fines and, ultimately, foreclosure of the pledged shares. The EPRE will notify us of any breach under the Concession Agreement and will request that we respond within ten business days. If we provide an explanation regarding such a breach and the EPRE still decides to apply sanctions, such determination may be appealed.

Fines imposed by the EPRE are determined based on: (i) the damage caused by our failure to comply with the required quality standards; (ii) the seriousness of the non-compliance; and (iii) the average price of the energy sold

to the customer. Under certain circumstances, the EPRE may also consider our compliance history. In the event of non-compliance, we have to credit the amount of the fine to the account of the affected customer or to an Accumulation Account. However, we could be liable for any direct damages caused to the affected customer as well. Provincial Law No. 7,543 establishes that only direct damages of a minor amount can be claimed in administrative proceedings.

Quality standards

Under the Concession Agreement, we must comply with certain quality standards applicable to our electricity distribution services. Failure to comply with the applicable standards will result in the imposition of certain sanctions described below. The EPRE monitors compliance with the service quality standards established for the Concession which are based on: (i) the technical quality of the product, including voltage level and disturbances; (ii) the quality of the service provided, including frequency of service interruptions and out of service time; and (iii) the quality of the commercial service, including the time needed to respond to connection or reconnection requests, billing errors, complaints and delays in addressing customer claims.

We are also responsible for providing the EPRE with certain information regarding: (i) load and voltage curves; (ii) interruptions and (iii) metering functions, connections, supply, outages and customer complaints.

Bankruptcy

In the event of a potential bankruptcy of the Company, the Province may: (i) request that we continue to provide electricity distribution services; or (ii) choose to terminate the Concession. If the Province chooses to terminate the Concession, it will transfer the assets assigned to the provision of the public service of electricity distribution to a new company and will tender the shares of the new company for sale. The proceeds of the sale will be delivered to the bankruptcy court for the benefit of our creditors after deducting (i) any debts we have with the Province; and (ii) any indemnities determined as mentioned under “Pledge of shares” above.

Liability

We shall be liable for all damages caused to third parties as a result of our operations or our inability to comply with the obligations arising under the Concession.

Failure to comply

According to Section 35 of the Concession Agreement, in the event of a breach by the Province that prevents us from providing the services required by the Concession or significantly adversely affects the provision of such services on a permanent basis, we may require the Province to remedy its breach within a period of 90 days. If at the end of such period, the authority does not respond to the request or confirms the breach, we have the right to demand the termination of the Concession and all of the assets affected by the provision of the public service will be considered automatically transferred to a new corporation to be established by the Province that will have all the rights of the Concession. Within the following thirty days, the Province will organize a new national and international public tender for the sale of 100% of the share capital of the Company, and the proceeds thereof will be paid to us, without prejudice to the fact that we will be entitled to make claims for the damages that this may have caused.

Easements

The Concession grants us the right to obtain the easements on private property as necessary to provide our electricity distribution services, subject to payment of certain compensation to the owners. The Concession also grants us the right to occupy public property in order to install the equipment necessary to provide our services. Any dispute in this regard is to be resolved by the EPRE. The installation of cables and equipment in public areas is subject to applicable law. We are, however, liable for any damages caused to third parties.

Taxes

We are subject to all national, provincial and municipal taxes established by law that apply to us. In the event that our activities lead to an unfavorable tax situation as a result of new taxes in relation to other public services, we may request the EPRE to allow us to pass through those taxes on to our tariff structure.

Tariff structure

General Considerations

The Concession Agreement established the rates that we charge for our electricity distribution services. Our initial rates were included in the Concession Agreement.

The tariff determination method contemplated in the Transformation Law and in the Concession Agreement is known as the "maximum prices with periodic reviews" method, a type of incentive regulation that allows regulated companies to retain part of the economic benefits arising from efficiency improvements. In general, the tariff regime is intended to allow us to recover our electricity costs and obtain a profit margin for our distribution services.

Our tariff scheme established in the Concession Agreement defines the following categories of clients according to consumption:

- Tariff 1 (T1), applies to customers with small demands (whose demand capacity is less than or equal to 10kW);
- Tariff 2 (T2), applies to high-demand customers (whose demand capacity is greater than 10kW). Tariff 2 is subdivided into four groups applicable to those customers connected to:
  - the network (low voltage, medium voltage and high voltage);
  - transformer terminals (medium/low voltage terminals or high/low voltage terminals);
  - special rate, and
  - agricultural irrigation; and
- The toll rate (the "**TP**"), applies to the use of the grid by those customers supplied by a generator. The TP will differ depending on the use of: (i) the low-voltage grid, (ii) medium/low voltage terminals, (iii) the medium voltage grid, (iv) high/medium voltage terminals, and (v) the high-voltage grid.

The TP is included in the tariff regime applied by us. However, according to Resolution No. 406/96, this tariff scheme is affected by (i) the determination of the reference TP at the national level by the SE, which functions as a limit for the determination of the provincial TP, and (ii) Resolution No. 396/04, which established that, if there is no agreement between the user and the distributor on the TP to be applied, the user may resort to the SE to apply the aforementioned reference TP, only in the event that the provincial TP rate exceeds said reference TP rate by more than 20%. In that case, CAMMESA will invoice those tolls with the values of the reference TP plus 20%.

In general terms, our rates include the following charges:

Rate 1 (T1):

(i) a fixed charge; and
(ii) a variable energy charge proportional to the level of electricity consumption that aims to allow the recovery of our variable energy costs.

Rate 2 (T2):

(i) a marketing charge;
(ii) a network usage charge;
(iii) a consumption capacity charge (applicable to the maximum peak capacity recorded for the period); and
(iv) energy consumption charge (divided into peak, valley and rest).

Special Rate 2 (T2E):

(i) a fixed charge;
(ii) a marketing charge, and
(iii) a variable charge based on the energy consumed.

T2 Agricultural irrigation:

(i) a marketing charge;
(ii) a network usage charge; and
(iii) a charge for energy consumption (divided into high and low)

Toll Rate (TP):

(i) a network usage charge;
(ii) a charge for consumption capacity;
(iii) charge for transmission by other agents; and
(iv) energy consumption charge (divided into peak, valley and rest).

Periodic rate adjustments

Our rates are also adjusted periodically based on variations in the seasonal prices of electricity in the WEM (the "**Seasonal Price**"), variations in our transmission costs, and variations in the cost of electricity distribution and commercial expenses. The Seasonal Price is set by the Ministry of Energy at the suggestion of CAMMESA every May and November and is recalculated quarterly. Adjustments attributable to variations in the Seasonal Price will take effect on the date indicated in the resolution of the Ministry of Energy approving the new Seasonal Price. Our transmission costs are based on amounts paid through CAMMESA to transmission companies that deliver electricity to us, as approved by the Ministry of Energy every May and November and on each intervening quarterly date on which the Seasonal Price is recalculated.

VAD Adjustment Procedure

There is a periodic intra-tariff period adjustment procedure (between ordinary tariff reviews) for the VAD of electricity distribution companies in the Province, as well as for the service charges determined in each five-year ordinary tariff review. This adjustment will be carried out every three months in accordance with the procedure established in Decree No. 1680/24 (published on the Official Gazette on September 6, 2024), which approved the modification of the VAD adjustment procedure, as stipulated in Decree No. 2348/23.

The adjustment will be carried out quarterly in the months of August, November, February, and May, provided that the procedure is activated. The VAD for distributors in each adjustment month will be determined based on the level of efficient service provision costs established in the latest ordinary tariff review, updated as of the date of the report prepared by the EPRE.

To this end, the EPRE will consider the evolution of price indices published by INDEC, as well as key variables monitored in the "Market Expectations Survey" (*Relevamiento de Expectativas de Mercado* or "**REM**") published by the Central Bank.

The procedure will be implemented quarterly as long as the variation in the CPI is equal to or exceeds the defined threshold of +/- 7% per quarter. If the CPI variation does not exceed the defined threshold, the update will not be implemented in that quarter. Instead, in the following quarter, the CPI variation over the past six months will be taken into account.

Subsidies

Current rates for certain categories of customers are subsidized, i.e. customers who use electricity for irrigation in agricultural activities, public benefit entities, the Malargüe Commercial and Industrial Zone, and certain residential users, including the Social Tariff, retirees and pensioners, national and provincial electricity-dependent customers and certain zones, among others. These subsidies are explicit, i.e., they are not included in the tariff regime and must be approved each year by the Provincial Legislature when dealing with the annual budget law. According to the current law, the Province subsidizes and pays the differences between the price arising from the distributor's rates, established in accordance with the tariff regime, and the amount paid by the end user, before taxes.

Beginning in 2025, pursuant to Decree No. 218/25 of the Province of Mendoza, the structure of residential subsidies has changed and is now linked to federal subsidies, integrating the Focalized Subsidies scheme. These subsidies are administered through a unified registry and aggregate subsidies based on socioeconomic vulnerability characteristics.

Federal Subsidies

As of 2022, a process of removing federal subsidies began, which affected various users of the electricity distribution services provided by us. The removal of subsidies at the federal level is planned based on the segmentation of customer demand, which follows the type of consumption and the registered capacity:

- Residential demand: pursuant to Decree No. 943/25 issued by the Secretariat of Energy, the Focalized Energy Subsidies Regime (*Régimen de Subsidios Energéticos Focalizados* or "**ReSEF**") was created. Through this registry, vulnerable residential customers are clearly identified and are entitled to a percentage subsidy on the supply component. The decree sets forth the baseline consumption levels and the applicable discount percentages for each month of the year;
- Electrodependent customers remain at zero cost;
- Public Benefit Entities maintain the same discount percentage as residential customers included in the ReSEF, with no consumption cap;
- Neighborhood and Town Clubs maintain the same discount percentage as residential customers included in the ReSEF, with no consumption cap;
- Remaining Demand does not benefit from any subsidy from the Argentine Government as of November 2025.

Five-Year Tariff Review

Pursuant to the Provincial Framework Law and the Concession Agreement, the Provincial Government is responsible for setting the electricity tariffs that will be in effect during each subsequent five-year period. While there is no guarantee that regulations will be enacted that will result in electricity tariffs that will allow us to achieve certain profit levels in the future, the current regulatory framework establishes: (i) the possibility of obtaining sufficient revenues to recover all relevant costs reasonably applicable to the service, taxes and depreciation, and (ii) a reasonable rate of profitability determined based on the rate of return of activities with comparable risks, efficiency and quality of service.

Tariff Update

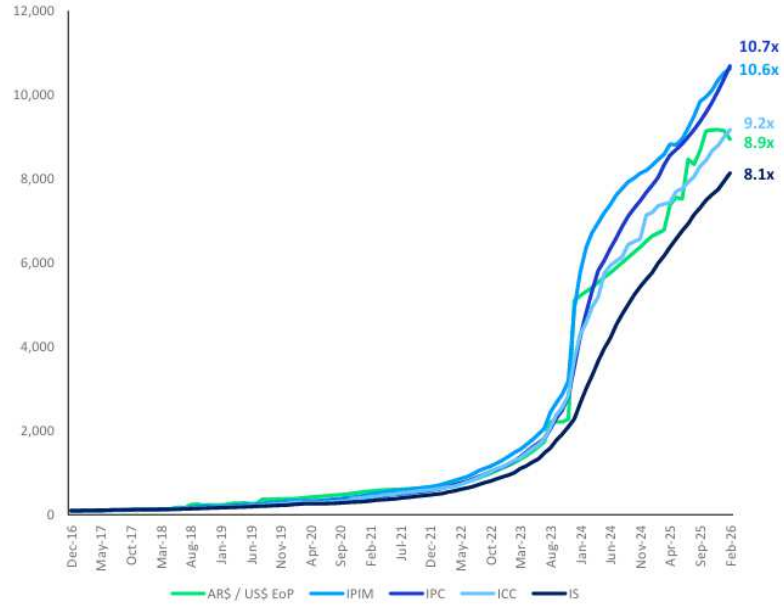
In 2023 and 2024, in addition to extending our Concession for 20 additional years (i.e., through 2048), we were able to regularize our commercial debt with CAMMESA (originating from the purchase of energy especially during the pandemic) and our fifth year (2023-2028) Tariff Review Process (RTI) was completed, resulting in an updated electricity tariffs schedule that incorporated our increased costs (VAD adjustment) and also sets forth automatic quarterly adjustments to address inflation levels moving forward. As a result, scheduled adjustments for February, May, August, and November 2024 and 2025, as well as February 2026, , have been successfully implemented. Most recently, on May 8, 2026, the EPRE issued Resolution No. 100/26, approving the new tariff schedules effective as of May 1, 2026.

The indexes incorporated into the quarterly adjustments have also historically exhibited a relatively strong correlation with peso devaluations.

Main Indexes (1)

Index	Overview
IPIM	Índice de Precios Internos al por Mayor – measures wholesale price change, usually used to track inflation from the producers' perspective
IPC	Índice de Precios al Consumidor – measures the variation of price of a basket of goods and services from the consumers' perspective, used to track inflation rate for consumers and as an adjustment index for wages and pensions
ICC	Índice del Costo de la Construcción – measures the variation of costs used to build a standard building in Argentina
IS	Índice de Salarios – measures the evolution of wages across public sector, formal private sector, and informal private workers

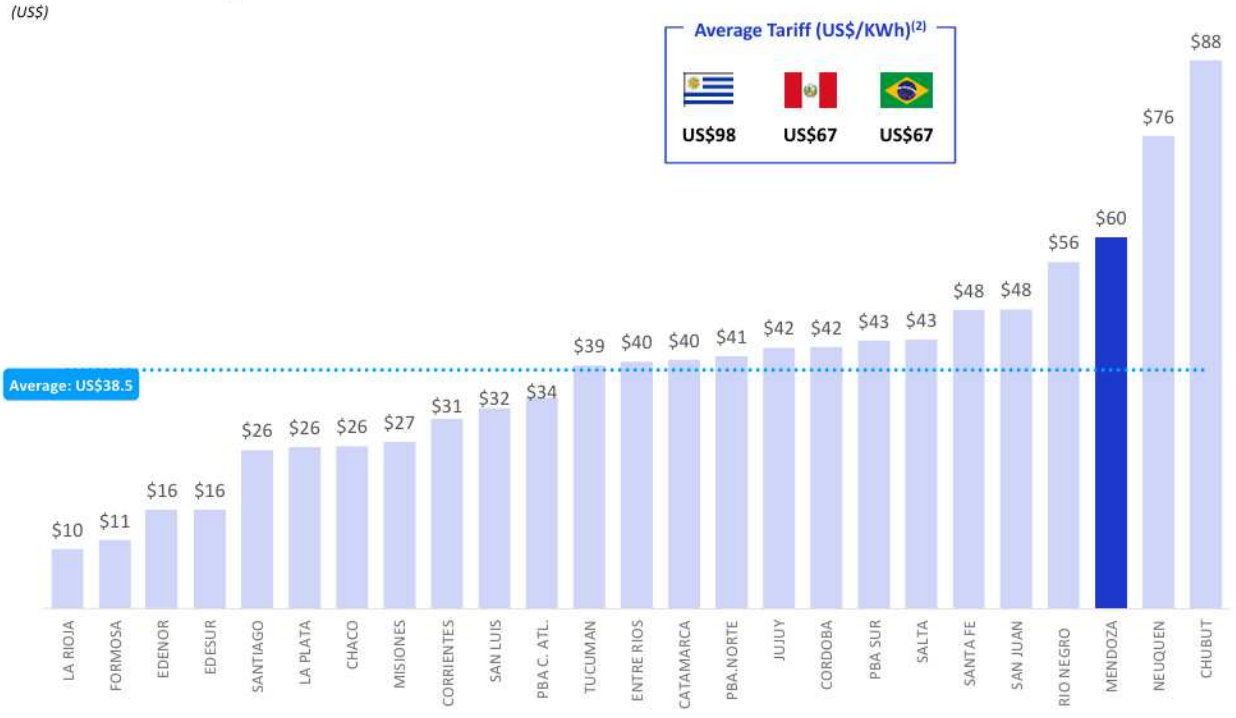
Indexes Evolution Across the Years (Dec-16 = 1)



16 Source: BCRA and INDEC. Data up to February 2026.
(1) Not exhaustive

Provinces Tariffs' Comparison(1)

(US$)



Source: Company and ADEERA.
1) ADEERA information as of August 31st, 2025. N2 residential customers (Low income). Data converted to USD considering the end of period official FX rate of $1,322.
2) Includes taxes and is based on a consumption of 275 KWh per month.

Application of the Efficiency Factor

Our margins, i.e. the value of the tariff minus the cost of its transferable components, is reduced by a coefficient of 5%, known as the efficiency factor. The efficiency factor results in an annual decrease in distributor margins according to a schedule that assumes that distributor operating efficiencies have resulted in a decrease in distributor costs from previous years.

The inclusion of the efficiency factor in the pricing system also provides an incentive for us to reduce costs. If we are able to reduce our costs more quickly than the rate of reduction imposed by the efficiency factor, the savings are converted into higher profits. If, on the other hand, we fail to reduce our costs at the same rate or faster than rate reductions, our profits will be lower.

Adjustments due to changes in tax rates

Cost variations resulting from changes in certain tax laws may result, subject to prior intervention by the EPRE, in adjustments to the distribution electricity tariffs depending on the impact they have on distribution companies.

Compensation Fund

The Provincial Framework Law establishes the creation of a compensation fund (the "**Fund**") as a mechanism to achieve consistency in rates for customers with similar electricity consumption characteristics but with different geographic locations or a different form of service conditions. The Fund is intended to compensate distributors for the additional cost of providing electricity to such customers by charging them rates equivalent to those of any other customer. The Fund is financed by: (i) the Subsidiary Fund for Regional Compensation of Rates to End Users as established in Law No. 24,065; (ii) the total proceeds of the Canon(s) (as defined below) for energy distribution concessions until 2004, and 50% of said proceeds from 2004 to 2009; (iii) a budget item of the Province; (iv) contributions to offset electricity costs (used to offset differences in distribution costs between different concessionaires) which may not exceed 2.5% of the total cost of tax-free electricity services; and (v) fines applied by the EPRE.

Canon

We are required to pay the Province a monthly fee (the "**Canon**") calculated as a percentage of our own distribution cost. Our own distribution cost is the tariff margin, which is equal to the total electricity tariffs less than the portion of the electricity tariffs corresponding to the transferable part of the wholesale cost of electricity purchases. The Canon applicable to us is currently 6% according to the Transaction Agreement signed between the Province and us on January 3, 2023 and approved by Decree No. 70/23 published in the Official Gazette of the Province on January 31, 2023.

Measurement, Billing and Collection

Customer consumption is recorded using electronic or electromechanical meters. Measurements are read using cellphones and probes by our own personnel or by third-party contractors in certain areas of the Concession. Major large customers are read using remote measurement instruments. The reading application continues to be improved. As a result, we have managed to increase the speed of reading times, reduce manual reading input errors and download additional information from the meters that contribute to the detection of irregularities at points of sale due to energy theft.

We read consumption data and bill our small demand customers on a bi-monthly basis, dividing their bills into two similar monthly payments, and large demand customers on a monthly basis, sending their bills in such a way that they are available to customers at least 5 days in advance of their due date. Within the limits established by the Concession Agreement, we can estimate meter readings based on historical information, up to two consecutive readings and three alternating readings over the year in the case of bi-monthly bills, and up to three consecutive and four alternating readings per year in the case of monthly bills. The estimates are based on historical information for the same period of the previous year.

Customers can pay their bills through our virtual office on our website or at our commercial offices, at banks, with debit and credit cards, by direct debit, through online payment methods and applications, and through special payment services that enable more collection points throughout the Province. Collections at our commercial offices and by direct transfers represent approximately 30% of total collections. After 10 business days from the invoices' due date, the service may be suspended.

We bill our customers for each supply, that is, for each meter located at each customer's premises. Consequently, any reference to supplies used in this offering memorandum cannot be understood as equivalent to customers, since the number of our customers is necessarily less than the number of supplies indicated herein. Any reference to "user" or "customer" generally has the same meaning hereunder.

The impact of the pandemic and the impossibility of carrying out field actions, suspensions and cuts have had a negative impact on our delinquency rates. We monitor the overdue payments of our high-demand clients on a case-by-case basis and, in the case of residential clients, we incorporated a new external collection agency. The communication channels used are various including WhatsApp, SMS, email, Interactive Voice Response (IVR) calls and personalized phone calls.

We are, however, redirecting the extrajudicial collection of debt from delinquent clients, and continuing with our collection efforts which are expected to allow us to reduce energy losses, both in connection with the technical quality of the product and the quality of the service.

Technical Product Quality

The quality standards imposed by the Concession Agreement require that the voltage level at which electricity is supplied to customers be kept within certain limits. The variations may not exceed the following percentages:

Allowable Voltage Variations

User Category	*Percentage*
High voltage	+/- 7%
Medium voltage	+/- 8%
Low voltage	+/- 8%

Pursuant to the Concession Agreement, any deviations recorded above the limits indicated above will be penalized. The amount of the penalty depends on the magnitude and repetition of these deviations. Penalties are calculated by valuing the total energy delivered with voltage levels outside the permitted limits. As the percentage of irregular registrations increases, for the contracted voltage level, the amount of the penalty per kWh increases. These penalties are credited to the bill of the affected users.

In addition to voltage, power quality (also known as disturbances) is monitored. This refers to alterations in the waveform of the supplied voltage. Flicker and harmonic disturbances are currently being monitored. The particularity of these disturbances is that they are normally generated by the customer itself (due to the use of non-linear loads). In these cases, the role of the distributor is to detect the problem and request the disturbing customer to normalize the situation.

Technical Service Quality

From Stage 2 onwards, the quality of technical service is monitored at the customer level based on individual frequency and time indicators.

The following table indicates the semi-annual limits on frequency and duration of service interruptions:

Users Category	**Frequency of Interruption**	**Hours of Interruption**
AT	3	5 hs.
MT	5	8 hs.
BT Urban	7	10 hs.
BT Rural	9	11 hs.

Single-Line Diagrams (SLDs)	10	40 hs.

If a user experiences more interruptions than the specified frequency limit or for a longer period of time, the Concession Agreement imposes a penalty that must be paid to the user. Penalties are calculated based on the energy not supplied, which is proportional to the duration of the interruption and the customer's half-yearly energy consumption, and on the cost of such energy, according to the tariff table applicable to each user.

In addition to meeting certain quality standards, we must meet certain operational requirements related to our commercial service, including, but not limited to, a 24-hour call center, a minimum of seven hours of customer service every business day at our customer service centers, a maximum of eight days to resolve claims, and a maximum number of days to make new connections and two days to reconnections, depending on the location of the connection, whether urban or rural, and the customer's compliance with the documentation. We have implemented a call center (0800-3333672) to provide commercial solutions from Monday to Friday from 8 a.m. to 6 p.m., offering technical solutions and available for the reporting of illegal connections, 24-hours a day and 365 days a year. Users can also make claims via SMS. Additionally, the chatbot "Maria Luz" has been integrated to handle various user inquiries, of which, on average, 90% were resolved automatically without the need for an operator's intervention.

Electricity Purchases

As of December 31, 2025, we purchase 99.1% of our electricity through the WEM at the Seasonal Price determined and approved by the Ministry of Energy, and the remaining 0.9% through off-market energy purchase contracts at exchange points with other distributors and generation companies in isolated areas.

Energy Losses

Energy losses are equivalent to the differences between purchased energy and invoiced energy and are classified as technical or non-technical. Technical losses refer to energy lost during transmission and distribution within the network as a result of the natural heating of conductors while transmitting electricity from generation plants to customers. Technical losses are considered normal and, although they can be reduced with network improvements, their total elimination is not economically viable. Non-technical losses are basically due to electricity theft and administrative and technical errors. The value of losses as of December 2025, computed according to the Annual Moving Rate ("**AMR**") that calculates values for the last twelve months, was 16.9%.

All power losses have adverse effects on us. Power losses require us to purchase additional power to meet apparent demand, thereby increasing costs. In addition, illegally connected customers often report excessively high levels of electricity consumption, especially during the winter.

Reducing non-technical losses increases profitability by reducing the amount of energy that we purchase but cannot bill our customers for. Reducing both technical and non-technical energy losses has been and continues to be an essential priority for us due to the direct effect this has on our financial results. We have implemented and organized a specific department assigned to the analysis of recorded non-technical losses, collection management and legal actions, as well as the prevention of an increase in such losses by regularizing networks.

The most relevant factors in our non-technical losses are fraudulent maneuvers and theft, including illegal connections. We are implementing a loss reduction program through the replacement of obsolete meters, technological adaptation, reduction of illegal connections and reduction of meter violations through greater control and enforcement. In the poorer neighborhoods located within the Concession area, we have installed grouped overhead conductors (low voltage lines) that make illegal connections difficult and have increased the number of individual home measurements to promote the determination of individual consumption and facilitate the cutting off of service to consumers who do not pay. We expect to further reduce energy losses through the continuous updating of our network and improvements in information systems designed to limit fraudulent and defective meter readings, as well as building a database of customer profiles that identifies unusual levels of consumption. We also aim to continue reducing energy losses through the execution of several ongoing projects:

- processing of MT output measurement information by transformer station(s);
- use of data collected through probes to identify non-compliant consumption;

- use of artificial intelligence to redirect non-compliant consumption;
- measurement of the outputs of every new substation for energy balance purposes;
- energy balance project, initiated in Malargüe;
- use of transformers that adapt to the energy demanded; and
- the normalization of neighborhoods affected by fraud and the regularization of new networks that were already normalized, but which again registered electricity theft.

Seasonality

The demand for electricity and, consequently, our sales and profits in general are higher during the summer months (December to March).

Insurance

As of March 31, 2026, we had an effective All-Risk Operational Policy that covered material losses or damages due to any accidental cause and acts of nature, with a total insured amount of U.S.$300.1 million. The compensation limit is U.S.$12 million for material damages.

Additionally, we maintain the following insurance, subject to the deductibles and conditions established for each coverage:

Insurance	Name of Insurance Company	Section Description	Insured Amount	Maximum Insured Limits
22576	Sancor Cooperativa de Seguros Limitada	All-Risks Operational Insurance	U.S.$ 300,138,956	U.S.$12,000,000
416122	Sancor Cooperativa de Seguros Limitada	General Liability Insurance	U.S.$3,000,000	U.S.$3,000,000
23-41665	Berkley	Contractors' Liability Insurance	U.S.$500,000	U.S.$500,000
858483	Chubb Seguros Argentina SA	Directors and Officers Liability Insurance	U.S.$10,000,000	U.S.$10,000,000
133142	Triunfo Seguros	Fire Insurance – Guaymallén Branch	Ps.150,000,000	Ps.150,000,000
573936	Provincia Seguros	Cash-in-Safe Theft Insurance	Ps.10,800,000	Ps.10,800,000
33693594	Federación Patronal Seguros S.A.	Motor Fleet Insurance	per category	per category
26967	La Meridional Cía. Arg. de Seguros SA	Technical Insurance	U.S.$2,882,565	U.S.$2,882,565

Environmental and Safety Issues

We conduct our operations seeking to comply with current international, national, provincial and municipal environmental and safety standards, rules and regulations applicable to our activity through the following actions:

- identification and updating of the legal and regulatory framework relevant to our activities, considering the corresponding international and local hierarchy; and
- periodic evaluation of our compliance therewith;
- performance of internal and external audits; and
- implementation of follow-up and improvement actions associated with our processes.

We have implemented environmental actions as follows:

I. As required by the EPRE:

- Within the framework of Provincial Law No. 5,961 and at the request of the EPRE, in June 2001 we submitted the baseline report on our electrical installations, a document that reflected the status of the existing installations at the time of its preparation and the measures contemplated for their maintenance. Subsequently, and in line with the evolution of our installations and investments, we have complied with the applicable environmental requirements through the processing of the studies and procedures that correspond in each case.

II. In accordance with the legal framework:

- Regarding environmental matters, and in accordance with Provincial Law No. 5,961, its Regulatory Decree No. 2,109/94 and, on a supplementary basis, EPRE Resolution No. 87/99, as amended by EPRE Resolution No. 553/03, we process the environmental procedures and conducts the studies applicable to the works and investments covered by such regulatory framework, including those related to electricity distribution and/or transmission facilities operating at voltages of 33 kV or higher. Such studies have historically been carried out by specialized consulting firms, and we also have the capacity to internally develop environmental studies for submission before the competent authority, as applicable.

- Regarding hazardous waste, we are registered as a generator of hazardous waste with the Environmental Protection Directorate of the Secretariat of Environment and Territorial Planning of the Province of Mendoza, under Registry No. G 000059, in compliance with National Law No. 24,051 on Hazardous Waste and Provincial Law No. 5,917, which adheres to such national law. Such registration covers, among others, the following streams and constituents generated in the normal and ordinary course of our activities:

    - waste of hydrocarbons or mineral oils unfit for the use for which they were intended (Y8);
    - mixtures and emulsions of waste oil and water or of hydrocarbons and water (Y9);
    - waste resulting from the production, preparation, use of inks, dyes, pigments, paints, lacquers or varnishes (Y12);
    - waste resulting from industrial waste disposal operations (Y18);
    - mercury and mercury compounds (Y29);
    - lead and lead compounds (Y31);
    - basic solutions or bases in solid form (Y35); and
    - miscellaneous materials and/or items contaminated with hazardous waste or that exhibit hazardous characteristics, the destination of which is or must be a disposal operation (Y48).

- To ensure the transportation and operation of hazardous waste, we use a transporter and operator authorized by the Environmental Protection Directorate of the Province.

- In addition, by providing the Occupational Medicine service, intended for primary health care, we are registered as a generator of pathogenic and/or pharmaceutical waste with the Ministry of Health and Sports of the Province of Mendoza, under Generator No. L-670.

- We have completed the management and final disposal of PCBs, carrying out the treatment and final elimination at the TREDI plant in France, as evidenced by Disposal Certificate No. 1111-0006FC-INT and the corresponding shipping details under Notification No. AR 020311, issued on December 9, 2011 in Saint-Vulbas, France.

III. On our own initiative:

- In 2000, our quality management was certified under ISO 9002 standards for Commercial processes.
- In 2001, our quality management was certified under ISO 9001 standards for Technical processes.

- In 2002, our environmental management was certified under ISO 14001 standards, covering all processes and sites of the Organization.
- In 2003, the quality certifications were unified, covering all processes.
- In 2004, international harmonization of environmental management was achieved through the global certification of the EDF Group – AFAQ.
- In 2005, the quality and environmental management systems were unified into an integrated management system ("**IMS**"), covering all processes throughout the concession area.
- In 2026, we carried out the certification audit of its Energy Management System under ISO 50001 standards and received a certification recommendation from the acting auditor, with the issuance of the certificate currently pending.
- As of 2026, the IMS has been maintained through the migration to the different versions of the international standards and the permanent performance of internal IMS audits and external audits conducted by certification bodies.
- As of the date of this offering memorandum, we hold IRAM-endorsed certification of our IMS, valid until March 2027.

Legal proceedings

We are currently not a party to any significant legal proceedings. From time to time, we may be involved in civil, tax, commercial, labor, administrative or regulatory proceedings arising in the ordinary course of business, including litigation with provincial authorities in connection with the payment of concession fees. Liabilities in respect of such claims, suits and other legal proceedings cannot be estimated with certainty.

Below are the main judicial and administrative claims in which we are involved:

(i) "Edemsa v. Ministry of Planning re: Ordinary Proceedings" (File No. 41,643/3)

This is an ordinary lawsuit filed against the Federal Ministry of Planning, Public Investment, and Services (the "**Ministry of Planning**") seeking the annulment of SE Resolution No. 437, which rejected our appeals against SE Notes No. 259 and No. 305. These resolutions disregarded the validity of the local toll tariff approved by the Province of Mendoza and applied the federal toll tariff to WEM users, undermining provincial jurisdiction. A precautionary measure suspending the effects of the resolutions was granted in 2007. After multiple procedural developments, including the rejection of the Argentine Government's extraordinary appeal and the filing of a response by the Province of Mendoza, the case was deemed ready for a final judgment as of April 24, 2022.

As of the date of this offering memorandum, this case is pending resolution.by the Federal Court of the Province of Mendoza.

(ii) "Edemsa v. AFIP re: Declaratory Action of Unconstitutionality" (File No. 23,741/2022)

We initiated a declaratory action of unconstitutionality against the Argentine Government and the former Federal Administration of Public Revenues – General Tax Directorate (currently, ARCA) ("**AFIP-DGI**"), seeking a declaration that the inflation adjustment rule in Article 93 of the Income Tax Law No. 20,628 and its amendments (the "**Income Tax Law**") was inapplicable to certain tax loss carryforwards, based on our use of the Domestic Wholesale Price Index ("**IPIM**") as authorized by Section 25 of the Income Tax Law. A precautionary injunction was granted by the Court of Appeals on October 6, 2022, preventing AFIP-DGI from pursuing any administrative, judicial, or criminal actions related to the alleged non-payment of income tax. On August 19, 2024, the trial court ruled in our favor on all counts, as requested. On October 13, 2025, the Federal Court of Appeals of Mendoza upheld the first-instance ruling in all its terms. AFIP-DGI filed a federal extraordinary appeal against such ruling, which is currently pending decision.

As of the date of this offering memorandum, this case is pending resolution by the Federal Court of Appeals of the Province of Mendoza.

(iii) "Edemsa v. AFIP re: Declaratory Action of Unconstitutionality" (File No. 30,535/2023)

This declaratory action challenges the inflation adjustment mechanism established under Title VI of the Income Tax Law and, alternatively, the nominal investment threshold required to maintain tax deferral under Section 195 of the Income Tax Law. A precautionary measure was granted on October 3, 2023, instructing AFIP-DGI to refrain from taking enforcement actions related to the alleged loss of tax benefits or from initiating any related administrative or criminal proceedings. Following an appeal by AFIP-DGI, the Court of Appeals granted our motion and later confirmed the injunction. On December 29, 2023, the Court of Appeals dismissed the appeal filed by AFIP against the injunction of October 3, 2023. The case has been pending decision before the Federal Court of the Province of Mendoza since November 4, 2025.

(iv) "EDEMSA v. AFIP re: declaratory action of unconstitutionality" (File No. 12,382/2024)

We filed this action against the Argentine Government and AFIP-DGI to contest the inflation adjustment calculation under Section 106 of the Income Tax Law as applied to our liabilities with CAMMESA for fiscal year 2023. We argued that recognizing the CAMMESA debt in this context would lead to taxation on fictitious income. A precautionary injunction was granted on August 19, 2024, ordering AFIP-DGI to refrain from initiating any related claims, sanctions, or criminal complaints. AFIP-DGI's appeal was rejected by the Court of Appeals on December 27, 2024. On February 7, 2025, service of process was completed. ARCA-AFIP filed a response to the complaint. On June 9, 2025, a preliminary hearing was requested.

As of the date of this offering memorandum, the case remains at the evidence production stage before the Federal Court of the Province of Mendoza.

(v) "EDEMSA v. AFIP re: declaratory action of unconstitutionality" (File No. 17,501/2025)

We filed this action before Federal Court No. 4 (Tax and Administrative Secretariat) of Mendoza against the Argentine Government and ARCA-DGI, seeking a declaration of unconstitutionality and certainty regarding the application of the inflation adjustment mechanism under Section 106 of the Income Tax Law (Law No. 20,628) to our liabilities with CAMMESA for fiscal year 2024.

We argued that the debt owed by EDEMSA to CAMMESA subject to a regularization plan under the national energy emergency framework should not be computed as a liability for purposes of the tax inflation adjustment, given its specific nature and origin. Its inclusion would result in an artificial positive adjustment, effectively forcing EDEMSA to pay income tax on non-existent or fictitious income, in violation of constitutional principles such as equality, property rights, ability to pay, reasonableness, and non-confiscation. We further noted that such outcome would undermine the normalization of the concession service, as the relief granted by the National Government to address tariff delays would effectively be neutralized through taxation.

On August 28, 2025, the Court granted the preliminary injunction requested, ordering a suspension of the challenged effects. ARCA-DGI appealed the injunction on September 9, 2025, and EDEMSA filed its response on October 2, 2025. On October 17, 2025, the Court of Appeals called the case for decision.

In the main proceedings, on March 16, 2026, the Court ordered service of process on ARCA-DGI and the Argentine Government. As of the date of this offering memorandum, the case remains pending resolution before the Federal Courts of Mendoza.

(vi) "EDEMSA v. EPRE, Procedural Administrative Action" (Files No. 13-04711491-2 and 13-04773314-0)

This proceeding includes two consolidated cases, both pending before Chamber I of the Supreme Court of Justice of the Province of Mendoza. We brought a procedural administrative action against EPRE seeking to annul EPRE Resolutions No. 088/18 and 076/18, as well as Decree No. 397/19. Resolution No. 088/18 imposed a fine of Ps. 256,551.21 due to alleged non-compliance with technical product quality standards, specifically regarding voltage levels. This fine was challenged through a reconsideration appeal, which was dismissed by Resolution No. 126/18. Resolution No. 76/18 imposed an additional fine of Ps. 85,403,718.02, and the related appeal was ultimately rejected by Decree No. 397/19. We argued that these sanctions were imposed at the time we signed the Service Normalization

Agreement with the Province of Mendoza. During this period, the Province of Mendoza, as Granting Authority, acknowledged that the service was not normalized due to the lack of execution of works that were neither recognized nor remunerated as such in the tariff, with the knowledge of EPRE itself. Nevertheless, EPRE applied the sanctions without considering this circumstance. The complaint was filed on February 1, 2019. EPRE raised a preliminary jurisdictional objection, which was rejected. The court ordered the production of evidence. The proceedings were suspended pending a ruling in Case No. 13-04523654-9. On February 2, 2026, it was reported in the case that the proceedings have become moot, as the penalties were offset under the settlement agreement entered into with the Province.

(vii) "EDEMSA v. EPRE, Procedural Administrative Action" (File No. 13-05310087-7)

We filed a procedural administrative action seeking to annul of EPRE Resolution No. 327/19, which rejected a force majeure claim filed in connection with electric service interruptions that occurred on August 20 and November 11, 2018. The interruptions were caused by failures at the Atucha II nuclear power plant, located upstream from our distribution network. Specifically, the incidents involved the disconnection of a primary cooling pump and the triggering of the block protection system of the generator. We argued that we could not be held liable for service disruptions caused by factors beyond our control. Chamber I of the Supreme Court of Justice of the Province of Mendoza rejected the claim, and on September 22, 2023, we filed a petition for appeal, which as of the date of this offering memorandum remains pending before the Argentine Supreme Court.

(viii) Income Tax Claim for the years 2000 to 2002

Before the National Tax Court, we filed an appeal on July 19, 2007, challenging AFIP-DGI's Official Assessment No. 194/07 related to income tax for fiscal years 2000 through 2002. The assessment arose from the tax authority's disallowance of certain deductions claimed by us. Based on the opinion of its tax advisors and the strength of the legal and factual arguments presented, we expect that the resolution of this case will be favorable and has not recorded any provisions in connection with this matter.

As of the date of this offering memorandum, the case remains pending resolution.

Our Competitive Strengths

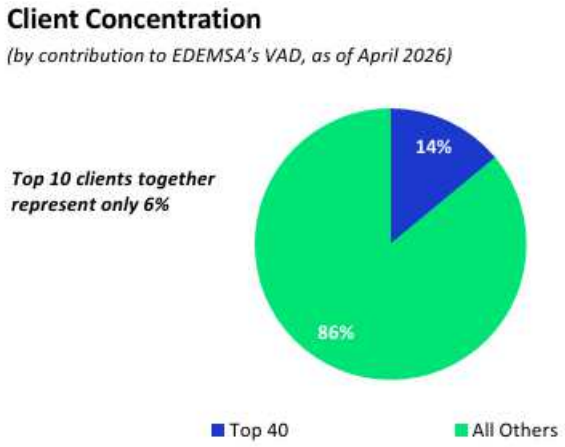
We believe that our main strengths are as follows:

We are the largest electricity distributor in the Province of Mendoza in terms of number of users, energy sold (both in GWh and Pesos) and territory covered in 2025

We are the largest electricity distribution company in the Province of Mendoza and one of the largest in Argentina in terms of number of users and electricity sold (both in GWh and in Pesos) and area covered (74% of the total territory of the Province). As such, the Company benefits from economies of scale with respect to many of its operating expenses, including salaries and employee benefits, from economies of scale. The Company also actively participates in industry decision-making bodies and works closely with the local government to address the challenges faced by the energy sector in the Province.

We have an active and diversified customer base in a highly developed area of Argentina

The Company operates exclusively in the western part of the Province of Mendoza (excluding the area supplied by Cooperativa Eléctrica Godoy Cruz and other areas served by EDESTESA), which includes the departments of the Capital, Las Heras, Guaymallén, Luján, Maipú, Tunuyán, Tupungato, San Carlos, Lavalle (west zone), San Rafael and Malargüe, representing approximately 74% of the total area of the Province. The Mendoza urban area (*Gran Mendoza*) is one of the highest populated areas in Argentina. In addition, the Company has a balanced mix of residential, commercial, and industrial users, with residential users representing the predominant segment. By collecting payments directly from customers, we can minimize the risk of late or missed payments, and our top line does not depend on CAMMESA.



The Company has a seasoned and highly experienced management team

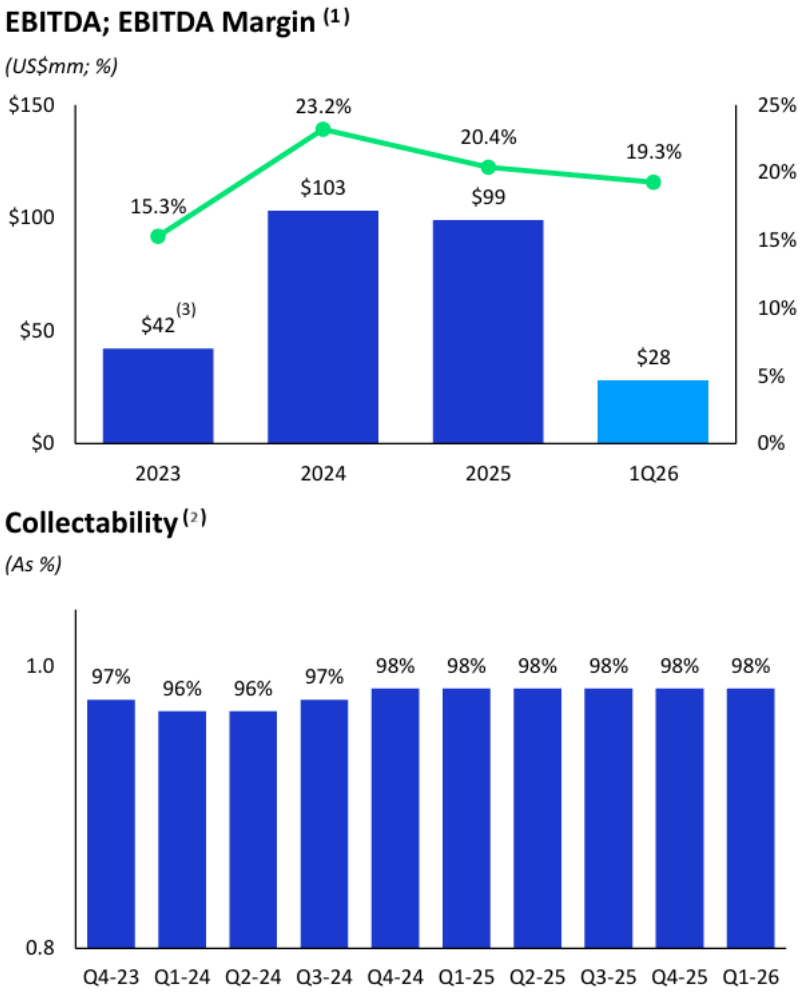
The management team of the Company comprises the Board of Directors and the Senior Management. All of them have extensive experience in the electricity industry and in their respective areas of expertise. The Company's Senior Management encourages internal promotion of its personnel and provides training and other opportunities for its employees to continue to grow with the Company.

We have considerable experience in the operation of electric power distribution systems and good indicators of service quality, with optimal levels of operating performance and efficiency

The Company has extensive experience in the operation of electricity distribution systems and has received multiple ISO certifications for its commercial, technical, and administrative processes, including service quality, safety and environmental protection.

Strong capital structure and conservative policies could contribute to timely debt repayments

In terms of financial strengths, the Company has a solid capital structure and conservative policies that we expect will contribute to timely debt repayments.



Note: All figures converted to U.S.$ at the official end of period exchange rate of December 31, 2025, of Ps.1,459.42/U.S.$, and March 31, 2026, of Ps.1,382.76/U.S.$.

(1) EBITDA includes CAMMESA adjustment for U.S.$41 million, a one-time gain recognized in the EBITDA due to its accounting treatment.

(2) Figures show average collectability days for each quarter, as billing days.

Our Business Strategy

The Company seeks to continue to satisfy the significant demand in its concession area while maximizing its profitability and equity value. The Company aims to accomplish this objective through the following key business strategies:

The Company continues to deliver high-quality service within its Concession area while expanding its reach

The Company aims to continue serving its customers in accordance with the terms and conditions of the Concession, distributing electricity in the concession area with quality levels that meet or exceed those required by

the Concession Agreement and the regulatory framework. To this end, it plans to continue allocating a significant portion of its capital investments to the maintenance, extension, and expansion of its network.

Focus on increasing its operating efficiency

We seek to allocate significant resources to improve the quality of our technical services and the safety of our public infrastructure with a goal of reducing the number of fines imposed by Argentine regulators in the normal course of business. We manage the Company's resources with efficiency, by maximizing results through the continuous improvement of the processes and quality of the services rendered to our customers, and by strengthening our infrastructure through investments in our network and technology.

Smart and Digitalized Grid

We are continuously working to prepare ourselves to become a smart distributor capable of managing a network that not only delivers energy, but also receives it from users, facilitating the deployment of solar panels and renewable sources of distributed energy. We seek to promote the creation of a "smart and digitalized grid" and to be a vehicle for the transformation of the transportation system and its electrification. We believe that achieving these goals is essential to assist Argentina in complying with its commitments under the Paris Agreement and the climate change convention, as well as under local renewable energy sourcing requirements.

Investments in Renewable Energy Projects

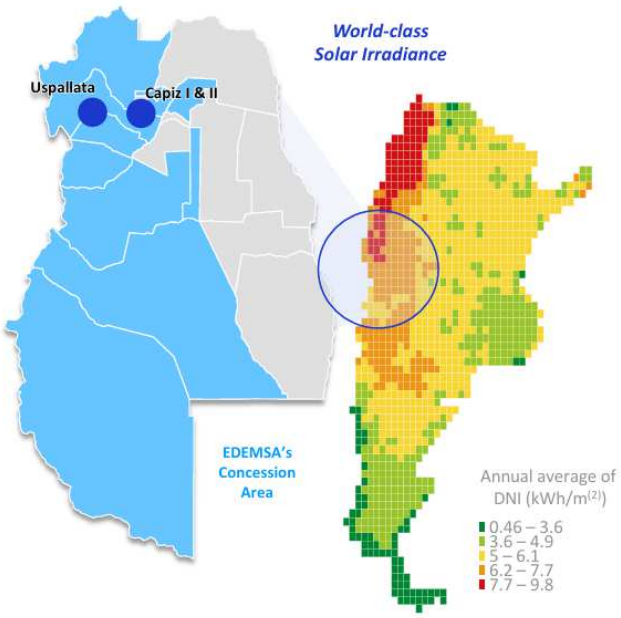
As part of our strategy to strengthen network security and reliability while preparing the electricity grid for the energy transition, we are currently exploring investments in solar photovoltaic generation projects within our Concession Area, leveraging the Province of Mendoza's world-class solar irradiance conditions. These initiatives are intended to complement our core electricity distribution business by diversifying our revenue streams and contributing to the decarbonization of Argentina's energy matrix. In addition, the entry into force of SE Resolution No. 400/2025, which approved the "Rules for the Normalization of the WEM and its Progressive Adaptation" effective November 1, 2025 (as supplemented by subsequent implementing resolutions), removed the restriction that previously prevented distribution companies such as ours from contracting in the Renewable Energy Term Market (*Mercado a Término de Energías Renovables* or "**MATER**"), enabling us to participate more actively in this market segment.

We are currently evaluating the following two solar photovoltaic projects:

- **Capiz I & II**: A 50 MW solar photovoltaic project to be owned and developed by Trancurá Energía S.A., located in San Carlos, approximately 97 kilometers south of the City of Mendoza. The project's estimated annual production is 117,343 MWh (P50), expected to power approximately 31,900 households and avoid the emission of approximately 49,000 tons of CO_2 per year. The estimated capital expenditure is approximately U.S.$47.8 million, with commercial operation date ("**COD**") currently targeted for the second quarter of 2027.

- **Uspallata**: A 4 MW solar photovoltaic project to be owned and developed by Andina Consultores y Servicios S.A.U., located in Uspallata, approximately 120 kilometers northwest of the City of Mendoza. The project's estimated annual production is 13,565 MWh (P50), expected to power approximately 2,750 households and avoid the emission of approximately 5,510 tons of CO_2 per year. The estimated capital expenditure is approximately U.S.$5.4 million, with COD currently targeted for the third quarter of 2026.

Project	Capiz I & II	Uspallata
Owner Company	Trancurá Energia S.A.	Andina Consultores y Servicios SAU
Location	San Carlos, 97 km S of Mendoza	Uspallata, 120 km NW of Mendoza
Capacity (MW)	50 MW	4 MW
Projected Annual Production (MWh P50)	117,343	13,565
Estimated COD	2Q 2027	3Q 2026
Estimated CAPEX (USD mm)	47,8	5,4
Households Powered	31,900	2,750
CO2 Avoided (Tn)	49,000	5,510



The development and execution of these projects is subject to a number of factors, including the successful completion of this offering, the obtaining of all required regulatory permits and authorizations, the execution of off-take arrangements on commercially reasonable terms, and the absence of curtailment or transmission capacity limitations in the relevant corridors of SADI, including in the Centro-Cuyo region. There can be no assurance that we will complete these projects as currently contemplated or that they will achieve the projected production levels or financial returns. See "*Risk Factors—Risks Relating to Our Business—We may not realize the anticipated benefits from new business opportunities, including renewable energy projects, which involve significant risks and uncertainties*" and "*Use of Proceeds*."

General Information

Our principal executive offices are located at Belgrano 815, Ciudad de Mendoza, Provincia de Mendoza, Argentina, and our general telephone number at this location is +54 0261 4497461. Our website is www.edemsa.com. None of the information available on our website will be deemed to be included or incorporated by reference into this offering memorandum.

THE ARGENTINE ELECTRICITY FRAMEWORK

Historical Background

Electricity was first made available in Argentina in 1887 with the first public street lighting in Buenos Aires. The Argentine Government's involvement in the electricity sector began in 1946 with the creation of the *Dirección General de Centrales Eléctricas del Estado* (General Directorate of Electric Power Plants of the State) to construct and operate electricity generation plants. In 1947, the Argentine Government created *Agua y Energía Eléctrica S.A.* (Water and Electricity, or AyEE) to develop a system of hydroelectric generation, transmission and distribution for Argentina.

By 1990, virtually all of the electricity supply in Argentina was controlled by the public sector (97% of total generation). The Argentine Government had assumed responsibility for the regulation of the industry at the national level and controlled all of the national electricity companies, AyEE, SEGBA and Hidronor. The Argentine Government also represented Argentine interests in generation facilities developed or operated jointly with Uruguay, Paraguay and Brazil. In addition, several of the Argentine provinces operated their own electricity companies. Inefficient management and inadequate capital spending, which prevailed under national and provincial Government control, were in large measure responsible for the deterioration of physical equipment, decline in quality of service and proliferation of financial losses that occurred during this period.

In 1991, the Argentine Government undertook an extensive privatization program of all major state-owned industries, including within the electricity generation, transmission and distribution sectors. In January 1992, the Argentine Congress adopted Law No. 24,065 (the "**Regulatory Framework Law**"), which established guidelines for the restructuring and privatization of the electricity sector. The Regulatory Framework Law, which continues to provide the framework for regulation of the electricity sector since the privatization of this sector, divided generation, transmission and distribution of electricity into separate businesses and subjected each to appropriate regulation.

The ultimate objective of the privatization process was to achieve a reduction in electricity tariffs paid by users and improve quality of service through competition. The privatization process commenced in February 1992 with the sale of several large thermal generation facilities formerly operated by SEGBA, and continued with the sale of transmission and distribution facilities (including those currently operated by our company) and additional thermoelectric and hydroelectric generation facilities.

Regulatory and Legal Framework

Main Regulations

Our activities are subject to national and provincial oversight. The basic regulatory framework of the Argentine electric power sector currently in force is the following: (i) Law No. 15,336, enacted on September 20, 1960, as amended by Law No. 24,065, passed on December 19, 1991, partially promulgated by Decree No. 13/92, and regulated by Decree No. 1398/92 and Decree No. 186/95, (ii) Law 24,065, as amended through Decree No. 450/2025, which implemented privatizations of government-owned companies in the electric power sector and separated the industry vertically into four categories: generation, transmission, distribution and demand, and it also provided for the organization of the WEM.

As described in the following paragraphs, in general terms, the national authorities have regulatory powers over certain activities related to our operation in the WEM, such as preventing anti-competitive, monopolistic and discriminatory conduct, imposing fines when the applicable regulations are violated, authorizing consolidation or merger corporate transactions within the same business group and resolving conflicts with other WEM agents.

The activity developed by us under the Concession is subject to provincial regulation through the Mendoza's Ministry of Energy and Environment, the Regulatory Authority, and the EPRE.

The Current Legal Electricity Framework

On July 7, 2025, Decree No. 450/25 was published in the Official Gazette, by which the National Executive Branch approved adjustments and amendments to Electricity Laws No. 15,336 and No. 24,065—which together

constitute the Electricity Regulatory Framework—pursuant to the delegated authority granted under Article 162 of the Omnibus Act No. 27,742.

Through Decree No. 452/2025, published in the Official Gazette on July 7, 2025, the ENRGE was established, as created by Article 161 of Law No. 27.742. This new entity will operate under the Secretariat of Energy of the Ministry of Economy and will carry out all necessary measures to fulfill the missions and functions assigned by Laws No. 24.076 and No. 24.065 to ENARGAS and ENRE, respectively. The ENRGE will have autonomy, as well as functional and budgetary independence, and will possess full legal capacity to act in both public and private legal spheres.

The National Executive Branch announced that the objective of this reform is to reduce federal government intervention in the pricing and contracting system in order to provide greater freedom to private actors, while seeking enhanced legal certainty to ensure long-term energy supply. In parallel, the reform reinforces the federal nature of the electricity regime by upholding the primacy of the national regulatory framework over local provisions, so as not to hinder the free circulation of electricity.

Accordingly, through Decree No. 450/2025, the National Executive Branch established a 24-month transition period for the amendment of existing regulations and the issuance of any necessary supplementary provisions. During this time, the Secretariat of Energy must develop and implement the necessary regulations to enable a gradual, orderly, and predictable transition toward the full application of Law No. 24,065.

Among other relevant changes, the following stand out:

- **Rules for the Standardization of the WEM and its Progressive Adaptation:** The SE issued Resolution No. 400/2025, which approved the "Rules for the Standardization of the WEM and its Progressive Adaptation" (the "**Rules**"), applicable to WEM economic transactions as of November 1, 2025. This framework has been subsequently implemented and complemented by additional regulations, including Resolution No. 78/2026, which provides further operational adjustments within the framework established by Resolution No. 400/2025.
- **Energy Purchase and Sale in the Term Market:** Distributors, including the Company, are now required to procure at least 75% of their electricity purchases through the Term Market, replacing the previous voluntary criteria and effectively repealing SE Resolution No. 95/2013. The SE is authorized to determine the contracting conditions and to define the parameters for competitive pricing. Contracts executed under this regime are presumed to involve the public interest. No reference price will be established for Spot Market transactions. Additionally, the prior requirement for state authorization of electricity imports and exports has been eliminated, except in cases involving technical or safety considerations. This aligns Argentina's regulatory approach with regional practices on open cross-border energy exchange.
- **Electricity Tariffs on Distributors:** The electricity sale price to end users will include a component representing the cost of purchasing electricity in the WEM. The cost of electricity acquisition in the WEM will consider: (i) the price of the distributor's purchases in the Spot Market and the weighted average of purchases made through Term Market contracts in competitive processes, in accordance with regulations to be issued by the Secretariat of Energy regarding contracting conditions; (ii) the cost of high-voltage transmission; and (iii) system services managed by the electricity dispatch operator. These different components must be itemized in the user's bill, which may not include local taxes or charges unrelated to the billed goods and services. No transporter or distributor may apply differences in their electricity tariffs, charges, services, or any other component, except where such differences result from location, type of service, or any other equivalent distinction reasonably approved by the ENRGE.
- **Liability of Granting Jurisdictions for the Debt of Local Distributors:** Provinces, the City of Buenos Aires, municipalities, and other local entities bear joint liability for payment defaults within the WEM by distributors when such defaults result from local tariff decisions that violate Law No. 24.065.
- **Supply Contracts:** The updated framework introduces the possibility of freely negotiated electricity supply contracts, expanding the scope for bilateral agreements between market participants.
- **Private Infrastructure Expansion:** New mechanisms have been introduced to allow WEM participants to undertake transmission projects at their own risk, granting them rights to priority access, toll collection, and/or tariff cost recovery.

- **Storage Operator as New Market Agent**: The updated regulatory framework formally incorporates storage operators as a new category of agent within the WEM, alongside existing categories such as free users and marketers.
- Storage operators may act as both buyers and sellers of electricity, subject to rules established by the SE and within the limits set forth in Law No. 24.065, thereby enabling the participation of battery storage systems and grid-scale storage technologies within the market.
- **Concessions:** New provisions have been introduced to reinforce and clarify the principles of Law No. 15,336, as amended, particularly regarding the regulatory treatment of electricity distribution and generation. The amended law also limits the authority of provincial or municipal entities to adopt regulations or take actions that prevent or hinder (i) the pass-through of energy costs to final electricity tariffs, or (ii) the settlement of obligations owed to electricity providers through the relevant dispatch and clearing mechanisms.
- **Free Flow of Energy:** The following will be deemed to interfere with the objectives of federal legislation and with the free flow of electricity: (i) any local tax (whether provincial, from the City of Buenos Aires, municipal, communal, or equivalent) that does not compensate for services actually, specifically, and individually provided, or that exceeds the specific cost of the service actually rendered. A tax will be understood to exceed the specific cost of the service when its tax base is not determined based on that cost but instead on sales, gross income, profits, or similar parameters; and (ii) any act or regulation issued by the local granting authority that prevents or restricts: (x) the pass-through of the cost of electricity acquisition in the WEM to the tariff charged to end users by local public distribution service providers, provided that such cost is transferable under federal regulations; (y) the payment of debts owed by such providers that may be settled through the electricity dispatch operator; or (z) the financial self-sufficiency of the electricity market in accordance with Article 2 of Law No. 24,065.

Due to the recent nature and broad scope of these reforms to the federal regulatory framework, and in light of the fact that many of the implementing regulations have yet to be issued, we cannot predict the scope, timing, or effects of these changes on our business, results of operations, or financial condition. Accordingly, such legal and regulatory modifications could impact our ability to generate revenue, access financing, or comply with regulatory requirements, and may otherwise adversely affect our business.

Notwithstanding the above, the provincial regulatory framework and the Concession Agreement, which determine both the Company's remuneration and the pass-through of procurement costs to end-user electricity tariffs, would not, in principle, be affected by the described changes to the federal regulatory framework.

Federal Regulatory Framework

Role of the Argentine Government

The Argentine Government has restricted its participation in the electricity market to regulatory oversight and policy-making activities. These activities were assigned to agencies that have a close working relationship with one another and occasionally even overlap in their responsibilities. The Argentine Government has limited its holding in the commercial sector to the operation of international hydropower projects and nuclear power plants. Provincial authorities followed the Argentine Government by divesting themselves of commercial interests and creating separate policy-making and regulatory entities for the provincial electricity sector.

Federal Regulatory Authorities

The principal regulatory authorities responsible for the Argentine electricity industry are:

(1) the Ministry of Economy, through the Secretary of Energy;

(2) the ENRE (upon its effective start of operations, the ENRGE); and

(3) CAMMESA.

The Ministry of Economy is the main governmental authority responsible for the Argentine electricity sector at the federal level. The role of the Ministry of Economy is mainly defined in the Law of Ministries No. 22,520 (as amended, and in particular, those included by Decree No. 706/2020, Decree No. 8/2023 and Decree No. 585/2024).

The Ministry of Economy is in charge, among other matters, of preparing, proposing and executing the national energy policy, and its powers include the following:

- execution of plans, programs and projects within the scope of its competence field in accordance with the directives issued by the Executive Branch;
- participation in negotiations and modifications of contracts for public works and services, within the scope of its competence;
- participation in the development of autarkic entities, decentralized or deconcentrated agencies, and special accounts and funds, whatever their denomination or legal nature, corresponding to its orbit, both with respect to action plans and budgets and with respect to their modification or supress of powers, functions or responsibilities, reorganization, modification or transformation of their legal structure, centralization, merger, spin-off, dissolution or transfer to the provinces or to the City of Buenos Aires.
- participation in the preparation and supervision of the fuel regime and supervision related to fuel prices, when appropriate, in accordance with the respective guidelines;
- supervision of the authority of application of the laws that regulate the activities in energy matters;
- participation in (i) the elaboration of policies and standards for the regulation of public services in the area of its competence, (ii) the supervision of the agencies and entities that control the concessionaires of public works or services within the jurisdiction, and (iii) the elaboration of standards for the regulation of public service licenses under federal regimes; and
- supervision of energy production markets, intervening through the areas of its competence, in order to promote and encourage the normal development of the economy in accordance with the objectives of national development with equity.

The SE advises the Argentine Government on matters related to the electricity sector and is responsible for the application of the policies concerning the Argentine electricity industry. The SE was first established under the purview of the Ministry of Productive Development, and subsequently transferred to the Ministry of Economy, through Decree No.732/2020, published in the Official Gazette on September 7, 2020.

The ENRE is an autonomous agency created by the Regulatory Framework Law. The ENRE has a variety of regulatory and jurisdictional powers, including, among others:

- enforcement of the Regulatory Framework Law and related regulations;
- control of the delivery of electric services and enforcement of the terms of concessions;
- adoption of rules applicable to generators, transmitters, distributors, electricity users and other related parties concerning safety, technical procedures, measurement and billing of electricity consumption, interruption and reconnection of supplies, third-party access to real estate used in the electricity industry and quality of services offered;
- prevention of anticompetitive, monopolistic and discriminatory conduct between participants in the electricity industry;
- imposition of penalties for violations of concessions or other related regulations; and
- arbitration of conflicts between electricity sector participants.

Under Law No. 24,065, the ENRE is managed by a five-member Board of Directors appointed by the Argentine Executive Power of the Argentine Government. Two of these five members are nominated by the *Consejo Federal de la Energía Eléctrica* (Federal Council on Electricity, or "**CFEE**"). The CFEE is funded with a percentage of revenues collected by CAMMESA for each MWh sold in the market. Sixty percent of the funds received by the CFEE are reserved for the *Fondo Subsidiario para Compensaciones Regionales de Tarifas a Usuarios Finales* (Regional Tariff Subsidy Fund for End Users), from which the CFEE makes distributions to provinces that have met certain specified tariff provisions. The remaining forty percent is used for investments related to the development of electrical services in the Argentine provinces.

By means of the Productive Reactivation Law, the Argentine Executive Power was entitled to assume the administrative control of the ENRE and the ENARGAS until December 31, 2020, which effectively occurred on March 16, 2020, according to Decree No. 277/2020. Said intervention was extended on December 17, 2020 by means of Decree No. 1020/20, until December 31, 2021, or until the tariff review process concluded, whichever occurred first. The intervention of the ENRE was also extended through Decree No. 871/2021, and Decree No. 815/2022 until December 31, 2023

On December 20, 2023, through Decree No. 55/2023 the Executive Branch declared the emergency of the National Energy Sector —including the electricity distribution segment— until December 31, 2024, and ordered the intervention of ENRE and ENARGAS as from January 1, 2024, until the appointment of new board members resulting from a selection process. Subsequently, by means of Decree No. 1023/2024 and 370/2025, the emergency of the energy sector with respect of the generation, transport and distribution segments of electricity under federal jurisdiction was extended until July 9, 2026, and the intervention of the ENRE was prolonged until the establishment and appointment of the Board of Directors of the National Gas and Electricity Regulatory Entity.

Decree No. 452/2025 created the National Gas and Electricity Regulatory Entity ("**ENRGE**") through the merger of ENRE and ENARGAS. The ENRGE was established as created by Article 161 of Law No. 27,742 and will operate under the Secretariat of Energy of the Ministry of Economy, fulfilling the missions and functions assigned by Laws No. 24,076 and No. 24,065 to ENARGAS and ENRE, respectively. The ENRGE will have autonomy, as well as functional and budgetary independence, and will possess full legal capacity to act in both public and private legal spheres. In this context, Resolution No. 388/2025 initiated the nomination process for the members of the board and Resolution No. 479/2025 established the selection committee responsible for evaluating candidates. On May 4, 2026, through Decree No. 318/2026, the National Executive Branch appointed the President, Vice President, and three Board Members of the ENRGE for staggered terms of five, four, three, two, and one year, respectively, in accordance with Article 6 of Decree No. 452/2025.

On December 22, 2015, through Decree No 231/15, the WEM was created with the objective of elaborating, proposing and executing the national energy policy. On March 5, 2018, through Decree No 174/18, the structure of the ME&M was modified, amongst other offices of the Argentine Government. The former structure of the ME&M comprised four secretaries and fourteen undersecretaries, whilst the new structure was reduced to three secretaries and ten undersecretaries. However, on September 6, 2018, through Decree No. 801/18, the Argentine Government strategically reorganized the ministries, dissolving the ME&M and transforming it into the SE, which remains within the orbit of control of the Ministry of Finance. On December 19, 2019, the Argentine Executive Power issued Decree No. 50/19 by means of which it approved the new organizational chart of the national government. On October 2020, the Argentine Government issued Decree No. 804/20, modifying the organizational chart of the national government. According to this Decree, the SE, which is in charge of elaborating, proposing and executing the national energy policy, is currently part of the Ministry of Economy.

Although CAMMESA is not a state-owned company, it usually receives funds from the Argentine Government, has a public purpose and makes decisions pursuant to SE instructions.

CAMMESA is responsible for managing the Argentine Interconnection System (*Sistema Argentino de Interconexión* or "**SADI**") pursuant to the Regulatory Framework Law and related regulations, which includes:

- determining technical and economic dispatch of electricity (i.e., schedule of production for all generating units on a power system to match production with demand) in the SADI;
- maximizing the system's security and the quality of electricity supplied;

- minimizing wholesale prices in the spot market;
- planning energy capacity needs and optimizing energy use pursuant to the rules from time to time established by the SE;
- monitoring the operation of the term market and administering the technical dispatch of electricity pursuant to any agreements entered into in such market;
- acting as agent of the various WEM participants;
- purchasing or selling electricity from or to other countries by performing the relevant import/export operations;
- providing consulting and other services related to these activities;
- supplying fuel pursuant to Resolution No. 95/13 of the former SE, which includes the management, acquisition, nationalization, control, reception, storage and distribution of liquid fuels to Generation Centrals through marine, river and land transportation;
- administrating the expansion of gas pipelines associated to natural gas supply to the new thermal centrals under construction;
- managing the availability of the generation system, formalizing, controlling and supervising the works involved with supply commitment contracts. Implementation of the maintenance plans for the thermal system;
- implementing the increase in capacity of the central storage;
- incorporating biodiesel to the electricity generation matrix; and
- developing related activities pursuant to the execution of new generation infrastructure and transport, managing the trust contracts for the new thermal and nuclear centrals, especially for non-conventional sources of energy or those works within the National Hydraulic Works Program.

The operating costs of CAMMESA are covered by mandatory contributions made by WEM participants. CAMMESA's annual budget is subject to a mandatory cap equivalent to 0.85% of the aggregate amount of transactions in the WEM projected for that year.

After assumption of the new administration, it intends to adapt the regulatory framework for electricity described in the Omnibus Act, with the aim of guaranteeing the following bases:

i. Free international trade in electricity, delegating to the exporting agent the necessary mechanisms to avoid a lack of supply to the domestic market and under conditions of security and reliability of the system, with the government being able to object for reasons based on technical or economic grounds of "security of supply";

ii. Free commercialisation, competition and expansion of electricity markets, especially the free choice of electricity supplier for end users;

iii. The different items to be paid by the end user, with the express obligation of the distributor to act as collection or withholding agents for the amounts to be collected for energy, transport and taxes corresponding to the WEM and the Treasury, as applicable;

iv. The development of electricity transmission infrastructure through open, transparent, efficient and competitive mechanisms; and

v. Review of the administrative structures of the electricity sector. In the case of the CFEE, the reorganisation should consider its operation exclusively as a non-binding advisory body for the application authority for the development of electricity infrastructure.

Provincial Regulatory Framework

The provincial electricity framework was adopted in 1997 through the Provincial Electric Regulatory Framework Law No. 6,497 and Decrees-Law No. 1,621/97 and 196/98, and supplemented by the Provincial Electric Sector Transformation Law No. 6,498 and Decree No. 197/98 implementing it, as amended by Law No. 7,543, regulated in turn by Decree No. 2,704/08. Under this framework, the activities of distribution, transmission and generation of electricity are considered separately, and generating, transmission and distribution companies and large users are recognized as agents of the electric industry. According to the Provincial Framework Law, the objective of the Province's energy policy is to provide for the general well-being of the population, safeguard the interests of users, ensure the operation, reliability, free access, non-discrimination and widespread use of transmission and distribution services, encourage the efficient supply, transmission, distribution and use of energy, regulate public electricity by establishing fair and reasonable rates, promote investments and protect the environment. Accordingly, the distribution and transportation of energy are public services and generation is considered an activity of general interest, except when it involves isolated areas. Once the concessions have ended, generation will also become a public service.

The EPRE

Pursuant to the Provincial Framework Law, the Ministry of Energy and Environment is currently the implementing authority of the Concession Agreement in charge of developing energy policies and the EPRE is the regulatory authority in the Province of Mendoza. The EPRE has the power, among other things, to: (i) adequately protect the rights of users; (ii) enforce the provisions, rules and supplementary provisions of the Provincial Framework Law by members of the sector while controlling the provision of services; (iii) adopt rules applicable to generation, transmission and distribution companies and electricity consumers with respect to safety, technical standards and procedures, measurement and billing of electric consumption, technical quality of the material used in accordance with national and international standards, interruption and reconnection of supplies, quality of the services offered; (iv) prevent anti-competitive, monopolistic and discriminatory conduct among participants in the electric industry; (v) propose rates to the Government of the Province; (vi) publish the guidelines applicable to agreements between transmission and distribution companies regarding third party access rights; (vii) propose the guidelines for the technical licenses required to provide electric services in the Province; (viii) advise the Government of the Province on all matters relating to the electric sector; (ix) approve the creation of easements; (x) organize, establish and apply the public hearing regime; (xi) supervise compliance with public safety, property and environmental standards and regulations on the construction and operation of generation, transmission and distribution systems; and (xii) impose fines for violation of the Provincial Framework Law, concession contracts and other related standards and regulations, within the scope of its jurisdiction.

The EPRE is composed of three directors, one of whom shall be appointed as president. The directors of the EPRE are elected by competition (prequalification) and designated by the Government of the Province with the prior agreement of the Provincial Senate. The directors will serve in their positions for a period of six years and may be reelected. The resources of the EPRE derive mainly from a tax on inspection and control paid by the generating, transmission, distribution companies and clients.

Under the Provincial Framework Law, the holder of a generation or distribution concession or the principal of a controlled or controlling company that provides such services, as well as any technical operator, administrator or person in charge of the administration of any of the aforementioned companies, may not have a controlling position over the holder of a transmission concession and/or the investing issuer and/or the shareholders of the investing issuer. No transmission concessionaire or any company controlling the administration or capital of a transmission concessionaire may control the administration or capital of a generation company or distribution concessionaire, nor may it buy or sell electricity.

Tariff Review Processes and VAD Adjustments

In accordance with the provisions of Section 27 of the Concession Agreement, the Initial Tariff Schedule came into effect on August 1, 1998, at the beginning of the concession. Accordingly, the Second Tariff Period was

scheduled to start on August 1, 2003, and last until July 31, 2008. However, due to the economic crisis affecting Argentina in 2001, a tariff freeze was implemented, and an extraordinary renegotiation process of the Concession Agreement began within the framework of the national and provincial economic emergency declared by Law No. 25,561, as amended and supplemented, with the Province adhering through Provincial Law No. 6,976 and related legislation. As a result, the Second Tariff Period only began on August 1, 2006—three years after the legally scheduled date—by virtue of Decree No. 1,467/06, following the signing of the Memorandum of Agreement dated April 7, 2005, and its Supplementary Act dated December 29, 2005, both approved by Decree No. 3,050/05 and Law No. 7,544.

Subsequently, by Provincial Law No. 9,366 (published January 24, 2022), the Legislature approved and ratified the agreements entered on November 13, 2020, between the Province's Secretariat of Public Services and, among others, EDEMSA. Those agreements: (i) reaffirm the application in Mendoza of the *Procedimiento de Adecuación del Valor Agregado de Distribución* (VAD) approved by Decree No. 48/2017 and its activation via EPRE Resolution No. 53/2017; (ii) provide for the settlement of certain outstanding sanctions and quality-of-service penalties through the execution of an EPRE-supervised Plan de Obras Obligatorias; and (iii) expressly preserve the rights and obligations under the Provincial Regulatory Framework and the Concession Agreement.

Notwithstanding the foregoing, each tariff schedule has a five-year term and, pursuant to Section 28 of the Concession Agreement, one year prior to the expiration of each five-year period, we must submit a proposal for a new tariff schedule to the EPRE so that the regulator, in turn, may submit a tariff proposal to the Executive Branch for the new five-year period. The setting of electricity tariffs, as well as the determination of provincial energy policy, falls within the authority of the Executive Branch.

The procedure for adjusting the VAD is set forth in Decree No. 1,680/24, published in the Official Gazette on September 5, 2024. Accordingly, in compliance with the procedure established under Decree No. 1,680/24, on February 6, 2026, the EPRE notified EPRE Resolutions No. 23/26, 24/26, 25/26 and 26/26, which set forth the VAD adjustment in effect for the February–April 2026 period, the tariff schedules, service charges, and public lighting grid.

Growth of Electricity Demand

Below is a comparative table showing the growth of electricity demand in Argentina since 2019:

Year	Demand GWH	Interannual Variation %
2019	128,946	
2020	127,313	(1.27%)
2021	133,877	5.16%
2022	138,755	3.64%
2023	140,883	1.53%
2024	140,227	(0.5%)
2025	141,249	0.7%

As of December 31, 2025, energy consumption in Argentina was approximately distributed as follows: 47% for residential demand, 27% for general use, and 26% for industrial/commercial use.

The Wholesale Electricity Market (WEM)

Overview

The former SE established the WEM in August 1991. With the Regulatory Framework Law and the SE Resolutions Nos. 38/91, 61/92, 137/92 and their amendments, a new market for the commercialization of electricity was created. Under the WEM, a competitive market is established in which electricity generators, distributors and other agents can buy and sell electricity in spot transactions or under long-term supply contracts at prices determined by the forces of supply and demand.

The WEM consists of:

- a term market (the "**Term Market**") in which generators, distributors and large users enter into long-term agreements on quantities, prices and conditions;

- a spot market (the "**Spot Market**") in which prices are established on an hourly basis as a function of economic production costs, represented by the short-term marginal cost of production and demand; and

- a stabilization fund, managed by CAMMESA, which absorbs the differences between purchases by distributors at seasonal prices and payments to generators for energy sales at the spot price.

Operation of the WEM

The operation of the WEM is administered by CAMMESA, which was created in July 1992 by the Argentine Government who currently owns 20% of CAMMESA's capital stock. The remaining 80% is owned by various associations that represent WEM participants, including generators, transmitters, distributors and large users.

CAMMESA is a non-profit corporation that is responsible, since its creation, for the technical operation of the electricity system and the management of WEM transactions, in accordance with the electricity regulatory framework and related regulations, which include, among other responsibilities, the following:

(1) Administering the national interconnection system, including: (a) determining the technical and economic dispatch of electricity in the national interconnection system (production schedule of all power generation plants of the power system to meet the demand) to maximize system security and power quality while minimizing wholesale prices in the Spot Market; (b) planning energy capacity needs and optimizing energy use pursuant to the regulations periodically issued by the SE; and (c) supervising the operation of the Term Market and managing the technical dispatch of electricity in conformity with the agreements entered into in that market;

(2) acting as agent of the different WEM participants and/or carrying out functions entrusted to it in relation to the electricity industry;

(3) purchasing from or selling electricity to other countries by performing the respective import/export operations;

(4) calculating prices within the WEM and coordinating the payment and settlement of WEM transactions; and

(5) providing advisory and related services.

The WEM's costs managed by CAMMESA are covered by mandatory contributions made by all WEM participants.

WEM Participants

The main participants in the WEM are generation, transmission and distribution companies. Large users and traders also participate in the WEM, to a lesser extent.

Generators

Electricity is generated on a large scale at power plants, which are classified according to the type of energy source used: hydroelectric, nuclear, thermal, and renewable. According to a report by CAMMESA, in 2025 the peak power demand reached 30,257 MW, surpassing the previous all-time record. Total supply (local generation plus imports) remained practically stable, totaling 147,093 GWh in 2025 compared to 146,792 GWh in 2024, representing a marginal year-on-year variation of 0.2%, in line with the behavior of demand. Renewable generation under the framework of Law No. 27,191 stood out, with a 16.5% increase, covering approximately 19% of total demand in 2025. When also considering large-scale hydroelectric generation, total renewable participation accounted for approximately 38.6% of annual supply. Private generators participate in CAMMESA through the *Asociación de Generadores de Energía Eléctrica de la República Argentina* (Argentine Association of Electric Power Generators or "**AGEERA**"), which is entitled to appoint two acting and two alternate directors of CAMMESA.

In Argentina, there are approximately 589 generating units operated by around 332 companies.

Transmitters

Electricity is transmitted from power generation plants to distribution companies through the high-voltage electricity transmission system. Transmission companies do not engage in purchases or sales of electricity; their service is governed by the Electricity Regulatory Framework and related regulations issued by the competent authority. The majority of the system is owned by *Compañía de Transporte de Energía Eléctrica en Alta Tensión Transener S.A.* ("**Transener**"). Regional transmission companies own the remaining portion of the sub-transmission.

In Argentina, transmission is carried out at 500 kV, 300 kV, 220 kV and 132 kV through the SADI. The SADI consists mainly of overhead lines and transformer stations (i.e., equipment through which electricity distributed by transmission circuits passes and is converted to voltage for use by end users) covering approximately 90% of the country. Most of the SADI, including practically all the 500 kV transmission lines, was privatized and is owned by Transener. The regional transmission companies, most of which were privatized, own the remaining part of the SADI. The supply points connect the SADI with the distribution systems, and there are also interconnections between the transmission systems of Argentina, Brazil, Uruguay and Paraguay that allow the import and export of electricity from one system to another.

The electric power transmission companies also participate in CAMMESA by appointing two directors and two alternate directors through the Argentine Association of Electric Energy Transporters (*Asociación de Transportistas de Energía Eléctrica de la República Argentina* or "**ATEERA**").

Distributors

Each distribution company supplies electricity to customers and operates the related distribution network in a specific geographic area pursuant to a concession agreement, which provides, among other things, for the concession area, the quality of service required, the electricity rates to be paid by customers for the distribution service and the obligation to satisfy the demand. The ENRE monitors the operation of the WEM at the federal level and compliance by distribution companies with the provisions of the respective concession agreements and with the Regulatory Framework Law No. 24,065. It also provides a mechanism for public hearings, through which claims against distributors can be raised and resolved

While some provincial distributors are still owned by Provincial Governments, a large number of them have been privatized, including those in the provinces of Tucumán, La Rioja, Mendoza, San Luis, Formosa, Catamarca, Salta, Santiago del Estero, Río Negro, Jujuy, and San Juan. These privatized distributors are overseen by provincial regulatory authorities to ensure compliance with their respective concessions and local regulatory frameworks.

The distributors participate in CAMMESA by appointing two directors and two alternate directors through the Argentine Association of Electric Energy Distributors (*Asociación de Distribuidoras de Energía Eléctrica de la República Argentina* or "**ADEERA**").

The Company and Edeste S.A. are the main distribution companies in the Province, and originally formed EMSE, which was divided into three distribution companies at the time of its privatization in 1998.

Large Users

The WEM classifies large users of energy ("**Large Users**") into three categories: Major Large Users ("**GUMA**"), Minor Large Users ("**GUME**") and Particular Large Users ("**GUPA**"). At present, each of these customer categories purchases its energy demand directly from CAMMESA. Agreements between parties (Generator and Large User) are only limited to the Energy Plus segment with respect to the demand exceeding the base demand, i.e. the amount of energy the customer consumed back in 2005.

Each of these categories of users is subject to different requirements with respect to the purchase of their respective energy demands.

GUMA are all users connected at a voltage equal to or greater than 1 kV, with a maximum capacity of at least 1 MW and a minimum annual energy consumption of 4,380 MWh. These users must purchase 50% of their

demand through supply contracts and the rest in the Spot Market. Their Spot Market operations are invoiced by CAMMESA.

GUME are all users connected at a voltage equal to or greater than 1 kV, with a maximum capacity ranging between 0.3 and 2 MW. There is no requirement for a minimum annual demand. These users must purchase 100% of their demand through supply contracts and do not conduct any transactions in the Spot Market. They have no direct relationship with CAMMESA.

GUPA are all users connected at a voltage equal to or greater than 1 kV, with a maximum capacity ranging between 0.03 and 0.1 MW. There is no requirement for a minimum annual demand. These users must also purchase 100% of their demand through supply contracts and do not participate in the Spot Market. They have no direct relationship with CAMMESA.

In 2017, by means of Resolution No. 281-E/17, the former Ministry of Energy and Mining laid down the Regulations for the Renewable Energy Term Market, which establish the commercialization and administration charges payable by Large Users who opt for the joint purchase of renewable energy managed by CAMMESA. The Large Users who choose to meet their renewable energy consumption quota directly through a generator, are allowed to enter into a supply contract without having to incur the expenses of the joint purchases system. On January 29, 2025, CAMMESA has communicated to ADEERA the SE's proposal on a process of standardisation of the WEM, which includes, among other issues, proposals to modify the energy contracting. As of the date hereof, this has not been standardised.

Large users participate in CAMMESA by appointing two directors and two alternate directors through the Argentine Association of Large Electric Energy Users (*Asociación de Grandes Usuarios de Energía Eléctrica de la República Argentina* or "**AGUEERA**").

Marketers (Commercial Agents)

Decree No. 186/95 provides for greater competition through the creation of a new intermediary figure in the WEM, which operates as an electricity marketer. Resolution No. 21/97 of the SE regulates marketing activities and specifies the requirements that must be met in order to be admitted as an electricity marketer in the MEM. According to this resolution, existing WEM members may not be admitted as marketers.

However, Resolution No. 370/22 authorizes the marketing of renewable-source electricity between WEM Distributor Agents and/or Public Distribution Service Providers and Generator, Self-generator, and Cogenerator Agents within the framework of WEM Economic Transactions. This electricity is intended for the clients of the former, declared as Large Users—with consumption equal to or greater than 300 KW—referred to as GUDIs.

Pricing

Generators are compensated for the electricity sold to the WEM according to the spot market prices, whereas distributors pay for their purchases of electricity in the WEM at seasonal prices. The differences between such prices, whether negative or positive, accrue in or are subtracted from the stabilization fund (as described below).

Seasonal Prices

Each year is divided into two seasons (from November 1 to April 30, and from May 1 to October 31), each with different demand characteristics. At the beginning of each season (subject to quarterly review), CAMMESA determines the Seasonal Price, which must be approved by the SE. CAMMESA also sets the charges that distributors must pay for their capacity demand in the WEM.

The Seasonal Price determined by CAMMESA is based on the average cost of supplying an additional MW of energy (marginal cost), with the modifications introduced by SE Resolution No. 240/03. To determine the Seasonal Price, CAMMESA uses a seasonal database and optimization models.

In determining the Seasonal Price, CAMMESA must consider the energy supply provided by generators based on their expected availability, committed electricity imports, and the declared availability of generators. In

determining demand, CAMMESA must include the requirements of distributors, Large Users, and self-generators purchasing from the WEM, as well as committed exports.

CAMMESA must simulate the operation of a given seasonal period under different supply and demand scenarios. In each alternative scenario considered, CAMMESA must perform the optimal dispatch of the available supply, taking into account transmission network constraints, in order to meet demand while seeking to minimize production costs plus the costs associated with reducing the risk of system failure, which vary by season.

The final factor considered in determining the Seasonal Price is the status of the Stabilization Fund, as defined and described in the section "Stabilization Fund" below.

Spot Prices

In the Spot Market, generators are paid for the energy they produce according to the hourly price determined by CAMMESA. In addition to energy payments, generators receive compensation for: (i) the capacity made available to the Spot Market, including stand-by capacity; (ii) additional stand-by capacity in the event of capacity shortages in the system; and (iii) the provision of ancillary services. Generators receive the following payments in their capacity as participants in the WEM:

- Energy Payments: for actual production at the prevailing Spot Market prices;
- Capacity Payments: during normal demand hours when CAMMESA schedules a generator for dispatch on business days;
- Cold Reserve Capacity Payments: during periods when a generator is scheduled to provide reserve capacity (only thermal power plants are used to supply cold reserve); and
- Ancillary Services Payments: for providing additional services such as frequency regulation and voltage control, which go beyond the standard services a generator must provide as a WEM participant.

The calculation of each of these payments is described in more detail below.

Energy Payments

Payments to generators for the electricity produced and dispatched, as well as for the electricity made available by each generator to the WEM and accepted by CAMMESA to maintain adequate reserves in the system, are made as described below.

The Spot Price is calculated by adjusting the Market Price (as defined below) according to the generator's location within the system. The Market Price of electricity is determined based on the marginal cost of the last dispatched generator operating at maximum gas availability, including the cost of transmitting the electricity to the system's load center, currently the exchange node in Ezeiza, near Buenos Aires. The Market Price is calculated according to the following formula:

$$PM = \frac{Pcm}{FN(últg)}$$

Where

PM = Market Price
Pcm = Marginal cost of the generator with maximum gas availability
FN(últg) = Node factor of the marginal generating unit

In August 2003, the SE invoked the provisions of the Public Emergency Law to modify the formula used to calculate the Market Price, so that it considers only the variable production costs related to the use of natural gas.

Each member of the WEM is connected to the transmission grid at a specific node. Nodes have been defined at key points throughout the transmission system. Each node has a node factor and an adjustment factor (as further described in the "Capacity Payments" section below). The node factor, calculated for each node, is a coefficient

expressed as a fraction that represents the expected losses per additional unit of electricity generated during transmission from that node to the system's load center. Node factors vary according to seasonal and hourly load fluctuations.

The Spot Price paid to a generator is determined based on the Market Price of the electricity generated, adjusted for the location of the generating units within the National Interconnected System ("**SIN**"). CAMMESA calculates these adjustment factors for each connection point in the SIN. The Market Price is transferred to the node using the relevant node adjustment factors as follows:

P(g) = PMxFN(g)

Where

P(g) = Payments received by the generator (Spot Price)
PM = Market Price
FN(g) = Node factor of the dispatched generator

The dispatch of electricity from certain nodes may be restricted due to transmission limitations, which can be caused by the physical constraints of the lines connecting the node to the Ezeiza load center or by security limitations established by CAMMESA to protect the system from potential failures. When such limitations restrict the transmission of energy from a particular region, generators in that region are paid for the electricity dispatched to the MEM based on local prices ("**Local Prices**"). Local Prices are determined based on the cost of supplying the next MW of demand (marginal cost), taking into account the existing generation and transmission constraints in that region at the time, as follows:

PL(g) = PM(i) x FN(g)

Where

PL(g) = Payments received by the generator based on Local Prices
PM(i) = Market Price of the region subject to transmission restrictions
FN(g) = Node factor of the dispatched generator

The differences between the Spot Prices received by CAMMESA for the energy dispatched from regions with transmission restrictions and the Local Prices received by the generators in those regions are accumulated in local price accounts, one for each region in the SIN. These accounts are managed by CAMMESA and may only be used to finance transmission capacity expansions in the relevant corridor through a public bidding process.

Capacity Payments

Generators whose plants are scheduled for dispatch a day in advance or are actually dispatched receive a capacity payment for the hours that do not fall within low-demand periods on business days, excluding the valley period.

The SE sets the applicable capacity payments (adjusted by the relevant adjustment factor). These payments were set at U.S.$ 10 per MW for each committed hour on business days, excluding the valley period. However, in 2002, pursuant to the Public Emergency Law, certain modifications were introduced regarding capacity payments, including their conversion into pesos. Generators have continued to seek higher prices for capacity payments; however, these payments are expected to remain at this level in the medium term.

The adjustment factor, calculated for the corresponding geographic areas, reflects the quality and reliability of the connection between each node and the load center in Ezeiza, as well as any excess cost resulting from non-optimal dispatch due to a system failure.

Thermal generators that are available but not dispatched receive capacity payments based on the average monthly capacity at which CAMMESA would have dispatched such generator during a particularly dry year.

Cold Reserve

The WEM makes payments for capacity accepted as cold reserve. The cold reserve list is composed of thermal power plants and is established through a weekly bidding process among generators wishing to offer such capacity. Generators submit bids that may not exceed the seasonal capacity charge. The cold reserve price is determined based on the bid of the last generator that must be accepted in order for the system to maintain sufficient cold reserve. Those providing cold reserve must be able to supply additional capacity as required by CAMMESA.

Ancillary Services Payments

Under current regulations, generators must contribute a portion of their output to system services from which they benefit, such as frequency regulation, voltage control, and reactive power. Currently, no payments are made for voltage control or reactive power services.

Distributors

Private distributors charge electricity based on the tariff schedules, regimes, and procedures established in their respective concession agreements. In general, electricity tariffs include: (i) a fixed charge (for small-demand customers, generally residential users) or a charge per unit of maximum demand (for medium and large-demand customers, typically industrial and commercial consumers); and (ii) variable energy charges (based on electricity consumption).

Payments made by distributors for purchased energy are calculated with reference to the following factors:

(i) the contractual price of energy supplied under long- and medium-term legacy supply contracts;
(ii) the cost of energy purchased in the WEM at the Seasonal Price or Spot Price;
(iii) a transmission charge that is energy-based, i.e., expressed in terms of Ps./MWh;
(iv) a contribution to the National Electricity Fund, an entity to which all large users and electricity distributors contribute. These funds are managed by the Federal Electricity Council to promote the development of the electricity supply industry and to subsidize electricity tariffs for consumers in regional communities; and
(v) a contribution to CAMMESA's operating costs.

Transaction Settlement

Billing for all transactions in the WEM is carried out monthly, and CAMMESA acts as the clearing agent for all market participants. A proportionality factor is applied to each participant's credits and debts with other WEM participants in relation to that month's transactions. This factor is applied on the basis that each electricity buyer owes each seller a percentage of the total in proportion to their purchases. CAMMESA is responsible for preparing all necessary information, distributing invoices, and managing collections, but it does not earn any net profit from providing these services. Payments are made 39 days after the end of each month.

Stabilization Fund

The stabilization fund, managed by CAMMESA, absorbs the difference between purchases by distributors at seasonal prices and payments to generators for energy sales at the spot price. When the spot price is lower than the seasonal price, the stabilization fund increases, and when the spot price is higher than the seasonal price, the stabilization fund decreases. The outstanding balance of this fund at any given time reflects the accumulation of differences between the seasonal price and the hourly energy price in the spot market. The stabilization fund is required to maintain a minimum amount to cover payments to generators if prices in the spot market during any relevant quarter exceed the seasonal price.

WEM Current Situation

The WEM is currently experiencing a structural imbalance, resulting from a distortion between generation costs and the payments made by consumers. This imbalance originated after the end of the convertibility regime in 2002, driven by increasing fuel, operation, and maintenance costs for generation units, and the political decision not to pass these higher costs on to the seasonal prices paid by consumers. This situation has led to a deficit in the Stabilization Fund and a significant accumulation of debt owed to generation companies.

The imbalance between generation costs and demand payments persisted over time until December 16, 2023, when Decree 55/2023 (and any extensions thereof) was enacted, declaring a state of emergency in the national energy sector until December 31, 2024. The decree initiated a series of actions aimed at the gradual removal of energy subsidies to restore financial equilibrium in the sector.

The emergency is evident in the system's declining reliability, with thermal units between 30 and 50 years old, and high or even saturated usage in transmission systems due to a lack of investment. In particular, constraints in the 500 kV transmission grid—especially in the Northwest Argentina (NOA), Northeast Argentina (NEA), Cuyo Region (includes provinces like Mendoza, San Juan, and San Luis), and Greater Buenos Aires regions—highlight the urgent need to update and expand the country's transmission infrastructure.

Resolution No. 400/25

Throughout 2025, the market was reorganized through Decree No. 943/25 and Resolution No. 400/25 of the SE (as amended by Resolutions 78/2026 and 99/2026), which created the Focalized Energy Subsidies Regime (ReSEF).

The regulations implemented by the SE are intended to establish regulatory mechanisms aimed at fostering an autonomous, competitive, and sustainable electricity market. The goal is to enable free contracting between suppliers and consumers, while ensuring a technically, economically, and operationally efficient system that can integrate diverse generation technologies to maintain reliability and minimize costs.

In this context, the SE issued Resolution No. 21/25, which broadly:

- Authorizes companies to enter into power purchase and sale agreements without CAMMESA's involvement;
- Decentralizes fuel procurement responsibilities, assigning them directly to thermal generators;
- Promotes bilateral contracts among generators, large users, and distributors;
- Confirms that the Government will continue to honor existing contracts until their expiration;
- Establishes a cost for unserved energy at U.S.$ 1,500/MWh;
- Limits the validity of new or renewed contracts in the WEM Term Market under the "Plus Energy Service" scheme to October 31, 2025.

Subsequently, SE Resolution No. 400/2025 (as amended by Resolutions 78/2026 and 99/2026) approved the "Rules for the Normalization of the WEM and its Progressive Adaptation," effective as of November 1, 2025. The resolution eliminates administered prices, introduces market prices based on marginal costs, and allows generators to procure their own fuel.

The key aspects of Resolution No. 400/2025 (as amended by Resolutions 78/2026 and 99/2026) are:

- WEM reform: seeks to eliminate State intervention in price formation, moving toward a competitive scheme in which the marginal costs of generation (gas, fuel) determine prices.
- Demand categorization: defines large users of the distributor ("**GUDIs**") as those with demand equal to or exceeding 300 kW, and the Seasonalized Demand (as defined below) of WEM distributors ("**DEDMEM**"), which encompasses smaller residential and commercial sectors.
- Remuneration and contracts: establishes a minimum Adapted Marginal Income of U.S.$32/MWh for generation facilities authorized prior to 2025, ensuring revenues in a volatile environment.
- Gradual implementation: the regulation is part of a 24-month transition initiated under Decree No. 450/2025, respecting CAMMESA's existing contracts and the Plan Gas.
- Effective date: the new rules for economic transactions apply as of November 1, 2025.

In an initial stage, certain generation units (collectively referred to as "**Assigned Generation**") are allocated to supply, substantially, the users of the public distribution service whose consumption characteristics still limit their ability to contract their supply independently (collectively referred to as "**Seasonalized Demand**") which is to be progressively replaced by Term Market contracts ensuring that distributors meet their obligation to supply users within their concession area, under the service quality conditions and penalties set forth in their respective concession agreements.

Generation units with contracts in force, until their expiration, and generation under the administration of the Federal Government are classified as "Assigned Generation". Any unit not classified as Assigned Generation is identified as "Spot Generation", in order to promote competition, economic efficiency and dispatch based on marginal costs, strengthening transparency in price formation and incentivizing private investments, and is authorized to participate in competitive energy and capacity remuneration schemes and in Term Market contracts. Transitional exceptions established for facilities under the control of the Federal Government are maintained under the rules approved by such resolution. Furthermore, in order to establish clear conditions for participation and remuneration, "New Generation" is identified as any facility with commercial authorization after January 1, 2025.

The objectives of these rules are to ensure operational continuity and the growth of the system, as well as to establish: (i) a price signal scheme for electricity demand; and (ii) a remuneration scheme for electricity supply based on marginal costs, in order to enable the contracting of energy and capacity, thereby allowing demand to manage its supply through Term Market contracts.

Seasonalized Demand of WEM distributors. The Seasonalized Demand of WEM distributors (DEDMEM) is defined as the demand of distributors to which the Seasonal Prices set by the SE apply, and which encompasses the Residential, Commercial and Other sectors, but does not include the demand of GUDIs. Seasonalized Demand is subdivided into two segments: (i) Residential Demand, which is the Small Demand for Residential use; and (ii) Non-Residential Demand, which is all distribution demand that does not qualify as Residential or GUDI.

Such Seasonalized Demand will be supplied by the Assigned Generation, which encompasses generation under existing WEM Supply Contracts (renewable and thermal) –together with their associated fuel–, the hydroelectric generation of the Federal Government, nuclear generation and any opportunity imports required for supply that are centrally executed by the dispatch agency (CAMMESA). Coverage through Assigned Generation will be deemed to constitute total or partial fulfillment, as applicable, of the distributor's contracting obligations in the Term Market, in accordance with Section 9 of Law No. 24,065 (as restated by Decree No. 450/2025).

In order to ensure medium- and long-term supply, the necessary mechanisms and incentives will be developed for distributors to provide coverage, through energy contracts, of at least 75% of the demand defined as Seasonalized. To this end, distributors must complement the energy covered by assigned generation and WEM Supply Contracts with Term Market contracts up to the indicated percentage.

Spot Demand. With the exception of Covered Seasonalized Demand and demand contracted in the Term Market, spot prices will apply to the remaining demand. Spot demand will have the general supply guarantee of the SADI. To ensure firm supply, contracts must be entered into in the Term Market under the conditions set forth in these rules. Energy and capacity prices in the Spot Market will be summarized in monthly values for the WEM Large Users and in stabilized seasonal values for uncovered seasonalized demand and GUDIs.

A scheme of energy and capacity prices is set forth for the spot demand of the WEM, which optimizes cost allocation, reinforces operational efficiency and fosters active demand management, with the aim of advancing toward a true reflection of actual supply costs in the WEM. In addition, a regulatory framework is established for energy and capacity contracts aimed at incentivizing bilateral contracts and greater competition and participation of private investors.

The supply options for GUDIs may be: (i) supply under the existing scheme, in which case they will not have a supply guarantee from the distributor; (ii) contracting energy and capacity from one or more generators through the distributor, which would act as a marketer/demand aggregator to contract in the WEM, in which case they will have the supply backing of the agreed contracts; or (iii) contracting energy and capacity in the WEM by electing to become participating agents thereof.

In addition, through Resolution No. 379, dated September 25, 2025, of the SE, a demand management program was introduced so that interconnected users meeting the defined requirements regarding demand size and metering equipment may more efficiently manage their electricity requirements.

Term Market

Generators are authorized to enter into contracts in the Term Market to supply energy and capacity to distributors and large users. Two types of contracts can be entered into in the Term Market:

- Energy Supply Contracts, under which the supply of energy is committed based on a defined level of energy demand during the term of the contract. The generator may purchase energy and capacity from the WEM and from other contracts entered into in the Term Market to back up its supply commitments under such agreements.

- Cold Reserve Capacity Contracts, under which a thermal power plant commits to maintaining reserve generation capacity available to the other contracting party. The commitment refers exclusively to the level of capacity, which must be supplied by the generator itself.

Currently, Energy Supply Contracts link generators with large users. Distributors do not participate in the Term Market because the seasonal prices passed through to electricity tariffs are frozen at levels well below the hourly spot prices.

As from March 2013, pursuant to the SE Resolution No. 95/13, all large users are required to purchase their backup energy from CAMMESA at any relevant contractual maturity date. However, Section 1 of SE Resolution No. 21/2025 introduces an exemption, enabling owners of generation, self-generation, or cogeneration projects from conventional thermal, hydroelectric or nuclear energy sources, commercially authorized as of January 2025, to enter into supply contracts in the Term Market with Demanding Agents, Distributors, or Large Users of the WEM. This could significantly impact on the costs associated with energy purchases.

According to Law No. 27,191, users whose average demand in the previous year of each transaction, is less than or equal to 300 kW, must meet the applicable percentages of renewable energy participation imposed by such law through either of the following two mechanisms: joint purchases or supply contracts.

During 2017, pursuant to Resolution No 281-E/17 (amended by Disposition 1-E/18 issued by the *Subsecretaría de Energías Renovables*) the WEM created the Term Market Regime for Electric Power from Renewable Sources, which established the percentages of renewable energy that large users are obliged to consume within their demand of energy. The resolution also determined the commercialization and administration charges for large users that opt for the joint purchase of renewable energy that CAMMESA commercializes. Additionally, large users can agree to supply contracts directly with the generators, without incurring charges for joint purchases. On January 29, 2025, CAMMESA has communicated to ADEERA the SE's proposal for the standardisation of the WEM, which includes, among other issues, proposals to modify energy contracting. As of the date of this annual report, this standardization has not yet been implemented.

Transmission Remuneration

The transmission of high-voltage electricity between different regions of the WEM constitutes a public service provided under the concession granted to Transener, the high-voltage electricity transmission company. The tariff structure applicable to this concession complies with WEM regulations and sets the remuneration payable to Transener for system connection, transmission capacity made available, and actual electricity transmission.

Remuneration for system connection covers the operation and maintenance of the connection equipment used and is based on the required service quality for connecting to the transmission system.

Remuneration for transmission capacity made available to the system corresponds to the cost of operating and maintaining the transmission equipment used and is based on the service quality required for the high-voltage transmission system.

Remuneration for electricity actually transmitted is based on: (i) the difference between the value of the electricity received at the receiving node and the value of the electricity delivered at the delivery node, when prices between both nodes differ due to the marginal value of transmission losses; and (ii) excess costs imposed on users connected to the receiving nodes due to short- and medium-duration power outages in the transmission systems, calculated in terms of annual outage rates and the cost of unsupplied energy demand.

The remuneration for electricity transmission remains constant throughout each five-year tariff period and is calculated by reference to the system's estimated annual revenues for the corresponding period. The remuneration paid to transmission companies by users of the transmission systems is credited to a transmission account managed by CAMMESA, from which transmission payments are debited. The ENRE may reduce the remuneration for connection and transmission capacity by applying an efficiency incentive factor to each tariff period. Additionally, there is a system of penalties related to the quality of transmission services. The amount of such reductions or penalties is later credited to energy users.

In contracts executed within the Term Market, transmission remuneration may include the determination of the node where the transaction takes place and based on that, the responsibility of each party for the variable transmission charge.

Transmission within the WEM must be paid regardless of the existence of contracts. Each WEM member must pay the applicable transmission charges based on their location and use of the transmission network, independently of any contracts they may have entered into.

Distributed Generation

In the province of Mendoza, as of the date of this offering memorandum, photovoltaic generation includes distributed solar generation through 830 user/generators (509 residential users and 321 commercial and industrial users), who, under contracts with the distribution company, are able to feed their surplus energy back into the grid, thereby offsetting their electricity bills. These users have a total installed capacity of 18,168.27 kWp. In 2024, the installed capacity increased by 70%, while the energy generation by these user/generators grew by 61.9% compared to the previous year.

MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

Major Shareholders

The following table sets forth information on the ownership of our capital stock as of December 31, 2025:

Shareholders [1]	Class A	Class B	Class C	Class D	% of Capital Stock	% of the Class
SODEM S.A.	237,770,000	-	-	-	51.00%	100%
Government of the Province	-	88,580,980[2]	93,243,137[2]	2,237,837[3]	39.48%	B (100%) C (100%) D (4.80%)
Participated Ownership Program – PPP Association	-	-	-	44,383,732[3]	9.52%	95.20%
Total per Class	237,770,000	88,580.980	93,243,137	46,621,569	-	100%
Total Capital Stock				**466,215,686**	**100%**	**-**

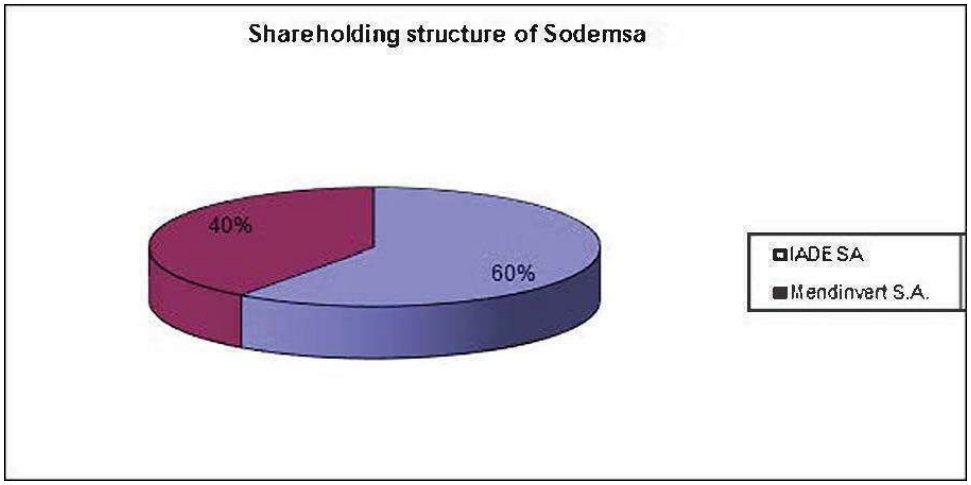
(1) Each Class of shares (A, B and C) entitles holders to one vote per share.
(2) According to Law No. 6,794, Article 1, Subsection (c), and the Trust Administration Agreement dated July 10, 2007, entered into between the Province as trustor and beneficiary, and the Administrator of the Provincial Fund for Transformation and Growth as trustee, the Administrator of the Provincial Fund for Transformation and Growth holds the fiduciary ownership of the Class B and Class C shares. Additionally, pursuant to the provisions of Law No. 8,423, Article 5, Subsection (b), the Government of the Province has been authorized to transfer to EMESA (*Empresa Mendocina de Energía Sociedad Anónima*) as an irrevocable capital contribution, the assets owned by the Province, which constitute its participation in companies related to the fulfillment of the purpose outlined in Article 3 of Law No. 8,423 (including the distribution and commercialization of electric energy). However, despite the above, the formal communication required by Article 215 of Law 19,550 has not yet been received in order to record the aforementioned share transfer in the Edemsa Share Registry Book.
(3) The Province still holds 0.48% of the share capital through Class D shares, which are allocated to the PPP (as defined below) and are in the process of being transferred. As reported by the PPP Association, the Association and its partners, as of December 31, 2022, have increased their holdings, reaching 100% of Edemsa's Class D share capital. However, despite this information, the formal communication required by Article 215 of Law 19,550 has not yet been received in order to record the aforementioned share transfer in the Edemsa Share Registry Book.

Our capital stock, as reflected in the preceding table, arises from the capital increase resolved by the Minutes of Shareholders' Meeting No. 16 dated June 25, 2003. This amendment to the bylaws was approved by Resolution No. 2,172 of the Provincial Legal Entities Directorate and registered under Number 2,671 in the Commercial Registry of the Province on October 30, 2009.

All of our shares have the same voting rights.

SODEMSA Shareholders

We are controlled by SODEMSA. The following chart establishes the shareholding composition of SODEMSA as of December 31, 2025:



IADE S.A. ("**IADESA**") is an investment company based in the City of Mendoza, formed specifically for the bidding processes necessary to acquire Edemsa. Its shareholders include Andina Electricidad S.A., which owns 95% of the shares, and Andina Energies Plc, which holds the remaining 5%.

Mendinvert S.A. is an Argentine corporation investing in the electricity sector. It is majority-owned by IADESA, holding 95% of the share capital, with Andina Electricidad S.A. owning the remaining 5%.

The shareholders of Andina Electricidad S.A. are Andina Energies Plc, which controls 95% of the share capital, and Andina Electricidad Ltd., which owns the remaining 5%. Andina Energies Plc is a company incorporated in the United Kingdom.

Participated Ownership Program – PPP Association

Our Class D shares, representing 9.52% of our share capital and voting rights, are held by employees and former employees of EMSE. A total of approximately 1,500 people participate in the Participated Ownership Program ("**PPP**"), implemented by the Province in accordance with privatization regulations.

The Decree of the Government of the Province No. 2,066, dated November 8, 1999, and Law No. 7,423, set forth the conditions under which those shares must be transferred. We maintain an updated list of shareholders under the PPP, which is communicated annually by the PPP Association during the ordinary general shareholders' meeting. Under Law No. 7,423, the mandatory cancellation of the debt owed by the PPP to the Government of the Province has been established at a rate of 8.33% of the Class D shares for each year we do not distribute profits.

Additionally, Law No. 7,423 has lifted restrictions on the sale of Class D shares up to the percentage that has been paid to the Government of the Province. From this point forward, the shareholders are allowed to transfer their Class D shares exclusively to our other shareholders or to the PPP guarantee and repurchase fund, which has been created to provide liquidity to its members.

Employees are also represented on our Board of Directors through a member elected by them during an extraordinary PPP meeting. At our shareholders' meetings, employees are represented by a member of the PPP Executive Committee.

Pledge of Class A shares

Our Class A shares must remain pledged to the Province throughout the Concession Term to guarantee our performance under the Concession Agreement. In the event of foreclosure on our Class A shares, the proceeds from the sale thereof will be used, first, to pay indemnities in amounts determined according to the Concession Agreement and the balance will be returned to the holders of the Class A shares. The Province may foreclose on the pledged Class A shares in any of the following circumstances: (i) violation of the transfer restrictions described above; (ii) failure to

comply with certain covenants under the Concession Agreement; (iii) repeated failure by us to comply with our material obligations under the Concession and failure to remedy such failure at the request of EPRE; (iv) when the total amount of our penalties exceeds 20% of our annual sales before taxes and interest for such year; (v) when SODEMSA permits or establishes a pledge on our Class A shares in favor of third parties, and does not lift the same when so requested by the EPRE; (vi) if we do not collaborate in the international public tender for the sale of the Class A shares in accordance with the Concession Agreement; and (vii) if our bylaws are modified or the proportion or voting rights of our Class A shares are changed without the prior authorization of the EPRE.

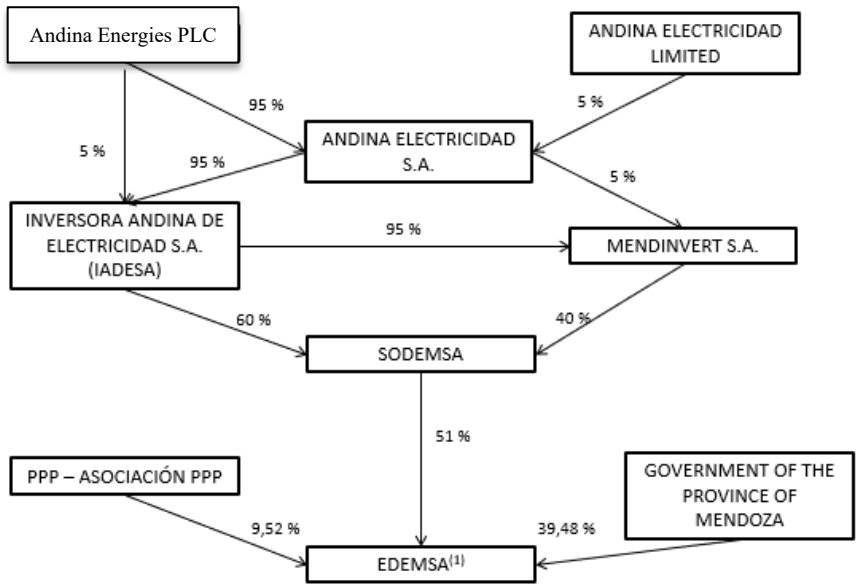
Transfer Restrictions

The holders of Class A shares could modify or sell their shares during the first five years of the Concession Term without the prior authorization of the authority. However, after that date, the holders may sell their shares only with prior authorization from the EPRE, and such shares shall continue to be subject to the pledge described below. Similarly, the shareholders of SODEMSA could not modify their initial holdings or sell their shares in SODEMSA during the first five years of the Concession Term without the prior authorization of the authority. Pursuant to the provisions of the Concession Agreement, Electricite de France International SA ("**EDFI**"), a subsidiary of the former technical operator, was also required to hold at least 20% of SODEMSA's share capital during that initial period. Furthermore, until July 31, 2003, EDFI could not reduce to less than 10% the common shares it held without the prior approval of the EPRE. However, such term expired and since EDFI's retirement, we have been self-managed, complying with the requirements and purposes of the provincial regulatory framework and the electrical regulatory policy established for this purpose.

Our Class D shares are subject to specific transfer restrictions designed to reserve these shares for our employees. Our Class B and Class C shares are not subject to any transfer restrictions. There are no other significant provisions in the bylaws regarding the rights and obligations associated with our shares.

Our Corporate Structure

Below is the organizational structure of Edemsa as of the date of this offering memorandum:



(1) EDEMSA owns 100% of Edemsa Servicios SAU, which is not operational. See "Major Shareholders and Related Party Transactions - Related Party Transactions".

Andina Energies Plc is a company incorporated in the United Kingdom. For more information, see "*Major Shareholders and Related Party Transactions*" in this offering memorandum.

Related Party Transactions

We have engaged, and in the future may engage, in transactions with our shareholders and companies affiliated with our shareholders.

The balances with companies under Section 33 General Companies Law No. 19,550 and with other related parties as of March 31, 2026 and December 31, 2025 are as follows:

As of March 31, 2026	**Trade and other receivables**	**Trade and other accounts payable**
	In thousands of Pesos	
Parent company		
Sodem S.A.	5,180	-
Other related parties		
Government of the Province of Mendoza and its entities [(1)]	633,324	(6,832,555)
PPP Shareholders	82,641	-
Mendinvert S.A.	1,263	-
Inversora Andina de Electricidad S.A.	70,116	-
Controlled company		
Edemsa Servicios S.A.U.[(2)]	2,613	-
Total	**795,137**	**(6,832,555)**

As of December 31, 2025	**Trade and other receivables**	**Trade and other accounts payable**
	In thousands of Pesos	
Parent company		
Sodem S.A.	4,077	-
Other related parties		
Government of the Province of Mendoza and its entities [(1)]	481,813	(5,576,606)
PPP Shareholders	82,641	-
Mendinvert S.A.	1,263	-
Inversora Andina de Electricidad S.A.	69,012	-
Controlled company		
Edemsa Servicios S.A.U. [(2)]	1,509	-
Total	**640,315**	**(5,576,606)**

[(1)] It mainly includes credits and debts with the Government of the Province of Mendoza (shareholder) and its dependent entities. Among the credits are the Special Fund for the Development of Electricity in the Interior Ps.2,192 (in thousands) (December 31, 2025: Ps.2,192 in thousands), the Provincial Government Ps.406,173 (in thousands) (December 31, 2025: Ps.344,770 (in thousands) and contributions to the Digital Platform Fund for Ps.224,959 (in thousands) (December 31, 2025: Ps.134,851 (in thousands)). In relation to the debts, they are composed of the Provincial Infrastructure Fund and Fopiatzad Ps.707,601 (in thousands) (December 31, 2025: Ps.360,598 (in thousands)); FEDEI Repayable Contributions Ps.1,003,382 (in thousands) (December 31, 2025: Ps.393.378 (in thousands)) and Provincial Tariff Compensation Fund Ps.5,121,572 (in thousands) (December 31, 2025: Ps.4,822,630 (in thousands)).

[(2)] On April 3, 2019, the Company acquired 100% of the shares of Lemunko S.A. for Ps. 83 (in thousands), which was later renamed Edemsa Servicios S.A.U. On that date, the Company accounted for the purchase of the share package at its purchase cost, which does not differ significantly from the acquisition cost that would have been obtained by applying the acquisition method established by IFRS 3 for business combinations. On September 10, 2021, a capital increase was resolved in Edemsa Servicios SAU of Ps.

1,000 (in thousands), through the capitalization of the credit in favor of Edemsa as of May 31, 2021 for Ps. 198 (in thousands) and the realization of a monetary contribution of Ps. 802 (in thousands) paid on December 29, 2021. Given that the acquired company is not operational and does not have significant movements between the date of purchase of the shares and the closing date of the fiscal year and that the balances of assets and liabilities of the subsidiary are not significant, the Company has not prepared consolidated financial statements, understanding that they do not provide additional information of relevance to these financial statements. The value of said investment under the equity method as of period-end amounts to Ps.637 (in thousands) and is shown in the item "Other non-current borrowings" in the line "Borrowings granted and miscellaneous".

As of March 31, 2026, the Company recorded a liability for fees payable to directors in the amount of Ps.110,913 (in thousands) (December 31, 2025: Ps.86,684 in thousands). Additionally, the Company accounted for a credit with management personnel for advances in the amount of Ps.236,783 (in thousands) (December 31, 2025: Ps.244,016 in thousands).

Transactions with companies under Section 33 General Companies Law No. 19,550 and with other related parties except public entities as of March 31, 2026 and December 31, 2025 are as follows:

	March 31, 2026	**December 31, 2025**
Company	**In thousands of Pesos**	
IADESA / Sodem S.A. / Mendinvert S.A. / Andina Electricidad S.A. - transfers made	(4,813)	49,235
Government of Mendoza (Provincial Tariff Compensation Fund) – Returns submitted net of payments made	156,425	344,565
Government of Mendoza (Provincial Infrastructure Fund and Fopiatzad) – Returns submitted net of payments made	(842,424)	(138,379)
Government of Mendoza – Sale of energy and other services net of charges	62,626	319,652
PPP Shareholders – Payment of personal property tax as substitute taxpayer	(7,803)	81,051
Key management personnel – variation in fees and advances	(46,318)	127,970
Edemsa Servicios S.A.U. – variation	961	492

The Company has not engaged in any significant transactions other than those in the normal course of business with companies pursuant to Section 33 of the General Companies Law No. 19,550 and other related parties during the period ended on March 31, 2026, and the fiscal year ended December 31, 2025. The direct controlling entity of the Company is Sodem S.A. The main controlling entity is Andina Energies Plc.

DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

The following description contains relevant information relating to our management.

Board of Directors

Our business and affairs are managed by our Board of Directors in accordance with our bylaws and the Argentine Corporations Law. Our bylaws provide that our Board of Directors will consist of nine directors and up to the same number of alternate directors. Pursuant to the Argentine Corporations Law, a majority of our directors must be residents of Argentina.

Our bylaws (as amended) provide that holders of our Class A shares are entitled to elect five directors and five alternate directors, while the holders of our Class B shares are entitled to elect two directors and two alternate directors. Holders of Class C and Class D shares are entitled to elect one director and one alternate director per class. The Board of Directors elects among its members a chairman and a vice president.

Our Ordinary and Extraordinary Shareholders' Meeting held on April 27, 2026, appointed the members and alternate members of the Board of Directors for the fiscal year 2026.

The Board of Directors' composition as of the date of this offering memorandum is as follows:

Name	Class	Position	Business Address	Year of latest Appointment
Neil A. Bleasdale	A	Chairman	Belgrano 815, City of Mendoza	2026
Valeria De Oliveira Cezar	A	Vice-chairman	Belgrano 815, City of Mendoza	2026
Alberto Rez Masud	A	Regular	Belgrano 815, City of Mendoza	2026
Marcelo A. Comba	A	Regular	Belgrano 815, City of Mendoza	2026
Lisandro E. Nobile	A	Regular	Belgrano 815, City of Mendoza	2026
Eduardo Javier Panebianco*	B	Regular	Belgrano 815, City of Mendoza	2026
Manuel Lopez Gonzalez	B	Regular	Belgrano 815, City of Mendoza	2026
Jose Alberto Casteluchi	C	Regular	Belgrano 815, City of Mendoza	2026
Osvaldo Daniel Tejada	D	Regular	Belgrano 815, City of Mendoza	2026
Teofilo Andres Aruani	A	Alternate	Belgrano 815, City of Mendoza	2026
Alfredo E. Fares	A	Alternate	Belgrano 815, City of Mendoza	2026
Maria José Magnani	A	Alternate	Belgrano 815, City of Mendoza	2026
Andrés Carnevale	A	Alternate	Belgrano 815, City of Mendoza	2026
Ricardo Martin Tempestti	A	Alternate	Belgrano 815, City of Mendoza	2026
Marcelo Fabián Vieyra	B	Alternate	Belgrano 815, City of Mendoza	2026
Emilia Cabrera Horn	B	Alternate	Belgrano 815, City of Mendoza	2026

Gines Dario Hernandez	C	Alternate	Belgrano 815, City of Mendoza	2026
Carlos Medardo Maldonado	D	Alternate	Belgrano 815, City of Mendoza	2026

* Independent under Argentine law.

The following is a brief description of our current directors' and alternate directors' background, experience and principal business activities:

Neil Arthur Bleasdale was born on April 28, 1956, and holds a Business Management BA (with honors) from the University of Leeds, England. Mr. Bleasdale is a businessman and holds the position of Chairman of the Board of Directors of the Issuer. He also serves as a director of the companies SODEM S.A., Inversora Andina de Electricidad S.A. (IADESA), Mendinvert S.A., Andina Electricidad S.A. and Empresa Distribuidora y Comercializadora Norte S.A. (EDENOR S.A.).

Valeria Inés de Oliveira Cézar was born on April 30, 1985, and graduated with a bachelor's degree in economics from the National University of Rosario in 2008. In 2011, she obtained a master's degree in finance from the Torcuato Di Tella University. Since 2010, she has worked as a financial analyst and mergers and acquisitions consultant for Ernst & Young, Banco Meridian S.A. and Integra Capital S.A. In 2016, she joined Edemsa, being appointed to her current position in 2021. She also acts as a director of Andina Electricidad S.A. and Andina Energy Plc.

Alberto Rez Masud was born on November 15, 1959, and earned his law degree from the Faculty of Law at the University of Mendoza, graduating in 1987. He currently advises companies in the energy sector. He is also a professor and advisor in the academic sector.

Marcelo A. Comba was born on April 10, 1964, and earned his law degree from the University of Buenos Aires in 1988. In 1993, he obtained a Master's Degree in Business Law from Universidad Austral. He currently serves as a director at Inversora Andina de Electricidad S.A. (IADESA), SODEM S.A., and Mendinvert S.A., and acts as an advisor to companies in the energy sector.

Lisandro E. Nobile was born on December 30, 1973, and earned his law degree from the University of Belgrano in March 1999. He is currently an in-house lawyer at Edemsa.

Eduardo Javier Panebianco was born on November 22, 1979, and earned his law degree from the Faculty of Law at the University of Mendoza, graduating in 2007. He currently practices law.

Manuel López Gonzalez was born on June 26, 1986, and holds a law degree, having graduated in 2014 from the Faculty of Law at the National University of Cuyo. He currently serves as Cabinet Coordinator for the Secretariat of Public Services of the Province of Mendoza.

José Alberto Casteluchi was born on February 28, 1960, and worked as a distribution technician for Edemsa from June 1984 until his retirement in August 2019, accumulating 35 years and two months of service.

Osvaldo Daniel Tejada was born on February 13, 1982. He has an extensive teaching career, including experience in the courses "Applied Electronics I" and "Functions in the General Electronics Laboratory," and has completed various specialization courses at the National Technological University, such as "Safety Criteria in Electrical Installation Projects," "Security in ORACLE Databases," "Electrical Maintenance," and "Introduction to Competency-Based Training.".

Teófilo Andrés Aruani was born on June 12, 1967, and currently serves as Legal Affairs Manager for Edemsa and legal advisor to its affiliated companies. He graduated as a lawyer in 1990 from the Faculty of Legal and Social Sciences at the University of Mendoza, with his degree later homologated to a Bachelor of Laws by the Ministry of Education and Science of Spain in 1996. He holds a postgraduate degree in Business Legal Advice from the University of Mendoza (1991) and a PhD in International Studies from the University of Barcelona (1995–1997). His professional

background includes serving as a senior lawyer at Estudio Vila, head of the contentious-administrative and judicial area at Obras Sanitarias Mendoza S.A., and manager of the contentious-administrative and judicial area at Supercanal S.A. in 2009, before joining Edemsa.

Alfredo E. Fares was born on June 3, 1952 and graduated as a lawyer in March 2008 from Universidad Católica de Salta, City of Salta. He served as Vice President of Edemsa until 2022 and also as director of SODEMSA, IADESA and Mendinvert S.A.

María José Magnani was born on May 26, 1977, and holds a law degree from the Faculty of Law at the University of Mendoza. In December 2004, she obtained a Postgraduate Degree in Corporate Law from Universidad Austral, followed by an MBA from the International University of Catalonia in 2010. In September 2020, she earned a Diploma in Renewable Energies from the Faculty of Engineering at Universidad Austral. She currently works as an in-house lawyer for Edemsa and advises companies in the energy sector.

Andrés Carnevale was born on August 13, 1972, and currently serves as Deputy General Manager and Administration Manager at a broadcasting company. He graduated as a Certified Public Accountant from the Faculty of Economic Sciences at the National University of Cuyo and later earned an Executive Master's in Business Administration from Francisco de Vitoria University in Spain.

Ricardo Martín Tempestti was born on December 22, 1992, and holds a law degree, having graduated in 2016 from the Faculty of the Catholic University of Cuyo. He currently works as a lawyer in the legal department of Edemsa. He also holds a master's degree in business law from Universidad Austral and has experience advising on various legal matters, particularly in contractual and corporate law.

Emilia Cabrera Horn was born on May 22, 1988, and holds a law degree from the National University of Cuyo. She has completed a Diploma in Federalism and Provincial Public Law at the Federal Investment Council and is currently pursuing a Master's degree in Administrative Law at Austral University. She has experience as a legislative advisor in the National Senate, the Honorable Chamber of Deputies of the Nation, and as an advisor to the Governorship of the Province of Mendoza.

Marcelo Fabián Vieyra was born on March 8, 1970. He is a Certified Public Accountant, graduated from the University Marcelino Champagnat. He has extensive experience in public administration, finance and budgetary management, having served as General Accountant and Director of Treasury of the Municipality of La Paz, Secretary of Finance, and Director General of Administration at the Ministry of Economy and Energy of the Government of Mendoza. He has also held various positions as statutory auditor and institutional representative in provincial agencies and companies associated with economic development and the energy sector.

Ginés Dario Hernandez was born on October 1, 1971, and holds a bachelor's degree in economics, graduating in 2000 from the Faculty of Economic Sciences at the National University of Cuyo. Since 2019, he has been the General Manager of the Agua y Saneamiento Mendoza S.A. (AySAM). Previously, he served as Administration and Finance Manager at AySAM from 2010 to 2019.

Carlos Medardo Maldonado was born on April 17, 1963, and holds a high school diploma in electrotechnics, having graduated in 1975. He joined Edemsa in 1984 and, since August 1, 2012, has served as a Specialized Administrator in Commercial Operations within the Northern Commercial Operations Department.

Compensation

The total amount of fees for directors, members of the Supervisory Committee, and compensation for management personnel who rendered services during fiscal year 2025 was Ps. 4,871,005,419.33. Of this amount, Ps. 153,954,417.76 corresponded to compensation allocated to the members of our Board of Directors, and Ps. 62,404,805.91 to compensation allocated to the members of the Supervisory Committee.

Executive Committee

To ensure a simple, efficient, and dynamic corporate structure aligned with our operational needs, the Extraordinary General Meeting held on May 10, 2023, resolved to discontinue the Executive Committee, which had been in place since the statutory reform approved by the Extraordinary General Meeting on August 2, 2019. This reform was registered with the CNV on October 11, 2022, and subsequently recorded with the Legal Entities Directorate of the Province of Mendoza under Resolution No. 555, dated February 6, 2024.

Audit Committee

We have no audit committee. Instead, we have an internal audit submanagement (*sub-gerencia*) that conducts process audits, internal controls, fraud audits, and diagnostic audits. The submanagement reports to the CEO and President, holding monthly meetings.

Senior Management

The following table sets forth information regarding our senior management, as of the date of this offering memorandum:

Name	Position
Ramon Ariel Palumbo	General Manager
Guillermo Maximiliano Martens	Human Resources Manager
Martha Molinaro	Technical Manager
Jorge Depresbiteris	Commercial Manager
Teofilo Andres Aruani	Legal and Regulatory Affairs Manager
Andres Carnevale	Deputy General Manager and Administration Manager
Valeria Inés De Oliveira Cézar	Finance Manager
Fernando Domingo Furfuri	Technology Manager

Ramón Ariel Palumbo was born on April 27, 1975, and holds a degree as a National Certified Public Accountant from the National University of Cuyo. He began his career at MSO Supercanal S.A. and Supercanal S.A., where he held various roles in Administration Management, including Head of Administration and Head of Accounts Payable. In December 2006, he joined Edemsa as Deputy Finance Manager and, in March 2009, was appointed Finance Manager.

Guillermo Maximiliano Martens was born on October 6, 1978 and holds a degree in Economics from the University of Congreso, along with a Specialization in Strategic Human Resources Management from the George Washington University School of Business. Mr. Martens has held significant roles, including Head of Human Resources at Unilever de Argentina S.A. and Head of Industrial Relations at La Campagnola SACI. In 2010, he served as Human Resources Manager at La Campagnola SACI before joining Edemsa.

Martha Eugenia Molinaro was born on July 29, 1959 and graduated in 1985 with a degree in Electronics and Electricity Engineering from the University of Mendoza, Faculty of Electronics and Electricity Engineering. From 1986 to 1998, she worked at Energía Mendoza SE as a Junior and Senior Engineer and Head of Energy Planning. She continued her career at Edemsa from 1998 to 2001 in the same roles. Between 2002 and 2003, she was Assistant Engineering Manager. From 2003 to 2005, she served as Head of Sustainable Development, reporting directly to the General Management of Edemsa. Since 2006, she has worked as Assistant Manager of Strategic Planning and was appointed Technical Manager in April 2008. She holds a Master's Degree in Quality and Business Management from the National University of Cuyo and a Diploma in Project Management and Administration, with an International Postgraduate Degree in Environmental Impact Assessment.

Jorge O. Depresbiteris was born on December 15, 1957 and graduated in December 1982 as an Electrical Engineer from the National Technological University. He began his career as a Senior Designer at Servicios Eléctricas del Gran Buenos Aires between 1980 and 1982. He then worked as a Semi-Senior Engineer at Atec Ingenieros Consultores in 1982. From 1984 to 1988, he served as Head of Electrical Engineering at Alto Paraná SA, and from 1988 to 1991, he was a Senior Engineer at Atec Ingenieros Consultores. He also worked as Commercial Manager at Central Pedro de Mendoza (1991-1994) and Technical Commercial Manager at CMS Energy’s regional office in

Argentina (1994-1998). From 1998 to January 2007, he was General Manager at SENECA/CMS Energy in Margarita Island, Venezuela. Between January 2007 and April 2008, he served as General Manager of CMS Energy (Venezuela). Since April 2008, he has been the Commercial Manager at Edemsa.

Fernando D Furfuri was born on December 16, 1971 and graduated as a Certified Public Accountant from the Faculty of Economic Sciences at the National University of Cuyo. He holds a master's degree in Financial Statement Analysis and Auditing from the University of Salvador (Buenos Aires). He began his career as an External Auditor at Deloitte & Co Mendoza and an Investment Project Analyst at the Ministry of Health of the Province of Mendoza. Later, he worked as an internal auditor at BBVA (Banco Francés, Buenos Aires), eventually becoming Audit Coordinator for Centralized Processes at the bank. In 2005, he became Head of the Internal Audit Department at Energía San Juan SA, and in July 2006, he joined Edemsa, where he initially served as Assistant Manager and later as Internal Audit Manager. In January 2025, he was appointed Technology Manager of Edemsa.

Supervisory Committee

Argentine law requires certain corporations, such as us, to have a *Comisión Fiscalizadora* (supervisory committee). The supervisory committee is responsible for overseeing compliance with our bylaws, shareholders' resolutions and Argentine law and, without prejudice to the role of external auditors, is required to present to the shareholders at the annual ordinary general meeting a written report on the reasonableness of the financial information included in this offering memorandum and in the financial statements presented to the shareholders by our Board of Directors. The members of the supervisory committee are also authorized to attend Board of Directors', audit committee's and shareholders' meetings, call extraordinary shareholders' meetings, and investigate written complaints of shareholders holding at least 2% of our outstanding shares. Pursuant to Argentine law, the members of the supervisory committee must be licensed attorneys or certified public accountants.

Our bylaws provide that our supervisory committee must consist of three members and three alternate members, elected by our shareholders at an ordinary meeting. Members of our supervisory committee are elected to serve one-year terms and may be re-elected. Pursuant to our bylaws, holders of our Class A common shares are entitled to appoint two members and two alternate members of the supervisory committee and holders of our Class B, Class C and Class D common shares are entitled to collectively appoint one member and one alternate member.

The members and alternate members of our supervisory committee as of the date of this offering memorandum are:

Name	Position	Class	Year of last appointment
Irene E. Casati*	Chairman	A	2025
Alberto J. Anta*	Regular	A	2025
Alfredo Manzur*	Regular	B, C & D	2025
Agustin Palacios*	Alternate	A	2025
Sandra Alicia Jáuregui*	Alternate	A	2025
Miguel Manzano*	Alternate	B, C and D	2025

* Independent under Argentine law.

Irene E. Casati was born on May 12, 1966, and holds a degree on National Public Accountant and Partition Expert, issued by the Catholic University of Argentina. She currently serves as a member of the supervisory committees for companies in the energy sector and is also active in academia, teaching at Universidad de Congreso.

Alberto Anta was born on October 2, 1945, and holds a degree on National Public Accountant and Partition Expert, issued by the National University of Cuyo. Additionally, he has completed an Advanced Course in Accounting at the Faculty of Economic Sciences and an Advanced Course in Corporate Law at the Faculty of Law of the same university. He practices independently in the province, providing advisory services to various companies in the region.

Alfredo Manzur was born on September 18, 1970, and holds a degree on Public Accountant and Partition Expert, having graduated in 1995 from the Faculty of Economic Sciences at the National University of Cuyo. He currently works independently as a corporate trustee and bankruptcy trustee in Mendoza.

Agustín Palacios was born on July 10, 1977, and earned his law degree in 2003 from the Faculty of Law at Champagnat University in Mendoza. He specializes in general business consulting and is a member of the Ethics Tribunal of the College of Lawyers and Attorneys of the Province of Mendoza.

Sandra Alicia Jáuregui was born on November 1, 1968, and graduated as a National Public Accountant and Partition Expert from the National University of Cuyo. She works in the private sector as an advisor and auditor for companies and serves as an expert accountant in the provincial justice system, specializing in labor and civil matters. Additionally, she has completed all six levels of Portuguese language studies at the Brasilia Foundation.

Miguel Manzano was born on June 28, 1954, and earned a degree in Business Administration in September 1983 from the University of Aconcagua in Mendoza. He later obtained his Certified Public Accountant qualification in May 1986 from the same university. He currently works as a businessman in the private sector.

Integrity Committee

We have an Integrity Committee, who reports to the Board of Directors and is composed of the Human Resources Manager, the Legal and Regulatory Affairs Manager and the Internal Audit Deputy Manager.

The Committee carries out functions aimed at ensuring the correct application and implementation of the Integrity Program and our Code of Ethics, with the main objective of creating and maintaining an ethical culture that serves as a line of defence in terms of compliance with internal and external regulations, preventing conflicts of interest, setting guidelines on gifts, preventing the misuse of information and/or other assets owned by us, among other aspects.

Below is the composition of our Integrity Committee as of the date of this offering memorandum:

Name	Position
Fernando Domingo Furfuri	Manager of Technology
Teofilo Andres Aruani	Manager of Legal and Regulatory Affairs
Guillermo Maximiliano Martens	Manager of Human Resources

Employees

We had 777, 742 and 720 employees as of December 31, 2025, 2024 and 2023, respectively.

The Company's labor relations with its employees are reflected in the collective bargaining agreements entered into with the *Sindicato de Luz y Fuerza* (Electric Light and Power Labor Union or "**LYF**") for production personnel, the *Asociación de Profesionales del Agua y la Energía* (Association of Water and Energy Professionals or "**APUAYE**") for professional personnel, and the *Asociación del Personal Jerárquico del Agua y la Energía* (Association of Executive Personnel of Water and Energy or "**APJAE**") for executive personnel. Additionally, the company has personnel outside the collective agreement who hold leadership and strategic management positions.

Corporate Authorization of this Issuance

The issuance of the Notes was approved at the meeting of our Board of Directors held on May 20, 2026, pursuant to the delegation of powers previously approved by the Company's Shareholders' Meeting on April 8, 2025. The approval included the favorable vote of board representatives of the minority shareholders, except for the board representatives of the Government of the Province who abstained from voting.

DESCRIPTION OF THE NOTES

*The following is a summary of the material provisions of the Notes and the Notes Indenture (as defined below). Because this is a summary, it may not contain all the information that is important to you. As used in this section, unless otherwise specified, the term "**Edemsa**" refers to Empresa Distribuidora de Electricidad de Mendoza S.A. on an unconsolidated basis and the term the "**Company**" refers to Edemsa and its Subsidiaries on a consolidated basis.*

Capitalized terms not otherwise defined herein shall have the meanings given to them in the Notes Indenture. Certain terms are defined as set forth below under "—Certain Definitions." A copy of the form of the Notes Indenture will be available for inspection at the offices of Edemsa.

General Overview

We have issued the Notes pursuant to our U.S.$ 400,000,000 global program for the issuance of *obligaciones negociables simples (no convertibles en acciones)* (simple, non-convertible negotiable obligations) approved by our shareholders' meeting on July 20, 2023, which also approved the delegation of powers to our Board of Directors and ratified the actions taken by our Board of Directors on May 23, 2023. The subsequent update of the program was approved by our Board of Directors on April 24, 2024, further updated and increased by our shareholders' meeting held on April 8, 2025, and our Board of Directors' meetings held on April 16, 2025 and April 20, 2026. The program was authorized by the CNV through Resolution No. RESFC-2023-22399-APN-DIR#CNV, dated August 23, 2023, updated on April 25, 2024 and further updated and increased through Disposition No. DI-2025-66-APN-GE#CNV dated April 28, 2025 and subsequently updated on May 13, 2026 (the "**Program**").

The public offering of the Notes described in this offering memorandum is included within the public offering authorizations granted by the CNV to the Program, within the framework of the provisions of Article 17, Section IV, Chapter V, Title II of the CNV Rules. In accordance with the procedure established in Article 30, Section IV, Chapter V, Title II of the CNV Rules, within five (5) business days after the subscription of the Notes, Edemsa will submit the definitive documentation related to the Notes to the CNV.

The Notes will constitute "*obligaciones negociables simples (no convertibles en acciones)*" (simple, non-convertible negotiable obligations) under the Negotiable Obligations Law and will be entitled to the benefits set forth therein and subject to the procedural requirements established therein and will be issued and placed in accordance with such law, the Argentine Capital Markets Law, the CNV Rules, and any other Argentine applicable laws and regulations.

Application has been made to have the Notes listed on the LuxSE and to have the Notes admitted for trading on the Euro MTF market and for listing and trading on BYMA, through the BCBA, and for trading on A3 Mercados. No assurances can be given that such listings will be maintained. See "—Listing" below.

The Notes have been issued pursuant to an indenture (the "**Notes Indenture**") dated as of June 11, 2026 among Edemsa, as issuer, The Bank of New York Mellon, as trustee (the "**Trustee**," which term shall include any successor as Trustee under the Notes Indenture) and Banco de Valores S.A. as representative of the Trustee in Argentina. The Notes have been issued by Edemsa, and Edemsa has been liable therefor and obligated to perform all covenants and agreements to be performed by Edemsa pursuant to the Notes and the Notes Indenture, including the obligations to pay principal, interest and Additional Amounts (as defined below), if any. Initially, (i) the Trustee acts as principal paying agent (the "**Principal Paying Agent**," together with its successors and assigns and any additional qualified paying agents, collectively, the "**Paying Agents**"), transfer agent (the "**Transfer Agent**," together with its successors and assigns and any additional qualified transfer agents, collectively, the "**Transfer Agents**") and registrar (the "**Registrar**" and, together with its respective successors and assigns and any additional qualified registrars, collectively, the "**Registrars**") and (ii) Banco de Valores S.A. acts as registrar, transfer and paying agent in Argentina and representative of the Trustee in Argentina. The respective terms of the Notes include those stated in the Notes Indenture and made part of the Notes Indenture by reference to the Trust Indenture Act of 1939, as amended ("**Trust Indenture Act**").

The Notes have been issued in denominations of U.S.$10,000 and integral multiples of U.S.$1,000 in excess thereof. The Notes will be denominated in U.S. Dollars and payments of principal of, and interest on, the Notes (including Additional Amounts, if any) will also be made in U.S. Dollars.

Basic Terms of the Notes

The Notes will:

- have an initial aggregate principal amount of U.S.$300,000,000;
- provide that interest will be payable semi-annually in arrears on each on June 11 and December 11 of each year beginning on December 11, 2026 to the holders of record on the Record Date immediately preceding such Interest Payment Date;
- provide that interest on the outstanding principal amount will accrue from June 11, 2026, at 9.750% per year (the "**Annual Interest Rate**"), with the first coupon payment for the Notes offered hereby beginning on December 11, 2026.
- provide that interest on overdue interest will be payable at a rate of 2% *per annum* plus the Annual Interest Rate;
- mature on June 11, 2033 (the "**Maturity Date**");
- provide for payment of principal in instalments payable on the dates and percentages set forth below:

Percentage of Principal Amount	Payment Date
33.33%	June 11, 2031
33.33%	June 11, 2032
33.34%*	June 11, 2033

** For the avoidance of doubt, final principal amount payment will be for the remaining principal amount.*

- Interest will be computed on the basis of a 360-day year of twelve 30-day months.

Further Issues

We may from time to time issue, without the consent of the holders of the Notes, subject to the limitations on Incurrence of Indebtedness and other provisions of the Notes Indenture, create and issue additional Notes (the "**Additional Notes**") having terms and conditions the same as those of the Notes offered hereby (or in all respects except with respect to the date of issuance and the initial issuance price); provided that any Additional Notes shall be issued under a separate CUSIP or ISIN number unless the Additional Notes are issued pursuant to a "qualified reopening" of the original series, are otherwise treated as part of the same "issue" of debt instruments as the original series or are issued with less than a de minimis amount of original issue discount ("**OID**"), in each case for U.S. federal income tax purposes. The Notes offered hereby and any Additional Notes would be treated as a single class for all purposes under the indenture, including with respect to redemptions, and will vote together as one class on all matters with respect to the Notes.

Status of the Notes

The Notes will constitute direct, unconditional, unsecured and unsubordinated obligations of Edemsa ranking at all times at least *pari passu* in priority of payment, in right of security upon liquidation and in all other respects among themselves and with all other unsecured Indebtedness of Edemsa now or hereafter outstanding, except to the extent that such other Indebtedness may be preferred by mandatory provisions of applicable law or subordinated by its terms.

Certain Covenants

Limitation on Liens

Edemsa will not, and will not permit any of its Restricted Subsidiaries to incur, assume or suffer to exist, any Lien upon its property, assets or revenues, whether now owned or hereafter acquired, securing any Indebtedness of any Person, unless the Notes are equally and ratably secured by such Liens, other than the following ("**Permitted Liens**"):

(a) Liens for taxes, assessments or governmental charges or claims or fines not yet due or which are being contested in good faith by appropriate proceedings; provided that adequate reserves with respect thereto are maintained on the books of Edemsa or such Restricted Subsidiary, as the case may be, to the extent required by Argentine GAAP;

(b) Liens created by any Restricted Subsidiaries over their assets solely in favor of Edemsa or another Restricted Subsidiary;

(c) deposits to secure the performance of bids, trade contracts, leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business;

(d) Liens arising by reason of (1) any judgment, decree or order of any court, so long as such Lien is being contested in good faith and any appropriate legal proceedings which may have been duly initiated for the review of such judgment, decree or order shall not have been finally terminated or the period within which such proceedings may be initiated shall not have expired; (2) any embargo preventivo or any other interlocutory or temporary attachment order or measure in connection with an action or proceeding during the pendency of such action or proceeding; (3) security for payment of workers' compensation or other insurance or obligations arising from other social security laws; and (4) operation of law in favor of warehousemen, landlords, mechanics, material men, laborers, employees or suppliers or other similar liens imposed by law or by contract incurred in the ordinary course of business for sums which are not yet delinquent or are being contested in good faith by negotiations or by appropriate proceedings which suspend the collection thereof, and, in each case, for which adequate reserves are maintained on the books of Edemsa or such Restricted Subsidiary, as the case may be, to the extent required by Argentine GAAP;

(e) leases or subleases granted to others, easements, rights of way, zoning and similar covenants and restrictions and other similar encumbrances or title defects, which do not materially detract from the value of the property subject thereto or materially interfere with the ordinary conduct of the business of Edemsa and its Restricted Subsidiaries;

(f) Liens on property that secure Indebtedness Incurred for the purpose of financing all or any part of the purchase price or cost of construction or improvement of such property and which attach no later than 90 days after the date of such purchase or the completion of construction or improvement; provided that no such Lien shall extend to or cover any physical assets or equipment other than the physical assets or equipment being acquired, constructed or improved;

(g) Liens on property at the time Edemsa or any of its Restricted Subsidiaries acquires such property, including any acquisition by means of a merger or consolidation of such Person with or into Edemsa or a Restricted Subsidiary; provided that such Liens are not created in contemplation of such acquisition and do not extend to any other property of Edemsa or any Restricted Subsidiary existing immediately prior to such acquisition;

(h) escrow deposits, trusts or similar accounts created or established pursuant to the Notes Indenture or for the payment of debt service obligations under the Notes;

(i) any banker's right of set-off arising from operation of law with respect to deposits made in the ordinary course of business by Edemsa;

(j) Liens securing obligations under Hedging Contracts;

(k) Liens in existence on the Issuance Date, and any renewals or extensions thereof, so long as (A) such renewal or extension Lien does not extend to any property other than that originally subject to the Liens being renewed or extended and (B) the principal amount of the Indebtedness secured by such Lien, if applicable, is not increased;

(l) Liens to secure any Permitted Refinancing Indebtedness which is Incurred to refinance any Indebtedness which has been secured by a Lien permitted under the covenant "*—Limitations on Liens*"; provided that such new Liens are not materially more favorable to the lienholders with respect to such Liens than the Liens in respect of the Indebtedness being refinanced, and do not extend to any property or assets other than property or assets securing the Indebtedness refinanced by such Permitted Refinancing Indebtedness;

(m) Liens on Receivables and Related Assets securing Permitted Indebtedness described in (h) under "*—Limitations on Indebtedness*";

(n) Liens arising or deemed to arise from a Sale and Leaseback Transaction;

(o) Liens created or established in order to comply with any applicable rule, regulation, order, resolution, decree, directive or instruction of any federal, provincial or municipal government of Argentina, or any agency or instrumentality thereof, in connection with the conduct of a Permitted Business;

(p) Liens on any debt securities of Edemsa or a Restricted Subsidiary repurchased by us and securing Indebtedness the proceeds of which are used exclusively for the repurchase of other debt securities of Edemsa or a Restricted Subsidiary;

(q) Liens on property securing Permitted Indebtedness Incurred for the purpose of financing any medium and/or long-term infrastructure project or investment in Argentina; and

(q) Liens securing or providing for the payment of Indebtedness Incurred in connection with any Project Financing, provided that the properties or assets to which any such Lien applies are (a) any property whose acquisition, construction and/or improvement is the subject of, and being financed in, such Project Financing or (b) revenues or claims which arise from the operation, failure to meet specifications, failure to complete, exploitation, sale or loss of, or damage to, such properties;

provided that, notwithstanding the foregoing, any Lien, of any nature or source, on the concession granted pursuant to the Concession Agreement shall not be considered a Permitted Lien.

Limitations on Indebtedness

Edemsa will not, and will not permit any of its Restricted Subsidiaries to, Incur any Indebtedness; provided that Edemsa or any Restricted Subsidiary may Incur Indebtedness if, on the date of the Incurrence, after giving effect to the Incurrence and the receipt and application of the proceeds therefrom, no Default has occurred and is continuing and the Leverage Ratio is not greater than 3.75 to 1.00 and the Interest Expense Coverage Ratio is not less than 2.00 to 1:00; *provided, however*, that the aggregate principal amount of indebtedness incurred by Edemsa and its Restricted Subsidiaries shall not exceed U.S.$475 million at any one time outstanding.

Notwithstanding the foregoing, Edemsa and its Restricted Subsidiaries may Incur the following Indebtedness if, on the date of the Incurrence, after giving effect to the Incurrence and the receipt and application of the proceeds therefrom, no Default has occurred and is continuing ("**Permitted Indebtedness**"):

(a) Indebtedness outstanding on the Issuance Date, including any Notes issued on the Issuance Date;

(b) Permitted Refinancing Indebtedness;

(c) Subordinated Indebtedness;

(d) Indebtedness Incurred for purposes of, and substantially all of the proceeds of which are applied to, financing of Regulatory Capital Expenditures;

(e) Indebtedness in respect of Hedging Contracts;

(f) Indebtedness for working capital purposes in an aggregate principal amount at any one time outstanding not to exceed U.S.$15 million (or its equivalent in other currencies);

(g) Indebtedness incurred in respect of workers' compensation claims, health, disability or other employee benefits or property, casualty or liability insurance, self-insurance obligations, customer deposits, performance, bid, surety, advance payment, appeal and similar bonds and completion guarantees (other than for borrowed money) provided in the ordinary course of business;

(h) Indebtedness with respect to letters of credit, bankers' acceptances and similar obligations issued in the ordinary course of business and not supporting Indebtedness, including performance bonds and letters of credit supporting performance bonds;

(i) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business;

(j) Indebtedness of Edemsa or any of its Restricted Subsidiaries owed to Edemsa or any of its Restricted Subsidiaries so long as such Indebtedness continues to be owed to Edemsa or a Restricted Subsidiary and which, if the obligor is Edemsa and such Indebtedness is owed to such Restricted Subsidiary, is subordinated in right of payment and priority to the Notes, pursuant to a Subordination Agreement;

(k) Indebtedness under any one or more Permitted Receivables Financings, the combined aggregate principal amount of which does not exceed U.S.$10 million (or its equivalent in other currencies) at any time outstanding;

(l) Indebtedness of Edemsa Incurred for general corporate purposes in an aggregate principal amount not to exceed U.S.$25 million (or its equivalent in other currencies); and

(m) Indebtedness Incurred in connection with any Project Financing in an aggregate principal amount at any one time outstanding not to exceed U.S.$40 million (or its equivalent in other currencies).

Future Subsidiary Guarantors

On the Issue Date, none of the Edemsa's subsidiaries will guarantee Edemsa's obligations under the Notes and the Indenture. After the Issue Date, any existing or future subsidiary of Edemsa may provide a guarantee of Edemsa's obligations under the Notes and the Indenture (a "Note Guarantee") by executing a supplemental indenture becoming a guarantor (a "Subsidiary Guarantor").

If, on or after the Issue Date, Edemsa determines in good faith (after making an assessment as of June 30 and December 31 of each fiscal year) that any non-guarantor Restricted Subsidiary has become a Significant Subsidiary based on the most recent financial statements of Edemsa provided or required to be provided to the Trustee, then the non-guarantor Restricted Subsidiary that Edemsa has determined in good faith that has become a Significant Subsidiary, must become a Subsidiary Guarantor and execute a supplemental indenture providing for its Note Guarantee within fifteen (15) days from such determination; provided that (i) such Significant Subsidiary's Note Guarantee will be limited to the maximum amount that would not result in a breach or violation by such Significant Subsidiary of any provision of any agreement to which it is party existing at the time of becoming a Significant Subsidiary, and (ii) such Significant Subsidiary shall not be required to execute any such supplemental indenture if the execution or enforcement of such supplemental indenture and the resultant Note Guarantee thereunder is prohibited by, or in violation of, any applicable law to which such Significant Subsidiary is subject and Edemsa has delivered to the Trustee an Opinion of Counsel to that effect.

If, on or after the Issue Date, the Edemsa determines in good faith (after making an assessment on June 30 and December 31 of each fiscal year) that, based on the most recent consolidated financial statements of Edemsa provided or required to be provided to the Trustee, the total tangible assets of Edemsa and the Subsidiary Guarantors

(measured on a combined basis) do not represent at least 85.0% of the Consolidated Tangible Assets of Edemsa or (b) the EBITDA of Edemsa and the Subsidiary Guarantors (calculated only in respect of Edemsa and all Restricted Subsidiaries that are Subsidiary Guarantors by including and excluding the same line items as are included or excluded in the definition of EBITDA but measured and determined on a combined basis from the unconsolidated accounts for Edemsa and the Subsidiary Guarantors for such line items) do not represent at least 85.0% of the EBITDA of Edemsa (on a consolidated basis), then Edemsa will cause one or more of its Subsidiaries to become a Note Guarantor and execute a supplemental indenture providing for a Note Guarantee within fifteen (15) days from such determination.

Edemsa shall not permit any of its non-guarantor Restricted Subsidiaries to incur or guarantee Indebtedness, if any such Indebtedness, when taken together with all other existing Indebtedness of Edemsa's non-guarantor Restricted Subsidiaries, would exceed excess of 20.0% of the Consolidated Total Indebtedness of Edemsa.

Limitations on Asset Sales

Edemsa will not, and will not permit any of its Restricted Subsidiaries to, make any Asset Sale unless:

(a) the Asset Sale is for fair market value, as determined in good faith by the Board of Directors;

(b) at least 75% of the value of the consideration therefrom is in the form of Cash and Cash Equivalents; provided that (i) any non-cash consideration received is for fair market value and (ii) the receipt of such non-cash consideration is otherwise permitted under the Notes Indenture; and

(c) immediately before and immediately after giving effect to such Asset Sale, no Default or Event of Default shall have occurred and be continuing.

Within 365 days after the receipt of any Net Cash Proceeds from an Asset Sale (other than a Sale and Leaseback Transaction), Edemsa or any Restricted Subsidiary shall, at its election, apply the Net Cash Proceeds of such Asset Sale to:

(i) purchase, prepay or redeem Indebtedness of Edemsa or any Restricted Subsidiary of Edemsa; or

(ii) acquire or commit to acquire all or substantially all of the assets of a Permitted Business or a majority of the Voting Stock of another Person that thereupon becomes a Restricted Subsidiary engaged in a Permitted Business; or

(iii) acquire or commit to acquire assets that are to be used by Edemsa or a Restricted Subsidiary in a Permitted Business; provided that, if Edemsa receives Net Cash Proceeds from Asset Sales in an aggregate amount in excess of U.S.$ 20 million in any fiscal year, Edemsa shall apply such excess, to the extent not otherwise applied as permitted in this paragraph, within the following fiscal year for the purposes set forth in clauses (i) or (ii) above; or

(iv) any combination of (i), (ii) or (iii) above.

To the extent all or a portion of the Net Cash Proceeds of any Asset Sale are not applied within the 365 days of the Asset Sale as described in clauses (i) through (iv) of the preceding paragraph, Edemsa shall make an offer to purchase Notes (the "**Asset Sale Offer**"), at a purchase price equal to 100% of the principal amount of the Notes to be purchased, plus accrued and unpaid interest thereon and any Additional Amount to the date of purchase (the "**Asset Sale Offer Amount**"). Edemsa shall purchase pursuant to an Asset Sale Offer from all tendering holders of Notes on a pro rata basis, and at its option, on a pro rata basis with the holders of any other Indebtedness with similar provisions requiring Edemsa to offer to purchase the other Indebtedness with the proceeds of Asset Sales, that principal amount (or accreted value in the case of Indebtedness issued with original issue discount) of Notes and the other Indebtedness to be purchased equal to such unapplied Net Cash Proceeds. Edemsa may satisfy its obligations under this covenant with respect to the Net Cash Proceeds of an Asset Sale by making an Asset Sale Offer prior to the expiration of the relevant 365-day period.

Edemsa may, however, defer an Asset Sale Offer until there is an aggregate amount of unapplied Net Cash Proceeds from one or more Asset Sales equal to or in excess of U.S.$ 20 million. At that time, the entire amount of

unapplied Net Cash Proceeds, and not just the amount in excess of U.S.$ 20 million, shall be applied as required pursuant to this covenant. Pending application in accordance with this covenant, Net Cash Proceeds may be applied to temporarily reduce revolving credit borrowings or invested in cash equivalents, including for the avoidance of doubt any financial investment recorded under "Other Investments" in Edemsa's consolidated financial statements.

Each notice of an Asset Sale Offer shall be delivered to the record holders as shown on the Register, with a copy to the Trustee, offering to purchase the Notes as described above. Each notice of an Asset Sale Offer shall state, among other things, the purchase date, which must be no earlier than 30 days nor later than 60 days from the date the notice is sent, other than as may be required by law (the "**Asset Sale Offer Payment Date**"). Upon receiving notice of an Asset Sale Offer, holders may elect to tender their Notes in whole or in part in amounts of U.S.$10,000 or in integral multiples of U.S.$1,000 in excess thereof in exchange for cash.

On the Asset Sale Offer Payment Date, Edemsa shall, to the extent lawful:

(a) accept for payment all notes or portions thereof properly tendered pursuant to the Asset Sale Offer;

(b) deposit with the Paying Agent funds in an amount equal to the Asset Sale Offer Amount in respect of all Notes or portions thereof so tendered; and

(c) deliver or cause to be delivered to the Trustee the Notes so accepted together with an Officers' Certificate stating the aggregate principal amount of Notes or portions thereof being purchased by Edemsa.

To the extent holders of Notes and holders of other Indebtedness, if any, that are the subject of an Asset Sale Offer properly tender and do not withdraw Notes or the other Indebtedness in an aggregate amount exceeding the amount of unapplied Net Cash Proceeds, Edemsa shall purchase the Notes and the other Indebtedness on a pro rata basis (based on amounts tendered). If only a portion of a Note is purchased pursuant to an Asset Sale Offer, a new Certificated Note in a principal amount equal to the portion thereof not purchased shall be issued in the name of the holder thereof upon cancellation of the original Note, or appropriate adjustments to the amount and beneficial interests in a Global Note shall be made, as appropriate.

Edemsa shall comply with the requirements of Rule 14e-1 under the Exchange Act and any other applicable securities laws in connection with the purchase of Notes pursuant to an Asset Sale Offer. To the extent that the provisions of any applicable securities laws or regulations conflict with the "Asset Sale" provisions of the Indenture, Edemsa shall comply with these laws and regulations and shall not be deemed to have breached our obligations under the "Asset Sale" provisions of the Indenture by doing so.

Following the application of such Asset Sale Offer pursuant to the above, the amount of Net Cash Proceeds shall be reset at zero and Edemsa shall be entitled to use any remaining proceeds for any corporate purposes to the extent not prohibited under the Indenture.

Limitation on Transactions with Shareholders and Affiliates

Edemsa will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, enter into, renew, amend, or extend any transaction or arrangement including the purchase, sale, lease or exchange of property or assets, or the rendering of any service, with any Affiliate of Edemsa except upon terms not less favorable to Edemsa or such Restricted Subsidiary than those that could be obtained in a comparable arm's-length transaction with a Person that is not an Affiliate of Edemsa.

If any such transaction or series of related transactions has an aggregate value in excess of U.S.$15 million, prior to entering into such transaction or series of related transactions, Edemsa will obtain a favorable written opinion from the audit committee of Edemsa, which committee shall include at least two independent members of the Board of Directors stating that the terms of the transaction or series of related transactions are consistent with those that could be obtained in a comparable arm's-length transaction(s) with a Person that is not an Affiliate of Edemsa.

If any such transaction or series of related transactions has an aggregate value in excess of an amount of 5% of Edemsa's net worth (*patrimonio neto*) (which amount, as of March 31, 2026, was U.S.$15 million), prior to entering

into such transaction or series of related transactions, Edemsa will obtain (i) a favorable written opinion from the audit committee of Edemsa, which committee shall include at least two independent members of the Board of Directors; and (ii) the opinion of at least one independent consultant stating that the terms of the transaction or series of related transactions are consistent with those that could be obtained in a comparable arm's-length transaction(s) with a Person that is not an Affiliate of Edemsa.

The foregoing paragraphs do not apply to:

(a) any transaction between Edemsa and any of its Restricted Subsidiaries or between Restricted Subsidiaries of Edemsa;

(b) any transaction or payment required pursuant to Argentine laws and regulations to be made on terms different than in comparable arm's-length transactions; or

(c) the performance by any of Edemsa or its Restricted Subsidiaries of its obligations under the terms of any agreement or instrument in effect on the Issuance Date and disclosed in this offering memorandum under "*Related Party Transactions*."

Limitation on Restricted Payments

Edemsa will not and will not cause or permit any of its Restricted Subsidiaries to, directly or indirectly, take any of the following actions (each, a "**Restricted Payment**"):

(a) declare or pay any dividend or return of capital or make any distribution on or in respect of Equity Interests of Edemsa or any Restricted Subsidiary to holders of such Equity Interests other than (i) any dividends or distributions in the form of Qualified Equity Interests of Edemsa, (ii) dividends, distributions or returns of capital payable to Edemsa or a Restricted Subsidiary, or (iii) dividends, distributions or returns of capital made on a *pro rata* basis to Edemsa and its Restricted Subsidiaries on the one hand, and minority holders of Equity Interests of a Restricted Subsidiary on the other hand;

(b) purchase, redeem or otherwise acquire or retire for value any Equity Interests of Edemsa or of any of its Restricted Subsidiaries;

(c) repay, redeem, repurchase, defease or otherwise acquire or retire for value, or make any payment on or with respect to, any Subordinated Indebtedness, other than (i) scheduled payments of interest or principal (provided no Default or Event of Default shall have occurred and be continuing), or (ii) any intercompany Indebtedness between or among Edemsa and/or any Restricted Subsidiaries, or

(d) make any Investments other than Permitted Investments;

unless, at the time of, and after giving effect to, the proposed Restricted Payment:

(1) no Default has occurred and is continuing; or

(2) Edemsa would maintain, as of the date of determination (i) an unrestricted cash balance amount of at least US$60.0 million (the "**Minimum Cash Balance**"), and (ii) a Leverage Ratio not exceeding 3.00 to 1.00 (the "**Leverage Ratio Requirement**"); or

(3) the aggregate amount (the amount expended for these purposes, if other than in cash, being the fair market value of the relevant property) of the proposed Restricted Payment and all other Restricted Payments made subsequent to the Issuance Date up to the date thereof, shall not exceed the sum of:

(A) 50% of cumulative Consolidated Net Income of Edemsa or, if such cumulative Consolidated Net Income of Edemsa is a loss, minus 100% of the loss, accrued during the period, treated as one accounting period, beginning on the first day of the fiscal

quarter during which the Leverage Ratio Requirement is satisfied to the end of the most recent fiscal quarter for which consolidated financial information of Edemsa is available; *plus*

(B) 100% of the aggregate net cash proceeds received by Edemsa from any Person from any contribution to the Equity Interests of Edemsa (not representing an interest in Disqualified Stock) or issuance and sale of Qualified Equity Interests of Edemsa, in each case, subsequent to the Issuance Date.

Notwithstanding the preceding paragraph, this covenant does not prohibit:

(1) the payment of any dividend within 60 days after the date of declaration of such dividend if the dividend would have been permitted on the date of declaration pursuant to the preceding paragraph;

(2) the repurchase of Capital Stock deemed to occur upon the exercise of stock options or warrants to the extent such Capital Stock represents a portion of the exercise price of those stock options or warrants;

(3) the purchase by Edemsa of fractional shares arising out of stock dividends, splits or combinations or business combinations; and

(4) if no Default or Event of Default shall have occurred and be continuing, other Restricted Payments in an aggregate amount not to exceed 10.00% of the Consolidated Tangible Assets of Edemsa; *provided, however,* that (i) the aggregate amount of Restricted Payments made in any fiscal year shall not exceed 3.00% of the Consolidated Tangible Assets of Edemsa.

In determining the aggregate amount of Restricted Payments made subsequent to the Issuance Date, amounts expended pursuant to clauses (1) (without duplication for the declaration of the relevant dividend) (2), and (3) above shall be included in such calculation.

Limitations on Mergers, Consolidations, Sales and Conveyances

Edemsa will not enter into any merger, consolidation, spin-off or reorganization with any Person (whether or not Edemsa is the surviving or continuing Person) or sell, assign, transfer or otherwise convey or dispose of all or substantially all of its and its Restricted Subsidiaries' assets, taken as a whole, whether by one transaction or a series of transactions, to any Person unless:

(a) the surviving or transferee Person (if not Edemsa) is (i) a corporation organized and validly existing under the laws of Argentina, the United States, any other country that is a member country of the European Union or any political subdivision thereof or any other country that is a member of the Organization for Economic Co-operation and Development (OECD) and (ii) expressly assumes, by a supplemental indenture, executed and delivered to the Trustee, in form reasonably satisfactory to the Trustee, the due and punctual payment of the principal of, and interest on (including Additional Amounts, if any, that may result due to withholding by any authority having the power to tax to which the surviving Person is or may be subject) all of the Notes and the due and punctual performance of all of the other obligations of the Company under the Notes and the Notes Indenture;

(b) the surviving or transferee Person (if not Edemsa) shall have expressly assumed, by a document executed and delivered to the Trustee in form and substance reasonably satisfactory to the Trustee, all of the obligations of Edemsa under the Notes and the Notes Indenture;

(c) immediately after giving effect to such transaction or series of transactions on a *pro forma* basis, (i) no Default or Event of Default shall have occurred and be continuing, and (ii) the Leverage Ratio

of the Company or such surviving entity will be equal to or lower than the Leverage Ratio of the Company immediately prior to such transaction, as certified by the Company's auditors; and

(d) the surviving or transferee Person shall have delivered to the Trustee an Officers' Certificate stating that such merger, consolidation, sale, assignment, transfer or other conveyance or disposition complies with this covenant and the Notes Indenture.

Upon the occurrence of any of the transactions permitted by the preceding paragraph, the surviving or transferee Person (if not Edemsa) will succeed to and become substituted for Edemsa, and may exercise every right and power of Edemsa, with the same effect as if it had been named in the Notes and the Notes Indenture. Following such transaction, Edemsa will be released from its liability as obligor on the Notes and under the Notes Indenture.

In the event of any such sale, assignment, transfer, conveyance or disposition, Edemsa, as the predecessor entity, may be dissolved, wound-up or liquidated at any time thereafter.

Delivery of Financial Statements

Edemsa will furnish to the Trustee:

(a) as soon as available, but in any event within 120 days after the end of each fiscal year of the Company, a copy of the statement of financial position of the Company as of the end of such year and the related statements of comprehensive income and cash flows for such fiscal year, audited by an independent registered public accounting firm selected by Edemsa and of internationally recognized standing;

(b) as soon as available, but in any event within 75 days after the end of each of the first three fiscal quarters of the Company, a copy of the unaudited statement of financial position of the Company as of the end of each such quarter and the related unaudited statements of comprehensive income and cash flows of the Company for such quarter and the portion of the fiscal year through such date;

(c) concurrently with the delivery of the financial statements for each fiscal year and the second fiscal quarter of the Company referred to in clauses (a) and (b), respectively above, a certificate of Edemsa's Chief Executive Manager or Chief Financial Officer, certifying the calculation of the Leverage Ratio and the Interest Expense Coverage Ratio; and

(d) concurrently with the delivery of the financial statements referred to in clause (a) above, a certificate of Chief Executive Manager or Chief Financial Officer of Edemsa stating whether, to the best of such officer's knowledge, anything came to his or her attention to cause him or her to believe that there existed on the date of such statements a Default or an Event of Default, and if so, specifying the nature and period of existence thereof.

All of the financial statements referred to in (a) and (b) above are to be complete and correct in all material respects, to be prepared in reasonable detail and in accordance with Argentine GAAP applied consistently throughout the periods reflected therein and to be delivered in both the English and Spanish languages.

Delivery of such reports, information and documents to the Trustee is for informational purposes only and the Trustee's receipt of such reports shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Company's compliance with any of its covenants hereunder (as to which the Trustee is entitled to rely exclusively on Officers' Certificates).

Notices of Default

Edemsa will use reasonable efforts to notify the Trustee, by electronic mail (receipt confirmed telephonically or by electronic mail receipt) promptly after it becomes aware of the occurrence of any Event of Default, or any condition or event which with the giving of notice, lapse of time or satisfaction of any other condition or any combination of the foregoing would, unless cured or waived, become an Event of Default. Each notice given pursuant

to this paragraph shall be accompanied by a certificate of an Officer of Edemsa setting forth the details of the occurrence referred to therein and stating what action Edemsa proposes to take with respect thereto.

Corporate Existence

Except as otherwise permitted under the Notes Indenture and referred to above under "*—Limitations on Mergers, Consolidations, Sales and Conveyances*," Edemsa will, at all times, do all things necessary to preserve and keep in full force and effect its corporate existence and preserve and keep in full force and effect in all respects all material licenses and permits necessary to the proper conduct of its business and its rights (charter and statutory) and franchises and such rights and franchises of its Restricted Subsidiaries necessary to the proper conduct of the business of Edemsa and such Subsidiaries, as a whole.

Conduct of Business

The Company and its Restricted Subsidiaries will not engage in any business other than a Permitted Business.

Maintenance of Properties

Edemsa will, and will cause each of its Subsidiaries to, maintain and keep all material tangible properties used in the conduct of its energy distribution business in good condition, repair and working order and supplied with all necessary equipment and will cause to be made all necessary repairs, renewals, replacements and improvements thereof, all as in its reasonable judgment may be necessary so that the business carried on in connection therewith may be properly and advantageously conducted at all times; provided, however, that this covenant will not prevent Edemsa or any of its Subsidiaries from discontinuing the operation or maintenance of any of such properties if such discontinuance is desirable in the conduct of its business and the business of its Subsidiaries taken as a whole and not adverse in any material respect to the holders of the Notes.

Maintenance of Insurance

Edemsa will, and will cause each of its Subsidiaries to, maintain insurance in such amounts and covering such risks as is usually carried by electricity distribution companies, subject to any applicable laws and regulations of Argentina.

Payment of Taxes and Other Claims

Edemsa will, and will cause each of its Subsidiaries to, pay or discharge or cause to be paid or discharged, before the same shall become delinquent, all taxes, assessments and governmental charges levied or imposed upon Edemsa or its Subsidiaries; provided, however, that neither Edemsa nor any Subsidiary will be required to pay or discharge or cause to be paid or discharged any such tax, assessment, charge or claim which is being contested in good faith and, if appropriate, by appropriate legal proceedings, provided that adequate reserves with respect thereto are maintained on the books of Edemsa or such Subsidiary, as the case may be, to the extent required by Argentine GAAP.

Designation of Restricted and Unrestricted Subsidiaries

(a) Edemsa may designate any Subsidiary, including a newly acquired or created Subsidiary, to be an Unrestricted Subsidiary under the Notes Indenture if:

(i) the Restricted Subsidiary is not a Significant Subsidiary;

(ii) no Default or Event of Default shall have occurred and be continuing at the time of and after giving effect to such designation;

(iii) such Subsidiary does not own any Capital Stock of Edemsa or any Restricted Subsidiary or hold any Indebtedness of, or any Lien on any property of, Edemsa or any Restricted Subsidiary; and

(iv) the Subsidiary is not party to any transaction or arrangement with Edemsa or any Restricted Subsidiary that would not be permitted under "*—Limitation on Transactions with Shareholders and Affiliates*."

If the Subsidiary being designated as an Unrestricted Subsidiary is, at the time of designation, a Restricted Subsidiary, the consequences set forth in paragraph (c) apply. Once so designated, the Subsidiary will remain an Unrestricted Subsidiary, subject to paragraph (b).

(b) (i) A Subsidiary previously designated an Unrestricted Subsidiary which fails to meet the qualifications set forth in paragraph (a) above will be deemed to become at that time a Restricted Subsidiary, subject to the consequences set forth in paragraph (d).

(ii) Edemsa may designate an Unrestricted Subsidiary to be a Restricted Subsidiary if the designation would not cause a Default.

(c) Upon a Restricted Subsidiary becoming an Unrestricted Subsidiary:

(i) all existing Investments of Edemsa and the Restricted Subsidiaries therein valued at Edemsa's proportional share of the fair market value of its assets less liabilities will be deemed made at that time;

(ii) all existing Indebtedness of Edemsa or a Restricted Subsidiary held by it will be deemed incurred at that time, and all Liens on property of Edemsa or a Restricted Subsidiary held by it will be deemed incurred at that time;

(iii) all existing transactions between it and Edemsa or any Restricted Subsidiary will be deemed entered into at that time; and

(iv) it will cease to be subject to the provisions of the Notes Indenture and the Notes as a Restricted Subsidiary.

(d) Upon an Unrestricted Subsidiary becoming, or being deemed to become, a Restricted Subsidiary:

(i) all of its Indebtedness and Disqualified Stock will be deemed incurred at that time for purposes of "*—Limitations on Indebtedness*";

(ii) Investments therein previously charged under "*—Limitation on Restricted Payments*," as adjusted to reflect any change in Edemsa's proportional share of the fair market value of its assets less liabilities, will be credited thereunder; and

(iii) it will thenceforward be subject to the provisions of the Notes Indenture and the Notes as a Restricted Subsidiary.

Any designation by Edemsa of a Subsidiary as a Restricted Subsidiary or Unrestricted Subsidiary shall, unless so noted by Edemsa, be deemed to include the designation of all of the Subsidiaries of such Subsidiary. Any designation by the Edemsa of a Subsidiary as a Restricted Subsidiary or Unrestricted Subsidiary will be evidenced to the Trustee by delivering to the Trustee an Officers' Certificate designating such subsidiary as a Restricted Subsidiary or Unrestricted Subsidiary and, when designating an Unrestricted Subsidiary, certifying the compliance with the conditions of paragraph (a) of this section with respect to the relevant subsidiary.

Limitation of Applicability of Certain Covenants

Notwithstanding the foregoing, the obligations of Edemsa and its Restricted Subsidiaries to comply with the covenants described above under the captions "*—Limitations on Indebtedness*," "*—Limitation on Transactions with Shareholders and Affiliates*," "*—Limitation on Restricted Payments*" and "*—Limitations on Asset Sales*," (collectively, the "**Suspended Covenants**") will be suspended and cease to have any further effect during the period (the "**Suspended Period**") from and after the first date that either (a) Edemsa attains from at least one of the Rating Agencies, a rating on its long-term debt denominated in currencies other than Pesos that is Investment Grade or (b) the

Leverage Ratio (as certified by Edemsa's auditors) is equal to or lower than 3.0 and until, as applicable, the date (the "**Reversion Date**") on which either (i) none of the Rating Agencies provide Edemsa's non-Peso denominated long-term debt an Investment Grade rating or (ii) the Leverage Ratio is greater than 3.0. On the Reversion Date, Edemsa and its Restricted Subsidiaries' obligation to comply with the Suspended Covenants shall be reinstated; provided, however, that the Suspended Covenants will not be of any effect with regard to actions of Edemsa or its Restricted Subsidiaries taken during the Suspended Period, and no Event of Default will be deemed to have occurred as a result of a failure to comply with the Suspended Covenants during the Suspension Period.

On the Reversion Date, all Indebtedness incurred while the Suspended Covenants were suspended will be classified to have been incurred pursuant to one of the paragraphs set forth in "*—Limitations on Indebtedness*" (to the extent such Indebtedness would be permitted to be incurred thereunder as of the Reversion Date and after giving effect to Indebtedness outstanding on the Reversion Date). To the extent such Indebtedness would not be so permitted to be incurred pursuant to "*—Limitations on Indebtedness*," such Indebtedness will be deemed to have been outstanding on the Issuance Date, so that it is classified as permitted under paragraph (a) of "*—Limitation on Indebtedness*."

Edemsa shall give the Trustee written notice of any covenant suspension and in any event not later than five (5) Business Days after such covenant suspension has occurred. In the absence of such notice, the Trustee shall assume the Suspended Covenants apply and are in full force and effect. Edemsa shall give the Trustee written notice of any occurrence of a Reversion Date not later than five (5) Business Days after such Reversion Date. After any such notice of the occurrence of a Reversion Date, the Trustee shall assume the Suspended Covenants apply and are in full force and effect. In no event shall the Trustee be responsible for monitoring the investment rating of the Notes.

Events of Default

Each of the following events with respect to the Notes shall be an event of default ("**Event of Default**") in connection with such Notes:

(a) default in the payment of any principal of any of the Notes when the same shall become due and payable, whether at maturity, upon redemption, by declaration, by prepayment or otherwise and such default continues for five calendar days;

(b) default in the payment of any interest or Additional Amounts, if applicable, when the same shall become due and payable, whether at maturity, upon redemption, by declaration, by prepayment or otherwise and such default continues for thirty (30) calendar days;

(c) any failure to comply with the provisions of "*Certain Covenants—Limitations on Mergers, Consolidations, Sales and Conveyances*";

(d) any failure on the part of Edemsa to duly observe or perform any of the covenants or agreements of Edemsa under the Notes Indenture (other than those referred to in (a) through (b) above) for a period of more than 60 calendar days after the date on which written notice thereof requiring Edemsa to remedy the same shall have been given to Edemsa by the Trustee or the holders of at least 25% in aggregate principal amount of the Notes;

(e) there occurs with respect to any Indebtedness of Edemsa or its Restricted Subsidiaries having a principal amount of U.S.$30 million (or its equivalent in other currencies) or more in the aggregate for all such Indebtedness of all such Persons (i) an event of default that results in the acceleration of the maturity of such Indebtedness or (ii) failure to make a principal payment when due and such defaulted payment is not made, waived or extended within the applicable grace period;

(f) there shall have been a revocation, cancellation, termination or suspension for more than twenty (20) consecutive days of the Concession Agreement;

(g) there shall have been entered against Edemsa or any of its Restricted Subsidiaries a final judgment, decree or order by a court of competent jurisdiction from which no appeal may be taken or, within the applicable period to appeal, is taken for the payment of money, or the forfeiture of property with an aggregate value in excess of U.S.$30 million (or its equivalent in other currencies) and 60

calendar days shall have passed since the entry of the order without it being satisfied, discharged or stayed (a "**Judgment**");

(h) a distress, attachment, execution, seizure before judgment or other legal or extrajudicial process is levied, enforced or sued out on or against any part of the property, assets or revenues of Edemsa or any of its Restricted Subsidiaries, which, if executed or consummated, would have a material adverse effect on Edemsa's ability to make scheduled principal and interest payments on the Notes, unless (a) such distress, attachment, execution, seizure before judgment or other legal or extrajudicial process is discharged or stayed within 90 days of notice to Edemsa or such Restricted Subsidiary, as the case may be, or (b) if such distress, attachment, execution, seizure before judgment or legal or extrajudicial process shall not have been discharged or stayed within such 90-day period, Edemsa or such Restricted Subsidiary, as the case may be, shall have contested in good faith by appropriate proceedings such distress, attachment, execution, seizure before judgment or legal process; provided that if such distress, attachment, execution, seizure before judgment or legal process shall not have been discharged or stayed within 365 days of notice to Edemsa or such Restricted Subsidiary, as the case may be, Edemsa or such Restricted Subsidiary shall have posted a bond or other appropriate collateral which shall have substituted such distress, attachment, execution, seizure before judgment or other legal or extrajudicial process within such time period;

(i) Edemsa or any of its Restricted Subsidiaries that is a Significant Subsidiary shall, after the Issuance Date:

(i) make a general assignment for the benefit of its creditors,

(ii) be adjudicated bankrupt or insolvent, or

(iii) (A) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors pursuant to a *concurso preventivo de acreedores*, (B) seek approval of its creditors for an *acuerdo preventivo* extrajudicial through any means, including the distribution of an offering circular or similar disclosure materials to creditors in connection with such *acuerdo preventivo extrajudicial*, (C) file for court endorsement of an *acuerdo preventivo extrajudicial*, (D) apply for or consent to the appointment (in a similar court proceeding) of a receiver, trustee, liquidator or the like for itself or its property or (E) make a similar court filing seeking to take advantage of any applicable insolvency law;

(j) after the Issuance Date and without its application, approval or consent, a proceeding shall be instituted in any court of competent jurisdiction, seeking in respect of Edemsa or any of its Restricted Subsidiaries that is a Significant Subsidiary adjudication in bankruptcy, reorganization, dissolution, winding up, liquidation, a composition or arrangement with creditors, the appointment of a trustee, a receiver, liquidator or the like of Edemsa or any of its Restricted Subsidiaries that is a Significant Subsidiary or of all of the assets thereof or other like relief in respect of Edemsa or any of its Restricted Subsidiaries that is a Significant Subsidiary under any applicable bankruptcy or insolvency law, and either

(i) such proceeding shall not be actively contested by Edemsa or such Restricted Subsidiary in good faith, or

(ii) any order, judgment or decree shall be entered by any court of competent jurisdiction to effect any of the foregoing;

(k) any condemnation, seizure, compulsory purchase or expropriation, or taking into custody or control, by any governmental authority or agency of assets or share capital of Edemsa or its Restricted Subsidiaries which, in the aggregate, would be likely to have a material adverse effect upon the business and results of operations of Edemsa and its Restricted Subsidiaries taken as a whole; or

(l) a general moratorium shall be agreed or declared in respect of the payment or performance of the obligations of Edemsa or any of its Restricted Subsidiaries that is a Significant Subsidiary.

If an Event of Default occurs and is continuing with respect to the Notes, the Trustee may and, at the direction or request of the holders of not less than 25% of the then outstanding aggregate principal amount of the Notes shall, by notice in writing to Edemsa, declare the principal amount of, and interest accrued on, the Notes to be due and payable immediately, and upon any such declaration the same shall become and shall be immediately due and payable upon the date that such written notice is received by or on behalf of Edemsa.

After a declaration of acceleration of the Notes, but before a judgment or decree of the money due in respect of the Notes has been obtained, the holders of not less than a majority of the then outstanding aggregate principal amount of the Notes, may rescind, by written notice to the Trustee, an acceleration and its consequences if all existing Events of Default (other than the nonpayment of principal and interest and any Additional Amounts on the Notes, which have become due solely by virtue of such acceleration) have been cured or waived and if the rescission would not conflict with any judgment or decree. No such rescission shall affect any subsequent Event of Default or impair any right consequent thereto.

Optional Redemption

At any time on or after June 11, 2028 and prior to maturity, upon not less than 30 nor more than 60 days' notice to the Trustee, Edemsa may redeem all or part of the Notes. These redemptions will be in amounts of U.S.$ 10,000 or integral multiples of U.S.$1,000 in excess thereof at the following redemption prices (expressed as percentages of their principal amount) plus, in each case, accrued and unpaid interest and Additional Amounts, if any, to the redemption date, if redeemed during the 12 month period commencing on June 11 of the years set forth below. This redemption is subject to the right of holders of record on the relevant regular Record Date that is prior to the redemption date to receive interest due on an Interest Payment Date. If at the time of these redemptions any principal amount has already been paid, then the below percentages shall apply to the outstanding principal amount thereof.

Year	Redemption Price
2028	104.875%
2029	102.438%
2030 and thereafter	100%

Notice of redemption will be given as described under "*—Notices to Holders of Notes*."

Subject to the foregoing, in the case of any Optional Redemption of less than all of the Notes, such Notes will be redeemed, to the extent permitted under applicable law and securities exchange rules, on a *pro rata* pass-through distribution of principal basis. If any Notes are to be redeemed only in part, the notice of redemption relating to such Notes shall state the portion of the principal amount thereof to be redeemed. Notes in principal amount equal to the unredeemed portion thereof will be issued in the name of the holder thereof upon cancellation of the original Notes. Interest, if any, will cease to accrue on the Notes or portions thereof called for redemption on the later of the redemption date or the date on which the relevant redemption price is effectively paid to holders of Notes or portions thereof called for redemption. For the avoidance of doubt the Trustee will not perform any calculations in connection with any redemption.

Redemption for Taxation Reasons

The Notes may be redeemed at our option in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' written notice (which will be irrevocable) to the Trustee and, if applicable, to the CNV, in writing and to the LuxSE and the securities markets in which the Notes are listed and/or traded, if the rules of such exchange or securities markets so require, such notice to be given by publication in the English language in a leading newspaper having general circulation in Luxembourg (which is expected to be the Luxemburger Wort or the Tageblatt) or, alternatively, on the website of the LuxSE at http://luxse.com. The Notes may be redeemed at a redemption price equal to 100% of the outstanding principal amount thereof, together with any accrued but unpaid interest and any Additional Amounts to the date fixed for redemption, if, as a result of any change in, or amendment to, the laws (or any regulations or rulings issued thereunder) of the Republic of Argentina or any political subdivision of or any taxing authority in the Republic of Argentina (each an "**Argentine Tax Jurisdiction**") or any change in the application,

administration or official interpretation of such laws, regulations or rulings, including, without limitation, the holding of a court of competent jurisdiction, we have or will become obligated to pay Additional Amounts with respect to a payment on or in respect of the Notes, which change or amendment becomes effective on or after the date of issuance of the Notes (or, in the case of a successor Person to Edemsa, as of the date such Person assumes the obligations of Edemsa), and we determine in good faith that such obligation cannot be avoided by our taking reasonable measures available to us. No such notice of redemption may be given earlier than 60 days prior to the earliest date on which we would be obligated to pay such Additional Amounts were a payment in respect of the Notes then due. If at the time of the redemption any principal amount has already been paid, then the price shall apply to the outstanding principal amount thereof. Prior to the distribution of any notice of redemption pursuant to this paragraph, we will deliver to the Trustee a certificate signed by a duly authorized officer stating that we have or will become obligated to pay Additional Amounts as a result of such change or amendment, and that such obligation cannot be avoided by our taking reasonable measures available to us. We will also deliver to the Trustee, prior to the distribution of such notice, an opinion of counsel to the effect that as a result of such change or amendment we will be obligated to pay Additional Amounts. The Trustee will be entitled to accept such certificate and such opinion as sufficient evidence of the satisfaction of the conditions precedent contained in the second preceding sentence, in which event it will be conclusive and binding on the holders.

Repurchase at the Option of Holders Upon a Change of Control Repurchase Event

If a Change of Control Repurchase Event occurs, each holder of the Notes will have the right to require Edemsa to repurchase all or any part (in any integral multiple of U.S.$1.00) of that holder's Notes pursuant to an offer (the "**Change of Control Offer**") made by Edemsa on the terms set forth in the Notes Indenture.

In the Change of Control Offer, Edemsa will offer to purchase such holder's Notes at a purchase price in cash equal to 101% of the aggregate principal amount of such Notes to be repurchased plus accrued and unpaid interest and Additional Amounts, if any, on such Notes to be repurchased to the date of purchase, subject to the rights of holders of such Notes on the relevant record date to receive interest due on the relevant Interest Payment Date (the "**Change of Control Payment**"); *provided* that, if at the time of such repurchase any principal amount has already been paid, then the purchase price shall apply to the outstanding principal amount thereof. Within 30 days following a Change of Control Repurchase Event, Edemsa will mail a notice to each holder describing. Within 30 days following a Change of Control Repurchase Event, Edemsa will mail a notice to each holder describing the transaction or transactions that resulted in a Change of Control Repurchase Event and offering to repurchase the applicable Notes on a date specified in the notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is mailed (the "**Change of Control Payment Date**"), pursuant to the procedures required by the Notes Indenture and described in such notice. To the extent that the provisions of any securities laws or regulations to be issued in the future conflict with the Change of Control Repurchase Event provisions of the Notes Indenture, Edemsa will make the Change of Control Offer in accordance with the applicable provisions of the securities laws and regulations (and the terms set forth herein that do not conflict with such provisions) and will not be deemed to have breached its obligations under the Change of Control Repurchase Event provisions of the Notes Indenture by virtue of such compliance.

On the Change of Control Payment Date, Edemsa will, to the extent lawful:

(a) accept for payment all Notes or portions of Notes properly tendered pursuant to the Change of Control Offer;

(b) deposit with the Trustee an amount equal to the Change of Control Payment in respect of all Notes or portions of Notes properly tendered; and

(c) deliver or cause to be delivered to the Trustee the Notes properly accepted together with an Officers' Certificate stating the aggregate principal amount of Notes or portions of Notes being purchased by Edemsa.

The Trustee will promptly deliver to each holder of Notes properly tendered the Change of Control Payment for such Notes, and the Trustee will promptly authenticate and mail (or cause to be transferred by book entry) to each holder a new Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any. Edemsa will

publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

Edemsa will not be required to make a Change of Control Offer upon a Change of Control Repurchase Event if (1) a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Notes Indenture applicable to a Change of Control Offer made by Edemsa and purchases all Notes properly tendered and not withdrawn under the Change of Control Offer, or (2) notice of redemption has been given pursuant to the Notes Indenture as described above under "*—Optional Redemption*," unless and until there is a default in payment of the applicable redemption price.

Exclusion of Certain Notes from Eligibility for Selection for Redemption

Notes shall be excluded from eligibility for selection for redemption if they are identified by registration and certificate number in an Officers' Certificate delivered to the Trustee at least 30 days prior to the date on which notice of redemption will be given as being owned of record and beneficially by, and not pledged or hypothecated by either (a) the Company or (b) a Person specifically identified in such written statement as directly or indirectly controlling or controlled by or under direct or indirect common control with the Company.

No Liability of Directors, Officers, Employees, Incorporators, Members, and Stockholders

Except as specifically provided under Argentine Law, no director, officer, employee, member of the Statutory Audit Committee, incorporator, member or stockholder of Edemsa will have any liability for any obligations of Edemsa under the Notes or the Notes Indenture, or for any claim based on, in respect of, or by reason of, such obligations. Each holder of the Notes by accepting such Notes waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under the federal securities laws of the United States (or the securities laws of Argentina) and it is the view of the SEC that such a waiver is against public policy.

Foreign Exchange Restrictions

The Company agrees that, notwithstanding any restriction or prohibition regarding access to the MLC, each and every one of the payments to be made in respect of the Notes Indenture and the Notes will be made in U.S. Dollars. None of the terms included in the Notes and the Notes Indenture will limit any of the rights of the holders of the Notes or of the Trustee or justify a refusal of the Company to make payments under the Notes and the Notes Indenture in U.S. Dollars for any reason, including, but not limited to, any of the following: (i) that the purchase of U.S. Dollars in Argentina by any legal means is more onerous or burdensome for the Company than at the present date and (ii) the significant increase in the exchange rate in force in Argentina with respect to the one in force at the present date. Pursuant to Article 4 of the Negotiable Obligations Law, any payment under the Notes will be made solely and exclusively in U.S. Dollars, with no cancelling effect for any payment in any currency other than U.S. Dollars, in strict compliance with the provisions set forth in Article 765 of the Argentine Civil and Commercial Code, as amended by Decree No. 70/2023 (published in the Official Gazette on December 21, 2023) (the "**Decree 70/23**"). Should Article 765 of the Argentine Civil and Commercial Code revert to its pre-Decree 70/23 wording, the Issuer waives any attempt to discharge its payment obligations by providing the equivalent in legal tender, with no cancelling effect for any payment made in any currency other than U.S. Dollars.

In the event that, on any payment date in respect of the Notes, any restrictions (including de facto restrictions) or prohibition of access to the MLC exists, the Company will seek to pay all amounts payable under such Notes in U.S. dollars either (i) by purchasing at market price securities of any series of U.S. dollar-denominated Argentine sovereign bonds or any other securities or private or public securities issued in Argentina, and/or transferring and selling such instruments outside Argentina for U.S. dollars, to the extent permitted by applicable law, or (ii) by means of any other reasonable means permitted by law in Argentina, in each case, on such payment date.

All costs and taxes payable in connection with the procedures referred to in (i) and (ii) above shall be borne by the Company. The amount of U.S. dollars to be received by the holders of such securities will be based on the average firm bid quotation expressed in U.S. dollars, for the foreign or composite currency in which such Note is denominated, received by the paying agent, at approximately 11:00 a.m. New York City time on the second Business Day preceding the applicable payment date, from three recognized foreign exchange dealers in New York City,

selected by the paying agent and approved by the Company, for the purchase by the quoting dealer, for settlement on such payment date, of the aggregate amount of the U.S. dollars payable on such payment date in respect of such Notes. All currency exchange costs, including any taxes on the performance of any transaction to obtain U.S. dollars, will be borne by the Company. In the event that the exchange rate quotation is not available on the second Business Day next preceding the applicable payment date, the rate at which the amounts due shall be converted into U.S. dollars shall be on the basis of the most recently available market exchange rate quotations.

Judgment Currency

Dollars are the sole currency of account and payment for all sums payable by the Company under or in connection with the Notes or the Indenture, and the payment of any sum arising thereunder or in connection therewith in Dollars in New York City is of the essence of the Indenture and the Notes. The Company's obligations under the Notes and the Indenture to make payments in Dollars shall not be discharged or satisfied by any tender or recovery pursuant to any judgment expressed in or converted into any other currency (in this paragraph, the "**Judgment Currency**") or in another place except to the extent that on the Business Day following receipt of any sum adjudged to be so due in the Judgment Currency the payee may in accordance with normal banking procedures purchase Dollars in the amount originally due with the Judgment Currency. If, for the purpose of obtaining judgment in any court, it is necessary to convert a sum due under the Notes and the Indenture in Dollars into a Judgment Currency, the rate of exchange shall be that at which, in accordance with normal banking procedures, such payee could purchase such Dollars in New York, New York with the Judgment Currency on the Business Day immediately preceding the day on which such judgment is rendered. The Company's obligation in respect of any such sum due under the Notes and the Indenture shall, notwithstanding the rate of exchange actually applied in rendering such judgment, be discharged only to the extent that on the Business Day following receipt by the relevant payee of any sum adjudged to be due under the Notes and the Indenture in the Judgment Currency the relevant payee may, in accordance with normal banking procedures, purchase and transfer Dollars to New York City with the amount of the Judgment Currency so adjudged to be due (giving effect to any set-off or counterclaim taken into account in rendering such judgment). Accordingly, the Company, as a separate obligation and notwithstanding any such judgment, will indemnify each of the Holders of the Notes and the Trustee against, and to pay on demand, in Dollars, the amount by which the sum originally due to the Holders of the Notes or the Trustee in Dollars under the Notes and the Indenture exceeds the amount of the Dollars so purchased and transferred.

Notwithstanding any restriction or prohibition on access to the foreign exchange market in Argentina, the Company will make any and all payments due under the Notes and the Indenture in Dollars. Nothing in the Notes and the Indenture shall impair any of the rights of the Holders of the Notes or the Trustee or justify the Company in refusing to make payments under the Notes and the Indenture in Dollars for any reason whatsoever, including, without limitation, any of the following: (i) the purchase of Dollars in Argentina by any means becoming more onerous or burdensome for the Company than as of the date of the Indenture and (ii) the exchange rate in force in Argentina increasing significantly from that in effect as of the date of the Indenture. The Company waives the right to invoke any defense of payment impossibility (including any defense under Section 1091 of the Argentine Civil and Commercial Code), impossibility of paying in Dollars (assuming liability for any force majeure or act of God), or similar defenses or principles (including, without limitation, equity or sharing of efforts principles). In addition, pursuant to Section 4 of the Argentine Negotiable Obligations Law as amended by the Productive Financing Law, should Section 765 of the Argentine Civil and Commercial Code be reverted to its pre-Decree No. 70/2023 wording, the Company will forever and irrevocably waive any right that might assist it to allege that any payments in connection with the Notes could be payable in any currency other than in Dollars, waiving and renouncing to applicability thereof to any payments in connection with the Notes.

Additional Amounts

All payments of principal, premium, if any, and interest in respect of the Notes will be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments, levies, imposts, fees, contributions, withholdings, or governmental charges of whatever nature, and all interest, penalties, additions to tax, or similar amounts ("**Taxes**") imposed or, levied, collected, withheld, assessed or established by or within or on behalf of Argentina or any other taxing jurisdiction in which the Issuer is organized or is otherwise resident for tax purposes, or from and through which payments are made in respect of the Notes or any political subdivision therefore any authority therein or thereof having power to tax (each a "**Relevant Jurisdiction**") unless such withholding or deduction is required or compelled by law (or any interpretation thereof or regulation or ruling

promulgated thereunder). In the event of any such withholding or deduction of Taxes by a Relevant Jurisdiction, the Issuer will pay to holders any such additional amounts ("**Additional Amounts**") as will result in the receipt by each holder or beneficial owners of the net amount that would otherwise have been receivable by such holder in the absence of such withholding or deduction, except that no such Additional Amounts will be payable:

(1) to or on behalf of a holder or beneficial owner of a Note that is liable for Taxes in respect of such Note by reason of having a present or former connection with a Relevant Jurisdiction other than merely the holding or owning of such Note or the enforcement of rights with respect to such Note or the receipt of income or any payments in respect thereof;

(2) to or on behalf of a holder or beneficial owner of a Note in respect of Taxes that would not have been imposed but for the failure of the holder or beneficial owner of a Note to comply with any certification, identification, information, documentation or other reporting requirement (within 45 calendar days following a written request from us to the holder or beneficial owner, as applicable, for compliance) if such compliance is required by applicable law, regulation, administrative practice or an applicable treaty as a precondition to exemption from, or reduction in the rate of deduction or withholding of, Taxes;

(3) to or on behalf of a holder or beneficial owner of a Note in respect of any estate, inheritance, gift, sales, transfer, personal assets or similar tax, assessment or other governmental charge;

(4) to or on behalf of a holder or beneficial owner of a Note in respect of Taxes payable otherwise than by withholding from payment of principal of, premium, if any, or interest on the Notes;

(5) to or on behalf of a holder or beneficial owner of a Note in respect of Taxes that would not have been imposed but for the fact that the holder presented such Note for payment (where presentation is required) more than 30 days after the later of (x) the date on which such payment became due and (y) if the full amount payable has not been received by the Trustee on or prior to such due date, the date on which, the full amount is received and notice of such receipt has been given to the holders by the Trustee; or

(6) any combination of items (1) to (5) above;

nor will Additional Amounts be paid with respect to any payment of the principal of, or any premium or interest on, any Notes to any holder or beneficial owner of a Note who is a fiduciary or partnership or limited liability company or other than the sole beneficial owner of such payment to the extent such payment would be required by the laws of a Relevant Jurisdiction to be included in the income for tax purposes of a beneficiary or settlor with respect to such fiduciary or a member of such partnership, limited liability company or beneficial owner who would not have been entitled to such Additional Amounts had it been the holder of such Notes.

To the extent required by applicable law, we will withhold or deduct any Taxes required by such law and remit the full amount deducted or withheld to the relevant authority.

We will furnish to the Trustee, within 60 days after the date of receipt of written request from the holders or beneficial owners of the Notes through the Trustee, copies of such receipts evidencing the payment of any Taxes so deducted or withheld in such form as provided in the normal course by the taxing authority imposing such Taxes and as is reasonably available to us or to the Trustee. The Trustee will make such evidence available to the holders or beneficial owners of Notes upon request.

All references in this offering memorandum to principal, premium or interest payable hereunder will be deemed to include references to any Additional Amounts payable with respect to such principal, premium or interest except in "*Taxation*" below. We will provide the Trustee with documentation reasonably satisfactory to the Trustee evidencing the payment of any amounts deducted or withheld promptly upon our payment thereof, and copies of such documentation will be made available by the Trustee to holders upon written request to the Trustee.

We will pay any present or future stamp, issue, registration, court, documentation, excise or other similar taxes, charges and duties, including interest and penalties with respect thereto, imposed by any Relevant Jurisdiction

in respect of the execution, issue, registration or delivery of the Notes or any other document or instrument referred to under a Note and any such taxes, charges or duties imposed by any jurisdiction as a result of, or in connection with, the enforcement of the Notes and/or any other such document or instrument.

The obligations described under this heading will survive any termination, defeasance or discharge of the Notes Indenture and will apply mutatis mutandis to any successor Person to Edemsa and to any jurisdiction in which such successor is organized or is otherwise resident for tax purposes or any jurisdiction from or through which payment is made by such successor or its respective agents.

Listing

With respect to the Notes, Edemsa will use its reasonable best efforts to maintain a listing on the BYMA, through the BCBA acting in accordance with the authority delegated by the BYMA to the BCBA, the admission to trading on A3 Mercados and listing on the LuxSE and the admission to trading on the Euro MTF market of the LuxSE.

Edemsa will use commercially reasonable efforts to maintain such listing; provided that Edemsa may terminate such listing and delist the Notes from Euro MTF if it determines that applicable legislation becomes unduly onerous or burdensome, in which case Edemsa will use commercially reasonable efforts to obtain an alternative admission to listing, trading and/or quotation for the notes by another listing authority, exchange and/or system within or outside the European Union, as it may decide and to the extent feasible.

Repurchase

Edemsa may at any time and from time to time purchase Notes to the extent permitted by applicable law.

Meetings of Holders of Notes; Consent Solicitation Process

A meeting of the holders of Notes may be called by the Trustee or the Issuer upon the request of the holders of Notes of at least 5% in principal amount of the outstanding Notes or by the Issuer at its discretion, pursuant to the Negotiable Obligations Law.

Meetings may be ordinary or extraordinary. Any proposed amendment to the terms and conditions of the Notes shall be dealt with at an extraordinary meeting. Any such meeting will be held in the City of Buenos Aires; provided that the Issuer or the Trustee may determine to hold any such meeting in New York City and/or London, simultaneously by any means of telecommunication which allows the participants to hear each other and speak to each other and such simultaneous meeting shall be deemed to constitute a single meeting for purposes of quorum and voting percentages applicable to such meeting. In any case, meetings shall be held at such time and at such place in any such city as the Issuer or the Trustee shall determine.

Any resolution passed at a meeting convened in London or New York City shall be binding on all holders of Notes (whether present or not at such meeting), only upon ratification by a meeting of such holders held in the City of Buenos Aires in accordance with the Negotiable Obligations Law. The Notes Indenture contains provisions for holders present or represented at meetings of holders convened in London or New York City to appoint representatives at meetings of holders in the City of Buenos Aires. Subject as aforesaid, any resolution duly passed will be binding on all holders of Notes (whether or not they were present at the meeting at which such resolution was passed).

Any such meeting will be held in accordance with the Negotiable Obligations Law. If a meeting is held pursuant to the written request of holders of Notes, such meeting shall be convened within 40 days from the date such written request is received by the Issuer or the Trustee, as the case may be. Notice of any meeting of holders of Notes (which shall include the date, place and time of the meeting, the agenda therefor and the requirements for attendance) shall be given not less than 10 nor more than 30 days prior to the date fixed for the meeting in the Boletín Oficial and in another widely circulated newspaper in Argentina, in CNV (through publication of an "*Hecho Relevante*" in the *Autopista de la Información Financiera*), in the Bulletin of the BCBA, in accordance with the delegation of powers of the BYMA to the BCBA (as long as the Notes are listed on the BYMA), in the Bulletin of A3 Mercados (as long as the Notes are traded on A3 Mercados) and on the website of the LuxSE (www.luxse.com) (as long as the Notes are listed on the LuxSE and the rules of the LuxSE so require) or such other informative systems of the markets in which the Notes are listed as is applicable.

Meetings of holders may be simultaneously convened for two dates, in case the initial meeting were to be adjourned for lack of quorum. However, notice of a new meeting resulting from adjournment of the initial meeting for lack of quorum will be given not less than eight days prior to the date fixed for such new meeting and will be published for three Business Days in the Official Gazette of Argentina, a newspaper of general circulation in Argentina, the Bulletin of the BCBA, in accordance with the delegation of powers of the BYMA to the BCBA (as long as the Notes are listed on the BYMA), the Bulletin of A3 Mercados (as long as the Notes are listed on A3 Mercados) and on the website of the LuxSE (www.luxse.com) (as long as the Notes are listed on the LuxSE and the rules of the LuxSE so require) or such other informative systems of the markets in which the Notes are listed, as is applicable. To be entitled to vote at a meeting of holders, a Person shall be (i) a holder of one or more Notes as of the relevant record date or (ii) a Person appointed by an instrument in writing as proxy by such a holder of one or more Notes. Holders who intend to attend a meeting of holders of Notes must notify the Issuer of their intention to do so at least three business days prior to the date of such meeting.

Any holder of a Note may attend a meeting in person or by proxy. Amendments or supplements to the Notes Indenture or to the Notes or waivers of any provision thereof may only be approved at an extraordinary meeting.

Such meeting of holders can be replaced any time by written consent obtained from holders of at least such percentage of outstanding Notes as required by applicable law.

The quorum at any ordinary meeting called to adopt a resolution will be persons holding or representing a majority in aggregate principal amount of the outstanding Notes and at any reconvened adjourned meetings will be the person(s) present at such reconvened adjourned meeting. The quorum at any extraordinary meeting called to adopt a resolution will be persons holding or representing at least 60% in aggregate principal amount of the outstanding Notes and at any reconvened adjourned extraordinary meeting will be persons holding or representing at least 30% in aggregate principal amount of the outstanding Notes. At a meeting or a reconvened adjourned meeting duly convened and at which a quorum is present, any resolution to modify or amend, or to waive compliance with, any provision of the Notes, will be validly passed and decided if approved by persons holding or representing a majority in aggregate principal amount of the outstanding Notes at the meeting.

Any instrument given by or on behalf of any holder of a Note in connection with any consent to any such modification, amendment or waiver will be irrevocable once given and will be conclusive and binding on all subsequent holders of such Note. Any modifications, amendments or waivers to the Notes Indenture or to the Notes shall be conclusive and binding upon all holders of Notes whether or not they have given such consent or were present at any meeting, and on all Notes of such series.

The Issuer will designate the record date for determining the holders of Notes entitled to vote at any meeting and will provide notice to holders of Notes in the manner set forth in the Notes Indenture. The holder of a Note may, at any meeting of holders of Notes at which such holder is entitled to vote, cast one vote for each U.S. dollar in principal amount of the Notes.

For purposes of the above, any Note authenticated and delivered pursuant to the Notes Indenture will, as of any date of determination, be deemed to be "outstanding," except:

- Notes cancelled by the Trustee or delivered to the Trustee for cancellation;
- Notes that have been called for redemption in accordance with their terms or which have become due and payable at maturity or otherwise and with respect to which monies sufficient to pay the principal thereof and any premium, interest, Additional Amounts or other amount thereon shall have been deposited with the Trustee; or
- Notes in lieu of or in substitution for which other Notes shall have been authenticated and delivered pursuant to the Notes Indenture;

provided that, in determining whether the holders of the requisite principal amount of outstanding Notes are present at a meeting of holders of Notes for quorum purposes or have consented to or voted in favor of any notice, consent, waiver, amendment, modification or supplement under the Notes Indenture, Notes that a responsible officer

of the Trustee has received written notice that such Notes are owned directly or indirectly by the Issuer shall be disregarded and deemed not to be outstanding.

In the event that the notes are listed on BYMA and A3 Mercados, such meeting of holders and notices thereof will also comply with the applicable rules of BYMA and A3 Mercados, as applicable.

Meetings of holders and related matters not expressly set forth herein will be governed by the provisions of the Negotiable Obligations Law, including, without limitation, the provisions of Articles 354 and 355 of the Argentine General Corporations Law, as amended, through the application of the provisions of Article 14 of the Negotiable Obligations Law.

Any modifications, amendments or waivers to the Indenture or to the notes may also be approved by holders of the notes pursuant to a written action consented to by holders of the requisite percentage of the notes under the Indenture. Such actions may be taken through the consent procedures of DTC or any other applicable depositary clearing system, or reliable means that ensure holders of notes prior access to information and allow them to vote, in accordance with Section 14 of the Negotiable Obligations Law and any other applicable law or regulation.

Modifications, Amendments, Consents and Waivers

The Notes Indenture may be amended by the Trustee and Edemsa at any time for the purpose of, among other things, curing any ambiguity, or curing, correcting or supplementing any defective provision contained in the Notes Indenture, the Notes or any supplemental indenture or conforming any provision in the Notes Indenture to this Description of the Notes, or adding to the covenants, restrictions, conditions or provisions of the Notes for the benefit of the holders of the Notes, or to surrender any right or power therein conferred upon Edemsa, securing the Notes or making other changes which do not adversely affect the rights of any of the holders of the Notes in any material respect. In formulating its opinion on such matters, the Trustee will be entitled to rely on such evidence as it deems appropriate, including an opinion of counsel.

In addition, the Notes Indenture provides that with

(i) the consent of the holders of not less than $66^{2/3}\%$ of the then outstanding aggregate principal amount of all of the Notes affected by such supplemental indenture (voting as a single class) present or represented at a meeting at which a quorum is present, or

(ii) to the extent permitted under Argentine law, the written consent of the holders of not less than $66^{2/3}\%$ of the then outstanding aggregate principal amount of all of the Notes affected by such supplemental indenture (voting as a single class),

Edemsa and the Trustee may, from time to time and at any time, enter into an indenture or indentures supplemental to the Notes Indenture for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the Notes Indenture, the Notes or of any supplemental indenture or of modifying in any manner the rights of the holders of the Notes; provided that the unanimous affirmative vote of the holders of all of the Notes affected thereby, shall be required to approve any supplemental indenture which:

- changes the final maturity of the Notes or the date on which any installment of principal is due,
- reduces the principal amount of the Notes,
- reduces the rate or extends the time of payment of interest on the Notes,
- changes the obligation to pay Additional Amounts,
- changes the currency of payment of principal of or interest on the Notes (including Additional Amounts),
- changes the governing law,
- impairs or affects the right of any holder of Notes to institute suit for the payment thereof,

- changes any prepayment provision that would alter the *pro rata* sharing of payments required thereby,

- modifies the number of holders necessary to waive an Event of Default,

- reduces the percentage in principal amount of outstanding Notes that is required for the adoption of a resolution at a meeting of holders of such Notes,

- reduces the percentage in principal amount of outstanding Notes that is required for a quorum at a meeting of holders of such Notes,

- reduces the percentage in principal amount of outstanding Notes that is required to request the calling of a meeting of holders of such Notes, or

- modifies the provisions of the Notes Indenture with respect to modification and waiver, except to increase any percentage or to provide that other provisions of the Notes Indenture cannot be modified or waived without the consent of the holder of each outstanding Note affected thereby.

As of the date of this offering memorandum, pursuant to the Negotiable Obligations Law, approval of any amendment, supplement or waiver by the holders requires the consent of such holders to be obtained pursuant to a meeting of holders of Notes or a consent solicitation process held in accordance with the provisions described under "*—Meetings of Holders of Notes. Consent Solicitation Process*" or pursuant to any other reliable means that ensures holders of Notes prior access to information and allows them to vote, in accordance with Section 14 of the Negotiable Obligations Law (as amended by Section 151 of the Argentine Productive Financing Law) and any other applicable regulation. It is not necessary for holders of Notes to approve the particular form of any proposed amendment, supplement or waiver, but is sufficient if their consent approves the substance thereof.

Except as set forth in the second preceding paragraph, (i) the voting requirement for approval of any amendment, supplement or waiver by the holders of Notes during a meeting of holders of Notes or through a consent solicitation process shall be determined in accordance with the provisions of "*—Meetings of Holders of Notes; Consent Solicitation Process*," and (ii) the approval of any amendment, supplement or waiver by holders of Notes outside of such provisions shall require the consent of holders representing a majority of the principal amount of Notes outstanding.

Promptly after the execution by Edemsa and the Trustee of any supplemental indenture, Edemsa shall give notice thereof to the holders of the Notes affected thereby as specified in the Notes Indenture (as described below under "*Notices to Holders of Notes*") setting forth in general terms the substance of such supplemental indenture. In the event of any failure by Edemsa to give such notice to the holders of the Notes within 15 days after the execution of such supplemental indenture, the Trustee will, at Edemsa's expense, give notice thereof to the holders of the Notes. Any failure by Edemsa or the Trustee to give such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such supplemental indenture.

Edemsa may omit in any particular instance to comply with any covenant or condition contained in the Notes Indenture if before the time for such compliance the holders of at least a majority in principal amount of outstanding Notes shall have either waived such compliance through a consent solicitation process in such instance or generally waived compliance with such covenant or condition through a consent solicitation process, but no such waiver shall extend to or affect such covenant or condition except to the extent so expressly waived, and, until such waiver shall become effective, Edemsa's obligations and the duties of the Trustee in respect of any such covenant or condition shall remain in full force and effect.

Enforcement by Holders of Notes

Subject to the following paragraphs and except as provided in the Notes Indenture, no holder of any Note will have any right by virtue of or by availing itself of any provision of the Notes Indenture or the Notes to institute any suit, action or proceeding in equity or at law, or otherwise, upon or under or with respect to the Notes Indenture, or the Notes, or for any remedy thereunder, unless:

- such holder previously shall have given to the Trustee written notice of any Default and of the continuance thereof,

- the holders of not less than 25% of the aggregate principal amount of the then outstanding Notes shall have made written request upon the Trustee to institute such action or proceedings in its own name as Trustee under the Notes Indenture and shall have offered to the Trustee a customary indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and

- the Trustee for 30 days after its receipt of such notice, request and offer of indemnity shall have failed to institute any such action or proceeding and no direction inconsistent with such written request shall have been given to the Trustee pursuant to the Notes Indenture.

Notwithstanding anything to the contrary, the right of a holder of a Note to receive payment of principal of or interest on its Note on or after the applicable date thereof, or to bring suit for the enforcement of any such payment on or after such dates (including any "*acción ejecutiva individual*" pursuant to Article 29 of the Negotiable Obligations Law), may not be impaired or affected without the consent of that holder.

To that effect, any beneficial owner of global Notes will have the right to obtain from the depositary, upon request and subject to certain limitations set forth in the Notes Indenture, a certificate representing evidence of its beneficial ownership interest in a global note in accordance with Section 29 of the Argentine Capital Markets Law. Such certificate will enable such beneficial owner to initiate legal action before any competent court in Argentina, including summary proceedings, to obtain overdue amounts under the Notes. For such purposes, such beneficial owner will be treated as the owner of that portion of the global note which represents its beneficial ownership interest therein.

Notices to Holders of Notes

Edemsa is required to give notice to the Trustee of any event that requires notice to be given to the holders of the Notes in sufficient time for the Trustee to provide such notice to such holders in the manner provided in the Notes Indenture. All notices regarding the Notes will be given to the holders of the Notes by the Trustee.

Except in the case of meetings or consent solicitation processes which shall be governed by the section "— *Meetings of Holders of Notes; Consent Solicitation Process*," all notices regarding the Notes will be deemed to have been duly given to the holders of the Notes if:

(a) in writing and mailed, first class postage prepaid, to each holder of a Note at the address of such holder as it appears in the register, not earlier than the earliest date and not later than the latest date prescribed for the giving of such notice and any such notice shall be deemed to have been given on the date of such mailing;

(b) to the relevant clearing systems for delivery to owners of beneficial interests in the Notes through DTC, and/or Euroclear and Clearstream, Luxembourg; and

(c) for so long as applicable Argentine laws or regulations so require, in the case of Argentine holders upon publication:

  (i) in the Bulletin of the BCBA, in accordance with the delegation of powers of the BYMA to the BCBA, or in the Bulletin of A3 Mercados (so long as the Notes are listed and/or traded on the BYMA through the BCBA or on A3 Mercados, as the case may be),

  (ii) in a leading newspaper having general circulation in Argentina (which is expected to be *El Cronista*), and

  (iii) in the Official Gazette of the Republic of Argentina.

(d) for so long as the Notes to which such notice relates are admitted to trading on the Euro MTF market of the LuxSE, and the rules of such exchange so require, upon publication in the English language in a leading newspaper having general circulation in Luxembourg (which is expected to be the

Luxemburger Wort or the Tageblatt), each such newspaper being published on each Business Day in morning editions, whether or not it shall be published in Saturday, Sunday or holiday editions, or, alternatively, on the website of the LuxSE at http:// www.luxse.com.

Notices will be deemed to have been given on the date of publication as aforesaid or, if published on different dates, on the date of the last such publication.

For so long as applicable laws and regulations or rules of the relevant stock exchanges or securities market so require, Edemsa will give notice of any payment of principal of or interest on the Notes in the publications referred to above as required by such laws and regulations or such stock exchange or securities market rules and no later than the relevant payment date. Such notice will specify:

- the date of payment,
- the places where payment will be made,
- the hours during which such payment will be made, and
- whether the payment is with respect to principal or interest and the amount of each, as applicable.

In addition, Edemsa will cause all such other publications of such notices as may be required from time to time by applicable Argentine law, including, without limitation, those required under the regulations issued by the CNV, BYMA and A3 Mercados, as applicable.

Defeasance and Covenant Defeasance

Edemsa may at its option by the resolution of the Board of Directors, at any time, upon the satisfaction of certain conditions described below, elect to be discharged from its obligations with respect to the Notes ("**defeasance**") on the date the conditions set forth below are satisfied with respect to such Notes. Such defeasance means that Edemsa shall be deemed to have paid and discharged the entire indebtedness represented by the outstanding Notes and to have satisfied all its other obligations under such Notes and the Notes Indenture insofar as such Notes are concerned, except for the following:

(a) the rights of holders of such Notes to receive, as described below, payment in respect of the principal of and interest on such Notes when such payments are due,

(b) Edemsa's obligations with respect to such Notes concerning registration, transfer and exchange of Notes, mutilated, defaced, destroyed, stolen and lost Notes, and the maintenance of an office or agency for payment and money for payments held in trust,

(c) the rights, powers, trusts, duties and immunities of the Trustee under the Notes Indenture, and

(d) the defeasance provisions of the Notes Indenture.

In addition, Edemsa may at its option by the resolution of the Board of Directors, at any time, upon the satisfaction of the conditions described hereunder, elect to be released from its obligations with respect to the covenants described above under the caption "*Certain Covenants*" (covenant defeasance). Following such covenant defeasance, the occurrence of a breach or violation of any such covenants shall not constitute an Event of Default under the Notes Indenture.

In order to exercise either defeasance or covenant defeasance, Edemsa shall be required to satisfy the following conditions:

(a) Edemsa shall irrevocably have deposited or caused to be deposited with the Trustee funds in trust, for the benefit of holders of the Notes, cash in Dollars or U.S. Government Obligations, or a combination thereof, sufficient, in the opinion of a recognized firm of independent certified public accountants, to pay and discharge the principal of and each installment of interest (and Additional

Amounts) on such Notes on the stated maturity of such principal or installment of interest in accordance with the terms of the Notes Indenture and of the Notes;

(b) in the case of defeasance, Edemsa shall have delivered to the Trustee an Opinion of Counsel stating that (i) Edemsa has received from, or there has been published by, the United States Internal Revenue Service a ruling (that in each case applies to the defeasance) or (ii) since the date of the Notes Indenture there has been a change in the applicable United States federal income tax law, in either case to the effect that the holders of the outstanding Notes will not recognize income, gain or loss for United States federal income tax purposes as a result of such deposit, defeasance and discharge and will be subject to United States federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such deposit, defeasance and discharge had not occurred;

(c) in the case of covenant defeasance, Edemsa shall have delivered to the Trustee an Opinion of Counsel to the effect that the holders of the respective outstanding Notes will not recognize income, gain or loss for United States federal income tax purposes as a result of such deposit and covenant defeasance and will be subject to United States federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such deposit and or covenant defeasance had not occurred;

(d) no Event of Default or event which with the giving of notice, lapse of time or satisfaction or any other condition or any combination of the foregoing would become an Event of Default shall have occurred and be continuing on the date of such deposit or will occur as a result of such deposit or, insofar as Events of Default resulting from bankruptcy or insolvency events are concerned, at any time during the period ending on the 121st day after the date of such deposit (it being understood that this condition shall not be deemed satisfied until the expiration of such period);

(e) such defeasance or covenant defeasance shall not cause the Trustee to have a conflicting interest as defined in the Notes Indenture and for purposes of the Trust Indenture Act with respect to any securities of Edemsa;

(f) such defeasance or covenant defeasance shall not result in a breach or violation of, or constitute a default under, any other agreement or instrument to which Edemsa is a party or by which it is bound;

(g) Edemsa shall have delivered to the Trustee an Officers' Certificate stating that all conditions precedent provided for relating to either defeasance or covenant defeasance, as the case may be, have been complied with and no violations under instruments or agreements governing any other outstanding Indebtedness of Edemsa would result as a consequence of such defeasance or covenant defeasance, as the case may be;

(h) Edemsa has delivered to the Trustee, subject to certain exceptions set forth in the Notes Indenture, an opinion of its Argentine counsel to the effect that after two years following the deposit, the trust funds deposited in accordance with Argentine Law No. 24,441 and Section 1,690 and related sections of the Argentine Civil and Commercial Code will not be subject to the effect of any applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally under the laws of Argentina; and

(i) Edemsa shall have paid or duly provided for payment of all amounts then due to the Trustee pursuant to the terms of the Notes Indenture.

Trustee

The Bank of New York Mellon, with offices at 240 Greenwich Street, New York, New York 10286, serves as trustee under the Notes Indenture. The Trustee has designated Banco de Valores S.A. as its representative in Argentina in accordance with the Notes Indenture.

The Notes Indenture contains provisions for the indemnification of the Trustee and for its relief from responsibility. The obligations of the Trustee to a holder of a Note are subject to such immunities and rights as are set forth in the Notes Indenture.

With respect to the holders of Notes issued under the Notes Indenture, the Trustee, prior to the occurrence of an Event of Default with respect to the Notes and after the curing or waiving of all Events of Default which may have occurred with respect to such Notes, undertakes to perform such duties and only such duties as are specifically set forth in the Notes Indenture. In case an Event of Default with respect to the Notes has occurred (which has not been cured or waived) the Trustee will exercise such rights and powers vested in it by the Notes Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his/her own affairs. No provision of the Notes Indenture will be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act or its own willful misconduct, except that:

(a) prior to the occurrence of an Event of Default with respect to the Notes and after the curing or waiving of all such Events of Default with respect to the Notes which may have occurred:

  (i) the duties and obligations of the Trustee with respect to the Notes will be determined solely by the express provisions of the Notes Indenture, and the Trustee will not be liable except for the performance of such duties and obligations as are specifically set forth in the Notes Indenture, and no implied covenants or obligations will be read into the Notes Indenture against the Trustee; and

  (ii) in the absence of bad faith on the part of the Trustee, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any statements, certificates or opinions furnished to the Trustee and conforming to the requirements of the Notes Indenture; but in the case of any such statements, certificates or opinions which by any provision of the Notes Indenture are specifically required to be furnished to the Trustee, the Trustee will be under a duty to examine the same to determine whether or not they conform to the requirements of the Notes Indenture;

(b) the Trustee will not be liable for any error of judgment made in good faith by an officer or officers of the Trustee, unless it is proven that the Trustee was negligent in ascertaining the pertinent facts; and

(c) the Trustee will not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the holders of Notes in the manner provided in the Notes Indenture relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under the Notes Indenture.

None of the provisions contained in the Notes Indenture will require the Trustee to expend or risk its own funds or otherwise incur personal financial liability in the performance of any of its duties or in the exercise of any of its rights or powers, if there is reasonable ground for believing that the repayment of such funds or adequate indemnity against such liability is not reasonably assured to it.

Subject to the other applicable provisions of the Notes Indenture:

(a) the Trustee may rely and will be protected in acting or refraining from acting upon any resolution of the Board of Directors, order given by Edemsa, Officers' Certificate or any other certificate, statement, instrument, opinion, report, notice, request, consent, order, bond, debenture, note, coupon, security or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(b) any request, direction, order or demand of Edemsa mentioned in the Notes Indenture will be sufficiently evidenced by an order given by Edemsa (unless other evidence in respect thereof is specifically prescribed); and any resolution of the Board of Directors may be evidenced to the Trustee by a copy thereof certified by the secretary or an assistant secretary of Edemsa;

(c) the Trustee may consult with counsel and experts and any advice or opinion of Counsel or expert will be full and complete authorization and protection in respect of any action taken, suffered or omitted to be taken by it under the Notes Indenture in good faith and in accordance with such advice or opinion of Counsel or expert, as the case may be;

(d) the Trustee will be under no obligation to exercise any of the trusts or powers vested in it by the Notes Indenture at the request, order or direction of any of the holders of Notes pursuant to the provisions of the Notes Indenture, unless such holder of Notes have offered to the Trustee security satisfactory to the Trustee or indemnity against the costs, expenses and liabilities which might be incurred therein or thereby;

(e) the Trustee will not be liable for any action taken or omitted by it in good faith and believed by it to be authorized or within the discretion, rights or powers conferred upon it by the Notes Indenture;

(f) prior to the occurrence of an Event of Default under the Notes Indenture and after the curing or waiving of all Events of Default, the Trustee will not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval, appraisal, bond, debenture, note, coupon, security, or other paper or document unless requested in writing so to do by the holders of not less than a majority of the aggregate principal amount of the Notes affected then outstanding; provided that, if the payment within a reasonable time to the Trustee of the costs, expenses or liabilities likely to be incurred by it in the making of such investigation is, in the opinion of the Trustee, not reasonably assured to the Trustee by the security afforded to it by the terms of the Notes Indenture, the Trustee may require reasonable indemnity against such expenses or liabilities as a condition to proceeding; the reasonable expenses of every such investigation will be paid by Edemsa or, if paid by the Trustee or any predecessor trustee, will be repaid by Edemsa upon demand; and

(g) the Trustee may execute any of the trusts or powers under the Notes Indenture or perform any duties under the Notes Indenture either directly or by or through agents, representatives or attorneys not regularly in its employ; provided that the Trustee will not be responsible for any misconduct or negligence on the part of any such agent, representative or attorney appointed by it with due care.

The recitals contained in the Notes Indenture and in the Notes, except the Trustee's certificates of authentication, are to be taken as the statements of Edemsa, and the Trustee assumes no responsibility for the correctness of the same. The Trustee makes no representation as to the validity or sufficiency of the Notes Indenture or of the Notes. The Trustee will not be accountable for the use or application by Edemsa of any of the Notes or of the proceeds thereof.

Replacement of Trustee

The Trustee may resign at any time by giving written notice thereof to Edemsa. If an instrument of acceptance by a successor Trustee shall not have been delivered to the Trustee within 30 days after the giving of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee. The Trustee may be removed at any time by Act of the holders, as defined in the Notes Indenture, of a majority in principal amount of the Notes then outstanding, delivered to the Trustee and to Edemsa.

Edemsa may remove the Trustee, and any holder who has been a bona fide holder of a Note for at least six months may petition a court of competent jurisdiction for the removal of the Trustee, if at any time (a) the Trustee shall have a conflict or shall cease to be a corporate trustee and shall fail to cure such condition after written request therefor by Edemsa or by any holder who has been a bona fide holder of a Note for at least six months and/or (b) the Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Trustee or of its property shall be appointed or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation.

Edemsa shall give notice of each resignation and each removal of the Trustee and each appointment of a successor Trustee to all holders in the manner provided in "*Notices to Holders of Notes*" and to the CNV, including

by publication in the leading newspaper in Luxembourg. Each notice shall include the name of the successor Trustee and the address of its corporate trust office.

Paying Agents; Transfer Agents; Registrars

Edemsa has initially appointed the Trustee as the Paying Agent, Transfer Agent and Registrar. Edemsa may at any time appoint additional or other Paying Agents, Transfer Agents, and Registrars and terminate the appointment thereof. So long as any of the Notes remain outstanding, Edemsa will maintain in New York City a Paying Agent or Registrar – where:

- the Notes may be presented for payment,
- the Notes may be presented for registration of transfer or exchange as provided in the Notes Indenture, and
- notices and demands to or upon Edemsa in respect of the Notes or of the Notes Indenture may be served.

In case Edemsa fails to so designate or maintain any such Paying Agent or Registrar or fails to give notice of the location or of any change in the location thereof, presentations and demands may be made and notices may be served at the corporate trust office of the Trustee. So long as the listed Notes are authorized for their public offering in Argentina and the rules of the CNV or other applicable Argentine law so require, or are listed and traded on the BYMA, through the BCBA, or admitted to trading on A3 Mercados and the rules of BYMA or A3 Mercados, as the case may be, so require, Edemsa will maintain a Paying Agent, a Transfer Agent and a Registrar in Buenos Aires. In addition, so long as the Notes are listed on the LuxSE or admitted to trading on the Euro MTF market of the LuxSE and the rules of such exchange so require, there will be a paying agent and a transfer agent in Luxembourg. Edemsa will give to the Trustee written notice of the location of any such office or agency and of any change of location thereof.

Prescription

All claims against Edemsa for the payment of principal in respect of the Notes (including Additional Amounts), shall be prescribed unless made within five (5) years of the due date for payment of such principal. Claims against Edemsa for the payment of interest (including Additional Amounts), shall be prescribed unless made within two (2) years of the due date for payment of such interest.

Claims filed in the courts of the State of New York will also be subject to the applicable statute of limitations for such claims, which currently is six years.

Authentication

The Notes and the coupons, if any, appertaining thereto will not become valid or obligatory until the certificate of authentication thereon will have been duly signed by the Trustee or its agent.

Replacement of Notes

The Trustee is authorized, in accordance with and subject to applicable law, exchange regulations and any conditions set forth in the Notes, to authenticate and deliver Notes in exchange for or in lieu of Notes that become mutilated, defaced, destroyed, stolen or lost. Notes will be exchanged in Luxembourg by the Trustee via the Luxembourg Listing Agent. In every case, the applicant for a substitute note will be required to furnish to Edemsa and to the Trustee such security or indemnity as may be required by each of them and, in every case of destruction, loss or theft, to evidence to their satisfaction of the apparent destruction, loss or theft of such note and of the ownership thereof.

Governing Law

Each of the Notes Indenture and the Notes will be governed by the laws of the State of New York; provided that all matters related to the capacity and corporate action of the Issuer to execute and deliver the Notes, the due

authorization, including the CNV's authorization for the public offering of the Notes in Argentina, execution, issuance and delivery of the Notes by us, matters relating to the legal requirements necessary in order for the Notes to qualify as "*obligaciones negociables (no convertibles en acciones)*" under Argentine law, and certain matters in connection with meetings and consents of holders of Notes, will be governed by the Negotiable Obligations Law, the Argentine Capital Markets Law and the Argentine General Companies Law, and other applicable Argentine laws and regulations, including without limitation, the CNV Rules.

Submission to Jurisdiction

Any suit, action or proceeding against Edemsa or its properties, assets or revenues with respect to the Notes or the Notes Indenture (a "**Related Proceeding**") may be brought in the Supreme Court of the State of New York, County of New York; or in the United States District Court for the Southern District of New York. Notwithstanding the foregoing, in accordance with section 46 of the Argentine Capital Markets Law, holders of Notes may submit disputes regarding the Notes to the non-exclusive jurisdiction of the Arbitral Tribunal of the BCBA (*Tribunal de Arbitraje General*), or any other arbitral body that may replace it in the future, or the competent ordinary courts for commercial matters.

Edemsa has agreed that service of all writs, claims, process and summonses in any Related Proceeding brought against it in the State of New York may be made upon C T Corporation System (the "**Process Agent**"), and Edemsa irrevocably appointed the Process Agent as its agent and true and lawful attorney in fact in its name, place and stead to accept such service of any and all such writs, claims, process and summonses, and has agreed that the failure of the Process Agent to give any notice to it of any such service of process shall not impair or affect the validity of such service or of any judgment based thereon. Edemsa has agreed to maintain at all times an agent with offices in New York City to act as its Process Agent. Nothing in the Notes Indenture shall in any way be deemed to limit the ability to serve any such writs, process or summonses in any other manner permitted by applicable law. Edemsa, and each holder by its acceptance of a Note, irrevocably waives trial by jury in any legal action or proceeding relating to the Notes Indenture or the Notes.

Waiver of Immunity

To the extent that Edemsa or any of its revenues, assets or properties shall be entitled, with respect to any Related Proceeding at any time brought against Edemsa or any of its revenues, assets or properties in the courts identified above, to any immunity from suit, from the jurisdiction of any such court, from attachment prior to judgment, from attachment in aid of execution of judgment, from execution of a judgment or from any other legal or judicial process or remedy, and to the extent that in any such jurisdiction there shall be attributed such an immunity, Edemsa has irrevocably agreed not to claim and has irrevocably waived such immunity to the fullest extent permitted by law (including, without limitation, the Foreign Sovereign Immunities Act of 1976 of the United States). Edemsa has agreed that final judgment in any such suit, action or proceeding brought in such a court will be conclusive and binding on it and may be enforced in any court to the jurisdiction of which Edemsa is subject by a suit upon such judgment; provided that service of process is effected upon Edemsa in the manner specified above or as otherwise permitted by law.

Payments and Paying Agencies

Payments of principal of and interest on Notes will be made (1) in the case of a Global Note (as defined below), by wire transfer in immediately available funds to an account maintained by the depositary with a bank in New York City, (2) in the case of a Note in definitive form, either (A) by a check drawn on a bank in New York City mailed to the holder at such holder's registered address or (B) at Edemsa's option, or upon application to the Trustee by the holder of at least U.S.$1 million in principal amount of Notes of a particular series issued in definitive form not later than the relevant Record Date, by wire transfer in immediately available funds to an account maintained by the holder with a bank in New York City.

Payments with respect to principal of the Notes at maturity will be payable to the registered holder against presentation and surrender of such Notes at the office of any paying agent. Payments with respect to principal (other than at maturity) of the Notes and payment of interest on the Notes will be made to the person in whose name such Notes are registered on the Record Date, notwithstanding the cancellation of such Notes upon any exchange or transfer subsequent to the Record Date and prior to such Interest Payment Date; provided that if and to the extent Edemsa shall

default in the payment of the interest due on such Interest Payment Date, such defaulted interest will be paid to the person in whose name the Notes are registered at the end of a subsequent record date established by Edemsa by written notice given by mail by or on behalf of Edemsa to the holders of the Notes not less than 15 days preceding such subsequent record date, such record date to be not less than 15 days preceding the date of payment of such defaulted interest; provided further, that the interest payable upon maturity, redemption or repayment (whether or not the date of maturity, redemption or repayment is an Interest Payment Date) will be payable to the person to whom principal is payable.

Edemsa expects that the depositaries for the Global Notes or their respective nominees, upon receipt of any payment of principal or interest in respect of a Global Note held by such depositaries or their respective nominees, will credit participants' accounts with payments in amounts proportionate to their respective beneficial interests in such Global Note as shown on the records of the depositaries or their respective nominees. Edemsa also expects that payments by participants to owners of beneficial interests in such Global Note held through such participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in the name of nominees for such customers. Such payments will be the responsibility of such participants.

If the maturity date or any earlier redemption or repayment date of a Note would fall on a day that is not a Business Day, the payment of principal, and interest will be made on the next succeeding Business Day, and no interest on such payment will accrue for the period from and after such maturity, redemption or repayment date and to the next succeeding Business Day.

If any Interest Payment Date for a Note would fall on a day that is not a Business Day, such Interest Payment Date will be the following day that is a Business Day. Any payment made pursuant to the foregoing sentence on such a next Business Day will have the same force and effect as if made on the applicable Interest Payment Date, and no interest shall accrue on such payment for the period from and after such date and to the next succeeding Business Day.

Certain Definitions

"**A3 Mercados**" means A3 Mercados S.A. (formerly Mercado Abierto Electrónico S.A.)

"Affiliate" means, with respect to any Person, a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with such Person. For purposes of this definition, the term control shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of such Person, whether by ownership of share capital, by contract, by the power to appoint or remove a majority of the members of the governing body of that Person or otherwise; provided that, for purposes of "*—Limitation on Transactions with Shareholders and Affiliates*" only, the direct or indirect ownership of ten percent (10%) or more of the voting share capital of a Person is deemed to constitute control of that Person, and "controlling" and "controlled" have corresponding meanings.

"**Argentine Capital Markets Law**" means Argentine Law No. 26,831, as amended and supplemented, including without limitation, the Argentine Productive Financing Law No. 27,440, as amended and supplemented.

"**Argentine GAAP**" means the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), as provided for by Technical Resolution No. 26 (consolidated text) of the *Federación Argentina de Consejos Profesionales de Ciencias Económicas* (Argentine Federation of Economic Sciences Professional Boards, or FACPCE), as amended or supplemented from time to time.

"**Argentine General Companies Law**" means Argentine Law No. 19,550, as amended and supplemented.

"**Argentine Government**" means the government of the Republic of Argentina or any agency or instrumentality thereof or any company controlled by the Argentine Government.

"**Argentine Government Obligations**" means obligations issued or directly and fully guaranteed or insured by the Republic of Argentina or by any agent or instrumentality thereof; provided that the full faith and credit of the Republic of Argentina is pledged in support thereof.

"**Argentine Productive Financing Law**" means the Argentine Law No. 27,440, as amended and supplemented from time to time.

"**Asset Sale**" means any sale, lease, transfer or other disposition of any assets by Edemsa or any Restricted Subsidiary, including, without limitation, by means of a Sale and Leaseback Transaction, or of a merger, consolidation or similar transaction or distribution of assets (other than Cash and Cash Equivalents or shares in Edemsa or any Restricted Subsidiary) to any Person (each of the above referred to as a "Disposition"), provided that the following are not included in the definition of "Asset Sale":

(a) the disposition by Edemsa or any Restricted Subsidiary in the ordinary course of business of (i) Cash and Cash Equivalents or Permitted Investments, (ii) inventory and other assets acquired and held for resale in the ordinary course of business, (iii) damaged, worn out or obsolete assets, (iv) assets that are exchanged for or otherwise replaced in accordance with industry practice by comparable or superior assets within a reasonable time or (v) rights granted to others pursuant to leases or licenses;

(b) the sale or discount of accounts receivable arising in the ordinary course of business in connection with the compromise or collection thereof of overdue and unpaid accounts receivable;

(c) dispositions of Receivables and Related Assets in connection with a Permitted Receivables Financing;

(d) the lease, assignment or sublease of any real or personal property in the ordinary course of business;

(e) a transaction permitted by "*Certain Covenants—Limitations on Mergers, Consolidations, Sales and Conveyances*";

(f) any Restricted Payment permitted under "*Certain Covenants—Limitation on Restricted Payments*" or any Permitted Investments; or

(g) dispositions of assets in any fiscal year with a fair market value in the aggregate not to exceed U.S.$5 million (or its equivalent in other currencies).

"**Board of Directors**" means the board of directors of Edemsa or any committee of the Board of Directors authorized to act on its behalf.

"**BCBA**" means the Bolsa de Comercio de Buenos Aires.

"**Business Day**" means any day except a Saturday, Sunday or other day on which commercial banks are authorized or required by law or regulation to close in New York City or in the city of Buenos Aires.

"**BYMA**" means Bolsas y Mercados Argentinos S.A.

"**Capital Stock**" means capital stock or other equity participation, including partnership interests, or warrants, options or other rights to acquire capital stock or other equity participations, but excluding any debt security that is convertible into, or exchangeable for, capital stock or other such equity participations.

"**Cash and Cash Equivalents**" means:

(a) any official currencies received or acquired in the ordinary course of business including, without limitation, Pesos, Euro, Dollars or any other currency of countries in which Edemsa or its Subsidiaries has material operations;

(b) U.S. Government Obligations or certificates representing an ownership interest in U.S. Government Obligations, or securities issued directly and fully guaranteed or insured by any member of the European Union, or any agency or instrumentality thereof (provided that the full faith and credit of such member is pledged in support of those securities) or other sovereign debt obligations (other than those of Argentina) rated "A" or higher or such similar equivalent or higher rating by at least

one nationally recognized statistical rating organization as contemplated in Rule 436 under the Securities Act, in each case with maturities not exceeding one year from the date of acquisition;

(c) Argentine Government Obligations (including those of the Central Bank), or quasi-currencies, bonds and other obligations issued, guaranteed or insured by any province or municipality of Argentina, or certificates representing an ownership interest in any of the foregoing with maturities not exceeding one year from the date of acquisition that, in each case, are in the reasonable judgment of the Company marketable securities, taking into consideration the number of dealers providing regular pricing information regarding such securities and engaging in market-making activities with respect to such securities;

(d) (i) demand deposits, (ii) time deposits and certificates of deposit with maturities of one year or less from the date of acquisition, (iii) bankers' acceptance with maturities not exceeding one year from the date of acquisition, and (iv) overnight bank deposits, in each case with any bank or trust company organized or licensed under the laws of Argentina or any state thereof that at the time of acquisition thereof has a local market credit rating of at least "BBB" (or the then equivalent grade) by at least one internationally recognized rating agency;

(e) (i) demand deposits, (ii) time deposits and certificates of deposit with maturities of one year or less from the date of acquisition, (iii) bankers' acceptances with maturities not exceeding one year from the date of acquisition, and (iv) overnight bank deposits, in each case with any bank or trust company organized or licensed under the laws of the United States or any state thereof or under the laws of any member state of the European Union, or under the laws of any country in which the Company has operations in each case whose head office's senior short term debt is rated Investment Grade by at least one nationally recognized statistical rating organization as contemplated in Rule 436 under the Securities Act;

(f) repurchase obligations with a term of not more than 30 days for underlying securities of the type described in clauses (b) and (c) above entered into with any financial institution meeting the qualifications specified in clause (e) above;

(g) commercial paper rated Investment Grade by at least one nationally recognized statistical rating organization as contemplated in Rule 436 under the Securities Act and maturing within six months after the date of acquisition;

(h) money market funds at least 95% of the assets of which consist of investments of the type described in clauses (a) through (g) above;

(i) corporate obligations that at the time of acquisition thereof have a local market credit rating of at least "BBB" (or the then equivalent grade) by at least one internationally recognized statistical rating organization; and

(j) substantially similar investments, of comparable credit quality, denominated in the currency of any jurisdiction in which Edemsa or its Subsidiaries conducts business.

"**Central Bank**" means the *Banco Central de la República Argentina* (the "**Argentine Central Bank**").

"**Change of Control**" means the occurrence of an event which causes any "person" or "group" (as such terms are used for purposes of Sections 13(d) and 14(d) of the Exchange Act), other than Andina Energy Plc, to become a beneficial owner of (x) more than 50% of the ordinary shares of Edemsa or (y) a number of ordinary shares of Edemsa that affords such person or group the right or ability by voting power, contract or otherwise to elect or designate for election a majority of the members of the Board of Directors.

"**Change of Control Offer**" shall have the meaning given to it under "*—Repurchase at the Option of the Holders of the Notes Upon a Change of Control Repurchase Event*."

"**Change of Control Payment**" shall have the meaning given to it under "*—Repurchase at the Option of the Holders of the Notes Upon a Change of Control Repurchase Event*."

"**Change of Control Payment Date**" shall have the meaning given to it under "*—Repurchase at the Option of the Holders of the Notes Upon a Change of Control Repurchase Event*."

"**Change of Control Repurchase Event**" shall mean the occurrence of both a Change of Control and a Rating Downgrade Event.

"**CNV**" means *Comisión Nacional de Valores*.

"**CNV Rules**" means the rules and regulations issued by the CNV.

"**Commodity Agreement**" means any commodity futures contract, commodity option or other similar agreement or arrangement designed to protect against fluctuations in the price of commodities or raw materials used by the Company (other than energy).

"**Concession Agreement**" means the concession agreement dated July 15, 1998 between the Province of Mendoza and Edemsa, which grants Edemsa the exclusive right to distribute electricity to all users within Edemsa's designated service area for a period of 30 years, which was extended for another 20 years (i.e., until July 31, 2048), in accordance with the Settlement Agreement.

"**Consolidated Net Income**" means, for any period, the aggregate net income (loss) of Edemsa and its Restricted Subsidiaries (if any) determined in accordance with IFRS; provided, however, that there will not be included (to the extent otherwise included therein) in such Consolidated Net Income:

(1) any net income (loss) of any Person (other than Edemsa) that is not a Restricted Subsidiary or that is accounted for by the equity method of accounting, except that:

(a) subject to the limitations contained in clauses (3) and (4) below, the Issuer's equity in the net income of any such Person will be included only to the extent of the amount of cash dividends or distributions actually distributed by such Person during the relevant period to the Issuer or a Restricted Subsidiary; and

(b) Edemsa's equity in the net loss of any such Person for such period will be included to the extent such loss has been funded with cash from the Issuer or a Restricted Subsidiary during such period;

(2) any gain or loss realized upon the sale or other disposition of any property, plant or equipment of the Issuer or its consolidated Subsidiaries which is not sold or otherwise disposed of in the ordinary course of business and any gain or loss realized upon the sale or other disposition of any Capital Stock of any Person;

(3) Extraordinary or nonrecurring gains or losses;

(4) the cumulative effect of a change in accounting principles;

(5) any unrealized non-cash gains or losses or charges in respect of Hedging Contracts;

(6) income or loss attributable to discontinued operations (including, without limitation, operations disposed of during such period whether or not such operations were classified as discontinued);

(7) any non-cash compensation charge arising from any grant of stock, stock options or other equity based awards; and

(8) any foreign exchange gains or losses.

"**Consolidated Net Tangible Assets**" means, at any time, the total of all assets appearing on a consolidated balance sheet of Edemsa and its Restricted Subsidiaries, net of all applicable deductions, but excluding goodwill, trade names, trademarks, patents, unamortized debt discount and all other like intangible assets, less the aggregate of the current liabilities of Edemsa and its Restricted Subsidiaries appearing on such balance sheet as determined in accordance with Argentine GAAP, (i) as set forth in the most recently available consolidated balance sheet of Edemsa provided or caused to be provided to the Holders and the Trustee pursuant to "*—Certain Covenants—Delivery of Financial Statements*," and (ii) on a pro forma basis to give effect to any acquisition or disposition of companies, divisions, lines of businesses or operations by Edemsa or any Restricted Subsidiary thereof subsequent to such date and on or prior to the date of determination.

"**Consolidated Tangible Assets**" means, at any time, the total of all assets appearing on a consolidated balance sheet of Edemsa and its Restricted Subsidiaries, net of all applicable deductions, but excluding goodwill, trade names, trademarks, patents, unamortized debt discount and all other like intangible assets, as determined in accordance with Argentine GAAP, (i) as set forth in the most recently available consolidated balance sheet of Edemsa provided or caused to be provided to the Holders and the Trustee pursuant to "*—Certain Covenants—Delivery of Financial Statements,*" and (ii) on a pro forma basis to give effect to any acquisition or disposition of companies, divisions, lines of businesses or operations by Edemsa or any Restricted Subsidiary thereof subsequent to such date and on or prior to the date of determination.

"**Consolidated Total Indebtedness**" means, at any date, the sum of (i) the aggregate principal amount outstanding of Edemsa and its Restricted Subsidiaries' Peso-denominated Indebtedness on a consolidated basis, as of the most recent fiscal quarter for which financial statements are available, *plus* (ii) the Peso Average of the aggregate principal amount outstanding of Edemsa and its Restricted Subsidiaries' non Peso-denominated Indebtedness, on a consolidated basis, as of the most recent fiscal quarter for which financial statements are available, *plus*, if applicable, (iii) the amount of any Peso-denominated Indebtedness and the Peso equivalent (at the Prevailing Exchange Rate as of the date of determination) of any outstanding non-Peso denominated Indebtedness that was Incurred after the date of the most recent fiscal quarter for which financial statements are available, *minus* (iv) the amount of any Peso-denominated Indebtedness and the Peso-equivalent (at the Prevailing Exchange Rate) of any non-Peso denominated Indebtedness that was paid in full after the date of the most recent fiscal quarter for which financial statements are available.

"**CSSF**" means the *Commission de surveillance du secteur financier* of Luxembourg, as from time to time constituted.

"**Default**" means any event that, with giving of any notice, the passage of time, or both, would be an Event of Default.

"**Disqualified Stock**" means, with respect to any Person, any Capital Stock which, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable), or upon the happening of any event, carries the right to any mandatory dividend or distribution payment (other than a right that is expressly subject to compliance by Edemsa with its obligations under the Notes Indenture), matures or is mandatorily redeemable, in whole or in part, pursuant to a sinking fund obligation or otherwise, is exchangeable for Indebtedness, or is redeemable at the option of the holder thereof, in whole or in part, on or prior to the maturity date of the relevant note.

"**Dollars**" and the signs $ or U.S.$ mean the lawful currency of the United States.

"**EBITDA**" means, for any period, the consolidated operating income (loss) for Edemsa and its Restricted Subsidiaries for such period plus, without duplication and to the extent deducted in determining such consolidated operating income (loss), the sum of (a) consolidated amortization of intangible assets for such period, (b) consolidated depreciation of fixed assets for such period, (c) consolidated amortization of other non-current assets for such period and (d) any other non-cash charges that were deducted in computing consolidated operating income (loss) (excluding any non-cash charge which requires an accrual or reserve for cash charges for any future period). EBITDA is calculated based on amounts derived from the audited or unaudited (as the case may be) financial statements of Edemsa and its Restricted Subsidiaries as of the end of such period, prepared in accordance with Argentine GAAP.

"**ENRE**" means the *Ente Nacional Regulador de la Electricidad* (the "**Argentine Electricity Regulator**").

"**EPRE**" means the *Ente Provincial Regulador Eléctrico de Mendoza* (the "**Provincial Electricity Regulator**").

"**Equity Interests**" means all Capital Stock and all warrants or options with respect to, or other rights to purchase, Capital Stock, but excluding Indebtedness convertible into equity.

"**Euro**," "**euro**" and the sign "**€**" mean the single lawful currency of member states of the European Union as constituted by the treaty establishing the European Community, being the Treaty of Rome, as amended from time to time.

"**Exchange Act**" means the U.S. Securities Exchange Act of 1934, as amended.

"**Fitch**" means Fitch Ratings Inc. or any successor thereto and assigns.

"**Guarantee**" means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Indebtedness or other financial obligation of any other Person and, without limiting the generality of the foregoing, any obligation, direct or indirect, contingent or otherwise, of such Person (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation of such other Person (whether arising by virtue of partnership arrangements, or by agreement to keep well, to purchase assets, goods, securities or services, to take or pay, or to maintain financial statement conditions or otherwise) or (ii) entered into for purposes of assuring in any other manner the obligee of such Indebtedness or other obligation of the payment thereof or to protect such obligee against loss in respect thereof, in whole or in part; provided that the term "Guarantee" does not include endorsements for collection or deposit in the ordinary course of business or guarantees of performance that do not include any contingent payment obligation. The term "Guarantee" used as a verb has a corresponding meaning.

"**Hedging Contract**" means (i) any interest rate swap agreement, interest rate cap agreement or other agreement designed to protect against fluctuations in interest rates or (ii) any foreign exchange forward contract, currency swap agreement or other agreement designed to protect against fluctuations in foreign exchange rates, in each case entered into in the ordinary course of business and not for speculative purposes.

"**Incur**" means, with respect to any Indebtedness or other obligation of any Person, to create, issue, incur (by conversion, exchange or otherwise) assume, guarantee or otherwise become liable in respect of such Indebtedness or other obligation or the recording, as required pursuant to Argentine GAAP or the regulations of the CNV, of any such Indebtedness or other obligation on the balance sheet of such Person (and "**Incurrence**" and "**Incurred**" shall have meanings correlative to the foregoing); provided, however, that (i) a change in Argentine GAAP or in the regulations of the CNV or other regulatory authority that results in an obligation of such Person that exists at such time being reclassified as Indebtedness shall not be deemed an Incurrence of such Indebtedness, (ii) with respect to Peso-denominated Indebtedness, an increase, whether periodically or otherwise, in the nominal principal amount of such Indebtedness as a result of and in proportion to the devaluation of the Peso against the U.S. Dollar or the rate of inflation in Argentina shall not be deemed an Incurrence of such Indebtedness and (iii) with respect to Indebtedness previously Incurred, a change in the U.S. Dollar equivalent of such Indebtedness shall not be deemed an Incurrence of such Indebtedness.

"**Indebtedness**" means, with respect to any Person, without duplication,

(a) all obligations of such Person for borrowed money;

(b) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) all obligations of such Person for the deferred purchase price of property or services, excluding (x) trade accounts payable and (y) deferred energy purchases owed to CAMMESA or any assignee thereof under Regularization Agreements, in each case, arising in the ordinary course of business;

(d) all obligations of such Person in respect of letters of credit, bankers' acceptances or other similar instruments, excluding obligations in respect of trade letters of credit or bankers' acceptances issued in respect of trade payables;

(e) all obligations of such Person under Hedging Contracts;

(f) Disqualified Stock of such Person;

(g) all Indebtedness of others secured by any Lien on any asset of such Person, whether or not such Indebtedness is assumed by such Person;

(h) all obligations of such Person under any receivables financing, including any Permitted Receivables Financing; and

(i) all Indebtedness of other Persons Guaranteed by such Person to the extent so Guaranteed.

The amount of Indebtedness of any Person will be deemed to be:

(a) with respect to Indebtedness secured by a Lien on an asset of such Person but that is not otherwise the obligation, contingent or otherwise, of such Person, the lesser of (x) the fair market value of such asset on the date the Lien attached or (y) the amount of such Indebtedness;

(b) with respect to any Indebtedness issued with original issue discount, the face amount of such Indebtedness less the remaining unamortized portion of the original issue discount of such Indebtedness;

(c) with respect to any Hedging Contract, the net amount payable if such Hedging Contract terminated at that time due to default by such Person;

(d) with respect to any sale of Receivables and Related Assets, the amount of the unrecovered capital or principal investment of the purchase excluding amounts representative of yield or interest earned on such investment; and

(e) otherwise, the outstanding principal amount thereof.

The outstanding principal amount of any particular Indebtedness shall be counted only once and any obligations arising under any Guarantee, Lien, letter of credit or similar instrument supporting such Indebtedness shall not be double counted.

"**Insolvency Law**" means any law (together with the rules and regulations made pursuant thereto) of any jurisdiction (including any political subdivision thereof) relating to bankruptcy, insolvency, winding up, liquidation, reorganization, or any other similar procedure relating to the relief of debtors.

"**Interest Expense**" means, for any period, the aggregate amount of (i) the consolidated cash interest expense to be paid or non-cash interest expense to be accrued of Edemsa and its Restricted Subsidiaries during such period in respect of Indebtedness, (x) including, without limitation, (a) amortization of original issue discount on any Indebtedness, (b) the interest portion of any deferred payment obligation, (c) all commissions, discounts and other fees and charges owed with respect to letters of credit and bankers' acceptance financing and (d) the net costs associated with obligations set out in Hedging Contracts, including the amortization of capitalized hedged costs, all net of interest income, and (y) excluding (a) any interest expense in respect of debt securities that have been repurchased by us and (b) any adjustments to regulatory fines and penalties that are recorded as interest expense; and (c) any interest expense to be paid under Regularization Agreements, and (ii) all but the principal component of rent under Sale and Leaseback Transactions paid, accrued or scheduled to be paid or to be accrued by Edemsa or any Restricted Subsidiary during such period, and (iii) cash and non-cash dividends paid, declared, accrued or accumulated on any Disqualified Stock of Edemsa or a Restricted Subsidiary, except for dividends payable in Qualified Equity Interests of Edemsa or paid to Edemsa or to a Wholly-Owned Restricted Subsidiary.

"**Interest Expense Coverage Ratio**" means, as of any date of determination, for Edemsa and its Restricted Subsidiaries on a consolidated basis based on financial statements issued in accordance with Argentine GAAP, the ratio of (x) the aggregate amount of EBITDA for the four fiscal quarters immediately prior to such date of determination for which internal financial statements are available (the "**reference period**") to (y) the aggregate Interest Expense during such reference period.

In making the foregoing calculation,

(1) *pro forma* effect will be given to any Indebtedness Incurred during or after the reference period to the extent the Indebtedness is outstanding or is to be Incurred on such date of determination as if the Indebtedness had been Incurred on the first day of the reference period;

(2) *pro forma* calculations of interest on Indebtedness bearing a floating interest rate will be made as if the rate in effect on such date of determination (taking into account any Hedging Contract applicable to the Indebtedness if the Hedging Contract has a remaining term of at least 12 months) had been the applicable rate for the entire reference period;

(3) Interest Expense related to any Indebtedness no longer outstanding or to be repaid or redeemed on such date of determination, except for Interest Expense accrued during the reference period under a revolving credit to the extent of the commitment thereunder (or under any successor revolving credit) in effect on the transaction date, will be excluded;

(4) *pro forma* effect will be given to

(A) the creation, designation or redesignation of Restricted Subsidiaries and Unrestricted Subsidiaries,

(B) the acquisition or disposition of companies, divisions or lines of businesses by Edemsa and its Restricted Subsidiaries, including any acquisition or disposition of a company, division or line of business since the beginning of the reference period by a Person that became a Restricted Subsidiary after the beginning of the reference period, and

(C) the discontinuation of any discontinued operations but, in the case of Interest Expense, only to the extent that the obligations giving rise to Interest Expense will not be obligations of Edemsa or any Restricted Subsidiary following the transaction date that have occurred since the beginning of the reference period as if such events had occurred, and, in the case of any disposition, the proceeds thereof applied, on the first day of the reference period. To the extent that *pro forma* effect is to be given to an acquisition or disposition of a company, division or line of business, the *pro forma* calculation will be based upon the most recent four full fiscal quarters for which the relevant financial information is available.

"**Interest Payment Date**" means June 11 and December 11 of each year, commencing on December 11, 2026; provided that, if any Interest Payment Date would fall on a day other than a Business Day, such Interest Payment Date shall be the next succeeding Business Day with the same force and effect as if made on such Interest Payment Date, as applicable, with no accrual of interest for the period between such date and such immediately succeeding Business Day.

"**Interest Period**" means (a) initially, the period commencing on the Issuance Date and ending on the first Interest Payment Date and (b) thereafter, each subsequent period commencing on the last day of the immediately preceding Interest Period and ending on the next Interest Payment Date.

"**Investment**" means,

(a) any direct or indirect advance, loan or other extension of credit to another Person,

(b) any capital contribution to another Person, by means of any transfer of cash or other property or in any other form,

(c) any purchase or acquisition of Equity Interests or Indebtedness of another Person or other instruments or securities issued by another Person, including the receipt of any of the above as consideration for the disposition of assets or rendering of services, or

(d) any Guarantee of any obligation of another Person, but only when payment has been made thereunder or such arrangement would be classified and accounted for as a liability on the balance sheet of the guarantor.

If Edemsa or any Restricted Subsidiary sells or otherwise disposes of any Equity Interests of any direct or indirect Restricted Subsidiary so that, after giving effect to that sale or disposition, such Person is no longer a Subsidiary of Edemsa, or designates any Restricted Subsidiary as an Unrestricted Subsidiary in accordance with the provisions of the Notes Indenture, all remaining Investments of Edemsa and its Restricted Subsidiaries in such Person shall be deemed to have been made at that time.

"**Investment Grade**" means a rating of BBB-/Baa3 or higher or such similar equivalent or higher rating by an internationally recognized statistical rating organization, including a statistical rating organization recognized by the SEC as a "nationally recognized statistical rating organization."

"**Issuance Date**" means the date on which the Notes offered hereby are first issued.

"**Leverage Ratio**" means, as of any date of determination, for Edemsa and its Restricted Subsidiaries on a consolidated basis based on financial statements issued in accordance with Argentine GAAP, the ratio of (i) Consolidated Total Indebtedness (excluding any Indebtedness Incurred in connection with bonds or other collateral posted pursuant to paragraph (g) of "Events of Default") on such date (calculated without giving effect to the discount to net present value applied to restructured debt under Argentine GAAP) to (ii) EBITDA for the most recently completed period of four consecutive fiscal quarters.

"**Lien**" means, with respect to any asset, any mortgage, assignment, security interest, pledge, lien, encumbrance, trust, or any preferential arrangement having the practical effect of constituting a security interest with respect to such asset (other than the ownership interest of the lessor in any Sale and Leaseback Transaction).

"**Luxembourg**" means the Grand Duchy of Luxembourg.

"**Mandatory Investment**" means any Investment that Edemsa or any Restricted Subsidiary is required to make as a result of any officially published law, regulation, rule, decree, directive, order, petition or resolution first promulgated, proposed or issued after the date of this offering memorandum of any governmental body or any body responsible for the regulation of the electricity market in Argentina, including, but not limited to the Argentine Secretary of Energy, ENRE, EPRE and/or CAMMESA.

"**Mendoza Provincial Government**" means the government of the Province of Mendoza or any agency or instrumentality thereof or any company controlled by the Province of Mendoza.

"**Negotiable Obligations Law**" means Argentine Law No. 23,576, as amended and supplemented including the Productive Financing Law No. 27,440, as amended and supplemented.

"**Net Cash Proceeds**" means, with respect to any Asset Sale, the proceeds of such Asset Sale in the form of Cash and Cash Equivalents including (i) payments in respect of deferred payment obligations to the extent corresponding to principal, but not interest, when received in the form of Cash and Cash Equivalents and (ii) proceeds from the conversion of other consideration received (when converted to Cash and Cash Equivalents), net of, without duplication,

(a) brokerage commissions and other fees and expenses related to such Asset Sale, including, without limitation, reasonable fees and expenses of counsel, accountants, currency exchange agents and investment bankers;

(b) any required payment to the Republic of Argentina pursuant to the Concession Agreement or any provisions for taxes and all other governmental charges and claims of any nature whatsoever, payable as a result of such Asset Sale;

(c) payments required to be made as a result of such Asset Sale or to repay Indebtedness at the time of such Asset Sale that is secured by a Lien on the property or assets sold or is required to be repaid out of the proceeds of such Asset Sale; and

(d) appropriate amounts to be provided as a reserve against liabilities associated with such Asset Sale, including pension and other post employment benefit liabilities, liabilities related to environmental, tax or regulatory matters and indemnification obligations associated with such Asset Sale, with any subsequent reduction of the reserve other than by payments made and charged against the reserved amount to be deemed a receipt of Cash and Cash Equivalent.

"**Officer**" means, when used with respect to Edemsa, the president, general manager, chief financial officer, general accountant, treasurer, any member of the Board of Directors or the management, or any of their respective attorneys in fact designated by Edemsa.

"**Officers' Certificate**" means a certificate signed by any two Officers of Edemsa.

"**Opinion of Counsel**" means an opinion in writing signed by legal counsel who may be an employee of or counsel to Edemsa or other counsel, but in the case of U.S. federal law, will be reputable U.S. counsel knowledgeable in the relevant field.

"**Optional Redemption**" has the meaning set forth under subsection "*—Redemption at Edemsa's Option*."

"**Permitted Business**" means any business permitted by Edemsa's bylaws or by its Subsidiaries' bylaws as of the Issuance Date and any energy-related business ancillary or complementary thereto.

"**Permitted Investments**" means:

(a) any Investment in Edemsa or in a Restricted Subsidiary of Edemsa that is engaged in a Permitted Business;

(b) any Investment in Cash and Cash Equivalents;

(c) any Investment by Edemsa or any Subsidiary of Edemsa in a Person, if as a result of such Investment,

(i) such Person becomes a Restricted Subsidiary of Edemsa engaged in a Permitted Business, or

(ii) such Person is merged or consolidated with or into, or transfers or conveys substantially all its assets to, or is liquidated into, Edemsa or one of its Restricted Subsidiaries engaged in a Permitted Business;

(d) Investments received as non-cash consideration in an Asset Sale made pursuant to and in compliance with "*Certain Covenants—Limitations on Asset Sales*" or received as non-cash consideration in a refinancing of an existing Investment;

(e) any Mandatory Investment;

(f) (i) receivables owing to Edemsa or any of its Restricted Subsidiaries if created or acquired in the ordinary course of business, (ii) Hedging Contracts, Commodity Agreements and any Cash and Cash Equivalents or other cash management investments or liquid or portfolio securities pledged on collateral pursuant to Hedging Contracts or Commodity Agreements, (iii) endorsements for collection or deposit in the ordinary course of business, (iv) securities, instruments or other obligations (and related Hedging Contracts) received in compromise or settlement of debts created in the ordinary course of business, or by reason of a composition or readjustment of debts or reorganization of another Person, or in satisfaction of claims or judgments, and (v) securities, instruments or other obligations received in the ordinary course of business (and related Hedging Contracts) received in connection with mandatory or voluntary exchange offers set up by the federal, provincial or municipal government of Argentina;

(g) payroll, travel and other loans or advances to, or Guarantees issued to support the obligations of, officers and employees, in each case in the ordinary course of business;

(h) national, provincial or other Argentine Government Obligations (including those of the Central Bank), or quasi-currencies, bonds and other obligations issued, guaranteed or insured by any province or municipality of Argentina, or certificates representing an ownership interest in any of the foregoing;

(i) Investments in securities of corporate issuers accounted for as marketable securities owned by the Company on the Issuance Date or purchased with the Net Cash Proceeds of any sale of such marketable securities or of any subsequent sales of marketable securities permitted to be purchased with the Net Cash Proceeds of marketable securities covered by this clause (i);

(j) in addition to Investments listed above, Investments in an aggregate amount, taken together with all other Investments made in reliance on this clause (j), not to exceed U.S.$30 million (or its equivalent in other currencies) (net of, with respect to the Investment in any particular Person made pursuant to this clause, the cash return thereon received after the Issuance Date as a result of any sale for cash, repayment, redemption, liquidating distribution or other cash realization not to exceed the amount of such Investments in such Person made after the Issuance Date in reliance on this clause);

(k) Investments in a Receivables Entity that are necessary or desirable to effect any Permitted Receivables Financing; and

(l) any notes repurchased pursuant to or in accordance with the terms of the Notes Indenture.

"**Permitted Receivables Financing**" means any receivables financing facility, factoring program or arrangement, including such facility, program or arrangement entered into by a Receivables Entity, pursuant to which Receivables and Related Assets of Edemsa or any of its Restricted Subsidiaries are sold to or are financed by third parties, provided that the aggregate consideration received in any such sale or financing is at least equal to the fair market value of the Receivables and Related Assets sold, less customary discounts, reserves or amounts reflecting the implicit interest rate.

"**Permitted Refinancing Indebtedness**" means an extension or renewal of, replacement of, or substitution for, or issue of Indebtedness in exchange for, or the net proceeds of which are used to repay, redeem, repurchase, refinance, extend or refund, including by way of defeasance (all of the above, for purposes of this clause, "**refinance**") then outstanding Indebtedness of Edemsa or any of its Restricted Subsidiaries incurred or existing under "*Certain Covenants—Limitations on Indebtedness*"; provided that (i)(A) Indebtedness so Incurred does not exceed the amount so refinanced, or (B) the Indebtedness so Incurred is used exclusively to refinance scheduled principal or interest payments up to the amount of the scheduled principal or interest payments being refinanced; (ii) such Indebtedness is Incurred by the same entity which Incurred the Indebtedness which is being refinanced, and no additional security, collateral guarantees or other support is provided; and (iii) such Indebtedness shall have a Weighted Average Life to Maturity that is equal to or greater than the Weighted Average Life to Maturity of the Indebtedness being refinanced.

"**Person**" means any individual, corporation, partnership, joint venture, association, company, trust, unincorporated organization or government or any agency or political subdivision thereof.

"**Peso**," "**Pesos**" or "**Ps.**" means the freely transferable lawful currency of Argentina.

"**Peso Average**" means, with respect to the amount of any non-Peso-denominated Indebtedness, the amount of Pesos obtained by converting the aggregate principal amount of any such non-Peso-denominated Indebtedness into Pesos at an average exchange rate determined by reference to the exchange rate for the buying of Pesos (*tipo de cambio comprador dólar divisa*), as reported by *Banco de la Nación Argentina*, on each day for which rates are available during the period corresponding to the relevant period used to calculate EBITDA in connection with any calculation or determination of the Leverage Ratio.

"**Prevailing Exchange Rate**" means the exchange rate for converting Pesos into Dollars published as the selling rate (*tipo de cambio vendedor dólar divisa*) by *Banco de la Nación Argentina*, or, if such exchange rate is not published by *Banco de la Nación Argentina*, the exchange rate for converting Pesos into Dollars reported by the Central Bank under Communication "A" 3500 (or any regulation that may replace it or amend it in the future), or, if such exchange rate is not reported, the selling exchange rate for Dollars published and available for financial

transactions in foreign currency in Argentina applicable and available to private companies like Edemsa for the settlement of its obligations with financial institutions and/or capital markets obligations for such day.

"Project Financing" means any financing for the acquisition, construction, development and/or improvement of any property, project or assets (a) if the Person or Persons providing such financing agree expressly to, or by operation of the relevant financing documents, look to the properties, projects or assets so financed and the revenues to be generated by the operation of, or loss or damage to, such property, project or assets (except to the extent set forth in clause (b)) as the sole source of repayment for the moneys advanced, and (b) for which there is no direct recourse to the Company or its Restricted Subsidiaries other than sole recourse to the relevant project financing entity; *provided*, *however*, that support such as limited guaranties or obligations to provide or guaranty equity contributions or to make subordinated loans that are customary in similar financing arrangements shall not be considered direct recourse for the purpose of this definition.

"**Property**" means any asset, revenue or any other property, whether tangible or intangible, real or personal, including, without limitation, any right to receive income.

"**Qualified Equity Interests**" means all Capital Stock of a Person other than Disqualified Stock.

"**Rating Agencies**" shall mean Fitch, Moody's and S&P or, if any of Fitch, Moody's or S&P shall not make a rating on the Notes publicly available, such other "nationally recognized statistical rating organization" (within the meaning of Rule 15c3-1(c)(2)(vi)(F) under the Exchange Act) as the Company may select as a replacement agency for Fitch, Moody's or S&P or each of them, as the case may be.

"**Rating Downgrade Event**" shall mean the downgrade of the rating of the Notes during a period (the "**Trigger Period**") commencing on the earlier of (a) the first public announcement by the Company of any Change of Control (or pending Change of Control) and (b) the consummation of a Change of Control, and ending ninety (90) days following the consummation of such Change of Control (which Trigger Period shall be extended following consummation of a Change of Control for so long as any of the Rating Agencies has publicly announced that it is considering a possible ratings change in whole or in part related to or in connection with such Change of Control), by at least two Rating Agencies (if the Notes are rated by two or more Rating Agencies at the time of such public notice) or one Rating Agency (if the Notes are rated by only one Rating Agency at the time of such public notice); provided that any such Rating Downgrade Event is in whole or in part related to or in connection with a Change of Control.

"**Receivables and Related Assets**" means any account receivable (whether now existing or arising thereafter) of Edemsa or any Restricted Subsidiary, or any assets, related thereto, including all collateral securing such accounts receivable, all contracts and contract rights and all Guarantees or other obligations in respect of such accounts receivable, proceeds of such accounts receivable and other assets which are customarily transferred or in respect of which security interests are customarily granted in connection with asset securitization transactions involving accounts receivable.

"**Receivables Entity**" means an Unrestricted Subsidiary of Edemsa

(1) that is designated a Receivables Entity by the Board of Directors,

(2) that does not engage in, and whose charter prohibits it from engaging in, any activities other than Permitted Receivables Financings and any activity necessary, incidental or related thereto,

(3) no portion of the Indebtedness or any other obligation, contingent or otherwise, of which

  (A) is guaranteed by Edemsa or any Restricted Subsidiary,

  (B) is recourse to or obligates Edemsa or any Restricted Subsidiary in any way, or

  (C) subjects any property or asset of Edemsa or any Restricted Subsidiary, directly or indirectly, contingently or otherwise, to the satisfaction thereof, and

(4) with respect to which neither Edemsa nor any Restricted Subsidiary has any obligation to maintain or preserve its financial condition or cause it to achieve certain levels of operating results,

other than, in respect of clauses (3) and (4), pursuant to customary representations, warranties, covenants and indemnities entered into in connection with a Permitted Receivables Financing. For the avoidance of doubt, any sale or financing of Receivables and Related Assets by a Receivables Entity shall be subject to same restrictions set forth in the Notes Indenture with respect to any such sale or financing made directly by Edemsa or any of its Restricted Subsidiaries.

"**Record Date**" means the end of business on the fifteenth day preceding the applicable Interest Payment Date, whether or not such day is a Business Day; provided that in the event the first Interest Payment Date occurs less than fifteen days after the Issuance Date, the Record Date shall mean the date on or prior to the Issuance Date which shall be specified by Edemsa.

"**Regulatory Capital Expenditures**" means any capital expenditures required to be made by Edemsa or any of its Restricted Subsidiaries under any officially published law, regulation, rule, decree, directive, request or resolution first promulgated, proposed or issued after the date of this offering memorandum (including the development and implementation of the Company's investment plan filed before the ENRE or the EPRE, which it is required to carry out under the current regulatory framework) of any governmental body or any body responsible for the regulation of the electricity market in Argentina, including, but not limited to the Argentine Secretary of Energy, ENRE, the EPRE and/or CAMMESA.

"**Regularization Agreements**" means any agreement among the Company, CAMMESA, the Secretary of Energy and/or any competent authority of the Argentine Government; and/or any other energy supplier to regularize and/or reschedule payment obligations of the Company for energy purchases; consistent with Governmental regulations set forth under the Secretary of Energy (or any regulatory assignee thereof) from time to time and similar to the regularization agreements of the Company executed prior to the Issuance Date.

"**Restricted Subsidiary**" means any direct or indirect Subsidiary of Edemsa, other than an Unrestricted Subsidiary.

"**S&P**" means Standard & Poor's Global Ratings LLC or any successor thereto and assigns.

"**Sale and Leaseback Transaction**" means, with respect to Edemsa or any Restricted Subsidiary, any transaction or series of related transactions (excluding, however, any such transaction between Edemsa and one or more Restricted Subsidiaries or between or among any two or more Restricted Subsidiaries) pursuant to which Edemsa or any Restricted Subsidiary sells or transfers any property in connection with the leasing, or the resale against installment payments, or as part of an arrangement involving the leasing or resale against installment payments of such Property to the seller or transferor.

"**SEC**" means the United States Securities and Exchange Commission.

"**Significant Subsidiary**" means any Subsidiary that would be a "significant subsidiary" as defined in Rule 1- 02(w) of Regulation S-X under the Securities Act, as such Regulation is in effect on the Issuance Date.

"**Subordinated Indebtedness**" means any Indebtedness of Edemsa that is expressly subordinated in right of payment to the Notes pursuant to a Subordination Agreement.

"**Subordination Agreement**" means any written agreement pursuant to which the Indebtedness being subordinated thereunder is made subordinated in right of payment and priority to the Notes.

"**Subsidiary**" means

(i) a corporation a majority of whose Capital Stock with voting power, under ordinary circumstances, to elect directors is at the time directly or indirectly owned by Edemsa, or

(ii) any other Person (other than a corporation) in which Edemsa, directly or indirectly at the date of determination thereof, has at least a majority ownership interest.

"**Taxes**" means any present or future taxes, levies, imposts, duties, charges, assessments, contributions, withholdings, fees or charges of any nature that are imposed by any government or other taxing authority.

"**Unrestricted Subsidiary**" means any Subsidiary of Edemsa that at the time of determination has been designated an Unrestricted Subsidiary and such designation has not been revoked in accordance with "*Certain Covenants—Designation of Restricted and Unrestricted Subsidiaries*."

"**U.S. Government Obligations**" means obligations issued or directly and fully guaranteed or insured by the United States of America or by any agent or instrumentality thereof, provided that the full faith and credit of the United States of America is pledged in support thereof.

"**Voting Stock**" means, with respect to any Person, Capital Stock of any class or kind ordinarily having the power to vote for the election of directors, managers or other voting members of the governing body of such Person.

"**Weighted Average Life to Maturity**" means, when applied to any Indebtedness at any date, the number of years (calculated to the nearest one-twelfth) obtained by dividing:

(a) the then outstanding aggregate principal amount or liquidation preference, as the case may be, of such Indebtedness into

(b) the sum of the products obtained by multiplying:

(i) the amount of each then remaining installment, sinking fund, serial maturity or other required payment of principal or liquidation preference, as the case may be, including payment at final maturity, in respect thereof, by

(ii) the number of years (calculated to the nearest one-twelfth) which will elapse between such date and the making of such payment.

"**Wholly-Owned**" means, with respect to any Subsidiary of any Person, such Subsidiary if all of the outstanding Capital Stock in such Subsidiary (other than any directors' qualifying shares or similar shares, ownership of which by a specified person is mandated by law) is owned by such Person or one or more Wholly-Owned Subsidiaries of such Person.

Global Notes; Form, Exchange and Transfer; Book-Entry System

The Notes have been issued as Global Notes in fully registered form, without coupons, in each case, (i) outside the United States in reliance on Regulation S (collectively, the "**Regulation S Global Notes**") and (ii) within the United States in reliance on Rule 144A under the Securities Act (collectively, the "**Restricted Global Notes**" and together with the Regulation S Global Notes, the "**Global Notes**").

The Registrar shall maintain the definitive record (the "**Register**") in which shall be recorded the names and addresses of holders of any Notes, the Notes numbers and other details with respect to the issuance, transfer and exchange of the Notes. We will give notice of any resignation, termination or appointment of the Trustee or any Paying Agent to the holders of the Notes. Notices to the holders of the Notes will be made pursuant to procedures referred to in "*—Notices to Holders of Notes*" above.

Subject to the next succeeding paragraph, the provisions of the Notes Indenture and any applicable transfer restrictions, transfers of any Note may be made at the office of the Registrar by delivery of such Note with the form of transfer thereon duly endorsed by, or accompanied by a written instrument of transfer duly executed by, the relevant holder. In exchange for any Note, properly presented for transfer, the Trustee shall promptly authenticate and deliver at the office of the Registrar to the transferee a Note in the name of each transferee for the same aggregate principal amount as shall have been transferred. No service charge will be made for any registration of transfer or exchange of the Notes, but the Trustee or Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Each Global Note and the beneficial interests in each Global Note will be subject to restrictions on transfer as described under "*Transfer Restrictions*."

The Restricted Global Notes will be deposited with the Trustee, as custodian for, and registered in the name of a nominee of, DTC. The Regulation S Global Notes will be deposited with the Trustee, as custodian for, and registered in the name of a nominee of, DTC. DTC acts as depositary for Euroclear and Clearstream, Luxembourg.

Ownership of beneficial interests in a Global Note is limited to persons who have accounts with DTC, or persons who hold interests through DTC participants. Ownership of beneficial interests in the Global Notes will be shown on, and the transfer of that ownership will be effected only through, records maintained by DTC or its nominee (with respect to interests of DTC participants) and the records of DTC participants (with respect to interests of persons other than DTC participants), which may include Euroclear and Clearstream, Luxembourg, as described below.

For as long as DTC, or its nominee, is the registered owner or holder of a Global Note, DTC or such nominee, as the case may be, will be considered the sole owner and holder of the Notes represented by such Global Note for all purposes under the Notes Indenture and Notes; provided, however, that, notwithstanding the foregoing, a beneficial owner of a Global Note will have the right (i) to obtain evidence of its beneficial ownership interest in a Global Note in accordance with the European Union's Transparency Decree, as amended, from any securities clearing service or collective deposit system (including DTC, Euroclear, Clearstream, Luxembourg and Caja de Valores) and (ii) with such evidence to pursue remedies against us and assert rights in a legal action brought in Argentina under Argentine law in respect of its beneficial ownership interest in such a Global Note (including the right to initiate executive summary proceedings (*acción ejecutiva*) in the manner provided by Article 29 of the Negotiable Obligations Law with respect thereto), and for such purposes such beneficial owner will be treated as the owner of that portion of the Global Note which represents its beneficial ownership interest therein. Owners of beneficial interests in such Global Notes will not be entitled to have any portions of such Global Note registered in their names, will not receive or be entitled to receive physical delivery of Notes in certificated form and will not be considered the owners or holders of such Global Note (or any Notes represented thereby) under the Notes Indenture or the Notes. If DTC is at any time unwilling or unable to continue as a depositary for a Global Note, or ceases to be a "Clearing Agency" registered under the U.S. Securities Exchange Act of 1934, as amended, and a successor is not appointed by us within 90 days, we will issue certificated notes in exchange for the relevant Global Note (the "**Certificated Notes**"). In the case of Certificated Notes issued in exchange for Global Notes, such Certificated Notes will bear, and be subject to, the legend described in the Notes Indenture. In addition, no beneficial owner of an interest in a Global Note will be able to transfer that interest except in accordance with DTC's applicable procedures (in addition to those under the Notes Indenture and, if applicable, those of Euroclear and Clearstream, Luxembourg).

Investors may hold their interests in a Global Note directly through DTC, if they are DTC participants, or indirectly through organizations that are DTC participants.

Payments of the principal of and any premium, interest, additional interest, Additional Amounts and other amounts on any Global Note will be made to DTC or its nominee as the registered owner thereof. Neither we, the Trustee, the Registrar nor any Paying Agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in a Global Note or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

We expect that DTC or its nominee, upon receipt of any payment in respect of a Global Note held by it or its nominee, will immediately credit DTC participants' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of such Global Note as shown on the records of DTC or its nominee. We also expect that payments by DTC participants to owners of beneficial interests in a Global Note held through such DTC participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. Such payments will be the responsibility of such DTC participants.

Subject to the transfer restrictions set forth under "*Transfer Restrictions*," transfers between DTC participants will be effected in accordance with DTC's procedures and will be settled in same-day funds. The laws of some states of the United States require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer beneficial interests in a Global Note to such persons may be limited. Because DTC can only act on behalf of DTC participants, who in turn act on behalf of indirect participants and certain banks, the ability of a person having a beneficial interest in a Global Note to pledge such interest to persons or entities that do not participate in the DTC system, or otherwise take actions in respect of such interest, may be affected by the lack of a physical

certificate of such interest. Transfers between participants in Euroclear and Clearstream, Luxembourg will be effected in the ordinary way in accordance with their respective rules and operating procedures.

Subject to certain transfer restrictions applicable to the Notes, cross-market transfers between DTC participants, on the one hand, and directly or indirectly through Euroclear or Clearstream, Luxembourg participants, on the other, will be effected by DTC in accordance with DTC's rules on behalf of Euroclear or Clearstream, Luxembourg, as the case may be; however, such cross-market transactions will require delivery of instructions to Euroclear or Clearstream, Luxembourg, as the case may be, by the counterparty in such system in accordance with its rules and procedures and within its established deadlines (Brussels time). Euroclear or Clearstream, Luxembourg, as the case may be, will, if the transaction meets its settlement requirements, deliver instructions to its respective depositary to take action to effect final settlement on its behalf by delivering or receiving interests in any Global Note in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Euroclear participants and Clearstream, Luxembourg participants may not deliver instructions directly to the depositaries for Euroclear or Clearstream, Luxembourg.

Because of time zone differences, the securities account of a Euroclear or Clearstream, Luxembourg participant purchasing an interest in a Global Note from a DTC participant will be credited during the securities settlement processing day (which must be a Business Day for Euroclear or Clearstream, Luxembourg, as the case may be) immediately following the DTC settlement date and such credit of any transactions in interests in a Global Note settled during such processing day will be reported to the relevant Euroclear or Clearstream, Luxembourg participant on such day. Cash received in Euroclear or Clearstream, Luxembourg as a result of sales of interests in a Global Note by or through a Euroclear or Clearstream, Luxembourg participant to a DTC participant will be received for value on the DTC settlement date but will be available in the relevant Euroclear or Clearstream, Luxembourg cash account only as of the Business Day following settlement in DTC.

DTC has advised us that it will take any action permitted to be taken by a holder of a Global Note (including the presentation of Notes for exchange as described below) only at the direction of one or more DTC participants to whose account with DTC interests in such Global Note are credited and only in respect of such portion of the aggregate principal amount of such Global Note as to which such DTC participant or participants has or have given such direction. However, if there is an Event of Default (as discussed below) under a Global Note, DTC will exchange such Global Note for Certificated Notes (which will, in the case of Global Notes, bear the legend applicable to transfers pursuant to Rule 144A), which it will distribute to its DTC participants.

The Clearing Systems

Although DTC, Euroclear and Clearstream, Luxembourg have agreed to the foregoing procedures in order to facilitate transfers of interests in the Global Notes among participants of DTC, Euroclear and Clearstream, Luxembourg, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. Neither we nor the Trustee will have any responsibility for the performance by DTC, Euroclear and Clearstream, Luxembourg or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

Clearstream, Luxembourg

Clearstream, Luxembourg (formerly Cedelbank) is incorporated under the laws of Luxembourg as a professional depositary.

Clearstream, Luxembourg holds securities for its participating organizations and facilitates the clearance and settlement of securities transactions between its participants through electronic book-entry changes in accounts of its participants, thereby eliminating the need for physical movement of certificates. Clearstream, Luxembourg provides to its participants, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing.

Clearstream, Luxembourg interfaces with domestic markets in several countries. As a professional depositary, Clearstream, Luxembourg is subject to potential supervision by the CSSF. Clearstream, Luxembourg participants are financial institutions around the world, including the other securities brokers and dealers, banks, trust companies and clearing corporations and certain other organizations. Indirect access to Clearstream, Luxembourg is

also available to others that clear through or maintain a custodial relationship with a Clearstream, Luxembourg participant either directly or indirectly.

Euroclear

Euroclear was created in 1968 to hold securities for its participants and to clear and settle transactions between its participants through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash.

Euroclear provides various other services, including securities lending and borrowing, and interfaces with domestic markets in several countries. Euroclear is operated by Euroclear Bank S.A./N.V. (which we refer to as the "**Euroclear Operator**") under contract with Euro-Clear Clearance Systems, S.C., a Belgian cooperative corporation (which we refer to as the "**Cooperative**"). All operations are conducted by the Euroclear Operator, and all Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear Operator, not the Cooperative. The Cooperative establishes policy for Euroclear on behalf of Euroclear participants. Euroclear participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries. Indirect access to Euroclear is also available to others that clear through or maintain a custodial relationship with a Euroclear participant, either directly or indirectly.

Because the Euroclear Operator is a Belgian banking corporation, Euroclear is regulated and examined by the Belgian Banking Commission.

DTC

DTC is a limited-purpose trust company organized under the laws of the State of New York, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act.

DTC was created to hold securities for its participants and to facilitate the clearance and settlement of transactions between its participants through electronic book-entry changes in accounts of its participants, thereby eliminating the need for physical movement of certificates. DTC participants include securities brokers and dealers, banks, trust companies and clearing corporations and may in the future include certain other organizations. Indirect access to the DTC system is also available to others that clear through or maintain a custodial relationship with a DTC participant, either directly or indirectly.

Registration and Transfer of Notes

Transfers of beneficial interests in the Global Notes will be subject to the applicable rules and procedures of DTC and its direct or indirect participants (including, if applicable, those of Euroclear and Clearstream, Luxembourg), which may change from time to time. Transfers of beneficial interests in the Global Notes that are cleared through Euroclear or Clearstream, Luxembourg will be subject to the applicable rules of Euroclear or Clearstream, Luxembourg, respectively.

All transfers of definitive Notes and entries on the register will be made subject to the provisions in the Notes Indenture relating to the Notes. The regulations may be changed with the prior written approval of the Trustee. If definitive securities representing the Notes are issued in the limited circumstances described above under "*—Global Notes; Form, Exchange and Transfer; Book-Entry System*," those securities may be transferred in whole or in part in denominations of any whole number of securities. Definitive securities may be transferred upon surrender of the definitive securities together with the form of transfer endorsed on it, duly completed and executed at the specified office of a paying agent. The new certificate representing the securities that were transferred will be sent to the transferee within three Business Days after the paying agent receives the certificate transferred, by uninsured post at the risk of the holder entitled to the securities represented by the certificate, to the address specified in the form of transfer. If only part of a securities certificate is transferred, a new securities certificate representing the balance not transferred will be sent to the transferor by uninsured post at the risk of the transferor within three Business Days after the paying agent receives the certificate. The new certificate representing the balance will be delivered to the transferor by uninsured post at the risk of the transferor, to the address of the transferor appearing in the records of the paying

agent. No holder of a definitive note may require the transfer of a note to be registered during the period of 15 days ending on the due date for any payment of the redemption price of the Notes.

Registration of transfers of Notes will be effected without charge by or on behalf of Edemsa or the Registrar or Paying Agent, but upon payment (or the giving of such indemnity as the Registrar may require) in respect of any tax or other governmental charges that may be imposed in relation to it.

TAXATION

Certain U.S. Federal Income Tax Considerations

The following is a summary of certain U.S. federal income tax consequences that may be relevant to a U.S. Holder (as defined herein) of Notes. The discussion does not deal with special classes of holders, such as dealers in securities or currencies, banks, financial institutions, insurance companies, tax-exempt organizations, entities classified as partnerships and partners therein, persons that hold or are treated as holding 10% or more of our stock by vote or value, persons holding the Notes as a position in a "straddle" or conversion transaction, or as part of a "synthetic security" or other integrated financial transaction, nonresident alien individuals present in the United States for more than 182 days in a taxable year, or U.S. Holders that have a functional currency other than the U.S. dollar. This discussion deals only with holders of Notes who acquire Notes pursuant to this offering at their original "issue price" (as described below) and assumes that the Notes are held as "capital assets" by the holder for U.S. federal income tax purposes.

This discussion is based on the Internal Revenue Code of 1986, as amended (the "**Code**"), U.S. Treasury regulations, published administrative interpretations of the Internal Revenue Service (the "**IRS**") and judicial decisions, all of which are subject to change, possibly with retroactive effect. We have not sought any ruling from the IRS with respect to the statements made and the conclusions reached in this discussion, and there can be no assurance that the IRS will agree with these statements and conclusions. In addition, the discussion does not address the alternative minimum tax, the Medicare tax on net investment income, the special timing rules prescribed under section 451(b) of the Code, or other aspects of U.S. federal income or state and local taxation that may be relevant to a holder of the Notes. Accordingly, a holder of the Notes should consult its own tax advisor in determining the tax consequences to it of holding Notes and the application of U.S. federal income tax laws, as well as the laws of any state, local or foreign taxing jurisdictions, to its particular situation.

As used herein, a "U.S. Holder" is a beneficial owner of the Notes that is a citizen or individual resident of the United States or a domestic corporation or any other person that otherwise will be subject to U.S. federal income tax on a net basis in respect of the Notes.

Tax Consequences to U.S. Holders of Holding and Disposing of Notes

Payments of stated interest (including any additional amounts) will be taxable to a U.S. Holder as ordinary interest income at the time it accrues or is actually or constructively received, in accordance with the holder's method of accounting for U.S. federal income tax purposes. In addition, if the issue price of the Notes (the first price at which a substantial amount of the Notes is sold to investors) is less than their principal amount by more than a *de minimis* amount (i.e., if the Notes are issued at a discount of at least 0.25% times their weighted average maturity), the Notes will be issued with original issue discount ("**OID**") for U.S. federal income tax purposes. The weighted average maturity of the Notes is the sum of the following amounts: for each principal payment, (i) the number of complete years from the issue date of the Notes until such payment is made, multiplied by (ii) a fraction, the numerator of which is the amount of such principal payment and the denominator of which is the Notes' total principal amount. If the Notes are issued with OID, each U.S. Holder, regardless of the holder's regular method of accounting for U.S. federal income tax purposes, generally must include in ordinary income a portion of the OID for each day during each taxable year in which a Note is held, determined by using a constant yield-to-maturity method that reflects compounding of interest. The amount of such inclusions will generally increase over time. This means that each U.S. Holder would be required to include amounts in income without a corresponding receipt of cash attributable to such income if the Notes are issued with OID.

Interest payments and OID on the Notes generally will constitute foreign-source income for U.S. federal income tax purposes and will be categorized as "passive category income" (or, in the case of certain U.S. Holders, "general category income") for purposes of computing the foreign tax credit allowable under the U.S. federal income tax laws. A U.S. Holder may be able, subject to certain generally applicable limitations, to claim a foreign tax credit (or, alternatively, a deduction if the U.S. Holder has elected to deduct all foreign income taxes for that taxable year) for any Argentine withholding taxes imposed on payments of interest or OID. The rules relating to foreign tax credits and the timing thereof are complex and have been subject to recent changes, and U.S. Holders should consult their tax advisors with regard to the availability of foreign tax credits and the application of the foreign tax credit limitations to

their particular situation.

Sale, Exchange, Redemption or Other Disposition of Notes

Upon the disposition of a Note by sale, exchange, redemption or otherwise, a U.S. Holder generally will recognize gain or loss equal to the difference between the amount realized on the disposition (less any accrued and unpaid stated interest, which will be subject to tax as such to the extent not previously included in income) and the holder's adjusted tax basis in the Note at the time of the disposition. Similarly, each payment of principal on the Notes generally will be treated as a disposition of a proportionate amount of the Notes such that if the Notes are issued with a *de minimis* amount of discount, a U.S. Holder will recognize taxable gain upon the receipt of the principal payment in an amount equal to such discount multiplied by a fraction, the numerator of which is the amount of the principal payment made and the denominator of which is the original principal amount of the Note. A U.S. Holder's adjusted tax basis in a Note will generally equal the cost of such Note to such U.S. Holder, increased by any amount includible in income by such U.S. Holder as OID and reduced by any prior payments of principal on such Note. Any gain or loss generally will be U.S. source capital gain or loss. Any capital gain or loss recognized upon disposition of a Note will be long-term capital gain or loss if the U.S. Holder's holding period for the Note exceeded one year at the time of the disposition. Certain non-corporate U.S. Holders are eligible for preferential rates of U.S. federal income taxation in respect of long-term capital gains. The ability of a U.S. Holder to deduct a capital loss is subject to limitations under the Code.

Foreign Financial Asset Reporting

Individual U.S. Holders that own "specified foreign financial assets" with an aggregate value in excess of U.S.$50,000 on the last day of the taxable year or U.S.$75,000 at any time during the taxable year are generally required to file an information statement along with their tax returns, currently on IRS Form 8938, with respect to such assets. "Specified foreign financial assets" include any financial accounts held at a non-U.S. financial institution, as well as securities issued by a non-U.S. issuer that are not held in accounts maintained by financial institutions (which may include Notes issued in certificated form). Higher reporting thresholds apply to certain individuals living abroad and to certain married individuals. Regulations extend this reporting requirement to certain entities that are treated as formed or availed of to hold direct or indirect interests in specified foreign financial assets based on certain objective criteria. U.S. Holders who fail to report the required information could be subject to substantial penalties. In addition, the statute of limitations for assessment of tax would be suspended, in whole or part. Prospective investors should consult their own tax advisors concerning the application of these rules, including the application of the rules to their particular circumstances.

Backup Withholding and Information Reporting

Information returns generally will be filed with the IRS in connection with the payment of interest and on the Notes by, and the proceeds of dispositions of Notes effected by, certain U.S. persons (as defined in the Code). In addition, certain U.S. persons may be subject to backup withholding in respect of such amounts if they do not provide their taxpayer identification numbers to the person from whom they receive payments. The amount of any backup withholding from a payment to a holder will be allowed as a credit against the holder's U.S. federal income tax liability and may entitle the holder to a refund, provided that the required information is timely furnished to the IRS.

Certain Argentine Tax Considerations

Argentine Taxation

The following discussion is a summary of the material Argentine tax considerations that might be relevant to the purchase, ownership and disposition of Notes, and is not intended to provide a comprehensive description of the Argentine tax issues relating to an investment in the Notes.

Prospective purchasers of Notes are advised to consult their tax advisors as to the consequences, under their own country's tax laws, of investing in the Notes, including, but not limited to, applicable interest and sale, redemption or other disposition of the Notes.

Argentina has signed tax treaties with several countries in order to avoid duplication of income and wealth taxation. In the event that an investor resides, for tax purposes, in one of the countries with said treaties, its regulations will, in principle, be applicable before the local regulations, unless the latter offers a more favorable treatment than the one provided for in the treaties.

Although the following description is based on a reasonable interpretation of the rules in force, there can be no assurance that the tax authorities or the courts will agree with each and every one of the comments made herein.

Income Tax; treatment applicable to payment of interest and capital gains

Foreign Beneficiaries

Interest paid to individuals, undivided estates and entities resident abroad for tax purposes ("**Foreign Beneficiaries**") that do not reside in non-cooperative jurisdictions, or whose invested funds do not come from non-cooperative jurisdictions, are exempted from income tax as long as the Notes comply with the conditions set forth in Section 36 of the Negotiable Obligations Law (the "**Conditions of Section 36**"), according to the provision of subsection u) of Section 26 of the ITL. If the Conditions of Section 36 are not complied with, a 35% income tax rate is applicable on the presumption of net income of 43% or 100% according to Section 104, subsection c), paragraphs 1 and 2 respectively of the ITL, depending on the status of the take-holder of the founds and the creditor.

It shall be noted that the Conditions of Section 36 are the following:

(i) the Notes must be placed by means of a public offering approved by the CNV;

(ii) the proceeds obtained from the issuance of the Notes must be applied either to (a) investments in tangible assets and fixed assets located in Argentina, (b) the acquisition of ongoing concern located in Argentina, (c) working capital in Argentina, (d) refinancing of debts, (e) capital contributions to controlled or affiliated corporations, (f) the acquisition of capital stock, (g) financing of the ordinary business of the issuer, provided that such proceeds are used only for the purposes set forth in (a), (b), (c), (d), (e) or (f) above, and/or (h) granting loans (when the issuer is a financial entity ruled by the Argentine Financial Entities Law No. 21,526), which funds must be used by the borrowers for the purposes set forth above, according to the rules enacted for such purpose by the Central Bank (in this case the financial entity will be the one responsible for evidencing the use of proceeds in the manner determined by the CNV); and

(iii) the issuer must have the use-of-proceeds plan accredited before the CNV in the time and manner prescribed by CNV Regulations, providing evidence that the proceeds from the issuance of the Notes have been used for the purposes described in paragraph (ii) above.

On the other hand, according to the subsection h) of Section 26 of the ITL, the exemption provided in the first paragraph of such provision extends to the interest originated by deposits made in savings accounts, special savings accounts, fixed-term deposits and deposits of third parties or other forms of fund raising from the public as determined by the BCRA, provided that they are made in institutions subject to the legal regime of financial entities regulated by Law No. 21,526, while for the purposes of the exemption in question, among other rules, paragraph 4 of Section 36 bis of the Negotiable Obligations Law has been reestablished, which in turn exempts the income tax from interest, and realizes updates and capital adjustments of Notes that meet the Conditions of Section 36, clarifying that in the case of Foreign Beneficiaries, the restrictions contained in Section 28 of the ITL or in Section 106 of Law No. 11,683, which restrict the application of total or partial exemptions or deductions from income tax when this could result in a transfer of income to foreign tax authorities, shall not apply.

Capital gains derived from the sale, exchange, swap or disposition of Notes made by Foreign Beneficiaries who are not resident in non-cooperating jurisdictions and whose invested funds were not channeled through non-cooperating jurisdictions, pursuant to the provisions of the fourth paragraph of subsection u) of Section 26 ITL, are also exempted from the income tax. Likewise, the results from the sale, exchange, swap or disposal of Notes not included in the fourth paragraph of Section 26, subsection u) of the ITL obtained by Foreign Beneficiaries, to the extent that they are listed on stock exchanges or stock markets authorized by the CNV, are exempt from this tax,

without the application of the provisions of Section 109 of the ITL and provided that they do not reside in non-cooperating jurisdictions or their invested funds were not channeled through such jurisdictions. If the sale does not qualify as exempt because the Foreign Beneficiary is located in a non-cooperating jurisdiction or the invested funds originate from a non-cooperating jurisdiction, the 35% tax rate provided for in Section 102 of the ITL shall be applied on the 90% presumptive basis provided for in subsection i) of Section 104 of said law.

Pursuant to Section 19 of the ITL, any reference made to "non-cooperating jurisdictions" shall be understood as referring to those countries or jurisdictions included by Decree No. 603/2024 in the list of Section 24 of the ITL regulatory decree (as subsequently amended).

As of the date hereof, the following are considered "non-cooperative" jurisdictions within the terms of Article 19 of the ITL:

1. Brecqhou
2. State of Eritrea
3. Vatican City State
4. State of Libya
5. Plurinational State of Bolivia
6. Ascension Island
7. Sark Island
8. Saint Helena Island
9. Solomon Islands
10. Federated States of Micronesia
11. Kingdom of Bhutan
12. Kingdom of Cambodia
13. Kingdom of Lesotho
14. Kingdom of Tonga
15. Kyrgyz Republic
16. Arab Republic of Egypt
17. Syrian Arab Republic
18. People's Democratic Republic of Algeria
19. Central African Republic
20. Cooperative Republic of Guyana
21. Republic of Angola
22. Republic of Belarus
23. Republic of Burundi
24. Republic of Côte d'Ivoire
25. Republic of Cuba
26. Republic of the Philippines
27. Republic of Fiji
28. Republic of the Gambia
29. Republic of Guinea
30. Republic of Equatorial Guinea
31. Republic of Guinea-Bissau
32. Republic of Haiti
33. Republic of Honduras
34. Republic of Iraq
35. Republic of Kiribati
36. Republic of the Union of Myanmar
37. Republic of Madagascar
38. Republic of Malawi
39. Republic of Mali
40. Republic of Mozambique
41. Republic of Nicaragua
42. Republic of Palau
43. Republic of Sierra Leone

44. Republic of South Sudan
45. Republic of Suriname
46. Republic of Tajikistan
47. Republic of Trinidad and Tobago
48. Republic of Uzbekistan
49. Republic of Yemen
50. Republic of Djibouti
51. Republic of Zambia
52. Republic of Zimbabwe
53. Republic of Chad
54. Republic of Niger
55. Republic of Sudan
56. Democratic Republic of Sao Tome and Principe
57. Democratic Republic of Timor-Leste
58. Republic of the Congo
59. Democratic Republic of the Congo
60. Federal Democratic Republic of Ethiopia
61. Lao People's Democratic Republic
62. Democratic Socialist Republic of Sri Lanka
63. Federal Republic of Somalia
64. Federal Democratic Republic of Nepal
65. Gabonese Republic
66. Islamic Republic of Afghanistan
67. Islamic Republic of Iran
68. People's Republic of Bangladesh
69. Democratic People's Republic of Korea
70. Togolese Republic
71. United Republic of Tanzania
72. British Overseas Territory of Pitcairn, Henderson, Ducie, and Oeno Islands
73. Tristan da Cunha
74. Tuvalu
75. Union of the Comoros

ARCA General Resolution No. 4227/2018 regulates the income tax withholding regime applicable to interest paid to Foreign Beneficiaries in case that the exemption is not applicable.

On July 11, 2024, Decree No. 603/2024 was published in the Official Gazette, whereby the National Executive Power amended Section 24 of the Regulatory Decree of the Income Tax Law Decree No. 862/2019) with the changes introduced by decree, the following jurisdictions are removed from the list of non-cooperative jurisdictions: Burkina Faso, Independent State of Papua New Guinea, Republic of Benin, Republic of Rwanda and the Socialist Republic of Vietnam.

The Labor Modernization Law introduced a relevant amendment to Section 116 of the ITL, specifically addressing the tax residency status of individuals who obtain Argentine citizenship through naturalization based on significant investments in the country. Under the new provision, foreign individuals who are granted Argentine citizenship on the basis of qualifying investments will not be deemed Argentine tax residents solely as a consequence of such naturalization. This clarification aims to decouple immigration status from tax residency in cases involving investment-driven naturalization, thereby providing greater certainty for foreign investors.

Furthermore, for purposes of certain specific rules under the ITL, such individuals will continue to be treated as foreign persons notwithstanding their acquisition of Argentine citizenship. However, if the individual had already obtained permanent residency status in Argentina at the time of naturalization, such individual will continue to be regarded as an Argentine tax resident. This distinction reinforces that tax residency will remain primarily linked to factual residency criteria rather than formal citizenship status in investment scenarios.

Argentine resident individuals and undivided estates

Interest and capital gains derived from the sale or other form of disposition of the Notes that comply with the Conditions of Section 36 are exempt from income tax pursuant to items 3 and 4 of Section 36 bis of the Negotiable Obligations Law.

If the Conditions of Section 36 are not met, the interest not covered by the aforementioned exemption is subject to progressive taxation according to the scale of Section 94 of the ITL, with a maximum marginal tax rate of 35%. During the first half of 2026, the maximum marginal tax rate of 35% applies to net taxable income exceeding Ps. 60,750,913.96. This threshold is adjusted semi-annually based on the CPI. In particular, net Argentine source gains derived from the sale or other forms of disposition of Notes would be subject to income tax at a rate of 15% for securities denominated in foreign currency.

In the case of securities covered by the provisions of Section 98 of the ITL, and not included in the first paragraph of Section 26, subsection u) of the ITL, individuals and undivided estates resident in the country shall be exempt from the results derived from their purchase, sale, exchange, swap or disposal, provided that they are listed on stock exchanges or stock markets authorized by the CNV, without the application of the aforementioned Section 109 of the ITL, which provides that the total or partial exemptions established or to be established in the future by special laws in respect of securities, bills, bonds, debentures and other securities issued by the National, Provincial or Municipal Governments or by the City of Buenos Aires, will not have any effect on the IT for individuals and undivided estates resident in the country (provided that they are not included in paragraphs d) and e) and in the last paragraph of Section 53 of the ITL).

Argentine entities

Both income and gains derived from any form of sale of Notes obtained by entities incorporated or registered under Argentine law, local branches of foreign entities, sole proprietorships and individuals carrying out certain commercial activities in Argentina, are subject to a progressive tax rate that varies from 25% to 35% depending on the taxpayer's accumulated net taxable income. In the event of notes being issued and subscribed in the primary market at a discounted price *vis-a-vis* their face value, the difference between the actual subscription price and the face value of the note at the time of repayment or maturity thereof shall be considered a taxable income. These amounts are annually adjustable by the CPI.

Pursuant to Law 27,630 the income tax rate applicable to Argentine Entities is amended, establishing a progressive tax rate system from 25% to 35% depending on the accumulated taxable net income detailed below:

Net accumulated profit (full figures)		Pay Ps. (full figures)	%	On surplus in Ps. (full figures)
over Ps.	to Ps.			
-	133,514,185.74	-	25%	-
133,514,185.74	1,335,141,857.38	33,378,546.43	30%	133,514,185.74
1,335,141,857.38	onwards	393,866,847.93	35%	1,335,141,857.38

* Scale applicable to fiscal year beginning on January 1, 2026 through December 31, 2026.

Additionally, a 7% withholding tax is applicable to any distribution of dividends or profits from income derived from January 1, 2018, by Argentine entities to individuals and undivided estates resident in the country and to Foreign Beneficiaries.

*Value added tax ("**VAT**")*

Interest payments made regarding Notes will be exempt from VAT as long as the Notes are issued through public offering authorized by the CNV. In addition, as long as the Notes comply with the Conditions of Section 36, any benefit relating to the offer, subscription, subscription at signing, transfer, authorization or cancellation of the Notes will be exempt from VAT in Argentina.

According to Law No. 23,349, the transfer of Notes is exempt from VAT even if the Conditions of Section 36 are not met.

*Personal assets tax ("**PAT**")*

Argentine resident individuals and undivided estates are required to pay PAT upon certain assets located both in the country or abroad (including Notes) held on December 31 of each year, when their aggregate value exceeds the non-taxable minimum threshold. For the 2025 tax period (payable in 2026), the non-taxable minimum threshold has been set at Ps. 384,728,044.57. The tax rates have been unified for assets in Argentina and abroad. This amount is adjusted annually considering the variation of the CPI.

This tax will result from the application of the corresponding tax rate on the market value of the Notes (in case they are listed on the stock exchange) or on the acquisition cost plus interests and exchange differences accrued and unpaid (in case that they are not listed on the stock exchange as of December 31 of each calendar year). For taxpayers residing in the country, the tax is calculated on the total value of the assets subject to the tax, excluding shares and participations in companies. The applicable tax rates for the tax period 2025 are progressive and range from 0.50% to 1%. For fiscal year 2026, the scale is reduced to a range between 0.50% to 0.75%, and for fiscal year 2027, single flat rate of 0.25% will apply.

Non-Argentine resident individuals and undivided estates are only taxed on all of their assets located in the country, without applying the non-taxable minimum at a 0.50% tax rate. However, the PAT is not required to be paid if the amount of such tax is equal or less than Ps. 255.75. The tax must be paid by the person resident in Argentina who has the ownership, possession, use, benefit, disposition, deposit, holding, custody, administration, or safekeeping of the securities. Although Notes owned by non-resident individuals or undivided estates located outside Argentina are technically subject to PAT (unless a specific exemption applies), neither the PAT Law nor its Regulatory Decree, have established any procedure for the collection of PAT when such assets are held directly by individuals or undivided estates. The regime of the "substitute taxpayer" ("*régimen del responsable sustituto"*) established by the first paragraph of Section 26 (local entity domiciled or located in the country that has the disposition, holding, custody or deposit of the Notes) is not applicable to the holding of Notes (third paragraph of Section 26 of the PAT Law).

In addition, the PAT Law establishes an irrefutable legal presumption, which states that Notes issued by Argentine private issuers directly owned by certain type of foreign entities that: (i) are domiciled or resident, according to the applicable tax period, in a jurisdiction that does not require that the shares or private securities be nominative and (ii) in conformity with their nature or status (a) have as their principal purpose to invest outside their country of incorporation and/or (b) are unable to carry out certain activities in their own country or are unable to perform certain investments permitted under the laws of that country, shall be deemed to be owned by individuals resident in Argentina or undivided estates resident in Argentina and, therefore, subject to PAT.

In such cases, the law imposes on the Argentine private issuer the obligation to pay the PAT, as a substitute taxpayer, at the rate of 1% as from the tax period 2019 and subsequent periods; authorizing the recovery of the paid amount, without any limitation, by means of withholding or execution of the assets that gave rise to the payment. The National Executive Power Decree No. 127, dated February 9, 1996, as well as the ARCA General Resolution No. 2151/06 establish that the substitute taxpayer and, therefore, the entity issuing such securities will be the one obliged to pay the tax.

Said legal presumption does not apply to the following foreign companies that have direct ownership of such securities: (i) insurance companies, (ii) open-end investment funds, (iii) pension funds, and (iv) banks or financial entities whose head office is located in a country whose central bank or equivalent authority has adopted the international banking supervision standards established by the Basel Committee.

On the other hand, Decree No. 127/96 establishes that such legal presumption shall not apply to private securities whose public offering has been authorized by the CNV and which are traded in stock exchanges located in Argentina or abroad, as is the case of Notes. In order to ensure that this legal presumption will not apply and, therefore, that the Argentine private issuer will not have to act as a "substitute taxpayer," the Company will keep in its records a duly certified copy of the CNV resolution authorizing the public offering of the Notes and proof that such certificate was in force as of December 31 of the fiscal year in which the tax liability arose, as established by Resolution No. 2151/2006 of the ARCA. If the Argentine Tax Authorities consider that the Company does not have the required CNV authorizations documentation evidencing the authorization of the CNV and its trading in stock markets in Argentina or abroad, the Company will be liable for the income of the PAT.

A Special Regime for Income from Personal Assets Tax (REIBP) is created, allowing voluntary prepayment until fiscal year 2027, with a unified reduced rate of 0.45%. Participants adhering to the tax amnesty regime can apply for REIBP with a unified rate of 0.5%. It allows taxpayers to unify PAT payments for the 2023-2027 periods at a reduced rate (0.45% or 0.5% for amnesty participants). Adherents are exempt from filing PAT returns and gain fiscal stability until 2038.

*Tax on debits and credits in bank accounts ("**TDC**")*

In the event that investors use bank accounts located in local financial institutions in connection with the Notes, debits and credits originated in such accounts may be subject to the TDC. The general rate of the TDC is 0.6%, although there are reduced rates of 0.075% as well as increased rates of 1.2%.

Certain money transfers or cash movements through other mechanisms may also be subject to this tax, with rates up to 1.2% of the amounts transferred.

In general, the financial entities involved act as collection agents and liquidate the TDC.

Decree No. 409/2018 established that 33% of the amounts paid as this tax for the taxable events subject to the general rate of 0.6%, as well as those taxed at the 1.2% rate, can be used by the account holder as a credit against other specific federal taxes, including IT and/or Minimum Presumed Income Tax (currently repealed). The remaining amount is deductible for IT purposes. If lower rates were applied, the available credit would be reduced to 20%. In the case of micro, small and medium companies registered as such in accordance with the provisions of Argentine legislation, the percentage of payment on account in the IT may be higher, depending on the case. Law No. 27,264 established that one hundred percent (100%) of the TDC effectively paid may be computed as payment on account of IT by companies considered "micro" and "small" companies. Similarly, sixty percent (60%) of the TDC paid may be computed as payment by manufacturing industries considered "medium – bracket 1-" companies, under the terms of Section 1 of Law No. 25,300 and its complementary regulations.

Additionally, Decree No. 394/2023, as amended, provides that, as from July 31, 2023, micro-companies may compute up to 30% of the TDC effectively paid as payment on account of up to 15% of the employer's contributions provided for in Section 19 of Law No. 27,541 that are destined to the Argentine Integrated Security System (AISS). This credit may be used for salaries accrued between August 1, 2023 and December 31, 2026.

TDC has certain exemptions related to the holder and destination of the bank accounts. For example, debits and credits in special checking accounts (created under Communication "A" 3,250 of the BCRA) are exempted from this tax if the accounts are held by foreign legal entities and if they are exclusively used for financial investments in Argentina (see Section 10, subsection (s) of Decree No. 380/2001´s annex). To obtain certain exemptions and/or reductions in the rate of this tax, it may be necessary to register the bank accounts with the tax authority (ARCA) in accordance with the provisions of ARCA General Resolution No. 3900/2016.

By means of Law 27,702, TDC's law validity was extended until 12/31/2027.

*Turnover tax ("**TT**")*

Investors who regularly carry out or are presumed to carry out activities in any local jurisdiction where they obtain income from the holding, sale or transfer of Notes may be subject to TT at rates that vary according to the specific legislation of each Argentine province or the City of Buenos Aires, unless an exemption is applicable.

As of the date hereof, some local jurisdictions, such as the City of Buenos Aires and the Province of Buenos Aires, provide that income resulting from any transaction relating to Notes issued in accordance with the Negotiable Obligations Law is exempt from TT to the extent they have been issued in accordance with the provisions set forth therein, and as long as the IT exemption applies. Such exemption is not applicable to the activities carried out by stockbrokers and all types of intermediaries in connection with such transactions. However, in the Province of Mendoza, income resulting from such transactions is subject to TT.

Potential investors of Notes that reside in Argentina are encouraged to consult a tax advisor as to the particular TT consequences of holding and disposing of Notes in the local jurisdictions involved.

Regimes for the Collection of Provincial Tax Revenues on the Amounts Credited to Bank Accounts

Different provincial tax authorities (i.e., City of Buenos Aires, Corrientes, Córdoba, Tucumán, Province of Buenos Aires and Salta, among others) have established collection regimes for TT purposes applicable to those credits verified in accounts opened at financial entities, of any type and/or nature and including all branch offices, irrespective of territorial location.

These regimes apply to those taxpayers included in the lists provided monthly by the tax authorities of each jurisdiction.

The applicable rates may vary depending on the jurisdiction involved with a range that can reach, in general, up to 5%.

Collections made under these regimes shall be considered as a payment on account of the gross turnover tax for those entities who are subject to it.

Holders of Notes shall corroborate the existence of said regimes in accordance with the jurisdiction involved.

*Stamp tax ("**ST**")*

ST is a local tax applicable on onerous acts, contracts and transactions formalized pursuant to a public and/or private instrument executed in Argentina or, if executed abroad, to the extent that those instruments are deemed to have effects in one or more relevant jurisdictions within Argentina. In general, this tax is calculated on the economic value of the act.

Each Argentine province and the City of Buenos Aires set forth its own ST regime in accordance with their local regulations. In the City of Buenos Aires, as well as in the Province of Buenos Aires, acts, contracts and transactions, including deliveries or reception of money, related to the issuance, subscription, placement and transfer of Notes issued according to the regime of the Negotiable Obligations Law, are exempted from this tax. This exemption also covers agreements documenting the sale or the exchange, capital increases for the issuance of shares to be delivered, for conversion of Notes, and constitution of all types of personal or real guarantees in favor of investors or third parties that guarantee the issuance, whether prior, simultaneous or subsequent to it. This exemption applies if the authorization to place the security through public offering is filed within 90 calendar days from the execution of any such act, contracts and operations and if the placement of the securities is performed within 180 calendar days from the authorization to place such securities by public offering.

In the Province of Mendoza, the exemption from the ST is provided for in Section 238, Subsection 38, of the provincial Tax Code.

Instruments, acts and transactions related to the issuance of securities representing debt of their issuers and any other securities intended for public offering under the terms of the Argentine Capital Markets Law issued by companies authorized by the CNV to make public offerings are also exempt from ST in both jurisdictions. This exemption also covers the guarantees related to such issues. However, the exemption becomes null and would not have effects if, within 90 calendar days, the authorization for the public offering of such securities is not requested before the CNV and/or if the placement of the securities is not made within 180 calendar days as from the granting of the requested authorization.

Additionally, acts, instruments and/or transactions related to the trading of securities duly authorized for public offering by the CNV are also exempt from ST in the City of Buenos Aires and the Province of Buenos Aires. This exemption would not apply in the event the circumstance mentioned in the preceding paragraph takes place.

Investors should consider the tax consequences in force in the jurisdictions involved with the issuance, subscription, placement and transfer of the Notes.

Tax on the Free Transfer of Assets

There are no Argentine federal inheritance or succession taxes applicable to the gift, ownership, free transfer or disposition of the Notes. Nevertheless, at a provincial level, the province Buenos Aires has imposed the Tax on the Free Transfer of Assets by means of Law No. 14,044, as amended, effective from January 1, 2011.

Court tax

In the event that it becomes necessary to institute enforcement proceedings in relation to our Notes in the federal courts of Argentina or the national courts located in the City of Buenos Aires, a court tax (in general at a rate of 3.0% and/or 1.5% in the case of inheritance lawsuits, among others.) will be imposed on the amount of any claim brought before such courts.

Public Offering and Tax Exemptions

The Negotiable Obligations Law establishes that in order to make effective the preferential tax treatment provided by such law, the Notes must be placed by public offering. In this regard, the CNV established in the CNV Rules the minimum guidelines for the primary placement process of securities.

The main minimum guidelines for the primary placement of marketable securities are as follows: Publication of the Argentine Prospectus in its final version, and all other supplementary documentation required by the CNV Rules for the type of negotiable security in question, for a minimum period of three business days prior to the start date of the placement mechanisms (book-building or auction or public bidding), informing at least: (i) type of instrument; (ii) amount or quantity offered, indicating whether it is a fixed amount or range with a minimum and a maximum; (iii) minimum trading unit of the instrument; price (specifying whether it is a fixed value or a range with a minimum and a maximum) and multiples; (iv) term or maturity; (v) depreciation; (vi) form of negotiation; (vii) primary negotiation commission; (viii) details on the dates and schedules of the auction or bidding; (ix) definition of the variables, which may include, by price competition, interest rate, yield or other variable, and the form of prorating the offers, if necessary; (x) all trading agents and registered clearing and settlement agents may access the system to enter bids; (xi) the public tendering may be, at the issuer's option, blind -of "sealed bids"- in which no participant, including the underwriters, will have access to the bids submitted until after the end of the auction period, or open, of known bids as they enter through the same bidding system; (xii) once the term for receipt of offers has expired, the offers submitted may not be modified nor may new offers be submitted; (xiii) the publications of the Argentine Prospectus and the complementary documentation must be made through the Financial Information Highway, through the institutional web page of the markets in operation and through the issuer's institutional web page.

Issuers must prepare company prospectuses describing in detail the investment efforts to be made and evidencing, if required by the competent authority, the performance of such activity. Notes will not be considered tax exempt simply because of the CNV's authorization of a public offering.

The offer may be subscribed under an "underwriting agreement." In such case, for the public offering requirement to be complied with it is sufficient that the underwriting agent made the placement efforts as indicated in Section 3 of Chapter IV of Title VI of the CNV's Rules. We expect the offer to comply with such public offering requirement.

Tax treaties to prevent double international taxation

Argentina has double taxation treaties currently in force with Germany, Australia, Belgium, Bolivia, Brazil, Canada, Chile, China, Denmark, Spain, Finland, France, the United Kingdom, Italy, Mexico, the Netherlands, Norway, Russia, Sweden, Switzerland, the United Arab Emirates, Uruguay, Qatar and Turkey. Tax treaties between Argentina and Austria, Japan, Czech Republic and Luxemburg have been signed,but have not yet been ratified by their respective governments. The tax treaty entered with Austria was recently approved through Law No. 27,803. Notwithstanding

such legislative approval, the exchange of bilateral notifications between the contracting states remains pending, and accordingly, the treaty has not yet entered into force.

There is currently no tax treaty or convention in effect between Argentina and the United States. Since January 2023 an international administrative agreement for the exchange of information between the ARCA and the IRS has been in force.

The "Multilateral Convention to Implement Tax Treaty-Related Measures to Prevent Base Erosion and Profit Shifting" ("**MLI**"), under the Organization for Economic Cooperation and Development ("**OECD**") framework, has been approved by Law No. 27,788. and ratified by Argentina on September 29, 2025. The MLI applies to certain taxable events occurring on or after January 1, 2026. This circumstance could alter enforcement of Double Taxation Treaties concluded by Argentina with other nations that have also signed the MLI and for which the MLI has entered into force (as the date of entry into force varies by each signatory jurisdiction).

Potential investors should consider the treatment applicable under the aforementioned agreements according to their particular situation.

Restrictions regarding "non-cooperating jurisdictions" and "low or no taxation jurisdictions"

Pursuant to Section 18.2 of Law No. 11,683 of Tax Procedure, when dealing with income of funds coming from "low or no taxation" countries referred to in Section 20 of the ITL, whatever their nature, concept or type of operation, such funds will be considered unjustified capital gains for the local taker or recipient.

The unjustified capital gains referred to in the preceding paragraph plus a ten percent (10%) considered income disposed or consumed in non-deductible expenses, represent net profits of the fiscal year in which they occur, for the purpose of determining the income tax, VAT and, if applicable excise taxes.

Notwithstanding, ARCA will consider as justified those incomes of funds in connection with which the interested party reliably proves that they originated in activities effectively carried out by the taxpayer or by third parties in such countries or that they come from duly declared funds.

Although the meaning of the term "income from" is not clear, it could be interpreted as any transfer of funds:

(i) from an account in a low or no taxation/non-cooperating country or from a bank account opened outside a low or no taxation/non-cooperating country but whose holder is an entity resident in a low or no taxation/non-cooperating country.

(ii) to a bank account located in Argentina or to a bank account opened outside Argentina, but whose holder is a resident of Argentina for tax purposes.

Pursuant to Section 82 of Law No. 27,7430, for the purposes set forth in the legal and regulatory provisions, any reference made to "low or no-taxation countries" or "countries not considered 'cooperating for tax transparency purposes'" shall be deemed to refer to "non-cooperating jurisdictions or low or no-taxation jurisdictions," in the terms set forth in Sections 19 and 20 of the ITL.

Thus, pursuant to Section 20 of the ITL, the reference to "jurisdictions with low or no taxation" shall be understood as referring to those countries, domains, jurisdictions, territories, associated states or special tax regimes in which the maximum corporate IT rate is lower than 60% of the minimum corporate IT rate established in the first paragraph of Section 73 of the ITL.

Decree No. 862/2019 provides that for purposes of determining the level of taxation referred to in the preceding paragraph, the total tax rate in each jurisdiction that taxes corporate income must be considered, regardless of the levels of government that have established them. Moreover, 'special tax regime' shall be understood as any specific regulation or scheme that departs from the general corporate income taxation regime in that country and that results in an effective rate lower than the one established in the general regime.

On its behalf, Section 19 of the ITL defines "non-cooperating jurisdictions" as those countries or jurisdictions that do not have a tax information exchange agreement in force with the Argentine Republic or an agreement to avoid double international taxation with a broad information exchange clause. Likewise, it considers as non-cooperating those countries that, despite having an agreement with the aforementioned scope in force, do not effectively comply with the exchange of information. In addition, this section establishes that the National Executive Power will establish a list of non-cooperating jurisdictions based on the criteria described above, which has been established in Section 24 of the ITL. In addition, such section establishes that the ARCA will inform the Ministry of Finance (currently the Ministry of Economy) of any new development that justifies a modification in the preceding list, in order to update it.

Neither the Argentine Prospectus nor the respective Argentine Prospectus Supplement will constitute an offer to sell, and/or an invitation to make offers to purchase of Notes: (i) in those jurisdictions in which the making of such offer and/or invitation is not permitted by the regulations in force; (ii) for such person/s or entity/entities domiciled, incorporated or resident/s of a country considered as a "low or no taxation" country, or for such person/s or entity/entities that, for purposes of the acquisition of the Notes, use an account located or opened in a country considered as "low or no taxation" country. The investors must comply with all regulations in force in any country in which they purchase, offer and/or sell Notes and/or in which they hold and/or distribute the Argentine Prospectus and the respective Argentine Prospectus Supplement and must obtain the consents, approvals and/or permits for the purchase, offer and/or sale required by the regulations in force in any country to which they are subject and/or in which they make such transactions. Neither we nor the underwriters appointed by the Company will have any liability for non-compliance with such applicable regulations. The investor should assume that the information contained in this offering memorandum is accurate as of the date of the cover page hereof, and not as of any other date.

THE FOREGOING SUMMARY IS NOT INTENDED TO CONSTITUTE A COMPLETE ANALYSIS OF ALL TAX CONSEQUENCES RELATED TO THE OWNERSHIP OR DISPOSITION OF NOTES. HOLDERS AND PROSPECTIVE PURCHASERS ARE ADVISED TO CONSULT THEIR RESPECTIVE TAX ADVISORS AS TO THE TAX CONSEQUENCES IN EACH PARTICULAR CASE.

PLAN OF DISTRIBUTION

Subject to the terms and conditions stated in the purchase agreement dated as of June 4, 2026, each initial purchaser has severally agreed to purchase, and we have agreed to sell to that initial purchaser, the principal amount of the Notes offered hereby set forth opposite that initial purchaser's name in the table below. Certain of the Initial Purchasers or their affiliates may hold positions in our Existing Notes and, accordingly, may receive a portion of the proceeds from this offering to the extent they tender Existing Notes in the Offer and Solicitation.

Initial Purchasers	**Principal Amount**
BofA Securities, Inc.	U.S.$80,000,000
Banco BTG Pactual S.A. – Cayman Branch.	U.S.$50,000,000
UBS Securities LLC	U.S.$70,000,000
Total	**U.S.$200,000,000**

Banco BTG Pactual S.A. – Cayman Branch is not a broker-dealer registered with the SEC and therefore may not make sales of any Notes in the United States or to U.S. persons except in compliance with applicable U.S. laws and regulations. To the extent Banco BTG Pactual S.A. – Cayman Branch intends to sell the Notes in the United States, it will do so only through BTG Pactual US Capital, LLC or one or more U.S. registered broker-dealers, or otherwise as permitted by applicable U.S. law.

In addition, pursuant to the Argentine public offering of the Notes, the Local Placement Agents (as defined below) arranged the placement of the Notes under a local placement agreement (as defined below). For the avoidance of doubt, of the U.S.$300,000,000 aggregate principal amount of the Notes, U.S.$100,000,000 has been subscribed with MEP in the Local Offering as described in "—Local Offering" below.

The purchase agreement provides that the obligations of the Initial Purchasers are subject to certain conditions precedent, including the absence of any pending or threatened litigation in connection with this offering, the approval of legal matters by counsel, delivery of legal opinions and to other conditions. The Initial Purchasers must purchase all the Notes if they purchase any of the Notes. The Initial Purchasers may offer and sell the Notes through certain of their respective affiliates. The purchase agreement also provides that if any of the Initial Purchasers default, the purchase commitments of non-defaulting Initial Purchasers may be increased or the offering may be terminated.

The Initial Purchasers are offering the Notes, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel, including the validity of the Notes, and other conditions contained in the purchase agreement, such as the receipt by the Initial Purchasers of officer's certificates and legal opinions. The Initial Purchasers reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part.

Application has been made to have the Notes listed on the LuxSE, admitted to trading on the Euro MTF market, listed and admitted for trading on BYMA through the BCBA acting in accordance with the authority delegated by the BYMA to the BCBA, and admitted to trading on A3 Mercados. No assurances can be given that such listings will be maintained. The Notes do not have an established trading market, so we cannot assure you to the liquidity, development or continuation of the trading markets for the Notes. In addition, any such market- making activity will be subject to the limits imposed by the Securities Act, the Exchange Act, the Argentine Capital Markets Law and the CNV Rules. Accordingly, we cannot assure you as to the liquidity of, or the development or continuation of trading markets for, the Notes. See "*Risk Factors—Risks Relating to the Notes—An active trading market for the Notes may not develop or be sustained*."

The Initial Purchasers may engage in stabilizing and similar transactions that stabilize the price of the Notes in accordance with applicable law, including Article 12, Section IV, Chapter IV of Title VI of the CNV Rules. These transactions may consist of bids or purchases for the purpose of pegging, fixing or maintaining the price of the Notes. If the Initial Purchasers create a short position in the Notes (that is, if they sell the Notes in an aggregate principal amount exceeding that set forth in this offering memorandum), such initial purchaser may reduce that short position by purchasing the Notes in the open market. In general, purchase of the Notes for the purpose of stabilization or to

reduce a short position could cause the price of the Notes to be higher than it might be in the absence of such purchases. All stabilization activities shall be made in accordance with applicable laws.

In this regard, applicable CNV Rules set forth that: (i) the offering document must include a warning addressed to investors that stabilization or similar transactions may be carried out, and describing the applicable term and conditions; (ii) the transactions may be carried out by agents that have participated in the organization and coordination of the placement and distribution of the Notes; (iii) the transactions may not be extended beyond the 30 calendar days following the first day on which the trading of the Notes has started; (iv) stabilization operations may be carried out to avoid or moderate abrupt changes in the price of the Notes; (v) no stabilization transactions so carried out can be performed at a price higher than the prices negotiated for such Notes in the secondary market for arm's-length transactions; and (vi) the agents that carry out such transactions are required to disclose the applicable terms of such transactions to the markets in which the Notes are authorized for trading. The markets in which the Notes are traded are required to disclose stabilization transactions at the end of each trading date.

Neither we nor the Initial Purchasers make any representation or prediction as to the direction or magnitude of any effect that the transactions described in the immediately preceding paragraphs may have on the price of the Notes. In addition, neither we nor the Initial Purchasers make any representation that the Initial Purchasers will engage in any such transactions or that such transactions, once commenced, will not be discontinued without notice.

We have agreed to indemnify the Initial Purchasers and the Local Placement Agents against certain liabilities (including, without limitation, liabilities under the Securities Act) or to contribute to payments the Initial Purchasers may be required to make in respect thereof. We have also agreed to reimburse the Initial Purchasers and the Local Placement Agents for certain other expenses.

Delivery of the Notes has been made to investors on June 11, 2026 which was the fifth business day following June 4, 2026 (such settlement being referred to as "T+5"). Under Rule 15c6-1 under the Exchange Act, trades in the secondary market are required to settle in one business day, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Notes prior to the business day before delivery will be required, by virtue of the fact that the Notes initially settle in T+5, to specify an alternate settlement arrangement at the time of any such trade to prevent a failed settlement. Purchasers of the Notes who wish to trade the Notes prior to their date of delivery hereunder should consult their advisors.

The Notes have not been and will not be registered under the Securities Act, any state securities laws or the securities laws of any other jurisdiction and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except in transactions exempt from, or not subject to, the registration requirements of the Securities Act.

We have been advised that the Initial Purchasers propose to resell the Notes at the issue price set forth on the cover page of this offering memorandum within the United States to qualified institutional buyers as defined in and in accordance with Rule 144A that are not affiliates of the issuer and outside the United States to non-U.S. persons in accordance with Regulation S.

In addition, until 40 days after the commencement of this offering, an offer or sale of the Notes within the United States by a broker-dealer (whether or not it is participating in the offering), may violate the registration requirements of the Securities Act if such offer or sale is made other than pursuant to Rule 144A or pursuant to another exemption from registration under the Securities Act.

The Initial Purchasers, the Local Placement Agents and/or their respective affiliates have, directly or indirectly, performed investment and/or commercial banking or financial advisory services for us and our affiliates, for which they have received customary fees and commissions, and they expect to provide these services to us and our affiliates in the future, for which they also expect to receive customary fees and commissions.

Additionally, BofA Securities, Inc., Banco BTG Pactual S.A. – Cayman Branch and UBS Securities LLC (and/or their affiliates) will be acting as dealer managers in the Offer and Solicitation.

In addition, in the ordinary course of their business activities, the Initial Purchasers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. Certain of the Initial Purchasers or their affiliates that have a lending relationship with us routinely hedge their credit exposure to us consistent with their customary risk management policies. Typically, such Initial Purchasers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the Notes offered hereby. Any such short positions could adversely affect future trading prices of the Notes offered hereby. The Initial Purchasers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire long and/or short positions in such securities and instruments.

The Issuer has agreed that, for a period of 90 days following the date of the purchase agreement, it will not, without the prior written consent of the Initial Purchasers, issue, sell, offer, contract to sell or otherwise dispose of or transfer any debt securities of the Issuer substantially similar to the Notes (other than the Notes offered hereby).

Selling Restrictions

The Notes offered hereby may not be offered or sold, directly or indirectly, nor may this offering memorandum or any other offering material or advertisements in connection with the offer and sale of the Notes be distributed or published in any jurisdiction, except under circumstances that will result in compliance with the applicable rules and regulations of such jurisdiction. Persons into whose possession this offering memorandum comes are advised to inform themselves about and to observe any restrictions relating to the offering of the Notes and the distribution of this offering memorandum. This offering memorandum does not constitute an offer to purchase or a solicitation of an offer to sell any of the Notes offered hereby in any jurisdiction in which such an offer or a solicitation is unlawful.

European Economic Area

In any Member State, this offering memorandum is only addressed to and is only directed at qualified investors, as defined in the Prospectus Regulation.

This offering memorandum has been prepared on the basis that any offer of Notes in any member state of the European Economic Area ("**EEA**") will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of Notes. Accordingly, any person making or intending to make an offer in that Member State of Notes which are the subject of the offering contemplated in this offering memorandum may only do so in circumstances in which no obligation arises for the Company or any of the Initial Purchasers to publish a prospectus pursuant to Article 3 of the Prospectus Regulation in relation to such offer. Neither the Company nor the Initial Purchasers have authorized, nor do they authorize, the making of any offer of Notes in circumstances in which an obligation arises for the Company or any or the Initial Purchasers to publish a prospectus for such offer. Neither the Company nor the Initial Purchasers have authorized, nor do they authorize, the making of any offer of Notes through any financial intermediary, other than offers made by the Initial Purchasers, which constitute the final placement of the Notes contemplated in this offering memorandum.

For the purpose of the above provisions, the expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

The Notes are not intended to be offered, sold or otherwise made available to any retail investor in the EEA. For the purposes of this provision:

(a) the expression "retail investor" means a person who is one (or more) of the following:

i. a retail client as defined in point (11) of Article 4(1) of MiFID II; or

ii. a customer within the meaning of Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

iii. not a qualified investor as defined in the Prospectus Regulation; and

(b) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

Consequently, no key information document required by the PRIIPs Regulation for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

These selling restrictions are in addition to any other selling restrictions set out in this offering memorandum.

United Kingdom

This offering memorandum is not a prospectus for the purposes of the Public Offers and Admissions to Trading Regulations 2024 (the "**UK POATRs**"). The Notes are not intended to be and should not be offered, sold, distributed or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is either one (or both) of the following: (i) not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**"); or (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the UK POATRs. Consequently, no disclosure document required by the FCA Product Disclosure Sourcebook ("**DISC**") for offering, selling or distributing the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore making the Notes available to any retail investor in the UK may be unlawful under DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

Each Initial Purchaser has represented and agreed that:

(a) *Financial promotion*: it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and

(b) *General compliance*: it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the UK.

Canada

The Notes may be sold in Canada only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this offering memorandum (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the Initial Purchasers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Singapore

This offering memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each initial purchaser has agreed that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause such Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this offering memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA, and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018.

Any reference to the SFA is a reference to the Securities and Futures Act 2001 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (the "**Financial Instruments and Exchange Law**"), directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

Brazil

The offer and sale of the Notes have not been and will not be registered with the Brazilian Securities Commission (*comissão de valores mobiliários*, or "**CVM**") and, therefore, will not be carried out by any means that would constitute a public offering in Brazil under CVM Resolution No 160, dated July 13, 2022, as amended ("**CVM Resolution 160**") or unauthorized distribution under Brazilian laws and regulations. The Notes will be authorized for trading on organized non-Brazilian securities markets and may only be offered to Brazilian professional investors (as defined by applicable CVM regulation), who may only acquire the Notes through a non- Brazilian account, with settlement outside Brazil in non-Brazilian currency. The trading of these securities on regulated securities markets in Brazil is prohibited.

Chile

The Notes may not be offered or sold in Chile, directly or indirectly, by means of a "Public Offer" (as defined under Law No. 18,045 and regulations from the Chilean Financial Market Commission (*Comisión para el Mercado Financiero* or "**CMF**")). Chilean institutional investors (such as banks, pension funds and insurance companies) are required to comply with specific restrictions relating to the purchase of the Notes. Pursuant to Chilean law, a public offering of securities is an offering that is addressed to the general public or to certain specific categories or groups thereof. Considering that the definition of public offering is quite broad, even an offering addressed to a small group of investors may be considered to be addressed to a certain specific category or group of the public and, therefore, be considered public under applicable law. On June 27, 2012, the CMF issued General Rule (*Norma de Carácter General*) No. 336 ("**CMF Rule 336**"), which is intended to govern the private offering of securities in Chile. CMF Rule 336 provides that the offering of securities that meet the conditions described therein shall not be considered public offerings in Chile and shall be exempted from complying with the general rules applicable to public offerings.

The following information is provided to prospective investors pursuant to CMF Rule 336:

1. Date of commencement of the offer is the date set forth on the cover page of this offering memorandum. The offer of the Notes is subject to Rule 336.

2. The subject matter of this offer are securities not registered in the Securities Registry (*Registro de Valores*) or the Foreign Securities Registry (*Registro de Valores Extranjeros*), both kept by the CMF. As a consequence, the Notes are not subject to the oversight of the CMF.

3. Since the Notes are not registered in Chile, we are not obligated to provide public information about the Notes in Chile.

4. The Notes shall not be subject to public offering in Chile unless registered in the relevant securities registry kept by the CMF.

Dubai International Financial Centre

The Notes have not been and may not be offered to any person in the Dubai International Financial Centre unless such offer is:

(i) an "Exempt Offer" in accordance with the Markets Rules (MKT) Module of the Dubai Financial Services Authority (the "**DFSA**") rulebook; and

made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the Conduct of Business Module of the DFSA rulebook.

Peru

The Notes will not be offered pursuant to a public offering in Peru. Therefore, the Notes and the information contained in this offering memorandum have not been and will not be registered with or approved by the Peruvian Superintendency of Capital Markets (*Superintendencia del Mercado de Valores* or "**SMV**") or the Lima Stock Exchange (*Bolsa de Valores de Lima* or "**BVL**"). Peruvian securities laws and regulations on public offerings will not be applicable to the offering of the Notes and, therefore, the disclosure obligations set forth therein will not be applicable to the issuer or the sellers of the Notes before or after their acquisition by prospective investors. This offering memorandum and other offering materials relating to the offer of the Notes are being supplied to those Peruvian institutional investors (as defined under Peruvian law) who have expressly requested them. Such materials are strictly confidential and may not be distributed to any person or entity other than the intended recipients.

Accordingly, the Notes cannot be offered or sold in Peru, except if (i) the Notes are previously registered with the SMV, or (ii) such offering is considered a private offering under the securities laws and regulations of Peru. The Peruvian Securities Market Law establishes, among others, that an offer directed exclusively to institutional investors (as defined under Peruvian law) qualifies as a private offering. In making an investment decision, institutional investors, as defined under Peruvian law, must rely on their own examination of the Issuer and the terms of the offering of the Notes in order to determine their legal ability to invest in the Notes. No offer or invitation to subscribe for or sell the Notes or beneficial interests therein can be made in Peru except in compliance with the Peruvian securities laws and regulations.

Colombia

The Notes have not been and will not be authorized by the Colombian Superintendency of Finance (*Superintendencia Financiera de Colombia*) and will not be registered with the Colombian National Registry of Securities and Issuers (*Registro Nacional de Valores y Emisores*) or on the Colombian Stock Exchange (*Bolsa de Valores de Colombia*). Therefore, the Notes may not be offered, sold or negotiated in Colombia, except under circumstances which do not constitute a public offering of securities under applicable Colombian securities laws and regulations. Furthermore, foreign financial entities must abide by the terms of Part 4 of Decree 2555 of 2010 and

Regulation 029 of 2014 issued by the Colombian Superintendency of Finance, as modified, complemented or substituted from time to time, to privately market and offer the notes to their Colombian clients.

Uruguay

The Notes have not been and will not be authorized by the Uruguayan Superintendency of Financial Services (*Superintendencia de Servicios Financieros de Uruguay*), the Central Bank of Uruguay (*Banco Central de Uruguay*), and will not be registered on the Montevideo Stock Exchange (*Bolsa de Valores de Montevideo*). Therefore, the Notes may not be offered, sold or negotiated in Uruguay, except under circumstances which do not constitute a public offering of securities under applicable Uruguayan securities laws and regulations.

Argentina

The Notes are being placed in Argentina to qualified investors (*inversores calificados*), as defined by Article 2, Section II, Chapter II of Title I of the CNV Rules, by means of an offering that will qualify as a public offering conducted in accordance with the Argentine Capital Markets Law, the Negotiable Obligations Law, the CNV Rules and other applicable Argentine laws.

The Notes will constitute our eighth series of notes. The approval to conduct the public offering of the Notes described in this offering memorandum is included within the public offering authorization granted by the CNV under the Program, in accordance with Article 23, Section IV, Chapter V, Title II of the CNV Rules. Neither this offering memorandum nor the Argentine Pricing Supplement have been previously reviewed or approved by the CNV. The CNV has not rendered and will not render any opinion with respect to the accuracy of the information contained in the Argentine offering memorandum. The CNV has not rendered and will not render any opinion with respect to information contained in this offering memorandum. Offers of the Notes to the public in Argentina will be made by means of the Argentine Prospectus and Argentine Pricing Supplement. The Local Offering will be made by way of an Argentine Pricing Supplement in the Spanish language with information substantially similar to that included in the offering memorandum. In accordance with Article 30, Section IV, Chapter V, Title II of the CNV Rules, within five business days after the subscription of the Notes, the Issuer will file with the CNV the final documentation related to the Notes.

International Offering

The offering of the Notes outside of Argentina is being made under this Offering Memorandum. We and the Initial Purchasers entered into the Purchase Agreement described above on the date of this Offering Memorandum. The Initial Purchasers have undertaken outside of Argentina a variety of marketing methods consistent with international practices for the placement of securities in comparable transactions (including, without limitation, road shows, global or individual conference calls, one-on-one or group meetings, and distribution of the offering memorandum), and may also offer and sell the notes through certain of its qualified affiliates.

Book-Building

The placement and allocation of the Notes is being conducted pursuant to book-building procedures undertaken by the Initial Purchasers.

Investors interested in purchasing the Notes must make expressions of interest (each an "**Expression of Interest**") specifying (i) the requested principal amount of the Notes that they seek to purchase, which shall be no less than U.S.$10,000 and in integral multiples of U.S.$1,000 in excess thereof, and (ii) the offered price for the Notes expressed as a nominal annual rate rounded to three decimals (the "**Offered Price**").

As described further below, the Initial Purchasers will record the Expressions of Interest received from investors outside of Argentina and from the Local Placement Agents in Argentina in an electronic registry book located in New York City in accordance with customary practice for this type of international offering in the United States and applicable regulations pursuant to Article 1, Section I, Chapter IV, Title VI of the CNV Rules (the "**Register**").

Subject to the Argentine Capital Markets Law, the Negotiable Obligations Law, the CNV Rules and other applicable laws and regulations and in compliance with the transparency obligations, the Local Placement Agents and the Initial Purchasers reserve the right to terminate the offering at any time in compliance with applicable law and to reject, in whole or in part, any Expression of Interest containing mistakes or omissions that impede their processing in the system, and to not allocate any notes or allocate notes in a lower amount than that requested by the investor in its Expression of Interest in accordance with the allocation procedures described below. In addition, the Initial Purchasers and the Local Placement Agents reserve the right to reject Expressions of Interest for lack of compliance with the requirements of applicable anti-money laundering regulations.

Offering Period

In Argentina, the Expressions of Interest must be made with the Local Placement Agents, who will – after completion of the local procedures referred to below - in turn submit them to the Initial Purchasers in accordance with procedures to be determined by the Initial Purchasers. Subject to the CNV Rules and other applicable regulations, the Local Placement Agents may request that investors in Argentina that make Expressions of Interest provide guarantees for the payment of their requested orders. Outside of Argentina, the Expressions of Interest must be made with the Initial Purchasers.

The Expressions of Interest may only be made with the Initial Purchasers or the Local Placement Agents during the period beginning on or about May 26, 2026 and ending on June 4, 2026 at 1:00 p.m. Buenos Aires time (such period, the "**Offering Period**," and the date and time of the expiration of the Offering Period, the "**Expression of Interest Deadline**"). After the Expression of Interest Deadline, no new Expressions of Interest will be accepted. The Local Placement Agents and the Initial Purchasers shall keep records of all information in relation to the Expressions of Interest submitted to them by potential investors, in accordance with applicable laws.

Between 1:00 p.m. and 5:00 p.m. Buenos Aires time on June 4, 2026, the Initial Purchasers shall record in the Register all Expressions of Interest received before the Expression of Interest Deadline and shall thereafter close the Register (the exact date and time of the effective registration of the Expressions of Interest in the Register and closing of the Register being determined by the Initial Purchasers in their sole discretion within the range described above) (the "**Register Closing Time**"). Any Expressions of Interest received before the Expression of Interest Deadline shall not be binding and may be withdrawn or modified until the Register Closing Time. In accordance with the provisions of Article 7, Section I, Chapter IV, Title VI of the CNV Rules (as amended as of the date hereof), investors waive their right to expressly ratify their Expressions of Interest effective as of the Register Closing Time. Accordingly, all Expressions of Interest not withdrawn or modified as of the Register Closing Time shall constitute firm, binding and definitive offers based on the terms presented (as amended at such time) without need for any further action by the investor.

Local Offering

Following Argentine practices for the placement of securities in similar transactions, Global Valores S.A., Balanz Capital Valores S.A.U. and Banco Mariva S.A. (the "**Local Placement Agents**"), together with the Company, entered into a placement agreement (*contrato de colocación*) governed by Argentine Law, pursuant to which the Local Placement Agents may only solicit or receive Expressions of Interest (as defined below) from investors who are Argentine residents and place them in the order book maintained by the Initial Purchasers through a book building process outside Argentina.

The Local Placement Agents will engage in marketing efforts (in accordance with Article 774 (a) of the Argentine Civil and Commercial Code) and will offer the Notes by means of a public offering in Argentina pursuant to the Argentine Capital Markets Law, the Negotiable Obligations Law, the CNV Rules and other applicable Argentine laws, including, without limitation, Chapter IV, Title VI of the CNV Rules. In addition, the Initial Purchasers will undertake marketing efforts for the placement of the Notes to investors outside Argentina in accordance with the laws of the applicable jurisdictions.

The Local Placement Agents' placement efforts (as applicable) will consist of a variety of marketing methods and activities customarily undertaken in transactions of this type. Such marketing efforts may include: (i) local road shows with investors; (ii) calls with investors (virtual and/or in person), where such investors will have the opportunity

to ask questions regarding our business and the Notes; (iii) electronic road shows; (iv) the publication of a summary of the Argentine Spanish-language prospectus and Argentine Spanish-language pricing supplement (containing information substantially similar to that included in this offering memorandum) in the A3 Mercados bulletin and the publication of other notices in newspapers and bulletins; and (v) the distribution or availability (electronically or in hard copy) of the Argentine Spanish-language prospectus and the Argentine Spanish-language pricing supplement in Argentina.

The Notes are being placed in Argentina by means of an offering that will qualify as a public offering conducted in accordance with the Argentine Capital Markets Law, the CNV Rules and other applicable Argentine laws (the "**Local Offering**"). The Local Offering will be made by means of an Argentine Prospectus and an Argentine Pricing Supplement in the Spanish language with information substantially similar to that included in this offering memorandum.

The Local Placement Agents may only solicit or receive Expressions of Interest (as defined further below) from investors who are Argentine residents and the ultimate beneficiaries of these notes must be Argentine residents.

Preference will be given to Expressions of Interest from qualified investors that, generally, hold long-term, non-speculative positions in securities of the same type as the Notes, which would increase the likelihood that the secondary market for the Notes benefits from a stable investor base capable of understanding the credit risk and that intends to maintain long-term positions in the Notes. Specifically, preference will be given (but not limited) to Expressions of Interest submitted by qualified investors, regulated investors or international financial institutions. In line with market practice and the provisions of the offering documents, an adequate diversification among local and international investors will be sought, without implying mandatory volume reservations or the existence of predetermined tranches or quotas.

Notwithstanding the foregoing, there will be no limit to the aggregate principal amount of Notes that may be purchased in the Local Offering with MEP. Investors that purchase their Notes with MEP in the Local Offering may not have the same investment horizon as the qualified investors described above, which could contribute to fluctuations in the trading price and liquidity of the Notes. See "*Risk Factors—Risks Relating to the Notes—An active trading market for the Notes may not develop or be sustained*."

The allocation of the Notes will be made on the basis of a comprehensive evaluation of all the Expressions of Interest and global orders received, considering, among others, the following factors: long-term profile in comparable securities; intention to maintain long-term positions; stable investor base; investor base contributing to the liquidity and quality of the secondary market; Expressions of Interest submitted by qualified investors, regulated investors or international financial institutions; track record of participation in international transactions, particularly with respect to the Issuer and other comparable issuers; size of the Expression of Interest or global order; competitiveness of the Expression of Interest and/or global order so received; demonstrated backup in the Issuer's credit profile; and the investor's creditworthiness.

The Issuer cannot guarantee that Expressions of Interest will be allocated or that, if so allocated, the full amount of Notes requested will be allocated to them, or that the percentage of allocation of the total amount requested as between two Expressions of Interest or global orders with equal characteristics will be the same.

The Issuer has opted for the book-building mechanism, as it is a mechanism customarily used in international practice, regulated by the CNV Rules (Title VI, Chapter IV, Section I) and employed by the Issuer in its prior issuances. The selection of the placement mechanism seeks, among other objectives, a harmonious long-term development of the market for the Issuer's securities, with volumes that contribute to their liquidity, on terms and conditions that allow for matching the supply and demand of funds while drawing on a diversity of funding sources.

In book-building processes, no automatic criterion is applied for the allocation of Expressions of Interest and global orders, but rather a joint weighting of variables to be performed by the Issuer in consultation with the Initial Purchasers and the Local Placement Agents acting as joint bookrunners, in accordance with market practices and pursuant to the Use of Proceeds stipulated herein. These criteria are standard in international debt offerings and are consistent with the principle of objective, transparent and equitable conditions required by applicable regulations. In the event of an oversubscription of the book, allocations will continue to be made in accordance with the criteria set

forth above.

Investors in Argentina may subscribe the purchase price for the Notes with either (i) U.S. dollars deposited in bank accounts outside of Argentina through wire transfers as instructed by the Local Placement Agents to a bank account outside of Argentina, no later than 6:00 p.m. (Buenos Aires time) on the day prior to the Closing; or (ii) MEP in accordance with the procedures set forth in the Argentine Supplement.

A portion of the aggregate principal amount of Notes to be issued is expected to be sold in the public offering in Argentina and paid for with MEP and such Notes will be purchased directly from the Issuer in accordance with the procedures mentioned in the Argentine Pricing Supplement.

Any Notes to be purchased with MEP in the Local Offering may be canceled immediately after closing in the event that they are not paid for by investors and they are not re-allocated by the Local Placement Agents to other investors. In that event, the expected total aggregate amount of notes could be reduced, potentially resulting in lower liquidity for the notes. Additionally, investors purchasing Notes could receive the notes the day after the settlement of the Notes due to time and settlement mechanics differences between the international offering and the Local Offering.

All mechanics and procedures applicable to the purchase of the Notes purchased with MEP in the Local Offering are described in detail in the Argentine Pricing Supplement.

Allocation

On June 4, 2026, after the Register Closing Time, the Issuer, in consultation with the Initial Purchasers, and the Local Placement Agents, will determine, based on the demand received and in accordance with the book building process, the amount of notes to be issued, in each case based on the Expressions of Interest received and in accordance with the book-building procedures.

In addition, following the final allocation of the Notes on the Allocation Date, the Company will publish a notice announcing the results of the placement of the Notes on the CNV webpage and, as soon as possible thereafter, in the A3 Mercados bulletin and the BCBA bulletin specifying the amount of the Notes to be issued (the "**Results Notice**").

Amendment, Suspension and/or Extension

The Offering Period may be modified, suspended or extended prior to expiration of the original term, by notice given by the same means by which the original offering was announced. None of the Company, the Local Placement Agents or the Initial Purchasers shall be responsible in the event of a modification, suspension or extension of the Offering Period, and those investors who have submitted Expressions of Interest shall not be entitled to any compensation as a result thereof. In the event the Offering Period is terminated or revoked or a decision is made not to issue the Notes or proceed with the offering, all Expressions of Interest received will automatically expire.

In the event the Offering Period is suspended or extended, investors that have submitted Expressions of Interest during the Offering Period may, in their sole discretion and without penalty, withdraw such Expressions of Interest at any time during the period of the suspension or the new extended Offering Period.

Voided Offers; Rejection of Expressions of Interest

Expressions of Interest may not be rejected, except where they contain mistakes or omissions that make their processing unduly burdensome or impede their processing in the system, or for non-compliance with laws as further described below.

Those investors who have filed Expressions of Interest must provide to the Local Placement Agents or the Initial Purchasers, as applicable, all information and documentation they may require in order to comply with applicable laws and regulations related to the prevention of anti-money laundering and the financing of terrorism. In

cases where the information provided is inadequate, incomplete and/or is not provided in a timely manner, the Local Placement Agents and the Initial Purchasers may, without liability, reject the related Expressions of Interest.

The Local Placement Agents and the Initial Purchasers reserve the right to reject an Expression of Interest if they do not believe that requirements under applicable laws or regulations have been satisfied. Such applicable laws and regulations include those related to anti-money laundering, such as those issued by the UIF, the CNV or the Central Bank. Subject to the discussion of allocation procedures below, any decision to reject an Expression of Interest will take into account the principle of equal treatment among investors.

Any modification to these rules will be published for one business day on the CNV's webpage, the A3 Mercados bulletin and the BCBA bulletin.

The Company may declare void the placement of the Notes during or immediately following completion of the Offering Period if: (i) no Expressions of Interest have been received or all of the Expressions of Interest have been rejected; (ii) the Offered Price was lower than the price the Issuer expected; (iii) the Expressions of Interest represent a principal amount of the Notes that, being reasonably considered, would not justify the issuance of the Notes; (iv) considering the economics indicated in the Expressions of Interest, the issuance of the Notes will be unprofitable for the Company; (v) there were material adverse changes in the international financial markets and/or the local or international capital markets, or in the Company's general condition and/or that of Argentina, including, for example, disruptions in political, economic, financial conditions or our credit, such that the issuance of notes described within this offering memorandum would not be advisable; or (vi) investors have not complied with laws and regulations related to anti-money laundering and the financing of terrorism, including those issued by the UIF, the CNV and the Central Bank. In addition, the allocation of the Notes may be rescinded in accordance with the terms and conditions of the Purchase Agreement.

Allocation Procedures

Investors with Expressions of Interest indicating an Offered Price higher than or equal to our applicable price (the "**Applicable Price**") may purchase the Notes, subject to applicable laws, in the allocation decided by the Company, in consultation with the Initial Purchasers and the Local Placement Agents based on the criteria described below and, in the Issuer's sole discretion, taking into account customary allocation criteria for international offerings of this type, which may include, among others, the size, price or yield and quality of the Expressions of Interest, the investor's investment profile and expected holding horizon, and the objective of achieving a diversified and stable investor base.

The Company cannot assure investors that their Expressions of Interest will be allocated nor that, if allocated, they will be allocated the full amount of Notes requested, at the Offered Price, or that the proportion of the allocation of the aggregate amount of Notes requested between two equal Expressions of Interest will be the same.

No investor that submitted an Expression of Interest with an Offered Price lower than the Applicable Price determined by the Company shall receive any Notes. None of the Company, the Initial Purchasers or the Local Placement Agent shall have any obligation to inform any investor whose Expression of Interest has been totally or partially excluded that such Expression of Interest has been totally or partially excluded.

Settlement

The settlement of the Notes took place on June 11, 2026. Except as set forth in the Argentine Pricing Supplement with respect to the Notes to be subscribed in MEP in the Local Offering, which has been coordinated by the Local Settlement Agent, Notes to be purchased with U.S. dollars held in bank accounts outside of Argentina through the Local Placement Agents were paid for by the investors on or before the Issue Date in U.S. dollars by wire transfer (made before 6:00 p.m. of the business day prior to the Issue Date) to an account outside of Argentina to be specified by the Initial Purchasers and/or the Local Placement Agents (as applicable) in accordance with standard market practice.

The investors acquiring the Notes will not be under any obligation to pay any commissions, unless such investor makes the transaction through its broker, agent, commercial bank, trust company or other entity, in which case such investor may have to pay commissions and/or fees to such entities, which shall be such investor's exclusive responsibility. Likewise, in the event of transfers or other acts with respect to the Notes, including changes made through the collective depository system, DTC may charge fees to the participants, which may be passed on to the holders of the Notes.

CERTAIN ERISA CONSIDERATIONS

Subject to the considerations and representation referred to below, the Notes may be purchased and held by an employee benefit plan subject to Title I of the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), "plans" subject to Section 4975 of the Code and entities and accounts deemed to hold "plan assets" of any of the foregoing ("**Benefit Plan Investors**"). A fiduciary of a Benefit Plan Investor must determine that the purchase and holding of the Notes is consistent with its fiduciary duties under ERISA and/or Section 4975 of the Code, as applicable. Each fiduciary of a Benefit Plan Investor must also determine that its purchase and holding of the Notes does not result in a non-exempt prohibited transaction as defined in Section 406 of ERISA or Section 4975 of the Code. Governmental plans (as defined in Section 3(32) of ERISA), certain church plans (as defined in Section 3(33) of ERISA) and non-U.S. plans (as described in Section 4(b)(4) of ERISA) (together with Benefit Plan Investors "**Plans**"), while not subject to the fiduciary responsibility provisions of ERISA or the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code, may nevertheless be subject to state, local, other federal law of the United States or non-U.S. law that is substantially similar to ERISA or Section 4975 of the Code ("**Similar Law**"). Fiduciaries of any such Plans should consult with their counsel before purchasing the Notes to determine the need for, if necessary, and the availability of, any exemptive relief under any Similar Law.

Each purchaser and transferee of the Notes that is a Plan will be deemed to have represented by its acquisition and holding of the Notes that (1) such acquisition and holding of the Notes does not constitute or give rise to a non-exempt prohibited transaction under ERISA, Section 4975 of the Code or any Similar Law, and (2) it has not received and is not receiving investment advice from Edemsa or any of its respective partners, shareholders, directors, officers, employees, representatives or affiliates, or the Initial Purchasers, underwriter or their respective affiliates with respect to its investment in the Notes (unless a statutory or administrative exemption applies (all of the applicable conditions of which are satisfied) or the transaction is not otherwise prohibited).

TRANSFER RESTRICTIONS

This offer and the issuance of the Notes have not been registered under the Securities Act or any other applicable securities laws and, unless so registered, the Notes may not be offered, sold, pledged or otherwise transferred within the U.S. or to or for the account of any U.S. person, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable securities laws. This offer is being made, and the Notes are being offered and issued, only to the following:

(a) in the United States, persons that are "qualified institutional buyers" (as defined in Rule 144A) in reliance on Rule 144A under the Securities Act (such Notes, the "**144A Notes**"); and

(b) outside the United States, certain persons, that (A) are not "U.S. persons" (as defined in Rule 902 under the Securities Act) and who are not acquiring Notes for the account or benefit of a U.S. person, in offshore transactions in compliance with Regulation S under the Securities Act, and (B) are "non-U.S. qualified offerees" (as defined herein) (such Notes, the "**Regulation S Notes**").

Purchasers' Representations and Restrictions on Resale and Transfer

Each purchaser of Notes (other than the Initial Purchasers in connection with the initial issuance and sale of Notes) and each owner of any beneficial interest therein, will be deemed, by its acceptance or purchase thereof, to have represented and agreed as follows (terms used in this paragraph that are defined in Rule 144A or Regulation S under the Securities Act are used herein as defined therein):

(1) You are not an "affiliate" (as defined in Rule 144 under the Securities Act) of the Company, you are not acting on behalf of the Company and you (a) (i) are a "qualified institutional buyer" (as defined in Rule 144A under the Securities Act) and (ii) are acquiring Notes for your own account or for the account of one or more qualified institutional buyers (each, a "**144A Acquirer**"); or (b) (i) outside the United States, are not a U.S. person (as defined in Regulation S under the Securities Act), are not acquiring Notes for the account or benefit of a U.S. person and are acquiring Notes in an offshore transaction pursuant to Regulation S under the Securities Act and (ii) are a non-U.S. qualified offeree (each, a "**Regulation S Acquirer**"). You understand that the Notes are being offered in a transaction not involving any public offering in the United States within the meaning of the Securities Act.

(2) You understand and acknowledge that (a) the Notes have not been registered under the Securities Act or any other applicable securities law, (b) the Notes are being offered in transactions not requiring registration under the Securities Act or any other securities laws, and (c) none of the Notes may be offered, sold or otherwise transferred except in compliance with the registration requirements of the Securities Act or any other applicable securities law, pursuant to an exemption therefrom or in a transaction not subject thereto and, in each case, in compliance with the applicable conditions for transfer set forth in paragraph (4) below.

(3) You are acquiring Notes for your own account, or for one or more investor accounts for which you are acting as a fiduciary or agent and, in the case of a 144A Acquirer, are acquiring Notes for investment and, in the case of any Eligible Holder, are acquiring Notes not with a view to, or for offer or sale in connection with, any distribution thereof in violation of the Securities Act, subject to any requirement of law that the disposition of your property or the property of such investor account or accounts be at all times within your or their control and subject to your or their ability to resell the Notes pursuant to any exemption from registration available under the Securities Act.

(4) You also agree that:

(a) if you are a 144A Acquirer, you agree, on your own behalf and on behalf of any investor account for which you are acquiring Notes, and each subsequent holder of such Notes by its acceptance thereof will agree, to offer, sell, pledge or otherwise transfer such Notes only (i) for so long as such Notes are eligible for resale pursuant to Rule 144A, to a person it reasonably believes is a

QIB that purchases for its own account or for the account of a QIB to whom notice is given that the transfer is being made in reliance on Rule 144A and which takes delivery of Notes in the form of the Rule 144A Global Note, (ii) pursuant to an offer and sale to a non-U.S. person that occurs outside the United States within the meaning of Regulation S under the Securities Act, (iii) to us or any of our affiliates, (iv) pursuant to a registration statement which has been declared effective under the Securities Act, or (v) pursuant to any other available exemption from the registration requirements of the Securities Act, subject in each of the foregoing cases to (1) all applicable requirements under the indenture and (2) any requirement of law that the disposition of your property or the property of such investor account or accounts be at all times within your or their control and to compliance with any applicable state securities laws. In addition, you further acknowledge that the Company and the Trustee for the Notes reserve the right prior to any offer, sale or other transfer of 144A Notes pursuant to clause (a)(ii) or (a)(v) above prior to the Resale Restriction Termination Date of the Notes to require the delivery of certifications and/or other information, and an opinion of counsel, in each case satisfactory to the Company and the Trustee; or

(b) if you are a Regulation S Acquirer, you agree on your own behalf and on behalf of any investor account for which you are acquiring Notes, and each subsequent holder of the Regulation S Notes by its acceptance thereof will agree, to offer, sell, pledge or otherwise transfer such Notes prior to the expiration of the applicable "distribution compliance period" (as defined herein) only (i) for so long as such Notes are eligible for resale pursuant to Rule 144A, to a person it reasonably believes is a QIB that purchases for its own account or for the account of a QIB to whom notice is given that the transfer is being made in reliance on Rule 144A and which takes delivery of Notes in the form of the Rule 144A Global Note and which has furnished to the Trustee for the Notes or its agent a certificate representing that the transferee is purchasing the Notes for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is a "qualified institutional buyer" within the meaning of Rule 144A and is aware that the sale to it is being made in reliance on Rule 144A and acknowledging that it has received such information regarding the Company as such transferee has requested pursuant to Rule 144A or has determined not to request such information and that it is aware that the transferor is relying upon its foregoing representations in order to claim the exemption from registration provided by Rule 144A of the Securities Act, (ii) pursuant to offers and sales to non-U.S. persons that occur outside the United States within the meaning of Regulation S under the Securities Act, (iii) to us or any of our affiliates, (iv) pursuant to a registration statement which has been declared effective under the Securities Act or (v) pursuant to any other available exemption from the registration requirements of the Securities Act, subject in each of the foregoing cases to (1) all applicable requirements under the indenture governing the Notes and (2) any requirement of law that the disposition of your property or the property of such investor account or accounts be at all times within your or their control and to compliance with any applicable state securities laws. The foregoing restrictions on resale will not apply subsequent to the expiration of the applicable "distribution compliance period." The "distribution compliance period" means the 40-day period following the later of the date on which the Notes are offered to persons other than distributors (as defined in Regulation S under the Securities Act) and the Issue Date for the Notes.

(5) You acknowledge that none of the Company, the Paying and Transfer Agent or any person representing the Company has made any representation to you with respect to the Company, any of the Notes, other than by the Company with respect to the information contained in this offering memorandum, upon which you are relying in making your investment decision with respect to the Notes. You acknowledge that the Initial Purchasers and the Local Placement Agents make no representation or warranty as to the accuracy or completeness of this offering memorandum. You have had access to such financial and other information concerning the Company as you deemed necessary in connection with your decision to acquire the Notes, including an opportunity to ask questions of, and request information from, the Company and the Initial Purchasers.

(6) You also acknowledge that:

(a) The Company and the Trustee for the Notes reserve the right to require in connection with any offer, sale or other transfer of Notes under paragraph (4)(a)(ii) and paragraph (4)(a)(v) above the delivery of an opinion of counsel, certifications and/or other information satisfactory to the Company and the Trustee;

(b) the following is the form of restrictive legend that will appear on the face of the Rule 144A global security and be used to notify transferees of the foregoing restrictions on transfer. This legend will only be removed with our consent. If we so consent, it will be deemed to be removed:

"THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE OR OTHER SECURITIES LAWS. NEITHER THIS GLOBAL NOTE NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS THE TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE HOLDER OF THIS GLOBAL NOTE BY ITS ACCEPTANCE HEREOF (1) REPRESENTS THAT (A) IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) OR (B) IT IS NOT A U.S. PERSON AND IS ACQUIRING THIS GLOBAL NOTE IN AN "OFFSHORE TRANSACTION" PURSUANT TO RULE 903 OR 904 OF REGULATION S, (2) AGREES THAT IT WILL NOT OFFER, SELL OR OTHERWISE TRANSFER THIS GLOBAL NOTE PRIOR TO THE RESALE RESTRICTION TERMINATION DATE (AS DEFINED IN THE NEXT PARAGRAPH), EXCEPT (A) (I) TO A PERSON WHO THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT ACQUIRING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION COMPLYING WITH RULE 144A, (II) IN AN OFFSHORE TRANSACTION COMPLYING WITH THE REQUIREMENTS OF RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (III) TO THE ISSUER OR ANY OF ITS AFFILIATES, (IV) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT OR (IV) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND OTHER JURISDICTIONS, AND (3) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS GLOBAL NOTE IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. AS USED HEREIN, THE TERMS "OFFSHORE TRANSACTION," "UNITED STATES" AND "U.S. PERSON" HAVE THE RESPECTIVE MEANINGS GIVEN TO THEM BY REGULATION S UNDER THE SECURITIES ACT.

THE RESALE RESTRICTION TERMINATION DATE WILL BE THE DATE ON WHICH EMPRESA DISTRIBUIDORA DE ELECTRICIDAD DE MENDOZA S.A. INSTRUCTS THE TRUSTEE THAT THIS LEGEND (OTHER THAN THE FIRST PARAGRAPH HEREOF) SHALL BE DEEMED REMOVED FROM THIS NOTE, IN ACCORDANCE WITH THE PROCEDURES DESCRIBED IN THE INDENTURE RELATING TO THIS NOTE."; and

(c) The following is the form of restrictive legend that will appear on the face of the Regulation S global security and be used to notify transferees of the foregoing restrictions on transfer:

"THIS NOTE HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY OTHER SECURITIES LAWS, OTHER THAN THE SECURITIES LAWS OF ARGENTINA. THE HOLDER HEREOF, BY PURCHASING THIS NOTE, AGREES FOR THE BENEFIT OF EMPRESA

DISTRIBUIDORA DE ELECTRICIDAD DE MENDOZA S.A. THAT NEITHER THIS NOTE NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION.

THE FOREGOING LEGEND MAY BE REMOVED FROM THIS NOTE AFTER 40 CONSECUTIVE DAYS BEGINNING ON AND INCLUDING THE LATER OF (A) THE DAY ON WHICH THE NOTES ARE OFFERED TO PERSONS OTHER THAN DISTRIBUTORS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) AND (B) THE ORIGINAL ISSUE DATE OF THIS NOTE."

(7) If you are a Regulation S Acquirer, you are an acquirer outside the United States within the meaning of Regulation S under the Securities Act, you acknowledge that until the expiration of such "distribution compliance period" any offer, sale, pledge or other transfer of the Notes shall not be made by you to a U.S. person or for the account or benefit of a U.S. person within the meaning of Rule 902(k) of the Securities Act, except to a 144A Acquirer.

(8) If you are a Regulation S Acquirer, you acknowledge that until the expiration of the "distribution compliance period" described above, you may not, directly or indirectly, offer, sell, pledge or otherwise transfer a Note or any interest therein except to a person who certifies in writing to the applicable transfer agent that such transfer satisfies, as applicable, the requirements of the legends described above and that the Notes will not be accepted for registration of any transfer prior to the end of the applicable "distribution compliance period" unless the transferee has first complied with the certification requirements described in this paragraph and all related requirements under the indenture.

(9) In addition, in the event that the Notes are issued with original issue discount for U.S. federal income tax purposes, each Note will bear a legend substantially to the following effect unless the Issuer determines otherwise in compliance with applicable law:

"THIS NOTE HAS BEEN ISSUED WITH ORIGINAL ISSUE DISCOUNT ("OID") FOR U.S. FEDERAL INCOME TAX PURPOSES. THE ISSUE PRICE, AMOUNT OF OID, ISSUE DATE AND YIELD TO MATURITY OF THIS NOTE MAY BE OBTAINED BY WRITING TO THE ISSUER AT ITS REGISTERED OFFICE."

You also acknowledge that the foregoing restrictions apply to holders of beneficial interests in such Notes. In addition:

(1) You acknowledge that the registrar will not be required to accept for registration of transfer any Notes acquired by you, except upon presentation of evidence satisfactory to the Company and the registrar that the restrictions set forth herein have been complied with.

(2) You acknowledge that:

(a) The Company, the Initial Purchasers and others will rely upon the truth and accuracy of your acknowledgments, representations and agreements set forth herein and you agree that, if any of your acknowledgments, representations or agreements herein cease to be accurate and complete, you will notify the Company and the Initial Purchasers promptly in writing; and

(b) if you are acquiring any Notes as a fiduciary or agent for one or more investor accounts, you represent with respect to each such account that:

(1) you have sole investment discretion; and

(2) you have full power to make, and make, the acknowledgments, representations and

agreements contained herein.

(3) You agree that you will give to each person to whom you transfer such Notes notice of any restrictions on the transfer of such Notes.

(4) The acquirer understands that no action has been taken in any jurisdiction (including the United States) by the Company or the Initial Purchasers that would permit a public offering of the Notes or the possession, circulation or distribution of this offering memorandum or any other material relating to the Company or the Notes in any jurisdiction where action for such purpose is required. Consequently, any transfer of the Notes will be subject to the selling restrictions set forth herein.

For purposes of the acquisition of the Notes, "non-U.S. qualified offeree" means:

(1) in relation to each member state that has implemented the Prospectus Regulation (each, a "**Relevant Member State**"), to the extent implemented in that Relevant Member State:

(a) any legal entity which is a qualified investor as defined in Article 2(1)(e) of the Prospectus Regulation; or

(b) any other entity in any other circumstances falling within Article 3(2) of the Prospectus Regulation,

provided that no such acquisition of the Notes shall require the Company or the Initial Purchasers to publish a prospectus pursuant to Article 3 of the Prospectus Regulation, or

(2) in relation to each member state of the European Economic Area or the United Kingdom, a person that is not a retail investor. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation, or

(3) in relation to an investor in the United Kingdom, a "relevant person" (as defined herein under "Plan of Distribution"), or

any entity outside the U.S., the EEA and the United Kingdom to whom the offers related to the Notes may be made in compliance with all other applicable laws and regulations of any applicable jurisdiction.

VALIDITY OF NOTES

The validity under New York law of the Notes will be passed upon by DLA Piper LLP (US), our New York counsel, and by Clifford Chance US LLP, as New York counsel for the Initial Purchasers.

Certain legal matters governed by Argentine law will be passed upon by DLA Piper Argentina, our Argentine counsel, and by Bruchou & Funes de Rioja, as Argentine counsel for the Initial Purchasers.

INDEPENDENT AUDITORS

The Audited Annual Financial Statements, including the notes thereto, included in this offering memorandum, have been audited by Price Waterhouse & Co. S.R.L., independent auditors, as stated in their report appearing herein.

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1. Audited annual financial statements as of December 31, 2025 and 2024 and for the fiscal years ended December 31, 2025, 2024 and 2023, including the notes thereto..…….....F-1

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ISSUER

Empresa Distribuidora De Electricidad De Mendoza S.A.
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Buenos Aires, Argentina

EMPRESA DISTRIBUIDORA DE ELECTRICIDAD DE MENDOZA S.A.

U.S.$300,000,000, 9.750% Notes due 2033

Offering Memorandum

Global Coordinators and Joint Lead Book-Runners

BofA Securities **UBS Investment Bank**

Joint Lead Book-Runner

BTG Pactual

June 26, 2026

Independent auditor's report

To the Shareholders, President and Directors of
Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Opinion

We have audited the financial statements of Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima (the Company) which comprise the statement of financial position as at December 31, 2025 and 2024, and the statements of comprehensive income, statement of changes in equity, and statement of cash flows for the year then ended December 31, 2025, 2024 and 2023, and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended December 31, 2025, 2024 and 2023, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's 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 are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) as applicable to audits of financial statements of public interest entities and the ethical requirements applicable to audit of financial statements in the Province of Mendoza (Local Code). We have fulfilled our other ethical responsibilities in accordance with the Local Code and the IESBA Code.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our Audit addressed the key audit matter
Impairment Assessment of property, plant and equipment As of December 31, 2025, the Company recorded Property, plant and equipment (PPE) for ARS 561,189,689 (in thousands). As mentioned in note 3.1. of the financial statements, Company's Management performed an impairment test of PPE, verifying that its carrying amount does not exceed the value in use of the respective cash-generating unit. The determination of this value in use requires the use of net discounted cash flow financial models. These models include significant estimates and judgments made by Company's Management based on market and industry conditions at a given time regarding the development of the business and its impact on the Company's future cash inflows and outflows. The variables and assumptions involved could change every time the analysis is performed due to changes in economic scenarios, new regulations, changes in business risk, etc. Therefore, in the event of future changes in the assumptions, a new analysis could be necessary that could give rise to results different from the current ones, and such differences could be significant. As mentioned in notes 2.1.4. and 3.1., the Company's main variables for determining the value in use include: the discount rate, demand growth, estimated future tariff values, determination of perpetuity, exchange rates, inflation rates, and working capital. This is a key matter because it involves the use of critical judgment and significant estimates by Management, which are subject to uncertainty and future events.	The audit procedures performed in relation to this key matter included, inter alia: • obtain an understanding of how Management calculates the value in use, how it determines different scenarios of future behavior and assesses their probability of occurrence; • test the accuracy of the arithmetic calculation of the discounted cash flow model used; • validate the reasonableness of the main assumptions included in the discounted cash flow model, including the discount rate, the business growth rates, for which purpose we have compared estimated future inputs against historical business data, while we have also made comparisons against certain projected market information from independent sources; • validate the current debt payment flows included in the discounted cash flow model with the current conditions agreed between the parties; • perform sensitivity analysis on variations to the premises defined by the Company; • and evaluate the disclosures in the financial statements. In the assessment of the methodology and significant assumptions used in the future cash flows estimate by Management, we used internal specialists in this area.

Other information

The other information comprises the reporting summary. The Board of Directors is responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above 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, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group'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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's 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 auditor's 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 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.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide to the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

Mendoza, May 6, 2026

PRICE WATERHOUSE & CO.S.R.L.
Martín Tarrío
Partner

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Financial Statements
For the year
ended December 31, 2025,
presented in comparative form

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

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Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Registered office: Belgrano 815 - (5500) City of Mendoza

Main business: Provision of the public service of electric power distribution within the area and under the terms set forth in the concession agreement.

Financial Statements
for the year ended December 31, 2025,
presented in comparative form

REGISTRATION DATES WITH THE PUBLIC REGISTRY OF THE PROVINCE OF MENDOZA:

Bylaws or articles of association:	April 3, 1998
(Latest) amendments:	February 6, 2024
Registration number with the Department of Legal Entities of Mendoza:	4,158
Expiration date of the bylaws or articles of association:	April 3, 2063
Name of the last controlling legal entity:	Andina Plc
Name of the parent company:	Sodem S.A.
Registered office:	Belgrano 815, Mendoza City
Main business:	Investor
Parent company's ownership interest:	51%
Percentage of votes of the Parent company:	51%

CAPITAL COMPOSITION – (See Note 2.1.10.)				
SHARES				Subscribed, paid-in and registered
Amount	Type	Number of votes	Face value	
			$	In thousands of $
237,770,000	Common Class A	1	0.99	235,392
88,580,980	Common Class B	1	0.99	87,695
93,243,137	Common Class C	1	0.99	92.311
46,621,569	Common Class D	1	0.99	46,155
466.215.686				461,553

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Statement of Comprehensive Income

For the year ended December 31, 2025,
presented in comparative form

	Notes	12.31.2025	12.31.2024	12.31.2023
		In thousands of $		
- Revenues		708,712,208	648,743,910	402,893,400
- Cost of Sales	6	(470,990,881)	(429,227,532)	(339,743,724)
Gross profit		**237,721,327**	**219,516,378**	**63,149,676**
- Selling expenses	6	(56,650,645)	(48,157,041)	(41,518,302)
- General and administrative expenses	6	(65,462,267)	(46,070,277)	(47,282,225)
- Net impairments of financial assets		(6,298,393)	(4,542,953)	(1,854,390)
- Other income and expenses	7	9,285,916	6,507,017	8,824,261
Operating income / (loss)		**118,595,938**	**127,253,124**	**(18,680,980)**
- Financial income, net	8	35,058,769	29,673,090	92,761,093
- Financial expenses, net	8	(51,307,773)	(73,552,647)	(64,860,828)
- Exchange rate difference, net	8	(11,272,612)	102,896	(401,488)
- Other financial results	8	-	-	59,377,319
- Net monetary gain / (loss) (RECPAM)		(4,648,392)	13,454,657	186,953,486
Income before income tax		**86,425,930**	**96,931,120**	**255,148,602**
- Income tax	5	(31,749,631)	(20,053,659)	(106,374,533)
Net income for the year		**54,676,299**	**76,877,461**	**148,774,069**
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss for the year				
- Actuarial profit from defined benefit plans (Loss) / Profit	2.1.17.	(144,695)	(1,529,320)	274,462
- Income tax	5	(104,317)	404,384	(810,781)
Other comprehensive income / (loss) for the year net of income tax – Loss		**(249,012)**	**(1,124,936)**	**(536,319)**
Comprehensive income for the year attributable to the Company's shareholders		**54,427,287**	**75,752,525**	**148,237,750**

The accompanying notes are an integral part of these financial statements.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Statement of Financial Position

As of December 31, 2025 and 2024

	Notes	12.31.2025	12.31.2024
		In thousands of $	
Assets			
Current assets		**585,533,776**	**368,016,994**
Cash and cash equivalents	9	147,247,719	40,289,227
Financial assets at fair value through profit or loss	10	129,853,340	149,402,856
Other financial assets at amortized cost	11	53,340,985	-
Trade receivables	12	134,047,086	133,999,709
Other receivables	13	85,424,526	15,230,325
Inventories	14	35,620,120	29,094,877
Non-current assets		**569,437,273**	**505,387,720**
Other receivables	13	666	876
Inventories	14	8,246,918	6,693,306
Property, plant and equipment	15	561,189,689	498,693,538
Intangible assets	16	-	-
Total assets		**1,154,971,049**	**873,404,714**

The accompanying notes are an integral part of these financial statements.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Statement of Financial Position (Cont.)

As of December 31, 2025 and 2024

	Notes	12.31.2025	12.31.2024
		In thousands of $	
Shareholders' equity and liabilities			
Shareholders' equity attributable to the shareholders of the Company			
Share capital and inflation adjustment of share capital	2.1.10.	88,793,134	88,793,134
Legal reserve		13,573,907	9,786,280
Voluntary reserve		227,745,325	155,780,427
Other comprehensive -loss		(249,012)	(1,124,936)
Retained earnings		54,676,299	76,877,461
Total shareholders' equity attributable to the Company's shareholders		**384,539,653**	**330,112,366**
Liabilities			
Current liabilities		**335,390,775**	**280,143,397**
Trade and other accounts payable	17	171,404,369	158,501,698
Income tax		31,099,890	43,867,330
Benefit plans	2.1.17.	1,251,083	533,158
Other debts	24	3,116,132	1,882,155
Borrowings	18	100,693,972	32,696,738
Provisions	19	27,825,329	42,662,318
Non-current liabilities		**435,040,621**	**263,148,951**
Trade and other accounts payable	17	393,379	-
Benefit plans	2.1.17.	7,925,106	7,856,525
Other debts	24	22,399,665	22,113,380
Borrowings	18	243,508,011	75,708,527
Provisions	19	206,557	145,631
Deferred income tax liabilities	5	160,607,903	157,324,888
Total liabilities		**770,431,396**	**543,292,348**
Total shareholders' equity and liabilities		**1,154,971,049**	**873,404,714**

The accompanying notes are an integral part of these financial statements.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Statement of Changes in Shareholders' Equity

For the year ended December 31, 2025,
presented in comparative form

	Share capital	Inflation adjustment of share capital	Legal reserve	Voluntary reserve (Note 23)	Other comprehensive income/(loss)	Ret ear
				In thousands of $		
Balance as of 12.31.2022	**461,553**	**88,331,581**	**-**	**-**	**(1,263,206)**	**18**
Ordinary Shareholders' Meeting April 25, 2023	-	-	2,374,391	14,954,566	1,263,206	(18,
Net income for the year	-	-	-	-	-	148
Other comprehensive - loss	-	-	-	-	(536,319)	
Balance as of 12.31.2023	**461,553**	**88,331,581**	**2,374,391**	**14,954,566**	**(536,319)**	**148**
Ordinary Shareholders' Meeting April 24, 2024	-	-	7,411,889	140,825,861	536,319	(148,
Net income for the year	-	-	-	-	-	76
Other comprehensive - loss	-	-	-	-	(1,124,936)	
Balance as of 12.31.2024	**461,553**	**88,331,581**	**9,786,280**	**155,780,427**	**(1,124,936)**	**76**
Ordinary Shareholders' Meeting March 31, 2025	-	-	3,787,627	71,964,898	1,124,936	(76,
Net income for the year	-	-	-	-	-	54
Other comprehensive - loss	-	-	-	-	(249,012)	
Balance as of 12.31.2025	**461,553**	**88,331,581**	**13,573,907**	**227,745,325**	**(249,012)**	**54**

The accompanying notes are an integral part of these financial statements.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Statement of Cash Flows
For the year ended December 31, 2025,
presented in comparative form

	Notes	12.31.2025	12.31.2024	12.31.2023
		In thousands of $		
CASH CHANGES				
Cash and cash equivalents at the beginning of the year		40,289,227	(9,407,173)	3,017,631
Results generated by cash and cash equivalents		31,488,536	6,732,192	-
Net increase / (decrease) in cash and cash equivalents		75,469,956	42,964,208	(12,424,804)
Cash and cash equivalents at year-end	9	**147,247,719**	**40,289,227**	**(9,407,173)**
Net income for the year before taxes		86,425,930	96,931,120	255,148,602
Adjustments to arrive at net cash flow from operating activities:				
Financial results accrued and/or considered as financing or investing activity		33,162,484	5,320,516	(63,243,807)
Debt restructuring and other income and expenses	24	-	-	(63,805,915)
Net monetary position (loss) – RECPAM		4,648,392	(13,454,657)	(186,953,486)
Depreciation of property, plant and equipment	15	26,145,365	23,345,711	21,108,136
Provision for lawsuits and other claims	19	17,700,677	20,991,061	19,811,464
Impairment of non financial assets	26	6,298,394	4,542,954	1,858,683
Changes in operating assets and liabilities:				
Increase in trade receivables		(40,883,430)	(142,051,035)	(56,181,959)
Increase in other receivables		(74,977,145)	(10,293,375)	(22,445,142)
Increase in inventories		(7,080,133)	(41,827,106)	(22,096,648)
Increase in trade and other accounts payable		22,649,963	159,448,594	149,130,130
Payment of fines and others		(22,210,298)	(11,850,133)	(7,705,331)
Net cash flow generated from operating activities		**51,880,199**	**91,103,650**	**24,624,727**
Transfer		**51,880,199**	**91,103,650**	**24,624,727**

The accompanying notes are an integral part of these financial statements.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Statement of Cash Flows (Cont.)
For the year ended December 31, 2025,
presented in comparative form

	Notes	12.31.2025	12.31.2024	12.31.23
		In thousands of $		
Transfer		**51,880,199**	**91,103,650**	**24,624,727**
Acquisitions of property, plant and equipment		(100,759,729)	(41,714,273)	(35,215,289)
Acquisitions of financial assets at fair value		(54,807,767)	(87,741,509)	(12,297,170)
Net cash flow applied to investing activities		**(155,567,496)**	**(129,455,782)**	**(47,512,459)**
Borrowings payments		(35,700,470)	(9,548,354)	(32,147,170)
Payment of interest		(20,292,861)	(8,691,538)	(9,427,460)
Proceeds from borrowings	18	263,194,949	109,832,587	47,505,812
Net cash flow generated from financing activities		**207,201,618**	**91,592,695**	**5,931,182**
Inflation adjustment on cash and cash equivalent (loss) /gain		(28,044,365)	(10,276,355)	4,531,746
Net increase / (decrease) in cash and cash equivalents		**75,469,956**	**42,964,208**	**(12,424,804)**

The accompanying notes are an integral part of these financial statements.

	12.31.2025	12.31.2024	12.31.23
Non-cash transactions	In thousands of $		
Transfer of inventories to property, plant and equipment	12,118,213	6,480,690	7,194,486

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements
For the year ended December 31, 2025,
presented in comparative form
(Figures expressed in thousands of pesos)

NOTE 1. GENERAL INFORMATION

General Aspects

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima (EDEMSA) was incorporated on March 11, 1998, in accordance with Law No. 6,498, passed by the provincial legislature, as part of the privatization process of the energy sector in the province of Mendoza.

The Company was registered in the Public Registry of the Province of Mendoza on April 3, 1998, and began operations on August 1, 1998, the date the concession began.

The basic regulatory framework for the Company consists of:

a. Provincial Law No. 6,497 and its regulatory decrees.
b. Provincial Law No. 6,498 and its regulatory decree.
c. Agreement for the transfer of 51% of EDEMSA's shares entered into by the Province of Mendoza, the successful bidder of the majority stake (SODEM S.A.) and Energía Mendoza Sociedad del Estado (EMSE).
d. Concession agreement signed between EDEMSA and the Province of Mendoza.
e. Terms and Conditions for the Sale of EDEMSA’s Class A shares (representing 51% of the share capital).
f. Provincial Law No. 7,543 - Amending Provincial Laws No. 6,497 and No. 6,498 - and its implementing decree.
g. Provincial Law No. 7,544.

Upon expiration of the 30-year term provided for in the concession agreement, a new agreement for an additional term of 30 years will be granted to the shareholders of the Company or to those who are entitled thereto, in accordance with the guidelines of Law No. 6,498.

The detailed regulatory framework established, among other things, that the first management period of the Company expired on July 31, 2007 (within three periods of ten years each), so, in accordance with the law, SODEM S.A. (controlling shareholder) informed the Provincial Government of its decision to continue with the management and ownership of the EDEMSA’s shareholding. In this regard, on January 3, 2008, Decree No. 2912/07 was published in the Official Gazette of Mendoza, whereby the Granting Authority ordered not to call for bidding for EDEMSA’s Class A shares and authorized SODEM S.A. to retain EDEMSA’s shareholding for a new management. For this reason, a new shareholding period is being extended.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 1. General Information (Cont.)

General Aspects (Cont.)

On July 31, 2018, the second management period expired, therefore, on January 27, 2017, SODEM S.A. duly notified the Government of Mendoza of its intention to retain ownership of EDEMSA's Class A shares.

On January 3, 2023, the Secretariat of Public Services of Mendoza - in its capacity as Enforcement Authority - signed a Transaction Agreement with EDEMSA (see Note 24) pursuant to which, among other issues, it was agreed that the Granting Authority would grant an extension of the concession agreement for an additional period of twenty years starting on August 1, 2028, agreeing not to call for bids for the award of ownership of EDEMSA's class A shares and not to make any monetary claim against the Distribution Company for the extension of the concession term.

On May 10, 2023, by means of the Extraordinary General Shareholders' Meeting, the corporate purpose was expanded by amending Section 4 of the by-laws. This amendment to the by-laws was approved by the Executive Branch of Mendoza through Decree 2074/23 dated October 6, 2023.

Restrictions arising from the concession agreement

The rights and obligations arising from the regulatory framework mentioned in this note shall not be transferred, in whole or in part, to any third party without the prior consent of the Province of Mendoza.

NOTE 2. BASIS FOR THE PREPARATION AND ACCOUNTING POLICIES

2.1. Accounting policies and other aspects

These financial statements as of December 31, 2025 were approved by the Board of Directors at a meeting held on May 6, 2026.

These financial statements have been prepared in accordance with the IFRS Accounting Standards (“IFRS”) developed by the International Accounting Standards Board (IASB), adopted as Argentine professional accounting standards by the Argentine Federation of Professional Councils in Economic Sciences (FACPCE), and incorporated into the regulations of the Argentine Securities Commission (CNV).

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 2. BASIS FOR THE PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.1. Accounting policies and other aspects (Cont.)

The preparation of financial statements in accordance with the IFRS Accounting Standars requires the use of certain critical accounting estimates. It also requires Management to exercise judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas in which assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

CNV Resolution No. 629/14 – Documentation custody

On August 14, 2014, the Argentine Securities Commission (CNV) issued General Resolution No. 629, imposing amendments to its regulations regarding the safekeeping and preservation of corporate books, accounting books, and commercial documentation. In this regard, it is informed that the Company has entrusted the safekeeping of certain non-sensitive documentation to the following provider:

Depositary: Banco de Archivos SA (BASA). Address: Alsina 2338, Godoy Cruz, Mendoza.

Likewise, it is noted that the details of the documentation given in custody are available at the registered office, as well as the documentation referred to in Section 5, subsection a.3) Section I of Chapter V of Title II of the RULES (Revised text 2013 and amendments).

2.1.1. Functional and presentation currency

The amounts included in the Company's financial statements were measured using its functional currency, that is, the currency of the primary economic environment in which it operates. The financial statements are presented in thousands of Argentine pesos, which is the Company's functional and presentation currency.

International Accounting Standard No. 29, "Financial Reporting in Hyperinflationary Economies" (IAS 29), requires that the financial statements of an entity whose functional currency is that of a high-inflation economy be expressed in terms of the unit of measurement current at the end of the reporting year, regardless of whether they are based on the historical cost method or the current cost method. To do so, non-monetary items must generally include inflation from the acquisition date or the revaluation date, as appropriate. These requirements also apply to comparative information in the financial statements.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 2. BASIS FOR THE PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.1. Accounting Policies (Cont.)

2.1.1. Functional and presentation currency (Cont.)

For the purposes of determining whether an economy is categorized as having high inflation under IAS 29, the standard details a series of factors to consider, including a three-year cumulative inflation rate approaching or exceeding 100%. For this reason, under IAS 29, the Argentine economy had been classified as having high inflation as of July 1, 2018.

In addition, Law No. 27,468 (Official Gazette 12/04/2018) amended Section 10° of Law No. 23,928, as amended, establishing that the repeal of all legal or regulatory rules that establish or authorize price indexation, monetary restatement, cost variation or any other form of revaluation of debts, taxes, prices or tariffs of goods, works or services, does not include financial statements, with respect to which the provisions of Section 62 in fine of the General Companies Law No. 19,550, as amended, shall continue to apply. Furthermore, the aforementioned law repealed Decree No. 1269/2002 of July 16, 2002, as amended, and delegated to the National Executive Branch (PEN), through its supervisory agencies, to establish the date as from which the aforementioned provisions will take effect in relation to the financial statements submitted to them. Therefore, through its General Resolution 777/2018 (Official Gazette 12/28/2018), the Argentine Securities Commission (CNV) provided that the issuing entities subject to its control must apply to the annual financial statements, for interim and special periods, closing on or after December 31, 2018, the method of restatement of financial statements in homogeneous currency as established by IAS 29. Therefore, these financial statements have been restated as of December 31, 2025.

According to IAS 29, the financial statements of an entity reporting in the currency of a high-inflation economy should be reported in terms of the unit of measurement current at the financial statement date. All amounts in the statement of financial position that are not stated in terms of the unit of measurement current at the financial statements date should be restated by applying a general price index. All items of the statement of comprehensive income should be stated in terms of the unit of measurement updated at the date of the financial statements, applying the change in the general price index that has occurred since the date the income and expenses were originally recognized in the financial statements.

The inflation adjustment was calculated using the indexes established by the Argentine Federation of Professional Councils in Economic Sciences (FACPCE) based on the price indexes published by the National Institute of Statistics and Census (INDEC).

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 2. BASIS FOR THE PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.1. Accounting Policies (Cont.)

2.1.1. Functional and presentation currency (Cont.)

Considering the aforementioned index, inflation was 31.55%, 117.76 % and 211.4% for the years ended December 31, 2025, 2024, and 2023, respectively.

The main procedures for the inflation adjustment mentioned above are as follows:

- Monetary assets and liabilities that are carried at the closing currency of the financial statements are not restated because they are already expressed in terms of the current monetary unit at the date of the financial statements;
- Non-monetary assets and liabilities that are carried at cost at the date of the financial statements, and the components of equity, are restated by applying the corresponding adjustment coefficients;
- All items in the statement of comprehensive income are restated by applying the relevant conversion factors;
- The effect of inflation on the Company's net monetary position is included in the statement of comprehensive income under the heading "Monetary position gain/(loss) (RECPAM), net";
- The comparative figures have been adjusted for inflation following the same procedure explained in the preceding points and were restated at the end of the current fiscal year.

The equity accounts were restated as follows:

- Capital was restated as from the date of the last accounting inflation adjustment. The net amount resulting from the absorption of accumulated losses was included in the "Inflation adjustment of share capital" account;
- Other comprehensive income, which related to employee benefit plans, was determined at the beginning of the application of this methodology (01/01/17) with an amount equal to zero.

2.1.2. Assets and liabilities in foreign currency

Financial assets and liabilities denominated in foreign currency have been measured at the exchange rates prevailing at year-end.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions (or at the valuation dates, when items are required to be remeasured). Exchange gains and losses arising from the settlement of such transactions and from the measurement at closing exchange rates of monetary assets and liabilities denominated in foreign currency are recognized in the statement of comprehensive income.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 2. BASIS FOR THE PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.1. Accounting policies (Cont.)

2.1.2. Assets and liabilities in foreign currency (Cont.)

Financial instruments, other than derivatives, are defined as any contract that gives rise, simultaneously, to the recognition of a financial asset in one entity and a financial liability or an equity instrument in another entity.

2.1.3. Financial instruments

IFRS 9 "Financial Instruments" requires that financial assets and liabilities within its scope be measured at amortized cost or fair value.

The Company classifies its financial assets into the following categories: those measured at amortized cost and those subsequently measured at fair value. This classification depends on whether the financial asset is an investment in a debt instrument or an equity instrument. To be measured at amortized cost, the two conditions described in the following paragraphs must be met. All other financial assets are measured at fair value.

Investments in debt securities that are held within a business model whose objective is to collect contractual cash flows, and whose contractual cash flows consist solely of payments of principal and interest on the principal amount outstanding, are generally measured at amortized cost at the end of subsequent reporting years. All other investments in debt or equity instruments are measured at fair value at the end of subsequent reporting years.

In accordance with IFRS 9, financial assets and liabilities are classified into the following categories:

(a) Financial assets at amortized cost

A financial asset is classified in this category if it meets the following conditions: (i) the objective of the entity's business model is to hold the asset in order to collect contractual cash flows; and (ii) the contractual terms give rise to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding.

Within this category, the Company has classified the following financial assets: cash investment (included under cash and cash equivalents), trade receivables, other financial assets at amortized cost, and other receivables.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 2. BASIS FOR THE PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.1. Accounting policies (Cont.)

2.1.3. Financial instruments (Cont.)

(b) Financial assets at fair value through other comprehensive income

A financial asset shall be measured at fair value through other comprehensive income if both of the following conditions are met:

i. the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

ii. the contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(c) Financial assets at fair value through profit or loss

A financial asset shall be measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income.

Within this category, the Company has included government and corporate securities and other investments presented under “Financial assets at fair value through profit or loss,” as well as mutual funds included under “Cash and cash equivalents,” and securities lending transactions included under “Other receivables.”

(d) Financial liabilities at amortized cost using the effective interest method

This category mainly comprises bank and financial borrowings, trade and other payables.

The following table presents an analysis of financial instruments classified according to the measurement basis and the hierarchy, based on the valuation techniques used. The different levels have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., prices) or indirectly (i.e., derived from prices);

Level 3: inputs for the asset or liability that are not based on observable market data (i.e., unobservable inputs).

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 2. BASIS FOR THE PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.1. Accounting policies (Cont.)

2.1.3. Financial instruments (Cont.)

As of 12.31.2025

	Assets at amortized cost	Assets at fair value through profit or loss (Level 1)	Total as of 12.31.2025
	In thousands of $		
Assets			
Cash and cash equivalents	53,214,575	94,033,144	147,247,719
Financial assets at fair value through profit or loss	-	129,853,340	129,853,340
Other investments at amortized cost	53,340,985	-	53,340,985
Trade and other receivables (*)	137,339,122	61,142,540	198,481,662
Total as of 12.31.2025	**243,894,682**	**285,029,024**	**528,923,706**

(*) Does not include tax receivables or prepayments of any kind.

	Financial liabilities at amortized cost	Total as of 12.31.2025
	In thousands of $	
Liabilities		
Trade and other accounts payable excluding non-financial liabilities (**)	161,852,371	161,852,371
Lease liabilities	231,130	231,130
Borrowings (excluding lease liabilities)	343,970,853	343,970,853
Total as of 12.31.2025	**506,054,354**	**506,054,354**

(**) Does not include payroll-related or tax liabilities.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 2. BASIS FOR THE PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.1. Accounting Policies (Cont.)

2.1.3. Financial Instruments (Cont.)

As of 12.31.2024

	Assets at amortized cost	Assets at fair value through profit or loss (Level 1)	Total as of 12.31.2024
	In thousands of $		
Assets			
Cash and cash equivalents	4,457,798	35,831,429	**40,289,227**
Financial assets at fair value through profit or loss	-	149,402,856	**149,402,856**
Trade and other receivables (*)	136,022,203	-	**136,022,203**
Total as of 12.31.2024	**140,480,001**	**185,234,285**	**325,714,286**

(*) Does not include tax receivables or prepayments of any kind.

	Financial liabilities at amortized cost	Total as of 12.31.2024
	In thousands of $	
Liabilities		
Trade and other accounts payable excluding non-financial liabilities (*)	144,623,702	144,623,702
Lease liabilities	397,554	397,554
Borrowings (excluding lease liabilities)	108,007,711	108,007,711
Total as of 12.31.2024	**253,028,967**	**253,028,967**

(*) Does not include social or fiscal debts.

Fair value estimation

The estimated fair value of a financial instrument is the amount at which the instrument could be exchanged in the market between willing, knowledgeable and independent parties, other than in a forced sale or liquidation. For the purpose of estimating the fair value of financial assets with maturities of less than one year, the Company uses market value. For other investments, the Company uses quoted market prices.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 2. BASIS FOR THE PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.1. Accounting policies (Cont.)

2.1.3. Financial instruments (Cont.)

Fair value estimation (Cont.)

In relation to financial assets and liabilities measured at amortized cost, since most of them are obtained / granted at variable rates or at fixed rates that approximate market rates, their fair value (Level 2) approximates their carrying amount and is therefore not separately disclosed.

2.1.4. Property, plant and equipment

Cost

Property, plant and equipment are measured at historical cost, restated as detailed in Note 2.1.1, net of depreciation and impairment losses, if applicable. Historical cost includes expenditures that are directly attributable to the acquisition of such assets.

Subsequent costs are included in the amount of the asset only when it is probable that they will generate future economic benefits and their cost can be measured reliably. The capitalization of financial expenses is described in Note 2.1.13. In the case of replacement, the carrying amount of the parts replaced is derecognized. All other maintenance and repair costs are charged to profit or loss in the year in which they are incurred.

Depreciation

Land is not depreciated. Depreciation of assets is calculated using the straight-line method over their estimated useful lives, in accordance with the following parameters:

Property, plant and equipment	Average useful life (years)
Power distribution networks and transformer stations	41
Buildings	33
Machinery	21
Distribution chambers, platforms and transformers	32
Other	5 to 9

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 2. BASIS FOR THE PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.1. Accounting policies (Cont.)

2.1.4. Property, plant and equipment (Cont.)

Depreciation (Cont.)

The residual values of assets and their useful lives are reviewed and adjusted, as appropriate, at the end of each reporting period. Changes in the initially established criteria are recognized, where applicable, as a change in estimate.

Recoverability

The carrying amount of assets is written down to their recoverable amount if the carrying residual amount exceeds their estimated value in use.

The Company assesses the recoverability of its long-lived assets periodically or whenever events or changes in circumstances indicate a potential impairment in the value of the assets relative to their recoverable amount, measured as value in use at the end of the reporting period. When the carrying amount of an asset exceeds its estimated recoverable amount, it is written down immediately to its recoverable amount.

An impairment previously recognized is reversed if the recoverable amount increases as a result of a reversal of the conditions that originally gave rise to the impairment. The reversal of an impairment is recognized in the statement of comprehensive income and is limited to the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized in prior periods and/or years.

Value in use is determined based on projected cash flows discounted using discount rates that reflect the time value of money and the specific risks of the assets concerned.

Cash flows are prepared based on estimates regarding the future behavior of certain variables that are sensitive in determining the recoverable amount, including: (i) the nature, timing and structure of tariff increases; (ii) the evolution of costs to be incurred; (iii) the tax rate expected to be in effect in each year and/or period; and (iv) macroeconomic variables such as demand growth rates and perpetual growth rates of cash flows, inflation rates, exchange rates, investment requirements to maintain service quality levels, discount rates, and committed payment flows to CAMMESA as a result of the debt restructuring agreement (see Note 24), among others.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 2. BASIS FOR THE PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.1. Accounting policies (Cont.)

2.1.4. Property, plant and equipment (Cont.)

Recoverability (Cont.)

The future tariff increases used by the Company in assessing the recoverability of long-lived assets as of December 31, 2025 are based on the contractual rights held by the Company under the concession agreement.

The Company has prepared its projections based on current and expected tariff schedules. However, the Company cannot assure that the future behavior of the assumptions used in preparing these projections will be consistent with estimates; therefore, actual results may differ from estimates and assessments made as of the date of preparation of these financial statements, and such differences could be significant.

At the end of the current year, the Company estimates that the recoverable amount of its assets, taken as a whole, does not exceed their estimated value in use.

Gains and losses on the disposal of assets are determined by comparing proceeds received with their carrying residual amount and are presented within “Other income/expenses” in the statement of comprehensive income, as applicable.

2.1.5. Intangible assets

Intangible assets are non-monetary assets without physical substance that can be identified either because they are separable or because they arise from legal or contractual rights. These assets are carried when they can be measured reliably and are likely to generate benefits for the Company.

Intangible asset originated in EDEMSA’s initial Concession Agreement

The original total value of a portion of the intangible assets contributed to the Company at the start of the concession, on August 1, 1998, was determined considering, among other factors, the amount paid by the majority shareholder of EDEMSA (SODEM S.A.) to acquire 51% of the share capital of the concessionaire, the portion of capital originally retained by the Province of Mendoza, and the liabilities transferred to EDEMSA pursuant to the bidding terms and related agreements. This asset represents the concession right received by the Company as an initial contribution.

This intangible asset is not amortized. Its impairment is reviewed annually or more frequently if events or circumstances indicate a potential impairment.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 2. BASIS FOR THE PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.1. Accounting policies (Cont.)

2.1.5. Intangible assets (Cont.)

Intangible asset originated in EDEMSA's initial Concession Agreement (Cont.)

The carrying amount of this intangible asset is compared with its recoverable amount, which is the higher of value in use and fair value less costs of disposal. Any impairment is recognized immediately as an expense and is not reversed.

Business estimates are reassessed annually, considering the Company's market knowledge and expectations regarding cost and revenue growth, in order to analyze the value in use of intangible assets and compare it with their carrying amount, as described in Note 3.1.

This asset is fully impaired as of December 31, 2025 and December 31, 2024.

Right of concession Law 6498 Decree No. 197/98

This intangible asset includes the payment required under Section 22.34 of the concession agreement. It is amortized on a straight-line basis over 30 years, through 2028 (the expiration of the original concession term).

The impairment analysis for this asset is consistent with that described for the preceding intangible and was performed at the end of the current year. This asset is fully impaired as of December 31, 2025 and December 31, 2024. Based on the Company's estimates, no recovery was recognized in the current year.

2.1.6. Inventories

Inventories mainly include items used in the maintenance, repair and construction of property, plant and equipment. As a matter of prudence, the Company measures inventories at the lower of cost and net realizable value. Cost is determined using the weighted average method.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 2. BASIS FOR THE PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.1. Accounting policies (Cont.)

2.1.7. Trade and other receivables

Trade receivables and other receivables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less any impairment allowance, where applicable.

Implicit interest is separated and recognized as financial income as it accrues, except when the recognition of interest is immaterial.

2.1.8. Impairment of financial assets – Allowance for bad debts

Impairment of financial assets

At the end of each reporting period, the Company assesses whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset impairment loss is recognized when there is objective evidence of impairment as a result of one or more events occurring after the initial recognition of the financial asset, and such event has an impact on the estimated future cash flows of the financial asset or group of financial assets.

Allowance for bad debts

The allowance is established based on historical collection experience and represents the best estimate of the actual recoverability of trade receivables.

The carrying amount of trade receivables is reduced through the allowance for bad debts, and the amount of the loss or recovery, as applicable, is recognized in the statement of comprehensive income.

2.1.9. Cash and cash equivalents

Cash and cash equivalents include cash on hand and other short-term, highly liquid investments with an original maturity of three months or less. Bank overdrafts, if any, are deducted from cash and cash equivalents in the cash flow statement.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 2. BASIS FOR THE PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.1. Accounting policies (Cont.)

2.1.10. Share capital

The share capital is represented by common, non-endorsable registered shares with a face value of $0.99 per share.

The capital stock adjustment of $88,331,581 (in thousands) represents the difference between the nominal value of the capital and its value restated in accordance with the accounting standard applicable to the Company.

COMPOSITION OF SHARE CAPITAL				
Number of shares	**Face value**	**Subscribed, paid-in and registered**	**Capital adjustment**	**Total adjusted share capital**
	$	**In thousands of $**		
466,215,686	0.99	461,553	88,331,581	88,793,134

In compliance with Resolution No. 368 of the Argentine Securities Commission, the following is stated:

	12.31.2025	**12.31.2024**	**12.31.2023**
	In thousands of $		
Share capital	461,553	461,553	461,553
Total	**461,553**	**461,553**	**461,553**

As of December 31, 2025 the share capital is as follows:

		APPROVED BY		
Capital Stock	**Face Value**	**Date**	**Instrument**	**Date of registration with the Public Registry of Mendoza**
	In thousands of $			
Subscribed, paid-in and registered	12	03.11.98	Bylaws	04.03.98
Subscribed, paid-in and registered	466,203	07.28.98	Shareholders' Meeting	10.30.98
1999 capital reduction	(4,662)	08.30.99	Extraordinary General Shareholders' Meeting	02.10.00
2000 capital reduction	(4,662)	09.11.00	Extraordinary General Shareholders' Meeting	02.11.02
Subscribed, paid-in and registered	4,662	06.25.03	Extraordinary General Shareholders' Meeting	10.30.09
	461,553			

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 2. BASIS FOR THE PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.1. Accounting policies (Cont.)

2.1.10. Share capital (Cont.)

Composition:

Type	Amount	Face value of each share	Total face value	Number of votes
			In thousands of $	
Class A Common Shares	237,770,000	0.99	235,392	1
Class B Common Shares	88,580,980	0.99	87,695	1
Class C Common Shares	93,243,137	0.99	92,311	1
Class D Common Shares (*)	46,621,569	0.99	46,155	1
Total	**466,215,686**		**461,553**	

(*) Employee Share Ownership Program (*Programa de propiedad participada*).

Transferability of the Company's shares

Once the first five years from the effective date of the concession agreement have elapsed, the shareholders of the investing company must inform the EPRE of any corporate changes or changes in shareholdings that result in a change of control compared to that existing at the time the Transfer Agreement was executed.

Class A shares of the Company, in accordance with the provisions of the concession agreement, are pledged in first priority as collateral to secure the performance of the obligations undertaken under such agreement.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 2. BASIS FOR THE PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.1. Accounting policies (Cont.)

2.1.10. Share capital (Cont.)

Employee share ownership program

On February 20, 2004, the Ministry of Environment and Public Works of the Province of Mendoza notified the Company that it had transferred 95.2% of the total Class D shares to the employees participating in the EDEMSA Employee Share Ownership Program (PPP, for its Spanish acronym). The transfer of such percentage comprises shares numbered from No. 414,931,961 to No. 459,315,692 and represents 9.52% of EDEMSA's total share capital and voting rights. It should be noted that, according to information provided by the PPP Association, the PPP Association and its members increased their ownership to 10% of EDEMSA's share capital (Class D shares). Notwithstanding the foregoing, as of the date hereof, the formal notice required under Section 215 of Argentine General Companies Law No. 19,550 has not yet been received for purposes of recording such share transfer in EDEMSA's Share Register Book.

Ownership of shares – Class "B" and "C"

The Provincial Infrastructure Fund was created by Law No. 6,794 and funded with the resources set forth in Section 1 of such law. Pursuant to subsection (c) of the aforementioned section and the Administration Trust Agreement dated July 10, 2007, entered into by the Province of Mendoza as settlor, beneficiary and remainderman, and the Administrator of the Provincial Fund for Transformation and Growth as trustee, the latter holds the Class "B" and "C" shares in trust. It should be noted that, pursuant to the provisions of Law No. 8,423, Section 5(b), the Executive Branch of the Province of Mendoza has been authorized to transfer to EMESA (Empresa Mendocina de Energía Sociedad Anónima), as an irrevocable capital contribution, the assets owned by the Province that relate to its participation in companies associated with the fulfillment of the purpose established in Section 3 of Law No. 8,423 (including, among others, the distribution and commercialization of electricity). Notwithstanding the foregoing, as of the date hereof, the formal notice required under Section 215 of Argentine General Companies Law No. 19,550 has not yet been received for purposes of recording such share transfer in EDEMA's Share Register Book.

Earnings per share

(a) Basic

Basic earnings per share are calculated by dividing the net income attributable to the Company's shareholders by the number of common shares outstanding during the year. The Company did not acquire any treasury shares during the year.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 2. BASIS FOR THE PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.1. Accounting policies (Cont.)

2.1.10. Share capital (Cont.)

Earnings per share (Cont.)

(a) Basic (Cont.)

	12.31.2025	12.31.2024	12.31.2023
	In thousands of $		
Comprehensive income attributable to the Company's shareholders	54,427,287	75,752,525	148,237,750
Number of shares outstanding (in thousands)	466,216	466,216	466,216
Basic comprehensive earnings per share	**116.74**	**162.48**	**317.96**
Net income attributable to the Company's shareholders	54,676,299	76,877,461	148,774,069
Number of shares outstanding (in thousands)	466,216	466,216	466,216
Basic net earnings per share	**117.28**	**164.90**	**319.10**

(b) Diluted

The Company does not have any diluted potential shares nor are there any instruments that modify the earnings per share, so the diluted earnings per share do not differ from the basic earnings per share.

2.1.11. Trade and other accounts payable

Trade and other accounts payables represent obligations to pay for goods and services acquired from suppliers in the ordinary course of business, as well as other payment obligations.

They are initially recognized at fair value and subsequently measured at amortized cost using the effective interest rate method.

Interest expense is recognized using the effective interest rate method, except when immaterial.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 2. BASIS FOR THE PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.1. Accounting policies (Cont.)

2.1.12. Borrowings and other liabilities

Financial debt and other liabilities are initially recognized at fair value, net of transaction costs incurred. Subsequently, financial debt and other liabilities are measured at amortized cost. Any difference between the proceeds received (net of transaction costs) and the repayment amount is recognized in profit or loss over the term of the debt using the effective interest method. Fees paid in connection with obtaining loans are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In such cases, the fees are deferred until drawdown occurs. To the extent that there is no evidence that it is probable that all or part of the credit facility will be drawn, the fee is capitalized as a prepayment for liquidity services and amortized over the period to which the availability of the credit relates.

2.1.13. Financial expenses

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets—defined as assets that necessarily take a substantial period of time to get ready for their intended use—are added to the cost of those assets until they are ready for use.

When funds are borrowed generally and used to obtain a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is calculated as the weighted average of the borrowing costs applicable to the Company’s borrowings outstanding during the year.

The amount of borrowing costs capitalized during the year does not exceed the total borrowing costs incurred during that year.

Other borrowing costs are recognized as an expense over time.

The amount capitalized during the year amounted to $9,550,702 (in thousands) (12.31.2024: $12,305,640 in thousands, restated).

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 2. BASIS FOR THE PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.1. Accounting policies (Cont.)

2.1.14. Financial income

Interest income is recognized on a time-proportion basis, by reference to the principal outstanding and the applicable effective interest rate.

Financial results arising from the sale of government or corporate securities are presented net of brokerage commissions, as they represent the actual gain or loss realized by the Company, and are presented as net financial income or net financial expenses, as appropriate.

2.1.15. Leases

IFRS 16 “Leases” became effective on January 1, 2019. For lessees, this standard eliminates the distinction between “finance leases,” which are recognized in the statement of financial position, and “operating leases,” for which the recognition of future lease payments are not required.

Based on the analysis of lease contracts at the time of application of the standard, the Company did not recognize a lease liability related to leases that had been classified as operating leases under the previous standard (IAS 17), as their impact on the financial statements as a whole is not significant.

For leases classified as finance leases under the previous standard, the Company recognized a right-of-use asset and a lease liability equal to the carrying amount of the lease asset and liability immediately prior to the date of initial application.

At the date of initial application, the Company elected not to reassess whether a contract is, or contains, a lease. For contracts entered into prior to the transition date, the Company retained the assessment made under IAS 17 and Interpretation 4. The application of this standard did not have impacts on the financial statements at the transition date as its effect was not significant.

A right-of-use asset and a corresponding lease liability are recognized in respect of assets arising from lease contracts from the date on which the leased asset is available for use, measured at the present value of the lease payments to be made over the term of the contract, using the discount rate implicit in the lease, if that rate can be determined, or, if not, the Company’s incremental borrowing rate.

Subsequent to initial measurement, leases will be measured at cost less accumulated depreciation, impairment losses and any adjustment for remeasurement of the lease liability.

Since the adoption of IFRS 16, the Company has not entered into new lease agreements that give rise to the recognition of significant assets or liabilities, except for lease agreements disclosed in Notes 15 and 18; therefore, management considers that their impact on the financial statements as a whole remains not significant.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 2. BASIS FOR THE PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.1. Accounting policies (Cont.)

2.1.15. Leases (Cont.)

The Company has elected not to apply the above measurement requirements to: (i) short-term leases, and (ii) leases for which the underlying asset is of low value, as described in IFRS 16.

2.1.16. Current and deferred income tax

Current and deferred income tax

The income tax expense comprises the sum of current and deferred income tax.

Current tax is determined based on the taxable income of the Company for the year. The Company's current tax liability is calculated using the tax rate in effect, net, where applicable, of prepayments and credits related to this tax. The net balance is valued as detailed in Note 2.1.11.

Deferred income tax is recognized on temporary differences between the carrying amounts of assets and liabilities included in the financial statements and their corresponding tax bases used in determining taxable income. The tax rate applied to temporary differences is the rate expected to be in effect at the time of their realization or reversal. The net balance is measured at its restated amount as of December 31, 2025 (see Note 5).

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the Company will have sufficient taxable profits available in the future to allow the recovery of all or part of the existing deferred tax asset.

Management calculates current and deferred income taxes in accordance with the applicable tax laws in Argentina. However, certain adjustments necessary to determine the income tax provision are finalized and precisely determined only after the publication of the financial statements. Therefore, as of the reporting date, the determination of current and deferred taxes includes a series of estimates based on the information and decisions available at that time.

If the final tax amount differs from the initially recorded amounts, such differences will affect the current income tax and the deferred tax estimate in the year in which such determination is made.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 2. BASIS FOR THE PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.1. Accounting policies (Cont.)

2.1.17. Employee benefits

Long-service bonus

These represent benefits to which employees covered by collective bargaining agreements are entitled, under which the Company grants employees, upon reaching twenty, twenty-five, thirty and thirty-five years of service, a special bonus equivalent to one month of fixed monthly compensation (excluding variable components) received in the month in which the relevant seniority milestone is achieved. This bonus is doubled when the employee reaches forty years of service.

Retirement or disability bonus

These represent accrued but not yet payable benefits to employees covered by collective bargaining agreements who retire upon reaching retirement age or earlier due to disability.

Benefits are granted to all employees who qualify for ordinary retirement or disability retirement and who have at least five years of service with the Company.

Employees are entitled to a bonus equivalent to ten months of their last monthly compensation. This benefit is increased by two percent for each year of service beyond the first five years.

To qualify for this benefit, employees must initiate the retirement process at the first opportunity upon reaching the minimum legal retirement age (ordinary or due to a disability) and complete it within six months, submitting their resignation to the Company.

These benefits are measured in accordance with IAS 19 using the projected unit credit actuarial method.

For this purpose, the Company makes estimates regarding the future behavior of certain variables that are sensitive in determining the value of the related liability, including inflation rates, salary increases, employee turnover and mortality rates. Future amounts payable are discounted using a discount rate that reflects the time value of money and the specific risks associated with the expected cash flows.

In this regard, the Company determines the current service cost, which is included in “Remunerations and social security contributions” within operating expenses, and the interest expense, which is included in “Net financial expenses.” Differences between prior-year estimates and actual outcomes, as well as changes in estimates, are actuarial gains or losses and are recognized in other comprehensive income, in accordance with IAS 19 (revised 2011).

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 2. BASIS FOR THE PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.1. Accounting policies (Cont.)

2.1.17. Employee benefits (Cont.)

Retirement or disability bonus (Cont.)

The composition as of December 31, 2025 is as follows (included in Trade and other payables – Payroll-related liabilities):

Benefit	Total	Current	Non-current
	In thousands of $		
Retirement or disability bonus	7,135,013	1,016,926	6,118,087
Long-service bonus	2,041,176	234,157	1,807,019
Total as of 12.31.2025	**9,176,189**	**1,251,083**	**7,925,106**
Total as of 12.31.2024	**8,389,683**	**533,158**	**7,856,525**

The amounts recognized in profit or loss for the years ended December 31, 2023, 2024 and 2025 are as follows:

Benefit	Amount recognized in profit or loss	Amount recognized in other comprehensive income	Total as of 12.31.2025	Total as of 12.31.2024	Total as of 12.31.2023
	In thousands of $				
Retirement or disability bonus	2,590,756	102,082	2,692,838	4,975,690	4,376,957
Long-service bonus	940,327	42,613	982,940	1,939,689	1,323,319
Total	**3,531,083**	**144,695**	**3,675,778**	**6,915,379**	**5,700,276**

Notes to the financial statements (Cont.)

NOTE 2. BASIS FOR THE PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.1. Accounting policies (Cont.)

2.1.17. Employee benefits (Cont.)

Retirement or disability bonus (Cont.)

Movement in employee benefit obligations during 2025 was a follows:

	Retirement or disability bonus	Long-service bonus	Total
	In thousands of $		
Balance as of 12.31.2024	**6,496,463**	**1,893,220**	**8,389,683**
Current service cost	589,450	357,100	946,550
Interest expense	2,001,306	583,227	2,584,533
Actuarial losses on employee benefits	102,082	42,613	144,695
Benefits paid and other movements	(2,054,288)	(834,984)	(2,889,272)
Balance as of 12.31.2025	**7,135,013**	**2,041,176**	**9,176,189**

The main assumptions used in the calculation are the discount rate and the expected salary increase.

The real discount rate used to measure these obligations was determined based on the market yield (at the end of the reporting period) of bonds issued by the Argentine National Government. The salary increase rate is based on its historical trend.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 2. BASIS FOR THE PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.1. Accounting policies (Cont.)

2.1.17. Employee benefits (Cont.)

The sensitivity of the defined benefit liabilities to changes in the main actuarial assumptions is as follows:

	Change in actuarial assumption	Change in liabilities (In millions of $)
Real discount rate	Increase / Decrease of 1%	Decrease of 781.5 / Increase of 908.02
Salary increase rate	Increase / Decrease of 1%	Increase of 937 / Decrease of 817.6

The above sensitivity analysis is based on a change in one assumption while holding all other assumptions constant. In practice, this is unlikely to occur, as changes in assumptions may be correlated. In calculating the sensitivity, the same method has been used as for measuring the present value of the defined benefit obligation recognized in the statement of financial position.

2.1.18. Provisions

Provisions are recognized when:

a. The Company has a present obligation (legal or constructive) as a result of a past event,
b. It is probable that an outflow of resources will be required to settle the obligation, and
c. A reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation, taking into account the best information available at the date of preparation of the financial statements, and are remeasured at each reporting date. The discount rate used reflects current market assessments of the time value of money and the specific risks related to the liability.

2.1.19. Revenue recognition

In accordance with IFRS 15 “Revenue from Contracts with Customers,” the Company has classified its main contracts with customers as follows:

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 2. BASIS FOR THE PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.1. Accounting policies (Cont.)

2.1.19. Revenue recognition (Cont.)

a. Revenue from services

Contracts with customers for the provision of electricity distribution services and other services are recognized when all and each of the following conditions are met:

1. Identification of the contract with the customer, understood as an agreement between two or more parties that creates rights and obligations.

2. Identification of performance obligations, understood as a promise in a contract to transfer a good or provide a service.

3. Determination of the transaction price, referring to the consideration for satisfying each performance obligation.

4. Allocation of the transaction price to each identified performance obligation, based on the methods described in the standard.

5. Recognition of revenue when the performance obligations identified in the contracts with customers are satisfied.

Under IFRS 15, revenue is recognized when the customer obtains control of the service or product, in this case, the supply of electricity.

Revenue from services is measured at the fair value of the consideration received or receivable, taking into account any estimated discounts, thereby determining net amounts.

Revenue from operations is recognized on an accrual basis and arises primarily from the distribution of electricity. Such revenue includes energy delivered, billed and unbilled at the end of each reporting period, measured in accordance with the applicable tariff regime and tariff schedules.

The Company also recognizes revenue from other services such as connection charges, wheeling services, disconnection notices, reconnection and service restoration. These services are provided based on the prices established in each contract and the applicable tariff schedules. Revenue is not adjusted for the effects of financing components, as payments for sales are not deferred over time, which is consistent with market practice.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 2. BASIS FOR THE PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.1. Accounting policies (Cont.)

2.1.19. Revenue recognition (Cont.)

b. Interest income

Interest income is presented separately from revenue from contracts with customers in the ordinary course of business and is recognized only to the extent that the related contract asset (or receivable) has been recognized in accounting for a contract with a customer. Such income is recognized when it is probable that the economic benefits associated with the transaction will flow to the Company and the amount can be measured reliably.

Interest income is recognized using the effective interest rate method. It is recorded on a time-proportion basis, by reference to the principal outstanding and the applicable effective interest rate.

2.1.20. Grants and other government benefits

Government subsidies are recognized at fair value when there is reasonable assurance that the subsidies will be collected and that the Company has met the established conditions.

Government subsidies received in connection with the purchase of fixed assets are deducted from the cost of such assets. These assets are depreciated over their estimated useful lives based on the purchase cost net of the subsidy.

Special Fund for the Development of Electricity in the Interior **(FEDEI)**

The Bidding Terms and Conditions for the Sale of EDEMSA's Class A shares establish the Company's obligation to execute the works and projects to be financed with the resources corresponding to the province of Mendoza from the FEDEI.

EDEMSA will be responsible for the implementation of the annual program of works and projects financed with these resources, under the supervision of and in accordance with the regulations established by FEDEI.

The FEDEI agreements established with the province aim to provide financial assistance for the execution of studies, projects, programs, acquisitions, and works. The province finances investments by applying the resources it receives from FEDEI, either through repayable or non-repayable funds.

EDEMSA includes the costs incurred in the execution of the works within its assets, deducting from them the subsidies approved by the authorities in connection with the works, to the extent that they are non-refundable funds. For this year, these subsidies amounted to $729,259 (in thousands) and as of December 31, 2024 to $152,419 (in thousands, restated).

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 2. BASIS FOR THE PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.1. Accounting policies (Cont.)

2.1.20. Grants and other government benefits (Cont.)

Special Fund for the Development of Electricity in the Interior **(FEDEI) (Cont.)**

The province's contributions under the refundable funds modality are shown as a liability under the trade and other accounts payable category, in the other current and non-current liabilities line according to maturity. As of December 31, 2025, contributions for refundable funds amounted to $393,378 (in thousands) and as of December 31, 2024 there were no refundable contributions.

2.1.21. Quality of public service - Penalties

The regulatory entity, the Provincial Electricity Regulatory Entity (EPRE), created by the general legal framework, has among its powers: a) the approval and control of tariffs and b) the control of service and technical product quality, as well as commercial quality. Failure to comply with the provisions established in the Concession Agreement and in the rules and regulations may result in the imposition of sanctions against the Company.

The balance of fines imposed and probable fines, based on the calculations made by the Company as of year-end in accordance with the quality parameters of the service provided amounted to $27,216,233 (in thousands) (12.31.2024: $42,232,881 in thousands restated as of 12.31.2025).

The Company has included in these financial statements its best estimate of liabilities related to potential penalties.

2.1.22. Tariff scheme and other aspects of the business

General situation of the tariff scheme

According to the Provincial Electricity Regulatory Framework and the EDEMSA Concession Agreement, the Provincial Government is responsible for setting tariffs every five years.

The most recent relevant tariff history is detailed below. Previous events are detailed in the notes to the previous financial statements.

On March 23, 2022, the EPRE notified EPRE Resolution No. 63/22, which initiated the tariff review process for the 6th tariff period (August 1, 2023 to July 31, 2028).

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 2. BASIS FOR THE PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.1. Accounting policies (Cont.)

2.1.22. Tariff scheme and other aspects of the business (Cont.)

General situation of the tariff scheme (Cont.)

On June 29, 2023, the EPRE notified EPRE Resolution No. 68/23 calling for a public hearing to be held on July 28, 2023, to consider the tariff proposals determined by the EPRE for the 6th tariff period, the Transactional Agreements entered into between the Government of the Province of Mendoza and the energy distributors (among which is the agreement signed with EDEMSA (see Note 24)), and the determination of the tariff impact of said Agreements. The modification of the VAD Adjustment Procedure within the tariff period and other regulatory issues were also discussed at the hearing. The hearing was held as planned.

On November 10, 2023, Decree No. 2348/23 was published, instructing the EPRE to gradually and progressively implement the new tariff schemes for the sixth tariff period, incorporating the Transactional Agreements, among other regulatory issues. The aforementioned Decree established the implementation of 70% of the VAD as of November 1, 2023, and from February 1, 2024, to July 31, 2024, to implement the difference corresponding to the period from August 1, 2023 to January 31, 2024. The Decree also modified the VAD Adjustment Procedure, highlighting its quarterly application. The EPRE issued EPRE Resolutions No. 129/23, 130/23, 131/23 and 132/23 with the Tariff Schemes effective as from November 1, 2023.

Likewise, in compliance with Decree No. 2348/23 and the new VAD Adjustment Procedure approved by that Decree, the EPRE notified Resolution No. 023/24 whereby it approved the application of the VAD adjustment procedure as of February 1, 2024 and the incorporation of the VAD difference corresponding to the period from August 1, 2023 to January 31, 2024.

Regarding the application of the VAD adjustment procedure corresponding to the month of May 2024, on June 11, 2024, the EPRE notified Resolution No. 076/24, which approved the application of the VAD adjustment, with staggered effectiveness starting on June 1, 2024, according to the following details: first step 45% effective June 2024 (approved by EPRE Resolution No. 076/24 notified on June 11, 2024), second step 30% effective July 2024 (approved by EPRE Resolution No. 084/24 notified on June 27, 2024), and third step remaining 25% effective August 2024 (approved by EPRE Resolution No. 135/24 notified on August 7, 2024).

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 2. BASIS FOR THE PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.1. Accounting policies (Cont.)

2.1.22. Tariff scheme and other aspects of the business (Cont.)

General situation of the tariff scheme (Cont.)

In parallel, on June 25, 2024, Decree No. 1212/24 was published in the Electronic Official Gazette of Mendoza, which approved the Memorandum of Agreement signed on April 23, 2024, between the Government of Mendoza and the electricity Distributors on the interpretation of the VAD Adjustment Procedure approved by Decree No. 2348/23. By virtue of said Memorandum, interpretation criteria for the aforementioned Procedure were agreed upon and the Granting Authority recognized VAD differences for the Distributors to be applied in August, September and October 2024.

On July 5, 2024, the public hearing convened by EPRE Resolution No. 075/24 published in the Official Gazette of June 7, 2024, was held, in which the following agenda discussed: a) VAD Adjustment effective August 2024, in accordance with the provisions of Provincial Decree No. 2348/2023; and b) Adaptation of the VAD Adjustment Procedure and the Memorandum of Agreement entered into between the Government of the Province of Mendoza and the Public Distribution Service Concessionaires on April 23, 2024. Consequently, on September 5, 2024, Decree No. 1680/24 was published in the Official Gazette, instructing the EPRE to determine and put into effect the Concessionaires' Own Value Added Distribution Tariff Schemes (Own VAD), corresponding to the month of August 2024. It was ordered that the VAD variation be implemented proportionally in September and October 2024. The modification of the VAD adjustment procedure was also approved, in accordance with the provisions of Decree No. 2348/23. On September 6, 2024, the EPRE notified EPRE Resolutions No. 168/24, 169/24, 170/24, and 171/24 with the VAD adjustment in effect for September 2024.

It should also be noted that on August 30, 2024, Decree No. 1524/24 was published in the Official Gazette, approving the Memorandum of Agreement signed on July 11, 2024 between the Government of Mendoza and the Distributors for the differences in revenue generated by the phasing of EPRE Resolution No. 76/24 (adjustment of May 2024). This resolution recognizes differences in VAD to be applied starting November 1, 2024, for up to six months.

On November 1, 2024, Decree No. 2183/24 was published in the Official Gazette, approving the Agreement signed on October 15, 2024, between the Government of Mendoza and the Distributors in order to unify the outstanding revenue differences as of October 31, 2024, to be applied as of November 1, 2024, in 6 consecutive monthly installments. Consequently, and in compliance with the VAD adjustment procedure for November 2024, on November 8, 2024, the EPRE notified EPRE Resolution No. 256/24 with the new tariff schemes effective from November 1, 2024.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 2. BASIS FOR THE PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.1. Accounting policies (Cont.)

2.1.22. Tariff scheme and other aspects of the business (Cont.)

General situation of the tariff scheme (Cont.)

On February 10, 2025, within the framework of the VAD adjustment procedure for February 2025, the EPRE notified EPRE Resolution No. 31/25 with the new tariff schemes effective from February 1, 2025.

On May 5, 2025, within the framework of the VAD adjustment procedure for May 2025, the EPRE issued Resolution EPRE No. 109/25, establishing new tariff schemes effective from May 1, 2025.

On June 3, 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 August 1, 2025. The public hearing was held on July 4, 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 May 1, 2025 was maintained.

On November 7, 2025, the EPRE notified Presidential 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. The aforementioned Presidential Resolutions were ratified by EPRE Board Resolution No. 257/25 dated November 12, 2025.

Subsequently, in compliance with Decree No. 1680/24, on February 6, 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.

General tariff concepts

The tariff concepts are updated quarterly as wholesale costs vary or a variation in remuneration or distribution added value is defined, in accordance with the Tariff Scheme Updating Procedure.

For its part, the Tariff Scheme classifies users and tariff categories as follows:

- Small Demands Users
- High Demand Users
- Agricultural Irrigation Users
- Toll Service Users

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 2. BASIS FOR THE PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.1. Accounting policies (Cont.)

2.1.23. Easements

EDEMSA may use the rights arising from the administrative easement and the set of ownership limitations for the benefit of providing the Public Service, in accordance with and to the extent established by the Electric Conduit Easement Law No. 5,518, subject to authorization from the EPRE, in accordance with the provisions of Section 53, subsection i) of Law No. 6497 and its regulations.

2.1.24. Tax aspects

At the closing date of these financial statements, an appeal filed by EDEMSA on July 19, 2007 against the AFIP's Ex-Officio Assessment 194/07 corresponding to Income Tax for the 2000, 2001 and 2002 tax periods is pending resolution at the Argentine Tax Court. Said ex officio assessment is based on the objection of the controlling agency regarding the deduction of certain expenses. It should be noted that, based on the opinion of its tax advisors and taking into consideration the significant factual and legal arguments submitted in the appeal before the National Tax Court, the Company expects to obtain a favorable resolution of this matter and, accordingly, has not recognized any provision in respect of this claim.

2.1.25. Consulting agreement

Trench Energy Consulting S.A. (formerly, Trench Energy Consulting S.R.L.)

On August 10, 2018, the Company received a formal offer from Trench Energy Consulting S.A. (hereinafter "Trench") for a comprehensive consulting service to help EDEMSA maintain and improve its current management and administrative capabilities, enabling it to efficiently address and resolve different situations that may arise during the company's ordinary and extraordinary management.

Based on this offer, the consulting company requested to receive 1.25% of the Company's gross sales for the professional services provided. The aforementioned offer letter is valid for five years from its issuance, and is automatically renewed for equal periods, unless either party decides to terminate it earlier, in which case it must notify the other party of its decision.

The Company's Management accepted all the terms detailed in the note and others included in the agreement.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 2. BASIS FOR THE PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.1. Accounting policies (Cont.)

2.1.25. Consulting agreement (Cont.)

Trench Energy Consulting S.A. (formerly, Trench Energy Consulting S.R.L.) (Cont.)

On August 2, 2019, through an Extraordinary General Shareholders' Meeting, the shareholders decided to reopen certain terms previously agreed upon with Trench, as a result the Board of Directors renegotiated them based on the new clauses requested by the shareholders' meeting.

These adjustments were made through a proposal from Trench dated August 23, 2019, modifying the consideration for services rendered to the Company to an amount equivalent to 3.51% of the invoiced VAD, with certain adjustments and always with a maximum limit of 1.25% of the Company's gross sales. The contract term is reduced to three years, automatically renewable for the same term, allowing the Company to better reconsider the terms of the agreement in the future. The proposal was accepted by the Company.

The charge to income or loss for this service for the fiscal year ended December 31, 2025, amounts to $8,858,903 (in thousands) (12.31.2024: $7,958,134 in thousands restated as of 12.31.2025 and 12.31.2023: 4,976,600 in thousands restated as of 12.31.2025) and has been included as a loss under "Advisor's fees" in the statement of comprehensive income for the current fiscal year proportionally in the different items, considering that it represents the best available estimate of the comprehensive advice that benefits the company as a whole. Meanwhile, the balance due as of fiscal year-end amounts to $3,351,949 (in thousands) (12.31.2024: balance due $2,394,184 in thousands restated as of 12.31.2025).

2.1.26. Restriction on the distribution of profits

Pursuant to Section 70 of the General Companies Law No. 19,550, as amended, 5% of net and realized profits for each fiscal year must be allocated to the establishment or restitution of a legal reserve, up to 20% of the share capital. This requirement must be taken into account when deciding how to distribute profits.

According to current regulations, when the net balance of Other comprehensive income as of the end of a fiscal year or period is positive (credit accounts), it cannot be distributed, capitalized, or used to absorb accumulated losses. However, it must be included in accumulated results for comparison purposes to determine the company's position under Sections 206 and 94 of the General Companies Law. When the net balance of these results as of the end of a fiscal year or period is negative (debit accounts), there will be a restriction on the distribution of unappropriated earnings for the same amount. (See Note 23).

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 2. BASIS FOR THE PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.1. Accounting policies (Cont.)

2.1.27. Changes in accounting policies

(a) New accounting standards, amendments and interpretations issued by the IASB effective as of December 31, 2025 and adopted by the Company

The Company has applied the following standards and/or amendments for the first time as of January 1, 2025:

- **Amendments to IAS 21 - exchangeability**

  In August 2023, the IASB amended IAS 21 to add requirements that help entities determine whether a currency is convertible into another currency and the spot exchange rate to use when it is not. Prior to these amendments, IAS 21 established the exchange rate to use when the lack of convertibility is temporary, but not what to do when the lack of convertibility is not temporary.

  An entity falls within the scope of the amendments when it has a foreign currency transaction or operation that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is considered exchangeable when the entity is able to obtain the other currency (within a normal administrative period), and the transaction could take place through a market or exchange mechanism that creates enforceable rights and obligations.

  When an entity first applies the new requirements, it is not permitted to restate comparative information. Instead, the entity must translate the affected amounts using estimated exchange rates at the date of initial application, recognizing the corresponding adjustment in retained earnings (in the case of translation between a foreign currency and the functional currency) or in the cumulative translation adjustment reserve (in the case of translation between the functional currency and the presentation currency).

  The application of these amendments did not have a significant impact on these financial statements.

  Effective date: January 1, 2025

There are no new IFRS Accounting Standards or IFRIC interpretations effective as of the current year that have a material impact on the Company’s financial statements.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 2. BASIS FOR THE PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.1. Accounting policies (Cont.)

2.1.27. Changes in accounting policies (Cont.)

(b) New standards, amendments and interpretations issued but not yet effective for annual periods beginning on or after January 1, 2025 and not early adopted:

- **Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7**

  On May 30, 2024, the IASB issued specific amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures to address recent questions arising in practice and to include new requirements not only for financial institutions but also for corporate entities. These amendments:

  a) clarify the date of recognition and derecognition of certain financial assets and liabilities, with a new exception for certain financial liabilities settled through an electronic cash transfer system;
  b) clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
  c) add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environmental, social and governance objectives); and
  d) update the disclosures for equity instruments at fair value through other comprehensive income (FVOCI). The amendments in (b) are most relevant to financial institutions, but the amendments in (a), (c), and (d) are relevant to all entities.

  The amendments to IFRS 9 and IFRS 7 will be effective for annual reporting periods beginning on or after January 1, 2026, with earlier application permitted subject to any approval process.

- **Amendments to IFRS 9 and IFRS 7 – Nature-dependent electricity contracts**

  In December 2024, the IASB issued amendments to IFRS 9 and IFRS 7 that modify the “own use” requirements and hedge accounting requirements in IFRS 9, and introduce specific disclosure requirements in IFRS 7. These amendments apply only to contracts that expose an entity to variability in the underlying amount of electricity due to the fact that the source of its generation depends on uncontrollable natural conditions (such as weather conditions).

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 2. BASIS FOR THE PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.1. Accounting policies (Cont.)

2.1.27. Changes in accounting policies (Cont.)

(b) New standards, amendments and interpretations issued but not yet effective for annual periods beginning on or after January 1, 2025 and not early adopted: (Cont.)

- **Amendments to IFRS 9 and IFRS 7 – Nature-dependent electricity contracts (Cont.)**

  The amendments to IFRS 9 and IFRS 7 will be effective for annual reporting periods beginning on or after January 1, 2026, with earlier application permitted subject to any approval process.

- **Amendment to IAS 21 – Translation to a hyperinflationary presentation currency**

  In November 2025, the IASB issued amendments to IAS 21 relating to translation procedures for an entity whose presentation currency is that of a hyperinflationary economy. An entity shall apply these amendments when:

  a) its functional currency is that of a non-hyperinflationary economy and it translates its results and financial position into the currency of a hyperinflationary economy; or

  b) it translates into the currency of a hyperinflationary economy the results and financial position of a foreign operation whose functional currency is that of a non-hyperinflationary economy.

The amendments to IAS 21 will be effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted subject to any approval process.

- **IFRS 18 – Presentation and disclosure in financial statements**

  This is the new standard on presentation and disclosure in financial statements, replacing IAS 1, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:
  - the structure of the profit or loss statement with defined subtotals;
  - requirement to determine the most useful structure summary for presenting expenses in the profit or loss statement;

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 2. BASIS FOR THE PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.1. Accounting policies (Cont.)

2.1.27. Changes in accounting policies (Cont.)

(b) New standards, amendments and interpretations issued but not yet effective for annual periods beginning on or after January 1, 2025 and not early adopted: (Cont.)

- **IFRS 18 – Presentation and disclosure in financial statements (Cont.)**

  - disclosures required in a single note within the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (i.e., management-defined performance measures); and
  - enhanced principles on aggregation and disaggregation that apply to the primary financial statements and notes in general.

  Effective date: January 1, 2027 (early adoption permitted).

- **IFRS 19, 'Subsidiaries without public accountability: Disclosures'**

  This new standard works in conjunction with other IFRS Accounting Standards. An eligible subsidiary applies the requirements of other IFRS Accounting Standards, except for the disclosure requirements; it instead applies the reduced disclosure requirements of IFRS 19. The reduced disclosure requirements of IFRS 19 balance the information needs of users of eligible subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries. A subsidiary is eligible if:

  - has no public obligation to render accounts; and
  - has an ultimate or intermediate parent company that prepares consolidated financial statements available for public use that comply with IFRS Accounting Standards.

  Effective date: January 1, 2027

There are no other IFRS or IFRIC interpretations that are not yet effective and are expected to have a significant effect on the Company.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 3. ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements as of a given date requires the Company's Management to make estimates and evaluations that affect the amount of assets and liabilities accounted for and contingent assets and liabilities disclosed as of the date of issuance of these financial statements, as well as the income and expenses accounted for during the fiscal year. The Company's Management makes estimates in order to calculate, at a given time, the allowance for bad debts, penalties and/or sanctions related to the quality of service (as provided in the concession agreement), the classification of trade and other receivables into current and non-current, depreciation and amortization, the recoverable value of assets, provisions for contingencies, estimates related to sales of unmetered and metered but unbilled energy, the energy purchase provision, and the income tax and deferred tax, among others. Actual future results may differ from the estimates and assessments made as of the date of preparation of these financial statements.

The preparation of financial statements also requires Management to exercise judgment in the process of applying accounting policies. The areas that involve a higher degree of judgment or complexity, or areas where assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in future periods, are detailed below.

3.1. Impairment test over long-term assets

Evaluating the recoverability of recorded long-term assets requires significant judgment. The Company assesses the value of these assets annually or when there is an indication of impairment.

This reassessment of the recoverability of non-current assets is performed annually or when events or circumstances indicate a potential impairment. Due to the conditions prevailing in the energy market and the environment in which the Company operates, Management deemed it necessary to perform a recoverability assessment.

As of December 31, 2025, the Company performed a new assessment of the recoverability of non-current assets, taking into account its knowledge of the market and expectations regarding the growth of costs and revenues, in order to analyze the value in use of non-current assets (determined as the present value of the future cash flows to be generated by these assets) and compare it with their carrying amount.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 3. ACCOUNTING ESTIMATES AND JUDGMENTS (Cont.)

3.1. Recoverability test of non-current assets (Cont.)

These cash flow projections were prepared using calculations based on financial budgets extrapolated using an estimated industry growth rate.

The cash flows used in the assessment as of December 31, 2025 are based on estimates regarding the future behavior of certain variables that are sensitive in determining the recoverable amount, including:

(i) the nature, timing and structure of tariff increases; (ii) the evolution of costs to be incurred; (iii) the tax rate expected to be in effect in each year; (iv) the discount rate; (v) investment requirements to maintain service quality levels; and (vi) macroeconomic variables such as demand growth rates, perpetual growth rates of cash flows, inflation rates, exchange rates, among others. The main macroeconomic variables (exchange rate, growth rates, etc.) are estimated by Management based on historical data, its knowledge of the business, the current regulatory framework and industry comparables.

The Company prepared its projections considering the conditions agreed upon in the debt restructuring agreement with CAMMESA (see Note 24).

The discount rates used are real interest rates and reflect specific risks associated with the industry and the country in which the Company operates.

The cash flow projections were prepared based on estimates, incorporating sensitivity analyses for certain variables under different scenarios in order to reflect estimation risk in the projections of the aforementioned variables. In this regard, alternative scenarios were considered, including changes in tariff assumptions and demand.

If energy demand were to increase by 1% less than expected, the value obtained from the recoverability analysis would decrease by 23% compared to the expected scenario. If energy demand were to increase by 1% more than expected, the value from the recoverability analysis would increase by 24%. If the estimated tariff increases in the next tariff review were not obtained, the value from the recoverability analysis would decrease by 14%. The Company weighted the aforementioned scenarios based on their probability of occurrence and, based on the analysis performed, no impairment was identified.

After performing the recoverability analysis of long-term assets, as of the date of these financial statements, the Company has not recognized any impairment of property, plant and equipment and has decided to maintain the existing net carrying amounts at the end of the year.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 3. ACCOUNTING ESTIMATES AND JUDGMENTS (Cont.)

3.1. Recoverability test of non-current assets (Cont.)

Based on this analysis, the Company considers that the carrying amount of the remaining assets does not exceed their estimated value in use under current economic and technical conditions.

However, the Company cannot assure that the future behavior of the assumptions used in preparing its projections will be consistent with those estimates, and therefore actual results may differ from the estimates made at the date of preparation of these financial statements.

Impact of possible changes in key assumptions:

The main factors that could result in reversals or impairment charges in future periods are: (i) differences in the nature, timing and structure of tariff increases and/or the recognition of cost adjustments; and (ii) distortions in the nature, timing and structure of the settlement of debt with CAMMESA and/or in the application of the debt regularization regime with the Wholesale Electricity Market (MEM, as per its Spanish acronym). These factors have been considered in the scenarios described above. Given the inherent uncertainty of these assumptions, the Company believes that any sensitivity analysis considering changes in any of them individually could result in significant changes in the determination of the recoverable amount.

3.3. Income tax

Management calculates current and deferred income tax in accordance with the tax laws applicable in Argentina. See Note 5 for further details.

3.4. Provisions for contingencies

The Company is subject to certain claims, lawsuits, and other legal proceedings arising in the ordinary course of business, including customer claims. The Company's liability with respect to such claims, lawsuits, and other legal proceedings cannot be estimated with certainty. The Company's Management periodically reviews the status of each significant matter and estimates the potential financial exposure. If the potential loss arising from a claim or legal proceeding is considered probable and the amount can be reasonably estimated, the Company accounts for the corresponding provision (see Note 19).

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 3. ACCOUNTING ESTIMATES AND JUDGMENTS (Cont.)

3.4. Provisions for contingencies (Cont.)

In particular, with respect to the quality of public service, the Company accounts for a provision as described in Note 2.1.21.

The Company has contingent liabilities for legal claims related to the normal course of business. No significant liabilities other than those provided for are expected to arise from these contingent liabilities.

NOTE 4. SEGMENT INFORMATION

A business segment is a group of assets and operations responsible for providing products or services that are subject to risks and returns that are different from those of other business segments. A geographic segment is responsible for providing products or services within a specific economic environment that are subject to risks and returns that are different from those of other segments operating in other economic environments.

Management has established a single business segment, which is the distribution of electric power, and its sole geographic segment is the province of Mendoza, since all of its revenue comes from this province, and its assets are located there.

It should be noted that the information used by the Board of Directors for its management (net income for the year and shareholders' equity) does not differ from the information contained in the financial statements.

NOTE 5. INCOME TAX

As detailed in Note 2.1.16, the Company uses the deferred tax method, so the income tax expense includes the current and deferred tax portion.

Income tax is recognized based on Management's estimate of the expected annual effective income tax rate for the full fiscal year.

Laws 27,430, 27,541, and 27,630 enacted by the Executive Branch introduced changes in the treatment of income tax, the key components of which are as follows:

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 5. INCOME TAX (Cont.)

- *Dividend Tax*: A tax is introduced on dividends or distributed profits, among other items, paid by Argentine companies or permanent establishments to: individuals, undivided estates, or beneficiaries abroad, subject to the following considerations: (i) dividends derived from profits generated during fiscal years beginning on or after January 1, 2018, will be subject to a 7% withholding tax;

- *Deduction Adjustments:* Acquisitions or investments made in tax years beginning on or after January 1, 2018, will be adjusted based on the percentage changes in the Consumer Price Index (CPI) provided by the National Institute of Statistics and Censuses, which will increase the deductible depreciation and the computable cost in the event of a sale.

- *Tax inflation adjustment:* The positive or negative inflation adjustment corresponding to the first and second fiscal years beginning on or after January 1, 2020, and ending on December 31, 2021, as detailed in Title VI of the Income Tax Law, must be allocated as follows: 1/6 in that tax period and the remaining 5/6, in equal parts, over the following five tax periods.

- *Change in income tax rates:* In June 2021, Law 27,630 was enacted, establishing a new tax rate scale scheme with three brackets based on the level of accumulated net taxable income. The new rates are:

    - 25% for cumulative net taxable income up to $102 million;
    - 30% for the second bracket, covering taxable income up to $1,017 million;
    - 35% for taxable earnings exceeding $1,017 million.

This amendment was effective for tax years beginning on or after January 1, 2021, and its effects have been recognized in that fiscal year.

- *Determination of income tax 2021*

The Company determined the current income tax for 2021 tax year by applying the systemic and comprehensive inflation adjustment mechanism, updating tax losses from fiscal years 2018 and 2019.

For the purposes of updating the aforementioned general tax losses, the methodology provided for in Section 25 of the Income Tax Law (revised text 2019) was followed. The determination of the current income tax through this mechanism resulted in an expense of $765 thousand (without restating), thus using all of the accumulated general tax losses for a nominal value of $1,726,346 thousand ($4,216,672 in thousands updated according to the mechanism mentioned in this paragraph).

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 5. INCOME TAX (Cont.)

- *Determination of Income Tax 2021 (Cont.)*

Likewise, the income tax was estimated without applying the aforementioned mechanism using the total accumulated nominal tax losses, an estimate that resulted in a expense of $869,935 thousand (at values at the time of determining the current tax for 2021).

The Company, together with its legal and tax advisors, evaluated the results detailed in the preceding paragraphs in light of current tax regulations and considering, among other aspects, whether the effective rate for each of the cases generates a tax cost that consumes a substantial portion of the income obtained by the Company in order to determine whether, in its opinion, an excess over the reasonable limit of taxation would be configured and therefore a case of confiscatoriness would exist.

The assumption mentioned in the previous paragraph, regarding confiscatoriness, implies that the effective rate represents a percentage that exceeds reasonable tax limits and therefore a situation of confiscatoriness is configured, a situation that violates Section 17 of the National Constitution (cf. Legal doctrine of the ruling "Candy SA v. AFIP and others / Protective Action (*Amparo*)", judgment of 07/03/2009, Rulings 332:1571, and subsequent precedents). The legal doctrine of the Argentine Supreme Court of Justice would be fully applicable to these cases, since the existence of regulations that do not allow the application of the comprehensive and systematic adjustment for inflation would prevent, as occurred in "Candy", the recognition of the entire inflationary effect in its tax balance, causing the company to pay taxes on fictitious income.

Notwithstanding the foregoing, the Tax Authority could challenge the filing, and such challenge could be upheld by higher courts, as there was no uniform case law at the date of issuance of these financial statements that reliably validates the position adopted by the Company. Management, based on the opinion of its legal and tax advisors, believes there are solid technical arguments supporting the approach adopted and, if the case is brought before a court, could lead to a favorable ruling for the Company.

As a conclusion of the aforementioned evaluation described in the previous paragraph, the determination of the current tax for the fiscal year ended December 31, 2021 was submitted to the tax authorities using the mechanics detailed in the first paragraph, applying the comprehensive inflation adjustment to the general tax losses originated in 2018 and 2019. This decision, in the opinion of Management and the legal and tax advisors, is based on, among other aspects, the following:

Notes to the financial statements (Cont.)

NOTE 5. INCOME TAX (Cont.)

- *Determination of Income Tax 2021 (Cont.)*

i) the mechanism complies with current regulations, in particular with what was determined in the 2018 tax reform, and ii) the non-application of such methodology constitutes a case of confiscatory nature as previously explained.

Additionally, when filing its income tax return for the 2021 fiscal year, the Company filed a notice (*multinota*) explaining the calculation method used and the reasons for its use in conjunction with an injunction. The aforementioned injunction was rejected by the Federal Court of Mendoza No. 4 on July 8, 2022, and appealed by the Company on August 2, 2022. On October 6, 2022, the Federal Court of Mendoza upheld the appeal and granted the injunction requested by the Company for a period of 6 months or until the judgment is issued, whichever comes first. In addition to the measure, the Company was required to file a counter-guarantee, which EDEMSA submitted through a surety bond, and which was accepted by the Federal Court on October 13, 2022.

On August 19, 2024, the Federal Court of Mendoza notified EDEMSA of the judgment in which it decided to uphold the claim filed by EDEMSA against the AFIP, and, consequently, declare the inapplicability of the first paragraph of Section 93 of the Income Tax Law No. 20,628, as amended, to the specific case of the inflation adjustment mechanism for tax losses recorded by EDEMSA as from the 2018 fiscal year, in order to determine the final amount to be paid for the Income Tax corresponding to the 2021 fiscal year. Although this measure was appealed by the AFIP, on October 13, 2025, the Federal Court of Appeals of Mendoza confirmed the first instance ruling, rejecting the appeal filed by the ARCA/AFIP.

ARCA/AFIP filed a Federal Extraordinary Appeal against the Court's ruling; on November 13, 2025, EDEMSA responded to the notice of appeal served upon it. As of November 18, 2025, the case is pending resolution.

- *Determination of income tax 2022*

For purposes of calculating and determining income tax for the 2022 tax period, the Company has allocated one third of the tax inflation adjustment (hereinafter "IA") amounting to $5,550,581 thousand (in amounts not restated), deferring the remaining two thirds totaling $11,101,162 thousand for the 2023 and 2024 periods.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 5. INCOME TAX (Cont.)

- *Determination of Income Tax 2022 (Cont.)*

Section 118 of Law No. 27,701 of the Budget for the fiscal year 2023 incorporated the text of Section 195 of the Income Tax which states that taxpayers that by application of Title VI of this law, by virtue of the occurrence of the assumption provided for in the last but one paragraph before last of Section 106, determine a positive inflation adjustment in the first and second fiscal year started as from and including January 1, 2022, may allocate one third (1/3) in that tax period and the remaining two thirds (2/3), in equal parts, in the two (2) immediately following tax periods.

The positive inflation adjustment, as set forth in the preceding paragraph, will only be applicable to individuals whose investment in the purchase, construction, manufacturing, processing, or definitive importation of fixed assets, except automobiles, during each of the two tax periods immediately following the calculation of the first third of the period in question, is greater than or equal to thirty billion pesos ($30,000,000,000). Failure to comply with this requirement will result in the loss of the benefit.

The Company, together with its legal and tax advisors, evaluated the aforementioned situation in light of current tax regulations and believe they have sufficient grounds to classify EDEMSA as a capital-intensive, highly leveraged company. Given that, within the universe of taxpayers for whom the IA yields positive results, the possibility of accessing the deferral has been limited to those taxpayers who do not meet a certain investment level. In the opinion of our tax advisors, this would not be legitimate under our constitutional system, particularly in light of the principles of equality and reasonableness, and existing case law.

In addition, the Company has notified the AFIP by filing a notice (*multinota*) of the adopted tax treatment and has initiated, as expressly authorized by Section 322 of the Argentine Code of Civil and Commercial Procedure, a formal declaratory action of unconstitutionality in order for a court of law to exercise the corresponding control of constitutionality and provide certainty, putting an end to EDEMSA's current state of uncertainty, on the one hand, regarding the manifest unconstitutionality of the investment requirement for an amount equal to or greater than $30,000,000,000 (thirty billion pesos) for each of the two periods following the allocation of the first third of the IA (a requirement that does not meet the adequate standard of reasonableness and grossly affects the principle of equality of tax treatment), which has been incorporated in Section 195 of the Income Tax Law by Section 118 of Law No. 27,701 of the Budget for the fiscal year 2023 and, on the other hand, regarding the inapplicability of the provisions of Title VI (Section 106 subsection c), d), et seq. and related sections.) of the Income Tax Law No. 20,628, as amended (hereinafter, “Income Tax Law”) to the specific case of EDEMSA's IA mechanism, which yields a positive result that, in fact, shows a non-existent and fictitious, unreal taxable capacity, solely as a consequence of this settlement technique. As a whole, an injunction (*medida cautelar*) was requested.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 5. INCOME TAX (Cont.)

- *Determination of Income Tax 2022 (Cont.)*

The injunction was appealed by the AFIP and the Federal Court of Mendoza decided not to grant the appeal, and the injunction became final.

On June 12, 2024, AFIP/ARCA filed its answer to the complaint, and the evidentiary stage subsequently began. On August 5, 2025, the final arguments stage commenced, and as of November 4, 2025, the case is ready for judgment.

Notwithstanding the foregoing, and although tax and legal advisors estimate a favorable resolution, the Tax Authority could challenge the filing and such challenge could be upheld by higher courts due to the lack of uniform case law that reliably validates the position adopted by the Company.

- *Determination of income tax 2023*

For the purposes of determining and settling the Income Tax for fiscal year 2023, the Company has considered the debt with CAMMESA, which was subject to a special regularization plan in that fiscal year, as a non-computable liability for the purposes of calculating the tax inflation adjustment.

According to Section 106, subsection b) of the Income Tax Law, the amount corresponding to the debts must be computed as a liability exposed to inflation, clarifying that the provisions and allowances to be recorded will be those admitted by the Income Tax Law, which will be computed for the amounts it authorizes.

The Company, based on the opinion of its legal advisors, considers that the liability with CAMMESA is not computable for the purposes of calculating the tax inflation adjustment, due to its origin in exceptional circumstances that prevented the Company from continuing its operations at a normal pace during the COVID-19 emergency, together with the obligation to maintain the service regardless of its collection, adding the uncertainty regarding its debtor position, the definition of which depended on the evaluations of the supervisory power of the public service, beyond the favorable expectation generated by Law 27,591. The impact of the liability with CAMMESA on the calculation of the IA would imply taking the effective rate of the Income Tax well above the legal rate, making this mechanism, in itself, unconstitutional by generating a fictitious income on which the Income Tax must fall.

The treatment followed by the Company mentioned above represented a decrease in the income attributable to the tax inflation adjustment of $49,115,648 in thousands without restating.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 5. INCOME TAX (Cont.)

Determination of Income Tax 2023 (Cont.)

Additionally, based on the arguments presented in the preceding point ("Determination of the 2022 income tax"), the Company has considered the same guidelines described in said section for the determination and settlement of the 2023 income tax, that is, one third of the tax inflation adjustment has been allocated, the amount of which amounts to $3,441,674 in thousands and has deferred the remaining two thirds totaling $6,883,348 in thousands for the years 2024 and 2025.

Likewise, the Company has notified the AFIP through the filing of a notice of the tax treatment adopted for the 2023 fiscal year and has initiated a declaratory action of unconstitutionality in order for a court to determine the aforementioned points.

In conjunction with this, an injunction was requested. In August 2024, the Federal Court of Mendoza granted the injunction requested by EDEMSA. The AFIP appealed the measure, and the Federal Court of Mendoza rejected the appeal and upheld the injunction.

On May 27, 2025, AFIP/ARCA filed its answer to the complaint. The case is currently in the evidentiary stage.

Notwithstanding the foregoing, and even if legal advisors estimate a favorable resolution, the Tax Authority could challenge the filing, and such challenge could be upheld by higher courts.

Determination of Income Tax 2024

For the purposes of determining and settling Income Tax corresponding to fiscal year 2024, the Company updated depreciation on property, plant and equipment and intangible assets acquired prior to January 1, 2018, by applying the adjustment coefficients provided for in the second paragraph of Section 93 of Income Tax Law No. 20,628. This treatment resulted in an additional deduction in fiscal year 2024 amounting to $20,228,164 (in thousands, not restated).

It should be noted that the Argentine Supreme Court of Justice has ruled on this matter in the leading case "Candy SA v. AFIP and others / Protective Action (*Amparo*)" (July 3, 2009, Rulings: 332:1571), in which it concluded that a situation of confiscation arises when the effective income tax rate absorbs a substantial portion of the income earned by the taxpayer. This criterion has been reaffirmed by the Argentine Supreme Court of Justice in several subsequent rulings.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 5. INCOME TAX (Cont.)

Determination of Income Tax 2024 (Cont.)

Additionally, for the purposes of determining and settling Income Tax for fiscal year 2024, and based on the arguments set forth in the preceding section ("Determination of income tax 2023"), the Company considered the outstanding balance of its debt with CAMMESA, which was subject to a special regularization plan in fiscal year 2023, as a non-computable liability for the purposes of calculating the tax inflation adjustment. The tax treatment applied by the Company resulted in a reduction of taxable income attributable to the tax inflation adjustment amounting to $20,350,828 (in thousands, not restated).

The Company's Management considers that the inability to adjust depreciation for inflation, together with the inclusion of the liability related to the CAMMESA debt in the tax inflation adjustment, renders the Income Tax for fiscal year 2024 confiscatory, as it results in EDEMSA's income being taxed at an effective tax rate significantly higher than the statutory nominal rate of 35%, which does not reflect the taxpayer's economic and financial reality and, in fact, constitutes a clear case of confiscation. Specifically, the application of the adjustment mechanisms established in Sections 87, 88 and 93 of the Income Tax Law, together with the inclusion of CAMMESA's liability in the tax inflation adjustment, leads to an effective income tax rate of 58.98% for EDEMSA in fiscal year 2024.

Likewise, the Company has notified the AFIP by filing a notice (*multinota*) of the tax treatment adopted for fiscal year 2024 and has initiated a declaratory action of unconstitutionality in order to obtain judicial certainty with respect to the matters described above. In connection therewith, an injunction was also requested. On August 28, 2024, the Federal Court of Mendoza granted the injunction requested by EDEMSA. The AFIP/ARCA filed an appeal against said decision, which is currently pending resolution.

On February 25, 2026, EDEMSA filed a request with the Federal Court for an extension of the injunction and for service of process of the claim on AFIP/ARCA

Notwithstanding the foregoing, and even if tax and legal advisors estimate a favorable resolution, the Tax Authority could challenge the filing, and such challenge could be upheld by higher courts.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 5. INCOME TAX (Cont.)

Determination of Income Tax 2024 (Cont.)

The evolution and composition of deferred tax assets and liabilities are detailed below:

Account	**Balance at the beginning of the fiscal year**	**Through profit or loss**	**Through other comprehensive income**	**Balance at the end of the fiscal year**
	Assets/ (Liabilities)	Income/(Loss)	Income/(Loss)	Assets/(Liabilities)
	In thousands of $			
Tax losses carryforward (*)	-	-	-	-
Allowance for bad debts	1,693,777	1,367,541	-	3,061,318
Accounts payable, provisions and other charges	12,667,765	(542,290)	-	12,125,475
Other debts	(4,413,852)	2,053,250	-	(2,360,602)
Property, plant and equipment	(143,491,795)	1,083,685	-	(142,408,110)
Intangible assets	10,033	(4,554)	-	5,479
Borrowings	(447,163)	(3,181,652)	-	(3,628,815)
Social debts	2,936,404	379,594	(104,317)	3,211,681
Tax debts	(26,406,586)	(3,800,388)	-	(30,206,974)
Others	126,529	(533,884)	-	(407,355)
Total net deferred liabilities 12.31.2025	**(157,324,888)**	**(3,178,698)**	**(104,317)**	**(160,607,903)**
Total net deferred liabilities 12.31.2024	**(192,327,281)**	**34,598,009**	**404,384**	**(157,324,888)**
Total net deferred liabilities 12.31.2023	**(110,735,723)**	**(80,780,776)**	**(810,781)**	**(192,327,281)**

(*) Deferred tax assets arising from accumulated tax losses recorded by the Company amounted to $3,753,267 (in thousands of $) as of December 31, 2025, and are presented net of provisions based on estimates of taxable income for future fiscal years, within the established legal time limits.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 5. INCOME TAX (Cont.)

Determination of Income Tax 2024 (Cont.)

Below is a reconciliation between the income tax through profit or loss and the tax that would result from applying the tax rate in force in Argentina to the net income before taxes, for the fiscal years ended December 31, 2025 and 2024:

	12.31.2025	12.31.2024	12.31.2023
	In thousands of $		
Comprehensive income for the fiscal year before taxes	86,281,235	95,401,800	255,423,064
Current tax rate	35%	35%	35%
Net loss for the fiscal year at tax rate	**(30,198,432)**	**(33,390,630)**	**(89,398,072)**
Non-deductible/taxable amounts at the tax rate	(5,051,060)	4,387,143	4,994,205
Impact of tax inflation adjustment	76,129	(11,615,570)	(59,888,261)
Adjustment for inflation of shareholders' equity and others (*)	3,319,415	20,969,782	37,106,814
Total income tax expense	**(31,853,948)**	**(19,649,275)**	**(107,185,314)**
- Current tax	(28,570,933)	(54,651,668)	(25,593,757)
- Variation between deferred net liabilities at fiscal year-end and at the beginning of the fiscal year through profit or loss	(3,178,698)	34,598,009	(80,780,776)
- Variation between deferred net liabilities at fiscal-year end and at the beginning of the fiscal year through other comprehensive income	(104,317)	404,384	(810,781)
Total income tax expense	**(31,853,948)**	**(19,649,275)**	**(107,185,314)**

(*) Includes the effect of differential tax rates based on net taxable income in the calculation of current income tax.

Income tax expense recognized in net income and other comprehensive income:

	12.31.2025	12.31.2024	12.31.2023
	In thousands of $		
Income tax on net income for the fiscal year	(31,749,631)	(20,053,659)	(106,374,533)
Income tax on other comprehensive income	(104,317)	404,384	(810,781)
Total income tax expense	**(31,853,948)**	**(19,649,275)**	**(107,185,314)**

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 6. COST OF SALES AND OPERATING EXPENSES

Details	Total as of 12.31.2025	Cost of sales	Administrative expenses	Selling e
		In thousands of $		
Purchases of energy	279,383,506	279,383,506	-	
Materials	18,598,591	18,598,591	-	
Directors' and statutory auditors' fees	243,086	142,504	53,920	
Remunerations and social security contributions	63,634,396	32,742,976	16,522,383	
Other materials and spare parts	5,244,418	4,316,470	430,474	
Fuels and lubricants	2,479,146	2,290,134	101,883	
Depreciation of property, plant and equipment (Note 15)	26,145,365	22,696,792	1,056,273	
Maintenance and repairs	18,746,789	16,030,537	2,297,931	
Insurance	961,912	-	961,912	
Taxes, fees, and contributions	10,242,654	22,351	2,051,968	
Third-party fees and services	105,609,646	47,663,992	29,316,989	
Advisor's fees (Note 2.1.25)	8,858,903	5,193,342	1,965,033	
Concession fee	24,504,580	24,504,580	-	
Lawsuits and other claims	18,405,670	17,233,365	859,393	
Training and other personnel expenses	8,157,092	169,601	7,958,474	
Sundry	1,888,039	2,140	1,885,634	
Total as of 12.31.2025	**593,103,793**	**470,990,881**	**65,462,267**	
Total as of 12.31.2024		**429,227,532**	**46,070,277**	

Information required by Annex G in compliance with Section 1 Chapter III, Title IV of the TO / CNV.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 6. COST OF SALES AND OPERATING EXPENSES

Items	Total as of 12.31.2024	Cost of sales	Administrative expenses	Selling e
		In thousands of $		
Purchases of energy	263,432,778	263,432,778	-	
Materials	11,824,088	11,824,088	-	
Directors' and statutory auditors' fees	166,530	98,157	35,648	
Remunerations and social security contributions	62,909,593	33,582,009	14,769,956	
Other materials and spare parts	4,387,945	3,509,175	358,211	
Fuels and lubricants	3,004,904	2,781,233	110,734	
Depreciation of property, plant and equipment (Note 15)	23,345,711	20,266,412	943,167	
Maintenance and repairs	10,475,902	9,081,465	1,203,476	
Insurance	683,849	-	683,849	
Taxes, fees, and contributions	7,767,608	993,438	721,971	
Third-party fees and services	77,472,044	34,980,095	19,788,189	
Advisor's fees (Note 2.1.25)	7,958,134	4,848,124	1,450,629	
Concession fee	22,538,223	22,538,223	-	
Lawsuits and other claims	21,692,710	21,019,410	513,370	
Training and other personnel expenses	4,979,104	139,870	4,808,988	
Sundry	815,727	133,055	682,089	
Total as of 12.31.2024	**523,454,850**	**429,227,532**	**46,070,277**	
Total as of 12.31.2023		**339,743,724**	**47,282,225**	

Information required by Annex G in compliance with Section 1 Chapter III, Title IV of the TO / CNV.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 7. OTHER INCOME AND EXPENSES

	12.31.2025	12.31.2024	12.31.2023
	In thousands of $		
	Profit / (Loss)		
Services rendered to third parties	1,912,216	802,015	1,083,721
Leases	4,277,408	3,118,227	2,308,785
Recognized receivables – Debt renegotiation agreement with CAMMESA (Note 24)	-	-	4,428,598
Profit from sale of assets	729,353	1,378,688	497,796
Sundry	2,366,939	1,208,087	505,361
	9,285,916	**6,507,017**	**8,824,261**

NOTE 8. FINANCIAL INCOME AND EXPENSES AND EXCHANGE RATE DIFFERENCE, NET

	12.31.2025	12.31.2024	12.31.2023
FINANCIAL INCOME	In thousands of $		
	Profit / (Loss)		
Changes in fair value of financial assets	28,342,671	22,504,002	83,355,877
Late payment charges	6,716,098	7,169,088	9,405,215
	35,058,769	**29,673,090**	**92,761,093**
FINANCIAL EXPENSES			
Interest and other charges	(36,936,828)	(24,686,519)	(9,302,668)
Commercial interest	(10,956,585)	(43,897,422)	(46,766,809)
Tax and social interest	(3,414,360)	(4,968,706)	(8,791,351)
	(51,307,773)	**(73,552,647)**	**(64,860,828)**
FOREIGN EXCHANGE DIFFERENCE, NET			
Generated by assets	26,843,645	1,519,657	4,039,021
Generated by liabilities	(38,116,257)	(1,416,761)	(4,440,509)
	(11,272,612)	**102,896**	**(401,488)**
OTHER FINANCIAL RESULTS			
Debt renegotiation agreement with CAMMESA (Note 24)	-	-	59,377,319
	-	**-**	**59,377,319**

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Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 9. CASH AND CASH EQUIVALENTS

	12.31.2025	12.31.2024
	In thousands of $	
Deposits in banks and other financial institutions	53,001,587	3,349,435
Fixed fund and securities to be deposited	212,988	1,108,363
Mutual funds and others with maturity of less than 3 months	94,033,144	35,831,429
Total	**147,247,719**	**40,289,227**

The reconciliation of cash and cash equivalents from the statement of cash flows to the items of the statement of financial position is as follows:

	12.31.2025	12.31.2024	12.31.2023
	In thousands $		
Cash and cash equivalents	147,247,719	40,289,227	655,498
Overdrafts	-	-	(10,626,710)
Cash and cash equivalents at fiscal year-end	**147,247,719**	**40,289,227**	**(9,407,173)**

NOTE 10. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	12.31.2025	12.31.2024
	In thousands of $	
Government and private securities	128,253,607	116,038,847
Other investments	1,599,733	33,364,009
Total	**129,853,340**	**149,402,856**

NOTE 11. OTHER FINANCIAL ASSETS AT AMORTIZED COST

	12.31.2025	12.31.2024
	In thousands of $	
Promissory notes	39,557,835	-
Other investments	13,783,150	-
Total	**53,340,985**	**-**

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 12. TRADE RECEIVABLES

	12.31.2025	12.31.2024
	In thousands of $	
Billed energy	69,436,918	69,769,253
Provision for energy supplied not invoiced	71,335,282	66,221,744
Borrowings for subsidies	1,159,678	1,839,308
Securities to be deposited and others	1,553,156	1,270,469
Subtotal	**143,485,034**	**139,100,774**
Less		
Allowance for bad debts (Note 25)	(9,437,948)	(5,101,065)
Total	**134,047,086**	**133,999,709**

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to historical information on customer behavior. There are no past due borrowings to which the corresponding impairment criteria have not been applied.

The aging analysis of these trade receivables is as follows:

	12.31.2025	12.31.2024
	In thousands of $	
Past due	13,986,807	14,820,458
Due within 3 months	119,943,310	119,144,721
Maturing in 4 months to 1 year	116,969	34,530
Total	**134,047,086**	**133,999,709**

The maximum exposure to credit risk as of the date of the statement of financial position is the carrying amount of each class of trade receivables.

The carrying amount of the Company’s trade receivables is denominated in Argentine pesos.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 13. OTHER RECEIVABLES

	12.31.2025	12.31.2024
Current	**In thousands of $**	
Advanced payments	793,648	458,950
Tax credits	3,141,494	2,124,605
Advances to personnel	2,167,445	659,743
Non-electrical debtors	3,157,699	2,023,172
Advances to suppliers	14,888,029	9,965,409
Receivables with governmental organizations	137,045	2,884
Securities lending	61,142,540	-
Allowance for bad debts (Note 25)	(3,374)	(4,438)
Total	**85,424,526**	**15,230,325**
Non-current		
Receivables granted and miscellaneous	666	876
Total	**666**	**876**

NOTE 14. INVENTORIES

	12.31.2025	12.31.2024
Current	**In thousands of $**	
Materials and spare parts	35,620,120	29,094,877
	35,620,120	**29,094,877**
Non-current		
Materials and spare parts (*)	8,246,918	6,693,306
	8,246,918	**6,693,306**
Total	**43,867,038**	**35,788,183**

(*) The Company classifies materials and spare parts into current and non-current depending on their final destination and the period in which they are expected to be used.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 15. PROPERTY, PLANT AND EQUIPMENT

Detail	COST						DEPRECIATIONS		
	Value at the beginning of the year	Additions for the year	Derecognitions	Transfers	Subsidies (2)	Value at year-end	Accumulated at the beginning of the year	Derecognitions	For the per (1)
	In thousands of $								
Power grids and transformer stations	695,843,622	20,650	-	18,192,828	-	714,057,100	388,494,623	-	16,636,
Land and buildings	89,123,358	269,351	-	-	(249,730)	89,142,979	29,486,356	-	2,934,
Machinery	58,157,110	2,284,749	-	253,348	-	60,695,207	45,938,705	-	1,484,
Chambers, platforms and distribution transformers	90,784,762	23,067	-	7,824,520	-	98,632,349	49,766,926	-	3,135,
Works in progress	95,650,150	84,386,295	-	(26,270,696)	(736,357)	153,029,392	-	-	
Other	51,218,060	2,643,473	(1,147,868)	-	-	52,713,665	39,901,029	(1,147,886)	3,140,
Impairment(3)	(35,619,860)	-	-	-	-	(35,619,860)	(7,123,975)		(1,187,3
Total as of 12.31.2025	**1,045,157,202**	**89,627,585**	**(1,147,868)**	**-**	**(986,087)**	**1,132,650,832**	**546,463,664**	**(1,147,886)**	**26,145,**
Total as of 12.31.2024	**997,480,398**	**48,347,483**	**(518,160)**	**-**	**(152,519)**	**1,045,157,202**	**523,636,112**	**(518,159)**	**23,345,**

Information required by Annex G in compliance with Art. 1, Chapter III, Title IV of the TO/CNV.
(1) Included in Note 6.
(2) Includes FEDEI subsidies (see Note 2.1.20.) and receivables recognized in the Memorandum of Understanding – Special Credit Regime (see Note 24)
(3) Relates primarily to power grids and transformer stations

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 15. PROPERTY, PLANT AND EQUIPMENT (Cont.)

15. 1. Restricted assets

	12.31.2025	12.31.2024
	In thousands of $	
Cost – capitalized finance leases	557,985	1,268,197
Accumulated amortization	(216,285)	(511,259)
Net book value	**341,700**	**756,938**

The Company does not have legal ownership of such assets; however, given the characteristics of the contract, it has been recorded as a financed purchase as detailed in Note 2.1.15.

Based on the regulatory framework detailed in Note 1, the Company must refrain from selling, assigning, creating a mortgage, pledge, or other lien or right *in rem* in favor of third parties on assets used to provide public services, without prejudice to the free availability of those assets that in the future prove unsuitable or unnecessary for such purposes. This prohibition does not extend to the creation of rights *in rem* granted on an asset at the time of its acquisition as security for payment of the purchase price.

15. 2. Assets purchase commitments

Historical investments committed at the date of the financial statements but not yet incurred are as follows:

	12.31.2025	12.31.2024
	In thousands of $	
Property, plant and equipment(*)	34,778,071	18,430,425

(*) Includes assets to be used in the maintenance, repair, and construction of property, plant, and equipment.

Empresa Distribuidora de Electricidad de Mendoz
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Notes to the financial statements (Cont.)

NOTE 16. INTANGIBLE ASSETS

Items	COST	AMORTIZATIONS			Ne
	Value at the beginning and at year-end	At the beginning of the year	For the year	Accumulated at year-end	
	In thousands of $				
Asset originated in EDEMSA's initial concession agreement	42,859,416	-	-	-	
Right of concession Law 6498 Decree No. 197/98	39,785,609	(35,033,650)	(1,326,212)	(36,359,862)	
Provision for impairment of intangible assets arising from the concession agreement	(42,859,416)	-	-	-	
Impairment of concession rights	(39,785,609)	35,033,650	1,326,212	36,359,862	
Total as of 12.31.2025	-	-	-	-	
Total as of 12.31.2024	-	-	-	-	

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 17. TRADE AND OTHER PAYABLES

Current

	12.31.2025	12.31.2024
	In thousands of $	
-Accounts payable:		
Suppliers for energy purchases and others	48,168,166	54,044,021
Provision for energy purchase	25,111,728	28,805,765
Miscellaneous provisions	34,809,339	32,418,212
Provincial Tariff Compensation Fund	4,822,631	5,167,196
Subtotal	**112,911,864**	**120,435,194**
-Tax debts:		
Collections and withholdings to be paid	2,153,264	2,283,109
Tariff surcharges	13,192,753	14,848,923
Other tax debts	1,748,046	3,427,086
Subtotal	**17,094,063**	**20,559,118**
- Social debts:		
Remunerations and social security contributions, withholdings and others	3,826,255	2,940,763
Others provisions	14,540,856	14,373,650
Subtotal	**18,367,111**	**17,314,413**
- Others liabilities:		
Advances received (Note 24)	19,888,398	192,973
Others	3,142,933	
Subtotal	**23,031,331**	**192,973**
Total	**171,404,369**	**158,501,698**

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 17. TRADE AND OTHER PAYABLES (Cont.)

Non-current

	12.31.2025	12.31.2024
	In thousands of $	
- Other liabilities		
Other	393,379	-
Subtotal	**393,379**	**-**
Total	**393,379**	**-**

NOTE 18. BORROWINGS

Current	**12.31.2025**	**12.31.2024**
	In thousands of $	
Lease liabilities	168,149	93,507
Financial loans	-	43,849
Corporate notes	100,525,823	32,559,382
Total	**100,693,972**	**32,696,738**
Non-current		
Lease liabilities	62,981	304,047
Corporate notes	243,445,030	75,404,480
Total	**243,508,011**	**75,708,527**

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 18. BORROWINGS (Cont.)

Global program for the issuance of Corporate Notes

On August 23, 2023, the Argentine Securities Commission authorized EDEMSA to create a global program for the issuance of simple, non-convertible into shares notes, for a maximum amount of up to US$80 million or its equivalent in other currencies and/or units of value and/or measure. Within the framework of the aforementioned program, on May 6, 2024, EDEMSA issued Series 1 and Series 2 Corporate Notes and on November 29, 2024, it issued Series 3 and Series 4 Corporate Notes.

As of April 28, 2025, the CNV authorized an increase in the amount of the Global Program for the issuance of Corporate Notes up to the sum of US$400 million or its equivalent in other currencies and/or units of value and/or measure. Within this framework, on May 12, 2025, EDEMSA issued Series 3 additional Corporate Notes and Series 5 Corporate Notes, on July 28, 2025, it issued Series 6 Corporate Notes, and on December 18, 2025, it issued Series 3 additional Corporate Notes and Series 7 Corporate Notes.

The details of the corporate notes issued is as follows:

-Series 1 Corporate Notes, denominated in UVA, subscribed and paid in pesos at the Initial UVA value and payable in pesos at the applicable UVA value, at a fixed interest rate of 5%, maturing on May 6, 2026 for UVA 31,928,347, equivalent to $28,431,874 (in thousands) at the Initial UVA Value, and with quarterly interest payments (the first interest payment date being August 6, 2024).

-Series 2 Corporate Notes, denominated and payable in pesos at a variable interest rate corresponding to the sum of the Private Badlar Rate plus a margin of 7% due on May 6, 2025 for $6,607,014 (in thousands) and with quarterly interest payments (the first interest payment date being August 6, 2024). The principal and interest of Series 2 was fully repaid upon maturity.

-Series 3 Corporate Notes, denominated, subscribed and payable in US dollars in the country, at a fixed interest rate of 8%, maturing on November 29, 2027 for US$16,088 (in thousands) and with semi-annual interest payments (the first interest payment date being May 29, 2025).

-**Series 3 Additional Corporate Notes**, issued in May 2025 for US$12,333 (in thousands) and in December 2025 for US$5,158 (in thousands), with the same conditions of payment as Series 3 Corporate Notes.

-Series 4 Corporate Notes, denominated and payable in pesos at a variable interest rate corresponding to the sum of the Private Badlar Rate plus a margin of 7%, maturing on November 29, 2025, for $17,045,539 (in thousands) and with quarterly interest payments (the first interest payment date being March 1, 2025). The principal and interest of Series 4 was fully repaid upon maturity.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 18. BORROWINGS (Cont.)

Global program for the issuance of Corporate Notes (Cont.)

-Series 5 Corporate Notes, denominated, subscribed, paid-in and payable in pesos at a variable interest rate corresponding to the Private TAMAR Rate plus a margin of 7%, maturing on May 12, 2026 for $13,948,834 (in thousands) and with quarterly interest payments (the first interest payment date being August 12, 2025).

-Series 6 Corporate Notes, denominated, subscribed, paid-in and payable in US dollars. They were issued at a price of 92.93% of their nominal value, for an aggregate amount of USD 150 million payable in US dollars. They accrue step-up interest at 9.75% until July 28, 2029, 10.75% until July 28, 2030, and 11.75% until maturity in 2021 (the first interest payment date being January 28, 2026). Amortization of principal will be made in three installments on July 28, 2029 (33.33%), July 28, 2030 (33.33%) and July 28, 2031 (33.34%).

-Series 7 Corporate Notes, denominated, subscribed, paid-in and payable in pesos at a variable interest rate corresponding to the Private TAMAR Rate plus a margin of 6.5% maturing on December 18, 2026 for $22,400,096 (in thousands) and with quarterly interest payments (the first interest payment date being March 18, 2026).

Series	Issue date	Currency	Amount (in thousands)	Interest rate	Amortization	Expiration date	Interest payment
1	5/6/24	UVA	31,928 (UVA)	5%	bullet	5/6/2026	quarterly
2	5/6/24	Pesos	6,607,014	Badlar + 7%	Bullet (repaid)	5/6/2025	quarterly
3	11/29/24	Dollars	16,088	8%	Bullet	11/29/2027	semi-annual
3 additional	5/12/25	Dollars	12,333				
3 additional	12/18/25	Dollars	5,158				
4	11/29/24	Pesos	17,045,539	Badlar + 7%	Bullet (repaid)	11/29/2025	quarterly
5	5/12/25	Pesos	13,948,834	Tamar + 7%	Bullet	5/12/2026	quarterly
6	7/28/25	Dollars	150,000	Step-up	In 3 installments maturing on July 28, 2029, 2030 and 2031	7/28/2031	semi-annual
7	12/18/25	Pesos	22,400,096	Tamar + 6.5%	Bullet	12/18/2026	quarterly

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 18. BORROWINGS (Cont.)

Global program for the issuance of Corporate Notes (Cont.)

Pursuant to the International Financial Reporting Standards (IFRS 9), this debt was initially recognized at fair value. As of December 31, 2025, the debt was valued at amortized cost and amounted to $343,970,853 (in thousands) (as of December 31, 2024 $107,963,862 (in thousands restated)). It was disclosed under "Borrowings - Corporate Notes" classified as current and non-current pursuant to the terms of the issue. Interest accrual on this debt is included in "Net financial expenses" under "Interest and other charges" in the statement of comprehensive income.

On November 10, 2025, EDEMSA acquired 306,744 Series 1 Corporate Notes, which are outstanding as of the closing date of these financial statements. The amount of these Corporate Notes has been deducted from “Borrowings – Corporate Notes” in the amount of $511,816 (in thousands). This transaction resulted in a profit of $76,878 (in thousands), which is presented under “Changes in the fair value of financial assets”, net of management expenses within the caption “Financial income”.

As of the date of issuance of these Financial Statements, all payments have been made.

The fair value of Series 3 Corporate Notes as of December 31, 2025, amounts to approximately US$16,539 (in thousands). This value was calculated based on the estimated market price of Series 3 Corporate Notes at year-end. The applicable fair value category is Level 1. Series 1, 2, and 4 Corporate Notes are not actively traded in the markets as of the date of issuance of these financial statements.

The terms and conditions of the Corporate Notes include a series of covenants such as:

- The Issuer must pay the Corporate Notes at maturity.
- The Issuer undertakes to maintain its corporate existence and all necessary records for this purpose and to adopt all necessary measures to maintain all rights, titles and permits necessary for the normal course of business,
- The Issuer will keep records of all financial transactions and all assets, in accordance with generally accepted accounting principles in Argentina,
- The Issuer shall comply with all applicable laws, rules and resolutions of each governmental body having jurisdiction over it or its activities,
- The Issuer must maintain and keep current insurance policies; and
- The Issuer may not change the closing of its fiscal year or its corporate purpose, make or allow any change in the accounting policies that affect the presentation of its financial statements.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 18. BORROWINGS (Cont.)

Global program for the issuance of Corporate Notes (Cont.)

Series 6 Corporate Notes were issued under Rule 144A and Regulation S under the U.S. Securities Act of 1933, and are listed on the Luxembourg Stock Exchange and admitted to trading on its Euro MTF Market, as well as on Bolsas y Mercados Argentinos S.A. (BYMA) and A3 Mercados S.A.

The main covenants undertaken in connection with such issuance are detailed below:

- Limitation on Indebtedness: Additional indebtedness may be incurred provided that no default has occurred and (i) the leverage ratio does not exceed: 3.50 to 1.00 if the transaction occurs prior to January 1, 2027; and 3.00 to 1.00 if the transaction occurs on or after January 1, 2027.

  Notwithstanding the foregoing, no additional indebtedness shall be permitted if the total indebtedness of EDEMSA and its Restricted Subsidiaries exceeds the lesser of: (i) USD 330 million; or (ii) an amount equal to 3.0 times EBITDA for the most recently ended period of four consecutive fiscal quarters.

- Transactions with affiliates are 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 USD 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.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 18. BORROWINGS (Cont.)

Global program for the issuance of Corporate Notes (Cont.)

Notwithstanding the foregoing, restricted payments are not prohibited in an aggregate amount not to exceed 10.00% of the Edemsa's consolidated tangible assets, *provided, however*, that (i) the aggregate amount of restricted payments made in any fiscal year shall not exceed 2.00% of the consolidated tangible assets; and (ii) the Minimum Cash Balance is maintained after any such Restricted Payment.

- Limitations on Mergers, Consolidations, Sales and Conveyances.

The Company is required to deliver to the Trustee, in each fiscal year and in the second fiscal quarter, a certificate evidencing compliance with the covenants. As of the issuance date of these financial statements, no breaches of the aforementioned covenants have occurred.

The Company applied the proceeds from the issuance of the Corporate Notes to investments in infrastructure projects, working capital, and general purposes. In particular, to date, the proceeds from the Corporate Notes are being allocated to electrical infrastructure works in the concession area, advances for the purchase of materials, and payments to regular suppliers, among other intended uses.

Evolution of borrowings

The following shows the evolution of borrowings for the fiscal year ended December 31, 2025:

	12.31.2025	12.31.2024
	In thousands of $	
Balances	**108,405,265**	**21,285,785**
Monetary position - loss	(56,057,658)	(25,987,426)
New borrowings	263,194,949	109,832,587
Accrual of interest	84,652,758	31,576,882
Payments and other movements	(55,481,515)	(28,302,563)
Subtotal	**344,713,799**	**108,405,265**
Partial purchase Series 1 Corporate Notes	(511,816)	-
Balances at year-end	**344,201,983**	**108,405,265**

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 19. PROVISIONS AND OTHER CHARGES

	Lawsuits	Quality of services	Total
		In thousands of $	
Fiscal year ended December 31, 2024			
Opening balances	801,183	15,670,021	16,471,204
Effect of monetary position (gain)/loss	(433,269)	(8,474,135)	(8,907,404)
Increases (2)	512,748	46,581,534	47,094,282
Uses and other movements	(305,594)	(11,544,539)	(11,850,133)
Balances as of 12.31.2024 (1)	**575,068**	**42,232,881**	**42,807,949**
Fiscal year ended December 31, 2025			
Opening balances	575,068	42,232,881	42,807,949
Effect of monetary position - (gain)/loss	(137,916)	(10,128,526)	(10,266,442)
Increases (2)	838,800	16,861,877	17,700,677
Uses and other movements	(460,299)	(21,749,999)	(22,210,298)
Balances as of 12.31.2025 (1)	**815,653**	**27,216,233**	**28,031,886**

(1) The balance includes $27,825,329 (in thousands) as a current portion (12.31.24 $42,662,318 in thousands restated as of 12.31.25) and $206,557 (in thousands) as a non-current portion (12.31.24 $145,631 in thousands restated as of 12.31.25).

(2) It includes financial costs.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 20. TERMS AND INTEREST RATES OF CREDITS, BORROWINGS AND DEBTS PAYABLE IN FOREIGN CURRENCY

As of December 31, 2025, the composition of trade and other receivables, trade and other payables, loans, provisions and other charges, according to their estimated collection/payment terms, is as follows:

Maturity term	Trade and other receivables (1)	Borrowings	Trade and other payables, other debts, income tax and benefit plans	Provisions	Deferred tax liabilities
	In thousands of $				
Without maturity	-	-	-	206,557	160,607,903
With maturity					
Past due:					
-From one to three months	14,130,061	-	99,107	-	-
-From three to six months	1,081,212	-	-	-	-
-From six to nine months	320,409	-	-	-	-
-From nine to twelve months	107,636	-	-	-	-
- More than a year	260,781	-	-	-	-
Total past due	**15,900,099**	**-**	**99,107**	**-**	**-**
To become due and payable:					
- Up to three months	135,858,996	8,895,225	164,378,403	7,203,695	-
- From three to six months	63,357,901	69,448,850	34,190,436	6,670,846	-
- From six to nine months	2,189,497	49,733	3,070,250	6,670,846	-
- From nine to twelve months	2,165,119	22,300,164	5,133,278	7,279,942	-
- More than a year later	666	243,508,011	30,718,150	-	-
Total to become due and payable	**203,572,179**	**344,201,983**	**237,490,517**	**27,825,329**	**-**
Total with maturity	**219,472,278**	**344,201,983**	**237,589,624**	**27,825,329**	**-**
Total	**219,472,278**	**344,201,983**	**237,589,624**	**28,031,886**	**160,607,903**

- Trade receivables accrue interest, which rate is determined by the current supply regulations.

- The liability corresponding to CAMMESA accrues interest as detailed in Note 24, tax debts according to rates defined by the regulators and securities lending as detailed in Note 18.

(1) Corresponds to trade and other receivables, net of related provisions.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 20. TERMS AND INTEREST RATES OF CREDITS, BORROWINGS AND DEBTS PAYABLE IN FOREIGN CURRENCY (Cont.)

As of December 31, 2024, the composition of trade and other receivables, trade and other payables, loans, provisions and other charges, according to their estimated collection/payment terms, is as follows:

Maturity term	Trade and other receivables (1)	Borrowings	Trade and other payables, other debts, income tax and benefit plans	Provisions	Deferred tax liabilities
	In thousands of $				
Without maturity	-	-	-	**145,631**	**157,324,888**
With maturity					
Past due:					
-From one to three months	15,032,165	-	-	-	-
-From three to six months	400,691	-	-	-	-
-From six to nine months	131,396	-	-	-	-
-From nine to twelve months	3,561	-	-	-	-
- More than a year	152,615	-	-	-	-
Total past due	**15,720,428**	**-**	**-**	**-**	**-**
To become due and payable:					
- Up to three months	131,416,739	1,836,004	147,968,990	36,927,898	-
- From three to six months	706,759	8,865,804	48,034,788	1,768,328	-
- From six to nine months	686,048	21,513	4,666,153	1,768,328	-
- From nine to twelve months	700,060	21,973,417	4,114,410	2,197,764	-
- More than a year later	876	75,708,527	29,969,905	-	-
Total to become due and payable	**133,510,482**	**108,405,265**	**234,754,246**	**42,662,318**	**-**
Total with maturity	**149,230,910**	**108,405,265**	**234,754,246**	**42,662,318**	**-**
Total	**149,230,910**	**108,405,265**	**234,754,246**	**42,807,949**	**157,324,888**

- Trade receivables accrue interest, which rate is determined by the current supply regulations.

- The liability corresponding to CAMMESA accrues interest as detailed in Note 24, tax debts according to rates defined by the regulators and securities lending as detailed in Note 18.

(1) Corresponds to trade and other receivables, net of related provisions.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 21. RELATED PARTY BALANCES AND TRANSACTIONS

The balances with companies under Section 33 General Companies Law No. 19,550 and with other related parties as of December 31, 2025 and 2024 are as follows:

As of 12.31.2025	Trade and other receivables	Trade and other payables
	In thousands of $	
Parent company		
Sodem S.A.	4,077	-
Other related parties		
Government of the Province of Mendoza and its entities [1]	481,813	(5,576,606)
PPP Shareholders	82,641	-
Mendinvert S.A.	1,263	-
Inversora Andina de Electricidad S.A.	69,012	-
Edemsa Servicios S.A.U.[2]	1,509	-
Total	**640,315**	**(5,576,606)**

As of 12.31.2024	Trade and other receivables	Trade and other payables
	In thousands of $	
Parent company		
Sodem S.A.	3,137	-
Other related parties		
Government of the Province of Mendoza and its entities [1]	162,161	(5,782,793)
PPP Shareholders	1,590	-
Mendinvert S.A.	995	-
Inversora Andina de Electricidad SA	20,986	-
Edemsa Servicios S.A.U.[2]	1,017	-
Total	**189,886**	**(5,782,793)**

[1] It mainly includes credits and debts with the Government of the Province of Mendoza (shareholder) and its dependent entities. Among the credits are the Special Fund for the Development of Electricity in the Interior $2,192 (in thousands) (12.31.2024: $2,884 in thousands restated as of 12.31.25), the Provincial Government $344,770 (in thousands) (12.31.2024: $159,277 in thousands restated as of 12.31.25) and Contributions to the Digital Platform Fund for $134,851 (in thousands). As regards debts, they are composed of Provincial Infrastructure Fund and the Fopiatzad $360,598 (in thousands) (12.31.2024: $615,597 in thousands restated as of 12.31.25) and FEDEI Repayable Contributions $393,378 (12.31.24: $0), Provincial Tariff Compensation Fund $4,822,630 (in thousands) (12.31.2024: $5,167,196 in thousands restated as of 12.31.25).

[2] On April 3, 2019, the Company acquired 100% of the shares of Lemunko SA for $83 (in thousands), which was later renamed EDEMSA Servicios SAU. On that date, the Company accounted for the purchase of the share package at its purchase cost, which does not differ significantly from the acquisition cost that would have been obtained by applying the acquisition method established by IFRS 3 for business combinations. On September 10, 2021, a capital increase was resolved in EDEMSA Servicios SAU of $1,000 (in thousands), through the capitalization of the credit in favor of EDEMSA as of May 31, 2021 for $198 (in thousands) and the realization of a monetary contribution of $802 (in thousands) paid in on December 29, 2021. Given that the acquired company is not operational and does not have significant movements between the date of purchase of the shares and the closing date of the fiscal year and that the balances of assets and liabilities of the subsidiary are not significant, the Company has not prepared consolidated financial statements, understanding that they do not provide additional information of relevance to these financial statements. The value of said investment under the equity method as of period-end amounts to $637 (in thousands) and is shown in the item "Other non-current borrowings" in the line "Borrowings granted and miscellaneous."

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 21. RELATED PARTY BALANCES AND TRANSACTIONS (Cont.)

Related party transactions

As of December, 2025, the Company accounted for a provision for fees payable to directors in the amount of $86,684 (in thousands) (12.31.2024: $57,609 in thousands restated as of 12.31.25). Additionally, the Company accounted for a credit with management personnel for advances in the amount of $244,016 (in thousands) (12.31.2024: $86,970 in thousands restated as of 12.31.25).

Transactions with companies under Section 33 General Companies Law No. 19,550 and with other related parties except public entities as of December 31, 2025 and 2024 are as follows:

	12.31.2025	12.31.2024
Company	**In thousands of $**	
IADESA / Sodem S.A. / Mendinvert S.A. / transfers made	49,235	(4,873)
Government of Mendoza (Provincial Tariff Compensation Fund) – Returns submitted net of payments made	344,565	1,270,566
Government of Mendoza (Provincial Infrastructure Fund, FOPIATZAD and FEDEI Repayable contributions) – Returns submitted net of payments made	(138,379)	1,187,341
Government of Mendoza – Sale of energy and other services net of charges	319,652	(17,943)
PPP Shareholders – Payment of personal property tax as substitute taxpayer	81,051	(1,872)
Key management personnel – variation in fees and advances	127,970	24,810
Edemsa Servicios S.A.U.	492	(1,108)

The Company has not engaged in any significant transactions other than those in the normal course of business with companies pursuant to Section 33 of General Companies Law No. 19,550 and other related parties during the fiscal year ended December 31, 2025 and the fiscal year ended December 31, 2024.

The direct controlling entity of the Company is Sodem S.A. The ultimate controlling entity is Andina Energies Plc.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 22. FINANCIAL RISK MANAGEMENT

The Company is exposed to a variety of financial risks, including price risk, credit risk, foreign exchange risk, interest rate risk, and liquidity risk. As of December 31, 2025, the Company has no derivative instruments transactions to mitigate this risk.

Risk management is primarily carried out by the Finance Department under the direct supervision of General Management.

22.1. Price risk

Due to the nature of the services provided by the Company, the business is based on a tariff structure regulated by the provincial government. (See Note 2.1.22).

If the rate increases to which the distributor is legitimately entitled are not implemented, and if the quarterly VAD adjustment procedure is not applied, the Company's cash flows and its ability to make investments could be adversely affected, potentially impairing the recoverable value of certain assets.

The Company is not exposed to the risk associated with fluctuations in energy purchase prices on the market, as these are fully passed on to tariffs.

The Company is exposed to commodity price risk in relation to the purchase of copper and aluminum cables used in distribution networks.

To manage its exposure to this risk, the Company has business practices aimed at selecting the most suitable suppliers, ensuring that input purchase costs are minimized without compromising quality.

22.2. Credit risk

The Company is exposed to credit risk due to the possibility that customers may fail to meet their payment obligations. The Company has the right to suspend and terminate service to customers who fail to make payments, thereby limiting its exposure to risk. Furthermore, the Company does not have a significant concentration of credit risk among its customers. No single customer accounts for more than 2% of total trade receivables.

It is also subject to credit risk attributable to its deposits in cash and cash equivalents, financial assets at amortized cost, and other receivables. These risks are limited because the counterparties are banks of recognized prestige and solvency, as well as entities and issuers whose reputation and creditworthiness are evaluated by the Finance Department. Other receivables relate to tax credits, advances, securities lending, and various receivables related to the Company's operations, granted to suppliers and others whose reputation and creditworthiness are evaluated by the Finance Department. Financial assets measured at fair value, which are also exposed to credit risk, consist of domestic and foreign government and private securities.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the Financial Statements (Cont.)

NOTE 22. FINANCIAL RISK MANAGEMENT (Cont.)

22.2. Credit risk (Cont.)

The carrying amount of financial assets represents the maximum exposure to credit risk. As of December 31, 2025, the maximum exposure to credit risk is:

- Cash and cash equivalents: $147,247,719 (in thousands)
- Financial assets at fair value: $129,853,340 (in thousands)
- Other financial assets at amortized cost: $53,340,985 (in thousands)
- Trade and other receivables (excluding tax credits): $216,330,784 (in thousands).
  Regarding the allowance for bad debts, a 5% increase in the uncollectibility rate would result in an increase in the allowance of $360,831 (in thousands), and a 5% decrease would result in a decrease in the allowance of $472,248 (in thousands).

22.3. Exchange rate risk

Exchange rate risk arises from fluctuations in the exchange rate of the Argentine peso (AR$) against the U.S. dollar (US$), particularly due to liabilities denominated in US$, while operating income and expenses are denominated in AR$.

The value of liabilities in foreign currency, specifically in US$, as of the date of the financial statements corresponds to certain trade payables totaling US$4,134 (in thousands) and financial debt for Series 3 Corporate Notes of US$33,158 (in thousands) and Series 6 Corporate Notes of US$140,473 (in thousands). The impact is mitigated since there are also assets denominated in US$, such as cash and cash equivalents of US$83,697 (in thousands), other receivables totaling US$8,923 (in thousands), other financial assets at amortized cost of US$1,268 (in thousands), and financial assets at fair value of US$1,106 (in thousands). If the dollar exchange rate had increased by an additional 10%, the impact on the Company’s net foreign exchange gain or loss after income tax would have been a loss of $7,883,519 (in thousands). Conversely, if the dollar exchange rate had decreased by that percentage, the effect on net income after income tax would have been a gain of the same amount.

It should also be noted that within Financial Assets at Fair Value Through Profit or Loss at year-end, there are investments in securities issued in US$ and valued in pesos for a balance of $112,252,361 (in thousands), and under Other Receivables, there are securities lending in dollars valued in pesos for $61,142,540 (in thousands).

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the Financial Statements (Cont.)

NOTE 22. FINANCIAL RISK MANAGEMENT (Cont.)

22.4. Interest rate risk

Interest rate risk stems primarily from Series 5 and 7 Corporate Notes outstanding at year-end, issued at variable rates (TAMAR private banks + 7% and TAMAR private banks + 6.5%, respectively), and Series 1 Corporate Notes issued in UVAs at a rate of 5%. In addition, there are finance leases and other debts with CAMMESA that contain interest rate adjustment clauses based on different reference rates.

With respect to Series 5 and 7 Corporate Notes issued at a variable rate, if the variable rate had been 2.5% higher than the observed rate, the impact on earnings in 2025 would have been a higher charge to earnings of $254,018 (in thousands), and if the rate had been 2.5% lower than the observed rate, the impact on earnings would have been a higher gain of the same amount for the fiscal year. Series 1 Corporate Notes issued in UVA are adjusted for inflation, and since inflation-based tariff adjustments are made quarterly, this risk is mitigated.

With regard to the debt with CAMMESA, it should be noted that this risk is largely mitigated since the interest rate applicable to the debt restructuring agreement entered into with CAMMESA in fiscal year 2023 (see Note 24) is equivalent to 50% of the prevailing rate in the WEM. In addition, the agreement sets forth that installments will be recalculated semiannually if the prevailing interest rate in the WEM fluctuates by 5% or more.

22.5. Liquidity risk

The Management Department projects medium- and long-term cash flows, while the Finance Department projects short-term cash flows to identify liquidity needs, with the aim of ensuring sufficient cash on hand to meet operational needs and financial obligations. Temporary cash surpluses are invested in various short-term investments as determined by the Finance Department, and temporary funding needs are financed primarily through bank credit lines and securities transactions.

EDEMSA has returned to the capital markets, issuing seven series of Corporate Notes in fiscal years 2024 and 2025 to finance investments and working capital. The current series mature between 2026 and 2031, in line with cash generation levels. As of December 31, 2025, EDEMSA has cash and cash equivalents and financial investments that exceed the amount of its current financial debt.

The following table shows the remaining undiscounted contractual cash flows of the Company's financial debt and the payment schedule with CAMMESA (in thousands of $):

Less than 1 year	1 to 2 years	2 to 5 years	More than 5 years	Total
133,917,186	84,384,288	228,696,633	85,006,221	532,004,328

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 23. CAPITAL MANAGEMENT

The Company's objectives in managing its capital are to safeguard its capital so that it can continue providing the electric power distribution service.

Capital management is measured by the solvency ratio (Shareholders' Equity/Liabilities), which as of December 31, 2025, is 0.50, and as of December 31, 2024, is 0.61.

On April 25, 2023, the Shareholders' Meeting resolved to allocate the retained earnings as of December 31, 2022, in the amount of $2,084,148 in thousands ($18,592,163 in thousands restated as of 12.31.2025) and the loss from Other Comprehensive Income of $141,603 in thousands ($1,263,206 in thousands restated as of 12.31.2025) to: i) restore the legal reserve used in prior years to absorb accumulated losses of $161,957 ($1,444,778 restated as of 12.31.2025), ii) establish the legal reserve for the fiscal year in the amount of $104,208 ($929,613 in thousands restated as of 12.31.25), iii) absorb the loss in Other Comprehensive Income in the amount of $141,603 in thousands ($1,263,206 in thousands restated as of 12.31.25) and the remaining balance of unappropriated earnings in the amount of $1,676,380 in thousands ($14,954,566 in thousands restated as of 12.31.25) and allocate it to a voluntary reserve for the purpose of strengthening compliance with the debt payment obligations owed to CAMMESA, which were settled through the agreement signed with the Argentine Energy Secretariat and CAMMESA (See Note 24).

On April 24, 2024, the shareholders' meeting decided to use the retained earnings as of December 31, 2023 of $51,934,402 in thousands ($148,774,069 in thousands restated as of 12.31.2025) to: (i) constitute the Legal Reserve for the year, in the amount of $2,587,360 in thousands ($7,411,889 in thousands restated as of 12.31.2025); (ii) absorb the other comprehensive income loss, in the amount of $187,220 in thousands ($536,319 in thousands restated as of 12.31.2025); and (iii) the remaining balance of the Unappropriated Earnings for $49,159,822 in thousands ($140,825,861 in thousands restated as of 12.31.2025) to be allocated to a Voluntary Reserve until the future tariff increases originated in the comprehensive tariff review of the sixth tariff period are consolidated, in accordance with the provisions of Decree No. 2348/24.

In addition, on March 31, 2025, the shareholders' meeting decided to use the retained earnings as of December 31, 2024 of $58,440,278 in thousands ($76,877,461 in thousands restated as of 12.31.2025) to: (i) constitute the Legal Reserve for the year, in the amount of $2,879,257 in thousands ($3,787,627 in thousands restated as of 12.31.2025); (ii) absorb the other comprehensive income loss, in the amount of $855,148 in thousands ($1,124,936 in thousands restated as of 12.31.2025); and (iii) the remaining balance of the Unappropriated Earnings for $54,705,873 in thousands ($71,964,898 in thousands restated as of 12.31.2025) to be allocated to a Voluntary Reserve in order to reinforce the Company's structure, until the capital and financial structure is finally consolidated after the tariff increases and the debt issues in the capital market.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 24. DEBT SITUATION WITH CAMMESA

Agreement for debt prior to January 31, 2016

During fiscal year 2018, EDEMSA and CAMMESA agreed to a payment plan for the debt due prior to January 31, 2016. This payment plan had a financing term of 90 monthly installments with maturities between April 2018 and September 2025 and a fixed interest rate of 10%.

As of the end of the current fiscal year, the payment plan has been fully settled. As of December 31, 2024, the liability amounted to $737,303 (in thousands, restated as of 12.31.25), and has been presented under the caption “Other Debts” in Current Liabilities.

The accrual of interest on this debt during the fiscal year ended December 31, 2025 amounts to $42,221 (in thousands) (12.31.24 $236,075 in thousands restated as of 12.31.25) and is included in the "Net financial expenses" caption in the "Commercial interest" line in the statement of comprehensive income.

Agreement signed in 2023 for the regularization of obligations

Between 2018 and 2021, various tariff arrears caused the Company to incur debt with CAMMESA. Furthermore, as a result of the COVID-19 pandemic, the National Government, through Decree No. 260/20 (Official Gazette of March 12, 2020), extended the health emergency established by Law No. 27,541 and issued a series of national and provincial regulations that established limitations on the suspension or disconnection of electricity service to users for non-payment, among other measures.

This context had an unfavorable impact on the entire electric power distribution sector, so, in order to establish a special procedure for the normalization of the payment chain in the MEM, through Section 87 of Law No. 27,591, the Ministry of Energy established a special system for the regularization of obligations. These measures were regulated by the Ministry of Energy, and various complementary regulatory provisions were issued.

In this context and within the framework of this national regulation, EDEMSA has entered into a series of related agreements: a) Special Regime Agreement for the Regularization of Obligations - Section 1 of SE Resolution No. 40/21 and SE Resolution No. 642/22; b) Transactional Agreement with the Provincial Government and c) Offer Letter to Regularize Debt with CAMMESA (For more detailed information, see Note 24 to the financial statements as of December 31, 2023).

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 24. DEBT SITUATION WITH CAMMESA (Cont.)

Agreement signed in 2023 for the regularization of obligations (Cont.)

As regards the latter, on August 31, 2023 EDEMSA issued an Offer letter for the Regularization of Obligations with the Ministry of the Economy and Finance (MEM), which was received and accepted by CAMMESA on September 4, 2023, and September 14, 2023, respectively, and through which a debt regularization payment plan was implemented. EDEMSA agreed to pay the recognized debt less the credits recognized by the Secretariat of Energy, resulting in an original financed amount of ARS 7,384,213,644. The payment plan considers a grace period of 6 months from the date of the agreement, a payment term of 96 monthly installments (increasing installments with semi-annual capitalization) and an interest rate equivalent to 50% of the rate in force in the MEM. In this context, the refinanced and updated debt balance as of January 28, 2024 (time of end of the grace period) amounted to ARS 17,668,914,612, with the first installment due in February 2024.

Failure to pay on time any of the obligations assumed by the DISTRIBUTOR corresponding to the agreed payment plan and/or failure to pay the total current billing that the Distributor is obligated to cancel as of September 1, 2022 for its energy and power purchases, will be reported by CAMMESA to the National Secretariat of Energy, who may order the termination of the Memorandum of Agreement or a part of it, as long as the DISTRIBUTOR does not remedy the breach within ten business days of being notified in writing by CAMMESA to that effect.

As a performance bond, the DISTRIBUTOR submitted eight deferred payment checks to ensure compliance with installments 1 through 11 and committed to delivering twelve deferred payment checks in December 2024 to guarantee the installments committed for 2025.

Pursuant to International Financial Reporting Standards (IFRS 9), the new debt resulting from the agreement entered into with CAMMESA was initially recognized in fiscal year 2023 at its fair value, which results from discounting the flow of installments at an estimated market rate. In fiscal year 2023, the Company recognized a gain of $59,377,319 (in thousands restated as of 12.31.25) resulting from the reduction in accrued interest and the initial recognition at fair value of the payment plan entered into. This gain has been included in the “Other financial results” line item in the Statement of Comprehensive Income.

Also within the framework of the Offer Letter to Regularize Debt with CAMMESA, the Company recorded in 2023 under Other Income and Expenses in the Statement of Comprehensive Income a gain of $4,428,598 (in thousands restated as of 12.31.25) by virtue of certain credits recognized by the Secretariat of Energy.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 24. DEBT SITUATION WITH CAMMESA (Cont.)

Agreement signed in 2023 for the regularization of obligations (Cont.)

As of fiscal year-end, this debt is valued at amortized cost and amounts to $25,515,797 (in thousands) and as of December 31, 2024, it is valued at $23,258,232 (in thousands restated as of 12.31.2025), having been disclosed under the "Other debts" caption, classified as current and non-current depending on the maturity of the agreed installments. The Company is complying with this payment plan and there are no unpaid maturities at fiscal year-end.

The accrual of interest on this debt during the fiscal year ended December 31, 2025 amounts to $9,597,008 (in thousands) (12.31.2024 $14,163,483 in thousands restated as of 12.31.2025) and is included in the "Net financial expenses" caption on the "Commercial interest" line in the statement of comprehensive income.

Special Regime Agreement for Credits

Section 1 of Resolution No. 1/2025 issued by the National Undersecretariat of Energy, pursuant to the provisions of Section 8 of Decree No. 186/2025, approved a Special Credit Regime for electricity distribution companies that, as of December 31, 2023, had no outstanding non-regularized debt with CAMMESA and had fully settled all transactions corresponding to 2024 and through March 2025.

Within this framework, on July 10, 2025, EDEMSA and the Undersecretariat of Energy entered into a Special Regime Agreement, pursuant to which the Undersecretariat recognized a credit in favor of the distribution company in the amount of $46,344,514 (in thousands) (equivalent to two transactions corresponding to February 2025). Such credit will be granted in 12 equal and consecutive monthly installments, which will be reflected as a credit in the invoice issued monthly by CAMMESA to the distribution company, starting in August 2025.

In turn, EDEMSA undertook to execute a capital expenditure plan aimed at improving the electric infrastructure within its concession area, in accordance with the details attached to the Special Regime Agreement, for a total amount of $46,344,492 (in thousands).

As of December 31, 2025, EDEMSA has accounted for the amount of $19,888,398 (in thousands), as Advances received (net of submitted works reports) under the caption “Trade and other payables – Other liabilities – Advances received.”

Failure by EDEMSA to comply with the obligations assumed under the Special Regime Agreement and/or failure to pay current billings for energy purchases will result in the termination of the Special Regime Agreement, with the loss of the recognized benefits, entitling CAMMESA to prepare a new debt settlement, if applicable, and to apply the corresponding interest and penalties.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 25 – EVOLUTION OF PROVISIONS

Accounts	Balances at the beginning of the year	Effect due to monetary position	Increases	Decreases	Balances as of 12.31.2025	Balances as of 12.31.2024
	In thousands of $					
Deducted from assets						
Current assets						
Allowance for bad debts – trade receivables	5,101,065	(1,223,366)	6,298,394	(738,145)	9,437,948	5,101,065
Allowance for bad debts - other receivables	4,438	(1,064)	-	-	3,374	4,438
Total Assets as of 12.31.2025	**5,105,503**	**(1,224,430)**	**6,298,394**	**(738,145)**	**9,441,322**	
Total Assets as of 12.31.2024	**2,622,275**	**(1,418,092)**	**4,542,954**	**(641,634)**		**5,105,503**
Deducted from liabilities						
Current liabilities						
Provisions and other charges	42,807,949	(10,266,442)	17,700,677	(22,210,298)	28,031,886	42,807,949
Total Liabilities as of 12.31.2025	**42,807,949**	**(10,266,442)**	**17,700,677**	**(22,210,298)**	**28,031,886**	
Total Liabilities as of 12.31.2024	**16,471,204**	**(8,907,404)**	**47,094,282**	**(11,850,133)**		**42,807,949**

Information required by Annex G in compliance with Section 1 Chapter III, Title IV of the TO / CNV

NOTE 26 – ASSETS AND LIABILITIES IN FOREIGN CURRENCY

Account	Type of Currency	Amount of foreign currency	Current exchange rate (1)	Amount in Argentine currency as of 12.31.2025	Amount in Argentine currency as of 12.31.2024
		In thousands		In thousands of $	
Asset					
Current assets					
Cash and cash equivalents	USD	83,697	1,446	121,026,167	364,128
Financial assets at fair value through profit or loss (Securities)	(2)	-	-	112,252,361	50,108,571
Financial assets at fair value through profit or loss (Others)	USD	1,106	1,446	1,599,626	33,364,439
Other financial assets at amortized cost	USD	1,268	1,446	1,833,528	-
Other receivables	USD	8,923	1,446	12,902,658	7,937,726
Other receivables (Securities lending)	(2)	-	-	61,142,540	-
Total current assets				**310,756,880**	**91,774,864**
Total assets				**310,756,880**	**91,774,864**

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the financial statements (Cont.)

NOTE 26 – ASSETS AND LIABILITIES IN FOREIGN CURRENCY (Cont.)

Liabilities					
Current liabilities					
Trade and other payables	USD	4,134	1,455	6,014,970	5,955,718
Corporate notes	USD	6,315	1,455	9,188,325	157,480
Total current liabilities				**15,203,295**	**6,113,198**
Non-current liabilities					
Corporate notes	USD	167,316	1,455	243,444,780	21,333,063
Total non-current liabilities				**243,444,780**	**21,333,063**
Total liabilities				**258,648,075**	**27,446,261**

(1) At the exchange rate in effect on December 31, 2025.
(2) Investments linked to foreign currency.
USD (United States dollar)

Information required by Annex G in compliance with Section 1 Chapter III, Title IV of the TO / CNV

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Reporting Summary

I. COMMENTS ON 2025 ACTIVITIES

During fiscal year 2025, EDEMSA further consolidated the economic, financial and equity position achieved in the previous year, following the significant agreements entered into in 2023 at both national and provincial levels. This has resulted in greater stability and predictability for future periods.

This favorable environment enabled the Company to expand its investment plan, increase technical, commercial and technology-related operations, and access long-term financing in international capital markets.

During fiscal year 2025, the Company posted a profit of $54,676,299 (in thousands), compared to a profit of $76,877,461 (in thousands) in fiscal year 2024.

Revenues for the year increased by 9.2% compared to the previous fiscal year. This increase is primarily attributable to 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. Secondly, revenues were also impacted by higher energy procurement costs, which are directly passed through to tariffs.

In terms of physical energy 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.

Energy losses increased slightly, from 16.8% in 2024 to 16.9% in 2025. Investments and commercial management efforts helped contain this issue within a challenging operating environment.

Cost of sales increased by 9.7%, mainly due to a 6.1% increase in energy purchase costs, driven by higher wholesale electricity market (MEM) supply costs, particularly throughout 2024, which partially impacted that year and fully impacted 2025. These costs are passed through to tariffs. Distribution costs also increased, particularly in professional fees and third-party services, maintenance and repairs, and materials (driven by higher activity levels and price increases during the year), partially offset by a decrease in litigation and claims, reflecting a lower impact of service quality penalties during the period. Physical energy purchases declined by 1.2%.

As a result of all the above-mentioned factors, gross profit increased by 8.3%, from $219,516,378 thousand in 2024 to $237,721,327 thousand in 2025.

Selling expenses increased by 17.6%, mainly due to higher professional fees and third-party services (reflecting increased contractor activity and costs) and higher taxes and charges (in particular, the tax on bank debits and credits).

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Reporting Summary (Cont.)

I. COMMENTS ON 2025 ACTIVITIES (Cont.)

Administrative expenses rose by 42.1%, primarily due to increases in professional fees and third-party services, as well as training and other personnel-related expenses.

The net impairment of financial assets reflects an increase in the allowance for doubtful accounts. While this allowance increased by 38.6%, driven by higher revenues, social conditions and certain increase in delinquency, there are no significant concerns regarding the recoverability of current receivables, given the Company's ability to suspend service in case of default in the bill payment.

As a result, operating income for fiscal year 2025 totaled $118,595,938 thousand, compared to $127,253,124 thousand in 2024.

Financial income increased as a result of higher returns on financial investments during the year. Total financial expenses decreased. Although interest expenses related to issued notes increased, commercial and tax-related interest expenses declined significantly. It should be noted that in fiscal year 2024, commercial interest included financial costs associated with the provision for service quality penalties (adjustable to updated tariff schedules).

During 2025, the Company recorded a foreign exchange loss of $11,272,612 thousand, representing a significant variation compared to the previous year. This was mainly due to the impact of exchange rate movements on U.S. dollar-denominated liabilities (primarily, Series 3 and Class 6 Corporate Notes), partially offset by cash and cash equivalents and financial investments held in the same currency.

Additionally, the Company recorded a loss on net monetary position of $4,648,392 thousand in fiscal year 2025, compared to a gain of $13,454,657 thousand in 2024. This is mainly explained by an increase in net monetary assets during 2025 and lower inflation compared to the previous year.

After financial results, income before income tax amounted to $86,425,930 thousand (compared to $96,931,120 thousand in 2024). After accounting for deferred income tax, net profit for the year totaled $54,676,299 thousand (compared to $76,877,461 thousand in 2024). A higher tax expense was recorded in the current year, mainly driven by the effects of inflation adjustment on deferred tax recognized in the previous fiscal year.

Other comprehensive income includes actuarial losses on employee benefits for the year, resulting in a loss, net of income tax, of $249,012 thousand (vs. a loss of $1,124,936 thousand in the previous year).

Accordingly, comprehensive income for the year amounts to a gain of $54,427,287 thousand (vs. $75,752,525 thousand in fiscal year 2024).

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Reporting Summary (Cont.)

I. COMMENTS ON 2025 ACTIVITIES (Cont.)

The solvency ratio (Equity/Liabilities) as of December 31, 2025 is 0.50, which accounts for a decrease compared to the previous year's ratio of 0.61, due to an increase in liabilities during the period. This increase is primarily attributable to the issuance of Corporate Notes.

The liquidity ratio (Current Assets/Current Liabilities) is 1.75 as of December 31, 2025, higher than the 1.31 ratio recorded in fiscal year 2024. This is primarily attributable to higher investments in current assets resulting from the recent issuance of longer-term Corporate Notes.

II. ASSET STRUCTURE

Items	12.31.2025	12.31.2024	12.31.2023	12.31.2022	12.31.2021
			In thousands of $		
Current assets	585,533,776	368,016,994	184,748,361	174,917,827	215,845,994
Non-current assets	569,437,273	505,387,720	479,872,894	459,892,062	446,171,021
Total assets	**1,154,971,049**	**873,404,714**	**664,621,255**	**634,809,889**	**662,017,015**
Current Liabilities	335,390,775	280,143,397	187,324,552	398,578,424	440,672,651
Non-current liabilities	435,040,621	263,148,951	222,936,863	130,109,372	132,551,232
Total liabilities	**770,431,396**	**543,292,348**	**410,261,415**	**528,687,796**	**573,223,883**
Shareholders' equity	**384,539,653**	330,112,366	254.359.840	106,122,093	88,793,132
Total liabilities and shareholders' equity	**1,154,971,049**	**873,404,714**	**664,621,255**	**634,809,889**	**662,017,015**

(*) The balances shown have been restated as of 12.31.25.

III. RESULTS STRUCTURE

Items	12.31.2025	12.31.2024	12.31.2023	12.31.2022	12.31.2021
			In thousands of $		
Net operating income	118,595,938	127,253,124	(18,680,980)	7,451,270	32,261,055
Financial results and gain/(loss) on monetary position	(32,170,008)	(30,322,004)	273,829,582	61,425,322	(13,566,008)
Result before income tax	**86,425,930**	**96,931,120**	**255,148,602**	**68,876,592**	**18,695,047**
Income tax	(31,749,631)	(20,053,659)	(106,374,533)	(50,284,429)	(53,597,089)
Income/(loss) for the fiscal year	**54,676,299**	**76,877,461**	**148,774,069**	**18,592,163**	**(34,902,042)**
Other comprehensive income/(loss)	(144,695)	(1,529,320)	274,462	(833,456)	(1,777,183)
Income tax – Other comprehensive income/(loss)	(104,317)	404,384	(810,781)	(429,750)	554,763
Total Income/(loss) for the fiscal year	**54,427,287**	**75,752,525**	**148,237,750**	**17,328,957**	**(36,124,462)**

(*) The balances shown have been restated as of 12.31.25.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Reporting Summary (Cont.)

IV. CASH FLOW STRUCTURE

Items	12.31.2025	12.31.2024	12.31.2023	12.31.2022	12.31.2021
	In thousands of $				
Funds generated by operating activities	51,880,199	91,103,650	24,624,727	56,231,314	77,859,298
Funds applied to investing activities	(155,567,496)	(129,455,782)	(47,512,459)	(58,140,372)	(86,522,674)
Funds generated by/(applied to) financing activities	207,201,618	91,592,695	5,931,182	1,213,666	1,037,732
(Loss)/Gain generated by the cash monetary position	(28,044,365)	(10,276,355)	4,531,746	(6,661,987)	(2,298,896)
Total funds generated / (applied) during the fiscal year	**75,469,956**	**42,964,208**	**(12,424,804)**	**(7,357,379)**	**(9,924,541)**

(*) The balances shown have been restated as of 12.31.25.

V. STATISTICAL DATA (IN PHYSICAL UNITS)

(Not covered by the audit report)

Items	Unit of measurement	12.31.2025	12.31.2024	12.31.2023	12.31.2022	12.31.2021
Energy sales [1]	Gwh	3,326	3,372	3,372	3,454	3,208
Energy purchases [1]	Gwh	4,004	4,053	4,030	4,121	3,828

[1] The corresponding amounts cover the toll.

VI. RATIOS

Ratios		12.31.2025	12.31.2024	12.31.2023	12.31.2022	12.31.2021
Liquidity	Current Assets / Current Liabilities	1.75	1.31	0.99	0.44	0.49
Solvency	Shareholders' equity / Liabilities	0.50	0.61	0.62	0.20	0.15
Immobilization of capital	Non-current assets / Total Assets	0.49	0.58	0.72	0.72	0.67
Profitability	Net income for the year / Average Shareholders' Equity	0.15	0.26	0.83	0.19	(0.33)

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Reporting Summary (Cont.)

VII. PERSPECTIVES

Agreements entered into in 2023 and 2024, together with tariff adjustments under current legislation, have led to a clear improvement in the results of operations and greater stability and predictability for future years. This will enable better management and increased infrastructure investment.

New challenges have emerged due to the general socio-economic situation, reductions in supply cost subsidies, and increases in Distribution Value Added (VAD), which have impacted, and will continue to impact, end-user tariffs. Levels of delinquency and energy losses will require monitoring.

Access to capital markets will allow the company to expand infrastructure in order to achieve operational efficiencies that will translate into improvements in the distribution service within the concession area.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Condensed Interim Financial statements
For the three-month period
started on January 1, 2026 and
ended on March 31, 2026,
presented in comparative form

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

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Reporting Summary
Review report on the condensed interim financial statements
Report of the Supervisory Committee

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Registered office:	Belgrano 815 - (5500) City of Mendoza
Main business:	Provision of the public service of electric power distribution within the area and under the terms set forth in the concession agreement.

Condensed Interim Financial Statements
for the three-month period started on January 1, 2026 and ended on March 31, 2026,
presented in comparative form

REGISTRATION DATES WITH THE PUBLIC REGISTRY OF THE PROVINCE OF MENDOZA:

Bylaws or articles of association:	April 3, 1998
(Latest) amendments:	February 6, 2024
Registration number with the Department of Legal Entities of Mendoza:	4,158
Expiration date of the bylaws or articles of association:	April 3, 2063
Name of the ultimate controlling legal entity:	Andina Energies Plc
Name of the parent company:	Sodem S.A.
Registered office:	Belgrano 815, City of Mendoza
Main business:	Investor
Parent company's ownership interest:	51%
Percentage of votes of the Parent company:	51%

CAPITAL COMPOSITION – (See Note 2.2.4.)				
SHARES				Subscribed, paid-in and registered
Amount	Type	Number of votes	Face value	
			$	In thousands of $
237,770,000	Common Class A	1	0.99	235,392
88,580,980	Common Class B	1	0.99	87,695
93,243,137	Common Class C	1	0.99	92,311
46,621,569	Common Class D	1	0.99	46,155
466,215,686				**461,553**

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Condensed Interim Statement of Comprehensive Income

For the three-month periods ended March 31, 2026 and 2025

Figures expressed in thousands of pesos

	Note	03.31.2026	03.31.2025
		In thousands of $	
- Revenues		198,010,578	232,114,070
- Cost of sales	6	(129,634,236)	(142,279,712)
Gross profit		**68,376,342**	**89,834,358**
- Selling expenses	6	(16,679,782)	(14,309,058)
- General and administrative expenses	6	(20,182,530)	(14,888,305)
- Net impairment of financial assets		(2,307,826)	(1,392,596)
- Other income	7	1,135,060	1,892,561
Operating income		**30,341,264**	**61,136,960**
- Financial income, net	8	1,475,204	11,422,465
- Financial expenses, net	8	(41,653,852)	(10,435,596)
- Exchange rate difference, net	8	10,126,013	(395,339)
- Net monetary gain/(loss) (RECPAM)		773,325	(668,563)
Income before income tax		**1,061,954**	**61,059,927**
- Income tax	5	(6,746,414)	(21,989,749)
Net (loss) / income for the period		**(5,684,460)**	**39,070,178**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss for the year			
- Actuarial profit / (loss) from defined benefit plans net of income tax		-	1,128
Other comprehensive income for the period net of income tax – Income		-	**1,128**
Comprehensive (loss) income for the period attributable to the Company's shareholders		**(5,684,460)**	**39,071,306**
Basic and diluted earnings per share	2.2.4.	**(12.19)**	**83.80**

The accompanying notes are an integral part of these condensed interim financial statements.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Condensed Interim Statement of Financial Position

As of March 31, 2026 and December 31, 2025

Figures expressed in thousands of pesos

	Note	03.31.2026	12.31.2025
		In thousands of $	
Assets			
Current assets		**568,575,543**	**640,821,576**
Cash and cash equivalents	9	78,347,674	161,151,276
Financial assets at fair value through profit or loss	10	158,789,630	142,114,470
Other financial assets at amortized cost	11	63,704,297	58,377,596
Trade receivables	12	152,403,964	146,704,201
Other receivables	13	78,378,541	93,490,558
Inventories	14	36,951,437	38,983,475
Non-current assets		**632,718,132**	**623,205,195**
Other receivables	13	666	729
Inventories	14	8,483,206	9,025,616
Property, plant and equipment	15	624,234,260	614,178,850
Intangible assets	16	-	-
Total assets		**1,201,293,675**	**1,264,026,771**

The accompanying notes are an integral part of these condensed interim financial statements.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Condensed Interim Statement of Financial Position (Cont.)

As of March 31, 2026 and December 31, 2025

Figures expressed in thousands of pesos

	Note	03.31.2026	12.31.2025
		In thousands of $	
Shareholders' equity and liabilities			
Shareholders' equity attributable to the shareholders of the Company			
Share capital and inflation adjustment of share capital	2.2.4.	97,177,240	97,177,240
Legal reserve		14,855,588	14,855,588
Voluntary reserve		249,249,699	249,249,699
Other comprehensive -loss		(272,524)	(272,524)
Retained earnings		54,154,532	59,838,992
Total shareholders' equity attributable to the Company's shareholders		**415,164,535**	**420,848,995**
Liabilities			
Current liabilities		**347,746,883**	**367,059,355**
Trade and other accounts payable	17.1	178,298,791	187,588,877
Income tax		34,937,953	34,036,432
Benefit plans	17.2	1,251,083	1,369,214
Other debts	24	4,394,708	3,410,366
Borrowings	18	100,695,125	110,201,789
Provisions	19	28,169,223	30,452,677
Non-current liabilities		**438,382,257**	**476,118,421**
Trade and other accounts payable	17.1	393,379	430,523
Benefit plans	17.2	8,836,809	8,673,418
Other debts	24	22,903,223	24,514,706
Borrowings	18	232,374,746	266,500,745
Provisions	19	200,481	226,061
Deferred income tax liabilities	5	173,673,619	175,772,968
Total liabilities		**786,129,140**	**843,177,776**
Total shareholders' equity and liabilities		**1,201,293,675**	**1,264,026,771**

The accompanying notes are an integral part of these condensed interim financial statements.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Condensed Interim Statement of Changes in Shareholders' Equity

For the three-month periods ended March 31, 2026 and 2025

Figures expressed in thousands of pesos

	Attributable to the Company's shareholders						
	Share capital	**Inflation adjustment of share capital**	**Legal reserve**	**Voluntary reserve**	**Other comprehensive income/(loss)**	**Retained earnings**	**Total Shareholders' Equity**
	In thousands of $						
Balance as of 12.31.2025	**461,553**	**96,715,687**	**14,855,588**	**249,249,699**	**(272,524)**	**59,838,992**	**420,848,995**
Net loss for the period	-	-	-	-	-	(5,684,460)	(5,684,460)
Balance as of 03.31.2026	**461,553**	**96,715,687**	**14,855,588**	**249,249,699**	**(272,524)**	**54,154,532**	**415,164,535**
Balance as of 12.31.2024	**461,553**	**96,715,687**	**10,710,322**	**170,489,667**	**(1,231,157)**	**84,136,454**	**361,282,526**
Ordinary Shareholders' Meeting March 31, 2025	-	-	4,145,266	78,760,032	1,231,157	(84,136,455)	-
Net income for the period	-	-	-	-	1,128	39,070,178	39,071,306
Balance as of 03.31.2025	**461,553**	**96,715,687**	**14,855,588**	**249,249,699**	**1,128**	**39,070,177**	**400,353,832**

The accompanying notes are an integral part of these condensed interim financial statements.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Condensed Interim Statement of Cash Flows

For the three-month periods ended March 31, 2026 and 2025

Figures expressed in thousands of pesos

	Note	03.31.2026	03.31.2025
		In thousands of $	
CHANGES IN CASH			
Cash and cash equivalents at the beginning of the period		161,151,276	44,093,453
Financial results generated by cash and cash equivalents		(3,405,276)	1,930,730
Net decrease in cash and cash equivalents		(79,398,326)	(7,769,680)
Cash and cash equivalents at period-end		**78,347,674**	**38,254,503**
Net income for the period before income tax		1,061,954	61,059,927
Adjustments to arrive at net cash flow from operating activities:			
Financial results accrued and/or considered as financing or investing activity		29,894,393	(25,902)
Net monetary position (loss)/gain		(773,325)	668,563
Depreciation of property, plant and equipment	15	7,876,361	6,510,269
Impairment of non financial assets	25	2,307,825	1,392,596
Provision for lawsuits and other claims	19	4,575,291	3,876,426
Changes in operating assets and liabilities:			
Increase in trade receivables		(21,635,390)	(29,986,415)
Decrease in other receivables		13,014,276	304,533
Decrease/(increase) in inventories		3,492,652	(8,738,943)
(Decrease)/increase in trade payables and other debts		(2,055,116)	3,686,942
Payment of fines and others		(4,237,474)	(6,978,050)
Net cash flow generated from operating activities		**33,521,447**	**31,769,946**
Transfer		**33,521,447**	**31,769,946**

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Condensed Interim Statement of Cash Flows (Cont.)

For the three-month periods ended March 31, 2026 and 2025

Figures expressed in thousands of pesos

	Note	03.31.2026	03.31.2025
		In thousands of $	
Transfer		**33,521,447**	**31,769,946**
Acquisitions of property, plant and equipment		(23,104,412)	(12,070,813)
Acquisitions of financial assets at fair value and other investments		(65,165,349)	(20,024,320)
Net cash flow applied to investing activities		**(88,269,761)**	**(32,095,133)**
Borrowings payments		(91,249)	(74,288)
Collection from borrowings obtained		-	-
Payment of interest		(15,482,431)	(4,045,125)
Net cash flow applied to financing activities		**(15,573,680)**	**(4,119,413)**
Inflation adjustment on cash and cash equivalent - Loss		(9,076,332)	(3,325,080)
Net decrease in cash and cash equivalents		**(79,398,326)**	**(7,769,680)**

The accompanying notes are an integral part of these condensed interim financial statements.

	03.31.2026	03.31.2025
Non-cash transactions	In thousands of $	
Transfer of inventories to property, plant and equipment	5,172,641	1,958,270

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements
For the three-month period started on January 1, 2026 and ended on March 31, 2026, presented in comparative form
Figures expressed in thousands of pesos

NOTE 1. GENERAL INFORMATION

General aspects

The company Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima (EDEMSA) was incorporated on March 11, 1998, in accordance with Law No. 6,498, passed by the provincial legislature, as part of the privatization process of the energy sector in the province of Mendoza.

The Company was registered in the Public Registry of the Province of Mendoza on April 3, 1998, and began operations on August 1, 1998, the date the concession began.

The basic regulatory framework for the Company consists of:

a. Provincial Law No. 6,497 and its regulatory decrees.
b. Provincial Law No. 6,498 and its regulatory decree.
c. Agreement for the transfer of 51% of EDEMSA's shares entered into by the Province of Mendoza, the successful bidder of the majority stake (SODEM S.A.) and Energía Mendoza Sociedad del Estado (EMSE).
d. Concession agreement signed between EDEMSA and the Province of Mendoza.
e. Terms and Conditions for the Sale of EDEMSA’s Class A shares (representing 51% of the share capital).
f. Provincial Law No. 7,543 - Amending Provincial Laws No. 6,497 and No. 6,498 - and its implementing decree.
g. Provincial Law No. 7,544.

Upon expiration of the 30-year term provided for in the concession agreement, a new agreement for an additional term of 30 years will be granted to the shareholders of the Company or to those who are entitled thereto, in accordance with the guidelines of Law No. 6,498.

The detailed regulatory framework established, among other things, that the first management period of the Company expired on July 31, 2007 (within three periods of ten years each), so, in accordance with the law, SODEM S.A. (controlling shareholder) informed the Provincial Government of its decision to continue with the management and ownership of the EDEMSA’s shareholding. In this regard, on January 3, 2008, Decree No. 2912/07 was published in the Official Gazette of Mendoza, whereby the Granting Authority ordered not to call for bidding for EDEMSA’s Class A shares and authorized SODEM S.A. to retain EDEMSA’s shareholding for a new management. For this reason, a new shareholding period is being extended.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 1. GENERAL INFORMATION (Cont.)

General aspects (Cont.)

On July 31, 2018, the second management period expired, therefore, on January 27, 2017, SODEM S.A. duly notified the Government of Mendoza of its intention to retain ownership of EDEMSA's Class A shares.

On January 3, 2023, the Secretariat of Public Services of Mendoza - in its capacity as Enforcement Authority - signed a Transaction Agreement with EDEMSA (see Note 24) pursuant to which, among other issues, it was agreed that the Granting Authority would grant an extension of the concession agreement for an additional period of twenty years starting on August 1, 2028, agreeing not to call for bids for the award of ownership of EDEMSA's class A shares and not to make any monetary claim against the Distribution Company for the extension of the concession term.

On May 10, 2023, by means of the Extraordinary General Shareholders' Meeting, the corporate purpose was expanded by amending Section 4 of the by-laws. This amendment to the by-laws was approved by the Executive Branch of Mendoza through Decree 2074/23 dated October 6, 2023.

Restrictions arising from the concession agreement

The rights and obligations arising from the regulatory framework mentioned in this note shall not be transferred, in whole or in part, to any third party without the prior consent of the Province.

1.1. CNV Resolution No. 629/14 – Documentation custody

On August 14, 2014, the Argentine Securities Commission (CNV) issued General Resolution No. 629, imposing amendments to its regulations regarding the safekeeping and preservation of corporate books, accounting books, and commercial documentation. In this regard, it is informed that the Company has entrusted the safekeeping of certain non-sensitive documentation to the following provider:

Depositary: Banco de Archivos S.A. (BASA). Address: Alsina 2338, Godoy Cruz, Mendoza.

Likewise, it is noted that the details of the documentation given in custody are available at the registered office, as well as the documentation referred to in Section 5, subsection a.3) Section I of Chapter V of Title II of the RULES (Revised text 2013 and amendments).

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 2. BASIS FOR PREPARATION AND ACCOUNTING POLICIES

2.1. Basis for preparation and other aspects

These condensed interim financial statements for the three-month period ended March 31, 2026, have been prepared in accordance with International Accounting Standard (IAS) 34, “Interim Financial Reporting”, with the necessary adjustments to comparative figures where applicable. These condensed interim financial statements were approved by the Board of Directors on May 11, 2026. The condensed interim financial statements should be read in conjunction with the financial statements for the fiscal year ended December 31, 2025, prepared in accordance with IFRS (IFRS Accounting Standards). The financial statements for the fiscal year ended December 31, 2025 were approved by the Board of Directors on March 8, 2026, and by the Ordinary and Extraordinary General Shareholders' Meeting on April 27, 2026.

2.2. Accounting policies

The accounting policies adopted in the condensed interim financial statements for the three-month period ended March 31, 2026 are consistent with those used in the financial statements for the fiscal year ended December 31, 2025.

2.2.1. Functional and presentation currency

The amounts included in the Company's condensed interim financial statements were measured using its functional currency, that is, the currency of the primary economic environment in which it operates. The condensed interim financial statements are presented in Argentine pesos, which is the Company's functional and presentation currency.

International Accounting Standard No. 29, "Financial Reporting in Hyperinflationary Economies" (IAS 29), requires that the financial statements of an entity whose functional currency is that of a high-inflation economy be expressed in terms of the unit of measurement current at the end of the reporting period/year, regardless of whether they are based on the historical cost method or the current cost method. To do so, non-monetary items must generally include inflation from the acquisition date or the revaluation date, as appropriate. These requirements also apply to comparative information in the condensed interim financial statements.

For the purposes of determining whether an economy is categorized as having high inflation under IAS 29, the standard details a series of factors to consider, including a three-year cumulative inflation rate approaching or exceeding 100%.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 2. BASIS FOR PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.2. Accounting policies (Cont.)

2.2.1. Functional and presentation currency (Cont.)

For this reason, under IAS 29, the Argentine economy had been classified as having high inflation as of July 1, 2018.

In addition, Law No. 27,468 (Official Gazette 12/04/2018) amended Section 10° of Law No. 23,928, as amended, establishing that the repeal of all legal or regulatory rules that establish or authorize price indexation, monetary restatement, cost variation or any other form of revaluation of debts, taxes, prices or tariffs of goods, works or services, does not include financial statements, with respect to which the provisions of Section 62 in fine of the General Companies Law No. 19,550, as amended, shall continue to apply. Furthermore, the aforementioned law repealed Decree No. 1269/2002 of July 16, 2002, as amended, and delegated to the National Executive Branch (PEN), through its supervisory agencies, to establish the date as from which the aforementioned provisions will take effect in relation to the financial statements submitted to them. Therefore, through its General Resolution 777/2018 (Official Gazette 12/28/2018), the Argentine Securities Commission (CNV) provided that the issuing entities subject to its control must apply to the annual financial statements, for interim and special periods, closing on or after December 31, 2018, the method of restatement of financial statements in homogeneous currency as established by IAS 29. Therefore, these condensed interim financial statements have been restated as of March 31, 2026.

According to IAS 29, the financial statements of an entity reporting in the currency of a high-inflation economy should be reported in terms of the unit of measurement current at the financial statement date. All amounts in the condensed interim statement of financial position that are not stated in terms of the unit of measurement current at the financial statement date should be restated by applying a general price index. All items of the condensed interim statement of comprehensive income should be stated in terms of the unit of measurement updated at the financial statement date, applying the change in the general price index that has occurred since the date the income and expenses were originally recognized in the condensed interim financial statements.

The inflation adjustment was calculated using the indexes established by the Argentine Federation of Profesional Councils in Economic Sciences (FACPCE) based on the price indexes published by the National Institute of Statistics and Census (INDEC).

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 2. BASIS FOR PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.2. Accounting policies (Cont.)

2.2.1. Functional and presentation currency (Cont.)

Considering the aforementioned index, inflation was 9.44% and 8.57% for the three-month periods ended March 31, 2026 and 2025, respectively. Inflation for the period from April 1, 2025 to March 31, 2026 was 32.61%.

The main procedures for the inflation adjustment mentioned are as follows:

- Monetary assets and liabilities that are carried at the closing currency of the condensed interim financial statements are not restated because they are already expressed in terms of the current monetary unit at the date of the condensed interim financial statements;

- Non-monetary assets and liabilities that are carried at cost at the date of the condensed interim financial statements, and the components of equity, are restated by applying the corresponding adjustment coefficients;

- All items in the condensed interim statement of comprehensive income are restated by applying the relevant conversion factors;

- The effect of inflation on the Company's net monetary position is included in the condensed interim statement of comprehensive income under the heading "Net monetary gain/(loss) (RECPAM)";

- The comparative figures have been adjusted for inflation following the same procedure explained in the preceding points and were restated at the end of the current fiscal period.

The equity accounts were restated as follows:

- Capital was restated as from the date of the last accounting inflation adjustment. The net amount resulting from the absorption of accumulated losses was included in the “Inflation adjustment of share capital” account;

- Other comprehensive income, which related to employee benefit plans, was determined at the beginning of the application of this methodology (01/01/17) with an amount equal to zero.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 2. BASIS FOR PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.2. Accounting policies (Cont.)

2.2.2. Changes in accounting policies. New accounting policies.

The accounting policies adopted for these Condensed Interim Financial Statements are consistent with those used in the Financial Statements for the last fiscal year ended December 31, 2025.

Below is a detail of the accounting policies, amendments and interpretations issued by the IASB in recent years that are applicable with effect as of March 31, 2026 and which have been adopted by the Company:

- **IFRS 7 "Financial Instruments: Disclosures" and IFRS 9 "Financial Instruments"**: amended in May 2024. The amendments address issues identified during the post-implementation review of the classification and measurement requirements for financial instruments. The application of these amendments did not have an impact on the Company's results of operations or financial position.

- **Annual Improvements to IFRS Accounting Standards – Volume 11**: The amendments were issued in July 2024. They include amendments to IFRS 1 "First-time Adoption of International Financial Reporting Standards", IFRS 7 "Financial Instruments: Disclosures", IFRS 9 "Financial Instruments", IFRS 10 "Consolidated Financial Statements" and IAS 7 "Statement of Cash Flows". The application of these amendments did not have an impact on the Company's results of operations or financial position.

There are no new IFRS or IFRIC standards applicable as from this period that have a significant impact on the Company's condensed interim financial statements.

<u>New accounting policies issued by the IASB not yet effective and that have not been adopted early by the Company:</u>

- **IFRS 18 "Presentation and Disclosure in Financial Statements"**: Issued in April 2024. It includes new requirements for all entities applying IFRS Accounting Standards 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 income, and requires that entities present newly defined subtotals, including operating profit, to analyze entities' performance and facilitate comparability between them. It requires disclosure of explanations regarding entity-specific measurements related to the statement of income, referred to as management-defined performance measures.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 2. BASIS FOR PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.2. Accounting policies (Cont.)

2.2.2. Changes in accounting policies. New accounting policies (Cont.)

New accounting policies issued by the IASB not yet effective and that have not been adopted early by the Company: (Cont.)

- **IFRS 18 "Presentation and Disclosure in Financial Statements": (Cont.)**

  It provides more detailed guidance on how to organize information and whether it should be presented in the primary financial statements or in the notes. It also requires greater transparency regarding operating expenses. Management-defined performance measures, as defined in IFRS 18, consist of measurements that are subtotals of income and expenses. IFRS 18 does not require that entities provide management-defined performance measures; however, it does require that entities explain such measures if provided.

  IFRS 18 replaces IAS 1 "Presentation of Financial Statements", while retaining many of the requirements of IAS 1 unchanged. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application being permitted. In this regard, the Company is currently assessing the impact of IFRS 18 and expects significant changes in the presentation of the Statement of Comprehensive Income and the related notes.

- **IFRS 19 "Subsidiaries without Public Accountability: Disclosures":** Issued in May 2024. It specifies reduced disclosure requirements that an eligible entity may apply instead of the disclosure requirements in other IFRS Accounting Standards. IFRS 19 is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application being permitted.

- **IAS 21 "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 into a hyperinflationary currency. The amendments are applicable to annual reporting periods beginning on or after January 1, 2027.

2.2.3. Cash and cash equivalents

Cash and cash equivalents include cash on hand and other short-term, highly liquid investments with an original maturity of three months or less. Bank overdrafts, if any, are deducted from cash and cash equivalents in the cash flow statement.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 2. BASIS FOR PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.2.4. Share capital

The share capital is represented by common, non-endorsable registered shares with a face value of $0.99 per share.

The capital stock adjustment of $96,715,687 (in thousands) represents the difference between the nominal value of the capital and its value restated in accordance with the accounting standard applicable to the Company.

COMPOSITION OF SHARE CAPITAL				
Number of shares	Face value	Subscribed, paid-in and registered	Capital adjustment	Total adjusted share capital
	$	**In thousands of $**		
466,215,686	0.99	461,553	96,715,687	97,177,240

In compliance with Resolution No. 368 of the National Securities Commission (CNV, as per its Spanish acronym), the following is stated:

	03.31.2026	**03.31.2025**
	In thousands of $	
Share capital	461.553	461.553
Total	**461,553**	**461,553**

All the information detail on share capital is presented in Note 2.1.10. to the financial statements as of December 31, 2025. Such information did not suffer any changes during this period (See Note 2.2.11.)

Earnings per share

(a) Basic

Basic earnings per share are calculated by dividing the net income attributable to the Company's shareholders by the number of common shares outstanding during the period. The Company did not acquire any treasury shares during the period.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 2. BASIS FOR PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.2. Accounting policies (Cont.)

2.2.4. Share capital (Cont.)

	03.31.2026	03.31.2025
	In thousands of $	
Net (loss)/income attributable to the Company's shareholders	(5,684,460)	39,070,178
Number of shares outstanding	466,216	466,216
Basic net earnings per share – (Loss) / Gain	**(12.19)**	**83.80**

	03.31.2026	03.31.2025
	In thousands of $	
Comprehensive (loss)/income attributable to the Company's shareholders	(5,684,460)	39,071,306
Number of shares outstanding	466,216	466,216
Basic net earnings per share – (Loss) / Gain	**(12.19)**	**83.81**

(b) Diluted

The Company does not have any diluted potential shares nor are there any instruments that modify the earnings per share, so the diluted earnings per share do not differ from the basic earnings per share.

2.2.5. Grants and other government benefits

Government subsidies are recognized at fair value when there is reasonable assurance that the subsidies will be collected and that the Company has met the established conditions.

Government subsidies received in connection with the purchase of fixed assets are deducted from the cost of such assets. These assets are depreciated over their estimated useful lives based on the purchase cost net of the subsidy.

Special Fund for the Development of Electricity in the Interior (FEDEI)

The Bidding Terms and Conditions for the Sale of EDEMSA's Class A shares establish the Company's obligation to execute the works and projects to be financed with the resources corresponding to the province of Mendoza from the FEDEI.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 2. BASIS FOR PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.2. Accounting policies (Cont.)

2.2.5. Grants and other government benefits (Cont.)

EDEMSA will be responsible for the implementation of the annual program of works and projects financed with these resources, under the supervision of and in accordance with the regulations established by FEDEI.

The FEDEI agreements established with the province aim to provide financial assistance for the execution of studies, projects, programs, acquisitions, and works. The province finances investments by applying the resources it receives from FEDEI, either through refundable or non-refundable funds.

EDEMSA includes the costs incurred in the execution of the works within its assets, deducting from them the subsidies approved by the authorities in connection with the works, to the extent that they are non-refundable funds. During the current year, these subsidies amounted to $29,569 thousand. As of December 31, 2025, these subsidies amounted to $798,117 thousand, restated as of March 31, 2026.

The province's contributions under the refundable funds modality are shown as a liability under the trade and other accounts payable category, in the other current and non-current liabilities line according to maturity. As of March 31, 2026, contributions related to refundable funds amounted to $959,991 thousand, while as of December 31, 2025, they amounted to $430,523 thousands, restated as of March 31, 2026.

2.2.6. Quality of public service - Penalties

The regulatory entity, the Provincial Electricity Regulatory Entity (EPRE), created by the general legal framework, has among its powers: a) the approval and control of tariffs and b) the control of service and technical product quality, as well as commercial quality. Failure to comply with the provisions established in the Concession Agreement and in the rules and regulations may result in the imposition of sanctions against the Company.

The balance of fines imposed and probable fines, based on the Company’s calculations as of year-end in accordance with the quality parameters of the service provided, amounts to $27,578,043 in thousands (12.31.2025: $29,786,068 in thousands, restated as of 12.31.2026) (see Note 19).

The Company has included in these condensed interim financial statements its best estimate of liabilities related to potential penalties.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 2. BASIS FOR PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.2. Accounting policies (Cont.)

2.2.7. Tariff scheme and other aspects of the business

General situation of the tariff scheme

According to the Provincial Electricity Regulatory Framework and the EDEMSA Concession Agreement, the Provincial Government is responsible for setting tariffs every five years.

The following sets forth the most recent relevant tariff history within the framework of the sixth tariff period (August 1, 2023 through July 31, 2028). Previous events are detailed in the notes to the previous financial statements.

On February 10, 2025, within the framework of the VAD adjustment procedure for February 2025, the EPRE notified EPRE Resolution No. 31/25 with the new tariff schemes effective from February 1, 2025.

On May 5, 2025, within the framework of the VAD adjustment procedure for May 2025, the EPRE issued Resolution EPRE No. 109/25, establishing new tariff schemes effective from May 1, 2025.

On June 3, 2025, and in compliance with Decree No. 1680/24, the EPRE notified EPRE Resolution No. 145/25 calling for the annual public hearing for the consideration of the VAD adjustment effective as of August 1, 2025. The public hearing was held on July 4, 2025. Although the EPRE issued EPRE Resolutions No. 193/25, 194/25 and 195/25 containing the tariff schemes applicable for the August–October 2025 period, the VAD adjustment was not applied because “the changes in the CPI during the May–July 2025 did not exceed the 7% threshold established” under the procedure approved by Decree No. 1680/24. Accordingly, the VAD in effect since May 1, 2025 remained unchanged.

On November 7, 2025, the EPRE notified EPRE Presidential Resolutions No. 44/25, 45/25, 46/25 and 47/25 regarding the VAD adjustment applicable for November 2025, December 2025 and January 2026, tariff schemes, service charges, and public lighting schedule. The aforementioned Presidential Resolutions were ratified by EPRE Board Resolution No. 257/25 dated November 12, 2025.

Subsequently, in compliance with Decree No. 1680/24, on February 6, 2026, the EPRE notified EPRE Resolutions No. 023/26, 024/26, 025/26 and 026/26 regarding the VAD adjustment applicable for the February–April 2026 period, tariff schemes, service charges, and public lighting schedule.

On May 8, 2026, within the framework of the VAD adjustment procedure corresponding to May 2026, the EPRE notified EPRE Resolution No. 100/26 with the new tariff schemes applicable as of May 1, 2026.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 2. BASIS FOR PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.2. Accounting policies (Cont.)

2.2.7. Tariff scheme and other aspects of the business (Cont.)

General situation of the tariff scheme (Cont.)

EPRE Resolutions No. 101/26, 102/26 and 103/26 were also notified, containing the tariff schemes, service charges and public lighting schedule for May-July 2026.

General tariff concepts

The tariff concepts are updated quarterly as wholesale costs vary or a variation in remuneration or distribution added value is defined, in accordance with the Tariff Scheme Updating Procedure.

For its part, the Tariff Scheme classifies users and tariff categories as follows:

- Small Demand Users
- High Demand Users
- Agricultural Irrigation Users
- Toll Service Users

2.2.8. Easements

EDEMSA may use the rights arising from the administrative easement and the set of ownership limitations for the benefit of providing the Public Service, in accordance with and to the extent established by the Electric Conduit Easement Law No. 5,518, subject to authorization from the EPRE, in accordance with the provisions of Section 53, subsection I) of Law No. 6497 and its regulations.

2.2.9. Tax aspects

All the detailed information about the main tax aspects is presented in Note 2.1.24. to the financial statements as of December 31, 2025. Said information remained unchanged during this period.

Notes to the condensed interim financial statements (Cont.)

NOTE 2. BASIS FOR PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.2. Accounting policies (Cont.)

2.2.10. Consulting agreement

Trench Energy Consulting S.A. (formerly, Trench Energy Consulting S.R.L.)

On August 10, 2018, the Company received a formal offer from Trench Energy Consulting S.A. (hereinafter "Trench") for a comprehensive consulting service to help EDEMSA maintain and improve its current management and administrative capabilities, enabling it to efficiently address and resolve different situations that may arise during the company's ordinary and extraordinary management.

Based on this offer, the consulting company requested to receive 1.25% of the Company's gross sales for the professional services provided, replacing the previous advisor with Trench. The aforementioned offer letter is valid for five years from its issuance, and is automatically renewed for equal periods, unless either party decides to terminate it earlier, in which case it must notify the other party of its decision.

The Company's Management accepted all the terms detailed in the note and others included in the agreement.

On August 2, 2019, through an Extraordinary General Shareholders' Meeting, the shareholders decided to reopen certain terms previously agreed upon with Trench, as a result the Board of Directors renegotiated them based on the new clauses requested by the shareholders' meeting.

These adjustments were made through a proposal from Trench dated August 23, 2019, modifying the consideration for services rendered to the Company to an amount equivalent to 3.51% of the invoiced VAD, with certain adjustments and always with a maximum limit of 1.25% of the Company's gross sales. The contract term is reduced to three years, automatically renewable for the same term, allowing the Company to better reconsider the terms of the agreement in the future. The proposal was accepted by the Company.

The charge to income or loss for this service for the fiscal period ended March 31, 2026 amounts to $ 2,475,133 (in thousands) (03.31.2025: $ 2,901,426 in thousands restated as of 03.31.2026) and has been included as a loss under "Advisor's fees" in the condensed interim statement of comprehensive income for the current fiscal period proportionally in the different items, considering that it represents the best available estimate of the comprehensive advice that benefits the company as a whole. Meanwhile, the balance due as of fiscal period-end amounts to $ 3,992,848 (in thousands) (12.31.2025: $ 3,668,449 in thousands restated as of 03.31.2026).

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 2. BASIS FOR PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.2. Accounting policies (Cont.)

2.2.11. Restriction on the distribution of profits

Pursuant to Section 70 of the General Companies Law No. 19,550, as amended, 5% of net and realized profits for each fiscal year must be allocated to the establishment or restitution of a legal reserve, up to 20% of the share capital. This requirement must be taken into account when deciding how to distribute profits.

According to current regulations, when the net balance of Other comprehensive income as of the end of a fiscal year or period is positive (credit accounts), it cannot be distributed, capitalized, or used to absorb accumulated losses. However, it must be included in accumulated results for comparison purposes to determine the company's position under Sections 206 and 94 of the General Companies Law. When the net balance of these results as of the end of a fiscal year or period is negative (debit accounts), there will be a restriction on the distribution of unappropriated earnings for the same amount. (See Note 23)

2.2.12. Financial instruments

The following tables show financial assets and liabilities by financial instrument category in accordance with the accounting policies detailed in Note 2.1.3. to the financial statements for the year ended December 31, 2025.

As of 03.31.2026

	Assets at amortized cost	Assets at fair value through profit or loss (Level 1)	Total as of 03.31.2026
	In thousands of $		
Assets			
Cash and cash equivalents	3,293,340	75,054,334	78,347,674
Financial assets at fair value through profit or loss	-	158,789,630	158,789,630
Financial assets at amortized cost	63,704,297	-	63,704,297
Trade and other receivables (*)	154,410,560	59,705,459	214,116,019
Total as of 03.31.2026	**221,408,197**	**293,549,423**	**514,957,620**

(*) Does not include tax receivables or prepayments of any kind.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 2. BASIS FOR PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.2. Accounting policies (Cont.)

As of 03.31.2026

	Financial liabilities at amortized cost	Total as of 03.31.2026
	In thousands of $	
Liabilities		
Trade and other accounts payable excluding non-financial liabilities (*)	169,794,923	169,794,923
Lease liabilities	202,311	202,311
Borrowings (excluding finance lease liabilities)	332,867,560	332,867,560
Total as of 03.31.2026	**502,864,794**	**502,864,794**

(*) Does not include payroll-related or tax liabilities.

As of 12.31.2025

	Assets at amortized cost	Assets at fair value through profit or loss (Level 1)	Total as of 12.31.2025
	In thousands of $		
Assets			
Cash and cash equivalents	58,239,249	102,912,027	161,151,276
Financial assets at fair value through profit or loss	-	142,114,470	142,114,470
Other investments at amortized cost	58,377,596	-	58,377,596
Trade and other receivables (*)	150,307,081	66,915,796	217,222,877
Total as of 12.31.2025	**266,923,926**	**311,942,293**	**578,866,219**

(*) Does not include tax receivables or prepayments of any kind.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 2. BASIS FOR PREPARATION AND ACCOUNTING POLICIES (Cont.)

2.2. Accounting policies (Cont.)

As of 12.31.2025

	Financial liabilities at amortized cost	Total as of 12.31.2025
	In thousands of $	
Liabilities		
Trade and other accounts payable excluding non-financial liabilities (**)	177,134,949	177,134,949
Lease liabilities	252,954	252,954
Borrowings (excluding finance lease liabilities)	376,449,580	376,449,580
Total as of 12.31.2025	**553,837,483**	**553,837,483**

(**) Does not include social security and tax payables.

Fair value estimate

The estimated fair value of a financial instrument is the amount for which such instrument could be exchanged in the market between willing, knowledgeable and independent parties, other than in a forced sale or liquidation. For the purpose of estimating the fair value of financial assets maturing within one year, the Company uses market value. For other investments, the Company uses quoted market prices.

With respect to financial assets and liabilities measured at amortized cost, since most of them are obtained/granted at variable rates or fixed rates approximating market rates, their fair value (Level 2) approximates their carrying amount and is therefore not disclosed separately.

NOTE 3. ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements as of a given date requires the Company's Management to make estimates and evaluations that affect the amount of assets and liabilities accounted for and contingent assets and liabilities disclosed as of the date of issuance of these financial statements, as well as the income and expenses accounted for during the reporting period. The Company's Management makes estimates in order to calculate, at a given time, the allowance for bad debts, penalties and/or sanctions related to the quality of service (as provided in the concession agreement), the classification of trade and other receivables into current and non-current, depreciation and amortization, the recoverable value of assets, provisions for contingencies, estimates related to sales of unmeasured and unbilled energy, the energy

Notes to the condensed interim financial statements (Cont.)

NOTE 3. ACCOUNTING ESTIMATES AND JUDGMENTS (Cont.)

purchase provision, and the income tax and deferred tax, among others. Actual future results may differ from the estimates and assessments made as of the date of preparation of these condensed interim financial statements.

3.1. Impairment test of non-current assets

Evaluating the impairment of recorded long-term assets requires significant judgment. As of December 31, 2025, Management conducted an analysis of the impairment of non-current assets in accordance with the methodology described in Note 3.1 to the Financial Statements as of December 31, 2025. The key assumptions used in preparing the cash flow estimates for the impairment analysis of non-current assets include: tariff projections, anticipated cost trends, applicable tax rates expected to be in effect during each fiscal year and/or period, macroeconomic variables such as demand growth rates and perpetual growth rates of cash flows, inflation rates, exchange rates, investment requirements to maintain service quality levels, and the discount rate, among others.

As of the end of the current period, Management has reassessed, if appropriate, the aforementioned assumptions, identifying no significant changes. It concludes that the carrying amount of non-current assets as of the end of this period does not exceed their estimated value in use, based on current economic and technical conditions.

3.2. Income tax

Management calculates current and deferred income taxes in accordance with the applicable tax laws in Argentina. However, certain adjustments necessary to determine the income tax provision are finalized and precisely determined only after the publication of the financial statements. Therefore, as of the reporting date, the determination of current and deferred taxes includes a series of estimates based on the information and decisions available at that time (see Note 5). If the final tax amount differs from the initially recorded amounts, such differences will affect the current income tax and the deferred tax estimate in the period in which such determination is made.

3.3. Provisions for contingencies

The Company is subject to certain claims, lawsuits, and other legal proceedings arising in the ordinary course of business, including customer claims. The Company's liability with respect to such claims, lawsuits, and other legal proceedings cannot be estimated with certainty. The Company's Management periodically reviews the status of each significant matter and estimates the potential financial exposure. If the potential loss arising from a claim or legal proceeding is considered probable and the amount can be reasonably estimated, the Company accounts for the corresponding provision (see Note 19).

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 3. ACCOUNTING ESTIMATES AND JUDGMENTS (Cont.)

3.3. Provisions for contingencies (Cont.)

In particular, with respect to the quality of public service, the Company accounts for a provision as described in Note 2.2.6.

The Company has contingent liabilities for legal claims related to the normal course of business. No significant liabilities other than those provided for are expected to arise from these contingent liabilities.

NOTE 4. SEGMENT INFORMATION

A business segment is a group of assets and operations responsible for providing products or services that are subject to risks and returns that are different from those of other business segments. A geographic segment is responsible for providing products or services within a specific economic environment that are subject to risks and returns that are different from those of other segments operating in other economic environments.

Management has established a single business segment, which is the distribution of electric power, and its sole geographic segment is the province of Mendoza, since all of its revenue comes from this Province, and its assets are located there.

It should be noted that the information used by the Board of Directors for its management (net income for the year/period and shareholders' equity) does not differ from the information contained in the condensed interim financial statements.

NOTE 5. INCOME TAX

As detailed in Note 3.2., the Company uses the deferred tax method, so the income tax expense includes the current and deferred tax portion.

Income tax is recognized based on Management's estimate of the expected annual effective income tax rate for the full fiscal year.

On December 29, 2017, the National Executive Branch enacted Law No. 27,430 – Income Tax. Subsequently, on December 23, 2019, Law No. 27,541 on Social Solidarity and Productive Reactivation was enacted. Furthermore, on June 16, 2021, Law No. 27,630 was enacted, amending the rate established in Section 73 of the Income Tax Law by introducing differential tax rates based on net taxable income.

These laws have introduced several changes, as detailed in Note 5 to the financial statements as of December 31, 2025.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 5. INCOME TAX (Cont.)

- *Determination of income tax 2021*

The Company determined the current income tax for 2021 tax year by applying the systemic and comprehensive inflation adjustment mechanism, updating tax losses from fiscal years 2018 and 2019.

For the purposes of updating the aforementioned general tax losses, the methodology provided for in Section 25 of the Income Tax Law (revised text 2019) was followed. The determination of the current income tax through this mechanism resulted in an expense of $765 thousand (without restating), thus using all of the accumulated general tax losses for a nominal value of $1,726,346 thousand ($4,216,672 in thousands updated according to the mechanism mentioned in this paragraph).

Likewise, the income tax was estimated without applying the aforementioned mechanism using the total accumulated nominal tax losses, an estimate that resulted in an expense of $869,935 thousand (at values at the time of determining the current tax for 2021).

The Company, together with its legal and tax advisors, evaluated the results detailed in the preceding paragraphs in light of current tax regulations and considering, among other aspects, whether the effective rate for each of the cases generates a tax cost that consumes a substantial portion of the income obtained by the Company in order to determine whether, in its opinion, an excess over the reasonable limit of taxation would be configured and therefore a case of confiscatoriness would exist.

The assumption mentioned in the previous paragraph, regarding confiscatoriness, implies that the effective rate represents a percentage that exceeds reasonable tax limits and therefore a situation of confiscatoriness is configured, a situation that violates Section 17 of the National Constitution (cf. Legal doctrine of the ruling "Candy SA v. AFIP and others / Protective Action (Amparo)", judgment of 07/03/2009, Rulings 332:1571, and subsequent precedents). The legal doctrine of the Argentine Supreme Court of Justice would be fully applicable to these cases, since the existence of regulations that do not allow the application of the comprehensive and systematic adjustment for inflation would prevent, as occurred in "Candy", the recognition of the entire inflationary effect in its tax balance, causing the company to pay taxes on fictitious income.

Notwithstanding the foregoing, the Tax Authority could challenge the filing, and such challenge could be upheld by higher courts, as there was no uniform case law at the date of issuance of these condensed interim financial statements that reliably validates the position adopted by the Company. Management, based on the opinion of its legal and tax advisors, believes there are solid technical arguments supporting the approach adopted and, if the case is brought before a court, could lead to a favorable ruling for the Company.

NOTE 5. INCOME TAX (Cont.)

- *Determination of income tax 2021 (Cont.)*

As a conclusion of the aforementioned evaluation described in the previous paragraph, the determination of the current tax for the fiscal year ended December 31, 2021 was submitted to the tax authorities using the mechanics detailed in the first paragraph, applying the comprehensive inflation adjustment to the general tax losses originated in 2018 and 2019. This decision, in the opinion of Management and the legal and tax advisors, is based on, among other aspects, the following: i) the mechanism complies with current regulations, in particular with what was determined in the 2018 tax reform, and ii) the non-application of such methodology constitutes a case of confiscatory nature as previously explained.

Additionally, when filing its income tax return for the 2021 fiscal year, the Company submitted a "multi-note" explaining the calculation method used and the reasons for its use in conjunction with an injunction. The aforementioned injunction was rejected by the Federal Court of Mendoza No. 4 on July 8, 2022, and appealed by the Company on August 2, 2022. On October 6, 2022, the Federal Court of Mendoza upheld the appeal and granted the injunction requested by the Company for a period of 6 months or until the judgment is issued, whichever comes first. In addition to the measure, the Company was required to file a counter-guarantee, which EDEMSA submitted through a surety bond, and which was accepted by the Federal Court on October 13, 2022.

On August 19, 2024, the Federal Court of Mendoza notified EDEMSA of the judgment in which it decided to uphold the claim filed by EDEMSA against the AFIP, and, consequently, declare the inapplicability of the first paragraph of Section 93 of the Income Tax Law No. 20,628, as amended, to the specific case of the inflation adjustment mechanism for tax losses recorded by EDEMSA as from the 2018 fiscal year, in order to determine the final amount to be paid for the Income Tax corresponding to the 2021 fiscal year. Although this measure was appealed by the AFIP, on October 13, 2025, the Federal Court of Appeals of Mendoza upheld the first-instance ruling, rejecting the appeal filed by ARCA/AFIP.

Against the Court of Appeals' decision, ARCA/AFIP filed a Federal Extraordinary Appeal on November 13, 2025. EDEMSA responded to the notice served in connection with such appeal. Since November 18, 2025, the matter has been pending resolution.

- *Determination of income tax 2022*

For purposes of calculating and determining income tax for the 2022 tax period, the Company has allocated one third of the tax inflation adjustment (hereinafter "IA") amounting to $ 5,550,581 thousand (in amounts not restated), deferring the remaining two thirds totaling $ 11,101,162 thousand for the 2024 and 2025 periods.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 5. INCOME TAX (Cont.)

- *Determination of income tax 2022 (Cont.)*

Section 118 of Law No. 27,701 of the Budget for the fiscal year 2023 incorporated the text of Section 195 of the Income Tax which states that taxpayers that by application of Title VI of this law, by virtue of the occurrence of the assumption provided for in the last but one paragraph before last of Section 106, determine a positive inflation adjustment in the first and second fiscal year started as from and including January 1, 2022, may allocate one third (1/3) in that tax period and the remaining two thirds (2/3), in equal parts, in the two (2) immediately following tax periods.

The positive inflation adjustment, as set forth in the preceding paragraph, will only be applicable to individuals whose investment in the purchase, construction, manufacturing, processing, or definitive importation of fixed assets, except automobiles, during each of the two tax periods immediately following the calculation of the first third of the period in question, is greater than or equal to thirty billion pesos ($30,000,000,000). Failure to comply with this requirement will result in the loss of the benefit.

The Company, together with its legal and tax advisors, evaluated the aforementioned situation in light of current tax regulations and believe they have sufficient grounds to classify EDEMSA as a capital-intensive, highly leveraged company. Given that, within the universe of taxpayers for whom the inflation adjustment yields positive results, the possibility of accessing the deferral has been limited to those taxpayers who do not meet a certain investment level. In the opinion of our tax advisors, this would not be legitimate under our constitutional system, particularly in light of the principles of equality and reasonableness, and existing case law.

In addition, the Company has notified the AFIP by filing a notice (referred to as “multinota”) of the adopted tax treatment and has initiated, as expressly authorized by Section 322 of the Argentine Code of Civil and Commercial Procedure, a formal declaratory action of unconstitutionality in order for a court of law to exercise the corresponding control of constitutionality and provide certainty, putting an end to EDEMSA's current state of uncertainty, on the one hand, regarding the manifest unconstitutionality of the investment requirement for an amount equal to or greater than $ 30,000,000,000 (thirty billion pesos) for each of the two periods following the allocation of the first third of the inflation adjustment (a requirement that does not meet the adequate standard of reasonableness and grossly affects the principle of equality of tax treatment), which has been incorporated in Section 195 of the Income Tax Law by Section 118 of Law No. 27,701 of the Budget for the fiscal year 2023 and, on the other hand, regarding the inapplicability of the provisions of Title VI (Section 106 subsection c), d), et seq. and related sections.) of the Income Tax Law No. 20,628, as amended (hereinafter, “Income Tax Law”) to the specific case of EDEMSA's inflation adjustment mechanism, which yields a positive result that, in fact, shows a non-existent and fictitious, unreal taxable capacity, solely as a consequence of this settlement technique. As a whole, an injunction was requested.

NOTE 5. INCOME TAX (Cont.)

- *Determination of income tax 2022 (Cont.)*

The injunction was appealed by the AFIP and the Federal Court of Mendoza decided not to grant the appeal, and the injunction became final.

On June 12, 2024, AFIP/ARCA filed its response to the complaint, after which the evidentiary stage was opened. On August 5, 2025, the closing argument stage commenced and, since November 4, 2025, the case has been closed for judgment.

Notwithstanding the foregoing, and although tax and legal advisors estimate a favorable resolution, the Tax Authority could challenge the filing and such challenge could be upheld by higher courts due to the lack of uniform case law that reliably validates the position adopted by the Company.

- *Determination of income tax 2023*

For the purposes of determining and settling the Income Tax for fiscal year 2023, the Company has considered the debt with CAMMESA, which was subject to a special regularization plan in that fiscal year, as a non-computable liability for the purposes of calculating the tax inflation adjustment.

According to Section 106, subsection b) of the Income Tax Law, the amount corresponding to the debts must be computed as a liability exposed to inflation, clarifying that the provisions and allowances to be recorded will be those admitted by the Income Tax Law, which will be computed for the amounts it authorizes.

The Company, based on the opinion of its legal advisors, considers that the liability with CAMMESA is not computable for the purposes of calculating the tax inflation adjustment, due to its origin in exceptional circumstances that prevented the Company from continuing its operations at a normal pace during the COVID-19 emergency, together with the obligation to maintain the service regardless of its collection, adding the uncertainty regarding its debtor position, the definition of which depended on the evaluations of the supervisory power of the public service, beyond the favorable expectation generated by Law 27,591. The impact of the liability with CAMMESA on the calculation of the inflation adjustment would imply taking the effective rate of the Income Tax well above the legal rate, making this mechanism, in itself, unconstitutional by generating a fictitious income on which the Income Tax must fall.

Notes to the condensed interim financial statements (Cont.)

NOTE 5. INCOME TAX (Cont.)

- *Determination of income tax 2023 (Cont.)*

The treatment followed by the Company mentioned above represented a decrease in the income attributable to the tax inflation adjustment of $49,115,648 in thousands without restating.

Additionally, based on the arguments presented in the preceding point ("Determination of the 2022 income tax"), the Company has considered the same guidelines described in said section for the determination and settlement of the 2023 income tax, that is, one third of the tax inflation adjustment has been allocated, the amount of which amounts to $3,441,674 in thousands and has deferred the remaining two thirds totaling $6,883,348 in thousands for the years 2024 and 2025.

Likewise, the Company has notified the AFIP through the filing of a notice of the tax treatment adopted for the 2023 fiscal year and has initiated a declaratory action of unconstitutionality in order for a court to determine the aforementioned points.

In conjunction with this, an injunction was requested. In August 2024, the Federal Court of Mendoza granted the injunction requested by EDEMSA. The AFIP appealed the measure, and the Federal Court of Mendoza rejected the appeal and upheld the injunction.

On May 27, 2025, AFIP/ARCA filed its response to the complaint. The case is currently in the evidentiary stage.

Notwithstanding the foregoing, and even if legal advisors estimate a favorable resolution, the Tax Authority could challenge the filing, and such challenge could be upheld by higher courts.

- *Determination of income tax 2024*

For the purposes of determining and settling its Income Tax for fiscal year 2024, the Company updated the depreciation of property, plant and equipment and the amortization of intangible assets acquired prior to January 1, 2018, by applying the adjustment coefficients set forth in the second paragraph of Section 93 of Income Tax Law No. 20,628. This treatment represented an additional deduction in fiscal year 2024 amounting to $20,228,164 (in thousands, without restatement).

In the leading case “Candy SA v. AFIP and others / Protective Action (Amparo)” (judgment dated 07/03/2009, Rulings 332:1571), the Argentine Supreme Court of Justice ruled that a confiscatory situation arises when the effective Income Tax rate absorbs a substantial portion of the taxpayer’s income. The criterion set forth therein has subsequently been confirmed by the Argentine Supreme Court of Justice in numerous decisions.

Notes to the condensed interim financial statements (Cont.)

NOTE 5. INCOME TAX (Cont.)

- *Determination of income tax 2024 (Cont.)*

Additionally, for the purposes of determining and settling the Income Tax for fiscal year 2024, based on the arguments presented in the preceding paragraph ("Determination of the 2023 Income Tax"), the Company has considered the debt balance with CAMMESA, which was subject to a special regularization plan in fiscal year 2023, as a non-includable liability for purposes of calculating the tax inflation adjustment.

The treatment followed by the Company, as mentioned above, represented a decrease in income attributable to the tax inflation adjustment of $20,350,828 (in thousands, without restatement).

Accordingly, Company's Management considers that the impossibility of adjusting the depreciation and amortization charge for inflation purposes, together with the inclusion of the liability arising from the debt with CAMMESA in the tax inflation adjustment calculation, renders the Income Tax for fiscal year 2024 confiscatory, since it results in EDEMSA being subject to an effective tax rate significantly higher than the statutory 35% rate, which is inconsistent with the taxpayer's underlying economic and financial reality and, in fact, gives rise to a clear case of confiscation. Specifically, the adjustment mechanism established in Sections 87, 88 and 93 of the Income Tax Law, together with the inclusion of the liability with CAMMESA in the tax inflation adjustment, results in EDEMSA being subject to an effective Income Tax rate of 58.98% for fiscal year 2024.

Likewise, the Company notified AFIP of the tax treatment adopted for fiscal year 2024 by filing a formal submission (referred to as "multinota") and initiated a declaratory action of unconstitutionality in order to obtain judicial certainty regarding the matters described above. In conjunction with this, an injunction was requested. On August 28, 2025, the Federal Court of Mendoza granted the injunction requested by EDEMSA. AFIP/ARCA filed an appeal against such court decision, which is currently pending resolution.

On February 25, 2026, EDEMSA requested from the Federal Court an extension of the injunction and service of process of the complaint upon AFIP/ARCA.

Notwithstanding the foregoing, although the Company's tax and legal advisors expect a favorable outcome, the tax authorities could challenge the filing and such challenge could ultimately be upheld by higher courts.

The evolution and composition of deferred tax assets and liabilities are detailed below:

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 5. INCOME TAX (Cont.)

Account	Balance at the beginning of the fiscal period	Through profit or loss	Through other comprehensive income	Balance at period-end
	Assets/ (Liabilities)	Income/ (Loss)	Income/ (Loss)	Assets/ (Liabilities)
		2		
Tax losses carryforward (*)	-	-	-	-
Allowance for bad debts	3,350,377	393,233	-	3,743,610
Accounts payable, provisions and other charges	13,270,398	1,481,009	-	14,751,407
Other debts	(2,583,497)	538,247	-	(2,045,250)
Property, plant and equipment	(155,854,698)	(1,205,272)	-	(157,059,970)
Intangible assets	5,996	(1,054)	-	4,942
Borrowings	(3,971,458)	297,835	-	(3,673,623)
Social debts	3,514,937	15,841	-	3,530,778
Tax debts	(33,059,204)	541,048	-	(32,518,156)
Other	(445,819)	38,462	-	(407,357)
Total net deferred liabilities 03.31.2026	**(175,772,968)**	**2,099,349**	**-**	**(173,673,619)**
Total net deferred liabilities 12.31.2025	**(172,179,961)**	**(3,478,840)**	**(114,167)**	**(175,772,968)**

(*) The deferred tax asset arising from the accumulated tax losses carryforward recorded by the Company amounts to $ 3,753,267 (in thousands of $) and is shown net of provisions based on estimates of taxable income for applicable future years, within the established legal deadlines.

Below is a reconciliation between the income tax through profit or loss and the tax that would result from applying the tax rate in force in Argentina to the net income before taxes, for the fiscal periods ended March 31, 2026 and 2025:

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 5. INCOME TAX (Cont.)

	03.31.2026	03.31.2025
	In thousands of $	
Comprehensive income for the fiscal period before taxes	1,061,954	61,059,927
Current tax rate	35%	35%
Net loss for the fiscal period at tax rate	**(371,684)**	**(21,370,974)**
Amounts not deductible at the tax rate	(2,564,612)	(1,068,653)
Impact of taxable income	(2,813,257)	112,435
Adjustment for inflation of shareholders' equity and others (*)	(996,861)	337,443
Total income tax expense	**(6,746,414)**	**(21,989,749)**
- Current tax	(8,845,763)	(24,584,606)
- Variation between deferred net liabilities at fiscal period-end and at the beginning of the fiscal period through profit or loss	2,099,349	2,594,857
Total income tax expense	**(6,746,414)**	**(21,989,749)**

(*) Contains the effect of differential tax rates based on taxable net income in determining the current tax.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 6. COST OF SALES AND OPERATING EXPENSES

Accounts	Total as of 03.31.2026	Cost of sales	General and administrative expenses	Selling expenses	Total as of 03.31.2025
Purchase of energy	74,551,298	74,551,298	-	-	93,115,365
Materials	4,446,403	4,446,403	-	-	4,770,448
Directors' and statutory auditors' fees	70,540	54,922	8,551	7,067	55,428
Remunerations and social security contributions	18,560,768	9,619,086	4,932,347	4,009,335	15,405,969
Other materials and spare parts	1,229,599	1,027,227	116,882	85,490	1,552,533
Fuels and lubricants	515,966	465,925	26,387	23,654	552,575
Depreciation of property, plant and equipment (Note 15)	7,876,361	6,837,469	318,205	720,687	6,510,267
Maintenance and repairs	5,195,970	4,733,965	367,587	94,418	4,223,975
Insurance	262,792	-	262,792	-	227,465
Taxes, fees and contributions	2,607,350	8,975	374,758	2,223,617	2,949,155
Third-party fees and services	34,640,181	14,640,486	10,828,517	9,171,178	24,228,109
Advisor's fees (Note 2.2.10.)	2,475,132	1,927,138	300,033	247,961	2,901,426
Concession fee	6,728,066	6,728,066	-	-	8,123,795
Lawsuits and other claims	4,694,641	4,552,598	55,046	86,997	3,998,524
Training and other personnel expenses	1,762,340	38,947	1,714,376	9,017	2,044,499
Sundry	879,141	1,731	877,049	361	817,542
Total as of 03.31.2026	**166,496,548**	**129,634,236**	**20,182,530**	**16,679,782**	
Total as of 03.31.2025		**142,279,712**	**14,888,305**	**14,309,058**	**171,477,075**

Information required by Annex G in compliance with Section 1 Chapter III, Title IV of the TO / CNV.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 6. COST OF SALES AND OPERATING EXPENSES (Cont.)

Accounts	Total as of 03.31.2025	Cost of sales	Selling expenses	General and administrative expenses
Purchase of energy	93,115,365	93,115,365	-	-
Materials	4,770,448	4,770,448	-	-
Directors' and statutory auditors' fees	55,428	32,671	11,865	10,892
Remunerations and social security contributions	15,405,969	7,850,359	3,985,371	3,570,239
Other materials and spare parts	1,552,533	1,433,792	70,184	48,557
Fuels and lubricants	552,575	503,890	21,296	27,389
Depreciation of property, plant and equipment (Note 15)	6,510,267	5,651,563	263,015	595,689
Maintenance and repairs	4,223,975	3,411,895	769,780	42,300
Insurance	227,465	-	227,465	-
Taxes, fees and contributions	2,949,155	306,548	238,494	2,404,113
Third-party fees and services	24,228,109	11,578,171	5,666,337	6,983,601
Advisor's fees (Note 2.2.10.)	2,901,426	1,750,284	586,990	564,152
Concession fee	8,123,795	8,123,795	0	-
Lawsuits and other claims	3,998,524	3,713,252	227,528	57,744
Training and other personnel expenses	2,044,499	35,564	2,004,553	4,382
Sundry	817,542	2,115	815,427	-
Total as of 03.31.2025	**171,477,075**	**142,279,712**	**14,888,305**	**14,309,058**

Information required by Annex G in compliance with Section 1 Chapter III, Title IV of the TO / CNV.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 7. OTHER INCOME

	03.31.2026	03.31.2025
	In thousands of $	
	Profit / (Loss)	
Services rendered to third parties	327,425	361,172
Leases	695,342	1,046,702
Profit from sale of goods	419,969	12,241
Sundry	(307,676)	472,446
	1,135,060	**1,892,561**

NOTE 8. FINANCIAL INCOME AND EXPENSES AND EXCHANGE RATE DIFFERENCE, NET

	03.31.2026	03.31.2025
	In thousands of $	
	Profit / (Loss)	
FINANCIAL INCOME		
Changes in fair value of financial assets	-	9,561,275
Late payment charges	1,475,204	1,861,190
	1,475,204	**11,422,465**
FINANCIAL EXPENSES		
Changes in fair value of financial assets	(21,882,643)	-
Interest and other charges	(16,062,474)	(6,707,499)
Commercial interest	(2,767,426)	(2,885,571)
Tax and social interest	(941,309)	(842,526)
	(41,653,852)	**(10,435,596)**
FOREIGN EXCHANGE DIFFERENCE, NET		
Generated by assets	(3,629,309)	447,218
Generated by liabilities	13,755,322	(842,557)
	10,126,013	**(395,339)**

NOTE 9. CASH AND CASH EQUIVALENTS

	03.31.2026	12.31.2025
	In thousands of $	
Deposits in banks	2,810,786	58,006,150
Fixed fund and securities to be deposited	482,554	233,099
Mutual funds and others with maturity of less than 3 months	75,054,334	102,912,027
Total	**78,347,674**	**161,151,276**

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 9. CASH AND CASH EQUIVALENTS (Cont.)

The reconciliation of cash and cash equivalents from the condensed interim statement of cash flows to the items of the condensed interim statement of financial position is as follows:

	03.31.2026	12.31.2025	03.31.2025
	In thousands of $		
Cash and cash equivalents	78,347,674	161,151,276	38,254,503
Cash and cash equivalents at fiscal period/year-end	**78,347,674**	**161,151,276**	**38,254,503**

NOTE 10. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	03.31.2026	12.31.2025
	In thousands of $	
Public and private securities*	158,789,630	140,363,686
Other investments	-	1,750,784
Total	**158,789,630**	**142,114,470**

(*) Includes shares of Empresa Distribuidora y Comercializadora Norte S.A., whose value as of 03.31.2026 amounts to $2,540,397 thousand.

NOTE 11. OTHER FINANCIAL ASSETS AT AMORTIZED COST

	03.31.2026	12.31.2025
	In thousands of $	
Promissory notes	49,834,391	43,293,001
Other investments	13,869,906	15,084,595
Total	**63,704,297**	**58,377,596**

NOTE 12. TRADE RECEIVABLES

	03.31.2026	12.31.2025
	In thousands of $	
Billed energy	84,698,095	75,993,354
Provision for energy supplied not invoiced	75,000,328	78,070,967
Borrowings for subsidies	1,939,865	1,269,178
Securities to be deposited and others	2,435,043	1,699,808
Subtotal	**164,073,331**	**157,033,307**
Less		
Allowance for bad debts (Note 25)	(11,669,367)	(10,329,106)
Total	**152,403,964**	**146,704,201**

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to historical information on customer behavior. There are no past due borrowings to which the corresponding impairment criteria have not been applied.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 13. OTHER RECEIVABLES

	03.31.2026	12.31.2025
Current	**In thousands of $**	
Advanced payments	685,231	868,587
Tax credits	744,744	3,438,123
Advances to personnel	949,459	2,372,101
Non-electrical debtors	1,782,153	3,455,859
Advances to suppliers	14,287,718	16,293,800
Receivables with governmental organizations	227,151	149,985
Securities lending	59,705,459	66,915,796
Allowance for bad debts (Note 25)	(3,374)	(3,693)
Total	**78,378,541**	**93,490,558**
Non-current		
Receivables granted and miscellaneous	666	729
Total	**666**	**729**

NOTE 14. INVENTORIES

	03.31.2026	12.31.2025
Current	**In thousands of $**	
Materials and spare parts	36,951,437	38,983,475
	36,951,437	**38,983,475**
Non-current		
Materials and spare parts [(1)]	8,483,206	9,025,616
	8,483,206	**9,025,616**
Total	**45,434,643**	**48,009,091**

[(1)] The Company classifies materials and spare parts into current and non-current depending on their final destination and the period in which they are expected to be used. .

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 15. PROPERTY, PLANT AND EQUIPMENT

Detail	COST						DEPRECIATION		
	Value at the beginning of the year/period	Additions for the year/period	Disposal	Transfers	FEDEI Subsidies	Value at year/period-end	Accumulated at the beginning of the year/period	Disposal	For the period (1)
	In thousands of $								
Power grids and transformer stations	781,480,446	-	-	2,856,335	-	784,336,781	443,385,149	-	4,010,4
Land and buildings	97,560,118	-	-	10,755,352	-	108,315,470	35,481,775	-	822,5
Machinery	66,426,224	564,868	-	-	-	66,991,092	51,901,507	-	421,1
Chambers, platforms and distribution transformers	107,945,502	-	-	598,029	-	108,543,531	57,898,068	-	655,7
Works in progress	167,478,873	17,705,797	-	(15,580,439)	(347,709)	169,256,522	-	-	
Other	57,691,042	8,815	-	1,370,723	-	59,070,580	45,849,743	-	2,291,2
Provision for impairment (2)	(38,983,191)		-	-	-	(38,983,191)	(9,096,078)	-	(324,86
Total as of 03.31.2026	**1,239,599,014**	**18,279,480**	**-**	**-**	**(347,709)**	**1,257,530,785**	**625,420,164**	**-**	**7,876,3**
Total as of 12.31.2025	**1,143,843,981**	**98,090,482**	**(1,256,253)**	**-**	**(1,079,196)**	**1,239,599,014**	**598,062,351**	**(1,256,273)**	**28,614,0**

(1) Included in Note 6.
(2) Corresponds mainly to electrical networks and transformer stations.
Information required by Annex G in compliance with Section 1 Chapter III, Title IV of the TO / CNV.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 15. PROPERTY, PLANT AND EQUIPMENT (Cont.)

15.1. Restricted assets

The item "Other" in the preceding table includes assets that are not under finance lease agreements, in which the Company is the lessee, the amounts of which are shown below:

	03.31.2026	12.31.2025
	In thousands of $	
Cost – capitalized finance leases	610,672	610,672
Accumulated amortization	(267,742)	(236,708)
Net book value	**342,930**	**373,964**

The Company does not have legal ownership of such assets; however, given the characteristics of the contract, it has been recorded as a financed purchase as detailed in Note 2.1.15. to the financial statements as of December 31, 2025.

Based on the regulatory framework detailed in Note 1, the Company must refrain from selling, assigning, creating a mortgage, pledge, or other lien or right in rem in favor of third parties on assets used to provide public services, without prejudice to the free availability of those assets that in the future prove unsuitable or unnecessary for such purposes. This prohibition does not extend to the creation of rights in rem granted on an asset at the time of its acquisition as security for payment of the purchase price.

15.2. Fixed assets purchase commitments

Historical investments committed at period-end but not yet incurred are as follows:

	03.31.2026	12.31.2025
	In thousands of $	
Property, plant and equipment	33,276,601	38,061,917
	33,276,601	**38,061,917**

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 16. INTANGIBLE ASSETS

Items	COST	AMORTIZATION			
	Value at the beginning of the fiscal period/year	At the beginning of the year/period	For the year/period	Accumulated at year/period-end	
	In thousands of $				
Asset originated in EDEMSA's initial concession agreement	46,906,327	-	-	-	
Concession right - Law 6498 Decree No. 197/98	43,542,282	(39,793,066)	(1,451,437)	(41,244,503)	
Provision for impairment of intangible assets arising from the concession agreement	(46,906,327)	-	-	-	
Provision for impairment of concession rights	(43,542,282)	39,793,066	1,451,437	41,244,503	
Total as of 03.31.2026	-	-	-	-	
Total as of 12.31.2025	-	-	-	-	

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 17. TRADE ACCOUNTS PAYABLE, BENEFIT PLANS AND OTHER

17.1. TRADE AND OTHER ACCOUNTS PAYABLE

Current

	03.31.2026	12.31.2025
	In thousands of $	
- Accounts payable:		
Suppliers for energy purchases and others	36,007,853	52,716,354
Provision for energy purchase	24,903,920	27,482,850
Miscellaneous provisions and refunds to be made to users due to works	41,135,306	38,096,138
Provincial Tariff Compensation Fund	5,121,573	5,277,998
Subtotal	**107,168,652**	**123,573,340**
- Tax debts:		
Collections and withholdings to be paid	2,150,235	2,356,581
Tariff surcharges	16,484,118	14,438,451
Other tax debts	3,180,023	1,913,102
Subtotal	**21,814,376**	**18,708,134**
- Social debts:		
Remunerations and social security contributions, withholdings and others	2,812,120	4,187,541
Others provisions	11,568,682	15,913,846
Subtotal	**14,380,802**	**20,101,387**
- Others liabilities:		
Advances received (*)	28,661,176	21,766,318
Other	6,273,785	3,439,698
Subtotal	**34,934,961**	**25,206,016**
Total	**178,298,791**	**187,588,877**

(*) Includes advances under the Special Credit Regime, see Note 24.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 17. TRADE ACCOUNTS PAYABLE, BENEFIT PLANS AND OTHER (Cont.)

17.1. TRADE AND OTHER ACCOUNTS PAYABLE

Non-current

	03.31.2026	12.31.2025
	In thousands of $	
- Others liabilities:		
Other	393,379	430,523
Total	**393,379**	**430,523**

17.2. BENEFIT PLANS

Current	03.31.2026	12.31.2025
	In thousands of $	
Benefit plans	1,251,083	1,369,214
Total	**1,251,083**	**1,369,214**
Non-current		
Benefit plans	8,836,809	8,673,418
Total	**8,836,809**	**8,673,418**

NOTE 18. BORROWINGS

Current	03.31.2026	12.31.2025
	In thousands of $	
Lease liabilities	150,132	184,026
Corporate notes	100,544,993	110,017,763
Total	**100,695,125**	**110,201,789**
Non-current		
Lease liabilities	52,179	68,928
Corporate notes	232,322,567	266,431,817
Total	**232,374,746**	**266,500,745**

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 18. BORROWINGS (Cont.)

Global program for the issuance of Corporate Notes

On August 23, 2023, the Argentine Securities Commission authorized EDEMSA to create a global program for the issuance of simple, non-convertible into shares notes, for a maximum amount of up to US$80 million or its equivalent in other currencies and/or units of value and/or measure. As part of the aforementioned program, on May 6, 2024, EDEMSA issued Series 1 and Series 2 Corporate Notes and on November 29, 2024, it issued Series 3 and Series 4 Corporate Notes.

As of April 28, 2025, the CNV authorized an increase in the amount of the Global Program for the issuance of Corporate Notes up to the sum of US$400 million or its equivalent in other currencies and/or units of value and/or measure. Within this framework, on May 12, 2025, EDEMSA issued Series 3 additional Corporate Notes and Series 5 Corporate Notes, on July 28, 2025, it issued Series 6 Corporate Notes, and on December 18, 2025, it issued Series 3 additional Corporate Notes and Series 7 Corporate Notes.

Below is a detail of the corporate notes issued:

-Series 1 Corporate Notes, denominated in UVA, subscribed and paid in pesos at the Initial UVA value and payable in pesos at the applicable UVA value, at a fixed interest rate of 5%, maturing on May 6, 2026 for UVA 31,928,347, equivalent to $ 28,431,874 (in thousands) at the Initial UVA Value, and with quarterly interest payments (the first interest payment date being August 6, 2024). Principal and interest in respect of Series 1 Corporate Notes have been fully repaid at maturity.

-Series 2 Corporate Notes, denominated and payable in pesos at a variable interest rate corresponding to the sum of the Private Badlar Rate plus a margin of 7% due on May 6, 2025 for $6,607,014 (in thousands) and with quarterly interest payments (the first interest payment date being August 6, 2024). Principal and interest in respect of Series 2 Corporate Notes have been fully repaid at maturity.

-Series 3 Corporate Notes, denominated, subscribed and payable in US dollars in the country, at a fixed interest rate of 8%, maturing on November 29, 2027 for US$ 16,088 (in thousands) and with semi-annual interest payments (the first interest payment date being May 29, 2025).

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 18. BORROWINGS (Cont.)

Global program for the issuance of Corporate Notes (Cont.)

-Series 3 Additional Corporate Notes, issued in May 2025 for US$12,333 (in thousands) and in December 2025 for US$5,158 (in thousands), with the same conditions of payment as Series 3 Corporate Notes.

-Series 4 Corporate Notes, denominated and payable in pesos at a variable interest rate corresponding to the sum of the Private Badlar Rate plus a margin of 7%, maturing on November 29, 2025, for $17,045,539 (in thousands) and with quarterly interest payments (the first interest payment date being March 1, 2025). Principal and interest in respect of Series 4 Corporate Notes have been fully repaid at maturity.

-Series 5 Corporate Notes, denominated, subscribed, paid-in and payable in pesos at a variable interest rate corresponding to the Private TAMAR Rate plus a margin of 7%, maturing on May 12, 2026 for $13,948,834 (in thousands) and with quarterly interest payments (the first interest payment date being August 12, 2025). The Series 5 Corporate Notes have been fully repaid at maturity.

-Series 6 Corporate Notes, denominated, subscribed, paid-in and payable in US dollars. They were issued at a price of 92.93% of their nominal value, for an aggregate amount of USD 150 million payable in US dollars. They accrue step-up interest at 9.75% until July 28, 2029, 10.75% until July 28, 2030, and 11.75% until maturity in 2021 (the first interest payment date being January 28, 2026). Amortization of principal will be made in three installments on July 28, 2029 (33.33%), July 28, 2030 (33.33%) and July 28, 2031 (33.34%).

-Series 7 Corporate Notes, denominated, subscribed, paid-in and payable in pesos at a variable interest rate corresponding to the Private TAMAR Rate plus a margin of 6.5% maturing on December 18, 2026 for $22,400,096 (in thousands) and with quarterly interest payments (the first interest payment date being March 18, 2026). The Series 7 Corporate Notes have been fully repaid at maturity.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 18. BORROWINGS (Cont.)

Global program for the issuance of Corporate Notes (Cont.)

Series	Issue date	Currency	Amount (in thousands)	Interest rate	Amortization	Expiration date	Interest payment
1	5/6/24	UVA	31,928 (UVA)	5%	Bullet (repaid)	5/6/24	quarterly
2	5/6/24	Pesos	6,607,014	Badlar + 7%	Bullet (repaid)	5/6/2025	quarterly
3	11/29/24	Dollars	16,088	8%	Bullet	11/29/2027	semi-annual
3 additional	5/12/25	Dollars	12,333				
3 additional	12/18/25	Dollars	5,158				
4	11/29/24	Pesos	17,045,539	Badlar + 7%	Bullet (repaid)	11/29/2025	quarterly
5	5/12/25	Pesos	13,948,834	Tamar + 7%	Bullet	5/12/2026	quarterly
6	7/28/25	Dollars	150,000	Step-up	In 3 installments maturing on July 28, 2029, 2030 and 2031	7/28/2031	semi-annual
7	12/18/25	Pesos	22,400,096	Tamar + 6.5%	Bullet	12/18/2026	quarterly

Pursuant to the International Financial Reporting Standards (IFRS 9), this debt was initially recognized at fair value. As of March 31, 2026, the debt was valued at amortized cost and amounted to $332,867,560 (in thousands) (as of December 31, 2025, $ 376,449,582 (in thousands restated)). It was disclosed under “Borrowings - Corporate Notes” classified as current and non-current pursuant to the terms of the issue. Interest accrual on this debt is included in "Financial expenses" under "Interest and other charges" in the condensed interim statement of comprehensive income.

On November 10, 2025, EDEMSA acquired 306,744 Series 1 Corporate Notes, which remain outstanding as of the closing date of these condensed interim financial statements. Their value has been deducted from the line item “Borrowings - Corporate Notes” in the amount of $573,406 (in thousands).

As of the date of issuance of these condensed interim financial statements, all payments have been made.

The fair value of Series 3 Corporate Notes as of March 31, 2026 amounts to approximately US$ 34,418 (in thousands). Such value was calculated based on the estimated market price of Series 3 Corporate Notes at period-end. The applicable fair value category is Level 1. The other classes of Corporate Notes issued were not actively traded in the markets as of the issuance date of these condensed interim financial statements.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 18. BORROWINGS (Cont.)

Global program for the issuance of Corporate Notes (Cont.)

The terms and conditions of the Corporate Notes include a series of covenants such as:

- The Issuer must pay the Corporate Notes at maturity.
- The Issuer undertakes to maintain its corporate existence and all necessary records for this purpose and to adopt all necessary measures to maintain all rights, titles and permits necessary for the normal course of business.
- The Issuer shall keep records of all financial transactions and all assets, in accordance with generally accepted accounting principles in Argentina.
- The Issuer shall comply with all applicable laws, rules and resolutions of each governmental body having jurisdiction over it or its activities.
- The Issuer must maintain and keep current insurance policies.
- The Issuer may not change the closing of its fiscal year or its corporate purpose, make or allow any change in the accounting policies that affect the presentation of its financial statements.

Series 6 Corporate Notes were issued pursuant to Rule 144A and Regulation S under the United States Securities Act of 1933 and are listed on the Luxembourg Stock Exchange and admitted to trading on its Euro MTF Market, as well as on Bolsas y Mercados Argentinos S.A. (BYMA) and A3 Mercados S.A.

The main covenants undertaken in connection with such issuance are detailed below:

- Limitation on indebtedness: Additional indebtedness may be incurred provided that no default has occurred and (i) the leverage ratio does not exceed: 3.50 to 1.00, if the transaction occurs prior to January 1, 2027; and 3.00 to 1.00, if the transaction occurs on or after January 1, 2027.

  Notwithstanding the foregoing, no indebtedness may be incurred if the total indebtedness of EDEMSA and its restricted subsidiaries exceeds the lesser of the following amounts: (i) US$ 330 million, or (ii) an amount equal to 3 (three) times EBITDA for the most recently ended period of four consecutive fiscal quarters.

- Restriction on transactions with affiliates, unless conducted on an arm’s length basis.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 18. BORROWINGS (Cont.)

Global program for the issuance of Corporate Notes (Cont.)

- Limitation on restricted payments: EDEMSA shall not, and shall not cause or permit any of its Restricted Subsidiaries to, directly or indirectly, undertake 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, 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) a cash balance of at least US$ 60 million (the "Minimum Cash Balance") and a leverage ratio not exceeding 2.00 to 1.00 are maintained; 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 not prohibited in an aggregate amount not exceeding 10.00% of EDEMSA's consolidated tangible assets, provided that: (i) the aggregate amount of restricted payments made during any fiscal year does not exceed 2.00% of consolidated tangible assets; and (ii) the Minimum Cash Balance is maintained after giving effect to such Restricted Payment.

- Limitations on mergers, consolidations, spin-offs and transfers.

The Company must submit to the Trustee, on an annual basis and for the second fiscal quarter, a certificate evidencing compliance with the covenants.

The Company applied the proceeds from the issuance of the Corporate Notes to investments in infrastructure projects, working capital and general purposes. In particular, to date, the proceeds from the Corporate Notes are being allocated to electrical infrastructure works within the concession area, advances for the purchase of materials and payments to regular suppliers, among other intended uses.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 18. BORROWINGS (Cont.)

Evolution of borrowings

The following shows the evolution of borrowings for the three-month period ended March 31, 2026 and for the 12-month year started on January 1, 2025 and ended December 31, 2025.

	03.31.2026	12.31.2025
	In thousands of $	
Balances at the beginning of the period/year	**376,702,534**	**118,641,205**
Monetary position loss	(31,893,522)	(61,350,785)
New borrowings	-	288,046,581
Accrual of interest	3,834,539	92,645,917
Payments and other transactions	(15,573,680)	(60,720,241)
Subtotal	**333,069,871**	**377,262,677**
Partial repurchase of Series 1 Corporate Notes	-	(560,143)
Balances at year/period-end	**333,069,871**	**376,702,534**

In April 2026, the Company obtained short-term bank loans in the amount of $40,000,000 (in thousands), and on May 6, 2026, the company fully repaid Series 1 Corporate Notes for $61,665,556 (in thousands). On that same date, the Company transferred $13,948,734 (in thousands) for the repayment of Series 5 Corporate Notes.

NOTE 19. PROVISIONS

	Lawsuits	Fines	Total
Three-month period ended March 31, 2026	In thousands of $		
Opening balances	892,670	29,786,068	30,678,738
Effect monetary position loss	(77,016)	(2,569,835)	(2,646,851)
Increases	55,046	4,520,245	4,575,291
Uses and other movements	(79,039)	(4,158,435)	(4,237,474)
Balances as of 03.31.2026 (1)	**791,661**	**27,578,043**	**28,369,704**
Fiscal year ended December 31, 2025			
Opening balances	**629,368**	**46,220,632**	**46,850,000**
Monetary position loss	(150,938)	(11,084,891)	(11,235,829)
Increases	918,002	18,454,024	19,372,026
Uses and other movements	(503,762)	(23,803,697)	(24,307,459)
Balances as of 12.31.2025 (2)	**892,670**	**29,786,068**	**30,678,738**

(1) The balance includes $ 28,169,223 (in thousands) as a current portion and $ 200,481 (in thousands) as a non-current portion.

(2) The balance includes $ 30,452,677 (in thousands, restated as of 03.31.2026) as a current portion and $ 226,061 (in thousands, restated as of 03.31.2026) as a non-current portion.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

(3)

Notes to the condensed interim financial statements (Cont.)

NOTE 20. TERMS AND INTEREST RATES OF CREDITS, BORROWINGS AND DEBTS PAYABLE IN FOREIGN CURRENCY

As of March 31, 2026, the composition of trade and other receivables, trade and other accounts payable, borrowings, provisions, according to their estimated collection/payment terms, is as follows:

Maturity term	Trade and other receivables [1]	Borrowings	Trade and other accounts payable	Provisions	Deferred tax liabilities
Without maturity	**-**	**-**	**-**	**200,481**	**173,673,619**
With maturity	-	-	-	-	-
Past due:	-	-	-	-	-
-From one to three months	17,186,141	-	219,841	-	-
-From three to six months	68,942	-	-	-	-
-From six to nine months	60,040	-	-	-	-
-From nine to twelve months	53,457	-	-	-	-
- More than a year	245,687	-	-	-	-
Total past due	**17,614,267**	**-**	**219,841**	**-**	**-**
To become due and payable:	-	-	-	-	-
- Up to three months	206,054,992	75,146,005	202,257,617	10,847,650	-
- From three to six months	2,548,384	3,406,158	3,908,869	5,576,798	-
- From six to nine months	2,278,287	22,105,429	4,321,053	5,576,798	-
- From nine to twelve months	2,286,575	37,533	8,175,155	6,167,977	-
- More than a year	666	232,374,746	32,133,411	-	-
Total to become due and payable	**213,168,904**	**333,069,871**	**250,796,105**	**28,169,223**	**-**
Total with maturity	**230,783,171**	**333,069,871**	**251,015,946**	**28,169,223**	**-**
Total	**230,783,171**	**333,069,871**	**251,015,946**	**28,369,704**	**173,673,619**

- Trade receivables accrue interest at a rate determined by the current supply regulations.

- The liability corresponding to CAMMESA accrues interest as detailed in Note 24, tax debts according to rates defined by the regulators and borrowings for corporate notes as detailed in Note 18.

(1) Corresponds to trade and other receivables, net of related provisions.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 20. TERMS AND INTEREST RATES OF CREDITS, BORROWINGS AND DEBTS PAYABLE IN FOREIGN CURRENCY (Cont.)

As of December 31, 2025, the composition of trade and other receivables, trade and other accounts payable, borrowings, provisions and other charges, according to their estimated collection/payment terms, is as follows:

Maturity term	Trade and other receivables (1)	Borrowings	Trade and other accounts payable	Provisions	Deferred tax liabilities
	In thousands of $				
Without maturity	**-**	**-**	**-**	**226,061**	**175,772,968**
With maturity					
Past due:					
-From one to three months	15,464,262	-	108,465	-	-
-From three to six months	1,183,303	-	-	-	-
-From six to nine months	350,663	-	-	-	-
-From nine to twelve months	117,799	-	-	-	-
- More than a year	285,405	-	-	-	-
Total past due	**17,401,432**	**-**	**108,465**	**-**	**-**
To become due and payable:					
- Up to three months	148,687,197	9,735,138	179,899,489	7,883,889	-
- From three to six months	69,340,338	76,006,412	37,418,796	7,300,727	-
- From six to nine months	2,396,236	54,429	3,360,157	7,300,727	-
- From nine to twelve months	2,369,556	24,405,810	5,617,982	7,967,334	-
- More than a year	729	266,500,745	33,618,647	-	-
Total to become due and payable	**222,794,056**	**376,702,534**	**259,915,071**	**30,452,677**	**-**
Total with maturity	**240,195,488**	**376,702,534**	**260,023,536**	**30,452,677**	**-**
Total	**240,195,488**	**376,702,534**	**260,023,536**	**30,678,738**	**175,772,968**

- Trade receivables accrue interest at a rate determined by the current supply regulations.

- The liability corresponding to CAMMESA accrues interest as detailed in Note 24, tax debts according to rates defined by the regulators and borrowings for corporate notes as detailed in Note 18.

(1) Corresponds to trade and other receivables, net of related provisions.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 21. RELATED PARTY TRANSACTIONS

The balances with companies under Section 33 General Companies Law No. 19,550 and with other related parties as of March 31, 2026 and December 31, 2025 are as follows:

As of 03.31.2026	Trade and other receivables	Trade and other accounts payable
	In thousands of $	
Parent company		
Sodem S.A.	5,180	-
Other related parties		
Government of the Province of Mendoza and its entities [1]	633,324	(6,832,555)
PPP Shareholders	82,641	-
Mendinvert S.A.	1,263	-
Inversora Andina de Electricidad S.A.	70,116	-
Controlled company		
Edemsa Servicios S.A.U.[2]	2,613	-
Total	**795,137**	**(6,832,555)**

As of 12.31.2025	Trade and other receivables	Trade and other accounts payable
	In thousands of $	
Parent company		
Sodem S.A.	4,462	-
Other related parties		
Government of the Province of Mendoza and its entities [1]	527,307	(6,103,165)
PPP Shareholders	90,444	-
Mendinvert S.A.	1,382	-
Inversora Andina de Electricidad S.A.	75,528	-
Controlled company		
Edemsa Servicios S.A.U. [2]	1,651	-
Total	**700,774**	**(6,103,165)**

(1) It mainly includes credits and debts with the Government of the Province of Mendoza (shareholder) and its dependent entities. Among the credits are the Special Fund for the Development of Electricity in the Interior $ 2,192 (in thousands) (12.31.2025: $ 2,400 in thousands restated as of 03.31.2026), the Provincial Government $ 406,173 (in thousands) (12.31.2025: $ 377,324 in thousands restated as of 03.31.2026) and Contributions to the Digital Platform Fund $224,959 (in thousands) (12.31.2025: $ 147,583 in thousands restated as of 03.31.2026). In relation to the debts, they are composed of the Provincial Infrastructure Fund and Fopiatzad $ 707,601 (in thousands) (12.31.2025: $ 394,646 in thousands restated as of 03.31.2026); FEDEI Repayable Contributions $1,003,382 (in thousands) (12.31.2025: 430,522 in thousands restated as of 03.31.2026) and Provincial Tariff Compensation Fund $ 5,121,572 (in thousands) (12.31.2025: $ 5,277,997 in thousands restated as of 03.31.2026).

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 21. RELATED PARTY TRANSACTIONS (Cont.)

(2) On April 3, 2019, the Company acquired 100% of the shares of Lemunko SA for $83 (in thousands), which was later renamed EDEMSA Servicios S.A.U. On that date, the Company accounted for the purchase of the share package at its purchase cost, which does not differ significantly from the acquisition cost that would have been obtained by applying the acquisition method established by IFRS 3 for business combinations. On September 10, 2021, a capital increase was resolved in EDEMSA Servicios SAU of $ 1,000 (in thousands), through the capitalization of the credit in favor of EDEMSA as of May 31, 2021 for $ 198 (in thousands) and the realization of a monetary contribution of $ 802 (in thousands) paid in on December 29, 2021. Given that the acquired company is not operational and does not have significant movements between the date of purchase of the shares and the closing date of the fiscal year and that the balances of assets and liabilities of the subsidiary are not significant, the Company has not prepared consolidated financial statements, understanding that they do not provide additional information of relevance to these financial statements. The value of said investment under the equity method as of period-end amounts to $637 (in thousands) and is shown in the item "Other non-current borrowings" in the line "Borrowings granted and miscellaneous."

Related party transactions

As of March 31, 2026, the Company accounted for a debt for fees payable to directors in the amount of $ 110,913 (in thousands) (12.31.2025: $ 94,869 in thousands restated as of 03.31.2026). Additionally, the Company accounted for a credit with management personnel for advances in the amount of $ 236,783 (in thousands) (12.31.2025: $ 267,057 in thousands restated as of 03.31.2026).

Transactions with companies under Section 33 General Companies Law No. 19,550 and with other related parties except public entities as of March 31, 2026 and December 31, 2025 are as follows:

	03.31.2026	12.31.2025
Company	**In thousands of $**	
IADESA/ Sodem S.A. /Mendinvert S.A. / Andina Electricidad S.A. - transfers made	(4,813)	53,884
Government of Mendoza (Provincial Tariff Compensation Fund) – Returns submitted net of payments made	156,425	377,100
Government of Mendoza (Provincial Infrastructure Fund and Fopiatzad) – Returns submitted net of payments made	(842,424)	- 151,445
Government of Mendoza – Sale of energy and other services net of charges	62,626	349,834
PPP Shareholders – Payment of personal property tax as substitute taxpayer	(7,803)	88,704
Key management personnel – variation in fees and advances	(46,318)	140,053
Edemsa Servicios S.A.U. – variation	961	538

The Company has not engaged in any significant transactions other than those in the normal course of business with companies pursuant to Section 33 of the General Companies Law No. 19,550 and other related parties during the period ended March 31, 2026 and the fiscal year ended December 31, 2025. The direct controlling entity of the Company is Sodem S.A. The ultimate controlling entity is Andina Energies Plc.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 22. FINANCIAL RISK MANAGEMENT

The Company's activities exposed it to several financial risks: market risk (including foreign exchange risk, fair value risk due to interest rate and price risk), credit risk and liquidity risk.

The condensed interim financial statements do not include all the information required for the annual financial statements as regarding risk management. They should be read in conjunction with the financial statements for the fiscal year ended December 31, 2025.

NOTE 23. CAPITAL MANAGEMENT

The Company's objectives in managing its capital are to safeguard its capital so that it can continue providing the electric power distribution service.

Capital management is measured by the solvency ratio (Shareholders' Equity/Liabilities), which as of March 31, 2026 is 0.53, higher than the 0.50 ratio observed as of December 31, 2025. This increase is due to the decrease in liabilities during the 2026 period.

On March 31, 2025, the shareholders' meeting decided to use the accumulated retained earnings as of December 31, 2024 of $ 58,440,278 in thousands ($ 84,136,454 in thousands restated as of 03.31.2026) to: (i) constitute the Legal Reserve for the year, in the amount of $ 2,879,257 in thousands ($ 4,145,264 in thousands restated as of 03.31.2026); (ii) absorb the other comprehensive income/loss, in the amount of $ 855,148 in thousands ($ 1,231,157 in thousands restated as of 03.31.2026); and (iii) the remaining balance of the Retained earnings for the sum of $54,705,873 in thousands ($78,760,033 in thousands restated as of 03.31.2026) to be allocated to a Voluntary Reserve in order to reinforce the Company's structure, until the capital and financial structure is finally consolidated after the tariff increases and the debt issues in the capital market.

On April 27, 2026, the shareholders' meeting decided to use the retained earnings as of December 31, 2025 of $54,427,287 ($59,566,471 in thousands restated as of 03.31.2026) to: (i) constitute the Legal Reserve for the year, in the amount of $2,721,364 ($2,978,323 in thousands restated as of 03.31.2026); (ii) absorb the other comprehensive income/loss, in the amount of $249,012 ($272,524 in thousands restated as of 03.31.2026); and (iii) allocate the remaining balance of Retained earnings in the amount of $51,705,923 ($56,588,146 in thousands restated as of 03.31.2026) to a Voluntary Reserve in order to reinforce the Company's structure until the capital and financial structure is finally consolidated following the tariff increases and the debt issuances in the capital markets.

The condensed interim financial statements should be read in conjunction with the financial statements for the fiscal year ended December 31, 2025.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 24. DEBT SITUATION WITH CAMMESA

Agreement signed in 2023 for the regularization of obligations

Between 2018 and 2021, various tariff arrears caused the Company to incur debt with CAMMESA. Furthermore, as a result of the COVID-19 pandemic, the National Government, through Decree No. 260/20 (Official Gazette of March 12, 2020), extended the health emergency established by Law No. 27,541 and issued a series of national and provincial regulations that established limitations on the suspension or disconnection of electricity service to users for non-payment, among other measures.

This context had an unfavorable impact on the entire electric power distribution sector, so, in order to establish a special procedure for the normalization of the payment chain in the MEM, through Section 87 of Law No. 27,591, the Ministry of Energy established a special system for the regularization of obligations. These measures were regulated by the Ministry of Energy, and various complementary regulatory provisions were issued.

In this context and within the framework of this national regulation, EDEMSA has entered into a series of related agreements: a) Special Regime Agreement for the Regularization of Obligations - Section 1 of SE Resolution No. 40/21 and SE Resolution No. 642/22; b) Transactional Agreement with the Provincial Government and c) Offer Letter to Regularize Debt with CAMMESA.

As regards the latter, on August 31, 2023 EDEMSA issued an Offer letter for the Regularization of Obligations with the Ministry of the Economy and Finance (MEM), which was received and accepted by CAMMESA on September 4, 2023, and September 14, 2023, respectively, and through which a debt regularization payment plan was implemented. EDEMSA agreed to pay the recognized debt less the credits recognized by the Secretariat of Energy, resulting in an original financed amount of ARS 7,384,213,644. The payment plan considers a grace period of 6 months from the date of the agreement, a payment term of 96 monthly installments (increasing installments with semi-annual capitalization) and an interest rate equivalent to 50% of the rate in force in the MEM. In this context, the refinanced and updated debt balance as of January 28, 2024 (time of end of the grace period) amounted to ARS 17,668,914,612, with the first installment due in February 2024.

Failure to pay on time any of the obligations assumed by the DISTRIBUTOR corresponding to the agreed payment plan and/or failure to pay the total current billing that the DISTRIBUTOR is obligated to cancel as of September 1, 2022 for its energy and power purchases, will be reported by CAMMESA to the National Secretariat of Energy, who may order the termination of the Memorandum of Agreement or a part of it, as long as the DISTRIBUTOR does not remedy the breach within ten business days of being notified in writing by CAMMESA to that effect.

Pursuant to International Financial Reporting Standards (IFRS 9), the new debt resulting from the agreement entered into with CAMMESA was initially recognized in fiscal year 2023 at its fair value, which results from discounting the flow of installments at an estimated market rate.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 24. DEBT SITUATION WITH CAMMESA

Agreement signed in 2023 for the regularization of obligations (Cont.)

As of fiscal period-end, this debt is valued at amortized cost and amounts to $ 27,297,931 (in thousands) and as of December 31, 2025, it is valued at $ 27,925,072 (in thousands restated as of 03.31.2026), having been disclosed under the "Other debts" caption, classified as current and non-current depending on the maturity of the agreed installments. This payment plan is being fulfilled and there are no unpaid maturities at year-end.

Interest accrued on this debt for the period ended March 31, 2026 amounts to $2,543,504 (in thousands) (03.31.2025: $2,694,155 in thousands restated as of 03.31.2026) and is included under “Financial expenses” in the line item “Commercial interest” of the condensed interim statement of comprehensive income.

Memorandum of Agreement - Special Credit Regime

Section 1 of Ruling No. 1/2025 issued by the National Undersecretariat of Electric Power, within the framework of Section 8 of Decree No. 186/2025, approved a Special Credit Regime for electricity distribution companies that, as of December 31, 2023, had no outstanding unregularized debt with CAMMESA and had fully settled all transactions corresponding to 2024 and through March 2025.

Within this framework, on July 10, 2025, EDEMSA and the Undersecretariat of Electric Power executed a Memorandum of Agreement pursuant to which the Undersecretariat acknowledged a credit in favor of the distribution company in the amount of $46,344,514 (in thousands) (equivalent to two transactions corresponding to February 2025), which will be granted in 12 equal and consecutive monthly installments to be reflected as a credit in the invoice issued monthly by CAMMESA beginning in August 2025.

In turn, EDEMSA undertook to execute a works plan aimed at improving the electrical infrastructure within its concession area, in accordance with the detail attached to the Memorandum of Agreement, for a total amount of $46,344,492 (in thousands).

As of March 31, 2026, EDEMSA recorded $28,617,785 (in thousands) (12.31.2025: $21,766,318 in thousands restated as of 03.31.2026) as Advances received (net of submitted work certifications) under the caption “Trade and other accounts payables – Other liabilities – Advances received.”

Failure by EDEMSA to comply with the obligations undertaken under the Memorandum of Agreement and/or failure to pay the current invoicing for energy purchases shall result in termination of the agreement and loss of the recognized benefits, entitling CAMMESA to prepare a new debt settlement, if applicable, and apply the corresponding interest and surcharges.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 25. EVOLUTION OF PROVISIONS

Accounts	Balances at the beginning of the period/year	Effect due to monetary position	Increases	Decreases	Balances as of 03.31.2026	Balances as of 12.31.2025
	In thousands of $					
Deducted from assets						
Current assets						
Allowance for bad debts – trade receivables	10,329,106	(891,158)	2,307,825	(76,406)	11,669,367	10,329,106
Allowance for bad debts - other receivables	3,693	(319)	-	-	3,374	3,693
Total Assets as of 03.31.2026	**10,332,799**	**(891,477)**	**2,307,825**	**(76,406)**	**11,672,741**	
Total Assets as of 12.31.2025	**5,587,579**	**(1,340,044)**	**6,893,107**	**(807,843)**		**10,332,799**
Deducted from Liabilities						
Current liabilities						
Provisions	30,678,738	(2,646,851)	4,575,291	(4,237,474)	28,369,704	30,678,738
Total Assets as of 03.31.2026	**30,678,738**	**(2,646,851)**	**4,575,291**	**(4,237,474)**	**28,369,704**	
Total Assets as of 12.31.2025	**46,850,000**	**(11,235,829)**	**19,372,026**	**(24,307,459)**		**30,678,738**

Information required by Annex G in compliance with Section 1 Chapter III, Title IV of the TO / CNV.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Notes to the condensed interim financial statements (Cont.)

NOTE 26. ASSETS AND LIABILITIES IN FOREIGN CURRENCY

Account	Type of Currency	Amount of foreign currency	Current exchange rate (1)	Amount in Argentine currency as of 03.31.2026	Amount in Argentine currency as of 12.31.2025
		In thousands		In thousands of $	
Assets					
Current assets					
Cash and cash equivalents	USD	33,506	1,373	46,003,738	132,453,809
Cash and cash equivalents	(2)	-	-	6,963,640	-
Financial assets at fair value through profit or loss (Securities)	(2)	-	-	142,792,324	122,851,555
Financial assets at fair value through profit or loss (Others)	USD	-	-	-	1,750,667
Other financial assets at amortized cost	USD	-	-	1,883,373	2,006,655
Other receivables	USD	7,715	1,373	10,592,695	14,120,964
Other receivables (Securities lending)	(2)	-	-	35,791,679	66,915,796
Total current assets				**244,027,449**	**340,099,446**
Total Assets				**244,027,449**	**340,099,446**
Liabilities					
Current liabilities					
Trade and other accounts payable	USD	2,801	1,382	3,870,982	6,582,921
Corporate notes	USD	3,321	1,382	4,589,622	10,055,913
Total Current Liabilities				**8,460,604**	**16,638,834**
Non-current liabilities					
Corporate notes	USD	168,106	1,382	232,322,492	266,431,543
Total non-current Liabilities				**232,322,492**	**266,431,543**
Total Liabilities				**240,783,096**	**283,070,377**

(1) At the exchange rate in effect on March 31, 2026 – Banco de la Nación Argentina currency.
(2) Investments linked to foreign currency.
USD (United States dollar)

Information required by Annex G in compliance with Section 1 Chapter III, Title IV of the TO / CNV.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Reporting Summary

I. COMMENTS ON 2026 ACTIVITIES

Sales in monetary units during the first quarter of fiscal year 2026 decreased by 15% compared to the same period of the previous fiscal year. This decrease is due both to a reduction in the cost of energy purchases (directly shifted to the tariff through the pass-through mechanism) and to a decrease in the Distribution Added Value (VAD). The VAD for the first quarter of 2025 included certain increases corresponding to 2024 that were granted in monthly installments, impacting the first months of 2025 but not the first quarter of 2026.

The decrease in Sales was also affected by physical energy sales, which fell by 7.9%, due to the overall decrease across all tariff categories and mainly because of the reduction in consumption under the T2 agricultural irrigation tariff as a result of weather conditions.

Energy losses remained relatively stable, with the TAM (Rolling Annual Rate) decreasing slightly from 16.88% in the first quarter of 2025 to 16.87% in the first quarter of 2026. Investments and commercial management efforts have made it possible to keep this issue under control amidst a very challenging environment.

Cost of sales decreased by 9%. The main reason, as mentioned above, is the 20% decrease in energy purchase costs due to lower prices in real terms and reduced physical demand. On the other hand, distribution costs show increases in third-party fees and services and maintenance and repairs (due to higher activity levels and increases granted during the fiscal year), an increase in remunerations due to salary adjustments granted during the period, and a decrease in concession fees as a result of the reduction in VAD, which is the basis for calculating such fee.

All of this resulted in a 24% decrease in gross profit, from $89,834,358 (in thousands) during the first quarter of 2025 to $68,376,342 (in thousands) during the same period of 2026.

Selling operating expenses increased by 17% and administrative expenses increased by approximately 36%, primarily due to an increase in third-party fee and services (higher activity levels and contractor costs).

As a result of the foregoing, operating income for the period amounts to a profit of $30,341,264 (in thousands), compared to $61,136,960 (in thousands) in the same period of 2025.

Regarding financial results, there was a decrease in financial income and an increase in financial costs. This was mainly due to the change in the fair value of financial assets, which represented a gain in the previous fiscal year and a loss during this quarter, largely because of the decline in the value of U.S. dollar-denominated financial investments resulting from the decrease in the exchange rate. Financial costs also increased due to higher interest expenses resulting from the increased level of indebtedness arising from the issuance of Corporate Notes.

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Reporting Summary

I. COMMENTS ON 2026 ACTIVITIES (CONT.)

On the other hand, foreign exchange differences show a net gain during the period generated by U.S. dollar-denominated financial indebtedness in a context of declining exchange rates, as mentioned above.

After considering financial results, income before income tax for the period amounted to a profit of $1,061,954 (in thousands) (vs. a profit of $61,059,927 in thousands during the first quarter of 2025).

Net income after taxes for the first quarter of 2026 resulted in a loss of $5,684,460 (in thousands) (vs. a profit of $39,070,178 in thousands during the same period of 2025).

The solvency ratio (Shareholders' Equity/Liabilities) as of March 31, 2026 was 0.53, compared to the ratio of 0.50 recorded at the end of 2025 due to the decrease in liabilities during the period. The liquidity ratio (Current Assets/Current Liabilities) was 1.64 as of March 31, 2026, lower than the 1.75 ratio as of December 31, 2025, although it remains at a comfortable level.

Among the most important projects during this quarter, we can highlight the Palmares Transformer Station, the purchase of 50 MVA power transformers, the completion of the Pareditas Transformer Station, the new feeder at the San Carlos Transformer Station, and investments in new power supplies, among others.

II. ASSET STRUCTURE

Items	03.31.2026	03.31.2025	03.31.2024
		In thousands of $	
Current assets	568,575,543	429,419,749	212,484,192
Non-current assets	632,718,132	561,268,719	531,501,574
Total Assets	**1,201,293,675**	**990,688,468**	**743,985,766**
Current liabilities	347,746,883	306,508,795	232,439,153
Non-current liabilities	438,382,257	283,825,835	200,296,461
Total Liabilities	**786,129,140**	**590,334,630**	**432,735,614**
Shareholders' equity	**415,164,535**	400,353,838	311,250,152
Total Liabilities and Shareholders' equity	**1,201,293,675**	**990,688,468**	**743,985,766**

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Reporting Summary

III. RESULTS STRUCTURE

Items	03.31.2026	03.31.2025	03.31.2024
	In thousands of $		
Net operating income	31,514,030	60,636,995	29,957,935
Financial results	(29,279,310)	(77,033)	2,745,722
Other income and expenses	(1,172,766)	499,965	537,259
Income before income tax	**1,061,954**	**61,059,927**	**33,240,917**
Income tax	(6,746,414)	(21,989,749)	(368,000)
Net (loss)/income for the period	**(5,684,460)**	**39,070,178**	**32,872,917**

IV. CASH FLOW STRUCTURE

Items	03.31.2026	03.31.2025	03.31.2024
	In thousands of $		
Funds generated by operating activities	33,521,447	31,769,946	24,820,256
Funds (applied to) investing activities	(88,269,761)	(32,095,133)	(6,826,124)
Funds generated by financing activities	(15,573,680)	(4,119,413)	1,580,726
Inflation adjustment on cash and cash equivalent	(9,076,332)	(3,325,080)	2,903,108
Total funds (applied) / generated during the period	**(79,398,326)**	**(7,769,680)**	**22,477,966**

V. STATISTICAL DATA (IN PHYSICAL UNITS)

(Not covered by the limited review report)

Accounts	Unit of measurement	03.31.2026	03.31.2025	03.31.2024
Energy sales (1)	Gwh	883	959	1,069
Energy purchases (1)	Gwh	1,032	1,127	1,252

(1) The corresponding amounts cover the toll.

VI. RATIOS

Ratios		03.31.2026	03.31.2025	03.31.2024
Liquidity	$\frac{\text{Current assets}}{\text{Current liabilities}}$	1.64	1.40	0.91
Solvency	$\frac{\text{Shareholders' equity}}{\text{Liabilities}}$	0.53	0.68	0.72
Immobilization of capital	$\frac{\text{Non-current assets}}{\text{Total assets}}$	0.53	0.57	0.71

Empresa Distribuidora de Electricidad de Mendoza Sociedad Anónima

Reporting Summary

VII. PERSPECTIVES

Operating costs are expected to improve as a result of the growing volume of completed and planned investments. Additionally, arrears and energy losses will continue to be monitored.

Access to capital markets is enabling the expansion of infrastructure in order to achieve operating efficiencies that will translate into improvements in the provision of electricity distribution services within the concession area.