



UEP Penonomé II, S.A.
and Tecnisol Group

Q3-2025

MANAGEMENT DISCUSSION AND ANALYSIS

FOR THE PERIOD
ENDED SEPTEMBER 30, 2025,
COMPARED TO THE PERIOD
ENDED SEPTEMBER 30, 2024



The present report is presented in compliance with the indenture dated December 9, 2020 entered into UEP PENONOMÉ II, S.A. as issuer; each guarantor from time-to-time party hereto, and CITIBANK, N.A., as indenture trustee, registrar, paying agent and transfer agent.

Under Section 5.04, the Issuer and the Guarantors shall provide within 60 days of the end of the first three Fiscal Quarters of each Fiscal Year of the Issuer unaudited consolidated quarterly financial statements of the Issuer and the Guarantors (including a balance sheet, statement of comprehensive income and cash flow statement). The quarterly financial statements will be accompanied by a brief narrative overview of the results of operations and financial condition of the Issuer and the Guarantors.

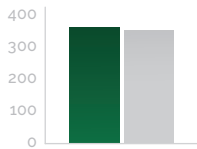
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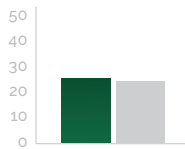
UEPII: THE ISSUER

I. OPERATIONAL HIGHLIGHTS

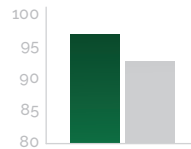
OPERATIONAL DATA	2025	2024
ENERGY BALANCE (GWh)		
Energy Sales	368.5	361.1
Sales through PPA - Discos	305.2	285.9
Sales through PPA - Tecnisol	31.6	28.1
Sales through Spot	22.6	39.5
Compensation	9.1	7.8
PRICES (US\$/MWH)		
Discos PPA avg sales price	106.6	105.5
Tecnisol PPA avg sales price	65.3	65.3
Average Spot Sales price	69.6	141.5



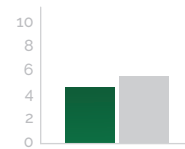
Generation (GWh)
2025: 367.8
 2024: 360.0



Plant Factor (%)
2025: 26.1%
 2024: 25.5%



Operational availability (%)
2025: 96.0%
 2024: 93.8%



Wind resource (m/s)
2025: 4.92
 2024: 5.65

II. MANAGEMENT DISCUSSION AND ANALYSIS OF MAIN VARIANCES

GENERATION

Panama exhibits pronounced wind seasonality, with high wind conditions typically occurring from January to April and lower wind conditions from May to September. During the first nine months ended September 30, 2025, UEP II Wind Project generated 367.8 GWh, representing a 2.2% increase compared to 360.0 GWh produced during the same period in 2024.

ANALYSIS OF THE WIND RESOURCE

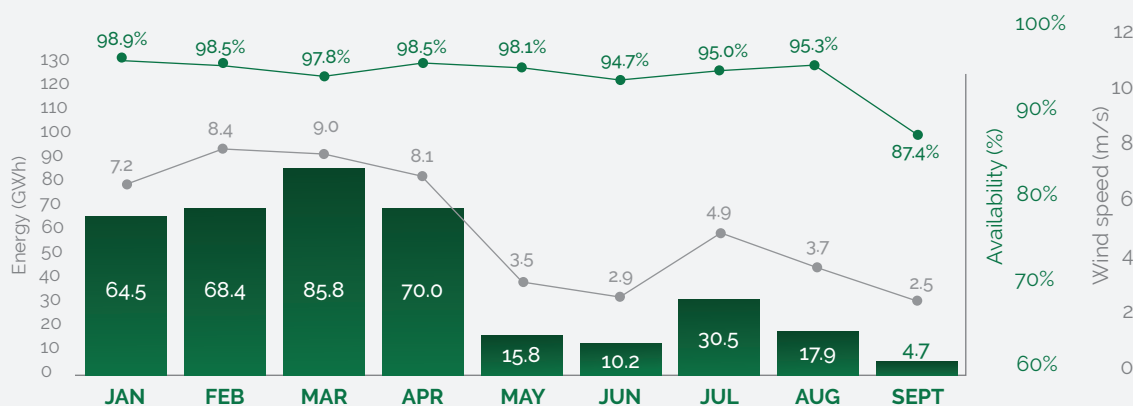
By September 2025, the average wind speed was 4.9 m/s, 13.0% lower than the value recorded for the previous year ending September 30, 2024. Additionally, the wind resource during the high-wind season was 1.9% below the historical average.



OPERATIONS AND AVAILABILITY

Operational availability for the period ended September 30, 2025, was 96.0%, which is 2.4% higher than the 93.8% recorded during the same period in 2024.

GENERATION, WIND SPEED AND AVAILABILITY Q3 2025



III. INCOME STATEMENT

	2025	2024
Energy revenues	37,195	38,355
Costs of goods and services	(18,113)	(19,245)
Gross profit	19,082	19,110
Administrative expenses	(2,351)	(2,611)
Operating profit	16,731	16,500
Finance Cost, net	(10,793)	(11,492)
Other income	53	-
Profit before income tax	5,990	5,007
Income tax	(1,053)	(1,196)
Net income	4,938	3,811

(Thousands of US\$)

REVENUES

The Issuer's energy revenues for the period ended September 30, 2025, were US\$37.195 million, a decrease of US\$1.160 million, or 3%, compared to the Issuer's energy revenues of US\$38.355 million for the same period in 2024.

This variation was primarily attributable to lower spot market sales affected by the negative impact on the average price of US\$72.0/MWh compared to the same period in 2024.

COSTS OF GOODS AND SERVICES

The Issuer's costs of goods and services for the period ended September 30, 2025, were US\$ 18.113 million, a decrease of US\$1.131 million, or 6%, as compared to the Issuer's costs of goods and services of US\$19.245 million for the period ended September 30, 2024. This decrease was primarily attributable to:

- US\$1,389 thousand lower transmission costs due to changes in the tariff regulations.
- US\$142 thousand lower internal consumption.
- US\$54 thousand lower energy purchases to fulfill the short term PPA.

Partially offset by:

- US\$402 thousand higher repairs and maintenance expenses.
- US\$26 thousand higher salaries and other benefits to employees.

ADMINISTRATIVE EXPENSES

The Issuer's administrative expenses for the period ended September 30, 2025, were US\$2.351 million, a decrease of US\$260 thousand, or 10%, as compared to the Issuer's administrative expenses of US\$2.611 million for the period ended September 30, 2024. This decrease was primarily attributable to:

- US\$161 thousand lower wake effect compensation expenses due to the variations in the spot prices.
- US\$93 thousand lower professional fees.
- US\$80 thousand lower regulator fees.

Partially offset by:

- US\$52 thousand higher other fixed costs.
- US\$21 thousand higher substation connection fee.



FINANCE COST, NET

The Issuer's total finance costs for the period ended September 30, 2025, were US\$10.793 million, a decrease of US\$699 thousand, compared to the Issuer's total finance cost of US\$11.492 million for the period ended September 30, 2024.

INCOME TAX

The Issuer's income tax for the period ended September 30, 2025, was US\$1.053 million, compared to the Issuer's income tax of US\$1.196 million for the period ended September 30, 2024.

IV. CASH FLOW STATEMENT

	2025	2024
Net cash provided by operating activities	28,939	31,783
Net cash provided by investing activities	1,758	2,239
Net cash used in financing activities	(28,654)	(43,370)
Net variation in cash and cash equivalents	2,043	(9,348)
Cash and cash equivalents at the end of the period	6,162	8,048

(Thousands of US\$)



LIQUIDITY

OPERATING ACTIVITIES

For each of the nine months ended September 30, 2025 and 2024, the Issuer's net cash provided by operating activities was US\$28.939 million and US\$31.783 million. The main driver for this decrease is mainly explained by US\$4,816 thousand higher account receivables; partially offset by US\$1,232 thousand higher prepaid expenses, US\$983 thousand increase in profit before income tax and US\$383 thousand higher account payables.

INVESTING ACTIVITIES

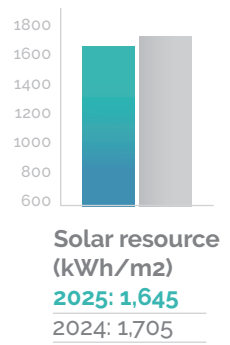
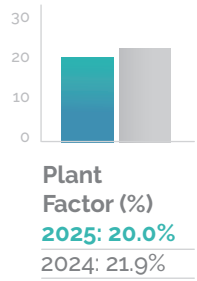
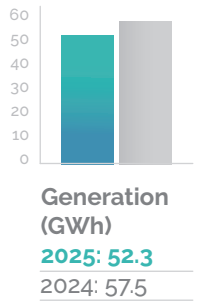
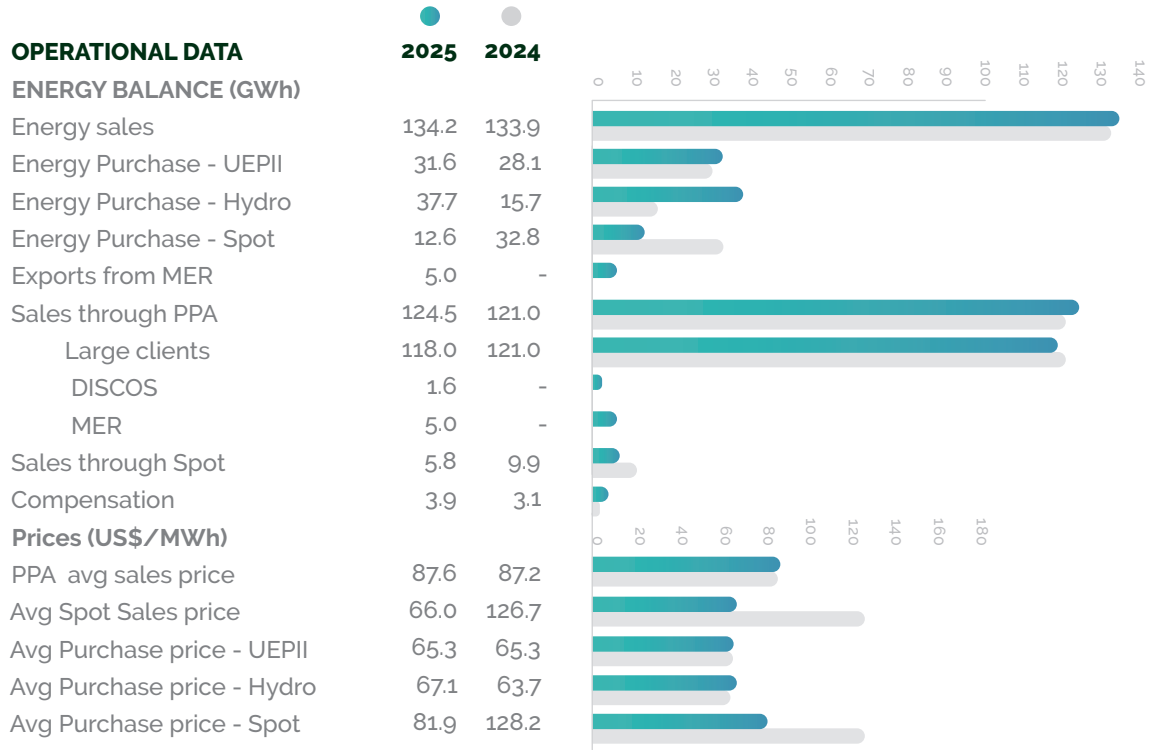
For each of the nine months ended September 30, 2025 and 2024, the Issuer's net cash provided by investing activities was US\$1.758 million and US\$2.239 million, respectively. The main variation corresponds to higher PP&E additions compared to the same period in 2024.

FINANCING ACTIVITIES

For each of the nine months ended September 30, 2025 and 2024, the Issuer's net cash used in financing activities was US\$28.654 million and US\$43.370 million, respectively. The main variation corresponds to the absence of dividend payments and capital reductions in 2025 compared to the same period in 2024.

TECNISOL GROUP: THE GUARANTORS

I. OPERATIONAL HIGHLIGHTS



II. MANAGEMENT DISCUSSION AND ANALYSIS OF MAIN VARIANCES

GENERATION

The generation of Tecnisol Solar Project is closely linked to the level of solar irradiation received by the assets. During the first nine months ending September 30, 2025, the project generated 52.3 GWh, representing a 9.1% decrease compared to the 57.5 GWh produced in the same period of 2024.

Solar irradiation for this period reached 1,645.0 kWh/m², which is 3.5% lower than the irradiation recorded during the same period in 2024.



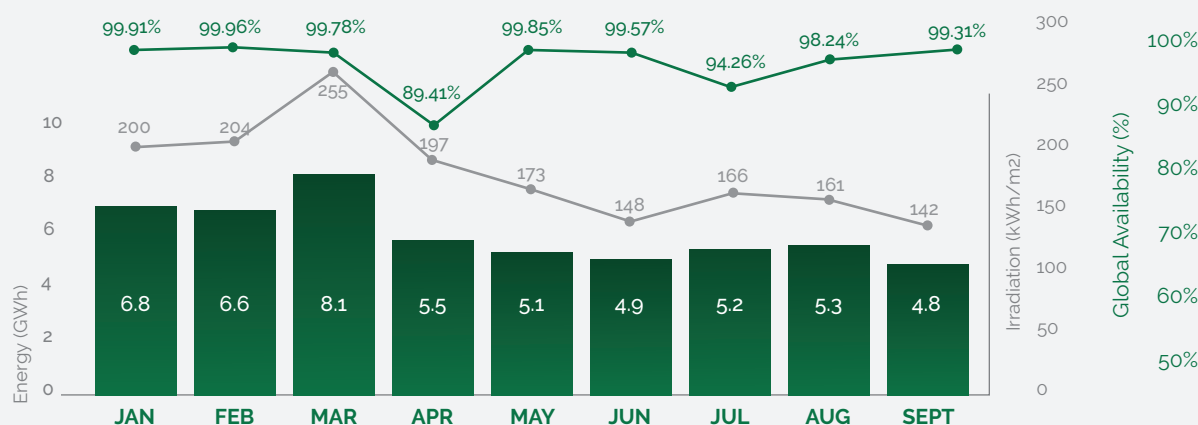
OPERATIONS AND AVAILABILITY

The O&M availability, measured at the inverter level, for the first nine months ending September 30, 2025, was 99.1%. The overall operational availability of the plant, including grid-related and other sources of downtime, stood at 97.8%. The main events that impacted generation were a medium-voltage cable failure, which kept the project offline for three

days in April, and an ongoing issue with Inverter 3.2, currently under repair and operating at 66.7% capacity. Operational availability was 1.4% lower than the 99.8% recorded during the same period in 2024.

The Performance Ratio year to date has been 75.3%. This value is 10% lower than 84% of the same period in 2024.

GENERATION, IRRADIATION AND AVAILABILITY Q3 2025



III. INCOME STATEMENT

	2025	2024
Energy revenue	11,656	12,094
Costs of goods and services	(9,185)	(10,432)
Gross profit	2,471	1,662
Administrative expenses	(637)	(619)
Operating profit	1,834	1,043
Finance costs	(1,017)	(1,070)
Other income	3	1
Profit before income tax	820	26
Income tax	(270)	(165)
Net income	550	(191)

(Thousands of US\$)

ENERGY REVENUES

The Guarantors' combined energy revenues for the period ended September 30, 2025 were US\$11.656 million, a decrease of US\$438 thousand, or 4%, compared to the Guarantors' combined energy revenues of US\$12.094 million for the period ended September 30, 2024. This decrease was primarily driven by lower spot market sales, resulting from 4.1 GWh less energy sold and a decrease in average prices of US\$60.8/MWh.

COSTS OF GOODS AND SERVICES

The Guarantors' combined cost of goods and services for the period ended September 30, 2025, were US\$9.185 million, a decrease of US\$1.247 thousand, compared to the Guarantors' combined cost of goods and services of US\$10.432 million for the period ended September 30, 2024.

This decrease is primarily attributable to:

- US\$3,072 thousand lower energy purchase from spot market.

Partially offset by:

- US\$1,754 thousand higher energy purchase from reserve contracts.
- US\$17 thousand higher repair and maintenance.
- US\$16 thousand higher salaries and other benefits to employees (O&M).



ADMINISTRATIVE EXPENSES

The Guarantors' combined administrative expenses for the period ended September 30, 2025 were US\$637 thousand, an increase of US\$18 thousand, compared to the Guarantors' combined administrative expenses of US\$619 thousand for the period ended September 30, 2024. This decrease is primarily attributable to professional services.

FINANCE COST

The Guarantors' combined finance cost for the period ended September 30, 2025 was US\$1.017 million, a decrease of US\$53 thousand, compared to the Guarantors' combined finance cost of US\$1.070 million for the period ended September 30, 2024.

INCOME TAX

The Guarantors' combined income tax for the period ended September 30, 2025 was US\$270 thousand, an increase of US\$105 thousand, compared to the Guarantors' combined finance cost of US\$165 thousand for the period ended September 30, 2024.

IV. CASH FLOW STATEMENT

	2025	2024
Net cash provided by operating activities	4,079	3,700
Net cash used in investing activities	(246)	(93)
Net cash used in financing activities	(2,592)	(2,547)
Net increase in cash and cash equivalents	1,240	1,060
Cash and cash equivalents at end of the period	4,910	2,959

(Thousands of US\$)

LIQUIDITY

OPERATING ACTIVITIES

For each of the nine months ended September 30, 2025 and 2024, the Guarantors' combined net cash provided by operating activities was US\$4.079 million and US\$3.700 million, respectively. The positive variance refers to US\$846 thousand higher income before tax, US\$306 thousand higher prepaid expenses, US\$122 thousand lower tax paid; partially offset by US\$416 thousand higher trade and other receivables, US\$397 thousand lower account payables and US\$104 thousand higher inventory.

INVESTING ACTIVITIES

For each of the nine months ended September 30, 2025 and 2024, the Guarantors' net cash used in investing activities was US\$246 thousand and US\$93 thousand, respectively. The main variation corresponds to higher PP&E additions related to warranty trackers extension.

FINANCING ACTIVITIES

For each of the nine months ended September 30, 2025 and 2024, the Guarantors' combined net cash flows used in financing activities was US\$2.592 million and US\$2.547 million, respectively. There was no material deviation.

THE ISSUER'S UNAUDITED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED
SEPTEMBER 30, 2025

	As of September 30 2025	As of December 31, 2024	(Thousands of US\$)
THE ISSUER'S BALANCE SHEET			
Current assets			
Cash and cash equivalents	6,162	4,119	
Trade and other receivables	2,813	3,905	
Related party debt receivable	1,332	1,240	
Prepaid expenses	672	1,963	
Inventory	88	72	
Total current assets	11,066	11,298	
Non-current assets			
Plant and equipment, net	170,508	180,311	
Goodwill	20,000	20,000	
Related party debt receivable	16,773	18,105	
Intangible assets, net	101	96	
Seniority premium	24	22	
Total non-current assets	207,405	218,535	
Total assets	218,471	229,833	
Liabilities and Equity			
Current liabilities			
Bonds payable	15,042	17,584	
Trade and other payables	1,506	1,420	
Income tax payables	205	-	
Lease liabilities	70	271	
Total current liabilities	16,823	19,275	
Non-current liabilities			
Lease liabilities	7,539	7,539	
Deferred income tax	2,954	2,107	
Provisions	425	402	
Bonds payable	183,573	198,290	
Total non-current liabilities	194,491	208,338	
Total liabilities	211,315	227,614	
Equity			
Common shares with US\$1.00 par value each; authorized and issued: 1,050 shares	1.05	1.05	
Capital contribution	48,519	48,519	
Accumulated deficit	(41,229)	(46,167)	
Prepaid dividend tax	(134)	(134)	
Total equity	7,157	2,219	
Total liabilities and equity	218,471	229,833	

THE ISSUER'S INCOME STATEMENT

As of
September 30,
2025

As of
September 30,
2024

(Thousands
of US\$)

Energy revenues	37,195	38,355
Costs of goods and services	(18,113)	(19,245)
Gross profit	19,082	19,110
Administrative expenses	(2,351)	(2,611)
Operating profit	16,731	16,500
Finance Cost, net	(10,793)	(11,492)
Other income	53	-
Profit before income tax	5,990	5,007
Income tax	(1,053)	(1,196)
Net income	4,938	3,811



THE ISSUER'S CASH FLOW

	As of September 30, 2025	As of September 30, 2024	(Thousands of US\$)
Cash flows from operating activities			
Profit before income tax	5,990	5,007	
Adjustments to reconcile profit before income tax to net cash provided by operating activities:			
Depreciation and amortization	10,523	10,493	
Finance cost amortization	325	367	
Interest on bond, swaps and lease liabilities	10,869	11,542	
Interest income	(924)	(983)	
Net changes in assets and liabilities:			
Trade and other receivables	774	5,590	
Trade and other payables	109	(274)	
Prepaid expenses	1,289	57	
Inventory	(16)	(17)	
Net cash provided by operating activities	28,939	31,783	
Cash flows from investing activities			
Additions of plant and equipment	(693)	(194)	
Additions of intangible assets	(30)	(23)	
Loan receivable Intercompany collection	1,240	1,138	
Interest received - Intercompany	1,242	1,317	
Net cash provided by investing activities	1,758	2,239	
Cash flows from financing activities			
Payment of issued bonds	(13,996)	(12,849)	
Interest paid	(14,022)	(14,872)	
Dividends paid	-	(7,575)	
Capital reduction	-	(7,455)	
Principal lease payments	(202)	(171)	
Interest paid lease	(434)	(448)	
Prepaid tax dividend	(0)	-	
Net cash used in financing activities	(28,654)	(43,370)	
Net variation in cash and cash equivalents	2,043	(9,348)	
Cash and cash equivalents at the beginning of year	4,119	17,397	
Cash and cash equivalents at the end of the period	6,162	8,048	

THE GUARANTOR'S COMBINED UNAUDITED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED
SEPTEMBER 30, 2025

	As of September 30, 2025	As of December 31, 2024	(Thousands of US\$)
THE GUARANTOR'S COMBINED BALANCE SHEET			
Current assets			
Cash and cash equivalents	4,910	3,670	
Trade and other receivables	1,753	1,626	
Prepaid expenses and other assets	543	819	
Inventory	158	66	
Total current assets	7,363	6,180	
Non-current assets			
Plant and equipment, net	25,494	27,535	
Intangible assets, net	188	196	
Deferred income tax	90	77	
Other receivable	38	38	
Pension Plan	11	9	
Total non-current assets	25,820	27,855	
Total assets	33,183	34,035	
Liabilities and Equity			
Current liabilities			
Lease liabilities	11	41	
Current portion of related loan	1,332	1,557	
Tax liabilities	-	-	
Trade and other payables	2,210	2,027	
Total current liabilities	3,553	3,625	
Non-current liabilities			
Lease liabilities	1,089	1,089	
Provisions	375	355	
Related party loan	16,773	18,105	
Total non-current liabilities	18,237	19,549	
Total liabilities	21,790	23,175	
Equity			
Parent company investment	40	40	
Capital Contribution	12,212	12,212	
Accumulated deficit	(655)	(1,205)	
Prepaid dividend tax	(203)	(187)	
Total equity	11,394	10,861	
Total liabilities and equity	33,183	34,035	

**THE GUARANTOR'S COMBINED
INCOME STATEMENT**

	As of September 30, 2025	As of September 30, 2024	(Thousands of US\$)
Energy revenue	11,656	12,094	
Costs of goods and services	(9,185)	(10,432)	
Gross profit	2,471	1,662	
Administrative expenses	(637)	(619)	
Operating profit	1,834	1,043	
Finance costs	(1,017)	(1,070)	
Other income	3	1	
Profit before income tax	820	26	
Income tax	(270)	(165)	
Net income	550	(191)	

**THE GUARANTOR'S COMBINED
CASH FLOW**

	As of September 30, 2025	As of September 30, 2024	(Thousands of US\$)
Cash flows from operating activities			
Income before income tax	820	(26)	
Adjustments to reconcile income before income tax to net cash provided by operating activities:			
Depreciation and amortization	2,296	2,214	
Interest on related party loan and lease liabilities, net	987	1,048	
Provisions	20	19	
Changes in assets and liabilities:			
Trade and other receivables	(127)	289	
Trade and other payables	125	522	
Prepaid expenses and other assets	248	(57)	
Inventory	(92)	13	
Income tax paid	(198)	(321)	
Net cash provided by operating activities	4,079	3,700	
Cash flows from investing activities			
Additions of plant and equipment	(246)	(93)	
Net cash used in investing activities	(246)	(93)	
Cash flows from financing activities			
Payment of loan payable - Intercompany	(1,240)	(1,138)	
Interest paid - Intercompany	(1,242)	(1,317)	
Prepaid dividend tax	(17)	-	
Principal lease payments	(31)	(26)	
Interest paid lease	(63)	(65)	
Net cash used in financing activities	(2,592)	(2,547)	
Net increase in cash and cash equivalents	1,240	1,060	
Cash and cash equivalents at the beginning of the year	3,670	1,899	
Cash and cash equivalents at end of the period	4,910	2,959	



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