

UEP Penonome II, S. A.

Report and Financial Statements

December 31, 2025

"This document has been prepared with the knowledge that its content will be made available to the investing public and the general public"

UEP Penonome II, S. A.

Index to the Financial Statements

December 31, 2025

	Pages
Independent auditors' report	1 - 5
Financial statements:	
Balance sheet	6
Statement of income	7
Statement of changes in equity	8
Statement of cash flows	9
Notes to the financial statements	10 - 46

Independent auditors' report

To the Board of Directors and Shareholders of
UEP Penonome II, S. A.

Report on the audit of the financial statements

Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of UEP Penonome II, S. A. (the "Company") as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

The Company's financial statements comprise:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (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 requirements of the code of professional ethics for certified public accountants that are relevant to audits of financial statements of listed entities in Panama and 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. We have also fulfilled our other ethical responsibilities in accordance with IESBA Code of Ethics and the ethics requirements of the Republic of Panama.

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
<p>Impairment testing of plant and equipment and goodwill</p> <p>As of December 31, 2025, the balances of plant and equipment and goodwill amounted to US\$167,322,487 and US\$20,000,000, respectively, representing 87% of the Company's total assets.</p> <p>The Company is required to test goodwill for impairment at least annually. For plant and equipment, the Company reviews these assets for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable, and assesses annually whether there have been changes in their expected useful lives. For the purpose of performing impairment assessments, plant and equipment and goodwill have been allocated to groups of cash generating units ("CGUs"), which represent the smallest group of assets that generate largely independent cash inflows. The recoverable amount of the CGUs is determined based on value-in-use calculations derived from discounted future cash flows. This area was significant to our audit due to the complexity of the impairment assessment and the significant judgment involved in determining key assumptions, particularly those relating to projected cash flows and discount rate, which are sensitive to future market and economic conditions.</p> <p>See Notes 8 and 11 to these financial statements.</p>	<ul style="list-style-type: none">- We involved our internal valuation specialists, to evaluate the methodology and model used in determining the value in use of the cash generating units.- We evaluated the assumptions used in determining the discount rates and compared them with observable market data- We assessed the projected cash flows included in the model, considering current macroeconomic conditions and the expected future performance of the cash generating units.- We compared key assumptions, including revenue growth rates and operating margins, with the historical performance of CGUs and Management's past forecasting accuracy.- We performed sensitivity analyses on the key assumptions to evaluate the extent of changes that, individually or in combination, would be required for the carrying amount of plant and equipment and goodwill to be impaired.

Other information

Management is responsible for the other information. The other information comprises "Annual Report Update (INA, for its acronym in Spanish)" (but does not include the financial statements and our auditor's report thereon).

Our opinion on the financial statements does not cover the other information and we do 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, 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 management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 those charged with governance 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 those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and 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 those charged with governance, 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.

Report on other legal and regulatory requirements

In compliance with Law 280 of December 30, 2021, which regulates the profession of certified public accountants in the Republic of Panama, we declare the following:

- The direction, execution and supervision of this audit work has been carried out physically in Panamanian territory.
- The audit partner in charge who has prepared this report of the independent auditors is Maribel Tejada, with certified public accountant license No.4165.
- The engagement team that has participated in the audit referred to this report is constituted by Maribel Tejada, Partner and Renaldo Melendez, Manager.

PricewaterhouseCoopers

February 28, 2026

Panama, Republic of Panama

Maribel Tejada M.

Maribel Tejada

CPA 4165

UEP Penonome II, S. A.

Balance Sheet

December 31, 2025

(All amounts in US\$ unless otherwise stated)

	Notes	2025	2024
Assets			
Current assets			
Cash and cash equivalents	2, 5 and 6	5,197,344	4,118,908
Trade and other receivables	2, 7 and 16	4,837,614	3,904,545
Related party debt receivable	16	1,332,322	1,239,674
Prepaid expenses		860,787	1,963,129
Inventory		84,203	71,702
Total current assets		<u>12,312,270</u>	<u>11,297,958</u>
Non-current assets			
Plant and equipment, net	2, 8 and 9	167,298,071	180,311,071
Goodwill	2 and 11	20,000,000	20,000,000
Related party debt receivable	16	16,773,057	18,105,378
Intangible assets, net	10	92,018	96,435
Seniority premium		26,510	21,782
Total non-current assets		<u>204,189,656</u>	<u>218,534,666</u>
Total assets		<u>216,501,926</u>	<u>229,832,624</u>
Liabilities and Equity			
Liabilities			
Current liabilities			
Bonds payable	13	18,400,181	17,584,115
Trade and other payables	2, 12 and 16	2,311,149	1,419,947
Lease liabilities	9	316,983	271,410
Total current liabilities		<u>21,028,313</u>	<u>19,275,472</u>
Non-current liabilities			
Lease liabilities	9	7,222,062	7,539,044
Deferred income tax	18	2,604,315	2,107,128
Provisions		432,222	402,067
Bonds payable	13	183,665,429	198,290,030
Total non-current liabilities		<u>193,924,028</u>	<u>208,338,269</u>
Total liabilities		<u>214,952,341</u>	<u>227,613,741</u>
Equity			
Common shares with US\$1 par value each; authorized and issued: 1,050 shares	2 and 14	1,050	1,050
Capital contribution	2 and 14	48,518,792	48,518,792
Accumulated deficit		(46,836,250)	(46,166,955)
Prepaid dividend tax		(134,007)	(134,004)
Total equity		<u>1,549,585</u>	<u>2,218,883</u>
Total liabilities and equity		<u>216,501,926</u>	<u>229,832,624</u>

The accompanying notes are an integral part of these financial statements.

UEP Penonome II, S. A.

Statement of Income For the year ended December 31, 2025 (All amounts in US\$ unless otherwise stated)

		2025	2024
	Notes		
Energy revenues	16	42,404,701	42,653,811
Costs of goods and services	8, 10, 15 and 16	<u>(24,413,955)</u>	<u>(25,736,347)</u>
Gross profit		17,990,746	16,917,464
Administrative expenses	15 and 16	<u>(3,908,720)</u>	<u>(3,436,087)</u>
Operating profit		14,082,026	13,481,377
Finance cost, net	16 and 17	(14,336,109)	(15,193,459)
Other income		<u>81,975</u>	<u>1,010</u>
Loss before income tax		(172,108)	(1,711,072)
Income tax	18	<u>(497,187)</u>	<u>(681,267)</u>
Loss for the year		<u>(669,295)</u>	<u>(2,392,339)</u>

The accompanying notes are an integral part of these financial statements.

UEP Penonome II, S. A.

Statement of Changes in Equity For the year ended December 31, 2025 (All amounts in US\$ unless otherwise stated)

	Notes	Common Shares	Capital Contribution	Accumulated Deficit	Prepaid Dividend Tax	Total Equity
Balance at December 31, 2023		1,050	55,974,250	(36,200,074)	(134,004)	19,641,222
Loss for the year		-	-	(2,392,339)	-	(2,392,339)
Transactions with shareholders:						
Dividends payment	14	-	-	(7,574,542)	-	(7,574,542)
Capital reduction	14	-	(7,455,458)	-	-	(7,455,458)
Balance at December 31, 2024		1,050	48,518,792	(46,166,955)	(134,004)	2,218,883
Loss for the year		-	-	(669,295)	-	(669,295)
Prepaid dividend tax		-	-	-	(3)	(3)
Balance at December 31, 2025		1,050	48,518,792	(46,836,250)	(134,007)	1,549,585

The accompanying notes are an integral part of these financial statements.

UEP Penonome II, S. A.

Statements of Cash Flows For the year ended December 31, 2025 (All amounts in US\$ unless otherwise stated)

	Notes	2025	2024
Cash flows from operating activities			
Loss before income tax		(172,108)	(1,711,072)
Adjustments to reconcile loss before income tax to net cash provided by operating activities:			
Depreciation and amortization	8, 9, 10 and 15	14,031,702	13,994,812
Finance cost amortization	17	417,400	465,343
Interest on bonds and lease liabilities	17	14,368,965	15,277,290
Interest income	17	(1,221,639)	(1,300,441)
Net changes in assets and liabilities:			
Trade and other receivables		(953,435)	3,206,463
Trade, other payables and provision		921,357	(1,088,704)
Prepaid expenses and seniority premium		1,097,614	(676,045)
Inventory		(12,501)	(19,976)
Net cash provided by operating activities		<u>28,477,355</u>	<u>28,147,670</u>
Cash flows from investing activities			
Additions of plant and equipment	8	(984,285)	(282,082)
Additions of intangible assets	10	(30,000)	(22,500)
Loan receivable - intercompany collection	16	1,239,673	1,138,080
Interest received - intercompany	16	1,242,005	1,317,299
Net cash provided by used in investing activities		<u>1,467,393</u>	<u>2,150,797</u>
Cash flows from financing activities			
Payment of issued bonds	13	(13,996,000)	(12,849,000)
Interest paid bonds	13	(14,022,320)	(14,872,390)
Dividends paid	14	-	(7,574,542)
Capital reduction	14	-	(7,455,458)
Principal lease payments	9	(271,409)	(229,888)
Interest paid lease	9	(576,580)	(595,230)
Prepaid dividend tax		(3)	-
Net cash used in financing activities		<u>(28,866,312)</u>	<u>(43,576,508)</u>
Net increase (decrease) in cash and cash equivalents		1,078,436	(13,278,041)
Cash and cash equivalents at the beginning of year		<u>4,118,908</u>	<u>17,396,949</u>
Cash and cash equivalents at the end of year	5	<u>5,197,344</u>	<u>4,118,908</u>

The accompanying notes are an integral part of these financial statements.

UEP Penonome II, S. A.

Notes to the Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

1. General Information

UEP Penonome II, S. A. (the “Company”) is incorporated on January 18, 2013 under the laws of the Republic of Panama. The Company is engaged in the production of electricity through its five wind parks located in Penonome, Province of Cocolé, Republic of Panama.

The ultimate parent company of UEP Penonome II, S. A. is Basic Energy Ltd., incorporated in Bahamas.

The local regulator, Autoridad Nacional de los Servicios Públicos (ASEP, by its acronym in Spanish), approved the Company’s electricity generation license to 215 MW capacity (Note 19).

The Company is located at Plaza 58 Building, 9th floor, 58E Street, Obarrio, Republic of Panama, and the wind turbines are located in Penonome, Province of Cocolé, Republic of Panama.

These financial statements have been approved for issue by the Finance Manager on February 28, 2026.

2. Summary of Material Accounting Policies

The material accounting policies applied in the preparation of these financial statements are set out below.

Basis of Preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards as issued by International Accounting Standards Board (IASB) (IFRS Accounting Standards). The financial statements have been prepared on the historical cost convention.

In the Company's financial statements, the Statement of Other Comprehensive Income is not presented because there are no items that require a separate presentation of this statement.

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires Management to exercise its judgement in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

Notes to the Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

2. Summary of Material Accounting Policies (Continued)

Basis of Preparation (continued)

New Standards and Amendments Adopted by the Company

The Company has applied the following standards and amendments for the first time for its annual reporting period commencing 1 January 2025:

- **Lack of Exchangeability - Amendments to IAS 21, ‘The Effects of Changes in Foreign Exchange Rates’:** In August 2023, the IASB amended IAS 21 to add requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use where it is not. Prior to these amendments, IAS 21 set out the exchange rate to use when exchangeability is temporarily lacking, but not what to do when lack of exchangeability is not temporary. These new requirements apply for annual reporting periods beginning on or after 1 January 2025. Early application is permitted (subject to any endorsement process).

The Company determined that the amendments did not have a material impact on the company’s financial statements.

IFRS Interpretations Committee agenda decisions issued in the last 12 months

The following agenda decisions were issued in 2025 that might be relevant for the preparation of financial statements for annual periods beginning on or after 1 January 2025:

- ***Recognition of Intangible Assets from Climate-related Expenditure (IAS 38)***
The decision clarified when costs for climate initiatives (such as research and development) create intangible assets or are expensed, emphasising the need to assess future economic benefits.
- ***Guarantees Issued on Obligations of Other Entities***
The decision addressed accounting for guarantees given on obligations of other entities, ensuring proper recognition and measurement.

The Company determined that the interpretations did not have a material impact on the company’s financial statements.

Notes to the Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

2. Summary of Material Accounting Policies (Continued)

New Standards and Amendments not Adopted

Certain new accounting standards and amendments to accounting standards have been published that are not mandatory for December 31, 2025 reporting periods and have not been early adopted by the Company:

- *Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7.*

On May 2024, the IASB issued targeted amendments to IFRS 9, ‘Financial Instruments’, and IFRS 7, ‘Financial Instruments: Disclosures’, to respond to recent questions arising in practice.

These amendments:

- (a) clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some 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 environment, social and governance targets); and
- (d) update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The amendments to IFRS 9 and IFRS 7 will be effective for annual reporting periods beginning on or after 1 January 2026, with early application permitted.

Management is currently assessing the detailed implications of applying these new standards on the Company’s financial statements.

- *Contracts Referencing Nature-dependent Electricity - Amendments to IFRS 9 and IFRS 7:*

On December 2024, the IASB issued targeted amendments to IFRS 7 and IFRS 9 to allow entities to better reflect nature-dependent electricity contracts in the financial statements. The amendments:

- (a) clarify the application of the ‘own-use’ criteria to nature-dependent electricity contracts;
- (b) permit hedge accounting if these contracts are used as hedging instruments; and
- (c) add new disclosure requirements to enable users of financial statements to better understand the effect of these contracts on an entity’s financial performance and cash flows.

Notes to the Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

2. Summary of Material Accounting Policies (Continued)

New Standards and Amendments not Adopted (continued)

The amendments to IFRS 9 and IFRS 7 will be effective for annual reporting periods beginning on or after 1 January 2026, with early application permitted.

Management is currently assessing the detailed implications of applying these new standards on the Company's financial statements.

- *IFRS 18, 'Presentation and Disclosure in Financial Statements'*

In April 2024, the IASB issued IFRS 18 in response to investors' concerns about comparability and transparency of entities' performance reporting. The new presentation requirements introduced in IFRS 18 will increase comparability of the financial performance of similar entities, especially related to how 'operating profit or loss' is defined. The new disclosure requirements for 'management-defined performance measures' will enhance transparency. IFRS 18 is effective from 1 January 2027 and has not yet been adopted by the group.

The Company is in the process of determining the impact on the Company of applying IFRS 18. The Company has prepared a transition plan and is on track to report the first IFRS 18-compliant annual financial statements for the period ending 31 December 2027.

It is anticipated that the Company will conclude that it has a specified main business activity which is the production of electricity.

The Company currently presents an operating profit subtotal. The Company is performing a detailed assessment to determine the appropriate classification of items to ensure that the operating profit subtotal will comply with the requirements of IFRS 18. Furthermore, the new aggregation and disaggregation requirements will lead into changes to present the most useful structured summary.

The Company currently reports an adjusted EBITDA measure to the shareholders. The Company expects that this measure will meet the definition of a management-defined performance measure. The Company is performing an assessment of other measures that are currently being reported outside the financial information and whether or not these meet the definition of a management-defined performance measure.

At each subsequent reporting period, the Company will provide an update on the progress towards transition to IFRS 18.

UEP Penonome II, S. A.

Notes to the Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

2. Summary of Material Accounting Policies (Continued)

Monetary Unit and Functional Currency

The financial statements are expressed in U.S. Dollars (US\$), monetary unit of the United States of America, which is at par with the Balboa (B/.), monetary unit of the Republic of Panama. The U.S. Dollar (US\$) circulates and is freely exchangeable in the Republic of Panama and is the functional currency.

Segment Information

A business segment is an identifiable component of the Company, in charge of supplying a single product or service, or a set of them that are related and characterized by being subject to risks and returns of a different nature than those corresponding to other business segments within the same company.

A geographic segment is an identifiable component of the Company in charge of supplying products or services in a specific economic environment, and which is characterized by being subject to risks and returns of a specific nature, and which correspond to other operating components that carry out their activity in different environments.

The Company's business operations are organized and managed as a single business segment, which is to operate the generating plants within the economic environment of electricity generation. Additionally, the Company's internal and reporting organization is predominantly based on a single business segment.

Financial Assets

The Company classifies its financial assets in the category of loans and receivables assets, based on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables with maturities not greater than 12 months are included in current assets.

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash and cash equivalents include cash in hand and other short-term highly liquid investments with original maturities of three months or less.

The statement of cash flows shows the Company's cash flows for the year for operating, investing and financing activities and the change in cash and cash equivalents during the year.

Notes to the Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

2. Summary of Material Accounting Policies (Continued)

Financial Assets (continued)

Trade Receivables

Trade receivables are recognized initially at the amount of consideration that is unconditional, unless they contain significant financing components when they are recognized at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment of receivables. They are classified as current assets as collection is expected in one year or less.

A provision for impairment of trade receivables is established by applying the simplified approach of IFRS 9 to measure expected credit losses using a provision of expected losses over the life of the trade receivables.

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Prepaid Expenses

Prepaid expenses are mainly related to advances to suppliers, prepaid insurance and letters of credit. These are recognized when the Company incurred in payments for goods or services to be received in the future. Prepaid expenses and other assets are initially recorded as assets, but their value is recognized over time on the income statement.

Plant and Equipment

Plant and equipment are stated at cost, less accumulated depreciation, amortization and impairment losses. Depreciation and amortization are calculated on the straight-line method over the estimated useful lives of the assets. Costs of maintenance, repairs, minor refurbishments and improvements are charged to expense. Subsequent costs are capitalized only when it is probable that a future economic benefit associated with the item will flow to the Company and the cost of the item can be measured reliably. The Company has a maintenance program that includes inspecting, testing and repairing all operational power equipment based on the equivalent operating hours (EOH).

Expenditure on the construction, installation or completion of infrastructure facilities, such as constructions, generators and electric power plants facilities, is capitalized within plant and equipment according to its nature. No depreciation or amortization is charged during the construction phase. The Company begins depreciating an item of plant and equipment when it is available for use.

UEP Penonome II, S. A.

Notes to the Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

2. Summary of Material Accounting Policies (Continued)

Plant and Equipment (continued)

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability.
- No restoration costs, and no payments were made at or before the lease commencement date as well as not initial direct costs.

Right-of-use assets are recognized as leasehold and generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Depreciation and amortization rates used are described as follows:

Transportation equipment	25%
Buildings	2.50%
Tools, minor equipment and other assets	25%
Furniture and office equipment	25%
Generators and plant facilities	5% - 10%
Leasehold	5%

Major spare parts and stand-by equipment qualify as plant and equipment when the Company expects to use them during more than one period; and if spare parts and servicing equipment can be used only in connection with an item of plant and equipment, they are accounted for as plant and equipment. Depreciation of spares that are capitalized commences when the asset has been installed and is capable of being used. The depreciation charge is based on the expected useful life of the spare while it is being used, which may be shorter than the useful life of the asset to which it relates. When the spare is itself replaced, the asset is derecognized.

Plant and equipment include interest on borrowings that are directly attributed to the construction of the assets.

Inventory

Consist of consumable spare parts that are expected to be used for replacement or improvement on existing assets. Inventory is stated at the lower of cost or net realizable value. The cost of inventories includes expenditure incurred in purchases and other necessary costs to bring them to their existing location and condition.

Cost is determined using the weighted average cost method. An allowance for obsolete inventory of spare parts is established based on management's analysis of such items to be used as intended and the consideration of potential obsolescence due to technological changes and consumption patterns.

Notes to the Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

2. Summary of Material Accounting Policies (Continued)

Impairment of Long-lived Assets

Plant and equipment and other non-current assets which are non-financial assets that are subject to depreciation and amortization, are reviewed for impairment whenever events or changes in the circumstances indicate that the carrying amount may not be recoverable.

Intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

In both cases, the recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Lease Liabilities

The Company applies IFRS 16 Leases for the recognition, measurement, presentation and disclosure of lease arrangements.

At the commencement date of a lease, the Company recognizes a right-of-use ("ROU") asset and a lease liability initially measured at the present value of future lease payments that are payable over the lease term. Lease payments include fixed payments (net of lease incentives receivable), variable payments that depend on an index or rate, amounts expected to be payable under residual value guarantees, the exercise price of a purchase option when reasonably certain to be exercised, and penalties for terminating the lease if the lease term reflects the exercise of that option.

Lease payments are discounted using the interest rate implicit in the lease, when readily determinable.

Intangible Assets

Easement right of way

Represent the value attributable to the right of way of a high voltage transmission line for a 25 years period, by virtue of a long-term contract with the landowner and the Company. The intangible assets are recognised at cost and subsequently measured at cost less accumulated amortization, which is calculated using the straight-line method to allocate the cost of the intangible assets over its estimated useful life of 25 years.

Notes to the Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

2. Summary of Material Accounting Policies (Continued)

Goodwill

Goodwill arises and represents the excess of the consideration transferred, the amount of any non-controlling interest in the acquire and the acquisition-date fair value of any previous equity interest in the acquire over the fair value of the identifiable net assets acquired.

Goodwill is not amortized, but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Trade and Other Payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the normal course of the business from suppliers. Trade and other payables are classified as current liabilities as payments are due within one year or less. (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method.

Provision - Asset Retirement Obligation

The Asset Retirement Obligation Provision (ARO) is valued at the present value of the disbursements that are expected to be necessary to settle the obligation using the best estimate of the Company. The discount rate used to determine the present value reflects current market assessments, at the date of the statement of financial position, of the time value of money, as well as the specific risk related to the particular liability, if applicable. The Company has recognized non-current obligations for the dismantling and retirement of its assets at the end of their lives.

Bonds Payable

Bonds payable are initially recognized at fair value, net of transaction costs incurred. Bonds payable are subsequently carried at amortized cost, using the effective interest method; are classified as current liabilities unless the Company maintains the unconditional right to defer the liability for at least twelve months after the reporting date.

Finance Costs

General and specific finance costs directly attributed to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until the assets are substantially ready for their intended use or sale any difference between the net product of transaction costs and the redemption value is recognized in the income statement during the financing period using the effective interest method. All finance costs are recognized in the income statement in the period in which they are incurred.

Notes to the Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

2. Summary of Material Accounting Policies (Continued)

Current and Deferred Income Tax

Income tax expense for the period comprises current and deferred income tax. Income tax is recognized in the income statement. The current income tax charge is calculated based on the tax laws enacted at the balance sheet date over the taxable income.

Deferred income tax is provided in full, using the liability method, where temporary differences arise between the fiscal bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability, in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss.

Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized, or the deferred income tax liability is settled.

Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available, and the temporary differences can be utilized against it.

Employee Benefits

Defined Benefit Plan for Employees (Seniority Premium and Indemnification)

The Panamanian Labor Law established a service seniority premium. For this purpose, a provision has been established, which is calculated on the basis of one week of each year of work, equal to 1.92% of salaries paid in the year. In addition, employees dismissed under certain circumstances are entitled to receive compensation based on years of services.

Law N° 44 dated August 12, 1995, established, from the effective date of the law, the employer's obligation to set up a severance fund to pay employees the seniority premium and indemnity for unjustified dismissal established by the Labor Law. This fund is constituted based on seniority premium and the quote of the monthly severance.

Defined Contribution Plan

According to Law No.51 of December 27, 2005, the companies must realize monthly contributions to the Panama Social Security (i.e., Caja de Seguro Social de Panama in Spanish), based on a percentage of the total wages paid to their employees. A portion of these contributions is used by the Panamanian State for the payment of the future retirements of the employees. The contribution for the year amounted to US\$41,351 (2024: US\$36,259).

Notes to the Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

2. Summary of Material Accounting Policies (Continued)

Equity

Equity comprises the following:

- Common shares: representing the nominal value of equity shares issued to the shareholders. Share capital is represented by ordinary nominative non-endorsable shares of US\$1 nominal value each.
- Capital contribution: representing the excess over nominal value of the fair value of consideration received for equity shares, net of expenses of the share issuance.
- Accumulated deficit: representing accumulated earnings and losses.

Provision for dividends is made for the amount of any dividend declared, being appropriately authorized by the Board of Directors, on or before the end of the reporting period but not distributed at the end of the reporting period.

Energy Revenue Recognition

The Company recognizes energy revenue in the periods that it delivers electricity. Contracted prices are billed in accordance to provisions of applicable power sales agreements and spot sales are billed in accordance with prevailing market prices. The unit of measurement of the contract prices is dollar per megawatt hour (\$/MWh). Revenues are measured at fair value of the consideration received or receivable for the sale of the energy.

In accordance with IFRS 15, the Company recognized the revenue from contracts with customers based on a five-step model detailed below:

- Step 1: Identify contracts with customers: A contract is defined as the agreement between two or more parties, which creates rights and obligations required and establishes criteria that must be met for each contract. The contracts that are handled are written and grouped in the same type of contracts because all of them are categorized in the same concept of energy sales.
- Step 2: Identify the contract obligations: An obligation is a promise in a contract with a client for the transfer of a good or service.
- Step 3: Determine the price of transaction: The transaction price is the amount of the payment that the Company expects to have the right in exchange for the transfer of the promised goods or services to a client.

UEP Penonome II, S. A.

Notes to the Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

2. Summary of Material Accounting Policies (Continued)

Energy Revenue Recognition (continued)

- Step 4: Assignment of the transaction price: The Company recognizes the price of the contract payable as specified in the contract, subject to the stipulated conditions and adjustments or proposed deductions, as applicable.
- Step 5: Recognition of revenue according to the criteria established by IFRS 15, the Company continues recognizing revenues over time instead of during a certain time.

The Company principally satisfies its performance obligations over time, when, or as, a performance obligation is satisfied, the Company recognizes as revenue the amount of the transaction price that is allocated to that performance obligation. The transaction price is the amount of consideration to which the Company expects to be entitled. The transaction price is allocated to the performance obligations in the contract based on standalone selling prices of the goods or services promised.

3. Financial Risk Management

Financial Risk Factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk and cash flow interest rate risk), credit risk and liquidity risk.

Risk management is carried out by the General Manager and the Director of Financial Department under the supervision of the Board of Directors. They identify and evaluate financial risks in close co-operation with Management of Departments within the Company.

Market Risk

Foreign Exchange Risk

The Company is not substantially exposed to the foreign exchange risk fluctuation, since its revenues, expenses and balances are mainly expressed in U. S. Dollars (US\$).

UEP Penonome II, S. A.

Notes to the Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

3. Financial Risk Management (Continued)

Financial Risk Factors (continued)

Interest Rate Risk

Interest rate risk is mainly originated from long-term bonds with fixed interest rates.

Interest Rate Sensitivity

The Company has issued bonds which have fixed rate (Note 13).

Credit Risk

Credit risk arises mainly from cash and cash equivalents and trade and other receivables. The Company works only with well-known foreign and local financial institutions and energy distribution companies.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit rating.

	2025	2024
Cash at banks and trustee fund accounts:		
A+/AA- (2024: A+/AA-)	5,128,577	4,022,162
BB/BBB- (2024: BBB-/BBB-)	<u>67,367</u>	<u>95,346</u>
	<u>5,195,944</u>	<u>4,117,508</u>

The Company has a concentration of its revenues and accounts receivable with the three off takers companies and with affiliated companies operating in the Republic of Panama. Sales of energy made to these customers represent approximately 93% (2024: 84%) of total revenues and 90% (2024: 89%) of total accounts receivable at the end of the period. This concentration of risk is mitigated by the fact that demand for electricity in Panama continues to grow steadily and that the energy market is very well structured and regulated by government authorities. For each power purchase agreement (PPA) a guarantee is required and the payment term of invoices originating in the electric market of Panama is averaged in a range of 30 days from the presentation date of the invoice. The guarantee is a performance bond payable to the collection against any event of default for bad debts or bad debt. There were no default events for unpaid bills as of December 31, 2025 and 2024.

Liquidity Risk

Liquidity risk is the risk that the Company might not be able to comply with all its obligations. The Company minimizes this risk by maintaining adequate levels of cash on hand or in current accounts for fulfilling commitments with recurring suppliers and borrowers. The current liabilities are covered by the cash flow generated by operations.

UEP Penonome II, S. A.

Notes to the Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

3. Financial Risk Management (Continued)

Financial Risk Factors (continued)

Liquidity Risk (continued)

The Company finance monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed bonds facilities at all times so that the Company does not breach bonds limits or covenants on any of its bonds facilities. Such forecasting takes into consideration the Company's debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets and, if applicable external regulatory or legal requirements.

The table below analyses the Company's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months approximate their carrying balances as the impact of discounting is not significant.

	<u>Less than 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 5 years</u>	<u>Over 5 years</u>	<u>Total</u>
December 31, 2025					
Bonds payable	28,143,108	28,213,588	76,436,455	163,773,388	296,566,539
Lease liabilities	871,662	896,165	2,844,363	6,996,168	11,608,358
Trade and other payable	2,311,149	-	-	-	2,311,149
	<u>31,325,919</u>	<u>29,109,753</u>	<u>79,280,818</u>	<u>170,769,556</u>	<u>310,486,046</u>
December 31, 2024					
Bonds payable	28,018,320	28,143,108	84,043,095	184,380,335	324,584,858
Lease liabilities	847,990	871,662	2,765,507	7,971,188	12,456,347
Trade and other payable	1,419,947	-	-	-	1,419,947
	<u>30,286,257</u>	<u>29,014,770</u>	<u>86,808,602</u>	<u>192,351,523</u>	<u>338,461,152</u>

UEP Penonome II, S. A.

Notes to the Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

3. Financial Risk Management (Continued)

Financial Risk Factors (continued)

Liquidity Risk (continued)

Cash Flows Information - Net Debt Reconciliation

The combined analysis of net debt and the movements in the net debt for each of the periods presented is detailed below:

	2025	2024
Cash and cash equivalents	5,197,344	4,118,908
Bonds payable	(204,411,000)	(218,407,000)
Lease liabilities	<u>(7,539,045)</u>	<u>(7,810,454)</u>
Net debt	<u>(206,752,701)</u>	<u>(222,098,546)</u>

	<u>Leases Liabilities</u>	<u>Bonds Payable</u>	<u>Sub-total</u>	<u>Cash and Equivalents</u>	<u>Total</u>
Net debt as December 31, 2023	<u>(8,040,342)</u>	<u>(231,256,000)</u>	<u>(239,296,342)</u>	17,396,949	<u>(221,899,393)</u>
Payment Cash flows	229,888	12,849,000	13,078,888	-	13,078,888
Net debt as December 31, 2024	<u>(7,810,454)</u>	<u>(218,407,000)</u>	<u>(226,217,454)</u>	4,118,908	<u>(222,098,546)</u>
Payment Cash flows	271,409	13,996,000	14,267,409	-	14,267,409
December 31, 2025	<u>(7,539,045)</u>	<u>(204,411,000)</u>	<u>(211,950,045)</u>	<u>5,197,344</u>	<u>(206,752,701)</u>

UEP Penonome II, S. A.

Notes to the Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

3. Financial Risk Management (Continued)

Capital Risk Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for the shareholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to the shareholders, return capital to the shareholders, issue new shares or sell assets to reduce debt.

Capital is monitored by the debt (bonds payable) to EBITDA ratio. This ratio measures the income generated and available to pay down debt from cash flows generated by the operations.

The debt to EBITDA ratio were as follows:

	2025	2024
Corporate bonds, excluding interest payable and deferred finance costs	204,411,000	218,407,000
EBITDA	28,195,703	27,477,199
Loss for the year	(669,295)	(2,392,339)
Depreciation and amortization (Notes 8, 9, 10 and 15)	14,031,702	13,994,812
Finance cost, net (Note 17)	14,336,109	15,193,459
Income tax (Note 18)	497,187	681,267
Total EBITDA ratio	7.25	7.95

Fair Value Estimation

For disclosure purposes, the IFRS Accounting Standards specify a fair value hierarchy that categorizes into three levels based on the inputs used in valuation techniques to measure fair value: The hierarchy is based on the transparency of variables used in the valuation of an asset at the date of valuation. These three levels are:

- Quoted prices (unadjusted) in active markets for identical assets and liabilities (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset and liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

Notes to the Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

3. Financial Risk Management (Continued)

Fair Value Estimation (continued)

The carrying value of cash and cash equivalents, trade and other receivables, trade and other payables approximates its fair value due to the short-term nature.

The fair value of bonds payables is disclosed in Note 13.

4. Critical Accounting Estimates and Judgement

Estimates and judgements are continually evaluated by Management and are based on historical experience and on various other assumptions that Management believes to be reasonable under the circumstances, the results of which form the basis for making judgements.

The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Depreciation and Amortization of Plant and Equipment

The Company makes judgements in assessing its assets estimated useful lives and in determining estimated residual values, as applicable. Depreciation and amortization are calculated on the straight-line method, based on the estimated useful lives of the assets. These estimates are based on analysis of the assets' lifecycles and potential value at the end of its useful life. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Notes to the Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

4. Critical Accounting Estimates and Judgement (Continued)

Current and Deferred Income Tax Estimation

The Company is subject to income tax. Significant judgment is required in determining the provision for income tax. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Impairment of Goodwill

The Company tested the goodwill for impairment annually, or more frequently if indicators of impairment arise. The test is performed at the level of the cash-generating unit (“CGU”) or group of CGUs to which goodwill has been allocated.

The recoverable amount is determined based on value in use, calculated as the present value of estimated future cash flows discounted using a pre-tax rate reflecting current market assessments of the time value of money and the risks specific to the CGU.

The impairment assessment involves significant judgment and key assumptions, including projected revenues, operating margins, capital expenditures, working capital requirements and discount rates. Changes in these assumptions could materially affect the recoverable amount and result in an impairment loss. Management reviews these assumptions periodically to ensure they remain appropriate (Note 11).

Impairment of Non-financial Long-lived Assets

Non-financial long-lived assets, including identifiable intangible assets and right-of-use assets, are reviewed for impairment at the lowest level for which there are separately identifiable cash flows (CGU). For this purpose, each asset group with independent cash flows has been considered a single CGU, as all of their assets jointly contribute to the generation of cash inflows, which are derived from a single service or product; this cash inflows cannot be attributed to individual assets. In order to evaluate if there is evidence that a CGU could be affected, both external and internal sources of information are analyzed. The value in use of each CGU is estimated based on the present value of future net cash flows expected throughout its remaining useful life. Management uses approved long-term models cash flow projections then discounted at the appropriate rates. The discount rates used to discount future net cash flows is the WACC, for each asset or CGU a specific WACC was determined which considered the country conditions where the operations are performed.

UEP Penonome II, S. A.

Notes to the Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

4. Critical Accounting Estimates and Judgement (Continued)

Impairment of Non-financial Long-lived Assets (continued)

In order to calculate the fair value less the costs of disposal, Management uses the estimated value of the future cash flows that a market participant could generate from the appropriate CGU, less the necessary costs to carry out the sale of the corresponding CGU. Management is required to make judgments at the moment of the future cash flows estimation. The actual cash flows and the values may differ significantly from the expected future cash flows and the related values obtained through discount techniques.

5. Cash and Cash Equivalents for Statement of Cash Flows

The cash and cash equivalents for statement of cash flows purposes are detailed as follows:

Trust funds balances are considered as part of the cash and cash equivalents considering that these funds are used as part of the operational process described in Note 6.

	2025	2024
Trustee fund accounts (Note 6)	4,193,444	2,907,937
Cash in U. S. currency	937,236	1,207,475
Collection account of trustee fund at 0.35% (2024: 0.25%) (Note 6)	65,264	2,096
Petty cash	1,400	1,400
	<u>5,197,344</u>	<u>4,118,908</u>

6. Trust Fund with Specific Use

The trust fund balances with specific use are presented below:

	2025	2024
Debt service accrual account	4,160,315	2,877,373
Collection account	65,264	2,096
Spot market account	30,129	27,564
Debt reserve account	600	600
Reserve O&M account	600	600
UEP II execution account	600	600
SWAP account	600	600
LC loan account	600	600
	<u>4,258,708</u>	<u>2,910,033</u>

UEP Penonome II, S. A.

Notes to the Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

6. Trust Fund with Specific Use (Continued)

Debt Reserve Account: The debt service reserve account shall be funded from the amounts received from the collection account or letters of credit or a combination of the two in an amount at least equal to the then applicable debt service reserve requirement (other than in respect of amounts of principal or any cash collateralization obligation or reimbursement obligation due under the letter of credit documents); provided that funds held in the debt service reserve account may be withdrawn to make payments of any amounts (including interest expense, principal, fees, premiums or other amounts other than amounts of principal due under the letter of credit documents (except as provided below)) due on the notes and any other secured debt if and to the extent that the amounts held in the account are insufficient to make such payments. The amounts deposited in the debt service reserve account may be used to reimburse or repay draws upon a related letter of credit to the extent such reimbursement or repayment restores dollar for dollar the ability of the collateral trustee to draw upon such letter of credit for such purposes in the future.

Debt Service Accrual Account: The debt service accrual account shall be funded from the amounts received from the collection account pursuant to the accounts' waterfall established under the Panamanian trust.

O&M Reserve Account: The trust O&M reserve account shall be funded from the amounts received from the collection account or letters of credit, or a combination of the two. Funds from the trust O&M reserve account may be withdrawn as instructed by the issuer or the intercreditor agent, as applicable, to fund the issuer working capital account or any of the guarantor working capital accounts, if and to the extent that (i) the amounts held in the collection accounts and the issuer working capital account or the guarantor working capital account, as applicable, are insufficient to pay operating and maintenance expenses, or (ii) the amount in the relevant issuer distribution account or the guarantor distribution accounts is insufficient to pay unscheduled operating and maintenance expenses. The O&M reserve account shall be funded up to an amount equal to US\$1 million or such greater amount as the issuer at its option may decide.

UEP II Execution Account: The execution accounts shall be funded from any proceeds derived from foreclosing on the collateral in respect of the issuer and the guarantors in accordance with the intercreditor agreement.

SWAP Account: The SWAP account shall be funded from amounts received from in the issuer collection account pursuant to the accounts waterfall up to an amount sufficient to cover any swap settlement payments or swap termination payments, as applicable, due and payable during the transfer period by the issuer under the Citi swap; provided, that amounts will only be transferred to the swap position account upon satisfaction by the issuer of the conditions set out under "limitation on restricted payments".

UEP Penonome II, S. A.

Notes to the Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

6. Trust Fund with Specific Use (Continued)

LC Loan Account: The letter of credit account shall be funded from amounts received in the issuer collection account pursuant to the accounts waterfall to fund amounts payable under the letter of credit documents, other than commitment and letter of credit fees and accrued and unpaid interest.

Issuer Collection Account: The issuer's collection account shall be funded with all income of the issuer, including revenues from the power purchase agreements entered into by the issuer, payments under the intercompany loans, wake effect payments, insurance proceeds, expropriation and termination payments, any other sources of revenue (including any related party payments), construction guaranty payments and liquidated damages payable under the SMA and related agreements, if any, and funds deposited in the issuer spot market account after netting any spot market payments owing to third parties.

Issuer's Spot Market Account: The issuer's spot market account shall be funded, first, prior to each monthly clearing of the spot market payments, from the collection account and, second, after each such monthly clearing, from net proceeds of the monthly clearing of the spot market payments.

7. Trade and Other Receivables

Trade and other receivables are detailed as follows:

	2025	2024
Clients	4,303,051	3,227,690
Interest receivable related parties (Note 16)	297,446	317,812
Related parties (Note 16)	<u>237,117</u>	<u>359,043</u>
	<u><u>4,837,614</u></u>	<u><u>3,904,545</u></u>

At December 31, 2025 and 2024, the Company has not recorded any provision for impairment. (Note 3)

Trade and other receivables are parts of the pledged assets, which guarantee the issuance of corporate bonds. (See Note 13).

UEP Penonome II, S. A.

Notes to the Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

8. Plant and Equipment, Net (Continued)

Plant and equipment are included into the onshore Security Agreements which includes the mortgage on movable and immovable assets, including the Company's generation licenses. (Note 13).

9. Lease

As of December 31, 2025, plant and equipment include leases which correspond to the lease located in Penonome. Lease terms are between 14-yr and 25-yr contract with an incremental rate of 2% year until expiration. The discount rate applied to the lease liability is 7.5%.

The leased properties are presented below:

	2025	2024
<i>Right-of-use assets</i>		
Cost	8,687,492	8,687,492
Accumulated depreciation	<u>(3,266,702)</u>	<u>(2,799,110)</u>
Net balance	<u>5,420,790</u>	<u>5,888,382</u>
<i>Lease liabilities</i>		
Current	316,983	271,410
Non-current	<u>7,222,062</u>	<u>7,539,044</u>
	<u>7,539,045</u>	<u>7,810,454</u>

The movement of lease liabilities is as follows:

	2025	2024
At the beginning of the year	7,810,454	8,040,342
Lease payment	<u>(271,409)</u>	<u>(229,888)</u>
At the end of the year	<u>7,539,045</u>	<u>7,810,454</u>

UEP Penonome II, S. A.

Notes to the Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

9. Lease (Continued)

The statement of profit or loss shows the following amounts relating to lease:

	2025	2024
Depreciation charge of right-of-uses assets leased properties (Note 8)	<u>467,592</u>	<u>467,592</u>
Interest expenses (included in finance cost) (Note 17)	<u>576,580</u>	<u>595,230</u>

10. Intangible Assets

The movement of intangible assets is as follows:

	2025	2024
Cost		
At January 1	227,539	205,039
Additions	<u>30,000</u>	<u>22,500</u>
Balance at the end of the year	<u>257,539</u>	<u>227,539</u>
Accumulated amortization		
At January 1	(131,104)	(104,188)
Depreciation charge	<u>(34,417)</u>	<u>(26,916)</u>
Balance at the end of the year	<u>(165,521)</u>	<u>(131,104)</u>
Net balance at the end of the year	<u>92,018</u>	<u>96,435</u>

Intangible assets - *easement right of way*: correspond to contracts with landowners with a single payment, these contracts were obtained for the constitution of an easement for the high voltage transmission line for a period of 25 years.

UEP Penonome II, S. A.

Notes to the Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

11. Goodwill

In April 2014, IEH Penonome Holdings acquired the share capital of UEP Penonome II, S. A. for US\$8,518,361. In December 2014, it acquired a further share capital for US\$20,000,000 and obtained control of UEP Penonome II, S. A.

The following table summarizes the consideration paid for UEP Penonome II, S. A., the fair value of assets acquired at the acquisition date:

Consideration transferred	
Cash	28,518,361
Recognized amounts of identifiable assets acquired and construction in progress	<u>(8,518,361)</u>
Goodwill	<u>20,000,000</u>

The recoverable amount of the CGU to which goodwill is allocated was determined using a value-in-use model based on cash flow projections for the period 2026 to 2040:

- Revenue projections are based on contracted capacity and long-term wind resource assessments. The model assumes production levels consistent with expected technical performance, without significant growth beyond contracted or supportable generation. Cash flows beyond 2040 are assumed to remain stable.
- Operating margins reflected in the projections are consistent with historical performance and expected operating efficiency. The model includes maintenance of capital expenditures required to sustain operations and assumes working capital levels consistent with historical trends. No material expansionary investments are contemplated.
- Cash flows were discounted using a pre-tax discount rate of 7.86%, derived from the Company's weighted average cost of capital (WACC), calculated using the CAPM adjusted for country risk and the Company's target capital structure.
- Sensitivity analyses were performed on key assumptions, including the discount rate and generation levels. An increase of 50 basis points in the discount rate would not result in an impairment, and no reasonably possible change in key assumptions would cause the carrying amount to exceed the recoverable amount.

The key assumptions described above may change as economic and market conditions change. The Company estimates that reasonably possible changes in these assumptions are not expected to affect the recoverable amount of the business unit or drops below the value of the carrying amount.

UEP Penonome II, S. A.

Notes to the Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

12. Trade and Other Payables

Trade and other payables are detailed as follows:

	2025	2024
Suppliers	867,825	1,176,272
Others	389,246	242,975
Related parties (Note 16)	1,054,078	700
	<u>2,311,149</u>	<u>1,419,947</u>

13. Bonds Payable

Through resolution No. SMV 515-20, dated December 2, 2020, the Company issued on December 18, 2020, with Tecnisol I S. A., Tecnisol II S. A., Tecnisol III S. A. and Tecnisol IV S. A., (together “Tecnisol Group”), as joint guarantor, corporate bonds guaranteed for a total of US\$262,664,000, issued under Regulation 144A and Regulation S of the United States of America, with semi-annual amortizations and final maturity on October 1, 2038 with an interest rate of 6.5%, registered in the stock exchanges of Panama (Latin American Stock Exchange-LATINEX) and Singapore (Singapore Exchange Limited, SGX). The resources obtained from the bond issuance were used to prepay the syndicated loan acquired on December 29, 2014 with the IFC and other financial entities for US\$228,436,514, payment of the financial instrument derived from interest rate for US\$18,049,401, financing costs for US\$5,208,636, and loan performed with Tecnisol Group for US\$10,969,449.

The most relevant commitments and restrictions on this debt are detailed below (all financial ratios expressed below are calculated based on the results of the Company and the Tecnisol Group combined).

- Limitation of indebtedness: for the Company to enter into a permitted indebtedness, it needs to maintain a debt coverage service ratio, both historical and prospective, of at least 1.31.
- Mortgages and / or liens are prohibited, except for certain permitted liens.
- Sale of assets and mergers: prohibited, except under certain conditions.
- Modifications to the main contracts are prohibited.
- Limitations on new investments.
- Restricted payments: The Company cannot make restricted payments if they do not meet both historical and prospective debt coverage service relationship of at least 1.20.

UEP Penonome II, S. A.

Notes to the Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

13. Bonds Payable (Continued)

Guarantee Agreement: Includes the pledge on the Company's shares; transfer in guarantee of the energy purchase agreements and lease titles of ANATI; mortgage of movable and immovable property (including, among the latter, the Company's generation licenses). The Bank of Nova Scotia (Panama) acts as trustee (FID-135). The debt contract establishes that the Company must maintain a "Debt Service Reserve" and an "O&M Reserve" through a deposit or a letter of credit to ensure, in the first case, the next payment of interest. more capital and, in the second case, a certain level of operation and maintenance. (See Note 6).

On December 18, 2020, the Company contracted two letters of credit corresponding to Letter of Credit (DSR) (US\$15,537,000) and Letter of Credit (OMR) (US\$1MM) for three years. On December 11, 2024 the Company renewed the mentioned Letters of Credit under the same conditions for three additional years, ending on December 18, 2026.

As of December 31, 2025, the Company is in compliance with all its commitments throughout the reporting period and expects to meet them during the following 12 months.

The movement of bonds payable is as follows:

	2025	2024
Corporate bonds	204,411,000	218,407,000
Interest payable	3,358,180	3,588,115
Less: unamortized finance costs	<u>(5,703,570)</u>	<u>(6,120,970)</u>
Bonds and interest payable, net	202,065,610	215,874,145
Less: current portion and interest payable	<u>(18,400,181)</u>	<u>(17,584,115)</u>
Bonds payable	<u>183,665,429</u>	<u>198,290,030</u>
	2025	2024
Outstanding at January 1	215,874,145	228,448,132
Payment of bonds	(13,996,000)	(12,849,000)
Interests expense	13,792,385	14,682,060
Interests payment	(14,022,320)	(14,872,390)
Amortization of debt issuance costs	<u>417,400</u>	<u>465,343</u>
Outstanding bonds at December 31	<u>202,065,610</u>	<u>215,874,145</u>

UEP Penonome II, S. A.

Notes to the Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

13. Bonds Payable (Continued)

The movement of the unamortized finance costs is as follows:

	2025	2024
Beginning balance	6,120,970	6,586,313
Amortization of the year	<u>(417,400)</u>	<u>(465,343)</u>
Balance at December 31	<u>5,703,570</u>	<u>6,120,970</u>

The fair value of the bonds payable is US\$ as of December 2025 US\$186,028,121 (2024: US\$198,209,098), based on discounted cash flows using a rate based on the loan rate of 8.60% and is within Level 3 of the fair value hierarchy. The discount rate of 8.60% used to estimate the fair value of the bonds corresponds to the market yield to maturity of the Company's bonds as of December 31, 2025, as observed from quoted market prices for the same instrument. The yield reflects prevailing market conditions, including the Company's credit risk and the remaining term of the bonds at the reporting date. Accordingly, the rate represents a market participant assumption at the measurement date.

14. Shareholders' Equity

The shareholders' equity is as follows:

	<u>Common Shares</u>	<u>Capital Contribution</u>	<u>Total</u>
Initial and ending balance for the years ended December 31, 2025 and 2024	<u>1,050</u>	<u>48,518,792</u>	<u>48,519,842</u>

The shareholders composition of the Company is the following:

InterEnergy Holding UK Ltd.	95.24% economic interest
Green Field Panama, S. A.	4.76% economic interest

On February 28, 2024, by means of the minutes of the board of directors, a capital reduction was approved, without reducing the authorized capital stock of the Company, for US\$7,455,458, leaving US\$48,518,792 as final capital. Additionally, dividend distribution was approved for US\$7,574,542. The shareholder's equity is part of the guarantees given in the issuance of corporate bonds issued by UEP Penonome II, S. A. (See Note 13).

UEP Penonome II, S. A.

Notes to the Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

15. Costs and Expenses

The Company classifies its costs and expenses by nature, as follows:

	2025	2024
Cost of goods and services		
Depreciation and amortization (Notes 8, 9 and 10)	14,031,702	13,994,812
Repairs and maintenance	7,171,965	6,915,447
Fees transmission cost	2,117,820	3,573,302
Internal consumption	405,037	531,537
Salaries and other benefits to employees	383,799	352,044
Security	203,102	214,126
Energy purchases to the spot market (Note 19)	100,530	155,079
	<u>24,413,955</u>	<u>25,736,347</u>
Administrative expenses		
Management services (Note 16)	1,290,000	322,500
Insurance costs	976,273	1,054,607
Substation connection fee	444,576	466,858
Regulator fees	312,488	419,384
Other expenses	269,759	306,778
Wake effect compensation (Note 19)	250,877	392,259
Professional fees	245,753	349,487
Audit fees	51,543	51,995
Communication expenses	36,017	29,868
Maintenance office	16,683	21,173
Fuel	11,961	17,405
Office expenses	2,790	3,773
	<u>3,908,720</u>	<u>3,436,087</u>
	<u>28,322,675</u>	<u>29,172,434</u>

UEP Penonome II, S. A.

Notes to the Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

15. Costs and Expenses (Continued)

Salaries and other benefits to employees are included in cost of good and services and are detailed as follows:

	2025	2024
Salaries and wages	245,046	225,823
Other	92,638	85,617
Statutory contributions	41,351	36,259
Seniority premium and indemnity	4,764	4,345
	<u>383,799</u>	<u>352,044</u>

16. Balances and Transactions with Related Parties

The Company is fully controlled by Basic Energy, Ltd., its ultimate parent company. The Company carried out transactions and maintained balances with related companies, as described below:

	2025	2024
Transactions		
<i>Energy revenues</i>		
Other related parties -		
Energy sold in the spot market (b)	<u>445,637</u>	<u>64,509</u>
Other related parties -		
Energy sold under reserve contracts (c)	<u>2,492,069</u>	<u>2,220,153</u>
<i>Costs of goods and services</i>		
Other related parties -		
Energy purchases in the spot market (b)	<u>57,243</u>	<u>6,418</u>
<i>Administrative expenses</i>		
Shareholders: InterEnergy Holding UK Ltd. -		
Professional fees expenses (a)	<u>1,290,000</u>	<u>322,500</u>
<i>Finance cost, net</i>		
Other related parties -		
Earned interest (d)	<u>1,221,639</u>	<u>1,300,441</u>

UEP Penonome II, S. A.

Notes to the Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

16. Balances and Transactions with Related Parties (Continued)

The movements in the loan and interest intercompany during the year is a follows:

	2025	2024
Balances		
<i>Trade and other receivables - other related parties</i>		
Accounts receivable energy reserve contracts (c)	227,286	320,755
Accounts receivable energy spot market (b)	9,831	38,288
	<u>237,117</u>	<u>359,043</u>
Loan interest receivable- intercompany (d)	<u>297,446</u>	<u>317,812</u>
<i>Debt receivable - other related parties</i>		
Loan receivable - intercompany (d)	<u>18,105,379</u>	<u>19,345,052</u>
<i>Trade and other payables</i>		
Accounts payable professional fees (a) - Shareholders: InterEnergy Holding UK Ltd.	1,048,125	-
Accounts payable energy spot market (b) - other related parties	5,953	700
	<u>1,054,078</u>	<u>700</u>
	2025	2024
Loan receivable - intercompany		
At January 1	19,345,052	20,483,132
Collections received	<u>(1,239,673)</u>	<u>(1,138,080)</u>
Loan receivable - intercompany (d)	<u>18,105,379</u>	<u>19,345,052</u>
Interest receivable - intercompany		
At January 1	317,812	334,670
Interest collected	(1,242,005)	(1,317,299)
Earned interest	<u>1,221,639</u>	<u>1,300,441</u>
Loan interest receivable- intercompany (d)	<u>297,446</u>	<u>317,812</u>

UEP Penonome II, S. A.

Notes to the Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

16. Balances and Transactions with Related Parties (Continued)

- (a) Administrative and asset management services rendered by related parties.
- (b) Sales and purchases of energy with related parties in the energy spot market.
- (c) Energy Reserve Contracts described in Note 19.
- (d) Loan receivable with related companies Tecnisol I, S. A., Tecnisol II, S. A., Tecnisol III, S. A. and Tecnisol IV, S. A. These loans are backed by promissory notes issued by the companies mentioned above in favor of UEP Penonome II, S. A. and assigned to FID 135. (See Note 13).

17. Finance Cost, Net

Finance costs are detailed as follows:

	2025	2024
Interest on bonds (Note 13)	13,792,385	14,682,060
Other finance cost	741,228	723,216
Interest on lease liabilities (Note 9)	576,580	595,230
Amortization of deferred financing costs	417,400	465,343
Financial dismantling cost	30,155	28,051
Interest income (Note 16)	(1,221,639)	(1,300,441)
	<u>14,336,109</u>	<u>15,193,459</u>

18. Income Tax

The income tax is presented as follows:

	2025	2024
Deferred tax	<u>497,187</u>	<u>681,267</u>

UEP Penonome II, S. A.

Notes to the Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

18. Income Tax (Continued)

The movement in deferred income tax assets and liabilities during the year is as follows:

	2025	2024
<i>Deferred income tax liabilities</i>		
At January 1	2,107,128	1,425,861
Charged to income statement	<u>497,187</u>	<u>681,267</u>
At December 31	<u>2,604,315</u>	<u>2,107,128</u>

Deferred income tax liability is the result of temporary differences from accelerated tax depreciation and tax bases of and other depreciation tax treatment of the cash compensation received.

Under current tax legislation in the Republic of Panama, the profits of the Company from local operations are subject to income tax.

Income tax is based on the higher of the following computations:

- a. The rate of 25% on taxable income.
- b. The net taxable profit resulting from applying 4.67% to the total taxable income times the rate of 25% which represents 1.17% of taxable income (CAIR, for its acronym in Spanish).

In certain circumstances, if the application of 1.17% of revenue results in the entity incurring losses due to the resulting tax, or the effective tax rate is higher than 25%, then the entity may choose to request not to apply minimum tax. In such cases, the Company must file a petition to the Tax Authority, who may authorize the no application for a term of three years.

The income tax resultant by applying the in-force rates to the net profit, is reconciled with the income tax provision presented in the financial statements, as follows:

UEP Penonome II, S. A.

Notes to the Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

18. Income Tax (Continued)

	2025	2024
Loss before income tax	(172,108)	(1,711,072)
Fiscal adjustment to recognize accelerated depreciation	(1,988,748)	(2,725,068)
Less: Non-taxable income	(4,379)	(11,069)
Plus: Non-deductible expenses	245,494	271,816
Taxable loss	<u>(1,919,741)</u>	<u>(4,175,393)</u>
Tax effects of temporary differences	497,187	681,267
Income tax	<u>497,187</u>	<u>681,267</u>

According to Tax Legislation of Panama, income tax returns for the last three (3) years are subject to review by fiscal authorities, including year ended December 31, 2025.

Management requested to the Tax Authority the non-application of the CAIR for the 2024 fiscal year. The request was accepted and approved for the fiscal years 2024 and 2025.

Law No.52 of August 28, 2012, established the transfer pricing regime oriented to regulate tax purposes transactions between related parties, and applicable to the taxpayer to perform operations with related parties that are tax residents of other jurisdictions. The most important aspects of this regulation include:

- Taxpayers must submit annually an information return related operations with related parties, within six (6) months following the close of the relevant fiscal period. This obligation applies to transactions from fiscal year 2012. For fiscal year 2024 this was submitted on June 21, 2025, for 2025 the presentation is still in process.
- Failure to submit the report shall be punishable by a fine equivalent to 1% of the total amount of transactions with related parties.
- Persons required to submit the report referred to in the preceding paragraph, shall maintain a transfer pricing study, which shall contain the information and analysis to assess and document their transactions with related parties, in accordance by Law. The taxpayer must present study only at the request of the Department of Revenue of the Ministry of Economy and Finance within 45 days after the request.

UEP Penonome II, S. A.

Notes to the Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

19. Commitments

- The Company has twelve PPA Contract's assigned by three to Nuevo Chagres, Portobelo, Rosa de los Vientos and Maranon parks. The PPA's were awarded on March 21, 2012, by which energy production is sold to the three distribution companies in Panama: Empresa de Distribucion Electrica Metro-Oeste, S. A. (EDEMET) (controlled by Gas Natural Fenosa), Empresa de Distribucion Electrica Chiriqui, S. A. (EDECHI) (controlled by Gas Natural Fenosa) and Elektra Noreste, S. A. (ENSA) (controlled by Empresas Publicas de Medellin).

Each PPA states that the energy supply period is for 180 months, beginning on July 1, 2014 and finishing on June 30, 2029. Portobelo and Maranon PPA's were extended until December 2033. Price will be reset annually, keeping 75% of the base price fixed and the remaining 25% will be indexed to Panamanian Consumer Price Index (CPI).

In December 2014, the Company signed the Wake Effect Agreement with UEP Penonome I, S. A. (actually AES Panama, S.R.L.), in which UEP II must compensate AES Panama, S.R.L. (hereinafter "AES") for the energy losses caused by the preferred physical position of the wind turbines which impact the wind regime. The Company agrees to pay a monthly payment beginning with the Commercial Operation Date occurred on February 19, 2018, for 25 years term. The wake effect compensation amount is disclosed in Note 15.

- In January 2016, the Company signed the Amendment No.4 of the PPA's with the offtakers to solve some sections that were ambiguous and penalized UEP II, even if the Company supplied the energy generated.

This amendment clarifies the following subjects:

1. The PPAs includes a penalty if the wind farm does not reach the expected generation committed in the PPAs. The portion that the wind farm has to comply in order to avoid such penalty is 0.6 (60%), "Fraccion de la Generacion Esperada" (FGE, for its acronym in Spanish) that represents the portion of the expected generation on an annual basis.

Based on the historical data, the probability of such penalty is remote because it depends on the energy compromised in the PPA. Historical data shows that even in the worst-case scenario, the wind farm complies with 0.6. Also, the buyer must acquire all the energy produced by the seller, so the committed energy in PPAs is less than the energy produced and sold.

UEP Penonome II, S. A.

Notes to the Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

19. Commitments (Continued)

- On October 23, 2023, the Company was awarded two PPA Contract's by ETESA, through Resolution GC-02-2023, for hiring short-term energy supply only for 2024 and 2025, which will address the requirements of the companies EDECHI and ENSA. This energy will be supplied with Rosa de los Vientos II (SPOT).
- In the event that the Company is unable to fulfill its obligations under any of the contracts, the performance bonds that support the obligations may be drawn by the customers. In the event that the customers are unable to fulfil their obligations under any of the contracts, the performance bonds that support their obligations may be drawn by the Company. The amounts of the performance bonds provided by the Company were US\$18,369,424 and the amounts of the performance bonds provided by the customers were US\$6,523,937. The total amounts of the performance bonds outstanding as at December 31, 2025 24,893,361 were US\$ (2024 US\$28,625,291).
- The Company has in place reserve contracts with its affiliated generators Tecnisol I, II, III, and IV, with the excess energy produced by the Rosa de los Vientos II (50 MW) wind farm to support the affiliated companies' market obligations. These Reserve Contracts specify the option for the parties to extend the term if desired. The Contract Price remains fixed throughout the entire supply period.
- Turbine Supply Agreement (TSA) consists in 86 Goldwind G109 2.5 MW wind turbine generators with a hub height of 90 meters to be procured pursuant to an Amended and Restated Turbine Supply Agreement entered on April 23, 2014 (TSA) and further amended on December 10, 2014 with Goldwind International Holdings (HK) Limited, a subsidiary of wind manufacturer Xinjiang Goldwind Science and Technology ("Goldwind") and together Goldwind Company; for the supply of:
 - 66 turbines contracted energy totaling 165 MW; divided in four wind parks:
 - Nuevo Chagres 62.5 MW.
 - Portobelo 32.5MW.
 - Rosa de los Vientos 52.5 MW. and
 - Maranon 17.5 MW.
 - 20 turbines partially contracted and merchant energy totaling 50 MW.

UEP Penonome II, S. A.

Notes to the Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

19. Commitments (Continued)

Under the TSA, Goldwind Company provided a five years warranty on the equipment for defects, power curve, availability and noise. Under the First Amendment to the Service and Maintenance Agreement, dated October 1, 2021, Goldwind guarantees a time-based turbine availability rate of 97% for the high wind season and 96% for the low wind season. This SMA amendment Warranty Period commences on November 1, 2021, following the expiration of the Warranty Period of the TSA and can be extended by UEP II until year ten. Additional services to the SMA were signed by Change Order No. 8. This addition was entered into effective as of the 15th day of April, 2022 between Goldwind Service Company Panama, S de RL and UEP II. This addendum consists of the purchase of Blade Sets and/or other related goods.

On January 19, 2024, the Company entered into a 5-year Service and Maintenance Agreement (SMA) with a Goldwind Company for the operation, maintenance, repair and replacement services on the wind turbines at a fixed price adjusted for inflation, including warranties for availability and noise in line with those during the warranty period. Under the SMA, Goldwind guarantees a time-based turbine availability rate of 97% for the high wind season and 96% for the low wind season.

ASEP (the regulator) granted final license for the construction, operation, maintenance, power generation and sale of wind farms Maranon, Portobelo Ballestillas, Rosa de los Vientos and New Chagres a Panamanian company Union Eolica Panameña, S. A. (UEP) through Resolutions AN No.4075-Elec the December 10, 2010, AN No.4092-Elec the December 15, 2010, AN No.5379-Elec the June 13, 2012 and AN No.4094-Elec the December 15, 2010, respectively. This final license is granted for a term of forty (40) years from September 26, 2014.

Subsequently, the ASEP issued resolutions AN No.7252-Elec the April 11, 2014, AN No.7274-Elec the April 11, 2014, AN No.7278-Elec the April 14, 2014 and No.7326 AN-Elec of May 2, 2014, in which is authorized yield UEP for Penonome II, S. A., the final licenses originally granted to UEP.

On June 15, 2018, the Company and UEP Penonome I, S. A. (actually AES Panama, S.R.L.), signed the Phase II Shared Assets Access Agreement, pursuant to which the Company agreed to pay to AES Panama, S.R.L., who is the owner of and maintains the El Coco Substation to which UEP II's wind park connects, a monthly access fee of US\$27,129 and the reimbursement of maintenance costs. This agreement shall continue in full force and effect for so long as the Company is operated unless terminated earlier by mutual agreement of the parties.