

Tecnisol Group

Independent Auditors' Report and Combined 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."

Tecnisol Group

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December 31, 2025

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Independent Auditors' Report

To the Board of Directors and Shareholders of
Tecnisol Group

Report on the audit of the financial statements

Our opinion

In our opinion, the combined financial statements present fairly, in all material respects, the financial position of the entities set out in Note 1 (together "Tecnisol Group" or the "Group") to the combined financial statements as at December 31, 2025, and their financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

The combined financial statements of the entities set out in Note 1 to the combined financial statements comprise:

- the combined balance sheet as at December 31, 2025;
- the combined statement of income for the year then ended;
- the combined statement of changes in equity for the year then ended;
- the combined statement of cash flows for the year then ended; and
- the notes to the combined 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 combined 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 entities set out in Note 1 to the combined financial statements in accordance with the requirements of the code of professional ethics for certified public accountants that are relevant to audits of financial statements 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

Impairment assessment of plant and equipment

As of December 31, 2025, the balance of plant and equipment amounted to US\$24,822,060, representing 75% of the total assets of the entities indicated in Note 1 to the combined financial statements.

Management is required to review these asset 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 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.

See Note 8 to these combined financial statements.

- 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 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.

Emphasis of matter – basis of preparation

We draw attention to Note 1 to the combined financial statements, which describes the basis of preparation, including the fact that the entities included in the combined financial statements have not operated as a single entity. These combined financial statements are, therefore, not necessarily indicative of results that would have occurred if the entities had operated as a single entity during the year presented or of future results of the combined entities. The combined financial statements have been prepared by the management of Tecnisol Group for the Board of Directors of Tecnisol Group to assist them in presenting the financial position and results of the entities set out in Note 1, in connection with the transaction described in Notes 14 and 16 to these combined financial statements. As a result, the combined financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of management and those charged with governance for the combined financial statements

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

In preparing the combined financial statements, management of the Group is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management of the Group either intends to liquidate the entities set out in Note 1 or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the combined financial statements

Our objectives are to obtain reasonable assurance about whether the combined 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 combined 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 internal control of the entities set out in Note 1 to the combined financial statements.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management of the Group.

- Conclude on the appropriateness of management of the Group'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 ability of the entities set out in Note 1 to the combined financial statements 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 combined 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 entities set out in Note 1 to the combined financial statements to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the combined financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the audit of the combined financial statements (group audit) to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the combined entities as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of Tecnisol Group 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

Tecnisol Group

Combined Balance Sheet

December 31, 2025

(All amounts in US\$ unless otherwise stated)

	Notes	2025	2024
Assets			
Current assets			
Cash and cash equivalents	2, 3, 5 and 6	5,840,019	3,669,962
Trade and other receivables	2, 7 and 14	1,548,904	1,625,850
Prepaid expenses and other assets		452,390	818,831
Inventory		192,651	65,616
Total current assets		<u>8,033,964</u>	<u>6,180,259</u>
Non-current assets			
Plant and equipment, net	2, 8 and 9	24,822,060	27,535,042
Intangible assets, net	2 and 10	185,653	196,125
Deferred income tax	15	93,549	76,864
Other receivable		37,500	37,500
Seniority premium		11,915	9,391
Total non-current assets		<u>25,150,677</u>	<u>27,854,922</u>
Total assets		<u>33,184,641</u>	<u>34,035,181</u>
Liabilities and Equity			
Liabilities			
Current liabilities			
Lease liabilities	2 and 9	48,345	41,354
Related party loan	2, 7, 14 and 16	1,629,767	1,557,484
Trade and other payables	2, 11 and 14	1,759,713	2,026,507
Total current liabilities		<u>3,437,825</u>	<u>3,625,345</u>
Non-current liabilities			
Lease liabilities	2 and 9	1,040,654	1,089,000
Provisions		381,384	354,776
Related party loan	2, 14 and 16	16,773,058	18,105,379
Total non-current liabilities		<u>18,195,096</u>	<u>19,549,155</u>
Total liabilities		<u>21,632,921</u>	<u>23,174,500</u>
Equity			
Parent company investment	2 and 12	40,000	40,000
Capital contribution	2, 12 and 18	12,211,965	12,211,965
Accumulated deficit		(494,264)	(1,204,532)
Prepaid dividend tax		(205,981)	(186,752)
Total equity		<u>11,551,720</u>	<u>10,860,681</u>
Total liabilities and equity		<u>33,184,641</u>	<u>34,035,181</u>

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

Tecnisol Group

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

	Notes	2025	2024
Energy revenue	14	15,429,927	15,746,642
Costs of goods and services	8, 9, 10, 13 and 14	<u>(12,309,024)</u>	<u>(13,411,996)</u>
Gross profit		3,120,903	2,334,646
Administrative expenses	13 and 14	<u>(884,679)</u>	<u>(915,995)</u>
Operating profit		2,236,224	1,418,651
Finance costs	14 and 16	(1,343,743)	(1,416,336)
Other income		<u>206,783</u>	<u>860</u>
Profit before income tax		1,099,264	3,175
Income tax	15	<u>(388,996)</u>	<u>(105,414)</u>
Profit (loss) for the year		<u>710,268</u>	<u>(102,239)</u>

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

Tecnisol Group

Combined Statement of Changes in Equity

For the year ended December 31, 2025

(All amounts in US\$ unless otherwise stated)

	<u>Parent Company Investment</u>	<u>Capital Contribution</u>	<u>Accumulated Deficit</u>	<u>Prepaid Dividend Tax</u>	<u>Total Equity</u>
Balance at December 31, 2023	40,000	12,211,965	(1,102,293)	(186,752)	10,962,920
Loss for the year	-	-	(102,239)	-	(102,239)
Balance at December 31, 2024	40,000	12,211,965	(1,204,532)	(186,752)	10,860,681
Profit for the year	-	-	710,268	-	710,268
Prepaid dividend tax	-	-	-	(19,229)	(19,229)
Balance at December 31, 2025	<u>40,000</u>	<u>12,211,965</u>	<u>(494,264)</u>	<u>(205,981)</u>	<u>11,551,720</u>

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

Tecnisol Group

Combined Statement 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			
Profit before income tax		1,099,264	3,175
Adjustments to reconcile income before income tax to net cash provided by operating activities:			
Depreciation and amortization	8, 9, 10, and 13	3,056,817	3,004,969
Interest on related party loan and lease liabilities, net	9 and 14	1,305,655	1,387,197
Provisions		26,608	24,752
Changes in assets and liabilities:			
Trade and other receivables		76,946	321,824
Trade, other payables and income tax payable		(266,794)	(297,197)
Prepaid expenses, other assets and seniority premium		171,932	511,968
Inventory		(127,035)	711
Income tax paid		(213,695)	(459,597)
Net cash provided by operating activities		<u>5,129,698</u>	<u>4,497,802</u>
Cash flows from investing activities			
Additions of plant and equipment and cash used in investing activities	8	<u>(333,363)</u>	<u>(149,835)</u>
Cash flows from financing activities			
Payment of loan payable - intercompany	14	(1,239,673)	(1,138,080)
Interest paid - intercompany	14	(1,242,005)	(1,317,299)
Prepaid dividend tax		(19,229)	-
Principal lease payments	9	(41,355)	(34,964)
Interest paid lease	9	(84,016)	(86,755)
Net cash used in financing activities		<u>(2,626,278)</u>	<u>(2,577,098)</u>
Net increase in cash and cash equivalents		2,170,057	1,770,869
Cash and cash equivalents at the beginning of the year		<u>3,669,962</u>	<u>1,899,093</u>
Cash and cash equivalents at end of the year	5	<u>5,840,019</u>	<u>3,669,962</u>

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

Tecnisol Group

Notes to the Combined Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

1. General Information

Tecnisol I, S. A.; Tecnisol II, S. A.; Tecnisol III, S. A. and Tecnisol IV, S. A. (the “Companies” and together as Tecnisol Group the “Group”, for purposes of these special purpose report) were incorporated on February 20, 2014 under the laws of the Republic of Panama. The Companies are engaged in the production of electricity through its photovoltaic panel parks located in David, Province of Chiriqui, Republic of Panama.

The ultimate parent company of the Companies Group is Basic Energy Ltd., incorporated in Bahamas.

The combined financial statements have been prepared for the purposes of including the combined financial information of the Companies as part of the required annual reporting requirements in which the Group are Guarantors (see Note 16). The combined business has not operated as a single entity and the combined financial statements are not necessarily indicative of results that would have occurred if the business had been a single entity during the periods presented or of future results of the businesses.

The administrative offices of the Companies are located at Plaza 58 Building, 9th floor, 58E street, Obarrio, Republic of Panama, and the photovoltaic panels are located in David, Province of Chiriqui, Republic of Panama. The local regulator, Autoridad Nacional de los Servicios Publicos (ASEP, by its acronym in Spanish), approved the Companies’ electricity generation license to 40 MW capacity (Note 17).

These combined 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 combined financial statements are set out below.

Basis of Preparation

The combined financial statements of the Companies for the year ended December 31, 2025 have been prepared in accordance with International Financial Reporting Standards as issued by International Accounting Standards Board (IASB) (IFRS Accounting Standard). The combined financial statements have been prepared on the historical cost convention.

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

Tecnisol Group

Notes to the Combined Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

2. Summary of Material Accounting Policies (Continued)

Basis of Preparation (continued)

The preparation of combined 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 Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the combined financial statements are disclosed in Note 4.

The combined financial statements include the following companies:

- Tecnisol I, S. A.
- Tecnisol II, S. A.
- Tecnisol III, S. A.
- Tecnisol IV, S. A.

New Standards and Amendments Adopted by the Group

The Group 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 Group determined that the amendments did not have a material impact on the Group'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 Group determined that the interpretations did not have a material impact on the Group's financial statements.

Tecnisol Group

Notes to the Combined 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 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 Group:

- *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 Group's financial statements.

Tecnisol Group

Notes to the Combined 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 not Adopted (continued)

- *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.

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 Group’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 Group is in the process of determining the impact on the Group of applying IFRS 18. The Group 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 Group will conclude that it has a specified main business activity which is the production of electricity.

Tecnisol Group

Notes to the Combined 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 not Adopted (continued)

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

The Group currently presents an operating profit subtotal. The Group 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 Group currently reports an adjusted EBITDA measure to the shareholders. The Group expects that this measure will meet the definition of a management-defined performance measure. The Group 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 Group will provide an update on the progress towards transition to IFRS 18.

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

Monetary Unit and Functional Currency

The combined 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 Companies, 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 companies.

A geographic segment is an identifiable component of the Companies 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 Companies 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 Companies' internal and reporting organization is predominantly based on a single business segment.

Tecnisol Group

Notes to the Combined Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

2. Summary of Material Accounting Policies (Continued)

Financial Assets

The Companies classify their financial assets in the category of loans and receivables, 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 cash flow statement, 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 Group's cash flows for the year for operating, investing and financing activities and the change in cash and cash equivalents during the year.

Trade and Other Receivables

Trade and other 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 (if applicable).

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

Prepaid Expenses and Other Assets

Prepaid expenses and other assets are mainly related to advances to suppliers, prepaid insurance and letters of credit. These are recognized when the Companies 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 onto the combined income statement.

Tecnisol Group

Notes to the Combined Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

2. Summary of Material Accounting Policies (Continued)

Plant and Equipment

Plant and equipment are stated at cost, less accumulated depreciation and impairment losses. Depreciation is 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 Companies and the cost of the item can be measured reliably. The Companies 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 construction, 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 Companies begin depreciating an item of plant and equipment when it is available for use.

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 Companies are reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Depreciation rates used are described as follows:

Generators and plant facilities	5% - 10%
Equipment of transportation	25%
Buildings	2.50%
Tools and minor equipment and other assets	25%
Furniture and office equipment	25%
Right of use assets	5% - 5.5%

Major spare parts and stand-by equipment qualify as property, plant and equipment when the Group 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.

Tecnisol Group

Notes to the Combined Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

2. Summary of Material Accounting Policies (Continued)

Plant and Equipment (continued)

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.

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.

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Notes to the Combined Financial Statements

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(All amounts in US\$ unless otherwise stated)

2. Summary of Material Accounting Policies (Continued)

Lease Liabilities

Lease liabilities include the following lease payments:

- fixed payments, less any lease incentives receivable,
- variable lease payment that are based on an index or a rate,
- amounts expected to be payable by the Companies under residual value guarantees,
- the exercise price of a purchase option if the Companies is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Companies exercising that option.

The lease payments are discounted using the interest rate implicit in the lease, to the extent that this can be determined. Otherwise, the discount is the lessee's incremental borrowing rate.

Intangible Assets

Easement Right of Way

Represent the value attributable to the right-of-use of a high voltage transmission line for a 25 year period, by virtue of a long-term contract with the landowners and the Companies. The intangible assets are recognized 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.

Related Party Loan

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortized cost, using the effective interest method.

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.

Tecnisol Group

Notes to the Combined Financial Statements

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(All amounts in US\$ unless otherwise stated)

2. Summary of Material Accounting Policies (Continued)

Provision - Asset Retirement Obligation

The Asset Retirement Obligation Provision (ARO) are valued at the present value of the disbursements that are expected to be necessary to settle the obligation using the best estimate of the Companies. 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 companies have recognized non-current obligations for the dismantling and retirement of its assets at the end of their lives.

Parent Company Investment

Common shares of each of the Companies considered in the combined financial statements are classified as parent company investment. (See Note 12).

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 Director, on or before the end of the reporting period but not distributed at the end of the reporting period.

Energy Revenue Recognition

The Companies recognize energy revenue in the periods that it delivers electricity. Contracted prices are billed in accordance with 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 megawatts hour (\$/MWh). Revenues are measured at fair value of the consideration received or receivable for the sale of the energy.

In accordance of IFRS 15, the Companies recognized the revenue from contracts with great clients (customers) based on a five-step model detailed below:

Tecnisol Group

Notes to the Combined Financial Statements

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(All amounts in US\$ unless otherwise stated)

2. Summary of Material Accounting Policies (Continued)

Energy Revenue Recognition (continued)

- Step 1. Identify contracts with large clients: A contract is defined as the agreement between two or more parties, which creates rights and obligations required and establishes criteria that must meet for each contract. The contracts that are handled are written and grouped in the same type of contracts because all of the 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 Companies expects to have the right in exchange for the transfer of the promised goods or services to a client.
- Step 4. Assignment of the transaction price: The Companies 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 Companies continues recognizing revenues over time instead of during a certain time.

The Companies mainly satisfy their performance obligations at over time, when, or as, a performance obligation is satisfied, the Companies recognize 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 Companies expect 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.

Finance Cost

Comprises interest expense on borrowings, interest expense related to lease liabilities and bank fees.

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.

Tecnisol Group

Notes to the Combined Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

2. Summary of Material Accounting Policies (Continued)

Employee Benefits (continued)

Defined Benefit Plan for employees (seniority premium and indemnification) (continued)

Law No.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, Tecnisol III, S.A. 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\$22,727 (2024: US\$18,222).

Current and Deferred Income Tax

Income tax expense for the period comprises current and deferred income tax. Income tax is recognized in the combined income statement. The current income tax charge is calculated on the basis of the tax laws enacted at the combined 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 combined 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 combined 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.

Tecnisol Group

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December 31, 2025

(All amounts in US\$ unless otherwise stated)

3. Financial Risk Management

Financial Risk Factors

The Companies' 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 Companies.

Market Risk

Foreign Exchange Risk.

The Companies are not substantially exposed to the foreign exchange risk fluctuation since its revenues, expenses and balances are mainly expressed in U.S. dollars.

Interest Rate Risk

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

Credit Risk

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

The credit quality of financial assets related to cash and cash equivalent 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-)	3,877,395	2,506,625
BB/BBB- (2024: BB/BBB-)	<u>1,961,324</u>	<u>1,162,037</u>
	<u>5,838,719</u>	<u>3,668,662</u>

Tecnisol Group

Notes to the Combined Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

3. Financial Risk Management (Continued)

Financial Risk Factors (continued)

Market Risk (continued)

Credit Risk (continued)

The Companies have a concentration of its revenues and accounts receivable with large clients and customers from the spot market in the Republic of Panama. Sales of energy made to these customers represent approximately 94% and 6% (2024: 89% and 11%), of total revenues, respectively and 92% (2024: 90%) of total accounts receivable at the end of the year. 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 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 date of presentation 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 Companies might not be able to comply with all their obligations. The Companies minimize this risk by maintaining adequate levels of cash on hand or in current accounts for fulfilling commitments with recurring suppliers and borrowers.

The Companies finance monitors rolling forecasts of the Companies' liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Companies do not breach borrowing limits or covenants on any of its borrowing facilities. Such forecasting takes into consideration the Companies' debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets and, if applicable external regulatory or legal requirements. Also, if there are any deficiencies on the working capital of the individual Companies such will be supported by the other companies of the Group.

Tecnisol Group

Notes to the Combined 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 table below analyses the Companies' 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					
Loan payable to related party	2,492,731	2,498,974	6,770,237	14,505,966	26,267,908
Lease liabilities	129,131	133,004	423,438	968,308	1,653,881
Trade and other payables	<u>1,759,713</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,759,713</u>
	<u>4,381,575</u>	<u>2,631,978</u>	<u>7,193,675</u>	<u>15,474,274</u>	<u>29,681,502</u>
December 31, 2024					
Loan payable to related party	2,481,678	2,492,731	7,443,983	16,331,194	28,749,586
Lease liabilities	125,370	129,131	411,105	1,113,645	1,779,251
Trade and other payables	<u>2,026,507</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,026,507</u>
	<u>4,633,555</u>	<u>2,621,862</u>	<u>7,855,088</u>	<u>17,444,839</u>	<u>32,555,344</u>

Capital Risk Management

The Companies' objectives when managing capital are to safeguard the Companies' 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 Companies may adjust the number of dividends paid to the shareholders, return capital to the shareholders, issue new shares or sell assets to reduce debt.

Tecnisol Group

Notes to the Combined Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

3. Financial Risk Management (Continued)

Capital Risk Management (continued)

Capital is monitored by the debt (Loans payable to related) to EBITDA ratio. This ratio measures the income generated and available to pay down debt from cash flows generated by the operation. The debt to EBITDA ratio were as follows:

	2025	2024
Related party loan, excluding interest payable	<u>18,105,380</u>	<u>19,345,051</u>
EBITDA	<u>5,499,824</u>	<u>4,424,480</u>
Profit (loss) for the year	710,268	(102,239)
Depreciation and amortization (Notes 8, 9, 10 and 13)	3,056,817	3,004,969
Finance cost	1,343,743	1,416,336
Income tax (Note 15)	<u>388,996</u>	<u>105,414</u>
Total EBITDA ratio	<u>3.29</u>	<u>4.37</u>

Fair Value Estimation

For disclosure purposes, the International Financial Reporting 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:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: 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 3: Inputs for the asset and liability that are not based on observable market data (that is, unobservable inputs).

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.

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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.

Asset Retirement Obligation

The Companies makes annual estimates to determine the dismantling values associated with the termination of the lease contracts, this estimate is recorded at its present value in the combined financial statements of the Companies.

Depreciation of Plant and Equipment

The Companies make judgements in assessing its assets estimated useful lives and in determining estimated residual values, as applicable. Depreciation is 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.

Current and Deferred Income Tax Estimation

The Companies are 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 Companies 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 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 company with independent cash flows and each associate 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.

Tecnisol Group

Notes to the Combined Financial Statements

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4. Critical Accounting Estimates and Judgement (Continued)

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

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. In order to calculate the fair value less the costs of disposal, the Group 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. The Group Management is required to make judgments at the moment of the future cash flow 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

Cash and cash equivalents are detailed as follows:

	2025	2024
Trustee fund accounts (Note 6)	3,457,133	2,187,029
Cash in U. S. currency	2,381,586	1,481,633
Petty cash	1,300	1,300
	<u>5,840,019</u>	<u>3,669,962</u>

6. Trust Fund with Specific Use

This trust fund is part of the obligation acquired due to the issuance of corporate bonds carried out by UEP Penonome II, in which the Companies of Tecnisol Group participated as Guarantors. For more details see Note 16.

Tecnisol Group

Notes to the Combined Financial Statements

December 31, 2025

(All amounts in US\$ unless otherwise stated)

6. Trust Fund with Specific Use (Continued)

The fund balances of trusts with specific use are presented below:

	2025	2024
Guarantor collection account		
Tecnisol I, S.A.	64,214	140,416
Tecnisol II, S.A.	1,306,616	832,071
Tecnisol III, S.A.	1,374,255	650,645
Tecnisol IV, S.A.	581,289	394,684
Guarantor spot market account		
Tecnisol I, S.A.	17,282	22,023
Tecnisol II, S.A.	63,064	85,239
Tecnisol III, S.A.	46,873	58,804
Tecnisol IV, S.A.	1,140	747
Guarantor execution account		
Tecnisol I, S.A.	600	600
Tecnisol II, S.A.	600	600
Tecnisol III, S.A.	600	600
Tecnisol IV, S.A.	600	600
	<u>3,457,133</u>	<u>2,187,029</u>

Guarantor collection account: The Guarantors' collection accounts together with the Issuer Collection Account, shall be funded with all income of the Guarantors, including revenues from the Power Purchase Agreements entered by the Guarantors, insurance proceeds, expropriation and termination payments, and from funds deposited in the Guarantor Spot Market Accounts.

Guarantor 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.

Guarantor spot market accounts: The Guarantors' spot market accounts shall be funded, first, prior to each monthly clearing of the spot market payments, from the Guarantor Collection Accounts and, second, after each such monthly clearing, from proceeds of the monthly clearing of the spot market payments.

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Notes to the Combined Financial Statements

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(All amounts in US\$ unless otherwise stated)

7. Trade and Other Receivables

Trade and other receivables are detailed as follows:

	2025	2024
Clients	1,545,585	1,616,226
Related parties (Note 14)	2,004	9,126
Others	1,315	498
	<u>1,548,904</u>	<u>1,625,850</u>

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

Tecnisol Group

Notes to the Combined Financial Statements December 31, 2025

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8. Plant and Equipment, Net

Following is the movement of plant and equipment:

	Generators and Plant Facilities	Transmission Line	Vehicles	Buildings and Infrastructure	Tools, Minor Equipment and Other Assets	Right of Use Assets	Asset for Dismantling	Construction in Progress	Total
Cost at January 1, 2025	40,359,413	2,983,185	53,991	718,256	306,614	1,262,934	285,580	-	45,969,973
Additions	-	-	-	-	206,129	-	-	127,234	333,363
Cost at December 31, 2025	40,359,413	2,983,185	53,991	718,256	512,743	1,262,934	285,580	127,234	46,303,336
Accumulated depreciation at January 1, 2025	(17,032,302)	(755,740)	(53,991)	(72,212)	(55,825)	(407,743)	(57,118)	-	(18,434,931)
Depreciation charge	(2,690,628)	(119,328)	-	(83,563)	(50,387)	(83,399)	(19,040)	-	(3,046,345)
Accumulated depreciation at December 31, 2025	(19,722,930)	(875,068)	(53,991)	(155,775)	(106,212)	(491,142)	(76,158)	-	(21,481,276)
Net balance at December 31, 2025	20,636,483	2,108,117	-	562,481	406,531	771,792	209,422	127,234	24,822,060
	Generators and Plant Facilities	Transmission Line	Vehicles	Buildings and Infrastructure	Tools, Minor Equipment and Other Assets	Right of Use Assets	Asset for Dismantling	Construction in Progress	Total
Cost at January 1, 2024	40,359,413	2,983,185	53,130	718,256	143,012	1,262,934	285,580	15,917	45,821,427
Additions	-	-	861	-	148,974	-	-	-	149,835
Reclassifications	-	-	-	-	14,628	-	-	(15,917)	(1,289)
Cost at December 31, 2024	40,359,413	2,983,185	53,991	718,256	306,614	1,262,934	285,580	-	45,969,973
Accumulated depreciation at January 1, 2024	(14,341,674)	(636,413)	(53,991)	(17,279)	(15,420)	(337,579)	(38,079)	-	(15,440,435)
Depreciation charge	(2,690,628)	(119,327)	-	(54,933)	(40,405)	(70,164)	(19,039)	-	(2,994,496)
Accumulated depreciation at December 31, 2024	(17,032,302)	(755,740)	(53,991)	(72,212)	(55,825)	(407,743)	(57,118)	-	(18,434,931)
Net balance at December 31, 2024	23,327,111	2,227,445	-	646,044	250,789	855,191	228,462	-	27,535,042

The plant and equipment guarantee the issuance of the corporate bonds issued by UEP Penonome II, S.A., where the Companies of Tecnisol Group are the guarantors.

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9. Leases

As of December 31, 2025, plant and equipment include leases corresponding to the lease located in David, Chiriquí province, Republic of Panama. The lease term is 20 years 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	1,262,934	1,262,934
Accumulated depreciation	<u>(491,142)</u>	<u>(407,743)</u>
Net balance	<u>771,792</u>	<u>855,191</u>
<i>Lease liabilities</i>		
Current	48,345	41,354
Non-current	<u>1,040,654</u>	<u>1,089,000</u>
	<u>1,088,999</u>	<u>1,130,354</u>

The movement of lease liabilities is as follows:

	2025	2024
At the beginning of the year	1,130,354	1,165,318
Lease payments	<u>(41,355)</u>	<u>(34,964)</u>
At the end of the year	<u>1,088,999</u>	<u>1,130,354</u>

The combined income statement shows the following amounts relating to lease:

	2025	2024
Depreciation charge of right-of-uses assets leased properties	<u>83,399</u>	<u>70,164</u>
Interest expenses (included in finance cost)	<u>84,016</u>	<u>86,755</u>

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10. Intangible Assets

The movement of intangible assets is as follows:

	2025	2024
Cost		
At January 1 and at the end of the year	<u>261,814</u>	<u>261,814</u>
Accumulated amortization		
At January 1	(65,689)	(55,216)
Depreciation charge	<u>(10,472)</u>	<u>(10,473)</u>
Balance at the end of the year	<u>(76,161)</u>	<u>(65,689)</u>
Net balance at the end of the year	<u><u>185,653</u></u>	<u><u>196,125</u></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.

11. Trade and Other Payables

Trade and other payables are detailed as follows:

	2025	2024
Suppliers	1,175,088	1,391,228
Related parties (Note 14)	317,719	352,248
Others	<u>266,906</u>	<u>283,031</u>
	<u><u>1,759,713</u></u>	<u><u>2,026,507</u></u>

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12. Parent Company Investment

The authorized shared capital of the Companies is composed of the total investment made by the Controlling company of US\$40,000.

	<u>Common Shares</u>	<u>Capital Contribution</u>	<u>Total</u>
Initial and ending balances for the years ended December 31, 2025 and 2024	<u>40,000</u>	<u>12,211,965</u>	<u>12,251,965</u>

The movements in the (accumulated deficit) retained earnings by Company is a follow:

	Tecnisol I	Tecnisol II	Tecnisol III	Tecnisol IV	Total
At the beginning of the year January 1, 2025	(2,849,503)	228,521	243,404	1,173,046	(1,204,532)
(Loss) profit for the year (2025)	<u>(458,344)</u>	<u>656,946</u>	<u>509,710</u>	<u>1,956</u>	<u>710,268</u>
Balance at December 31, 2025	<u>(3,307,847)</u>	<u>885,467</u>	<u>753,114</u>	<u>1,175,002</u>	<u>(494,264)</u>

The Companies are wholly owned by InterEnergy Renewables SLU.

The parent company investment is part of the guarantees given in the issuance of corporate bonds issued by UEP Penonome II, S.A. where Tecnisol Group is the guarantor.

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13. Costs and Expenses

The Companies classify their expenses by nature, as follows:

	2025	2024
Costs of goods and services		
Energy purchases from reserve contracts (Note 14)	6,125,252	4,421,873
Depreciation and amortization (Notes 8, 9 and 10)	3,056,817	3,004,969
Energy purchases to the spot market (Note 14)	2,341,190	5,325,557
Repairs and maintenance	483,908	355,370
Salaries and other benefits to employees	183,174	148,821
Fees transmission cost	76,464	110,851
Security	26,160	29,729
Internal consumption	16,059	14,826
	<u>12,309,024</u>	<u>13,411,996</u>
Administrative expenses		
Other expenses	345,129	341,977
Insurance costs	158,000	194,744
Professional fees	149,766	110,996
Management services (Note 14)	60,000	60,000
Marketing and communication expenses	55,915	80,486
Audit fees	54,694	55,176
Regulator fees	47,805	56,563
Office maintenance	8,707	10,623
Fuel	3,345	4,791
Office expenses	826	639
Donations	492	-
	<u>884,679</u>	<u>915,995</u>
	<u>13,193,703</u>	<u>14,327,991</u>

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14. Balances and Transactions with Related Parties

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

	2025	2024
Transactions		
<i>Energy revenue</i>		
Other related parties		
Energy sold in the spot market (b)	<u>109,364</u>	<u>21,960</u>
 <i>Costs of goods and services</i>		
Other related parties		
Energy purchases under reserve contracts (c)	2,492,068	93,343
Energy purchases in the spot market (b)	<u>444,192</u>	<u>2,220,153</u>
	<u>2,936,260</u>	<u>2,313,496</u>
 <i>Administrative expenses</i>		
Shareholders: InterEnergy Holding UK Ltd.		
Professional fees expenses (a)	<u>60,000</u>	<u>60,000</u>
 <i>Finance costs</i>		
Other related parties		
Interest expense - on related loans (d)	<u>1,221,639</u>	<u>1,300,440</u>

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14. Balances and Transactions with Related Parties (Continued)

	2025	2024
Balances		
<i>Trade and other receivables -</i>		
<i>Other related parties</i>		
Accounts receivable energy spot market (b)	<u>2,004</u>	<u>9,126</u>
<i>Trade and other payables -</i>		
<i>Other related parties</i>		
Accounts payable energy reserve contracts (c)	227,286	320,755
Accounts payable energy spot market (b)	<u>90,433</u>	<u>31,493</u>
	<u>317,719</u>	<u>352,248</u>
<i>Related party loan</i>		
Other related parties		
Loan payable - intercompany (d)	18,105,380	19,345,051
Loan interest payable - intercompany (d)	<u>297,445</u>	<u>317,812</u>
	<u>18,402,825</u>	<u>19,662,863</u>

The movements in the related party loan and interest during the year is a follow:

	2025	2024
Loan payable - intercompany		
At January 1	19,345,051	20,483,131
Reclassifications	2	-
Payments	<u>(1,239,673)</u>	<u>(1,138,080)</u>
Loan payable - intercompany (d)	<u>18,105,380</u>	<u>19,345,051</u>
Loan interest payable - intercompany		
At January 1	317,812	334,669
Interest paid	(1,242,005)	(1,317,299)
Reclassifications	(1)	-
Interest payable	<u>1,221,639</u>	<u>1,300,442</u>
Loan interest payable - intercompany (d)	<u>297,445</u>	<u>317,812</u>

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14. 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 17.
- (d) Loans payable to related UEP Penonome II, S. A. with semiannual amortizations and final maturity on October 1, 2038 with an interest rate of 6.5% (See Note 16). The fair value of the loan payable to related is US\$16,477,144 as of December 2025 (2024: US\$17,556,055).

15. Income Tax

The income tax is presented as follows:

	2025	2024
Current tax	405,681	120,428
Deferred tax	(16,685)	(15,014)
	<u>388,996</u>	<u>105,414</u>

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

	2025	2024
<i>Deferred income tax assets</i>		
At January 1	76,864	61,850
Charged to statement of comprehensive income	16,685	15,014
	<u>93,549</u>	<u>76,864</u>

As of December 31, 2025 the Companies have recognized a deferred income tax asset results from the temporary difference from the recognition of right-of-use assets and lease liabilities and the asset retirement obligation (ARO).

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15. Income Tax (Continued)

Under current tax legislation in the Republic of Panama, the profits of the Companies 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 (traditional method).
- 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 Companies must file a petition with the Tax Administration, who may authorize the no application for a term of three years.

The income tax resultant by applying the in-force rates to the income before tax (Traditional Method) is reconciled with the income tax provision presented in the combined financial statements, as follows:

	2025	2024
Profit before income tax	1,099,264	3,175
Plus: Non-deductible expenses	76,523	60,090
Non-taxable loss	458,362	588,450
Loss carried forward	(11,423)	(11,423)
Net taxable profit	<u>1,622,726</u>	<u>640,292</u>
Total income tax (traditional method)	405,681	160,073
Prior period income tax adjustment	-	(39,645)
Tax effects of temporary differences	<u>(16,685)</u>	<u>(15,014)</u>
Income tax	<u>388,996</u>	<u>105,414</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 of Tecnisol I, S. A. The request was accepted and approved for the fiscal years 2024 and 2025. Additionally, Management requested to the Tax Authority the non-application of the CAIR 2023 fiscal year of Tecnisol II, S.A. The request was accepted and approved for the fiscal years 2023 and 2024.

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15. Income Tax (Continued)

Transfer Pricing

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 of your request. As per certificate the presentation for the period 2022, was held on May 30, 2023.

16. Tecnisol Group Guarantor

Through resolution No. SMV 515-20, dated December 2, 2020, UEP Penonome II, S.A. issued on December 18, 2020, together with 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 and Singapore.

Main Obligations as Guarantor:

Funds from the Guarantors must be deposited in the Panamanian Trust accounts as described in “Description of the Notes-Summary of Panamanian Trust Accounts Structure.”

The Guarantors agree that at all times they will keep the Mortgaged Assets inside and will not mobilize the Mortgaged Assets outside the premises of the Project sites. All the obligations of the Guarantors assumed in the Mortgage Agreement established by virtue of it, as well as the rights of the Mortgage Creditor, are absolute and unconditional and will remain in full force and effect and will not be released.

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16. Tecnisol Group Guarantor (Continued)

The Guarantors are obliged to pay the contributions, taxes and charges applicable to the Mortgaged Assets

It is the obligation of the Guarantor to fully comply with all the obligations established in the trust Agreement. As of December 31, 2025, and 2024 the Tecnisol Group as Guarantor is in compliance with all its commitments.

17. Commitments

The Companies have six Energy Supply Contracts (PPAs) for fifteen years, two PPA for ten years, five PPA for five years and two PPA for two years. Beginning in 2018 and ending in 2033, the signed contracts have as counterparties: Coca-Cola FEMSA, Clinica Hospital San Fernando, Riba Smith, S. A. the supply period started in 2018, for Ice Gaming Corp. and Iron Tower, S. A. the supply period started in 2019, for Petrolera Nacional, S.A. the supply period started in 2021, for Telecomunicaciones Digitales, S.A, Macello, S.A. Sobrealba, S.A. and Towerbank International, Inc. the supply period started in 2023, for Urban Developments Panama, S.A, Hotelera RH, S.A. PH Multiplaza Pacific and Grupo de Comunicaciones Digitales, S.A. the supply period started in 2024. Kaxxfem Panamá (expired on September 14, 2025). In the event that Customers are unable to fulfill their obligations under any of the contracts, the Companies may enforce the performance guarantees that support those obligations.

The price is indexed based on the regulated tariff to the end customer which is published by ASEP every six months. The newest tariff published is compared against the last applicable tariff to define a proportion that shall apply to the energy price in the PPA. The result of the operation will determine, according to the provisions in the PPA, the adjustment that shall apply to the energy price to set the new price applicable for the six months. Four large clients have a price threshold of a maximum of 125 US\$ / MWh and three large clients have 135 US\$ /MWh and a minimum of 83 US\$ / MWh. For Petrolera Nacional, Telecomunicaciones Digitales, Macello and Towebank International the price is fixed and above 80 US\$/MWh. Sobrealba have the price fixed in 90 US\$/MWh, Grupo de Comunicaciones Digitales have the price fixed in 88.3 US\$/MWh, for Urban Developments and Hotelera RH have the price fixed in 94 US\$/MWh and PH Multiplaza Pacific have the price fixed in 90.5 US\$/MWh. Petrolera Nacional (period started in 2021) and Towerbank International (period started in 2024) will have indexed prices starting in the sixth year of the contract.

The Companies have three energy reserve contracts with the Companies UEP Penonome II, S. A. (related company), Electron Investment and Hidroecológica del Teribe.

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17. Commitments (Continued)

The amounts of the performance bonds outstanding as at December 31, 2025, were US\$2,137,602 (2024: US\$1,797,126).

The supply period for the reserve contract with UEP Penonome II, S. A. is until December 31, 2030, per Amendment No.4. The Contract Price is fixed but can be changed by the parties through mutual agreement.

The supply period for the reserve contracts with Electron Investment are for four years starting in 2024. The prices are variable depending on the month and period.

The supply period for the reserve contracts with Hidroecológica del Teribe are for five years starting in 2022. The prices are variable depending on the amount of energy purchased.

ASEP (the regulator) granted the Definitive Licenses for Tecnisol I, S. A.; Tecnisol II, S. A.; Tecnisol III, S. A. and Tecnisol IV, S. A. through Resolutions AN No. 8545-Elec from May 6, 2015, AN No.8547-Elec from May 6, 2015, Resolution AN No.8546-Elec from May 6, 2015 and AN No.8548-Elec from May 6, 2015 respectively, lasting for forty (40) years with the possibility of renewal for an equal period.

Starting in 2025, the Companies signed an addendum to the Energy Supply Contracts (PPAs) of Telecomunicaciones Digitales, S.A. adding another point for five years. The price is fixed in 88.3 US\$/MWh.

Starting in January 2025, Tecnisol IV signed a firm contract to sell energy in the MER.