

# **Orazul Energy Perú S.A. and Subsidiary**

## **Unaudited Condensed Consolidated Interim Financial Statements**

March 31, 2025

(Including Independent Auditors' Report on Review of  
Condensed Consolidated Interim Financial Statements)



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# INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

To the Shareholders and Board of Directors  
Orazul Energy Perú S.A.

## Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of Orazul Energy Perú S.A. and Subsidiary as at March 31, 2025, the condensed consolidated statements of profit or loss and other comprehensive income, for the three-month period then ended as at March 31, 2025, the condensed consolidated statements of changes in equity and cash flows for the three-month period then ended, and notes to the condensed consolidated interim financial statements. Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with IAS 34 Interim Financial Reporting. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

## Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of condensed consolidated interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements as at and for the three-month period ended March 31, 2025 are not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting*.

Lima, Peru

April 30, 2025

Countersigned by:

Oscar Mere (Partner)  
Peruvian Public Accountant  
Registration N° 39990

*EMMERICH, CORDOVA & ASOCIADOS*

Orazul Energy Perú S.A. and Subsidiary

# Unaudited Condensed Consolidated Interim Financial Statements

March 31, 2025

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**Orazul Energy Perú S.A. and Subsidiary**

Unaudited Condensed Consolidated Statement of Financial Position

As of March 31, 2025, and December 31, 2024

| <i>In thousands of U.S. dollars</i>                           | <i>Note</i> | March 31,<br>2025 | December 31,<br>2024 |
|---|-------------|-------------------|----------------------|
| <b>Assets</b>   |             |                   |                      |
| <b>Current assets</b>   |             |                   |                      |
| Cash  | 3           | 45,236            | 26,267               |
| Trade receivables   | 4           | 21,774            | 23,144               |
| Inventories   | 5           | 2,656             | 2,634                |
| Other receivables, including derivative financial instruments |             | 923               | 329                  |
| Income tax receivable   |             | 7                 | 6                    |
| Prepaid expenses  |             | 681               | 776                  |
| Other assets  | 7           | 1,882             | 1,882                |
| <b>Total current assets</b>                                   |             | <b>73,159</b>     | <b>55,038</b>        |
| <b>Non-current assets</b>                                     |             |                   |                      |
| Property, plant, and equipment                                | 6           | 551,613           | 557,440              |
| Right-of-use assets   | 6           | 504               | 516                  |
| Intangible and other assets                                   | 7           | 490,329           | 490,802              |
| Deferred income tax assets                                    |             | 19,728            | 16,902               |
| <b>Total non-current assets</b>                               |             | <b>1,062,174</b>  | <b>1,065,660</b>     |
| <b>Total assets</b>   |             | <b>1,135,333</b>  | <b>1,120,698</b>     |
| <b>Liabilities</b>  |             |                   |                      |
| <b>Current liabilities</b>                                    |             |                   |                      |
| Lease liabilities from operating contracts                    |             | 192               | 172                  |
| Trade payables  | 8           | 4,231             | 6,237                |
| Other payables  | 9           | 11,619            | 7,550                |
| Account payables to related parties                           | 16          | 84                | 1,978                |
| Income tax payable  | 9           | 2,046             | 811                  |
| <b>Total current liabilities</b>                              |             | <b>18,172</b>     | <b>16,748</b>        |
| <b>Non-current liabilities</b>                                |             |                   |                      |
| Debentures  | 10          | 361,278           | 361,063              |
| Lease liabilities from operating contracts                    |             | 299               | 320                  |
| Other liabilities   |             | 159               | 216                  |
| Asset retirement obligation                                   | 11          | 3,991             | 3,869                |
| Deferred income tax payables                                  |             | 7                 | 9                    |
| <b>Total non-current liabilities</b>                          |             | <b>365,734</b>    | <b>365,477</b>       |
| <b>Total liabilities</b>                                      |             | <b>383,906</b>    | <b>382,225</b>       |
| <b>Equity</b>   |             |                   |                      |
| Share capital   | 12          | 477,477           | 477,477              |
| Additional capital  |             | 223,300           | 223,344              |
| Hedging reserve   |             | 467               | -                    |
| Legal reserves  |             | 38,191            | 36,957               |
| Retained earnings   |             | 11,992            | 695                  |
| <b>Total equity</b>   |             | <b>751,427</b>    | <b>738,473</b>       |
| <b>Total liabilities and equity</b>                           |             | <b>1,135,333</b>  | <b>1,120,698</b>     |

The notes on pages 5 to 18 are an integral part of these condensed consolidated interim financial statements.

**Orazul Energy Perú S.A. and Subsidiary**

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income  
For the three-month period ended March 31, 2025, and 2024

| <i>In thousands of U.S. dollars</i>                          | <i>Note</i> | Three-month period<br>ended March 31 |                |
|--|-------------|--------------------------------------|----------------|
|  |             | 2025                                 | 2024           |
| Revenues   | 13          | 32,515                               | 31,035         |
| Cost of sales  |             | (6,084)                              | (6,511)        |
| Depreciation   | 6           | (6,617)                              | (6,418)        |
| <b>Gross profit</b>  |             | <b>19,814</b>                        | <b>18,106</b>  |
| Administrative expenses                                      |             | (1,254)                              | (1,156)        |
| Other income   |             | 164                                  | 40             |
| Other expenses   |             | (38)                                 | (3)            |
| <b>Operating profit</b>                                      |             | <b>18,686</b>                        | <b>16,987</b>  |
| Finance income   |             | 326                                  | 547            |
| Finance costs  |             | (5,737)                              | (5,790)        |
| Net foreign exchange difference                              |             | 461                                  | 21             |
| <b>Finance cost, net</b>                                     |             | <b>(4,950)</b>                       | <b>(5,222)</b> |
| <b>Profit before income tax</b>                              |             | <b>13,736</b>                        | <b>11,765</b>  |
| Income tax expenses  | 14          | (1,205)                              | (3,962)        |
| <b>Profit for the period</b>                                 |             | <b>12,531</b>                        | <b>7,803</b>   |
| <b>Other comprehensive income</b>                            |             |                                      |                |
| <b>Items that will be classified to profit or loss</b>       |             |                                      |                |
| Cash flow hedges – effective portion of change in fair value |             | 467                                  | -              |
| <b>Other comprehensive income for the period, net of tax</b> |             | <b>467</b>                           | <b>-</b>       |
| <b>Total comprehensive income for the period</b>             |             | <b>12,998</b>                        | <b>7,803</b>   |

*The notes on pages 5 to 18 are an integral part of these condensed consolidated interim financial statements.*

**Orazul Energy Perú S.A. and Subsidiary**

Condensed Consolidated Statement of Changes in Equity

For the three-month period ended March 31, 2025, and 2024

| <i>In thousands of U.S. dollars</i>                  | <i>Note</i> | Share<br>capital<br>(note 12) | Additional<br>capital<br>(note 12) | Legal<br>reserves<br>(note 12) | Hedging<br>reserve<br>(note 12) | Retained<br>earnings | Total<br>equity |
|--|-------------|-------------------------------|------------------------------------|--------------------------------|---------------------------------|----------------------|-----------------|
| Balance as of January 1, 2024                        |             | 477,477                       | 278,547                            | 36,957                         | -                               | 29,683               | 822,664         |
| <b>Comprehensive income for the period</b>           |             |                               |                                    |                                |                                 |                      |                 |
| Profit for the period                                |             | -                             | -                                  | -                              | -                               | 7,803                | 7,803           |
| <b>Total comprehensive income for the period</b>     |             | -                             | -                                  | -                              | -                               | <b>7,803</b>         | <b>7,803</b>    |
| <b>Transactions with owners of the Company</b>       |             |                               |                                    |                                |                                 |                      |                 |
| Remeasurement of asset retirement obligation         |             | -                             | 263                                | -                              | -                               | -                    | 263             |
| Legal reserve  | <i>12.B</i> | -                             | -                                  | 778                            | -                               | (778)                | -               |
| <b>Total transactions with owners of the Company</b> |             | -                             | <b>263</b>                         | <b>778</b>                     | -                               | <b>(778)</b>         | <b>263</b>      |
| <b>Balance as of March 31, 2024</b>                  |             | <b>477,477</b>                | <b>278,810</b>                     | <b>37,735</b>                  | -                               | <b>36,708</b>        | <b>830,730</b>  |
| Balance as of January 1, 2025                        |             | 477,477                       | 223,344                            | 36,957                         | -                               | 695                  | 738,473         |
| <b>Comprehensive income for the period</b>           |             |                               |                                    |                                |                                 |                      |                 |
| Profit for the period                                |             | -                             | -                                  | -                              | -                               | 12,531               | 12,531          |
| <b>Other comprehensive income</b>                    |             |                               |                                    |                                |                                 |                      |                 |
| Cash flow hedges, net of income tax                  |             | -                             | -                                  | -                              | 467                             | -                    | 467             |
| <b>Total comprehensive income for the period</b>     |             | -                             | -                                  | -                              | <b>467</b>                      | <b>12,531</b>        | <b>12,998</b>   |
| <b>Transactions with owners of the Company</b>       |             |                               |                                    |                                |                                 |                      |                 |
| Remeasurement of asset retirement obligation         |             | -                             | (44)                               | -                              | -                               | -                    | (44)            |
| Legal reserve  | <i>12.B</i> | -                             | -                                  | 1,234                          | -                               | (1,234)              | -               |
| <b>Total transactions with owners of the Company</b> |             | -                             | <b>(44)</b>                        | <b>1,234</b>                   | -                               | <b>(1,234)</b>       | <b>(44)</b>     |
| <b>Balance as of March 31, 2025</b>                  |             | <b>477,477</b>                | <b>223,300</b>                     | <b>38,191</b>                  | <b>467</b>                      | <b>11,992</b>        | <b>751,427</b>  |

*The notes on pages 5 to 18 are an integral part of these condensed consolidated interim financial statements.*

**Orazul Energy Perú S.A. and Subsidiary**  
Condensed Consolidated Statement of Cash Flows  
For the three-month period ended March 31, 2025, and 2024

| <i>In thousands of U.S. dollars</i>                        | <i>Note</i> | Three-month period ended |                |
|--|-------------|--------------------------|----------------|
|  |             | March 31                 |                |
|  |             | 2025                     | 2024           |
| <b>Cash flows from operating activities</b>                |             |                          |                |
| Collections from customers                                 |             | 44,709                   | 39,715         |
| Collection of interest                                     |             | 323                      | 547            |
| Payment to suppliers                                       |             | (21,344)                 | (14,693)       |
| Payment to employees                                       |             | (125)                    | (83)           |
| <b>Cash generated from operating activities</b>            |             | <b>23,563</b>            | <b>25,486</b>  |
| Income tax paid  |             | (2,976)                  | (2,740)        |
| <b>Net cash from operating activities</b>                  |             | <b>20,587</b>            | <b>22,746</b>  |
| <b>Cash flows from investing activities</b>                |             |                          |                |
| Proceeds from the sale of property, plant, and equipment   |             | 68                       | -              |
| Acquisition of property, plant, and equipment              |             | (1,832)                  | (2,735)        |
| Acquisition of intangibles                                 |             | (39)                     | (58)           |
| <b>Net cash used in investing activities</b>               |             | <b>(1,803)</b>           | <b>(2,793)</b> |
| <b>Cash flows from financing activities</b>                |             |                          |                |
| Payment of lease liabilities from operating contracts      |             | (42)                     | (46)           |
| Dividends paid, net of tax                                 |             | (1)                      | -              |
| <b>Net cash used in financing activities</b>               |             | <b>(43)</b>              | <b>(46)</b>    |
| <b>Net increase in cash</b>                                |             | <b>18,741</b>            | <b>19,907</b>  |
| Cash as of January 1                                       |             | 26,267                   | 36,043         |
| Effects of variations on exchange differences on cash held |             | 228                      | 113            |
| <b>Cash as of March 31</b>                                 | <i>3</i>    | <b>45,236</b>            | <b>56,063</b>  |

*The notes on pages 5 to 18 are an integral part of these condensed consolidated interim financial statements.*

## 1. Background and Business Activity

### A. Corporate information

Orazul Energy Perú S.A. (hereinafter, "the Company"; "OEP" or "Orazul") is a subsidiary of Orazul Energia (UK) Holdings Ltd, a company established in the United Kingdom, which owns 99.99% of the Company's share capital. The legal domicile of Orazul is Las Palmeras No. 435, 7th floor, San Isidro, Lima, Peru.

The Company's business activity is the generation and commercialization of electrical energy. The Company has a total installed capacity of 377 MW, as detailed below:

| Plant             | Source used to operate power station | Total Capacity (MW) | Location          |
|-------------------|--------------------------------------|---------------------|-------------------|
| Cañón del Pato    | Hydroelectric                        | 266                 | Huallanca, Ancash |
| Carhuaquero       | Hydroelectric                        | 110                 | LLacma, Cajamarca |
| Solar Carhuaquero | Solar                                | 1                   | LLacma, Cajamarca |
|                   |                                      | <b>377</b>          |                   |

The Company could be affected by seasonal patterns throughout the year, and therefore, the operating margin could vary by month during the year.

Additionally, weather variations, including hydrological conditions, could also have an impact on generation output. Nevertheless, the hydroelectric facilities are located in two different basins, which diversifies hydrology risk.

### B. Subsidiary

As of March 31, 2025, and December 31, 2024, the Company has a 99.99% direct equity interest in its subsidiary Kondu S.A.C. (hereinafter, "Kondu" or "Subsidiary").

Kondu, was incorporated on September 10, 2021, with the purpose of carrying out power generation, transmission, and commercialization activities as well as providing energy solutions services to customers.

The Company and its Subsidiary operate in Peru (collectively hereinafter, "the Group").

## 2. Basis for the Preparation of Financial Statements

### A. Basis of accounting

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34: *Interim Financial Reporting* and should be read in conjunction with the Group's last annual consolidated audited financial statements as at and for the year ended December 31, 2024. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of changes in the financial position and performance of the Group since the last annual financial statements as at and for the year ended December 31, 2024. These condensed consolidated interim financial statements do not include all of the information required for a full annual set of financial statements prepared in accordance with IFRS.

These condensed consolidated interim financial statements were approved by the Group Management on April 30, 2025.

### B. Significant accounting policies

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at December 31, 2024.

**C. Use of estimates and judgments**

The preparation of these condensed consolidated interim financial statements requires Management to make judgments, estimates, and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets and liabilities, income, and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgments made by Management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements as at and for the year ended December 31, 2024.

**D. Measurement of fair values**

Some of the Group's accounting policies and disclosures require the measurement of the fair value of financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of their fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in note 15 – Financial Instruments.

***Measurement of revaluation of property, plant, and equipment***

***i. Fair value hierarchy***

The fair value of property, plant, and equipment was determined by external, independent property valuers, having appropriate recognized professional qualifications and recent experience in the location and category of the property being valued.

The fair value measurement for all of the property, plant, and equipment has been categorized as a Level 2 fair value based on the inputs to the valuation technique used.

*ii. Valuation techniques and significant unobservable inputs*

The following table shows the valuation technique used in measuring the fair value as well as the significant unobservable inputs used.

| Type                     | Valuation techniques  | Significant unobservable inputs | Inter-relationship between key unobservable inputs and fair value measurement |
|--------------------------|---|---------------------------------|---|
| Revalued property plants | Market comparison (appraisal): The fair value is estimated considering the current or recent quoted prices for identical assets, considering their characteristics (location, condition, etc) | Not applicable                  | Not applicable  |
| Debentures               | Discounted cash flows using current market interest rates.  | Not applicable                  | Not applicable  |

### 3. Cash

Comprises the following:

| <i>In thousands of U.S. dollars</i> | March 31, 2025 | December 31, 2024 |
|-------------------------------------|----------------|-------------------|
| Checking accounts (a)               | 45,234         | 26,265            |
| Petty cash                          | 2              | 2                 |
|                                     | <b>45,236</b>  | <b>26,267</b>     |

- (a) The Group holds checking accounts in foreign and local currency at different financial entities. The Group checking accounts are available and mainly earn interest at market rates ranging from 0.15% to 4.35% in soles and from 3.15% to 3.66% in U.S dollars as at March 31, 2025 (from 0.07% to 4.55% in soles and from 3.15% to 4.08% in U.S dollars as at December 31, 2024).

The credit quality that safeguards the Group's bank deposits has the same evaluation as December 31, 2024.

### 4. Trade Receivables

Comprises the following:

| <i>In thousands of U.S. dollars</i> | March 31, 2025 | December 31, 2024 |
|-------------------------------------|----------------|-------------------|
| Non-regulated customers             | 7,327          | 11,261            |
| Regulated customers                 | 6,407          | 6,934             |
| COES (a)                            | 5,267          | 4,336             |
| Others                              | 2,773          | 613               |
| <b>Total (c)</b>                    | <b>21,774</b>  | <b>23,144</b>     |

Trade receivables are denominated in U.S. dollars (non-regulated customers) and soles (COES and regulated customers). They have current maturity and do not generate interest, except in the case of payment delays. Trade receivables as of March 31, 2025, correspond mainly to 68 non-regulated and 5 regulated customers (20 non-regulated and 5 regulated customers as of December 31, 2024).

## Orazul Energy Perú S.A. and Subsidiary

### Notes to the Condensed Consolidated Interim Financial Statements

- (a) The Committee of Economic Operation of the National Interconnected System (COES), as the system operator, acts as a clearing house and settles the payments for power generation companies.
- (b) As of March 31, 2025, this amount includes US\$ 423 thousand for related parties (US\$ 746 thousand as of December 31, 2024) (note 16.C).

The aging of trade receivables is as follows:

| <i>In thousands of U.S. dollars</i> | March 31,<br>2025 | December 31,<br>2024 |
|-------------------------------------|-------------------|----------------------|
| Unexpired                           | 21,727            | 23,061               |
| Less than 30 days                   | 47                | 76                   |
| 31 to 180 days                      | -                 | 6                    |
| 181 to 360 days                     | -                 | 1                    |
|                                     | <b>21,774</b>     | <b>23,144</b>        |

The accounts receivable aging and the status of customers are constantly monitored to ensure the appropriateness of the estimate in the consolidated financial statements. As a result, Management considers that the impairment estimate of accounts receivable covers sufficiently the risk of loss of doubtful accounts as of March 31, 2025, and December 31, 2024.

As of March 31, 2025, and December 31, 2024, there have been no past due trade receivables (over 360 days).

- (c) The movement of the expected credit loss estimate is as follows:

| <i>In thousands of U.S. dollars</i> | December 31,<br>2024 |
|-------------------------------------|----------------------|
| Opening balance                     | 188                  |
| Addition                            | 202                  |
| Exchange difference                 | 6                    |
| Write off                           | (394)                |
| Recovery                            | (2)                  |
|                                     | -                    |

## 5. Inventories

Comprises the following:

| <i>In thousands of U.S. dollars</i>     | March 31,<br>2025 | December 31,<br>2024 |
|---|-------------------|----------------------|
| Mechanical and electric spare parts (a) | 1,766             | 1,778                |
| Other supplies                          | 808               | 778                  |
| Fuel and lubricants                     | 82                | 78                   |
|   | <b>2,656</b>      | <b>2,634</b>         |

- (a) Correspond mainly to items used in scheduled maintenance for the hydropower plants, Carhuaquero and Cañon del Pato, enabling appropriate operations until major maintenance.

Under Management's opinion, it is not necessary to recognize any impairment in inventories as of March 31, 2025.

## 6. Property, Plant and Equipment

Comprises the following:

| <i>In thousands of U.S. dollars</i>            | <i>Note</i> | March 31,<br>2025 | December 31,<br>2024 |
|--|-------------|-------------------|----------------------|
| <b>Cost</b>                                    |             |                   |                      |
| Beginning balance                              |             | 973,056           | 967,334              |
| <b>Additions</b>                               |             |                   |                      |
| Work in process (b)                            |             | 892               | 4,640                |
| Machinery and equipment                        |             | 231               | 2,258                |
| Sundry equipment                               |             | 120               | 219                  |
| Vehicles                                       |             | 97                | 133                  |
| Spare parts                                    |             | 45                | -                    |
| Building and construction                      |             | 12                | 81                   |
| Units in transit                               |             | 2                 | 623                  |
| Furniture and fixtures                         |             | -                 | 9                    |
| <b>Total additions</b>                         |             | <b>1,399</b>      | <b>7,963</b>         |
| <b>Other</b>                                   |             |                   |                      |
| Units in transit                               |             | (621)             | -                    |
| Asset retirement cost                          | 11          | -                 | 29                   |
| <b>Total other</b>                             |             | <b>(621)</b>      | <b>29</b>            |
| <b>Transfers</b>                               |             |                   |                      |
| Machinery and equipment                        |             | 1,072             | 2,611                |
| Building and construction                      |             | 106               | 6,446                |
| Spare parts                                    |             | 93                | -                    |
| Vehicles                                       |             | 46                | (28)                 |
| Sundry equipment                               |             | 14                | 107                  |
| Work in progress                               |             | (1,146)           | (9,136)              |
| Units in transit                               |             | (185)             | -                    |
| <b>Total transfers</b>                         |             | <b>-</b>          | <b>-</b>             |
| <b>Retirements</b>                             |             |                   |                      |
| Vehicles                                       |             | (284)             | (698)                |
| Sundry equipment                               |             | (9)               | (1,571)              |
| Lands  |             | -                 | (1)                  |
| <b>Total retirements</b>                       |             | <b>(293)</b>      | <b>(2,270)</b>       |
| <b>Ending balance</b>                          |             | <b>973,541</b>    | <b>973,056</b>       |
| <b>Accumulated depreciation</b>                |             |                   |                      |
| Beginning balance                              |             | (415,100)         | (391,510)            |
| <b>Additions</b>                               |             |                   |                      |
| Machinery and equipment                        |             | (3,989)           | (15,670)             |
| Building and construction                      |             | (2,442)           | (9,526)              |
| Sundry equipment                               |             | (104)             | (422)                |
| Vehicles                                       |             | (57)              | (142)                |
| Asset retirement obligation                    |             | (23)              | (90)                 |
| Furniture and fixtures                         |             | (2)               | (8)                  |
| <b>Total additions</b>                         |             | <b>(6,617)</b>    | <b>(25,858)</b>      |
| <b>Retirements</b>                             |             |                   |                      |
| Vehicles                                       |             | 284               | 698                  |
| Sundry equipment                               |             | 9                 | 1,570                |
| <b>Total retirements</b>                       |             | <b>293</b>        | <b>2,268</b>         |
| <b>Ending balance</b>                          |             | <b>(421,424)</b>  | <b>(415,100)</b>     |
| <b>Net cost at the beginning of the period</b> |             | <b>557,956</b>    | <b>575,824</b>       |
| <b>Net cost of the end of the period</b>       |             | <b>552,117</b>    | <b>557,956</b>       |

## Orazul Energy Perú S.A. and Subsidiary

### Notes to the Condensed Consolidated Interim Financial Statements

- (a) As of March 31, 2025, and December 31, 2024, the Company has insured all plants' assets for property damage under its Property Damage Business Interruption (PDBI) policy. In Management's opinion, this insurance policy is consistent with international industry practice, and the risk of possible losses for claims considered in the insurance policies is reasonable, taking into consideration the Company's types of assets.
- (b) As of March 31, 2025, the main work-in-progress additions correspond to equipment installation and maintenance service in Carhuaquero and Cañon del Pato plants for US\$ 613 thousand and US\$ 278 thousand, respectively (equipment installation and maintenance service in Carhuaquero and Cañon del Pato plants for US\$ 2,177 thousand and US\$ 3,080 thousand, respectively as of December 31, 2024).
- (c) As of March 31, 2025, and December 31, 2024, there were no impairment indicators on the value of property, plant, and equipment.
- (d) Property, plant, and equipment include US\$ 504 thousand and US\$ 516 thousand right-of-use assets as of March 31, 2025, and December 31, 2024, respectively, as follows:

| <i>In thousands of U.S. dollars</i>            | March 31,<br>2025 | December 31,<br>2024 |
|--|-------------------|----------------------|
| <b>Cost</b>                                    |                   |                      |
| Beginning balance                              | 655               | 1,194                |
| <b>Additions</b>                               |                   |                      |
| Vehicles                                       | 35                | -                    |
| <b>Total additions</b>                         | <b>35</b>         | <b>-</b>             |
| <b>Retirements</b>                             |                   |                      |
| Vehicles                                       | -                 | (539)                |
| <b>Total retirements</b>                       | <b>-</b>          | <b>(539)</b>         |
| <b>Ending balance</b>                          | <b>690</b>        | <b>655</b>           |
| <b>Accumulated depreciation</b>                |                   |                      |
| Beginning balance                              | (139)             | (551)                |
| <b>Additions</b>                               |                   |                      |
| Vehicles                                       | (47)              | (127)                |
| <b>Total additions</b>                         | <b>(47)</b>       | <b>(127)</b>         |
| <b>Retirements</b>                             |                   |                      |
| Vehicles                                       | -                 | 539                  |
| <b>Total retirements</b>                       | <b>-</b>          | <b>539</b>           |
| <b>Ending balance</b>                          | <b>(186)</b>      | <b>(139)</b>         |
| <b>Net cost at the beginning of the period</b> | <b>516</b>        | <b>643</b>           |
| <b>Net cost at the end of the period</b>       | <b>504</b>        | <b>516</b>           |

- (e) As of March 31, 2025, and December 31, 2024, the Company does not have guarantees related to the acquisition of property, plant, and equipment.

## 7. Intangible, Goodwill, and Other Assets

### A. Intangible and Goodwill

Comprises the following:

| <i>In thousands of U.S. dollars</i> | March 31,<br>2025 | December 31,<br>2024 |
|-------------------------------------|-------------------|----------------------|
| Goodwill (a)                        | 399,427           | 399,427              |
| Electric concessions (b)            | 79,954            | 79,954               |
| Software and other                  | 80                | 83                   |
|                                     | <b>479,461</b>    | <b>479,464</b>       |

## Orazul Energy Perú S.A. and Subsidiary

### Notes to the Condensed Consolidated Interim Financial Statements

- (a) The goodwill corresponds to the excess of the net fair value of assets and liabilities identified during the acquisition of the Peruvian operating business on December 20, 2016.
- (b) The electricity concessions correspond to intangible assets identified at the acquisition date on December 20, 2016. The useful life of electricity concessions is indefinite. As of March 31, 2025, and December 31, 2024, Management is not required to establish reserves for the possible impairment of its intangible assets with an indefinite life.

Management analysis indicated there were no impairment indicators on the value of the intangibles as of March 31, 2025, and December 31, 2024.

#### B. Other assets

| <i>In thousands of U.S. dollars</i> | March 31,<br>2025 | December 31,<br>2024 |
|-------------------------------------|-------------------|----------------------|
| Opening balance                     | 13,220            | 15,102               |
| Amortization                        | (470)             | (1,882)              |
|                                     | <b>12,750</b>     | <b>13,220</b>        |
| <b>Portion</b>                      |                   |                      |
| Current portion                     | 1,882             | 1,882                |
| Non-current portion                 | 10,868            | 11,338               |

Other assets correspond to payments made to distribution companies in connection with the option agreements signed, by which distribution companies granted an option to sign addendums to the original public tender of certain PPAs, extending the contract term, modifying the contracted capacity and associated energy, and maintaining the current fixed prices within the framework of the Supreme Decree 022-2018 EM. As of March 31, 2025, and December 31, 2024, the Company executed all option agreements signed with distribution companies.

These payments will be amortized over the extended contract term of the energy supply contract, reducing revenue generated throughout the extension period (note 13(a)).

#### 8. Trade Payables

Comprises the following:

| <i>In thousands of U.S. dollars</i>         | March 31,<br>2025 | December 31,<br>2024 |
|---|-------------------|----------------------|
| Energy purchases and transmission tolls (a) | 2,764             | 2,691                |
| Other purchases                             | 972               | 1,770                |
| Capex expenditures (b)                      | 495               | 1,776                |
|   | <b>4,231</b>      | <b>6,237</b>         |

- (a) Trade payables include transmission tolls paid for the use of principal transmission lines in the Peruvian interconnected electricity system. Most of these costs are passed through to the Group's customers. As of March 31, 2025, trade payables include US\$ 60 thousand payables to related parties (US\$ 118 thousand as of December 31, 2024) (note 16.C).
- (b) Corresponds mainly to the purchase of spare parts, supplies, and services related to major maintenance.

Trade payables are mainly denominated in U.S. dollars, have current maturities, do not accrue interest, and do not have specific guarantees.

## 9. Other Payables and Income Tax Payable

Comprises the following:

| <i>In thousands of U.S. dollars</i>                   | March 31,<br>2025 | December 31,<br>2024 |
|---|-------------------|----------------------|
| Interest payables (a)                                 | 8,626             | 3,518                |
| Value-Added Tax                                       | 1,313             | 872                  |
| Rural electricity contribution and other Energy funds | 1,070             | 736                  |
| Other taxes   | 463               | 181                  |
| Other   | 108               | 356                  |
| Payroll   | 39                | 58                   |
| Withholding tax on dividends                          | -                 | 1,829                |
|   | <b>11,619</b>     | <b>7,550</b>         |
| Income tax payable                                    | 2,046             | 811                  |
|   | <b>13,665</b>     | <b>8,361</b>         |

(a) Corresponds to senior unsecured notes OEP 2027, settled semi-annually throughout the year.

## 10. Debentures

The terms and conditions of debentures are as follows:

| <i>In thousands of U.S. dollars</i> | Nominal annual<br>interest rate | Currency | Maturity    | Face value |         | Carrying amount |         |
|-------------------------------------|---------------------------------|----------|-------------|------------|---------|-----------------|---------|
|                                     |                                 |          |             | 2025       | 2024    | 2025            | 2024    |
| <b>Debentures</b>                   |                                 |          |             |            |         |                 |         |
| OEP 2027 Notes                      | 5.625%                          | US\$     | April -2027 | 363,198    | 363,198 | 361,278         | 361,063 |

The carrying amounts as of March 31, 2025, and December 31, 2024, comprise the following:

| <i>In thousands of U.S. dollars</i> | March 31,<br>2025 | December 31,<br>2024 |
|-------------------------------------|-------------------|----------------------|
| OEP 2027 Notes (a)                  | 363,198           | 363,198              |
| Transaction costs                   | (1,920)           | (2,135)              |
|                                     | <b>361,278</b>    | <b>361,063</b>       |

(a) On April 25, 2017, the Company (originally Orazul Energy Egenor S. en C. por A., later merged into the Company, on August 16, 2017) issued senior unsecured notes for an aggregate principal amount of US\$ 550,000 thousand in the international capital markets, under Rule 144A Regulation S. (hereinafter "OEP 2027 Notes"). The notes are rated BB by Fitch Ratings and BB-by Standard & Poor's and accrue interest biannually payable in April and October of each year at a nominal rate of 5.625%.

On August 13, 2021, and October 29, 2021, the Company settled two cash tender offers for US\$ 145,314 thousand and US\$ 41,488 thousand, respectively. As a result of these tenders, OEP 2027 Notes amount to US\$ 363,198 thousand.

## 11. Asset Retirement Obligation

Comprises the following:

| <i>In thousands of U.S. dollars</i> | March 31,<br>2025 | December 31,<br>2024 |
|-------------------------------------|-------------------|----------------------|
| Balance as of January 1             | 3,869             | 4,770                |
| Increase/(decrease)                 | 63                | (1,172)              |
| Unwind of discount                  | 59                | 271                  |
| <b>Balance as of December 31</b>    | <b>3,991</b>      | <b>3,869</b>         |

The provision for decommissioning liabilities corresponds to the hydroelectric power plants Cañon del Pato and Carhuaquero. It has been determined, considering all necessary costs, to dismantle and rehabilitate the land where the station is currently located.

As of March 31, 2025, variations in the provision are due to changes in estimated future costs and current market rates. The future value has been discounted using an annual risk-free rate of 6.29% (6.35% as of December 31, 2024).

## 12. Equity

### A. Share capital

As of March 31, 2025, and December 31, 2024, the share capital is represented by common shares with a nominal value of one sol each, duly authorized, issued, and paid according to the following:

| Shareholders                      | Number of shares     | %             |
|-----------------------------------|----------------------|---------------|
| Orazul Energia (UK) Holdings Ltd. | 1,690,843,115        | 99.99         |
| Others                            | 238,869              | 0.01          |
|                                   | <b>1,691,081,984</b> | <b>100.00</b> |

### B. Legal reserves

According to the Companies Act, the Company is required to allocate at least 10% of its annual net income to a legal reserve after deducting accumulated losses. This allocation is required until the reserve equals 20% of paid-in capital. In the absence of non-distributed earnings or freely available reserves, the legal reserve must be applied to offset, but it must be replaced with the earnings of the subsequent years. This reserve can also be capitalized, but its subsequent replenishment is equally mandatory.

### C. Additional capital

Comprises the following:

| <i>In thousands of U.S. dollars</i>          | Three-month period ended<br>March 31 |                |
|--|--------------------------------------|----------------|
|  | 2025                                 | 2024           |
| Initial balance                              | 223,344                              | 278,547        |
| Remeasurement of asset retirement obligation | (44)                                 | 263            |
| <b>Final balance</b>                         | <b>223,300</b>                       | <b>278,810</b> |

### D. Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges, net of income tax. The amount accumulated in the hedging reserve is reclassified to profit or loss as the hedge's expected cash flows affect profit or loss.

### 13. Revenues

Comprises the following:

| <i>In thousands of U.S. dollars</i> | Three-month period<br>ended March 31 |               |
|-------------------------------------|--------------------------------------|---------------|
|                                     | 2025                                 | 2024          |
| Energy sales spot                   | 12,263                               | 11,282        |
| Energy sales regulated (a)          | 7,632                                | 7,582         |
| Energy sales non-regulated          | 6,950                                | 6,872         |
| Capacity sales spot                 | 2,555                                | 2,001         |
| Capacity sales non-regulated        | 1,626                                | 1,723         |
| Capacity sales regulated            | 1,251                                | 1,252         |
| Other revenues                      | 238                                  | 323           |
|                                     | <b>32,515</b>                        | <b>31,035</b> |

- (a) Includes the amortization of option payments made to distribution companies in connection with option agreements. The amortization during the three-month period ended March 31, 2025, and 2024 was US\$ 470 thousand for both periods (note 7.B).
- (b) As of March 31, 2025, there was estimated revenue pending to be invoiced for US\$ 10,976 thousand (US\$ 9,745 thousand as of March 31, 2024). According to Management's evaluation, there would not be a significant variation between the amounts invoiced and those estimated.

### 14. Tax Issues

Income tax from the years 2021 to 2024 is subject to review by the tax authorities. As of March 31, 2025, the Company is being audited by the Peruvian Tax Administration through an integral Income Tax Audit related to the year 2021. As a result of an eventual assessment, management expects that no significant liabilities affecting the financial statements will arise as of March 31, 2025, and December 31, 2024.

Under current tax legislation, corporate income tax for 2025 and 2024 is calculated based on the net taxable profit at a rate of 29.5%.

The effective tax rate for the three-month period ended March 31, 2025, was 8.77% (33.68% effective tax rate for the three-month period ended March 31, 2024). The change in the effective tax rate for the three-month period ended March 31, 2025, and 2024 corresponds mainly to the impact of exchange differences in local currency.

As of March 31, 2025, and 2024, the income tax expense shown in the income statement is composed as follows:

| <i>In thousands of U.S. dollars</i> | Three-month period<br>ended March 31 |                |
|-------------------------------------|--------------------------------------|----------------|
|                                     | 2025                                 | 2024           |
| Current tax                         | (4,210)                              | (3,356)        |
| Deferred tax                        | 3,005                                | (606)          |
|                                     | <b>(1,205)</b>                       | <b>(3,962)</b> |

**Orazul Energy Perú S.A. and Subsidiary**

Notes to the Condensed Consolidated Interim Financial Statements

**15. Financial Instruments**

**A. Carrying amounts and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

|   | Carrying amount   |                                |   |                                | Total            | Fair value<br>Level 2 |
|---|-------------------|--------------------------------|---|--------------------------------|------------------|-----------------------|
|   | Current           |                                | Other<br>investments<br>including<br>derivative | Non-current                    |                  |                       |
|   | Amortized<br>cost | Other financial<br>liabilities |   | Other financial<br>liabilities |                  |                       |
| <i>In thousands of U.S. dollars</i>                     |                   |                                |   |                                |                  |                       |
| <b>As of March 31, 2025</b>                             |                   |                                |   |                                |                  |                       |
| <b>Financial assets not measured at fair value</b>      |                   |                                |   |                                |                  |                       |
| Cash  | 45,236            | -                              | -   | -                              | 45,236           | -                     |
| Trade receivables                                       | 21,774            | -                              | -   | -                              | 21,774           | -                     |
| Other receivables (*)                                   | 178               | -                              | -   | -                              | 178              | -                     |
| <b>Financial assets measured at fair value</b>          |                   |                                |   |                                |                  |                       |
| Derivative financial instruments                        | -                 | -                              | 662   | -                              | 662              | 662                   |
| <b>Financial liabilities not measured at fair value</b> |                   |                                |   |                                |                  |                       |
| Trade payables  | -                 | (4,231)                        | -   | -                              | (4,231)          | -                     |
| Other payables (*)                                      | -                 | (8,734)                        | -   | -                              | (8,734)          | -                     |
| Account payables to related parties                     | -                 | (84)                           | -   | -                              | (84)             | -                     |
| Debentures  | -                 | -                              | -   | (361,278)                      | (361,278)        | (358,840)             |
| Lease liabilities from operating contracts              | -                 | (192)                          | -   | (299)                          | (491)            | -                     |
|   | <b>67,188</b>     | <b>(13,241)</b>                | <b>662</b>                                      | <b>(361,577)</b>               | <b>(306,968)</b> | <b>(358,178)</b>      |
| <b>As of December 31, 2024</b>                          |                   |                                |   |                                |                  |                       |
| <b>Financial assets not measured at fair value</b>      |                   |                                |   |                                |                  |                       |
| Cash  | 26,267            | -                              | -   | -                              | 26,267           | -                     |
| Trade receivables                                       | 23,144            | -                              | -   | -                              | 23,144           | -                     |
| Other receivables (*)                                   | 280               | -                              | -   | -                              | 280              | -                     |
| <b>Financial liabilities not measured at fair value</b> |                   |                                |   |                                |                  |                       |
| Trade payable   | -                 | (6,237)                        | -   | -                              | (6,237)          | -                     |
| Other payables (*)                                      | -                 | (3,874)                        | -   | -                              | (3,874)          | -                     |
| Account payables to related parties                     | -                 | (1,978)                        | -   | -                              | (1,978)          | -                     |
| Debentures  | -                 | -                              | -   | (361,063)                      | (361,063)        | (352,761)             |
| Lease liabilities from operating contracts              | -                 | (172)                          | -   | (320)                          | (492)            | -                     |
|   | <b>49,691</b>     | <b>(12,261)</b>                | <b>-</b>  | <b>(361,383)</b>               | <b>(323,953)</b> | <b>(352,761)</b>      |

(\*) It does not include tax assets, tax liabilities, employee benefits, and advances.

**B. Fair value measurements**

***Valuation techniques and significant unobservable inputs***

The following table shows the valuation techniques used in the determination of fair values of financial instruments – Level 2 as at March 31, 2025, and December 31, 2024:

***Financial instruments not measured at fair value***

| Type       | Valuation techniques                                     | Key unobservable data | Interrelationship between key unobservable inputs and fair value |
|------------|--|-----------------------|--|
| Debentures | Discounted cash flows using current market interest rate | Not applicable        | Not applicable   |

**16. Related Party Transactions**

**A. Parent companies and ultimate parent Company**

There are no changes in the parent and ultimate parent companies as at March 31, 2025, in respect of December 31, 2024.

**B. Transactions with key management**

***i. Loans to Directors***

As of March 31, 2025, and December 31, 2024, there are no loans to Directors.

***ii. Key management compensation***

As of March 31, 2025, and 2024, there is no compensation to key management personnel.

***iii. Transactions with key management personnel***

During the three-month period ended March 31, 2025, and 2024, there were no transactions between the Company and key management.

**C. Other related entities transactions**

During the three-month period that ended March 31, 2025, and 2024, the Group performed the following significant transactions with related parties during the normal course of operations.

| <i>In thousands of U.S. dollars</i> | Transaction type            | Transaction value |                | Outstanding balances |                   |
|-------------------------------------|-----------------------------|-------------------|----------------|----------------------|-------------------|
|                                     |                             | March 31, 2025    | March 31, 2024 | March 31, 2025       | December 31, 2024 |
| Kallpa Generación S.A. (a)          | Management services and O&M | (2,584)           | (2,231)        | (84)                 | (1,978)           |
|                                     |                             | <b>(2,584)</b>    | <b>(2,231)</b> | <b>(84)</b>          | <b>(1,978)</b>    |

- (a) The Group and Kallpa Generación S.A. entered into a Management Service and Operation and Maintenance Agreement (O&M), which can be renewed under the express consent of the parties each period.

## Orazul Energy Perú S.A. and Subsidiary

### Notes to the Unaudited Condensed Consolidated Interim Financial Statements

A summary of the transactions between the Group and the other related parties due to the sale of energy and power during the period follows:

| <i>In thousands of U.S. dollars</i> | Transaction type | Transaction value |                   | Outstanding balances |                      |
|-------------------------------------|------------------|-------------------|-------------------|----------------------|----------------------|
|                                     |                  | March 31,<br>2025 | March 31,<br>2024 | March 31,<br>2025    | December 31,<br>2024 |
| <b>Sales</b>                        |                  |                   |                   |                      |                      |
| Kallpa Generación S.A.              | COES             | 1,386             | 869               | 290                  | 353                  |
| Kallpa Generación S.A.              | Energy Sales     | 216               | -                 | -                    | 297                  |
| Kallpa Generación S.A.              | Others           | 186               | 309               | 133                  | 96                   |
| <b>Costs</b>                        |                  |                   |                   |                      |                      |
| Kallpa Generación S.A.              | COES             | (215)             | (20)              | (60)                 | (118)                |
| Kallpa Generación S.A.              | Energy Purchase  | (53)              | -                 | -                    | -                    |
|                                     |                  | <b>1,520</b>      | <b>1,158</b>      | <b>363</b>           | <b>628</b>           |

The outstanding balances with related parties have current maturity and do not accrue interest. None of these balances is guaranteed.

## 17. Contingencies

As of March 31, 2025, the main changes in contingencies since the most recent annual financial statements are as follows:

### ***Labor Claims***

The Company maintains the provision related to labor claims in US\$ 159 thousand as of March 31, 2025, and US\$ 216 thousand as of December 31, 2024.

Additionally, the estimate for labor claims that are not more likely than not that the Company will pay increased from US\$ 602 thousand as of December 31, 2024, to US\$ 617 thousand as of March 31, 2025.

### ***Arbitration Award***

Further to that stated in Note 25 of the Company's annual audited financial statements, OEP had the following updates:

On January 8, 2025, Pluz Energía filed a recourse requesting the Arbitration Tribunal to interpret, rectify, integrate, and exclude some sections of the award. On the same date, the parties filed a recourse requesting the Arbitration Tribunal to rule on one of its claims, which the tribunal did not completely resolve. After that, the parties filed a response to the other party's requests.

On February 5, 2025, the Tribunal issued a Supplementary Decision resolving the appeals filed by the parties. Through this decision, the Arbitral Tribunal declared inadmissible most of the appeals filed by Pluz Energía, except for their request related to the modification of the price of the Supply Contract. The Tribunal finally determined that this modification should be applicable from the issuance of the Award on December 13, 2024, onwards and not from February 1, 2024, as initially ruled. Additionally, the appeal filed by Kallpa and Orazul was declared well-founded, ordering the modification of the initial values of the Indexation Formula applicable to the prices modified by the Award as requested in its claim.

On March 21, 2025, Kallpa and Orazul were notified of the annulment procedure initiated by Pluz Energía before the Judiciary. Along with the annulment procedure, Pluz Energía has presented a bank guarantee for the alleged debt and requested the suspension of the effects of the award. The annulment process can only void the arbitral award (in whole or part) due to formal infractions or process infringements. It should not consist of a new analysis or a new decision on the merits and evidence of the case.

On April 22, 2025, Orazul answered the lawsuit and submitted a legal expert report to reinforce our arguments regarding the validity of the arbitration award and, therefore, should not be nullified.

## **18. Subsequent Event**

### ***Arbitration Award***

On April 22, 2025, Orazul answered the lawsuit and submitted a legal expert report to reinforce our arguments regarding the validity of the arbitration award and, therefore, should not be nulled.

Between April 1, 2025 and until the date of issuance of these consolidated financial statements (April 30, 2025), no have occurred in addition to those indicated in the previous paragraphs that require adjustments or disclosures to the condensed consolidated interim financial statements as of March 31, 2025.