IMPORTANT NOTICE

THIS OFFERING IS AVAILABLE ONLY TO INVESTORS WHO ARE EITHER (1) QUALIFIED INSTITUTIONAL BUYERS ("QIBs") (WITHIN THE MEANING OF RULE 144A UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT")) OR (2) NON-U.S. PERSONS (WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT) OUTSIDE THE U.S.

IMPORTANT: You must read the following before continuing. The following applies to the Offering Memorandum following this page, and you are advised to read this carefully before reading, accessing or making any other use of the Offering Memorandum. In accessing the Offering Memorandum, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OF THE U.S. OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE U.S. OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT), EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE LAWS OF OTHER JURISDICTIONS. THE NOTES ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA. FOR THE PURPOSES OF THIS PROVISION, A "RETAIL INVESTOR" MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU (AS AMENDED, "MIFID II"); OR (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE (EU) 2016/97 (AS AMENDED, THE "INSURANCE DISTRIBUTION DIRECTIVE"), WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II. CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 (AS AMENDED, THE "EU PRIIPS REGULATION") FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EEA HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA MAY BE UNLAWFUL UNDER THE EU PRIIPS REGULATION.

THE NOTES ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE U.K. FOR THESE PURPOSES, A "RETAIL INVESTOR" MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) NOT A PROFESSIONAL CLIENT, AS DEFINED IN POINT (8) OF ARTICLE 2(1) OF REGULATION (EU) NO 600/2014 AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUWA; OR (II) NOT A QUALIFIED INVESTOR AS DEFINED IN PARAGRAPH 15 OF SCHEDULE 1 TO THE PUBLIC OFFERS AND ADMISSIONS TO TRADING REGULATIONS 2024. CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY THE FCA PRODUCT DISCLOSURE SOURCEBOOK ("DISC") FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE U.K. HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE U.K. MAY BE UNLAWFUL UNDER THE DISC AND THE CONSUMER COMPOSITE INVESTMENTS (DESIGNATED ACTIVITIES) REGULATIONS 2024.

THE FOLLOWING OFFERING MEMORANDUM MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

Confirmation of your Representation: In order to be eligible to view this Offering Memorandum or make an investment decision with respect to the securities, investors must be either (1) QIBs or (2) non-U.S. persons (within the meaning of Regulation S under the Securities Act) outside the U.S. This Offering Memorandum is being sent at your request and by accepting the email and accessing this Offering Memorandum, you shall be deemed to have represented to us that (1) you and any customers you represent are either (a) QIBs or (b) non-U.S. persons (within the meaning of Regulation S under the Securities Act) and that the electronic mail address that you gave us and to which this Offering Memorandum has been delivered is not located in the U.S., and (2) that you consent to delivery of such Offering Memorandum by electronic transmission.

You are reminded that this Offering Memorandum has been delivered to you on the basis that you are a person into whose possession this Offering Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorized to, deliver this Offering Memorandum to any other person.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Initial Purchasers or any affiliate of the Initial Purchasers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Initial Purchasers or such affiliate on behalf of the issuer in such jurisdiction.

This Offering Memorandum has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission, and consequently neither the Initial Purchasers,

nor any person who controls them nor any of their directors, officers, employees nor any of their agents nor any affiliate of any such person accept any liability or responsibility whatsoever in respect of any difference between this Offering Memorandum distributed to you in electronic format and the hard copy version available to you on request from the Initial Purchasers.

COX MEXICO
(Cox Asset México, S.A. de C.V.)
U.S.$1,000,000,000 7.125% Senior Secured Notes due 2032
U.S.$1,000,000,000 7.750% Senior Secured Notes due 2036

Cox Asset México, S.A. de C.V. (the "Issuer"), a variable capital stock corporation (*sociedad anónima de capital variable*) organized and existing under the laws of the United Mexican States ("Mexico"), controlled, directly or indirectly, by Cox ABG Group, S.A., a corporation (*sociedad anónima*) organized and existing under the laws of Spain (the "Sponsor"), is offering U.S.$1,000,000,000 aggregate principal amount of its 7.125% Senior Secured Notes due 2032 (the "2032 Notes") and U.S.$1,000,000,000 aggregate principal amount of its 7.750% Senior Secured Notes due 2036 (the "2036 Notes" and, together with the 2032 Notes, the "Notes"). Each series of Notes will be fully and unconditionally, jointly and severally, guaranteed (such guarantees, the "Note Guarantees") by Iberdrola México, S.A. de C.V., a variable capital stock corporation (*sociedad anónima de capital variable*) organized and existing under the laws of Mexico (the "Company"), Iberdrola Generación, Iberdrola Clientes, ICA, ICR, ICB, SGE, ENCO, IRC, GPE, IRNO, PEM, BNS, EDA and IRB (each as defined herein, each an indirect subsidiary of the Issuer), each incorporated and existing under the laws of Mexico (collectively, the "Guarantors").

The Issuer was created on November 13, 2025 as a special purpose vehicle to acquire all of the outstanding equity interests of the Company pursuant to a stock purchase agreement dated as of July 31, 2025 (as subsequently amended on August 26, 2025; October 27, 2025; March 13, 2026; April 6, 2026 and April 17, 2026, the "Acquisition Agreement"), by the Sponsor, as buyer, and Hidrola I, S.L.U. as seller, for a base purchase price equal to approximately U.S.$3.5 billion (the "Acquisition"). On March 11, 2026, the Sponsor assigned to the Issuer its rights to consummate the Acquisition under the Acquisition Agreement, and on April 24, 2026, the Issuer closed the Acquisition and paid the purchase price with a combination of bridge loans and equity contributions made by its shareholders.

The business of the Company, the Guarantors and their direct and indirect subsidiaries (jointly, the "Group Companies") is to develop, own and operate power generation facilities in Mexico. The Group Companies own and operate 16 power plants in Mexico with more than 2,600 MW of installed generation capacity. The Company's subsidiary, Iberdrola Clientes (as defined herein), is one of Mexico's largest qualified suppliers (*suministrador calificado*), selling power, capacity and associated products in Mexico's wholesale electricity market (*Mercado Eléctrico Mayorista*, the "MEM") with a 25% market share. The Group Companies derive their revenues from contracts entered into by Iberdrola Clientes with qualified off-takers and self-supply (*autoabastecimiento*) and cogeneration arrangements with industrial and commercial off-takers, and sales of power, capacity and associated products through the MEM.

The Issuer intends to use the proceeds from the issuance of the Notes (i) to repay approximately U.S.$1,981 million of the loans and all other amounts due and payable under the Bridge Facility; and (ii) to pay the transaction fees and expenses accrued in connection with the issuance of the Notes. See "*Use of Proceeds*."

The Issuer will pay interest on the 2032 Notes semi-annually in arrears on January 8 and July 8 of each year, commencing on January 8, 2027 and on the 2036 Notes semi-annually in arrears on May 8 and November 8 of each year, commencing on November 8, 2026.

The Notes of each series may be redeemed, at the Issuer's option, in whole or in part, on any date prior to December 8, 2031 with respect to the 2032 Notes (one month prior to their maturity date) and prior to February 8, 2036 with respect to the 2036 Notes (three months prior to their maturity date), at a redemption price based on a "make-whole" premium and, on or after December 8, 2031 with respect to the 2032 Notes and on or after February 8, 2036 with respect to the 2036 Notes, at a redemption price equal to 100% of the principal amount of the Notes of such series being redeemed, in each case, plus accrued and unpaid interest and any additional amounts related thereto, to, but not including, the redemption date. In addition, if certain changes in applicable tax law occur, the Issuer may redeem any series of Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the Notes of such series being redeemed, plus accrued and unpaid interest to, but excluding, the redemption date, plus any additional amounts related thereto. See "*Description of the Notes—Optional Redemption with Make-Whole Premium*," "*—Optional Redemption without Make-Whole Premium*" and "*—Optional Redemption upon Tax Event*." In addition, prior to or on December 8, 2031 with respect to the 2032 Notes and prior to February 8, 2036 with respect to the 2036 Notes, we may redeem up to 35% of the original aggregate principal amount of any series of Notes with the net cash proceeds from certain equity offerings by us or any direct or indirect parent of ours, at a redemption price equal to 107.125% of the aggregate principal amount thereof with respect to the 2032 Notes and 107.750% of the principal amount of the 2036 Notes being redeemed, in each case, plus accrued and unpaid interest thereon to, but excluding, the redemption date. See "*Description of the Notes—Optional Redemption with Proceeds from Equity Offerings*." Upon the occurrence of a change of control repurchase event (as described herein), the Issuer will be required to offer to purchase all outstanding Notes of each series at a purchase price equal to 101% of the principal amount thereof, plus all accrued and unpaid interest thereon to, but excluding, the purchase date, plus any additional amounts. See "*Description of the Notes-Repurchase Upon Change of Control Repurchase Event*." Upon a foreclosure on the collateral securing the Notes, all proceeds realized in connection therewith must be applied to pay the holders of both series of Notes and other required amounts in accordance with the priority set forth in the Indenture. The Issuer will be required to make an offer to purchase Notes of each series prior to their stated maturity, at a purchase price equal to 100% of the outstanding principal amount of the Notes of each series being purchased, plus accrued and unpaid interest to the purchase date, payable in respect of the Notes, on a ratable basis in accordance with the Common Terms Agreement, in the event that certain mandatory prepayments required to be made under the Common Terms Agreement as in connection with: events of loss, insurance vitiating acts, and certain dispositions or certain voluntary prepayments are made under the Common Terms Agreement or in connection with a termination of Material Project Documents See "*Description of the Notes - Mandatory Ratable Offers to Purchase Notes for Prepayments under the Common Terms Agreement*."

The Notes and the Note Guarantees will be the senior secured obligations of the Issuer and the Guarantors, respectively, and will at all times rank (i) at least equally in right of payment with all other unsecured and unsubordinated Indebtedness (as defined herein) of the Issuer and the Guarantors, (ii) senior in priority of payment to all present and future unsecured (to the extent of the value of the Collateral (as defined herein)) or subordinated obligations of the Issuer and the Guarantors from time to time outstanding, and (iii) equally in terms of security with all other present and future Secured Obligations (as defined herein). The Issuer's subsidiaries, Fundación Iberdrola México, A.C., Iberdrola Servicios Corporativos, S.A. de C.V., Iberdrola Generación México, S.A. de C.V., Iberdrola Energía Altamira de Servicios, S.A. de C.V., Iberdrola Renovables México, S.A. de C.V., Generación de Energía Base, S.A. de C.V., Soluciones Inteligentes de Descarbonización, S.A. de C.V., Iberdrola Soporte a Proyectos Liberalizado, S.A. de C.V., Iberdrola Soporte a Proyectos Renovables México, S.A. de C.V., Infraestructura de Energía Limpia, S.A. de C.V., Iberdrola Carbón 2 Nature México, S.A. de C.V., Parque de Generación Renovable, S.A. de C.V., Parque Industrial de Energía Renovable, S.A. de C.V., Pier II Quecholac Felipe Ángeles, S.A. de C.V., Pier IV, S.A. de C.V., Servicios de Operación Eoloeléctrica de México, S.A. de C.V. and Corporativo Iberdrola Renovables México, S.A. de C.V., which accounted for 11% of our Consolidated Adjusted EBITDA (as defined herein) for the year ended December 31, 2025, will be designated as Unrestricted Subsidiaries on the issue date of the Notes and, as such, will not guarantee the Issuer's obligations under or provide any security over their assets as collateral for the Notes. As a result, the Notes and Note Guarantees will be structurally subordinated to all of the existing and future indebtedness and other liabilities of these Unrestricted Subsidiaries. See "*Description of the Notes—Note Guarantees*."

The Collateral securing the Notes and the other present and future Secured Obligations will consist of a first priority perfected security interest (through a Mexican irrevocable security trust (*fideicomiso irrevocable de garantía)*, the "Security Trust") in all of the present and future shares in the Company and the Issuer (provided that a nominal share of each such entity shall be pledged for the benefit of the Collateral Agent (as defined herein) independent from the Security Trust to satisfy Mexican law requirements) (the "Collateral", and the applicable agreements, the "Collateral Documents"). The obligations of the Issuer with respect to the Notes, and the performance of all other obligations of the Issuer under the Finance Documents (as defined herein) will be secured by a first priority Lien on the Collateral, ratably and equally with all other present and future Secured Obligations. The Note Guarantees and security interests in the Collateral will be subject to exceptions and to contractual and legal limitations under the laws of Mexico and may be released under certain limited circumstances. See "*Description of the Notes—Note Guarantees*" and "*—Collateral Arrangements*."

There is currently no market for either series of Notes. Application will be made for the listing and quotation of each series of the Notes on the Official List of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). There is no guarantee that such application to the SGX-ST will be approved. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions or reports contained in this Offering Memorandum. Approval in-principle from, and admission of the Notes to the Official List of, the SGX-ST is not to be taken as an indication of the merits of the Issuer, the Notes, or any other subsidiary of the Issuer. The Notes will be issued in minimum denominations of U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof.

Investing in the Notes involves risks. See "*Risk Factors*" beginning on page 43 of this Offering Memorandum.

THE NOTES AND THE NOTE GUARANTEES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"). PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT THE SELLERS OF THE NOTES MAY BE RELYING ON AN EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A UNDER THE SECURITIES ACT ("RULE 144A"). OUTSIDE THE UNITED STATES, THE OFFERING IS BEING MADE IN RELIANCE ON REGULATION S UNDER THE SECURITIES ACT ("REGULATION S"). FOR A DESCRIPTION OF CERTAIN RESTRICTIONS ON TRANSFERS OF THE NOTES THAT WILL APPLY FOR THE ENTIRE TERM OF THE NOTES, SEE "*PLAN OF DISTRIBUTION*" AND "*TRANSFER RESTRICTIONS.*"

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED WITH THE MEXICAN NATIONAL SECURITIES REGISTRY (REGISTRO NACIONAL DE VALORES (THE "RNV")) MAINTAINED BY THE MEXICAN NATIONAL BANKING AND SECURITIES COMMISSION (COMISIÓN NACIONAL BANCARIA Y DE VALORES (THE "CNBV")), AND MAY NOT BE OFFERED OR SOLD PUBLICLY IN MEXICO OR OTHERWISE BE SUBJECT TO INTERMEDIATION ACTIVITIES IN MEXICO, EXCEPT PURSUANT TO AN EXEMPTION SET FORTH IN ARTICLE 8 OF THE MEXICAN SECURITIES MARKET LAW (LEY DEL MERCADO DE VALORES). UPON CONSUMMATION OF THE OFFERING OF THE NOTES, WE WILL NOTIFY THE CNBV OF THE TERMS AND CONDITIONS THEREOF TO COMPLY WITH ARTICLE 7, SECOND PARAGRAPH OF THE MEXICAN SECURITIES MARKET LAW AND REGULATIONS THEREUNDER AND FOR STATISTICAL AND INFORMATIONAL PURPOSES ONLY. THE DELIVERY TO, OR RECEIPT BY, THE CNBV OF SUCH NOTICE DOES NOT CONSTITUTE OR IMPLY A CERTIFICATION AS TO THE INVESTMENT QUALITY OF THE NOTES, OUR SOLVENCY, LIQUIDITY OR CREDIT QUALITY OR THE ACCURACY OR COMPLETENESS OF THE INFORMATION SET FORTH IN THIS OFFERING MEMORANDUM. THE INFORMATION CONTAINED IN THIS OFFERING MEMORANDUM IS SOLELY OUR RESPONSIBILITY AND HAS NOT BEEN REVIEWED OR AUTHORIZED BY THE CNBV.

IN MAKING AN INVESTMENT DECISION, ALL INVESTORS, INCLUDING ANY MEXICAN INVESTOR, WHO MAY ACQUIRE NOTES FROM TIME TO TIME, MUST RELY ON THEIR OWN EXAMINATION OF THIS OFFERING MEMORANDUM, US AND THE GUARANTORS.

Price for 2032 Notes: 99.973% *plus* accrued interest, if any, from May 8, 2026
Price for 2036 Notes: 100.000% *plus* accrued interest, if any, from May 8, 2026

We expect that delivery of the Notes will be made to investors in book-entry form through the facilities of The Depository Trust Company ("DTC"), for the accounts of its direct and indirect participants, including Euroclear Bank S.A./N.V., as operator of the Euroclear System ("Euroclear"), and Clearstream Banking, *société anonyme* ("Clearstream"), on or about May 8, 2026.

Global Coordinators and Joint Bookrunners

Barclays **Citigroup** **Deutsche Bank Securities** **Goldman Sachs & Co. LLC**

Joint Bookrunners

BBVA **Santander** **Scotiabank**

The date of this Offering Memorandum is May 5, 2026.

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Prospective purchasers should rely only on the information contained in this Offering Memorandum. No person has been authorized to provide prospective purchasers with different information. If anyone provides prospective purchasers with different or inconsistent information, prospective purchasers should not rely on it. You should assume that the information appearing in this Offering Memorandum is accurate as of the date on the front cover of this Offering Memorandum only. Our business, financial condition, results of operations and prospects may have changed since that date. Neither the delivery of this Offering Memorandum nor any sale made hereunder shall under any circumstances imply that the information herein is correct as of any date after the date on the cover of this Offering Memorandum.

We expect that delivery of the Notes will be made against payment therefor on or about the closing date specified on the cover page of this Offering Memorandum, which will be the third business day following the date of pricing of the notes (this settlement cycle being referred to as "T+3"). Under Rule 15c6-1 of the Exchange Act, trades in the secondary market generally are required to settle in one business

day, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Notes prior to the business day prior to delivery of the Notes hereunder will be required, by virtue of the fact that the Notes initially may settle in T+3, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of the Notes who wish to trade Notes prior to the business day before their date of delivery hereunder should consult their own advisor. See "*Plan of Distribution*."

This Offering Memorandum has been prepared solely for use in connection with the proposed offering of the Notes described in this Offering Memorandum. This Offering Memorandum does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire the Notes. You are not authorized to distribute this Offering Memorandum to any person other than a person retained to advise you with respect of a purchase. Each prospective purchaser, by accepting delivery of this Offering Memorandum, agrees to the foregoing stipulations.

This Offering Memorandum is based on information provided by us and other sources that we believe to be reliable. We and the Initial Purchasers cannot assure you that this information is accurate or complete. After having made all reasonable inquiries, we confirm that the information contained in this Offering Memorandum is true and correct in all material respects, that the opinions and intentions expressed in this Offering Memorandum are honestly held, and that there are no other facts the omission of which would make this Offering Memorandum as a whole misleading. This Offering Memorandum summarizes certain documents and other sources of information, and we refer prospective purchasers of the Notes to those sources for a more complete understanding of the information contained therein. Copies of certain documents referred to herein will be made available to prospective purchasers, free of charge, upon request to us, or at the office of the principal paying agent and any other paying agent. You hereby acknowledge that you have been afforded an opportunity to request from us, and have received, all information considered by you to be necessary to verify the accuracy of, or to supplement, the information contained herein, and that you have had the opportunity to review all the documents described herein.

The initial purchasers make no representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this offering memorandum, including, without limitation, the financial statements included elsewhere in this offering memorandum. Nothing contained in this offering memorandum is, or shall be relied upon as, a promise or representation by the initial purchasers, the Issuer or the Guarantors as to the past, the present or the future.

The financial or operational information of CFE, Pemex and our off-takers, clients and customers (as defined herein) is not included or otherwise incorporated in this Offering Memorandum. None of us, the Guarantors or the Initial Purchasers have made any independent evaluation of CFE, Pemex or such other offtakers and clients, including relating to their financial condition, results of operations, cash flows, prospects or ability to perform their contractual obligations. Prospective purchasers are strongly advised to make their own independent assessment of such persons prior to making an investment decision with respect to the Notes. Neither CFE, Pemex nor any of such other off-takers and clients is providing any guarantee of payment or other credit support for the Notes.

The financial or operational information of the Sponsor and its affiliates (other than the Issuer and the Guarantors) is not included or otherwise incorporated in this Offering Memorandum unless expressly stated. The Sponsor is not providing any guarantee of payment or other credit support for the Notes, and the Notes are obligations solely of the Issuer and the Guarantors. Prospective purchasers should not rely on the financial condition or creditworthiness of the Sponsor in making an investment decision with respect to the Notes.

By purchasing the Notes, prospective purchasers will be deemed to have made the acknowledgments, representations, warranties and agreements described under the heading "*Transfer Restrictions*" in this Offering Memorandum. The Notes will bear a legend referring to such restrictions. As a prospective purchaser of the Notes, you should be aware that you may be required to bear the financial risks of your investment in the Notes for an indefinite period of time. Please refer to the sections in this Offering Memorandum entitled "*Plan of Distribution*" and "*Transfer Restrictions*."

There is currently no market for either series of Notes and we cannot assure you that one will develop or, if one develops, that it will continue. We have applied to list each series of Notes on the SGX-ST pursuant to a listing memorandum containing information substantially similar to that contained in this Offering Memorandum.

The SGX-ST takes no responsibility for the contents of this Offering Memorandum, makes no representations as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Offering Memorandum.

In making an investment decision with respect to the Notes, you must rely on your own examination of our business and the terms of the offering, including the merits and risks involved. You should not construe anything in this Offering Memorandum as legal, business, accounting, regulatory or tax advice. Before investing in the Notes, you should consult with your own business, legal, accounting, regulatory and tax advisors to determine the appropriateness and consequences of an investment in the Notes in your specific circumstances and arrive at an independent evaluation of the investment based upon, among other things, your own views as to the risks associated with the Notes or us.

If your investment authority is subject to legal restrictions, you should consult your legal advisors to determine whether and to what extent the Notes constitute legal investments for you. Neither we nor any of the Initial Purchasers is making any representation to any purchaser of the Notes regarding the legality of an investment in the Notes by such purchaser under any legal investment or similar laws or regulations.

Neither we nor any of the Initial Purchasers is making an offer of the Notes in any jurisdiction where such offer is not permitted. You must comply with all applicable laws and regulations in force in any jurisdiction in which you purchase, offer or sell the Notes or possess or distribute this Offering Memorandum and you must obtain any consent, approval or permission required by you for the purchase, offer or sale of the Notes under the laws and regulations in force in the jurisdiction to which you are subject or in which you make such purchases, offers or sales, and neither we nor the Initial Purchasers will have any responsibility therefor.

Neither the CNBV nor the SEC, or any state securities commission nor any other regulatory authority in the United States has approved or disapproved the Notes, nor has any of the foregoing authorities passed upon or endorsed the merits of the offering or the accuracy or adequacy of this Offering Memorandum. Any representation to the contrary is a criminal offense.

The Notes and the Note Guarantees will not be registered under the Securities Act or any state securities laws in the United States. Therefore, the Notes may not be offered or sold within the United States or to, or for the account or benefit of, any U.S. person unless the offer or sale would qualify for a registration exemption from the Securities Act and applicable state securities laws. Accordingly, the Notes are being offered and sold in the United States only to "qualified institutional buyers," as defined in Rule 144A under the Securities Act ("QIBs") in accordance with Rule 144A and outside the United States to non-U.S. persons in accordance with Regulation S. Prospective purchasers of the Notes in the United States that are QIBs are hereby notified that we may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

Neither the Initial Purchasers nor their agents have independently verified the information contained in this Offering Memorandum and make no representation or warranty as to the accuracy or completeness of the information contained in this Offering Memorandum. Nothing contained in this Offering Memorandum is, or shall be relied upon as, a promise or representation by the Initial Purchasers as to the past or future.

NOTICE TO INVESTORS

NOTICE TO PROSPECTIVE INVESTORS IN THE EUROPEAN ECONOMIC AREA

This Offering Memorandum is not a prospectus for the purposes of Regulation (EU) 2017/1129 (as amended, the "Prospectus Regulation"). The Notes are not intended to be and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No. 1286/2014 (as amended, the "EU PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the European Economic Area has been prepared, and, therefore, making the Notes available to any retail investor in the European Economic Area may be unlawful under the EU PRIIPs Regulation.

This Offering Memorandum has been prepared on the basis that any offer of Notes in any member state of the European Economic Area will be made pursuant to an exemption from the requirement to publish a prospectus for offers of notes under the Prospectus Regulation.

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED KINGDOM

This Offering Memorandum is not a prospectus for the purposes of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "UK Prospectus Regulation"). The Notes are not intended to be and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("UK"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of article 2 of Regulation (EU) No. 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"); or (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024. Consequently, no key information document required by the FCA Product Disclosure Sourcebook "DISC") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore making the Notes available to any retail investor in the UK may be unlawful under the DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

This Offering Memorandum has been prepared on the basis that any offer of Notes in the UK will be made pursuant to an exemption from the requirement to publish a prospectus for offers of Notes under the UK Prospectus Regulation.

NOTICE TO RESIDENTS OF THE UNITED KINGDOM

The communication of this Offering Memorandum and any other document or materials relating to the issue of the Notes offered hereby is not being made, and such documents and/or materials have not been approved, by an authorized person for the purposes of Section 21 of the FSMA. Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. This Offering Memorandum is for distribution only to persons who (i) are outside the United Kingdom, (ii) have professional experience in matters relating to investments (being investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Financial Promotion Order"), (iii) are high net worth entities or other persons falling within Article 49(2)(a) to (d) of the Financial Promotion Order, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) in connection with the issue or sale of any Notes may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "Relevant Persons"). This Offering Memorandum is directed only at Relevant Persons and must not be acted or relied upon by persons who are not Relevant Persons. Any investment or investment activity to which this Offering Memorandum relates is available only to Relevant Persons and will be engaged in only with Relevant Persons.

NOTICE TO PROSPECTIVE INVESTORS IN MEXICO

The information contained in this Offering Memorandum is exclusively our responsibility and has not been reviewed or authorized by the CNBV. This Offering Memorandum may not be publicly distributed in Mexico. The Notes have not been and will not be registered with the Mexican National Securities Registry maintained by the CNBV and therefore, may not be offered or publicly sold in Mexico, except that the Notes may be offered to investors domiciled in Mexico that qualify as institutional or qualified investors under Mexican law, pursuant to the private placement exemption set forth in Article 8 of the Mexican Securities Market Law. The Issuer will notify the CNBV of the terms and conditions of this offering of the Notes outside of Mexico. Such notice will be submitted to the CNBV to comply with the Mexican Securities Market Law and for statistical and informational purposes only. The delivery to, and receipt by, the CNBV of such notice does not and will not constitute or imply a certification as to the investment quality of the Notes, the Issuer's solvency, liquidity or credit quality or the accuracy or completeness of the information set forth in this Offering Memorandum and does not ratify or validate any actions or omissions, if any, in contravention of applicable law. The acquisition of the Notes by an investor who is a resident of Mexico will be made under such investor's own responsibility.

NOTICE TO INVESTORS IN CERTAIN OTHER COUNTRIES

For information for investors in certain countries, see "*Plan of Distribution*" and "*Transfer Restrictions*."

ENFORCEMENT OF CIVIL LIABILITIES

We, the Guarantors, and all our other subsidiaries are organized and existing under the laws of Mexico. Our sole administrator and certain directors and officers of the Guarantors and our other subsidiaries, and certain experts named in this Offering Memorandum, reside outside the United States. All of our assets and the assets of the Guarantors and our other subsidiaries are located, and our revenues and the revenues of the Guarantors and our other subsidiaries derive from sources outside the United States. As a result, it may not be possible for investors to effect service of process within the United States or in any other jurisdiction outside of Mexico upon us or such persons, or to enforce against us or them in courts of any jurisdiction outside of Mexico judgments predicated upon the laws of any such jurisdiction, including any judgment predicated upon the civil liability provisions of United States federal and state securities laws, or other laws of the United States.

Personal service of process is considered a basic procedural requirement and a fundamental right under Mexican law. If, for purposes of proceedings outside of Mexico, service of process is made by mail or other method that is not personal, such service of process shall not constitute personal service under Mexican law. The courts of Mexico would not enforce a final judgment based on such a service of process.

In connection with the issuance of the Notes, we and the Guarantors have appointed an authorized agent upon whom process may be served on us and on the Guarantors in connection with any action instituted in any United States federal or state court having subject matter jurisdiction in the Borough of Manhattan in New York arising out of or based upon the indenture governing the Notes (the "Indenture").

We have been advised by our Mexican counsel, DLA Piper Mexico, S.C., that no treaty exists between the United States and Mexico for the reciprocal enforcement of judgments issued in the other country. Generally, Mexican courts would enforce final judgments rendered in the United States if certain requirements are met, including the review in Mexico of the U.S. judgment to ascertain compliance with certain basic principles of due process and the non-violation of Mexican law or public policy, provided that U.S. courts would grant reciprocal treatment to Mexican judgments. Additionally, there is doubt as to (i) whether a court in Mexico would accept jurisdiction and impose civil liabilities if proceedings were commenced in such court predicated solely upon U.S. federal and state securities laws, and (ii) as to the enforceability in Mexican courts of judgments of U.S. courts obtained in actions predicated on the civil liability provisions of U.S. federal and state securities laws. It may be difficult to enforce civil liabilities against us and the Guarantors. See "*Risk Factors—Risks Relating to the Notes, the Collateral and Our Indebtedness—It May Be Difficult to Enforce Civil Liabilities Against Us or Our Directors and Executive Officers*." We have appointed Corporation Service Company, with an address at 19 West 44th Street, Suite 200, New York, NY 10036, United States, as our and the Guarantors' authorized agent upon which process may be served on us and the Guarantors in any action which may be instituted in any United States federal or state court having subject-matter jurisdiction in the Borough of Manhattan in The City of New York arising out of or based upon the Notes or the Indenture governing the Notes.

AVAILABLE INFORMATION

We are not subject to the reporting requirements of the Exchange Act. To permit compliance with Rule 144A under the Securities Act in connection with resales of Notes, we will furnish to any holder which so requests and any prospective purchaser designated by such holder the information required to be delivered under Rule 144A(d)(4) under the Securities Act, unless we are either subject to the exemption from reporting under Rule 12g3-2(b) under the Exchange Act or furnish information to the SEC pursuant to Section 13 or 15(d) of the Exchange Act. Any such request may be made to us in writing at our main offices at Montes Urales 415, Lomas de Chapultepec II Sección, Alc. Miguel Hidalgo. C.P. 11000, Mexico City, Mexico.

We have applied to list each series of Notes on the Official List of the Singapore Exchange Securities Trading Limited for trading on the SGX-ST, in accordance with its rules and regulations. We will be required to comply with any undertakings given by us from time to time to the SGX-ST in connection with the Notes, and to furnish all such information as the rules of the SGX-ST may require in connection with the listing of the Notes.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Audited Consolidated Financial Statements

This Offering Memorandum includes the audited consolidated financial statements of the Company and its consolidated subsidiaries as of and for the years ended December 31, 2025 and 2024, including the notes thereto (the "Audited Consolidated Financial Statements"). The Audited Consolidated Financial Statements and the audited financial information derived therefrom and included in this Offering Memorandum have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS"), and the related interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). The Audited Consolidated Financial Statements have been audited by KPMG Cárdenas Dosal, S.C., independent auditor, as stated in their report included elsewhere in this Offering Memorandum. See "*Independent Auditor*."

The information included in the Audited Consolidated Financial Statements presents the business of the Group Companies as it was historically managed and operated before the Acquisition as part of the Company, does not reflect the impact of the Transactions, and may not be indicative of the financial position of the Issuer and the Group Companies, or the results of operations and cash flows of the Issuer and the Group Companies in the future or if it had operated independently of Iberdrola. As part of Iberdrola and its corporate group, the Group Companies whose assets, liabilities, shareholders' equity and results of operation are included in the Audited Consolidated Financial Statements historically benefited from economies of scale and efficiencies resulting from being part of the Iberdrola group. As a business independent of Iberdrola, we may not obtain the same level of efficiencies and supplier discounts historically received. The preparation of financial statements requires management to make certain estimates and assumptions, either at the balance sheet date or during the period that affects the reported amounts of assets and liabilities as well as expenses. Lastly, the Audited Consolidated Financial Statements do not include information about the results of operations, assets, liabilities and shareholders' equity of the Issuer, including the indebtedness incurred by the Issuer as part of the Bridge Facility, the equity capital contributed into the Issuer as part of the Acquisition Equity Financing, the obligations under derivative instruments entered into to hedge certain risks associated with the Bridge Facility, as well as the interest expenses and other material financing and transactions costs incurred by the Issuer in connection with the Acquisition Financing and the consummation of the Acquisition. See "*Risk Factors—Risks Relating to Our Business and Industry—The Audited Consolidated Financial Statements are not indicative of our future financial performance and do not include all the information investors need to evaluate in connection with an investment in the Notes*."

Special Note about Non-IFRS Financial Measures

This Offering Memorandum includes certain financial measures which are not financial measures defined under IFRS Accounting Standards (collectively, the "Non-IFRS Measures"). We calculate the Non-IFRS Measures as follows:

- "Adjusted Working Capital" as the sum of the net change in trade and other receivables (current and non-current) and trade payables and other current liabilities.
- "Cash Flow Conversion" as Consolidated Adjusted Free Cash Flow expressed as a percentage of Further Consolidated Adjusted EBITDA.
- "Consolidated Adjusted EBITDA" as Gross Operating Profit – EBITDA, less the gain on sale of subsidiaries recognized in connection with asset divestitures.
- "Consolidated Adjusted Free Cash Flow" as Further Consolidated Adjusted EBITDA, plus or minus changes in Adjusted Working Capital, less income tax paid during the period (excluding corporate income tax on capital gains attributable to the sale of subsidiaries to FIEMEX), and less capital expenditures (defined as cash payments for the acquisition of property, plant and equipment and intangibles), in each case, on a consolidated basis.
- "Consolidated Adjusted Revenue" as Revenue less CENACE-related revenue amounts. Pursuant to applicable Mexican regulations, the Company engages in energy purchase and sale transactions settled through CENACE that are recorded on a gross consolidated basis in both Revenue and Supplies. This adjustment is presented to remove the effect of transactions that represent an offset of revenue and expenses due to the back-to-back nature of CENACE settlements.

- "Supplies excluding CENACE Adjustments" as Supplies less CENACE-related supply amounts. Pursuant to applicable Mexican regulations, the Company engages in energy purchase and sale transactions settled through CENACE that are recorded on a gross consolidated basis in both Revenue and Supplies. This adjustment is presented to remove the effect of transactions that represent an offset of revenue and expenses due to the back-to-back nature of CENACE settlements.

- "Further Consolidated Adjusted EBITDA" as Adjusted EBITDA, further adjusted to exclude non-recurring items that are not indicative of the Company's core recurring operations.

- "Gross Operating Profit – EBITDA" as Gross Income less Personnel Expenses, less External Services, less Taxes other than income tax, plus Other Operating Income, in each case, on a consolidated basis.

- "Operating Profit – EBIT" as net profit for the year from continuing operations, plus income tax, plus net finance expense/(income).

The SEC has adopted rules that regulate the use of non-IFRS financial measures. These rules require, among other things:

- a presentation with equal or greater prominence of the most comparable financial measure or measures calculated and presented in accordance with IFRS; and

- a statement disclosing the purposes for which the issuer's management uses the non-IFRS financial measure.

In addition, these rules prohibit, among other things:

- exclusion of charges or liabilities that require cash settlement or would have required cash settlement absent an ability to settle in another manner, from non-IFRS liquidity measures;

- adjustment of a non-IFRS performance measure to eliminate or smooth items identified as nonrecurring, infrequent or unusual, when the nature of the charge or gain is such that it is reasonably likely to recur; and

- presentation of non-IFRS financial measures on the face of the IFRS financial statements (or notes thereto) or any pro forma financial information.

We present Non-IFRS Measures because we believe it provides useful information regarding a company's ability to service and incur indebtedness. Our management uses Non-IFRS Measures as a measure of evaluating our performance and we believe such measurements are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industry and similar financings. Non-IFRS Measures are not a measurement of operating performance under IFRS, and should not be considered a substitute for revenues, net income, cash flows from operating activities or other income statement data, or as a measure of profitability or, in the case of, liquidity, does not necessarily indicate whether cash flow will be sufficient or available for cash requirements. Therefore, Non-IFRS Measures and other related ratios should be viewed as supplementary to the Audited Consolidated Financial Statements included elsewhere in this Offering Memorandum and may not be indicative of our historical operating results nor are they meant to be predictive of potential future results. Because all companies do not calculate such measures identically, the presentation may not be comparable to similarly entitled measures of other companies. You are cautioned not to place undue reliance on such financial information. See "*Risk Factors—Risks Related to the Acquisition—We present information relating to certain pre-Acquisition results of the Company and certain of the data used in calculating this information was unaudited or involved certain estimates and judgments, and accordingly you should not unduly rely on them*."

Market Estimates

Certain industry, demographic, market and competitive data, including market forecasts, used throughout this Offering Memorandum were obtained from internal surveys, market research, publicly available information and industry publications.

We have made these statements on the basis of information from third-party sources that we believe are reliable, including among others: the CNE (as defined herein); the Central Bank of Mexico; INEGI (as defined herein); the International Monetary Fund; PLADESE (as defined herein); SENER (as defined herein); and the World Bank.

Industry and government publications generally state that the information presented therein has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information are not guaranteed. Although we have no reason to believe that any of this information or these reports are inaccurate in any material respect, such information has not been independently verified and, therefore, we cannot guarantee its accuracy or completeness. Some data is also based on our estimates, which are derived from our review of internal surveys and analyses, as well as from independent sources. We have not independently verified the information and make no representation or warranty as to its accuracy or completeness. In addition, these sources may use different definitions of the relevant markets than those we present. Data regarding our industry is intended to provide general guidance but is inherently imprecise. Though we believe these estimates were reasonably derived, you should not place undue reliance on estimates, as they are inherently uncertain. Nothing in this Offering Memorandum should be interpreted as a market forecast.

Description of Contracts and Permits

This Offering Memorandum contains summary descriptions of various commercial agreements, permits and other contracts, including the Indenture governing the Notes offered hereby and the Note Guarantees, the Intercreditor Agreement (as defined herein), the agreements creating the security interests on the Collateral securing the Notes (the "Security Documents") and the agreements described under "*Business—Material Agreements*," "*Description of Existing Financing and Collateral Structure*" and "*Description of Certain Material Agreements*." Such descriptions do not purport to be complete or exhaustive, and, as with any contract or legal instrument, the terms thereof may be subject to interpretation. Copies of the Indenture (including the Note Guarantees), the form of Notes, the Intercreditor Agreement and the Security Documents, as well as copies of our organizational documents, will be made available for inspection upon request to us at our address listed on the inside back cover page of this Offering Memorandum. As such, reference is hereby made to the actual agreements and documents for complete information contained in those agreements and documents. All summaries to such agreements and documents are qualified in their entirety by this reference.

Currency Information

The functional and reporting currency of the Issuer and the Group Companies is the U.S. dollar. For purposes of presenting the Audited Consolidated Financial Statements, as required under IFRS, assets and liabilities originated in a currency other than the U.S. dollar are translated into U.S. dollars using the exchange rate as of the end of each reporting period, as reported by the Central Bank of Mexico in the Official Gazette. The peso equivalent information presented in this Offering Memorandum is provided solely for the convenience of investors and should not be construed as implying that the U.S. dollar amounts represent, or could have been or could be converted into, pesos at such rates or at any other rate. See "*Exchange Rate Information*" for more detailed information regarding exchange rates for pesos. As of December 31, 2025, the exchange rate as reported by the Central Bank of Mexico in the Official Gazette was MXN$18.00 to U.S.$1.00.

Rounding

Certain amounts and percentages included in this Offering Memorandum have been subject to rounding adjustments and, accordingly, certain totals presented in this Offering Memorandum may not correspond to the arithmetic sum of the amounts or percentages that precede them.

DEFINED TERMS AND CONVENTIONS

In this Offering Memorandum, unless otherwise specified or the context requires otherwise:

- References to "we," "us," and "our" are to the Issuer and its consolidated subsidiaries, including the Company and the other Guarantors;

- References to "Cogeneration Projects" are to the cogeneration projects owned and operated by ENCO, with respect to the "Cogeneration Monterrey Project", ICA, ICB and ICR;

- References to the "Service Companies" are to our subsidiaries Iberdrola Soporte a Proyectos Liberalizado, S.A. de C.V., Iberdrola Servicios Corporativos, S.A. de C.V., Iberdrola Soporte a Proyectos Renovables, S.A. de C.V., Corporativo Iberdrola Renovables México, S.A. de C.V., Servicios de Operación Eoloeléctrica de México, S.A. de C.V. and Soluciones Inteligentes de Descarbonización, S.A. de C.V.;

- References to the "Project Companies" are to our subsidiaries, ICA, ICR, ICB, SGE, ENCO, IRC, GPE, IRNO, PEM, BNS, EDA, IRB, PIER, PIER II and PIER IV.

- References to "SGE" are to Soporte de Generación Eficiente, S.A. de C.V., the Project Company that owns and operates the "El Carmen Project", a 949.8 MW permitted capacity natural-gas fired power generation facility located in the Municipality of El Carmen, State of Nuevo León, that currently operates under the LIE framework;

- References to "ENCO" are to Encon Monterrey, S.A. de C.V., the Project Company that owns and operates: (i) the "Dulces Nombres II Project" a 338 MW permitted capacity natural-gas fired power generation facility located in the Municipality of Pesquería, State of Nuevo León, that currently operates under the LIE framework; and (ii) the "Cogeneration Monterrey Project", a 64.3 MW permitted capacity cogeneration facility located in the Municipality of Monterrey, State of Nuevo León, that currently operates under the LIE framework;

- References to "ICA" are to Iberdrola Cogeneración Altamira, S.A. de C.V., the Project Company that owns and operates the "Cogeneration Altamira Project", a 57.612 MW permitted capacity cogeneration facility located in the Municipality of Altamira, State of Tamaulipas, that currently operates under the cogeneration scheme pursuant to the LSPEE framework;

- References to "ICB" are to Iberdrola Cogeneración Bajío, S.A. de C.V., the Project Company that owns and operates the "Cogeneration Bajío Project", a 51.59 MW permitted capacity cogeneration facility located in the Municipality of San Juan del Río, State of Queretaro that currently operates under the cogeneration scheme pursuant to the LSPEE framework;

- References to "ICR" are to Iberdrola Cogeneración Ramos, S.A. de C.V., the Project Company that owns and operates the "Cogeneration Ramos Project", a 60.1 MW permitted capacity cogeneration facility located in the Municipality of Ramos Arizpe, State of Coahuila that currently operates under the cogeneration scheme pursuant to the LSPEE framework;

- References to "PIER" are to Parque Industrial de Energía Renovable, S.A. de C.V., the Project Company that owns and operates the "PIER Project", a 150 MW permitted capacity wind powered generation facility located in the Municipalities of Palmar de Bravo, Cañada Morelos, and Esperanza, State of Puebla that currently operates under the self-supply scheme pursuant to the LSPEE framework;

- References to "PIER II" are to Pier II Quecholac Felipe Ángeles, S.A. de C.V., the Project Company that owns and operates the "PIER II Project", a 66 MW permitted capacity wind powered generation facility located in the Municipality of Palmar del Bravo, State of Puebla that currently operates under the self-supply scheme pursuant to the LSPEE framework;

- References to "PIER IV" are to PIER IV, S.A. de C.V., the Project Company that owns and operates the "PIER IV Project", a 150 MW permitted capacity wind powered generation facility located in the Municipalities of Nicolas Bravo, Cañada Morelos, and Chapulco, State of Puebla that currently operates under the self-supply scheme pursuant to the LSPEE framework;

- References to "BNS" are to Bii Nee Stipa Energía Eólica, S.A. de C.V., the Project Company that owns and operates the "Bii Nee Stipa Project", a 26.35 MW permitted capacity wind powered generation facility located in the Municipality of El Espinal, State of Oaxaca, that currently operates under the self-supply scheme pursuant to the LSPEE framework;

- References to "PEM" are to Parques Ecológicos de México, S.A. de C.V., the Project Company that owns and operates the "PEM/Ventosa Project", a 102.5 MW permitted capacity wind powered

generation facility located in the Municipality of Juchitan, State of Oaxaca, that currently operates under the self-supply scheme pursuant to the LSPEE framework;

- References to "EDA" are to Eólica Dos Arbolitos, S.A. de C.V., the Project Company that owns and operates the "Dos Arbolitos Project", a 70 MW permitted capacity wind powered generation facility located in the Municipality of Juchitan, State of Oaxaca, that currently operates under the self-supply scheme pursuant to the LSPEE framework;

- References to "IRB" are to Iberdrola Renovables del Bajío, S.A. de C.V., the Project Company that owns and operates the "Wind Santiago Project", a 105 MW permitted capacity wind powered generation facility located in the Municipality of San Felipe, State of Guanajuato, that currently operates pursuant to the LIE framework;

- References to "IRC" are to Iberdrola Renovables Centro, S.A. de C.V., the Project Company that owns and operates the "Solar Santiago Project", a 200 MW permitted capacity solar PV power generation facility located in the Municipality of Villa de Arriaga, State of San Luis Potosí, that currently operates pursuant to the terms of the LIE;

- References to "GPE" are to Green Park Energy, S.A. de C.V., the Project Company that owns and operates the "Cuyoaco Project", a 220.8 MW permitted capacity solar PV power generation facility located in the Municipality of Coyuaco, State of Puebla, that currently operates pursuant to the LIE framework;

- References to "IRNO" are to Iberdrola Renovables Noroeste, S.A. de C.V., the Project Company that owns and operates the "Hermosillo Project", a 100 MW permitted capacity solar PV power generation facility located in the Municipality of Hermosillo, State of Sonora, that currently operates pursuant to the LIE framework;

- References to the "Existing Financing Arrangements" are to the financing agreements relating to the financing of the Acquisition entered into by the Issuer prior to the offering of the Notes, as described under "*Business—The Issuer—Overview—The Acquisition Financing*;"

- References to the "Projects" are to the 16 operational power generation facilities owned by a Project Company, as described under "*Business—The Projects*;"

- References to the "LIE" or "Electric Industry Law" are to the former Mexican Electric Industry Law (*Ley de la Industria Eléctrica*), in effect from August 12, 2014 to March 19, 2025;

- References to "LIE Permits" are to power generation permits issued pursuant to Electric Industry Law;

- References to the "LSE" or "Electric Sector Law" are to the Mexican Energy Sector Law (*Ley del Sector Eléctrico*), in effect since March 19, 2025;

- References to the "LSPEE" are to the former Mexican Energy Public Service Law (*Ley del Servicio Público de Energía Eléctrica*), in effect until August 12, 2014;

- References to "LSPEE Permits" are to power generation permits issued pursuant to LSPEE;

- References to the "Mexican Government" are to federal government of Mexico;

- References to the "RLSE" are to the Regulations to the Energy Sector Law (*Reglamento de la Ley del Sector Eléctrico*), in effect since October 4, 2025;

- References to "United States" or the "U.S." are to the United States of America;

- References to "pesos" and "MXN$" are to Mexican pesos, the lawful currency of Mexico; and

- References to "$," "U.S. dollars" or "U.S.$" are to the lawful currency of the United States.

For convenience and consistency, we have converted various capacity and volume measurements (as provided in contracts, permits, source materials or other documents in various other measurements and heating value units) into certain consistent units. Actual conversion rates of heating value to volume can depend on various factors, and all conversions are approximate. The applicable rates used for these conversions in this Offering Memorandum are as follows:

- 1 MMcf natural gas = 252 Gigacalories;
- 1 MMcf natural gas = 1,040 million British thermal units (MMbtu);
- 1 MMcf natural gas = 1,097 Gigajoules;
- 1 MMcf natural gas = 1,040 Decatherms; and
- 1 MMcf natural gas = 0.01040 MMTh.

GLOSSARY OF CERTAIN DEFINED TERMS

Availability Factor	Expressed as a percentage and calculated for any given period as the hours the facility was available to generate divided by the total hours in the period (or as otherwise defined in the applicable contract).
Bcf	Billion cubic feet.
CAGR	Compound annual growth rate.
CCGT	Combined cycle gas-fired power generation turbines.
CELs	Clean Energy Certificates (*Certificados de Energía Limpias*).
CENACE	National Energy Control Center (*Centro Nacional de Control de Energía*) of Mexico.
CENAGAS	National Center of Natural Gas Control (*Centro Nacional de Control del Gas Natural*).
Central Bank of Mexico	The Bank of Mexico (*Banco de México*).
CFE	Comisión Federal de Electricidad, Empresa Pública del Estado.
CFEnergía	CFEnergía, S.A. de C.V.
CFET	CFE Transmisión.
CNE	National Energy Commission (*Comisión Nacional de Energía*) of Mexico.
COFECE	The former Federal Competition Commission (*Comisión Federal de Competencia Económica*) of Mexico.
Cox Energy	Cox Energy, S.A.B. de C.V.
CNA	National Antitrust Commission (*Comisión Nacional Antimonopolio*) of Mexico.
COD	Commercial Operation Date.
CONAGUA	National Water Commission (*Comisión Nacional del Agua*) of Mexico.
CRE	Energy Regulatory Commission (*Comisión Reguladora de Energía*) of Mexico, which ceased to exist in 2025 when its powers and authority were assumed by CNE.
CSA	Contractual Service Agreements. See "*Business—Material Agreements—Long-Term Services Agreements and Contractual Service Agreements*".
Engie	Engie Mexico, S.A. de C.V.
FIEMEX	Means the Irrevocable Administration Trust Agreement identified with number 5561 (*Contrato de Fideicomiso Irrevocable de Administración identificado con el número 5561*), a special purpose trust (*fideicomiso*) formed under the laws of Mexico with Banco Actinver, S.A.,

	Institución de Banca Múltiple, Grupo Financiero Actinver, acts as trustee, which is managed by Infrastructure Partners FF, S.A.P.I de C.V.
FTRs	Financial Transmission Rights (*Derechos Financieros de Transmisión*).
Gamesa	Siemens Gamesa Renewable Energy, S.A. de C.V., or any of its affiliates, as applicable.
Gas Natural Mexico	Gas Natural Mexico, S.A. de C.V.
GE	General Electric International, Inc., General Electric International Operations Company, Inc. , GE Packaged Power, Inc. GE Global Parts and Products GMBH, General Electric Global Services, GMBH or G.E. Energy Parts, Inc., or any of its affiliates, as applicable.
GNN	Gas Natural de Noreste, S.A. de C.V.
GW	Gigawatt, or a billion Watts.
Iberdrola Clientes	Iberdrola Clientes, S.A. de C.V.
Iberdrola Generación	Iberdrola Generación, S.A. de C.V.
IFRS	IFRS Accounting Standards, as issued by the International Accounting Board.
ILER	Inversiones Latinoamericanas en Energía Renovable, S.A.P.I. de C.V.
INEGI	National Institute of Statistics and Geography (*Instituto Nacional de Estadística y Geografía*) of Mexico.
IPP	Independent power producer (*Productor Independiente de Energía*) under the LSPEE.
Kinder Morgan	Kinder Morgan Texas Pipeline LLC, or any of its affiliates, as applicable.
LNG	Liquefied natural gas (*Gas Natural Licuado*).
LPG	Liquefied petroleum gas (*Gas Licuado de Petróle*o).
LSH	Hydrocarbons Sector Law (*Ley del Sector de Hidrocarburos*).
LSPEE	Public Electricity Service Law (*Ley del Servicio Público de Energía Eléctrica*).
LTSA	Long-Term Services Agreements.
MEM	Wholesale Electricity Market (*Mercado Eléctrico Mayorista*) of Mexico.
MHPS	Mitsubishi Hitachi Power Systems Americas, Inc. or Mitsubishi Hitachi Power Systems de Mexico, S.A. de C.V., or any of its affiliates, as applicable.
MMcfd	Million cubic feet per day.
MW	Megawatt, or a million Watts.

MWh	Megawatt hour, or a million Watts per hour.
O&M	Operating and maintenance.
OEM	Original equipment manufacturer.
Pemex	Petróleos Mexicanos.
PLADESE	Electric Sector Development Plan 2025-2039 Edition (*Plan de Desarrollo del Sector Eléctrico 2025-2039*).
PPA	Any agreement (other than a MEM representation agreement) pursuant to which any Group Company offers and sells energy products generated by the Projects or is entitled to receive revenues for the sale of energy products.
PROFEPA	Environmental Protection Enforcement Agency (*Procuraduría Federal de Protección al Ambiente*) of Mexico.
Reserve Margin	A metric used to measure and monitor adequacy of supply of electricity, expressed as a percentage and calculated for any given period as the quotient of (x) expected capacity *minus* expected peak, divided by (y) expected peak demand.
RGD	General Distribution Networks (*Redes Generales de Distribución*).
RLSH	Regulations to the LSH (*Reglamento de la Ley del Sector Hidrocarburos*).
RNT	National Transmission Network (*Red Nacional de Transmisión*).
SEMARNAT	Ministry of the Environment and Natural Resources (Secretaría de Medio Ambiente y Recursos Naturales) of Mexico.
SEN	National Electricity System (*Sistema Eléctrico Nacional*) of Mexico.
SENER	Ministry of Energy (*Secretaría de Energía*) of Mexico.
Siemens	Siemens Energy Inc., Siemens GESA Renewable Energy, S.A. de C.V., or Siemens Gas and Power, S. de R.L. de C.V., or any of its affiliates, as applicable.
SIN	National Interconnection System (*Sistema Interconectado Nacional*).
Trailstone	Trailstone Power and Gas LLC, or any of its affiliates, as applicable.
TWh	Terawatt-hour.
Vestas	Vestas Mexico, S. de R.L. de C.V., or any of its affiliates, as applicable.

NO REVIEW BY THE SEC; NO REGISTRATION RIGHTS

This Offering Memorandum will not be reviewed by the SEC. There are no registration rights associated with the Notes and the Notes Guarantees and we have no intention to offer to exchange the Notes and the Note Guarantees for notes registered under the Securities Act or to file a registration statement with respect to the Notes and Note Guarantees. The indenture that will govern the notes will not be qualified under the U.S. Trust Indenture

Act of 1939, as amended. In addition, we have not included in the financial statements included in this Offering Memorandum the financial statements of certain guarantors that would be required under Rule 3-10 of Regulation S-X under the Exchange Act if the Notes and Note Guarantees were registered.

FORWARD-LOOKING STATEMENTS

This Offering Memorandum includes "forward-looking statements" within the meaning of the securities laws of certain applicable jurisdictions. The words "believe," "anticipate," "expect," "intend," "estimate," "plan," "assume," "will," "may," "should" and other similar expressions, which are predictions of or indicate future events and future trends, identify forward-looking statements. In addition, this Offering Memorandum includes forward-looking statements relating to our potential exposure to various types of market risks, such as interest rate risk and foreign exchange rate risk. You should not rely on forward-looking statements because they involve known and unknown risks, uncertainties and other factors which are in some cases beyond our control and may cause our actual results, performance or achievements to differ materially from anticipated future results, performance or achievements expressed or implied by such forward-looking statements (and from past results, performance or achievements). Certain factors that may cause such differences include but are not limited to:

- our ability to successfully integrate the Acquisition as planned and rebrand our business and operate as an independent business;
- legislative and regulatory changes in Mexico (including any changes in energy and taxation laws and regulations);
- actions and the timing of actions by legislative, legal, regulatory, governmental and environmental bodies in Mexico and other countries;
- our and our customers' ability to perform under the PPAs or to renew the PPAs upon their termination or expiration;
- our ability to secure and maintain land rights, including as our existing contracts terminate or expire;
- our ability to obtain, maintain, amend, extend or renew regulatory permits and other governmental authorizations;
- the timing and success of maintenance and construction of projects, including risks inherent in the ability to obtain, and the timing of granting of, permits and other authorizations;
- reliance on gas transportation assets and energy infrastructure and services that we do not own or control;
- services, credit support and financing provided to us by affiliates and third parties;
- our ability to achieve the intended benefits of the Transactions, including the realization of synergies;
- increased competition due to expected expansion of the energy sector in Mexico, including increased participation of CFE, directly or in conjunction with private investors;
- wars, terrorist attacks, organized crime, weather conditions, natural disasters, pandemics and catastrophic accidents;
- developments in the energy markets, including the timing and extent of changes and volatility in commodity prices;
- deviations from regulatory precedent or practice that result in a reallocation of benefits or burdens among regulated energy services providers and their stakeholders, including customers and shareholders and other providers, and delays in regulatory agency authorizations;
- our ability to hire, train and retain qualified employees and executives;

- risks posed by working with volatile and hazardous materials;
- the availability of electric power and natural gas, including disruptions caused by explosions and equipment failures;
- risks posed by attacks on, and cybersecurity threats to, the information and systems used to operate our businesses, and the confidentiality of our proprietary information and the personal information of our customers and employees;
- local, national and international economic, business and political developments, and social conditions and developments;
- government expropriation of assets, changes in contractual conditions and title and other property disputes;
- inflation, interest rates and exchange rates;
- our ability to fulfill our strategy and/or successfully integrate our acquisitions and capital expenditures;
- the outcome of litigation, arbitration and/or administrative proceedings brought against us, the Guarantors and our other subsidiaries;
- the susceptibility of our operations to health and safety risks, as well as operational hazards and uninsured risks;
- temporary or permanent disruption of operations at our Projects due to acts of God, force majeure or other events outside of our control;
- the availability of, and demand for, alternative energy sources;
- the capital markets and financial conditions, including the availability of credit and the liquidity of our investments;
- potential changes in energy market regulation and free trade agreements;
- risks posed by decisions and actions of third parties who control the operations of investments in which we do not have a controlling interest, and risks that our partners or counterparties will be unable (due to liquidity issues, *concurso mercantil* or otherwise) or unwilling to fulfill their contractual commitments; and
- other risks and uncertainties discussed under "*Risk Factors*" and elsewhere in this Offering Memorandum.

The forward-looking statements herein are based on a number of assumptions and/or estimates and are subject to known and unknown risks, uncertainties and other factors that may or may not occur in the future. As such, we caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, including our financial condition and liquidity and the development of the industry in which we operate, may differ materially from those expressed or implied by our forward-looking statements.

We urge you to read the sections of this Offering Memorandum entitled "*Risk Factors*," "*Management's Discussion and Analysis of Financial Condition and Results of Operations*," "*Business*" and "*Regulatory, Environmental Matters and Permits*" and "*Environmental and Sustainability Matters*" for a more complete discussion of the factors that could affect our future performance and the markets in which we operate and intend to operate. The forward-looking statements herein speak only as of the date on which the statements were made. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or developments or otherwise.

SUMMARY

This summary highlights certain information about us described elsewhere in this Offering Memorandum. This summary is not complete and does not contain all the information you should consider before investing in the Notes. The summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information included elsewhere in this Offering Memorandum, including the Audited Consolidated Financial Statements and other financial information. You should carefully read the entire Offering Memorandum to understand our business, the nature and terms of the Notes and other considerations that are important to your decision to invest in the Notes, including without limitation, the risks discussed under the section titled "Risk Factors."

The Issuer

The Issuer, Cox Asset México, S.A. de C.V., is a variable capital stock corporation (*sociedad anónima de capital variable)* organized in November 2025 by the Sponsor as a special-purpose vehicle for purposes of consummating the Acquisition and owning and operating the Projects. All of the assets of the Issuer and its consolidated subsidiaries are located in Mexico and all of the revenues and net income of the Issuer derive from the power generation business of the Issuer's consolidated subsidiaries.

The Sponsor, Cox ABG Group, S.A., is a leading energy company based in Spain focused on power generation and energy services throughout Latin America, Europe, Africa and the Middle East. With operations across Europe, Latin America and Africa and approximately 9,642 employees worldwide as of December 31, 2025. The Sponsor has extensive experience in the development, acquisition, financing, integration and operation of conventional and renewable power generation assets across multiple technologies, including CCGT, cogeneration, wind and solar. The Sponsor's investment strategy focuses on acquiring and operating high-quality power generation assets with contracted cash flows under long-term contracts with creditworthy counterparties. The Sponsor brings significant operational expertise and a track record of successful acquisitions in the energy sector in Latin America.

Since commencing operations in Mexico in 2015, the Sponsor has progressively built and strengthened its platform through achieving key milestones, including obtaining regulatory authorization from the CRE in September 2017 to commercialize energy to qualified users, entering into a strategic partnership with Nexus Energía in April 2018 to market electricity and represent generation plants in Mexico, and optimizing its portfolio through the divestment of non-strategic assets in 2019. The Sponsor has further enhanced its profile through the IPO on the Mexican Institutional Stock Exchange (BIVA) in 2020, and most recently, through the Acquisition, which has significantly expanded and consolidated its footprint and presence in the Mexican energy market.

Pursuant to the stock purchase agreement dated as of July 31, 2025 (as subsequently amended on August 26, 2025; October 27, 2025; March 13, 2026, April 6, 2026 and April 17, 2026 and assigned to the Issuer on March 11, 2026, the "Acquisition Agreement"), by and among the Sponsor, acting through the Issuer, and Hidrola I, S.L.U., an affiliate of Iberdrola, the Issuer acquired 99.9% of the equity interests in the Company (with the remaining equity interest acquired by an affiliate of the Sponsor) and, through its acquisition of the Company, the Issuer also acquired a 99.9% indirect interest in each of the 16 consolidated subsidiaries that own and operate the Projects. The Acquisition was subject to and received approval from the CNE and the CNA. The purchase price for the Acquisition was U.S.$3.5 billion and was financed with a combination of equity contributions into the Issuer for a total amount of U.S.$850 million and U.S.$2.65 billion in secured bridge loans provided by affiliates of the Initial Purchasers.

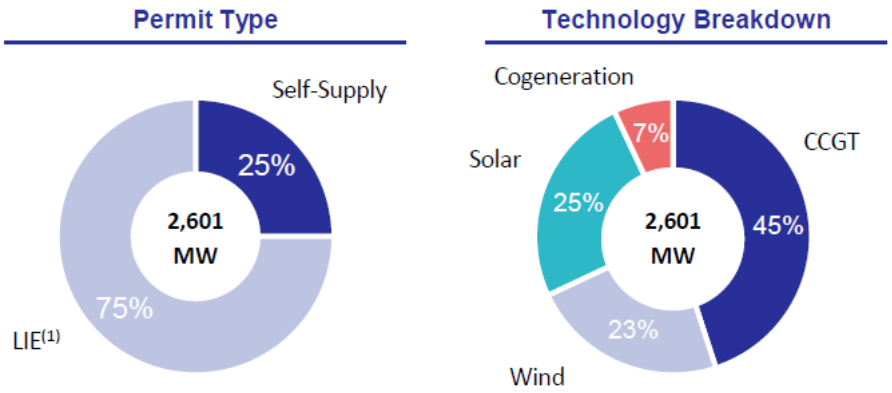
Prior to the consummation of the Transactions, the Issuer did not engage in any material business activities and had no material assets or liabilities. Following consummation of the Acquisition, the Issuer, through the Project Companies, became the owner and operator of one of the leading privately-owned power generation portfolios in Mexico in terms of a total installed capacity, with a total Net Capacity of approximately 2.6 GW, as well as one of the leading qualified suppliers of electricity in the Mexican market, with a market share greater than 25% in terms of electricity sold for the year ended December 31, 2025.

The Company

As of the date of this Offering Memorandum, based on our internal assessment of the market, the Company, through its consolidated subsidiaries, is the leading integrated conventional and renewable energy platform in Mexico, with a total installed capacity of 2,601 MW distributed among two CCGT facilities, four

cogeneration facilities, seven wind-powered generation facilities, and three solar-powered generation facilities. In addition, we have assembled a greenfield renewables development pipeline totaling 11,490 MW.

The following charts illustrate the composition of the Company's generation portfolio by permit type and technology, highlighting a balanced regulatory structure and a diversified mix of power generation assets across conventional and renewable sources:



Source: Iberdrola Factbook 2025.
Note: Data as of FY 2025. (1) Consolidates PIER and PIER IV.

Through its consolidated subsidiaries, the Company owns and operates 16 power generation facilities with aggregate installed capacity of 1,368 MW of thermal generation capacity (CCGT and cogeneration) and 1,233 MW of renewable energy capacity (wind and solar). In addition, unlike most private generators in Mexico, which sell electricity into the MEM or depend on CFE to reach end users, the Company sells directly to industrial and commercial customers through its own licensed qualified supplier, Iberdrola Clientes, one of the largest such platforms in Mexico. By offering contracts at a discount to CFE's published tariffs through its self-supply (*autoabastecimiento*) business, thereby capturing the full generation-to-supply margin, and nurturing direct relationships with approximately 500 industrial and commercial clients, with approximately 19.2 TWh of energy commercialized annually (includes self-supply). The Company is one of the leading private electricity generators in Mexico and holds more than a 25% market share in the qualified supplier segment, which makes it one of the largest qualified suppliers by energy supplied in as many as five of the eight CENACE regions in the country. As of April 24, 2026, the Company's top 10 clients represented approximately 50% of aggregate portfolio energy volume and approximately 36.5% of aggregate contracted energy capacity (1,129 MW out of 3,085 MW) in Mexico.

The business of the Company is organized as a vertically integrated energy platform and is operated through two integrated divisions: Cox Mexico Generación (power generation) and Cox Mexico Clientes (qualified supply). This integrated structure mitigates merchant exposure by matching generation output and third-party contracted capacity with contracted client demand, seeking 100% coverage.

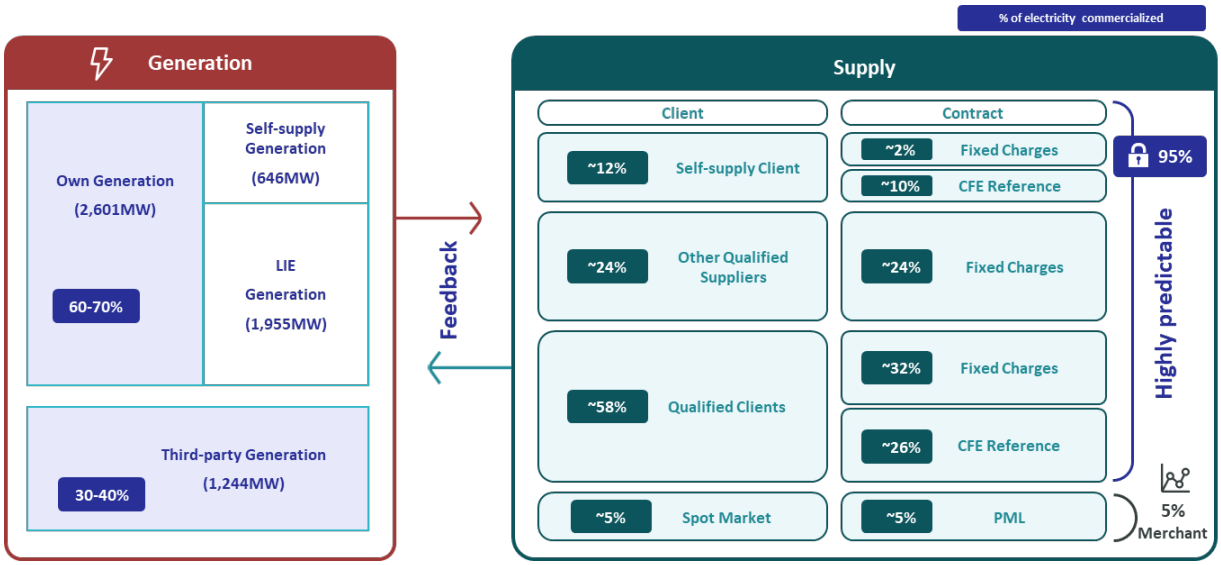
1. Power generation: This division owns and operates the generation portfolio and sells electricity, capacity, and CELs to (i) self-supply offtakers (*socios de autoabastecimiento)*, (ii) cogeneration offtakes (*establecimientos asociados*), and (iii) to Iberdrola Clientes and other qualified suppliers. For the years ended December 31, 2025 and 2024, revenues from the Company's power generation business division represented 92% and 93%, respectively, of the Company's consolidated revenues for those periods. Because the power generation division sells energy to the qualified supply division under intercompany arrangements (which are eliminated on consolidation), the revenue percentages for the two divisions are not additive and reflect the pass-through nature of the vertically integrated model.

2. Qualified Electricity Supply Business: Iberdrola Clientes, under its license as a qualified supplier under the MEM, acquires energy from (i) our generation portfolio, (ii) the FIEMEX portfolio, and (iii) the MEM, and sells it directly to end customers through qualified supply contracts and discounted arrangements based on CFE tariffs. This vertically integrated structure allows the Company to capture the entire generation-to-supply margin, unlike transactions with other qualified

suppliers, where the trading margin is retained by those intermediaries. The Company offers contracts at a discount to CFE's published tariffs, effectively competing with CFE for retail business. This integrated structure eliminates residual merchant exposure by matching generation output and third-party contracted capacity with contracted client demand on a 100% coverage basis. For the years ended December 31, 2025 and 2024, revenues from the Company's qualified supply business represented 50.1% and 50.5%, respectively, of the Company's consolidated revenues for those periods. The other 49.9% and 49.5% for the years ended December 31, 2025 and 2024, respectively, are derived from coverage contracts entered into with third parties and offtakers (*socios autoabastecidos and establecimientos asociados a la cogeneración*).

The qualified supply business serves approximately 500 industrial clients across diversified sectors including steel, automotive, food and beverage, cement, consumer products, and chemicals. In addition to serving end clients, the qualified supply platform acts as the platform for placement of the Company's own energy generation, allowing the Company to market its generation output directly to end consumers rather than relying on wholesale market sales or third-party intermediaries. Approximately 51% of commercialized energy volumes are attributable to investment-grade-rated counterparties, and 37% to speculative grade rated counterparties. The commercial platform is supported by approximately 130 full-time employees across four offices nationwide, ranking first in energy supply in 5 of 8 CENACE regions.

The Company, through its consolidated subsidiaries, sells electricity generated by the Projects, as well as electricity generated by third parties and purchased by the Company under supply contracts with FIEMEX, a portfolio vehicle of MIP, formed in 2024 to acquire older CCGT assets contracted with CFE. Under the supply agreement with FIEMEX, the Company has access to approximately 1,244 MW of additional contracted capacity which supplies it with sufficient electricity to, together with electricity generated by the Projects, meet the demand from its customers. Together, the Company's owned assets and FIEMEX contracted capacity provided access to over 19 TWh of electricity in 2025.



Source: Energy allocation based on contractual obligations for 2026 per Iberdrola Mexico internal controls.

For the years ended December 31, 2025 and 2024, 63% and 69%, respectively, of the Company's consolidated revenues were derived from sales of power generated by the Projects with the remaining 37% and 31%, respectively, of consolidated revenues derived from sales of power generated by FIEMEX and made available to the Company under its supply agreement with FIEMEX.

For the years ended December 31, 2025 and 2024, the Company generated total revenues of U.S.$2,351.9 million and U.S.$1,831.7 million, respectively. Adjusted Revenue (excluding the CENACE Adjustments) was U.S.$1,566.9 million and U.S.$1,475.6 million, respectively, for such periods. Net profit for the year from continuing operations was U.S.$319.6 million for the year ended December 31, 2025, compared to U.S.$1,518.1 million for the year ended December 31, 2024. Please see "*Summary Financial Data—Other Financial Data and non-IFRS measures*" for more details on certain Non-IFRS Measures used by the Company, including

Consolidated Adjusted EBITDA, Adjusted Revenue, Gross Operating Profit - EBITDA, Further Consolidated Adjusted EBITDA and Consolidated Adjusted Free Cash Flow.

The Acquisition

On July 31, 2025, the Sponsor, as buyer, entered into the Acquisition Agreement to acquire 99.9% of the equity interests in the Company for a base purchase price of U.S.$3.5 billion. The Sponsor, acting through the Issuer as assignee of the purchaser's rights under the Acquisition Agreement, consummated the Acquisition on April 24, 2026. The Acquisition Agreement contains customary representations, warranties and covenants of the Seller and the Company. The closing of the Acquisition was subject to customary closing conditions, including required regulatory approvals by certain Mexican agencies. Under the Acquisition Agreement, the Seller has agreed to provide certain transition services to the Issuer and its consolidated subsidiaries for a period of 12 months. On April 24, 2026, we entered into a Transition Services Agreement with Iberdrola under which Iberdrola will continue to provide these services to us and the Project Companies. Once such agreement expires, we will need to have in place our own operational capabilities and management infrastructure to operate the Projects on a standalone basis.

The Financing Transactions

The Acquisition was financed by the Issuer as follows:

- with an equity contribution from its shareholders of approximately U.S.$850 million (the "Acquisition Equity Financing");
- with a U.S.$2,650 million secured bridge loan facility, provided by affiliates of the Initial Purchasers, as bridge facility lenders (such facility, the "Bridge Facility") with affiliates of the Initial Purchasers.

We refer to the Acquisition Equity Financing and the Bridge Facility, collectively, as the "Acquisition Financing." The Acquisition and the Acquisition Financing are collectively referred to as the "Transactions."

We intend to repay the Bridge Facility with the proceeds of the Notes offered hereby and with the proceeds of a new five-year senior secured term loan facility in a principal amount of $1.150 billion to be provided by a syndicate of banks, including affiliates of the Initial Purchasers who have obtained preliminary approvals to rollover a portion of their exposure under the Bridge Facility (the "New Term Loan Facility"). In addition, on the Closing Date, we have entered into a new five-year $150.0 million senior secured revolving credit facility with affiliates of the initial purchasers (the "New Revolving Credit Facility" and, together with the New Term Loan Facility, the "New Senior Secured Credit Facilities"), and into hedging agreements (the "Hedging Agreements") with affiliates of certain of the Initial Purchasers to hedge the interest rate risk associated with the Bridge Facility and the New Senior Secured Credit Facilities, and the gas price associated with gas long-term supply arrangements the Project Companies have with third parties to secure fuel feedstock for the thermal power plants owned by the Projects. The Hedging Agreements and New Senior Secured Facilities are equally and ratably secured by the Collateral securing the Notes and the Bridge Facility (until such facility is fully repaid).

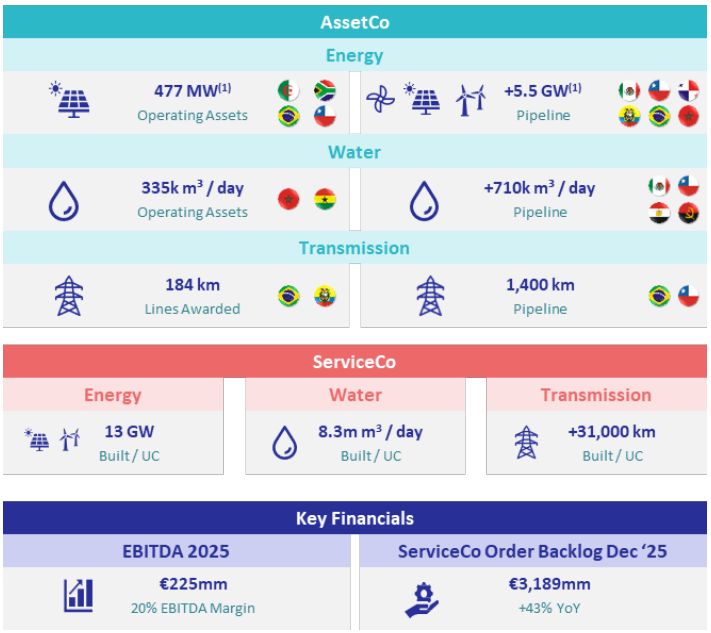
In connection with the Bridge Facility and the New Senior Secured Credit Facilities, the lenders thereunder have entered into, and the holders of the Notes and the lenders under the New Senior Secured Credit Facilities have entered into, the Intercreditor Agreement and the Common Terms Agreement, which includes certain provisions regarding common conditions precedent, common representations and warranties and covenants of the parties thereunder and common events of default that apply to the Acquisition Financing documents and the New Senior Secured Credit Facilities. See "*Description of Existing Financing and Collateral Structure*."

The obligations of the holders of the Notes, the lenders under the Bridge Facility (until such facility is repaid in full), the New Senior Secured Credit Facilities and the Hedging Agreements will be secured by the Collateral, which consists of the Security Trust in all of the present and future shares of capital stock in the Company and the Issuer (provided that a nominal share of each such entity shall be pledged pursuant to separate share pledge agreements (the "Pledge Agreements") for the benefit of the Collateral Agent independent from the Security Trust to satisfy Mexican law requirements). See "*Description of Existing Financing and Collateral Structure*."

The Sponsor

The Sponsor is a vertically integrated energy company with a presence in the principal energy markets of the Americas, Europe, Africa and the Middle East, and operations in Mexico, Chile, Colombia, Central America, Brazil, Spain, Portugal, Algeria, Morocco, South Africa and the UAE. The Sponsor has a unique portfolio of projects in different states of development and identified opportunities to conduct its business within a sustainable development framework. The Sponsor is part of the Cox Group, a diversified platform organized across three core verticals, energy, water and transmission, with an integrated services and support platform that provides engineering, procurement and O&M services to its asset portfolio and third-party-owned assets.

The Cox Group combines asset ownership with execution capabilities through ServiceCo, with operating energy assets of approximately 477 MW and a development pipeline exceeding 5.5 GW, alongside water and transmission platforms with significant operating capabilities and growth pipelines. This diversified platform spans multiple geographies and is supported by approximately 9,642 employees as of December 31, 2025:

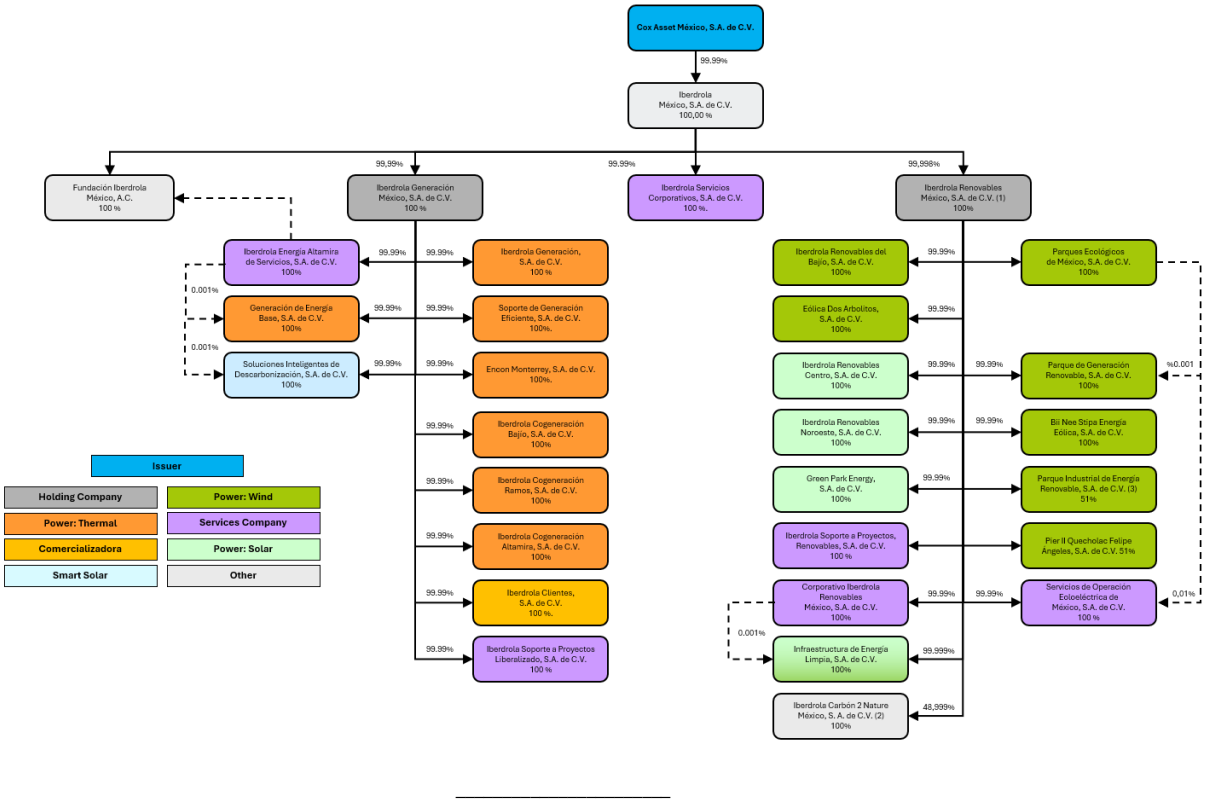


(1) Excluding 2.6 GW operating assets and 11.8 GW pipeline from the acquisition of Iberdrola Mexico.

The Cox Group's integrated model underpins its financial performance, including EBITDA of approximately €225 million (20% margin) and an order backlog of approximately €3.189 billion as of 2025.

Corporate Structure

The following diagram illustrates the Issuer's current corporate structure:



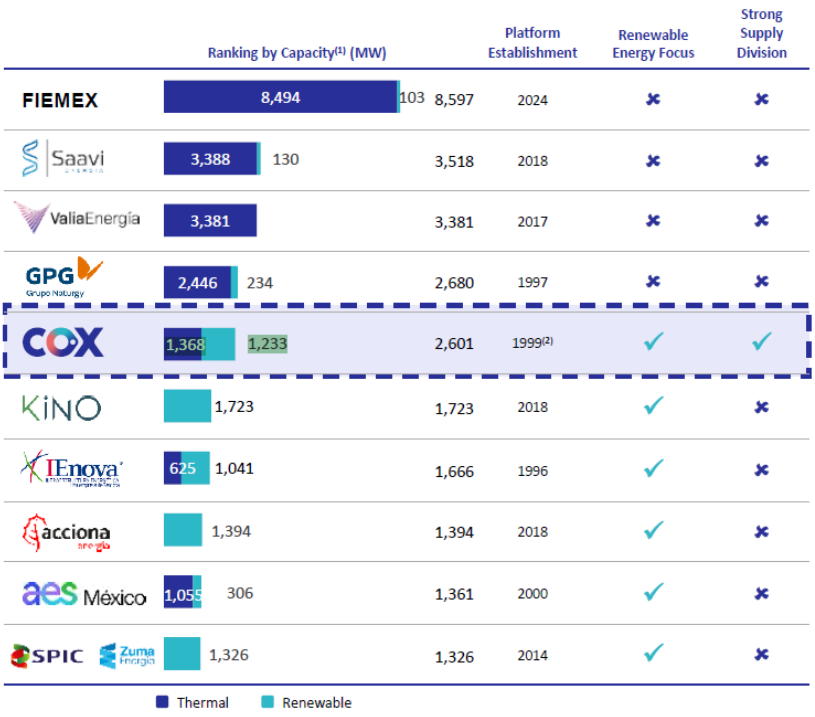
Notes:
(1) Iberdrola Energía Altamira de Servicios, S.A. de C.V. holds 0.002% of Iberdrola Renovables México, S.A. de C.V.
(2) Iberdrola Energía Altamira de Servicios, S.A. de C.V. holds 51%.
(3) ILER La Esperanza, S.A. de C.V. holds 49%. All shares of Parque Industrial de Energía Renovable, S.A. de C.V. have been conveyed to Guaranty Trust Agreement No. 21646 (*Fideicomiso de Garantía 21646.*)
(4) PIER IV, S.A. de C.V. (merger is pending approval, subject to the authorization from the CNE for the transfer of permits to the surviving company – Parque Industrial de Energía Renovable, S.A. de C.V.).

Competitive Strengths

Leading Integrated Utility Platform with National Scale

We benefit from a fully integrated business model that combines generation capacity, supply, and contracted capacity into a unified platform. Through our licensed qualified supplier subsidiary, Iberdrola Clientes, we sell electricity directly to end customers at a discount to CFE's published tariffs and with a pass-through scheme, effectively competing with CFE for retail business. This vertically integrated approach allows us to capture the entire generation-to-supply margin. With approximately 2.6 GW of installed generation capacity distributed across 16 operating plants, we coordinate hedge, contract and market representation activities across the full value chain, providing visibility over revenues and costs while mitigating exposure to wholesale price volatility in a market with tight reserve margins. The integrated model also enhances our ability to provide reliable service to industrial clients and to manage risk at the portfolio level.

According to PLADESE, we are the fifth largest generation platform in Mexico, in terms of capacity, with an operating portfolio of approximately 2.6 GW of installed generation capacity. In 2025, we generated approximately 11.8 TWh of electricity and have maintained strong operational performance, with average availability of 90.5% over the 2021–2025 period. Further, we are a leading qualified supplier in Mexico, delivering over 19 TWh of energy in 2025. Our commercial platform is supported by strong credit performance, with a delinquency rate of <0.2%, and high customer retention, as evidenced by contract renewal rates exceeding 99%. We believe we have a competitive and diversified portfolio relative to key industry peers, and a differentiated model combining both a strong conventional and renewable energy generation focus and integrated supply capabilities, which many peers do not offer simultaneously. The chart below depicts some of the key energy producers in Mexico:



We benefit from a strongly positioned, fully integrated energy platform in Mexico, combining generation and supply capabilities across the value chain and supported by approximately 2.6 GW of installed capacity. Our structural advantages include regulatory barriers to entry, as suppliers are required to offer power, energy and CECs, and a renewable energy offering backed by firm capacity. The Company maintains long- and medium-term agreements with key counterparties, including DeAcero and CFE Calificados, and serves a diversified client base of approximately 525 customers, with the top 10 representing approximately 50% portfolio volume and 51% of energy supplied in 2025 delivered to investment-grade customers. Our disciplined risk management framework includes rigorous onboarding processes and continuous monitoring of guarantees and covenants. In addition, our revenue mix of approximately 50–60% U.S. dollars and 40–50% Mexican pesos, together with hedging strategies and pass-through contract structures, provides us with protection against foreign exchange and commodity price volatility.

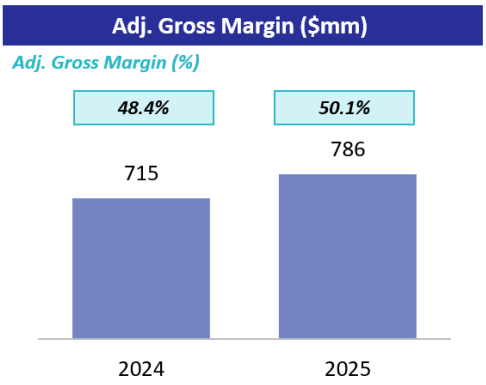
Stable Contracted Revenues and Well-Diversified Customer Base

We maintain commercial relationships with more than 500 off-takers, including qualified users and industrial clients operating across sectors such as steel, automotive, food and beverage, cement, consumer products and chemicals. A significant portion of contracted volumes is attributable to counterparties with investment-grade credit ratings, which we believe contributes to stability in collections and lowering counterparty-risk exposure. As of April 24, 2026, the Company's top 10 clients represented approximately 50% of total portfolio energy volume and approximately 36.5% of contracted capacity (1,129 MW out of 3,085 MW). Most of our qualified supply revenues are derived from contracts indexed to CFE's published tariffs at a discount, providing a built-in pricing reference and competitive moat: as long as CFE's tariffs remain at current levels or rise, these contracts remain economically attractive to customers. The remaining revenue is derived from PPA contracts with cost pass-through structures. In the recent past, our Project Companies have demonstrated consistently high contract-renewal rates (>99%) and low delinquency levels (<0.2%), supported by a rigorous client-onboarding framework and ongoing credit monitoring. Contract structures, typically featuring inflation adjustments, cost pass-through mechanisms, and long-term tenors, provide us with predictable earnings and support long-duration cash-flow visibility. The weighted average remaining contract life exceeds seven years, further reinforcing stability.

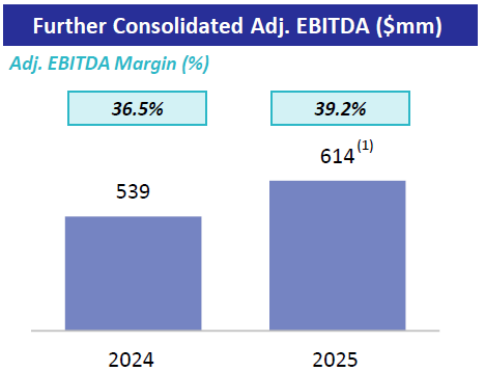
Predictable Cash Generation and Disciplined Financial Policies

We are driven by stable margins, as illustrated in the table below, modest recurring capital expenditures and a revenue base predominantly anchored by long-term contracts with quality counterparties, all of which support predictable cash generation, as we maintain a conservative financial policy framework that includes minimum liquidity thresholds and the New Revolving Credit Facility—specifically, a minimum cash balance of $100 million and a $150.0 million five-year committed revolving credit facility that is fully available from the

Issue Date , a fully available committed revolving credit facility, restrictions on dividend distributions for the initial four-year period, and limitations on expansionary capital expenditures for the first three years following closing. Our business also includes strict hedging policies across FX, commodities and interest-rate exposures. These measures are intended to preserve credit quality, support deleveraging and ensure compliance with covenant requirements across market cycles.



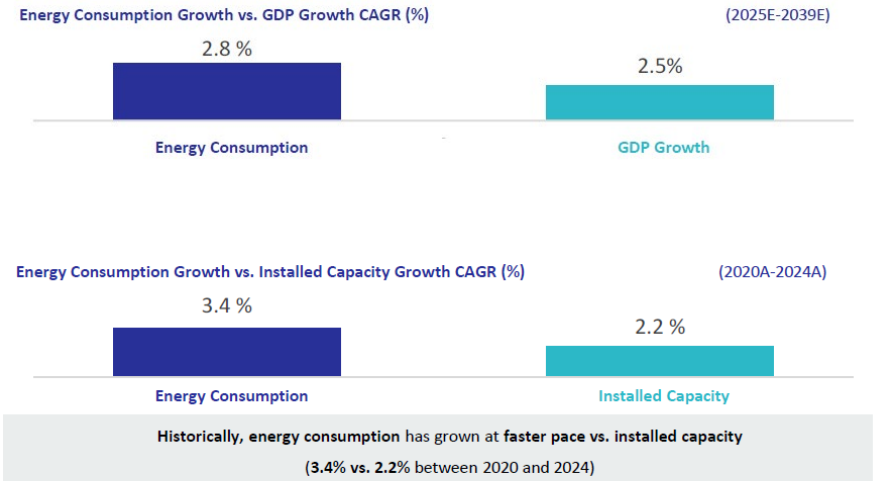
The following table depicts the Company's operating performance, with Further Consolidated Adjusted EBITDA increasing from U.S.$539 million in 2024 to U.S.$614 million in 2025, representing 13.9% year-over-year growth, alongside an improvement in Further Consolidated Adjusted EBITDA margin from 36.5% to 39.2% over the same period:



(1) Further Consolidated Adjusted EBITDA for 2025 is adjusted for non-recurring events.

Exposure to a Favorable and Structurally Undersupplied Power Market

Electricity demand in Mexico has grown steadily over the past decade, driven by domestic consumption trends, industrial expansion and nearshoring activity, according to the PLADESE and Fitch BMI. At the same time, constrained capacity growth, policy shifts, and transmission congestion have led to a structural undersupply, with the SIN operating reserve margins near the 6% "critical" threshold, according to CENACE. Capacity prices have risen significantly, from approximately U.S.$175 thousand per MW per year in 2023 to approximately U.S.$289 thousand per MW per year in 2025, representing a compound annual growth rate of approximately 28.6%, and these market conditions are particularly favorable for generators with significant firm-capacity resources, such as our Project Companies. Rising capacity prices, limited new entry, and the increasing value of reliable supply create opportunities for participants with established scale, diversified technologies and long-term commercial arrangements. The charts below highlight the ten-year evolution of some key metrics of the Mexican power market between 2014 and 2024:



Large, Diversified and High-Performing Generation Fleet

We operate a diversified mix of CCGT, wind, cogeneration and solar assets, which collectively support a balanced risk profile and contribute to stability of generation volumes. The aggregate book value of our assets amounted to $3.3 billion for the year ended December 31, 2025. These assets have historically demonstrated Availability Factors of approximately 90%, reflecting both the quality of the underlying portfolio and our disciplined operating approach consisting of a model supported by: (a) advanced preventive maintenance, (b) standardized O&M processes, and (c) centralized operation with digital support. Long-term gas supply agreements and long-term service arrangements with established OEMs reinforce operational reliability and limit exposure to commodity price fluctuations and unexpected maintenance events. The generation fleet is further strengthened by approximately 1.2 GW of contracts entered into by Iberdrola Generación with certain operating subsidiaries of FIEMEX. These agreements provide stable availability-linked payments and reduce earnings volatility across cycles.

Qualified Supplier Capabilities

We operate one of the largest qualified supplier platforms in the country, supplying 10.7 TWh (plus 4.4 TWh to market participants) of energy for the year ended December 31, 2025 to a diversified base of approximately 500 industrial and commercial clients through the largest market share in the segment, making us the number-one qualified supplier by energy supplied in five of eight CENACE regions. Unlike most private generators in Mexico, which sell into the MEM or through CFE, Iberdrola Clientes sells directly to end customers, capturing the entire generation-to-supply margin rather than only the trading spread retained by other qualified suppliers. The platform maintains exceptional customer stickiness and financial stability, evidenced by more than 99% contract renewal rates and <0.2% delinquency, supported by rigorous onboarding, credit evaluations, and ongoing guarantee and covenant monitoring. We operate four commercial offices with 130 FTEs enabling highly customized supply solutions and strengthening long-term relationships, which we believe positions the Company as one of the most capable and reliable qualified suppliers in Mexico.

Experienced Management Team and Robust Corporate Governance

We are also led by a highly experienced management team with strong expertise in the Mexican power sector and extensive tenure within the Company's predecessor platform. This continuity provides deep institutional knowledge, familiarity with regulatory frameworks, and longstanding relationships with key stakeholders in the Mexican market. The governance framework includes independent board participation, comprehensive risk-management protocols, and established internal controls covering financial, commercial, operational, compliance and security activities. We expect the corporate governance structure of the merged business of the Issuer to include a Board of Directors comprised of eight members, of which at least five would be independent members, supported by independent audit and code of ethics committees. These structures are designed to ensure operational discipline, focus on credit profile preservation and adherence to international corporate governance standards.

Our Business Strategy

Integrated Power Generation and Supply Strategy

Our integrated business model with respect the LIE Projects is designed to capture value across the entire power generation and supply chain while minimizing merchant risk and ensuring stable, predictable cash flows, also by combining owned thermal and renewable generation assets with contracted third-party supply to deliver a balanced portfolio. Through hedge contracts, the Company aligns the sale of energy, capacity, and CELs from its generation platform to its client base, leveraging both direct sales and MEM participation. This structure enables us to effectively manage market exposure by transferring energy to the MEM and contracting supply back to its retail arm, ensuring optimized pricing and revenue predictability and stability. Final clients, primarily large industrial and commercial users, are served through tailored supply agreements that incorporate fixed charges and CFE-indexed components, providing cost transparency and long-term stability. Overall, the integrated model strengthens our competitive positioning, enhances operational flexibility, and supports resilient, medium-term contracted cash flows.

Strengthen Commercial Capabilities and Expand Long-Term Client Relationships

We intend to expand our commercial presence through nationwide coverage by deploying sector-specific client strategies—such as data centers—and tailored contracting structures integrated with behind-the-meter solutions. This strategy includes strengthening relationships with investment-grade industrial clients, given their favorable credit profiles and multi-year contracting patterns. We will maintain disciplined credit-screening processes and focus on long-term bilateral agreements that enhance revenue visibility.

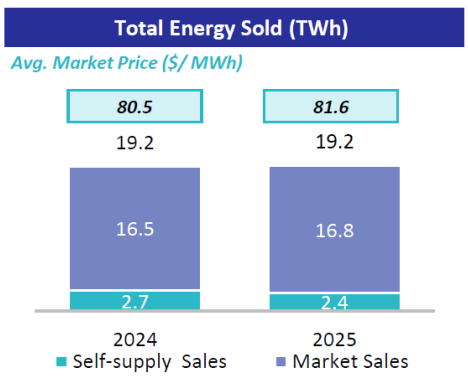
Capture Opportunities in a Constrained Supply Environment

Given Mexico's structural undersupply and the expected need for substantial incremental capacity additions, we are well positioned to benefit from tightening market conditions. Also, we intend to leverage our existing generation assets, their long-term contracted-capacity position and qualified-supplier platform to capture value arising from capacity prices, industrial load growth and limited new project development.

Maximize Integration Benefits Across the Platform

With the assistance and experience of the Company, we intend to further strengthen our position as an integrated utility platform by optimizing coordination among our generation, supply and contracted-capacity businesses. Integration enables us to align dispatch decisions with contractual obligations, coordinate energy purchases and hedges, and enhance the efficiency of our commercial offering to qualified users. We expect to continue refining these processes as part of our long-term objective to maintain stable margins and reduce exposure to market price volatility.

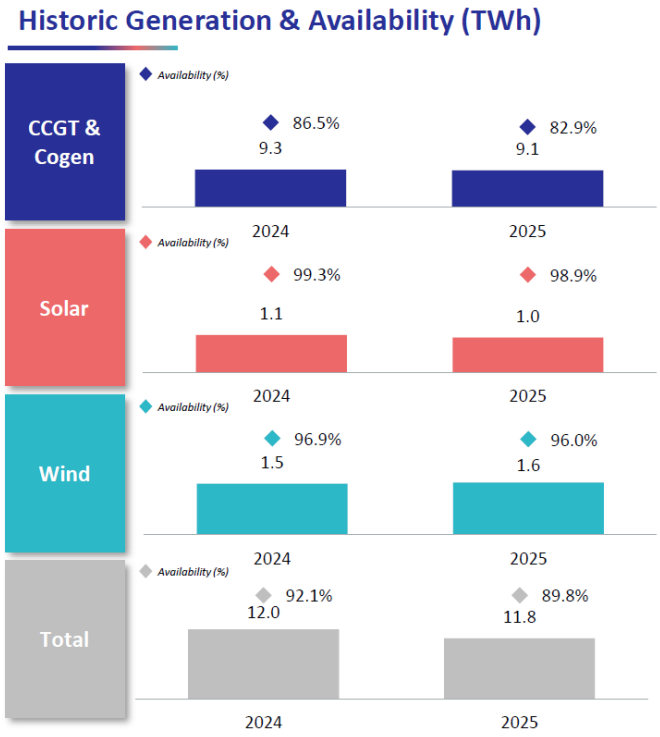
Our stable performance is supported by a balanced mix of market sales and self-supply volumes, alongside a slight improvement in average realized market prices from U.S.$80.5/MWh to U.S.$81.6/MWh, for the years 2024 and 2025, respectively, reinforcing the resilience and predictability of our diversified revenue base. The following table shows that our total energy sold remained stable year over year at 19.2 TWh for the years 2024 and 2025, reflecting a consistent demand profile and disciplined commercial strategy:



Enhance Operational Performance and Maintain High Availability Factors

Operational reliability remains a core strategic priority. We plan to maintain our focus on predictive and preventive maintenance, long-term service agreements, continuous monitoring of asset health, and strict performance-management procedures. Following isolated operational disruptions experienced in 2024, we have implemented corrective and preventive measures including control logic improvements and enhanced verification programs during turbine inspections, aimed at further reducing the risk of unplanned outages. Maintaining Availability Factors above 90% on a sustained basis remains a key operational objective.

The charts below compare our total generation and Availability Factors in 2024 and 2025, showing stable output across the portfolio, with thermal assets providing the bulk of generation and renewables delivering high availability, supporting consistent and reliable performance:



Maintain Strong Governance and Ensure Continuity Through Integration

As we integrate the Company's legacy operations into the broader Cox Group, we intend to preserve the management structures, policies and processes that have traditionally supported operational performance and compliance. Governance will remain aligned with best practices, including independent oversight, adherence to risk-management frameworks and alignment with Cox Group policies where applicable. We will reinforce our internal-control environment to support sustainable long-term growth.

Drive Sustainable and Reliable Energy Solutions with the Lowest Environmental Impact

The Company is committed to environmental sustainability and responsible operations. Since 2020, the Company has reduced total carbon emissions by approximately 55%, with a stated goal of achieving zero net emissions by 2040. The Company actively promotes CECs generated through its renewable energy portfolio. In addition, the Company participates in several community and social impact programs, including: (i) the "Luces de Esperanza" initiative aimed at electrifying rural communities without grid access, benefiting more than 12,000 individuals; (ii) the "Energía por México" program supporting communities affected by natural disasters; (iii) the "Impulso STEM" program fostering young women's interest in science and technology careers, reaching more than 2,000 students and teachers; and (iv) the Iberdrola Mexico Foundation, which provides scholarships and supports environmental protection and community development. The Company also supports Cox's broader environmental goals, including a tree planting initiative aiming to plant 20 million trees by 2030.

Preserve Financial Discipline and Support Credit Profile Stability

Our financial strategy will remain centered on liquidity preservation, prudent cash management and compliance with covenant obligations. Key priorities include maintaining minimum liquidity levels, limiting distributions, managing currency and commodity risks through established hedging policies, and ensuring financial flexibility to meet operating and maintenance requirements. These measures are intended to support a durable credit profile and enable us to navigate periods of market volatility.

The Projects

The Company's power generation portfolio comprises 16 mature assets distributed across Mexico's most commercially active industrial corridors: the Northeast (Nuevo León, Tamaulipas, Coahuila), the Bajío corridor (Querétaro, Guanajuato), Oaxaca, Puebla, Sonora, and San Luis Potosí. The technology mix is diversified: approximately 45% CCGT, 25% solar, 23% wind, and 8% cogeneration, representing a 53% thermal and 47% renewables split by net capacity.

No.	Project Name	Project Company	Description	Location	Net Capacity (MW)[1]	Contracted Capacity(2) (MW)	2025 Load Factor	Generation Permit Term
1.	El Carmen	SGE	CCGT	Nuevo León (El Carmen)	866	866	85%	Through 2046
2.	Dulces Nombres II	ENCO	CCGT	Nuevo León (Pesquería)	300	265	45%	Through 2053
3.	Cogeneration Ramos	ICR	Cogeneration	Coahuila (Ramos Arizpe)	52	52	87%	Through 2036
4.	Cogeneration Bajío	ICB	Cogeneration	Querétaro (San Juan del Río)	52	52	82%	Through 2037
5.	Cogeneration Altamira	ICA	Cogeneration	Tamaulipas (Altamira)	57	51	81%	Through 2037
6.	Cogeneration Monterrey	ENCO	Cogeneration	Nuevo León (Monterrey)	41	41	82%	Through 2053
7.	PIER[3]	PIER	Wind-powered	Puebla (Palmar de Bravo, Cañada Morelos, and Esperanza)	86.5	86.5	33%	Perpetual
8.	PIER IV[3]	PIER IV	Wind-powered	Puebla (Nicolas Bravo, Cañada Morelos, and Chapulco)	133.5	133.5	33%	Perpetual
9.	PIER II[4]	PIER II	Wind-powered	Puebla (Esperanza)	66	66	34%	Perpetual
10.	Wind Santiago	IRB	Wind-powered	Guanajuato (San Felipe)	105	102	33%	Through 2053
11.	Bii Nee Stipa	BNS	Wind-powered	Oaxaca (Espinal)	26	26	31%	Perpetual
12.	PEM/Ventosa	PEM	Wind-powered	Oaxaca (Juchitán)	102	102	20%	Perpetual
13.	Dos Arbolitos	EDA	Wind-powered	Oaxaca (Juchitán)	70	70	30%	Perpetual
14.	Cuyoaco	GPE	Solar	Puebla (Cuyoaco)	274	220	15%	Through 2047
15.	Hermosillo	IRNO	Solar	Sonora (Hermosillo)	137	100	21%	Through 2048
16.	Solar Santiago	IRC	Solar	San Luis Potosí (Villa de Arriaga)	232	170	22%	Through 2047

(1) Net Capacity represents the installed capacity for each Project, in accordance with the Exhibit "D" (key Operating Projects) of the Acquisition Agreement.
(2) Self-Supply and cogeneration arrangements are contracted with offtakers (*socios autoabastecidos* and *establecimientos asociados a la cogeneración*) under the legacy LSPEE framework.
(3) The Company holds indirectly approximately 51% equity stakes in PIER and PIER IV, and 51% equity stakes in Wind PIER II.
(2) Load factor calculated as Actual Net Generation (MWh) in relation to installed capacity by independent technical consultant.

The Company's thermal generation portfolio benefits from long-term gas supply contracts with CFEnergía, Kinder Morgan, Pemex, and Gas Natural Mexico.

No.	Agreement	Project	Supplier	Execution Date	Termination Date[1]	Maximum Daily Quantity	Average Monthly Fee (in U.S. dollars)[2]
1.	Natural Gas Supply Agreement	El Carmen	CFEnergía	August 31, 2017	December 31, 2042	134,400 MMbtu/D	$15,000,000
2.	Natural Gas Supply Agreement	Dulces Nombres II	Engelhart	November 8, 2023	March 31, 2028	48,000 MMbtu/D	$3,800,000
3.	Natural Gas Supply Agreement	Cogeneration Ramos	Pemex Transformación Industrial	June 18, 2019	Indefinite Term	12,037 MMbtu/D	$1,300,000
4.	Natural Gas Supply Agreement	Cogeneration Bajío	Pemex Transformación Industrial	June 18, 2019	Indefinite Term	9,952 MMbtu/D	$1,400,000
5.	Natural Gas Supply Agreement	Cogeneration Altamira	Pemex Transformación Industrial	June 18, 2019	Indefinite Term	16,387 MMbtu/D	$1,500,000
6.	Base Contract for Natural Gas Supply	Cogeneration Monterrey	Pemex Transformación Industrial	March 2, 2001	July 31, 2028	13,300 MMbtu/D	$1,600,000

(1) Regarding the Contract with Engelhart, upon the expiration of the initial term, the agreement shall automatically renew on a month-to-month basis unless written notice. Contracts with Pemex are subject to automatic renewal on an ongoing basis.
(2) Average Monthly Fee represents the average fee for 2025.

Recent Developments

CNE Permits

The Project Companies obtained authorization from CNE to amend their power generation permits as a result of the indirect change of control resulting from the consummation of the Acquisition.

CNA Authorization

On January 6, 2026, the Sponsor and Hidrola I, S.L.U. obtained authorization from the CNA to consummate the Acquisition.

Assignment of Acquisition Agreement to the Issuer

On March 11, 2026, the Sponsor assigned its rights as purchaser under the Acquisition in accordance with the Acquisition Agreement to the Issuer by means of an assignment and assumption agreement.

THE OFFERING

The following is a brief summary of certain terms of this offering. For a more complete description of the terms of the Notes, see "Description of the Notes" in this Offering Memorandum.

Issuer	Cox Asset México, S.A. de C.V., a Mexican corporation (*sociedad anónima de capital variable*).
Sponsor	Cox ABG Group, S.A., a Spanish corporation (*sociedad anónima*).
Guarantors	The following indirect subsidiaries of the Issuer: the Company, Iberdrola Generación, S.A. de C.V., Iberdrola Cogeneración Altamira, S.A. de C.V., Iberdrola Cogeneración Ramos, S.A. de C.V., Iberdrola Cogeneración Bajío, S.A. de C.V., Soporte de Generación Eficiente, S.A. de C.V., ENCON Monterrey, S.A. de C.V., Iberdrola Clientes, S.A. de C.V., Iberdrola Renovables Centro, S.A. de C.V., Green Park Energy, S.A. de C.V., Iberdrola Renovables Noroeste, S.A. de C.V., Parques Ecológicos de México, S.A. de C.V., Bii Nee Stipa Energía Eólica, S.A. de C.V., Eólica Dos Arbolitos, S.A. de C.V. and Iberdrola Renovables del Bajío, S.A. de C.V.
Notes Offered	U.S.$1,000,000,000 in aggregate principal amount of 7.125 % Senior Secured Notes due 2032 and U.S.$1,000,000,000 in aggregate principal amount of 7.750 % Senior Secured Notes due 2036 to be issued under the Indenture.
Issue Price	99.973% *plus* accrued interest, if any, from May 8, 2026 for the 2032 Notes and 100.000% *plus* accrued interest, if any, from May 8, 2026 for the 2036 Notes.
Maturity Date	January 8, 2032 for the 2032 Notes and May 8, 2036 for the 2036 Notes.
Interest	The 2032 Notes will bear Interest at 7.125% per annum from May 8, 2026 or from the immediately preceding interest payment date to which interest has been paid, payable semiannually in arrears on January 8 and July 8, commencing on January 8, 2027 to the holders of record of such Notes at the close of business on December 25 or June 24, respectively, immediately preceding the corresponding interest payment date. Interest on the 2032 Notes will be computed on the basis of a 360-day year of twelve 30-day months. The 2036 Notes will bear Interest at 7.750% per annum from May 8, 2026 or from the immediately preceding interest payment date to which interest has been paid, payable semiannually in arrears on May 8 and November 8, commencing on November 8, 2026 to the holders of record of such Notes at the close of business on April 24 or October 25, respectively, immediately preceding the corresponding interest payment date. Interest on the 2036 Notes will be computed on the basis of a 360-day year of twelve 30-day months.
Note Guarantees	The due and punctual payment of all amounts payable under the Notes, including principal, premium, if any, and interest, together with all other payment obligations of the Issuer under the Indenture and the Notes, will be jointly and severally, irrevocably and unconditionally guaranteed on a senior secured basis by the Guarantors, each of which will execute a Note Guarantee in accordance with the provisions of the Indenture. The Guarantors will guarantee the Notes from the issue date equally and ratably

	with all other Secured Obligations outstanding as of, or incurred after, the issue date.
Issuer's Unrestricted Subsidiaries	The Issuer's subsidiaries Fundación Iberdrola México, A.C., Iberdrola Servicios Corporativos, S.A. de C.V., Iberdrola Generación México, S.A. de C.V., Iberdrola Energía Altamira de Servicios, S.A. de C.V., Iberdrola Renovables México, S.A. de C.V., Generación de Energía Base, S.A. de C.V., Soluciones Inteligentes de Descarbonización, S.A. de C.V., Iberdrola Soporte a Proyectos Liberalizado, S.A. de C.V., Iberdrola Soporte a Proyectos Renovables México, S.A. de C.V., Infraestructura de Energía Limpia, S.A. de C.V., Iberdrola Carbón 2 Nature México, S.A. de C.V., Parque de Generación Renovable, S.A. de C.V., Parque Industrial de Energía Renovable, S.A. de C.V., Pier II Quecholac Felipe Ángeles, S.A. de C.V., Pier IV, S.A. de C.V., Servicios de Operación Eoloeléctrica de México, S.A. de C.V. and Corporativo Iberdrola Renovables México, S.A. de C.V., which accounted for 11% of our Consolidated Adjusted EBITDA for the year ended December 31, 2025, will be designated as Unrestricted Subsidiaries (as defined herein) on the issue date of the Notes and, as such, will not guarantee the Issuer's obligations under, or provide any security over their assets as collateral for, the Notes. As a result, the Notes and Note Guarantees will be structurally subordinated to all of the existing and future indebtedness and other liabilities of these Unrestricted Subsidiaries.
Ranking	The Notes and the Note Guarantees will rank (i) at all times at least equally in right of payment with all other unsecured and unsubordinated Indebtedness of the Issuer and the Guarantors (ii) senior in priority of payment to all present and future unsecured (to the extent of the value of the Collateral (as defined herein)) or subordinated obligations of the Issuer and the Guarantors from time to time outstanding, and (iii) equally in terms of security with all other present and future Secured Obligations of the Issuer and the Guarantors.
Collateral Arrangements	The obligations of the Issuer with respect to the Notes, and the performance of all other obligations of the Issuer under the Finance Documents will be secured by a first priority Lien on the Collateral, ratably and equally with all other present and future Secured Obligations (as described under "*Description of the Notes—Collateral Arrangements*"). The Collateral consists of the Security Trust in respect of all of the present and future shares in the Company and the Issuer, except for a nominal share of each such entity which will be subject to the Pledge Agreements for the benefit of the Collateral Agent independently from the Security Trust to satisfy Mexican law requirements.
Common Terms Agreement	The secured parties under the Finance Documents entered into a common terms agreement on April 21, 2026 (as amended, the "Common Terms Agreement"), with Citibank, N.A., as Intercreditor Agent (the "Intercreditor Agent"), Banco Citi México, S.A., Institución de Banca Múltiple, Grupo Financiero Citi México, División Fiduciaria, as Collateral Agent (the "Collateral Agent") and the other parties thereto. On the Issue Date, the Indenture Trustee will accede to the Common Terms Agreement and the Intercreditor Agreement and, as a result, the holders of the Notes will become Senior Creditors (as defined herein) for all purposes under the Finance Documents. See "*Description of the Notes—Opt-in Provisions.*"
Intercreditor Agreement	The secured parties under the Finance Documents entered into a collateral agency and intercreditor agreement on April 21, 2026 (as amended, the "Intercreditor Agreement"), with the Intercreditor Agent, the Collateral Agent and the other parties thereto.

Opt-in Provisions	Pursuant to the terms of the Common Terms Agreement, upon accession by the Indenture Trustee on behalf of the holders of the Notes, certain provisions of the Common Terms Agreement will become applicable to the Indenture and the Notes for the benefit of the holders of the Notes (collectively, the "Opt-in Provisions"): • Certain covenants relating to mandatory prepayments; • Certain covenants relating to delivery of information; • The covenants relating to the maintenance of legal existence, properties, books and records and conduct of business; • The covenants relating to the maintenance and preservation of the Collateral; • The covenants relating to post-closing Collateral obligations; • The covenants relating to the operation of the business of the Issuer; • The covenants relating to ranking of the Obligations; • The covenant relating to further assurances; • The covenant relating to the limitation of liens; • Certain covenants relating to the operation of the business of the Issuer, Guarantors and the Restricted Subsidiaries; and • Certain events of default related to breaches of covenants in the Common Terms Agreement. See "*Description of the Notes—Opt-in Provisions*."
Mandatory Ratable Offers to Purchase Notes for Prepayments under the Common Terms Agreement	The Issuer will be required to make an offer to purchase Notes of each series prior to their stated maturity, at a purchase price equal to 100% of the outstanding principal amount of the Notes of each series being purchased, *plus* accrued and unpaid interest to the purchase date, *plus* Additional Amounts, if any (but without payment of any make-whole premium), payable in respect of the Notes, on a ratable basis in accordance with the Common Terms Agreement, in the event that certain mandatory prepayments required to be made under the Common Terms Agreement as in connection with: events of loss, insurance vitiating acts, and certain dispositions or certain voluntary prepayments are made under the Common Terms Agreement. All amounts required to be offered hereunder will be deposited promptly in the appropriate account upon the occurrence of a mandatory prepayment or voluntary prepayment, as applicable, under the Common Terms Agreement until such amounts are used to ratably purchase the notes or are released in accordance with the Indenture and the Intercreditor Agreement. See "*Description of the Notes—Mandatory Ratable Offers to Purchase Notes for Prepayments under the Common Terms Agreement.*"
Optional Redemption	At any time prior to December 8, 2031 (one month prior to their maturity date), we may redeem the 2032 Notes, in whole or in part, at a redemption price based on a "make-whole" premium set forth in "*Description of the Notes—Optional Redemption with Make-Whole Premium*" and at any time prior to February 8, 2036 (three months prior to their maturity date), we may

	also redeem the 2036 Notes, in whole or in part, at a redemption price based on a "make-whole" premium set forth in "*Description of the Notes—Optional Redemption with Make-Whole Premium*." In addition, on or prior to December 8, 2031 with respect to the 2032 Notes and on or prior to February 8, 2036 with respect to the 2036 Notes, we may redeem up to 35% of the original principal amount of the Notes of each series with the net proceeds from certain equity offerings by us, at a price at a redemption price equal to 107.125% of the principal amount of the 2032 Notes being redeemed and 107.750% of the principal amount of the 2036 Notes being redeemed, in each case, plus accrued and unpaid interest and Additional Amounts. See "*Description of the Notes—Optional Redemption with Make-Whole Premium*" and *"—Optional Redemption without Make-Whole Premium*." At any time on or after December 8, 2031, we may redeem the 2032 Notes, in whole or in part, at the redemption prices set forth in "*Description of the Notes—Optional Redemption without Make-Whole Premium*" and at any time on or after February 8, 2036, we may redeem the 2036 Notes, in whole or in part, at the redemption prices set forth in "*Description of the Notes—Optional Redemption without Make-Whole Premium*."
Change of Control Repurchase Event Offer	If the Issuer undergoes a Change of Control Repurchase Event, the Issuer will be required to offer to purchase all of the Notes of each series then outstanding, and pay to the holders of Notes of each series that have been tendered in (but not withdrawn from) such offer a purchase price equal to 101% of the portion of the outstanding principal balance represented by such Notes *plus* all accrued and unpaid interest (if any) thereon to but excluding the purchase date *plus* Additional Amounts, if any, payable in respect of such Notes. See "*Description of the Notes—Repurchase Upon Change of Control Repurchase Event*."
Additional Amounts	If the Issuer or any paying agent is required to deduct or withhold any amount in respect of Taxes (as defined herein) for the account of Mexico (or any political subdivision thereof or any authority therein or thereof having the power to tax) or any other jurisdiction (or any political subdivision or any authority thereof or therein) from or through which such payments are made (each, a "Relevant Jurisdiction"), the Issuer will pay to the holders of a Note such additional amounts as may be necessary so that the net amount received by such holder will not be less than the amount such holder would have received if such Taxes had not been withheld or deducted, subject to certain limitations described under "*Description of the Notes—Additional Amounts.*"
Optional Tax Redemption	If as a result of certain changes in tax laws there is an increase in the Additional Amounts the Issuer is required to pay under the Notes, the Issuer may, at its option, redeem all, but not less than all, the Notes at any time, at a price of 100% of the principal amount thereof, plus accrued and unpaid interest and Additional Amounts on the principal amount of the Notes, to, but excluding, the date of redemption. See "*Description of the Notes—Optional Redemption upon Tax Event*."
Use of Proceeds	The Issuer intends to use the gross proceeds of this issuance of Notes (i) to repay approximately U.S.$1,981 million of the loans and all other amounts due and payable under the Bridge Facility; and (ii) to pay transaction fees and expenses accrued in connection with the issuance of the Notes. The initial purchasers or certain of their affiliates are lenders under the Bridge Facility that we intend to repay with the proceeds from this offering, also an affiliate of one of the Initial Purchasers is acting as agent, under the Bridge Facility (see "Underwriting—Other Relationships").

Certain Negative Covenants	The Issuer and each Guarantor will agree under the Indenture to, and will cause each of their respective Restricted Subsidiaries to comply with, certain negative covenants, which will significantly limit their ability to, among other things: • incur any debt; • make any restricted payments; • grant, create, incur, assume or suffer to exist any liens; • change the nature of its business; • consolidate, merge, liquidate, dissolve, change legal form, materially amend constitutional documents, form or own any Subsidiaries other than Restricted Subsidiaries; • sell, assign, convey, transfer, lease or otherwise dispose of its properties and assets substantially as an entirety; • make investments; • enter into any agreement or arrangement with any affiliate; • enter into any sale and lease-back transactions.
Certain Affirmative Covenants	The Issuer and the Guarantors will agree under the Indenture to, and will cause each of their respective Restricted Subsidiaries to comply with, certain affirmative covenants, including requirements to, among other things: • payment of obligations; • preserve and maintain corporate existence and legal form; • keep and maintain the Projects and property; • maintain proper books, accounts and records; • maintain, preserve or perfect any Lien granted under the Security Documents as provided for in the Security Documents and the Common Terms Agreement; • comply with all applicable laws (including any environmental laws); • permit the exercise of inspection rights by the holders, the Indenture Trustee and the Collateral Agents; • (i) maintain Material Project Documents in full force and effect, (ii) comply with obligations, covenants and undertakings binding on it under any Material Project Document, (iii) cause the Restricted Subsidiaries to, post and maintain in full force and effect from time to time any guarantee required under any Material Project Document, in each case, except as would not reasonably be expected to materially impair the value of the interest or rights of the Issuer thereunder or otherwise reasonably be expected to have a Material Adverse Effect or to the extent expressly permitted under the Indenture; • preserve, protect, maintain and enforce all of its rights and remedies under the Acquisition Agreement and not agree to or request any material waiver or amendment thereto;

	• apply the proceeds from the sale of the Notes as set forth in "*Use of Proceeds*"; • ensure that payment obligations under the Notes, the Note Guarantees, the Indenture and any other Finance Documents will at all times rank at least equally in right of payment with all other unsecured and unsubordinated Indebtedness of the Issuer or such Guarantor, as applicable; • maintain a rating of the Notes by at least two Rating Agencies; and • maintain insurance and reinsurance coverages consistent with Prudent Industry Practices and subject to requirements of the Finance Documents and applicable law.
Events of Default	For a discussion of certain events of default that will permit acceleration of the principal of the Notes *plus* accrued interest, and any other amounts due with respect to the Notes, see "*Description of the Notes—Events of Default*."
Governing Law	The Notes and the Indenture will be, and the Common Terms Agreement and the Intercreditor Agreement are, governed by, and construed in accordance with, the laws of the State of New York. The Security Documents will be governed by Mexican law.
Transfer Restrictions	The Issuer has not and will not register the Notes under the Securities Act. The Notes have not been and will not be registered with the RNV maintained by the CNBV and may not be offered publicly in Mexico. The Notes may only be offered in Mexico or otherwise be subject to intermediation activities in Mexico, except pursuant to an exemption set forth in Article 8 of the Mexican Securities Market Law. The Notes are subject to restrictions on transfer and may only be offered in transactions exempt from or not subject to the registration requirements of the Securities Act. See "*Transfer Restrictions.*"
Form and Denominations	The Notes will be issued in registered form only, without interest coupons, in denominations of U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof. The Notes will be initially registered in the name of DTC or its nominee and deposited with the Indenture Trustee as custodian for DTC.
Listing	Application will be made for the listing and quotation of each series of Notes on the Official List of the SGX-ST. There is no guarantee that such application to the SGX-ST will be approved. The Notes of each series will be traded on the SGX-ST in a minimum board lot size of U.S.$200,000 for so long as the Notes of either series are listed on the SGX-ST and the rules of the SGX-ST so require.
Indenture Trustee, Registrar, Transfer Agent, Paying Agent	UMB Bank, National Association.
Intercreditor Agent	Citibank, N.A.
Collateral Agent	Banco Citi México, S.A., Institución de Banca Múltiple, Grupo Financiero Citi México, División Fiduciaria.
Singapore Listing Agent	Rajah & Tann Singapore LLP.

Risk Factors	Investing in the Notes involves substantial risks and uncertainties. See "*Risk Factors*" and other information included in this Offering Memorandum for a discussion of factors you should carefully consider before deciding to purchase any Notes.

SUMMARY FINANCIAL DATA

The following tables present the summary audited consolidated financial information of the Company and its consolidated subsidiaries as of the dates and for each of the periods indicated. This information should be read in conjunction with, and is qualified in its entirety by reference to, the Audited Consolidated Financial Statements, including the notes thereto, contained elsewhere in this Offering Memorandum and the information contained under "Management's Discussion and Analysis of Financial Condition and Results of Operations."

The annual audited consolidated financial information as of and for the years ended December 31, 2025 and 2024, has been derived from the Audited Consolidated Financial Statements. The Audited Consolidated Financial Statements have been prepared in accordance with IFRS, as issued by the IASB, and the related interpretations issued by the IFRIC. The Audited Consolidated Financial Statements have been audited by KPMG Cárdenas Dosal, S.C., independent auditor, as stated in their report included elsewhere in this Offering Memorandum. See "*Independent Auditor*."

Consolidated Income Statement Data
(*Thousands of U.S. dollars*)

	Year Ended December 31,	
	2025	**2024**
Revenue	$2,351,863	$1,831,716
Supplies	(1,566,088)	(1,261,591)
Gross Income	$785,775	$570,125
Personnel expenses	(71,695)	(74,638)
External services	(134,012)	(124,017)
Gain on sale of subsidiaries	—	1,882,938
Other operating income	42,927	29,957
Net operating (expense)/income	(162,780)	1,714,240
Taxes	(9,119)	(5,985)
Gross Operating Profit - EBITDA	$613,876	$2,278,380
Depreciation and amortization	(135,463)	(123,478)
Operating profit - EBIT	$478,413	$2,154,902
Finance income	271,720	763,319
Finance expense	(405,336)	(525,682)
Net finance (expense)/income	($133,616)	$237,637
Profit before tax	$344,797	$2,392,539
Income tax	(25,176)	(874,470)
Net profit for the year from continuing operations	$319,621	$1,518,069
Net profit for the year from discontinued operations, net of taxes	—	29,022
Non-controlling interests	(17,771)	(4,045)
Net profit for the period attributable to the Parent	$301,850	$1,543,046

Consolidated Statement of Financial Position Data
(*Thousands of U.S. dollars*)

	As of December 31,	
	2025	***2024***
Assets		
Non-current assets		
Intangible asset	10,755	13,422
Property, plant and equipment, net	2,471,851	2,460,485
Property, plant and equipment in use	2,376,937	2,344,864
Property, plant and equipment under construction	94,914	115,621
Right-of-use asset	53,969	55,680
Non-current financial investments	79,823	85,224
Derivative financial instruments with related parties	5,114	5,620
Other tax receivable	13,803	17,266
Other non-current assets	10,722	10,577
Deferred tax assets	214,575	204,806
Restricted cash	–	5,433
Total non-current assets	**2,860,612**	**2,858,513**
Current assets		
Current trade and other receivables	283,100	264,833
Current tax assets	41,129	–
Other tax receivable	56,544	61,873
Current trade and other receivables	185,427	202,960
Current financial assets	3,406	56,419
Derivative financial instruments	379	38,932
Derivative financial instruments with related parties	3,027	17,487
Cash and cash equivalents	147,280	**2,016,983**
Total current assets	**433,786**	**2,338,235**
Total assets	**3,294,398**	**5,196,748**
Equity and liabilities		
Parent	2,336,754	3,766,858
Share capital	1,116,777	1,116,777
Other reserves	918,127	1,107,035
Net profit for the year	301,850	1,543,046
Non-controlling interests	137,148	121,694
Total equity	**2,473,902**	**3,888,552**
Non-current liabilities		
Non-current provisions	183,595	171,906
Employee benefits	7,332	7,311
Other provisions	176,263	164,595
Bank borrowing and other obligations	93,097	130,753
Derivative financial instruments	76	–
Derivative financial instruments with related parties	3,733	1,872
Leases	54,958	50,563
Other non-current financial liabilities	–	394
Deferred tax liabilities	49,119	137,670
Other non-current liabilities	482	1,046
Total non-current liabilities	**385,060**	**494,204**
Current liabilities		
Bank borrowing and other obligations	14,382	17,223
Derivative financial instruments	150,681	233
Derivative financial instruments with related parties	38,381	19,759
Leases	6,347	5,825
Trade payables and other current liabilities	225,645	770,952
Trade payables	110,057	219,809
Current tax liabilities	–	479,784
Other tax payable	24,787	23,496
Other current liabilities	90,801	47,863
Total current liabilities	**435,436**	**813,992**
Total liabilities	**820,496**	**1,308,196**
Total equity and liabilities	**3,294,398**	**5,196,748**

Consolidated Statement of Cash Flow Data
(*Thousands of U.S. dollars*)

	Year Ended December 31,	
	2025	**2024**
Net cash flows (used in) operating activities	$(13,289)	$(1,260,360)
Net cash flows (used in) from investing activities	(89,844)	5,925,373
Net cash flows (used in) financing activities	(1,772,003)	(2,704,678)
Cash and cash equivalents (including restricted cash) at the beginning of year	2,022,416	$62,081
Cash and cash equivalents (including restricted cash) at end of year	$147,280	$2,022,416

Other Financial Data and Non-IFRS measures

Operating Profit – EBIT, Gross Operating Profit – EBITDA, Consolidated Adjusted EBITDA, Further Consolidated Adjusted EBITDA and Consolidated Adjusted Free Cash Flow

The following table shows certain key financial metrics and a reconciliation of Operating Profit – EBIT and Gross Operating Profit – EBITDA to net profit, and Consolidated Adjusted EBITDA and Further Consolidated Adjusted EBITDA to revenue, the most comparable IFRS measures. Unless otherwise specified, the figures presented in the tables below are not derived from the Audited Consolidated Financial Statements included elsewhere in this Offering Memorandum. These adjustment amounts have not been audited or reviewed by the Company's independent auditors and are based on management's estimates and internal records, which involve certain assumptions and judgments. Accordingly, there can be no assurance that such amounts would not differ if they were subject to an audit or independent review. Investors should not place undue reliance on these estimates.

Operating Profit – EBIT and Gross Operating Profit – EBITDA

(Derived from audited financials)	Year Ended December 31, 2025	December 31, 2024
	(in thousands of U.S. dollars)	
Net profit for the year from continuing operations	**$319,621**	**$1,518,069**
Income tax	25,176	874,470
Net finance (expense)/income	133,616	(237,637)
Operating Profit - EBIT	**$478,413**	**$2,154,902**
Depreciation and amortization	135,463	123,478
Gross Operating Profit - EBITDA	**$613,876**	**$2,278,380**

Consolidated Adjusted EBITDA, Further Consolidated Adjusted EBITDA and Consolidated Adjusted Free Cash Flow

	Year Ended	
	December 31, 2025	**December 31, 2024**
	(in thousands of U.S. dollars)	
Revenue (Derived from audited financials)	$2,351,863	$1,831,716
CENACE Adjustments[1]	(785,004)	(356,146)
Consolidated Adjusted Revenue (excl. CENACE Adjustments)[1][2]	**$1,566,859**	**$1,475,570**
Supplies (Derived from audited financials)	$(1,566,088)	$(1,261,591)
CENACE Adjustments[2]	785,004	356,146
Supplies (excl. CENACE Adjustments)[1][2]	**$(781,084)**	**$(905,445)**
Non-recurring Adjustments for Impact on Supplies from El Carmen Powerplant Shutdown[3]	—	144,656
Adjusted Supplies (excl. CENACE Adjustments)	**$(781,084)**	**$(760,789)**
Revenue (inc. CENACE Adjustments)	2,351,863	1,831,716
Consolidated Adjusted Revenue (exc. CENACE Adjustments)[1]	1,566,859	1,475,570
Supplies (inc. CENACE Adjustments)	1,566,088	1,261,591
Supplies (exc. CENACE Adjustments)[1]	(781,084)	(905,445)
Gross Income (Derived from audited financials)	**$785,775**	**$570,125**
Consolidated Adjusted Revenue (excl. CENACE Adjustments)[1][2]	$1,566,859	$1,475,570
Adjusted Supplies (excl. CENACE Adjustments)	$(781,084)	$(760,789)
Adjusted Gross Income	**$785,775**	**$714,781**
Personnel Expenses (Derived from audited financials)	(71,695)	(74,638)
External Services (Derived from audited financials)	(134,012)	(124,017)
Gain on Sale of Subsidiaries (Derived from audited financials)[4]	—	1,882,938
Other Operating Income (Derived from audited financials)	42,927	29,957
Net Operating (Expense) / Income (Derived from audited financials)[6]	(162,780)	1,714,240
Taxes (Derived from audited financials)	(9,119)	(5,985)
Gross Operating Profit – EBITDA	**$613,876**	**$2,278,380**
Less: Gain on Sale of Subsidiaries (Derived from audited financials)[4]	—	(1,882,938)
Consolidated Adjusted EBITDA[2]	**$613,876**	**$395,442**
Non-recurring Consolidated Adjustments[3]	—	143,821
Further Consolidated Adjusted EBITDA[5]	**$613,876**	**$539,263**

Notes:

(1) Pursuant to applicable Mexican regulations, the Issuer, through its subsidiaries, engages in energy purchase and sale transactions settled through CENACE that are recorded on a gross consolidated basis in both Revenue and Supplies. CENACE buys the power from Iberdrola Generación, S.A. de C.V., then on-sells the power back to a subsidiary of the Company, Iberdrola Clientes, S.A. de C.V. CENACE-related amounts totaled U.S.$785.0 million in 2025 and U.S.$356.1 million in 2024, identified by management as attributable to CENACE transactions. These adjustments have been made to remove the effect of transactions that represent an offset of revenue and expenses because of the back-to-back nature of the sales and purchases from CENACE. In 2025, Consolidated Adjusted Revenue increased to $1,567 million representing a $91 million increase, driven primarily by higher income from CFE-referenced contracts (additional $45 million), reflecting improved economics under existing agreements, the renewal and expansion of pass-through contracts (additional $30 million) and higher margins and new coverage agreements with qualified suppliers (additional $11mm). Additional upside came from an improved balance between wholesale market purchases and sales and higher representation fees charged to MIP. Adjusted Supplies increased by $21 million, due to regulated charges linked to new contracts and tariff increase (additional $19 million), a regularization of MIP costs (additional $5 million) and partially offset by lower gas prices (reduction of $3 million).

(2) Consolidated Adjusted EBITDA represents Gross Operating Profit – EBITDA as presented in the Company's Audited Consolidated Financial Statements for the years ended December 31, 2025 and 2024, prepared in accordance with IFRS, calculated as Gross Income less Personnel Expenses, External Services and Taxes other than income tax, plus Other Operating Income and, where applicable, Gain on Sale of Subsidiaries. For the year ended December 31, 2024, Gross Operating Profit - EBITDA of U.S.$2,278.4 million includes a non-recurring gain of U.S.$1,882.9 million on the sale of subsidiaries to MIP. Excluding this item, Consolidated Adjusted EBITDA for 2024 was U.S.$395.4 million. Consolidated Adjusted EBITDA is not a measure defined under IFRS and should not be considered as a substitute for net income, operating income, cash flows from operating activities or any other measure of financial performance derived in accordance with IFRS.

(3) In 2024, the Company's El Carmen combined-cycle gas turbine facility ("El Carmen") experienced equipment failures that caused approximately half of the plant to cease operations during a period of elevated system stress. The aggregate non-recurring El Carmen-specific impact on Consolidated Adjusted EBITDA for the year ended December 31, 2024 is U.S.$129.2 million (reflecting rounding of individual components), comprising: (a) incremental power purchases at elevated spot prices and negative Capacity Balance Market settlement resulting from unavailability during critical demand hours (U.S.$144.7 million); (b) an O&M indemnity received under the Company's long-term service agreement, which resulted in a payment of (U.S.$17.4 million); and (c) non-recurring repair expenses (U.S.$2.0 million). Of these components, only the U.S.$144.7 million referenced in component (a) directly impacted the Supplies line item presented in the reconciliation table above, as reflected in the "Non-recurring Adjustments for Impact on Supplies from El Carmen Powerplant Shutdown" line. In addition, the Company recognized a customer capacity normalization adjustment of U.S.$14.6 million related to regulatory delays in activating contracted capacity during the period, which is not attributable to the El Carmen incident. Total non-recurring Consolidated Adjustments for the year ended December 31, 2024 were U.S.$143.8 million ($129.2 million El Carmen plus $14.6 million customer capacity normalization). Following the incident, the Company implemented corrective measures including enhanced filtration, monitoring and spare-parts protocols. In 2025, the El Carmen facility achieved an Availability Factor of approximately 89%.

(4) On February 26, 2024, the Company completed the sale of certain combined-cycle gas turbine plants and related service entities, to MIP, for total consideration of U.S.$6.2 billion. In accordance with IFRS 5 (Non-current Assets Held for Sale and Discontinued Operations), the business operating under the IPP regime was classified as discontinued operations. The Company recognized a gain on sale of subsidiaries of U.S.$1,882.9 million from this transaction, which is reflected in the Audited Consolidated Financial Statements as "Gain on sale of subsidiaries" for the year ended December 31, 2024. This gain is a non-recurring item and did not recur in the year ended December 31, 2025. The assets retained by the Company following the MIP sale comprise the generation and qualified supply platform described in this Offering Memorandum.

(5) Further Consolidated Adjusted EBITDA represents Consolidated Adjusted EBITDA as described in footnote (2) above, excluding (i) the non-recurring gain of U.S.$1,882.9 million recognized on the sale of subsidiaries to MIP in 2024 and (ii) adding back non-recurring costs totaling U.S.$143.8 million for the year ended December 31, 2024, comprising (a) U.S.$129.2 million attributable to the El Carmen powerplant shutdown and (b) U.S.$14.6 million attributable to a customer capacity normalization adjustment related to regulatory delays in activating contracted capacity. For the year ended December 31, 2025, no non-recurring adjustments have been applied, and accordingly Further Consolidated Adjusted EBITDA equals Consolidated Adjusted EBITDA. Further Consolidated Adjusted EBITDA is a non-IFRS measure and is presented because the Company believes it provides useful supplemental information regarding the Company's recurring operating performance, excluding items that are not indicative of the Company's core operations. Further Consolidated Adjusted EBITDA should not be considered as a substitute for, or superior to, Consolidated Adjusted EBITDA, net income, operating income, cash flows from operating activities or any other measure of performance derived in accordance with IFRS. Other companies may calculate similarly titled measures differently, and therefore this measure may not be comparable to similarly titled measures used by other companies. See "*Risk Factors—Risks Related to the Acquisition—We present information relating to certain pre-Acquisition results of the Company and certain of the data used in calculating this information was unaudited or involved certain estimates and judgments, and accordingly you should not unduly rely on them*."

(6) Net operating (expense)/income as presented in the Audited Consolidated Financial Statements comprises Personnel Expenses, External Services, Gain on Sale of Subsidiaries, and Other Operating Income. The reconciliation table above presents each of these components as separate line items for transparency. Personnel Expenses of U.S.$74.6 million (2024) and U.S.$71.7 million (2025); External Services of U.S.$124.0 million (2024) and U.S.$134.0 million (2025); Gain on Sale of Subsidiaries of U.S.$1,882.9 million (2024); and Other Operating Income of U.S.$30.0 million (2024) and U.S.$42.9 million (2025), each as reported in the Audited Consolidated Financial Statements.

The following table sets forth a reconciliation of Consolidated Adjusted Free Cash Flow to Further Consolidated Adjusted EBITDA for the periods indicated:

	For the year ended December 31,	
	2025	**2024**
	(in thousands of U.S. dollars)	
Further Consolidated Adjusted EBITDA[4]	**$613,876**	**$539,263**
Adjusted Working Capital[1]	(13,036)	79,999
Income Tax (excl. Corporate Income Tax for MIP transaction)[2]	(145,788)	(233,437)
Capital Expenditures[3]	(108,246)	(91,275)
Consolidated Adjusted Free Cash Flow[4]	**$346,806**	**$294,550**
Cash Flow Conversion	**56.5%**	**54.6%**

Notes:

(1) Adjusted Working Capital represents the net change in trade and other receivables (current and non-current) and trade payables and other current liabilities. As of the year ended December 31, 2024, Adjusted Working Capital of U.S.$80.0 million is derived from the cash flow statement as of the year ended December 31, 2024, calculated as the sum of Trade and other current receivables (U.S.$(3.5) million), Trade and other non-current receivables (U.S.$5.8 million) and Trade payables and other current liabilities (U.S.$(1,040.7) million), yielding a total of U.S.$(1,038.5) million. This amount is then adjusted to add back an extraordinary non-recurring repayment of a related-party liability with Iberdrola Financiación of U.S.$1,118.5 million settled in 2024, representing the difference between the outstanding balance of U.S.$1,118.7 million as of December 31, 2023 and U.S.$266 thousand as of December 31, 2024, resulting in an adjusted change in Adjusted Working Capital of U.S.$80.0 million. For the year ended December 31, 2025, Adjusted Working Capital of (U.S.$13.0) million is derived from the Audited Consolidated Financial Statements, comprising changes in Trade and other current receivables (U.S.$21.1 million), Trade and other non-current receivables (U.S.$30.8 million) and Trade payables and other current liabilities ($(64.9) million).

(2) Income tax presented in this table represents cash income tax paid during the relevant period, as reported in the Audited Consolidated Financial Statements, excluding corporate income tax on capital gains attributable to the sale of subsidiaries to MIP (see footnote 4 above). For the year ended December 31, 2024, income tax of U.S.$233.4 million represents total reported income tax paid of U.S.$569.8 million, less U.S.$336.4 million in corporate income tax attributable to the MIP transaction, comprising U.S.$314.3 million in taxes on capital gains from the sale of subsidiaries to MIP and U.S.$22.1 million in taxes from discontinued operations. For the year ended December 31, 2025, income tax of U.S.$145.8 million represents total reported income tax paid of U.S.$625.8 million, less U.S.$480.0 million in corporate income tax attributable to the MIP transaction in 2025.

(3) Represents cash payments for the acquisition of property, plant and equipment and intangibles during the relevant period. For the year ended December 31, 2024, capital expenditure of U.S.$91.3 million comprised maintenance of operating assets and expansion-related capital expenditures associated with the spin-off works at El Carmen and Dulces Nombres II. For the year ended December 31, 2025, capital expenditure of U.S.$108.2 million similarly related to ongoing maintenance and asset preservation activities, including an anticipated overhaul of Dulces Nombres II of U.S.$35 million. Normalized capital expenditure is expected to be at lower levels over the coming years. Normalized Capex should be at lower levels over the coming years

(4) Calculated as Further Consolidated Adjusted EBITDA, plus or minus changes in working capital (see footnote (1)), less income tax (excluding corporate income tax attributable to the MIP transaction) and less Capital Expenditures (see footnote (3) above). Cash Flow Conversion represents Consolidated Adjusted Free Cash Flow as a percentage of Further Consolidated Adjusted EBITDA.

Adjusted Working Capital, Consolidated Adjusted Free Cash Flow and Cash Flow Conversion are not measures defined under IFRS and should not be considered as substitutes for cash flows from operating, investing or financing activities, or any other measure of liquidity derived in accordance with IFRS. Other companies may calculate similarly titled measures differently, and therefore these measures may not be comparable to similarly titled measures used by other companies. See "*Risk Factors—Risks Related to the Acquisition—We present information relating to certain pre-Acquisition results of the Company and certain of the data used in calculating this information was unaudited or involved certain estimates and judgments, and accordingly you should not unduly rely on them*."

RISK FACTORS

An investment in the Notes involves significant risks. In addition to the other information contained in this Offering Memorandum, you should carefully consider the following risk factors before making an investment in the Notes. Any of the following risks below could adversely affect our business, financial condition, results of operations, cash flows and prospects, which, in turn, could have an adverse effect on our ability to make payments under the Notes. The risks described below are not the only ones facing us or other companies in Mexico. If any of the risks described below materializes or occurs, the value of the Notes could decline and you may lose some or all of your investment. Additional risks and uncertainties which we are not aware of or that we currently believe are immaterial may also have an adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

Risks Relating to the Acquisition

The Acquisition may not achieve the intended benefits or may disrupt our plans and operations.

We may not be able to realize the intended benefits of the Acquisition or do so within the anticipated timeframes or cost expectations. The difficulties and risks associated with the Acquisition and realizing the benefits therefrom include, but are not limited to, the following:

- the potential loss of customers, vendors and other business partners or difficulties or higher than anticipated costs in adding new customers, vendors and other business partners due to the actual or perceived impact of the Acquisition;
- possible aggressive targeting of existing and potential customers by competitors seeking to capitalize on potential customer concerns about the Acquisition;
- possible differences in the standards, controls, procedures, policies, corporate culture and compensation structures following the consummation of the Acquisition, which may lead to unanticipated delays, costs or inefficiencies, employee departures or difficulties consolidating the operations of the companies;
- the potential loss of key employees and the costs associated with our efforts to retain key employees;
- difficulties successfully managing relationships with our customers, suppliers and governmental authorities;
- the possibility that we may have failed to discover actual or contingent liabilities during the due diligence investigation of the Group Companies and their Projects prior to the Acquisition, for which we, as a successor or owner, may be responsible; and
- obligations that we may have to counterparties that arise as a result of the change in control resulting from the Acquisition.

Thus, the execution of our medium and long-term business strategy may be unpredictable, or subject to delays or changed circumstances, and Project Companies may not perform in accordance with our expectations. We may fail to realize some or all of the anticipated benefits of the Acquisition, such as cost and revenue synergies and operational efficiencies. A failure to realize the business strategy related to the Acquisition could result in higher costs and lower revenue than expected and have an adverse effect on our financial results and prospects. Any such effect on our financial results may mean that we are not able to meet our expectations for revenue or other financial or operational metrics. In addition, neither the Issuer nor the Sponsor has previously managed the Projects, and the Projects have historically been managed by Iberdrola and its affiliates, who provided corporate, administrative, technical, and engineering services to the Project Companies, including through intercompany service arrangements. We have entered into a transitional services agreement with Iberdrola under which Iberdrola will continue to provide some of these services. Once such agreement expires, we will need to have in place our own operational capabilities and management infrastructure to operate the Projects on a standalone basis.

The Acquisition will result in a change in the controlling equity ownership of the operating businesses of the Group Companies and the interests of the Sponsor and other third parties may conflict with those of the holders of the Notes.

The Sponsor, as the Issuer's controlling shareholder, has the power to appoint a majority of the members of the board of directors of the Issuer and control over the policies and operations of our operating businesses, including the appointment of senior management, the payment of dividends or other distributions on the Issuer's capital stock, the incurrence of indebtedness by us and our subsidiaries and the approval of transactions outside the ordinary course of business. The Sponsor's interests in certain circumstances may conflict with your interests as noteholders, particularly if we encounter, or the Sponsor encounters, financial difficulties or we are (or the Sponsor is) unable to pay debts when due. The Sponsor is in the business of making investments in companies and may acquire and hold interests in businesses that compete directly or indirectly with us. In addition, the Sponsor finances its acquisitions with a combination of equity and debt and other financial instruments provided by third parties whose interests may conflict with your interest as holders of the Notes, and under such instruments the Sponsor may be required to sell of all or a portion of its ownership interests in the Issuer which could, in turn, result in changes to the Issuer's direct or indirect shareholding structure management, and/or board make-up. Any of these factors could materially adversely affect our financial condition and results of operations, and our ability to make payments under the Notes.

The Issuer may not realize all the expected benefits of the Acquisition.

The Issuer entered into the Acquisition Agreement with the expectation that the acquisition would result in various benefits, including enhanced generation capabilities. Achieving the anticipated benefits of the acquisition is subject to a number of uncertainties, including whether the assets and businesses of the Group Companies can be integrated in an efficient and effective manner. Failure to achieve these anticipated benefits could result in increased costs and/or lower-than-expected revenues or income generated by the Company after the completion of the acquisition.

We have incurred, and expect to continue to incur, substantial transaction costs in connection with the Acquisition.

In connection with the Acquisition, we have incurred and expect to continue to incur significant costs and expenses, including financial advisory, legal, accounting, consulting and other advisory fees and expenses, reorganization and restructuring costs and employee benefit-related expenses and other related charges and costs. In addition, we have and may continue to incur significant one-time charges as a result of costs associated with the Acquisition. We will not be able to quantify the exact amount of these charges or the period in which they will be incurred until the operational and managerial integration of the business of the Project Companies into our business are completed. Some of the factors affecting the costs associated with the Acquisition include the resources required to transition the business to a standalone entity and the length of time during which transition services are provided by Iberdrola. There are also a large number of processes, policies, procedures, operations, technologies and systems that must be developed in connection with the Acquisition. While we have assumed that a certain level of expenses will be incurred in connection with the Acquisition, there are many factors that could affect the total amount or timing of the integration and implementation expenses. There may also be additional unanticipated significant costs in connection with the Acquisition that we do not anticipate and may not be able to recoup. These costs and expenses could reduce the benefits and income we expect to achieve from the Acquisition.

The rebranding of the business of the Project Companies in connection with the Acquisition may harm our reputation and market appeal or otherwise have a material adverse effect on our business, financial condition or operating results.

Our acquisition of the Projects involves the rebranding of the business of the Project Companies from Iberdrola to an entirely new commercial name. As we announce and adopt new trade names and trademarks in connection with our brand evolution, which may require substantial resources and involve significant expense, the marketplace may not embrace or accept them and it may take time to build their reputation and goodwill, both with consumers and with our partners. Further, the new trademarks we select may not be available for use and/or registration in certain jurisdictions, or we may face challenges from third parties related to our use, application or registration of the same. The failure of our services, products or brands to continue to appeal to the market could have an adverse impact on our ability to attract and retain customers and thus adversely affect our business, financial condition or results of operations.

Iberdrola's historical and future actions, or failure to comply with its obligations under the Acquisition Agreement and the other agreements to be entered into in connection with the Acquisition, may materially affect our business, financial condition and operating results.

Although we will be an independent company as a result of the Acquisition, Iberdrola's historical and future actions may still have a material impact on our business and operating results. In addition to the Acquisition Agreement, we have entered into, or expect to enter into, certain agreements with Iberdrola, including the Iberdrola TSA, and certain other commercial agreements under which Iberdrola will have obligations to us. For example, if Iberdrola fails to provide necessary transitional and other commercial services, we may not be able to operate our business effectively unless and until we are able to perform these services on our own, which may have a material impact on our operating results. In addition, third parties could also seek to hold us directly responsible for any of the liabilities that Iberdrola has agreed to retain, and there can be no assurance that the indemnity from Iberdrola will be sufficient to protect us against the full amount of such liabilities, or that Iberdrola will be able to fully satisfy its indemnification obligations. We could incur material additional costs if Iberdrola fails to meet its obligations or if we otherwise are unable to recover costs associated with such liabilities. In addition, we will have obligations to Iberdrola under certain of these agreements. We may fail to perform such obligations in a timely or effective manner, or at all, during the term of such agreements, either due to our inability or unwillingness to continue such services, our inability to provide such services at reasonable costs or for other reasons. Any such inability or other reasons could lead to unforeseen liabilities under the terms of such agreements or otherwise, including liabilities resulting from the inability of Iberdrola to provide these services themselves or to obtain substitute arrangements with third parties. Any such financial consequences or liabilities could have a material adverse impact on our business, financial condition and results of operations.

Further, there may be an adverse operational impact on our business as a result of the significant management time and internal resources that will need to be dedicated to developing internal support functions and standalone operations during the period following the Transactions. Such management time and internal resources would otherwise be available for other business initiatives and opportunities. Each of these risks could negatively affect our business, financial position or results of operations.

Availability of Information.

Certain information and supporting documentation typically required to confirm compliance with applicable environmental, urban development and civil protection laws and regulations, were not made available, including, without limitation, evidence regarding: (i) the filing or existence of the corresponding Accidents Prevention Program for the Cogeneración Monterrey and Ramos projects, as well as the status of such program for the El Carmen project, which is reportedly under review by the competent authority; (ii) Forestry Land Use Change Authorizations for the Bii Nee Stipa and Dos Arbolitos projects; and (iii) the initiation of the process before SEMARNAT to change the holder of the sole environmental licenses for the Dulces Nombres II and El Carmen projects, which currently cover both their physical space and that corresponding to MIP.

Additionally, no documentation regarding the following permits was available: (i) SENER resolutions regarding the Social Impact Assessment of Dulces Nombres, Cogeneración Monterrey, Cogeneración Ramos projects (ii) approval of the Accidents Prevention Program from SEMARNAT of Cogeneración Monterrey, Cogeneración Ramos; (iii) Water Concession Title from CONAGUA or agreement for the provision of water supply and sewage services from local authorities of El Carmen, Cogeneración Monterrey, Dulces Nombres II, Cogeneración Altamira, Cogeneración Bajío, Cogeneración Ramos; (iv) Land Use Licenses for the Cogeneración Monterrey and Cogeneración Altamira projects; (v) Construction Licenses for the Cogeneración Monterrey project; and (vi) Work Completion Notices for any of the projects; (vii) the Civil Protection Internal Program for the Santiago Fotovoltaico project, or the corresponding renewals (2025–2026) for the remaining projects; (viii) Municipal Operation Permits for any of the projects.

The absence of such information should not be interpreted as an indication that such permits, authorizations, or documentation do not exist or are not in effect. Had additional information been made available, the analysis, findings, or conclusions could have been different. No assurance can be given as to the status of any matter not specifically covered by the information provided.

We present information relating to certain pre-Acquisition results of the Company and certain of the data used in calculating this information was unaudited or involved certain estimates and judgments, and accordingly you should not unduly rely on them.

This offering memorandum includes certain statements and figures relating to pre-acquisition results of acquired companies. See "*Summary Financial Data—Other Financial Data and Non-IFRS Measures*." These figures are generated by including certain non-recurring adjustments assuming such non-recurring adjustments were made at the beginning of the earliest period presented. We calculated such figures using the information and records available from the acquired businesses and product lines, which in certain instances was based on unaudited financial information or management schedules and therefore required significant assumptions and estimates. While the information presented is the best information available to us, given these limitations, some or all of this information may prove to be inaccurate or incomplete. No third party, including the Company's independent auditors or any of the initial purchasers, has performed any compilation, examination or other procedures or expressed an opinion or any form of assurance with respect to some of these non-recurring items and other adjustments and assume no responsibility for, and disclaim any association with, this financial information. Potential investors should regard the assumptions and projections with considerable caution and are urged to evaluate the potential for any assumption to deviate from those set out in "*Summary Financial Data—Other Financial Data and Non-IFRS Measures*." As a result, you should not unduly rely on such information in making an investment in the Notes. See "*Special Note about Non-IFRS Financial Measures*."

Risks Relating to Our Business and Industry

We have not operated as an independent entity.

The formation of the Issuer and the consummation of the Acquisition involve certain risks to the business we operate. Most of the historical information about the Company and the Project Companies reflects our business as operated by Iberdrola prior to the consummation of the Acquisition and is derived from the audited consolidated financial statements and accounting records of the Company. Accordingly, the Audited Consolidated Financial Statements included in this Offering Memorandum may not reflect our business' combined results of operations, financial position and cash flows had our business been a standalone company during the periods presented and may not be indicative of those that we will achieve following the Acquisition, and such financial statements have been derived from historical financial information of the Group Companies and prepared for illustrative purposes only to reflect the pro forma combination of our businesses, and do not purport to represent actual performance. Actual financial results, if our business had been a standalone company, could differ materially from the information presented herein, since it would depend on multiple factors, including organizational structure and strategic decisions made in various areas, including information technology and infrastructure, and may vary due primarily to the following factors:

- our business was historically operated by Iberdrola as part of its broader corporate organization, rather than as an independent company. Iberdrola performed (and continues to perform on a transitional basis under the Iberdrola TSA) various corporate functions for us, such as operation and maintenance, legal, accounting, payroll, IT and other services. As a result of the separation, our costs related to such functions previously performed by Iberdrola may increase;

- our historical financial information does not reflect changes that we expect to experience in the future as a result of the Acquisition, including changes in our cost structure, personnel needs, tax structure, financing and business operations. While operated by Iberdrola, the business enjoyed certain benefits from its operating diversity, size and purchasing power, including its ability to secure favorable terms on our vendor contracts and available capital for investments, which may not be the case after the Acquisition;

- the cost of capital for our business could end up being higher than Iberdrola's cost of capital prior to the consummation of the Acquisition, and the operation of the business of the Project Companies was carried out without significant reliance on borrowings and debt from third parties prior to consummation of the Acquisition. Following the Acquisition, we will have incurred indebtedness under the Bridge Facility;

- our business may be more susceptible to economic downturns and other adverse events than if it were still a part of Iberdrola; and

- certain employees who have historically performed services for both our business and for Iberdrola may not be employees of our business or continue to provide services to us after transition period ends under the Iberdrola TSA.

We may not be able to achieve the same financial results had our business remained part of Iberdrola.

We have no prior experience independently managing the Projects and we will rely on Iberdrola for operational services during a transition period.

Our Projects have historically been managed, operated and maintained by Iberdrola and its affiliates, and we have not previously operated these assets on a standalone basis. Following the expiration or termination of the Iberdrola TSA, we will be required to independently manage all aspects of the Projects, including operations and maintenance, dispatch coordination, regulatory compliance, environmental management, health and safety, and commercial activities. There can be no assurance that we will be able to replicate the operational performance, institutional processes, or cost efficiencies that were achieved under Iberdrola's management. If we are unable to successfully transition to independent operations, we may experience higher operating costs, reduced plant availability, regulatory non-compliance, or operational disruptions, any of which could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

Under the Iberdrola TSA, certain services related to the operation and maintenance of the Projects have been outsourced to Iberdrola and its affiliates for a period of 12 months (extendable for an additional 12-month period by mutual agreement). The services covered under the Iberdrola TSA include the operation and maintenance of the Projects, ancillary matters including corporate and legal services, accounting and financial reporting, health and safety standards, environmental training, human resources, operations and engineering, general IT services and certain proprietary systems- and licensing-related services. While the Issuer will continue to have management level employees in place throughout the term of the Iberdrola TSA, it will have limited input and control related to the operation of the Projects and their respective assets during the term of the Iberdrola TSA. In addition, certain fundamental parts of the operations of the Projects, such as maintenance, accounting, legal and IT services, among others, will be transitioned, which entails complex processes and may take longer than expected.

Our business relies on the continued supply of electricity by FIEMEX and its subsidiaries under our supply agreements with them. If these agreements are terminated, or if FIEMEX or its subsidiaries fail to perform their obligations, our revenues, financial condition and results of operations could be materially adversely affected.

We derived 37% and 31% of our revenues for the years ended December 31, 2025 and 2024, respectively, from the sale of electricity supplied to us by FIEMEX and its subsidiaries under our supply agreements with them. These agreements are subject to early termination, and any termination (including as a result of a breach by us or FIEMEX, an event of default, force majeure, or changes in applicable law), dispute, or other interruption, curtailment or disruption in supply could materially adversely affect our business, financial condition and results of operations. If these agreements are terminated, we may not be able to replace the electricity supplied by FIEMEX and its subsidiaries on a timely basis, on comparable terms, or at all, and any replacement supply could be more expensive or less reliable, which could materially adversely affect our business, financial condition and results of operations.

As of the date of this Offering Memorandum, Iberdrola Generación has entered into seven PPAs with operating subsidiaries of FIEMEX covering an aggregate contracted capacity of approximately 1,244 MW, consisting of: El Clérigo (514 MW), Monterrey U31 (255 MW), Monterrey U41 (250 MW), Enertek (130 MW), Topolobampo II (30 MW), Escobedo (35 MW) and Baja California III (30 MW). Six of these seven agreements have a five-year term that commenced in 2024 and are expected to expire in 2029. The El Clérigo agreement has a twenty-year term that commenced in 2024, and expected to expire in 2044. The contracts provide payments for both energy and capacity. The capacity charge for Topolobampo II, Escobedo and Baja California III is variable based on the energy generated, as these plants do not have a contractual obligation to deliver capacity. The remaining contracts include a fixed capacity charge as well as a contractual obligation to deliver capacity. The variable energy charge under all contracts includes a gas price pass-through with a guaranteed efficiency, as well as a variable O&M charge.

Certain of our FIEMEX supply agreements, including those relating to the Monterrey III & IV and Enertek projects, are expected to expire in 2029, and no renewal terms have been negotiated. While we do not currently anticipate any penalty amounts due to a change of control or any litigation or arbitration proceedings with FIEMEX, there can be no assurance that disputes will not arise in the future. Failure to renew or replace these agreements on favorable terms, or at all, could result in a significant reduction in our revenues and have a material adverse effect on our business, financial condition and results of operations.

We operate in a highly regulated environment and our profitability depends on our ability to comply with applicable laws and regulations on a timely and efficient basis.

We operate under the laws, rules and regulations of various federal, state and municipal governmental entities in Mexico and are required to obtain and maintain various authorizations, permits, licenses and approvals to conduct our activities. These laws, rules, regulations, permits, licenses and approvals may limit our operating flexibility, which could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes. See "*Regulatory, Environmental Matters and Permits*."

If we undertake new energy generation projects in Mexico or make changes or expansions to our existing Projects, we may need to amend our existing permits or obtain additional new permits and authorizations from various federal, state and municipal governmental entities in Mexico, including SEMARNAT, CNE, CFE, CENACE, and SENER, and state and municipal governmental authorities on environmental, urban development, construction and civil protection matters, as well as a favorable opinion of CNA. In addition, once the term of the permits we secured under the former LSPEE and LIE frameworks expire, which will happen between February 2029 and November 2053, we will need to obtain approvals to amend or extend such permits or obtain new permits (including new power generation permits, interconnection studies and social and environmental studies, among others) from different governmental agencies in Mexico, including, SENER, SEMARNAT, CNE and CENACE, and enter into new agreements (including interconnection agreements with CFE and market participant agreements with CENACE) to migrate our operations to any of the generation schemes permitted under the current LSE framework.

We cannot predict the future course of changes in policies, laws, rules and regulations that currently cover our activities or the effect that recent or any future changes in the regulatory environment will have on our business, prospects and operations. In addition, due to the complex overlapping of federal, state and municipal regulatory regimes in which we operate, we may from time to time discover that we are lacking, or non-compliant with, one or more laws, rules, regulations, permits, licenses, approvals or agreements. If there is regulatory change that impacts our operations, including a change that causes our ability to obtain or amend generally or on a timely basis any required regulatory permit, license, approval or agreement, we may not be able to operate our Projects or develop new energy generation projects, or we may be forced to incur additional costs, which in turn could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes. See "*Business—Legal, Administrative and Arbitration Proceedings*."

Various factors, including changes in Mexico's energy policy and actions, reforms, or other changes to the legal framework regulating the energy sector in Mexico, could result in our inability to obtain such approvals, permits or studies or to enter into such agreements, and could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

Since 2013, the Mexican energy sector has been undergoing continuous changes to its legal framework.

In December 2013 the Mexican Congress approved a constitutional reform (the "2013 Energy Reform") that opened the electric industry to private investment, except for the transmission and distribution of electricity which remained under the exclusive control of the Mexican State, through CFE. In August 2014 Mexican Congress revised the entire legal framework of the electricity sector by issuing the LIE, which replaced the former LSPEE. The LIE allowed private investment to participate in the generation and commercialization of electricity in a competitive market, with open and non-discriminatory access to the transmission and distribution networks.

In March 2021, Mexican Congress revised the legal framework of the electricity sector by amending the LIE to include, among others, changes to the dispatch rules seeking to privilege power plants owned by CFE, irrespective of their costs of generation, as well as changes to CENACE's authority by granting discretion to deny open access to transmission and distribution networks. This reform was subject to multiple legal challenges, including constitutional (*amparo*) claims and opposition from industry participants and other persons, including COFECE and a state legislature. These challenges resulted in injunctions that temporarily suspended the effects

of the LIE reform and were eventually upheld by federal judges and by the Mexican Supreme Court. As a result, most of the amendments introduced by the 2021 LIE reform were declared unconstitutional and did not become effective. However, certain provisions of that reform were not specifically ruled unconstitutional and remained in effect. Among these amendments, the reform authorized the former regulator, CRE, to revoke permits previously granted by it for power generation under the self-supply (*autoabastecimiento*) scheme provided by the former LSPEE framework if, in the view of CRE, such permits had been fraudulently obtained. While we are not aware that CRE ever exercised such authority and, although the LIE was replaced by the LSE in 2025, we cannot assure that CNE, as successor to CRE, will not seek to enforce the LIE provisions in respect of legacy self-supply (*autoabastecimiento*) permits or that future similar efforts will not be implemented by the Mexican Congress or the federal government branch, particularly considering the continued interest to migrate self-supply (*autoabastecimiento*) permits to the new LSE framework. Some of our Projects operate all or a portion of their capacity under the legacy self-supply (*autoabastecimiento*) scheme (PIER, PIER II, PIER IV, Bii Nee Stipa, PEM/Ventosa and Wind Dos Arbolitos). While we do not believe that those Project Companies fraudulently obtained their self-supply (*autoabastecimiento*) permits, we cannot ensure that current regulator, CNE, will not seek to revoke those permits or impose fines on our Project Companies for such or other reasons, or if future changes to the electricity laws and regulations force these Project Companies to migrate their Projects to the LSE framework.

In December 2024, the Mexican Constitution was reformed at the proposal of former President Andrés Manuel López Obrador (the "2024 Energy Reform"). The 2024 Energy Reform confirmed the ability of private investors to participate in the generation and commercialization of electricity, provided that such participation does not have privilege (*prevalencia*) over the participation of Mexican State in the same activities. Also, under the 2024 Energy Reform the planning and control of the SEN as well as the transmission and distribution of electricity remained under the exclusive control of the Mexican State. In March 2025 the Mexican Congress enacted implementing legislation through the issuance of various laws, including primarily the LSE. In October 2025, the regulations to the LSE (*Reglamento de la Ley del Sector Eléctrico*, the "RLSE") became effective. Pursuant to these new regulations the Mexican state has the right (privilege) to inject at least 54% of the total electricity that is injected annually into the SEN.

The Mexican Constitution, as amended by the 2024 Energy Reform, together with the LSE and the RLSE set forth the basis of the current legal framework of the Mexican electricity sector and the principal rules and regulations that govern our business. However, certain implementing rules and regulations remain pending, including rules governing the migration of legacy self-supply (*autoabastecimiento*) and cogeneration permits originally granted under the LSPEE to the current LSE framework. Any such migration rules could impose additional conditions, procedural requirements, or limitations on the terms under which existing permits may be renewed or transitioned, which could affect our ability to continue operating certain Projects under their current permit structures. We cannot ensure that these implementing rules and regulations and any future amendments to the Mexican Constitution, the LSE, the RLSE and other laws, rules and regulations will not have a material adverse effect on our ability to operate our Projects or develop new projects, which could in turn have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

We may be involved in legal, regulatory and arbitration proceedings that could result in unfavorable decisions and financial penalties for us.

From time-to-time we may become involved in litigation, arbitration and administrative proceedings relating to claims arising out of the operation of our Projects and our properties. These may include claims filed by suppliers and customers, government regulators (including tax authorities), neighboring residents and environmental activists, as well as labor disputes. In addition, a subsidiary of FIEMEX, an affiliate of the former owner of the Group Companies, is subject to an administrative proceeding initiated by the former regulator (CRE) questioning the legality of the self-supply generation scheme under the subsidiary operates, which is the same scheme under which certain of our Projects operate. In that proceeding CRE initially ruled that the self-supply operations of the FIEMEX subsidiary violated applicable laws and regulations, which resulted in the imposition of a fine of MXN$9,145,388,000. The file was appealed by the FIEMEX subsidiary and, to our knowledge, it is pending final resolution. While this proceeding does not directly name the Company or any Group Company, an adverse outcome could have implications for the self-supply permits under which certain of our Projects operate, including the PPAs associated with those arrangements, and could result in the imposition of fines that may be material to us. Responding to the demands of litigation claims and responding to or initiating proceedings may divert management's time, attention and financial resources. The outcome of any such proceedings, which we cannot predict, could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

See "*—Uncertainty regarding implementation of the LSE,*" "*Business—Legal, Administrative and Arbitration Proceedings*," "*Description of Existing Financing and Collateral Structure—Interest Rates and Fees—Mandatory Prepayments*" "*—Covenants*," "*—Events of Default*," and "*Description of the Notes*."

Uncertainty regarding implementation of the LSE.

The implementation of the LSE and its implementing regulations remain at an early stage, and the scope and timing of the regulatory transition have not yet been fully defined. Certain aspects of the previous legal framework under the LIE, including market dispatch protocols, capacity pricing mechanisms, interconnection procedures and the issuance and trading of CELs, are expected to be revised or replaced once the new regulations are issued by SENER and the CNE. Until the new regulations are fully published and tested in practice, there remains uncertainty regarding their interpretation and implementation and their potential indirect impact on grandfathered projects. In particular, changes in dispatch rules and market pricing mechanisms could indirectly affect project revenues, especially during the merchant period. The timing or outcome of these regulatory changes cannot be predicted, and any delay, inconsistency or restriction in their implementation could adversely affect our operations, compliance obligations, costs and ability to sell energy or capacity in the Mexican electricity market.

Also while the LSE provides that permits granted under the prior legal frameworks (LSPEE and LIE) remain valid until the end of their respective terms (or until expiration of the interconnection agreements associated with certain permits), CFE and the Mexican government have openly expressed their dislike of the self-supply (*autoabstecimiento*) scheme under which some of our Projects operate and are actively seeking to force these operations to migrate to the LSE framework. We cannot anticipate what actions, if any, the Federal government, CFE or CNE will seek to achieve that purpose and the effects of those actions in our operations.

Events of default under our permits and authorizations could lead to their revocation, termination or to the imposition of fines.

We operate in a highly regulated industry and require permits, licenses, approvals and agreements to operate our Projects, sell electricity, capacity and associated products and comply with our obligations under our PPAs. As a result, we depend on the effectiveness of the permits, licenses and approvals and agreements granted to us by relevant governmental authorities, including the legacy permits we obtained under the LSPEE and LIE frameworks. Applicable law and the terms of our permits, licenses, approvals and agreements include events of default which, if triggered, allow the granting governmental authorities to initiate administrative proceedings seeking to impose fines or even to revoke or terminate our permits, licenses, approvals and agreements. Our existing power generation permits may be revoked by the CNE in certain circumstances specifically set forth in those permits, as well as for other causes provided under applicable laws, rules and regulations, including if we transfer or pledge a permit in violation of its terms or applicable laws, rules and regulations or if we do not comply with our obligations under a permit or under applicable laws or regulations (including Mexican official standards).

In addition, our Project Companies are required to file periodic reports and information with the CNE and other regulatory authorities regarding their operations. Failure to file such reports in a timely manner could constitute a default under the applicable permits and could result in fines or other sanctions.

The terms and conditions of our permits, licenses and approvals, and the applicable laws, rules and regulations that govern them, are interpreted by administrative authorities whose interpretation may differ from ours. Some authorities in the energy sector have discretionary faculties to issue permits or extend their effectiveness. Differences in interpretation may relate to the scope, terms and conditions, as well as consents and authorizations that may be required to undertake certain actions under the permits (including, but not limited to, the transfer, pledging and/or enforcement of rights thereunder). Such differences in interpretation may result in the revocation of any such permits and authorizations, or a decision to not extend or renew them when their validity timeframe has come to an end, and/or the imposition of fines, which could require us to challenge any such decisions before the relevant authorities, including Mexican courts.

Any of the above could materially adversely affect our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

We are subject to numerous environmental, civil protection and urban development regulations that may become more stringent in the future and may result in increased liabilities and increased capital expenditures.

Our business is subject to comprehensive environmental, urban development, civil protection, health and safety regulations at the federal, state and municipal levels, as well as to the supervision by Mexican governmental

agencies responsible for their enforcement. These laws, regulations, mandatory general administrative provisions and Mexican Official Standards require us to obtain and maintain updated in some cases, certain environmental, health, safety, urban development and civil protection approvals, licenses to construct and operate our facilities, including those related to the generation of electric energy. These laws, regulations, mandatory general administrative provisions and Mexican Official Standards may also require us to obtain and maintain updated in some cases, among other permits, the following with respect to the construction and operation of our facilities: environmental impact authorizations; risk studies; accidents prevention program authorizations; forestry land use change authorizations; air emissions or comprehensive environmental licenses; local land use permits, construction licenses, works completion notices, operating licenses and approval of internal program for civil protection; registrations as hazardous waste and special handling waste generator; approvals of hazardous waste and special handling waste management plans; concession titles for the use and exploitation of national waters and permits for the discharge of wastewaters; and concession titles for the use and occupation of federal zones or installation of new equipment required for our operations. See "*Regulatory, Environmental Matters and Permits*" and "*Environmental and Sustainability Matters*." A failure to obtain and maintain any of these authorizations, licenses, permits, registrations, and concessions could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes. In particular, our thermal generation Projects depend on adequate water supply for their cooling and steam generation processes. Any disruption to our water supply arrangements, including as a result of disputes with water suppliers or failure to maintain required water concessions or comply with applicable water supply and wastewater discharge obligations under the National Waters Law (*Ley de Aguas Nacionales*), could result in fines and in severe cases in the revocation of concessions and permits, and could adversely affect the operations of the affected Projects.

Once obtained, these authorizations, permits, concessions, registrations, and licenses may need to be amended, updated, extended or renewed, and require ongoing compliance with their respective terms and conditions, which may entail additional costs or operational adjustments. Additionally, compliance with obligations, terms and conditions set forth therein may in some cases be expensive, difficult, or economically unfeasible, thereby curtailing future operations. While we maintain policies and procedures designed to ensure compliance with applicable legal and regulatory requirements, there can be no assurance that the relevant authorities will not adopt differing interpretations or identify instances of non-compliance. Moreover, governmental agencies could take enforcement actions against us for our failure to comply with applicable laws, regulations, Mexican Official Standards, mandatory general administrative provisions, and related policies. These enforcement actions could include, among other things, the imposition of safety measures, such as temporary, total or partial closure of a facility, and administrative sanctions such as economic fines or remediation obligations, the seizure of machinery and equipment, the revocation of licenses and/or the temporary or permanent, total or partial closure of a facility, and, in extreme cases possible (albeit unlikely) imprisonment if environmental violations are classified as criminal offenses. Compliance with enhanced environmental regulations, including as a result of any environmental contamination or pollution for which we may be held liable in the future, or the identification of previously unknown conditions, could require us to divert resources to make capital expenditures or incur other costs. In addition, complying with environmental laws, regulations, Mexican Official Standards, mandatory general administrative provisions and related policies, including obtaining related licenses, permits, concessions, registrations and/or authorizations, could cause delays in the schedule of construction and improvements of any of our ongoing projects and/or facilities for the generation of energy. Private parties may also have the right to pursue legal actions to enforce compliance and to seek damages for personal injury, property damage, environmental damage caused to third parties or for violations with respect to environmental laws, as well as compensation or remedial action for any environmental damage or site contamination, as the case may be, which is independent of any civil, criminal or administrative liability. Failure to comply with these authorizations, permits, concessions, registrations and licenses, as well as the obligations, terms and conditions stemming thereof could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

The Mexican Federal Environmental Liability Law (*Ley Federal de Responsabilidad Ambiental,* or the "Federal Environmental Liability Law"), which became effective in July 2013, provides for significant penalties for damages to the environment and could subject us to significant liability in the event of any such damage. Although such law has been rarely applied for purposes of enforcement of environmental liabilities arising from specific projects throughout Mexican territory, and while the most common type of liabilities related to deviations with the aforementioned federal environmental laws in Mexico is still managed from the administrative stance, we cannot predict the outcome of any action brought against us or the extent to which we could be held liable under such law. See "*Regulatory, Environmental Matters and Permits*" and "*Environmental and Sustainability Matters*." The cost of remediating or providing compensation for any environmental damage could be significant

and could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

Mexico is also a party to many international agreements regarding environmental protection. We anticipate that the regulation of our business operations under Mexican federal, state and local environmental, regulations and mandatory general administrative provisions, will increase and become more stringent over time, including as a result of international agreements. Such international agreements, upon ratification by the Mexican Senate, become a part of Mexican law. The Agreement on Environmental Cooperation ("ECA"), a side agreement to the United States-Mexico-Canada Agreement ("USMCA"), includes core obligations for the parties thereto (including Mexico) to maintain high levels of environmental protection and robust environmental governance, including commitments to each other party to the USMCA, to enforce environmental laws, not deviate from these laws to encourage trade or investment; promote transparency, accountability and public participation; and ensure environmental impact assessment processes are in place for projects having potential adverse effects on the environment.

Regarding the Dulces Nombres II project an inspection visit was conducted by PROFEPA, during which certain irregularities were identified; however, no formal notice initiating an administrative proceeding has been served as of the date hereof.

Certain environmental authorizations and municipal permits may not reflect updated ownership or may be subject to potential administrative sanctions.

Certain of the environmental authorizations and licenses required for the operation of the Projects may not reflect the current ownership structure of the relevant Project Companies. In particular: (i) the initiation of the process before SEMARNAT to effect the change of holder of the existing environmental impact authorizations for the El Carmen, Dulces Nombres II, Bii Nee Stipa and Dos Arbolitos projects; (ii) the completion of such change of holder for the Bii Nee Stipa and Dos Arbolitos projects; and (iii) the change of holder of the sole environmental license for the Cogeneración Monterrey project.

Under applicable Mexican environmental laws and regulations, the failure to timely update the holder of environmental authorizations or licenses following a change in ownership may result in administrative sanctions. In addition, the current operators of the Projects may face difficulties in evidencing their legal standing as holders of such permits before the relevant authorities, which may hinder their ability to submit filings, obtain amendments, respond to inspections or otherwise act on a timely basis in administrative proceedings. Any such delays or limitations could complicate interactions with authorities and may result in adverse outcomes.

In addition, certain construction licenses were not made available for some of the Projects and no work completion notices were made available for any of the Projects. Although the statute of limitations applicable to the imposition of administrative sanctions by the relevant municipal authorities is generally five (5) years, such period has not yet elapsed with respect to the Dulces Nombres II and Cogeneración Monterrey projects. As a result, the competent authorities may still initiate administrative proceedings or impose sanctions in connection with such matters.

Any of the foregoing could result in economic penalties, delays in operations or, in extreme cases, the temporary suspension of activities, which could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to make payments under the Notes.

Absence of or noncompliance with material environmental permits could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

Several permits and authorizations on environmental, civil protection and urban development matters for the Projects require regular renewals or updates, which may be extensive depending on specific permit regulations. The requirements and response times for approval can vary significantly depending on the state and municipality where the facility is located, which can occasionally exceed the legally-mandated period for issuing a response. Delays in the approval process or regulatory changes can pose challenges for the Projects, as this situation can potentially impact compliance with regulatory obligations. While obtainment of these concessions is likely, failure to secure them could result in the removal of the infrastructure placed within the area of the concession, the levying of material fines and/or have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

With regards to the related concession for the use and occupation of the federal zone of national water bodies and permits for the construction of hydraulic infrastructure issued by the CONAGUA, the Solar Santiago (Iberdrola Renovables Centro, S.A. de C.V.) and Wind Santiago (Iberdrola Renovables del Bajío, S.A. de C.V.) projects have twelve requests of concession in process of filing with CONAGUA.

Sanctions for operating without proper Environmental Impact Authorization or Forestry Land Use Change Authorization could include fines and possible total or partial, temporary or permanent closure of the affected projects.

Failure to maintain any of the aforementioned permits or any breach of our obligations thereunder, could result in a total or partial, temporary or permanent closure of facilities of the corresponding Project, should the authority consider there is risk of environmental damages or noncompliance with applicable safety measures and in the levying of material fines, which could in turn have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

Our self-supply and cogeneration permits limit our ability to expand operations and add new offtakers or load points.

Some of our Project Companies operate under self-supply (*autoabastecimiento*) permits (PIER, PIER II, PIER IV, Bii Nee Stipa, PEM/Ventosa and Wind Dos Arbolitos) and cogeneration permits (ICR, ICB and ICA) issued under the former LSPEE framework. The current rules that apply to such permits limit the ability of such Project Companies to service new off-takers or new load points of our existing off-takers. Consequently, unless we migrate our self-supply (*autoabastecimiento*) and cogeneration operations to the LSE framework, which is something that we may not be able to do because of our existing commitments with our off-takers, or we may not want to do because, among other things, we could be subject to the payment of increased wheeling costs, we may not be able to replace our existing off-takers upon expiration of the PPAs we have entered into with them, which may force us to migrate the operations of such Projects to the LSE framework.

Also, certain of our Project Companies have effectively migrated or are in the process of migrating their operations from the self-supply (*autoabastecimiento*) regime to the MEM regime under the LSE. Specifically, Dulces Nombres II (operated by ENCO) migrated its Project to MEM in 2024. Cogeneración Monterrey (also operated by ENCO, as ECM) migrated its Project to MEM in 2025. These migrations have resulted, and may continue to result, in changes to the revenue structure, energy pricing and the allocation of wheeling costs of those Projects, which could affect our financial results. Also, under the MEM scheme, energy prices are determined by market dynamics and may therefore be lower than prices charged to our offtakers under our self-supply arrangements.

These limitations restrict our ability to grow revenues from these projects and may adversely affect our ability to replace revenue if existing offtakers terminate their arrangements or reduce their energy consumption. We may evaluate the migration of our self-supply and cogeneration permits to the different regimes permitted under the LSE, including the cogeneration modality provided for under the LSE; however, we cannot assure you that such migration would be feasible or that it would not result in adverse consequences for our operations. Any inability to expand our customer base or replace existing offtakers could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and our ability to make payments on the Notes.

Climate change could disrupt our operations, cause us to incur substantial additional capital and operating costs or negatively affect our business.

A number of our Projects are located in coastal areas, which subjects them to the risks associated with severe tropical storms, hurricanes and tornadoes and many other of our facilities are subject to the risk of earthquakes, floods, fires, tornadoes, commercial vessels' activity in coastal areas or other similar casualty events. These events could cause substantial damages, including downed transmission lines, flooded facilities, power outages, fuel shortages, network congestion, delay or failure, damaged or destroyed property and equipment, and work interruptions. Due to substantial deductibles, coverage limits and exclusions, and limited availability, we have typically recovered only a portion of our losses through insurance. In addition, the output of our renewable energy projects is dependent on weather and climate conditions, including wind speeds, solar irradiance and seasonal variability. Certain of our solar projects, including Cuyoaco and Santiago, have in the past experienced production declines due to curtailment and resource variability and our wind projects have experienced fluctuations in production due to wind resource availability.

Climate change may increase the frequency or severity of natural disasters and other extreme weather events in the future, which would increase our exposure to the above-cited risks and could disrupt our supply chain from our key suppliers and vendors. Also, concern over climate change may result in new or increased legal and regulatory requirements to reduce or mitigate the effects of climate change, which could result in significant increased costs and require additional investments in facilities and equipment, thereby negatively affecting our business and operations. In addition, any failure to achieve our goals or regulatory mandates with respect to reducing our impact on the environment could result in the adverse impacts noted above.

Environmental regulations and social responses, including in connection with efforts to address climate change, could result in material adverse effects on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

A number of legal and regulatory measures as well as social initiatives have been and may continue to be introduced both internationally and in Mexico, at the federal or state level, in an effort to reduce greenhouse gases and other carbon emissions and shift consumer markets toward renewable energy sources. According to the SEMARNAT, renewables must represent 35% of total generation in Mexico by 2030 and 50.0% by 2050.

Several of our Projects use natural gas as their main source of energy for their operations. Fossil fuel sources of energy could face higher costs due to imposed regulation, therefore increasing our power generation cost.

Mexico has ratified the United Nations' Framework Convention on Climate Change, as well as the Paris Agreement, committing to reducing its greenhouse emissions. As a result, several regulatory and institutional measures have been enacted by the Mexican Government, including the General Law on Climate Change (*Ley General de Cambio Climático*) and Regulations on matters of the National Registry of Emissions, under which all stationary sources of air emission generating 25,000 tons or more of CO2 annually are required to measure and verify direct and indirect greenhouse emissions.

On a state level, various states like San Luis Potosí, Nuevo León and Tamaulipas have implemented green taxes through which certain tax rates are established for the generation of greenhouse gas emissions into the atmosphere as a result of production activities, like combined cycle energy generation facilities. However, other states where operations are conducted may implement in the future green taxes that may cause certain impacts on the business profitability.

In addition, in 2020, the Mexican Government began a trial period of the Mexican Emissions Trading System (*Sistema de Comercio de Emisiones* or the "Mexican Emissions Trading System"), which will work as a cap-and-trade system. After the three-year trial period, the Mexican Government is expected to establish greenhouse emissions limits per industry, including the fossil-fueled power industry. To date, no regulations or guidelines for the operational phase of this regime, establishing greenhouse emissions limits per industry, have been published, but all sources of greenhouse gas emissions from the regulated sectors, including each of our combined cycle energy generation facilities, will have to meet such limits or trade allowances in the Mexican Emissions Trading System. We cannot anticipate at this time how or when the Mexican Emissions Trading System, or the cap on greenhouse emissions or any other future act by the Mexican Government, at a federal or state level, will affect our operations. However, this regime as well as future legislation and regulations related to climate change, may compel us to reduce the emissions of our Projects or acquire carbon credits from the market, which could force us to incur additional costs and could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

Interconnection Agreements entered into with CFE may be terminated by CFE before they expire upon the occurrence of certain events. Termination of such agreements would adversely affect our ability to maintain the interconnection of our Projects to the RGT or the RGDs, which could in turn adversely affect our business, financial condition, results of operations, cash flows and/or our ability to repay the Notes.

Our power interconnection agreements entered into originally with CFET, which merged-back into CFE as a result of the LSE, are essential for our Projects operating under the LSPEE framework (Wind PIER, Wind PIER II, Wind PIER IV, Wind Bii Nee Stipa, Wind PEM/Ventosa, Wind Dos Arbolitos, Cogeneration Ramos, Cogeneration Altamira, and Cogeneration Bajío) and the LIE framework (El Carmen, Dulces Nombres II, Cuyoaco, Hermosillo, Santiago (Solar), Santiago (Wind), and Cogeneration Monterrey). CFE has the right to terminate our interconnection agreements upon the occurrence of certain events. If any interconnection agreement is terminated, we would be unable to continue operating the Project associated with that agreement and may not

be able to secure interconnection for that Project, at least simultaneously with such termination. The termination of any of our interconnection agreements and the resulting suspension of the operations of any of our Projects, or the imposition of changes to the manner in which we operate any of our Projects as a result of changes to interconnection agreements by CFE, CNE or CENACE, could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

The Audited Consolidated Financial Statements are not indicative of our future financial performance and do not include all the information investors need to evaluate in connection with an investment in the Notes.

As part of Iberdrola and its corporate group, the Group Companies whose Audited Consolidated Financial Statements are included elsewhere in this Offering Memorandum have historically benefited from economies of scale and efficiencies resulting from being part of the Iberdrola group. As a business independent of Iberdrola, we may not obtain the same level of efficiency and supplier discounts historically received. The preparation of financial statements requires management to make certain estimates and assumptions, either at the balance sheet date or during the period that affects the reported amounts of assets and liabilities as well as expenses. Lastly, the Audited Consolidated Financial Statements do not include information about the results of operations, assets, liabilities and shareholders' equity of the Issuer, including the indebtedness incurred by the Issuer as part of the Bridge Facility, the equity capital contributed into the Issuer as part of the Acquisition Equity Financing, the obligations under derivative instruments entered into to hedge certain risks associated with the Bridge Facility, as well as the interest expenses and other financing and transactions costs incurred by the Issuer in connection with the Acquisition Financing and the consummation of the Acquisition.

Our business depends on a limited number of customers.

A significant portion of the energy generated by our Projects is sold under long-term PPAs with a limited number of direct counterparties, including our qualified supply subsidiary, Iberdrola Clientes, and certain industrial offtakers under self-supply and cogeneration arrangements. While our qualified supply business serves approximately 500 end clients across diversified industrial sectors, our business nonetheless relies on these PPAs and related contractual arrangements for a material portion of our energy sales and revenues.

The PPAs entered into by our Project Companies are subject to:

- early termination provisions upon the failure of a party to perform its obligations;
- suspension or termination provisions for force majeure events; and
- standard liability limitations.

If our principal customers were to fail to perform or become unable to meet their obligations under their PPAs with our Project Companies, we may be required to prematurely terminate these PPAs. Also, depending on market conditions and regulatory requirements, it may be difficult for our Project Companies to secure long-term PPAs with new customers or replace existing PPAs as they expire on comparable terms or at all. Any of these circumstances could have an adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes and affect our ability to make payments on the Notes. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Trends and Factors Affecting our Results of Operations—Customer Concentration*."

Failure to perform under our PPAs or the early termination of our PPAs could result in reduced revenue and could materially adversely affect our results of operations and ability to make payments on the Notes.

Our principal assets are our Projects. As a result, in order to make payments on the Notes, we are dependent upon the cash flows produced by our Projects, and the broader contractual arrangements of our subsidiaries, which are derived from the PPAs and other revenue-generating contracts entered into by our Project Companies. These PPAs are subject to termination prior to expiration in certain circumstances, including default by us.

Certain of our Project Companies operate under self-supply (*autoabastecimiento*) permits and cogeneration permits. The PPAs associated with these permits are entered into with authorized self-supply partners or associated cogeneration facilities, as applicable. The corresponding Project Company is responsible

for maintaining in full force and effect the Project's permits during the term of the PPAs. Failure to comply with this obligation could result in an event of default under the applicable PPAs.

The cogeneration permits for ICR, ICA and ICB expire in 2036, 2038 and 2037, respectively. Upon expiration of such permits, the applicable Project Companies will be required to migrate to the regulatory framework then in effect under the LSE, which may affect our ability to continue operating under the existing PPA arrangements. The rules and regulations governing the migration of legacy self-supply and cogeneration permits from the LSPEE framework to the LSE framework have not yet been finalized. If such migration rules impose additional conditions or limitations, including requirements related to the Minimum Infrastructure for Sustainable Electric Service (*Infraestructura Mínima para el Servicio Eléctrico Sustentable or "MISSE")* or binding planning (*planeación vinculante)*, our ability to renew or transition these permits could be adversely affected, which could in turn have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

When a PPA expires or is terminated, it may be difficult for us to secure a new PPA on acceptable terms or timing, if at all. The price received under subsequent arrangements may be reduced significantly and there may be a delay in securing a new PPA until a significant time after the expiration of the original PPA. In the case of certain PPAs, the penalty for early termination may not fully compensate us for the loss of future revenues. Any of the above could materially adversely affect our results of operations and ability to make payments on the Notes.

We do not have 100% control over certain Project Companies that are structured as joint ventures, which may limit our operational flexibility.

PIER, PIER II and PIER IV are not 100% controlled by us. The joint venture nature of these entities implies certain limitations on absolute control in aspects such as decision-making.

ILER holds a minority interest in PIER 49%, PIER II 49%, and PIER IV 49%. Certain decisions require the affirmative vote of 66% of the capital stock of PIER, PIER II, and PIER IV at a shareholders' meeting, meaning that ILER's consent is required for, among others, a direct or indirect sale or any transfer of more than 20% of the consolidated assets of PIER, incurrence of debt, the granting of guarantees or assumption of indemnity obligations in connection with obligations of third parties. PIER has a credit agreement with NAFINSA (Nacional Financiera, S.N.C.) that includes change of control provisions that could be interpreted to be triggered by the Acquisition. PIER II previously had a credit agreement with NAFINSA (Nacional Financiera, S.N.C.) in the amount of U.S.$10.6 million as of December 31, 2024, which was fully repaid in the first quarter of 2025. PIER also has a credit agreement with ILER, which is not part of the Acquisition perimeter.

These joint venture arrangements may limit our ability to make certain operational or strategic decisions, dispose of assets, or restructure our business in ways that we may otherwise consider beneficial. Any disputes or disagreements with our joint venture partners could result in delays, increased costs or inability to pursue certain business opportunities, which could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and our ability to make payments on the Notes.

We incur significant expenses to maintain and upgrade our operating equipment and Projects, and any interruption in the operation of our facilities may decrease the capacity payments we are entitled to receive under our PPAs and consequently harm our operating performance.

We regularly incur significant expenses to maintain and upgrade our equipment and Projects. The machines and equipment that we use to produce our capacity are complex, have many parts and some are run on a continuous basis. We must perform routine maintenance on our equipment and will have to periodically replace a variety of parts such as motors, pumps, pipes and electrical parts. In addition, our Projects require periodic shutdowns to perform major maintenance and upgrades. These scheduled shutdowns of Projects result in decreased sales and increased costs in the periods in which a shutdown occurs and could result in unexpected operational issues in future periods as a result of changes to equipment and operational and mechanical processes made during the shutdown period.

In addition to scheduled maintenance, we may have to conduct unscheduled maintenance works on our power generation assets. In such cases, our power generation assets might be unavailable for longer time periods than anticipated and, as a result, our capacity payments could be further reduced. For example, Dulces Nombres II experienced unexpected compressor and gas turbine damage in 2023, resulting in an Availability Factor of 65%, before recovering to 92% in 2024. During the periods of reduced availability, Dulces Nombres II was required to

purchase backup energy from the market to fulfill its supply obligations, which impacted our revenue. Additionally, if unscheduled maintenance is required, we may need to make additional unanticipated capital investments to repair our assets and restore their availability and reliability, in which case, the capital spent in connection with those repairs is also expensed as incurred. As a result, while we maintain business interruption insurance that would help us restore our cash position in any such instances, unscheduled major maintenance works nevertheless impacts our results of operations in the periods in which such expenditures are made, which, in turn, may affect our ability to make payments under the Notes.

In 2024, our El Carmen facility experienced a compressor failure that resulted in an unplanned outage during May to June 2024 and a non-recurring impact on Further Adjusted EBITDA for the year, driven primarily by elevated spot energy purchases, adverse Capacity Balance Market settlements and repair costs (partially offset by indemnity and insurance recoveries), and although corrective measures have been implemented and availability improved to approximately 89% in 2025, our CCGT and cogeneration facilities rely on complex, high-temperature equipment subject to operational stress, fatigue and latent defects. Accordingly, any recurrence of a prolonged outage, particularly during periods of high demand and elevated prices, could require significant replacement energy purchases at costs above contracted levels, which could materially adversely affect our business, financial condition, results of operations, cash flows, prospects and ability to repay the Notes. See "*Summary Historical Financial Data—Adjusted EBITDA, Further Adjusted EBITDA and Free Cash Flow*."

When we enter into fixed-price long-term PPAs, we are exposed to inflation, interest rate, foreign exchange and counterparty credit risks.

We generally endeavor to secure long-term contracts with creditworthy customers for services and commodities, such as our PPAs, to optimize the use of our Projects and reduce volatility in earnings. However, if these contracts are at fixed prices or tariffs, the profitability of the contract may be adversely affected by inflationary pressures (in the case of contracts which are not adjusted for inflation), including rising operational costs and commodity prices, fuel costs, costs of labor, materials and equipment, rising interest rates that affect financing costs, and changes in the U.S. dollar to Mexican peso exchange rate. Furthermore, if future contracts are indexed to inflation, the profitability of the contract may be adversely affected by lower inflationary pressures, including lower operational costs and commodity prices, fuel costs, costs of labor, materials and equipment, lower interest rates that affect financing costs, and changes in the U.S. dollar to Mexican peso exchange rate. In addition, our contract counterparties to long-term contracts, including our PPAs, may potentially default on their obligations under these agreements. We would be materially and adversely affected if the counterparties under these contracts do not perform (such as a result of force majeure events) their contractual obligations under these agreements. In some instances we may hedge anticipated exposure to currency risks and/or interest rates risks that affect financing costs. If we fail to appropriately hedge against any interest rate risks (including by failing to match relevant projected cash flows), then we may be exposed to prevailing interest rate volatility, which could materially adversely affect our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes. In addition, Mexican courts have had limited relevant experience with derivative financial transactions, and as a result, the outcome of derivative disputes being decided through the Mexican judicial system cannot be predicted.

In addition, our PPAs entered into under the self-supply and cogeneration regimes, covering nine of our Projects with an aggregate net capacity of approximately 645 MW (approximately 25% of our total installed capacity), are structured to pass-through our fixed and variable costs, including fuel costs, to our offtakers. Specifically, under the self-supply regime, PPA contracts structure the sale price as a pass-through of gas prices, transmission costs, and administrative expenses, while CFE tariff-referenced agreements index the price to the CFE tariff, typically applying a discount. We cannot guarantee that our future contracts will be structured in similar terms. We are exposed to dispatch and fuel price risk in instances where the gas pass-through charge is not achieved in full, particularly during periods of variable load or partial operation. Our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes could be materially adversely affected if we cannot fully pass-through our fuel costs to our offtakers. See "*—Our businesses are exposed to market risks, including fluctuations in commodity prices, which could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes*".

Any of the foregoing factors could have an adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

We could be adversely affected if our counterparties fail to perform under our PPAs, Gas Supply Agreements or O&M Agreements or if we are unable to replace key suppliers and operators.

If any of our PPA counterparties, our suppliers or operators were to fail to perform or become unable to comply with their obligations or to make payments when due on a timely basis, or if any or all of the agreements we have entered into with those persons are prematurely terminated, it could have an adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes. Our Projects depend on a limited number of key suppliers for services, including single-source O&M providers (such as GE for the cogeneration facilities and Dulces Nombres II, Mitsubishi for El Carmen) and single-source fuel suppliers (such as Pemex for the cogeneration facilities, Kinder Morgan for natural gas transportation to Dulces Nombres II, and Trailstone Energy Marketing de México for natural gas supply to Dulces Nombres II). The loss of any of these key suppliers, or their inability or unwillingness to perform their obligations, could disrupt the operations of the affected Projects and require us to procure replacement services or fuel supply on short notice and potentially on less favorable terms.

Our thermal Projects depend on natural gas supply provided under six Gas Supply Agreements entered into with CFEnergía (for El Carmen), Engelhart/Kinder Morgan (for Dulces Nombres II) and Pemex Transformación Industrial (for the cogeneration facilities at Ramos, Bajío, Altamira and Monterrey), with an aggregate maximum daily quantity of approximately 234,076 MMBtu/day. Four of our six Gas Supply Agreements are with Pemex Transformación Industrial. Certain of these agreements, including those with Pemex for the cogeneration facilities at Ramos, Bajío and Altamira, have no established maturity date and are renewed on an ongoing basis for so long as the underlying generation permit remains valid, while others, including the agreements for Dulces Nombres II (expiring March 31, 2028) and Cogeneration Monterrey (expiring July 31, 2028), have fixed terms that expire during the life of the Projects they service. If any of these Gas Supply Agreements are terminated, not renewed or renegotiated on less favorable terms, or if any of our gas suppliers fail to deliver the contracted quantities, we may be required to procure replacement fuel supply on short notice, on less favorable terms or at spot market prices, which could result in significantly higher fuel costs and materially adversely affect the operations and cash flows of the affected Projects. See "*—Our ability to generate electricity at our natural gas operating Projects depends on the availability of natural gas, and fluctuations in the supply and price of natural gas could materially adversely affect our results of operations in a number of ways*."

Additionally, the O&M agreements for our cogeneration Projects ICR, ICA and ICB contain change of control provisions that (i) prohibit the sale, assignment or transfer of the projects to competitors of the operator without the operator's prior written consent, and (ii) grant the operator the right to terminate the agreement in the event of an unauthorized change of control. If such termination rights are exercised, the applicable Project Company would be required to pay the operator all amounts owed through the termination date plus a penalty.

We cannot assure you that upon the termination of any of the PPAs we will be able to secure PPAs with other customers on a long-term basis or sell our energy and capacity in the MEM, in each case, on favorable terms or at all. Similarly, we cannot assure you that upon the expiration or termination of any of our Gas Supply Agreements we will be able to enter into replacement gas supply contracts on comparable terms, or at all, which could expose us to spot market pricing and supply volatility.

Any of the foregoing events could have an adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

Our ability to generate electricity at our natural gas operating Projects depends on the availability of natural gas, and fluctuations in the supply and price of natural gas could materially adversely affect our results of operations in a number of ways.

The delivery of natural gas to fuel some of our Projects is dependent upon a number of factors, including the continuing financial viability of contractual counterparties and the infrastructure (including barge facilities, roadways and natural gas pipelines) available to serve each Project. Any disruption in the fuel delivery infrastructure or failure of a counterparty to perform may lead to delays, disruptions or curtailments in the production of power at one or more of our Projects.

Our natural gas operating Projects rely on a limited number of natural gas suppliers and pipeline operators for natural gas transportation. In the event of shipping delays which may affect our suppliers, we may experience delays in the receipt and transportation of our natural gas. Additionally, the fuel suppliers who supply fuel to some of our Projects operate under an open market and we may face competition to source fuel supply, which may affect our ability to obtain fuel at favorable prices or at all.

If these suppliers cannot perform under their contracts, our natural gas operating Projects would be unable to generate electricity, which could prevent us from fulfilling our contractual obligations and, in turn have a material adverse effect on our business and financial results. Continued supply of natural gas to such Projects is dependent upon a number of factors over which we have no control. Natural gas prices have historically been volatile and future increases or decreases in such prices could materially affect our cost structure and, depending on pass-through mechanisms in our PPAs, our margins. Additionally, the payment terms in our agreements with suppliers are considered customary in the markets in which we participate; however, a material change in the payment terms with our strategic suppliers could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

Furthermore, certain of our natural gas suppliers and distribution service providers also supply natural gas transportation services to other natural gas-fueled generation facilities in Mexico. A change in the terms of any of these suppliers' agreements with us or other power generators, or a failure by any such supplier to meet its contractual obligations, could have a significant effect on Mexico's overall electricity supply and could, therefore, prompt Mexican Government authorities to undertake remedial or other actions that may adversely affect our operations.

We are also exposed to the risk that our natural gas suppliers as a result of market transactions or other long-term agreements fail to perform their obligations under such agreements. Should they fail to perform, we may be required to acquire alternative hedging arrangements or to honor underlying commitments by making purchases from other suppliers at then-current market prices. In such event, we may incur additional losses to the extent of amounts paid to such suppliers. Furthermore, any financial difficulties suffered by our suppliers and potential suppliers could increase our costs or adversely impact the operation of our energy infrastructure. Our suppliers may also be subject to international political and economic pressures and risks, which may affect the supply of natural gas.

The financial condition of any of our natural gas suppliers could be harmed by a number of events, including natural disasters, accidents or acts of terrorism, which could restrict the suppliers' ability to fulfill their obligations to us.

Moreover, most of our agreements are scheduled to expire during the life of our gas-fueled Projects which they service. If we are unable to renew these agreements, or enter into substitute natural gas supply contracts and, in particular, enter into long-term supply contracts, we may be required to purchase our natural gas on spot markets at prices that may be significantly greater than the prices we previously paid for such commodities, or may be unable to purchase such commodities on competitive prices at all. As a result, we could face increased volatility in our earnings and cash flows and could experience substantial losses during certain periods which could have a material adverse effect on our business, financial condition, results of operations or liquidity.

Hydrocarbon price volatility could have an adverse effect on our suppliers, which could have a material adverse effect on our financial condition.

The income and cash flows of our suppliers, including Pemex, depend on the prices of crude oil, petroleum products and natural gas. Hydrocarbon prices are highly sensitive to trends in economic activity, actual and perceived threats to global geopolitical stability and to changes in production from OPEC and OPEC+ member states and other oil-producing nations. Any destabilization of or increased volatility in global hydrocarbon prices could have a negative effect on our suppliers' revenues. Any increases in oil and natural gas prices may not persist and could be followed by price decreases based on factors beyond our or our suppliers' control, including geopolitical events.

Some rating agencies have expressed concern regarding Pemex's financial condition, including its aggregate debt, which has increased significantly in recent years. Pemex is one of our main suppliers, with five of our Projects relying on Pemex for their fuel supply. If Pemex becomes unable to satisfy its contractual obligations to us, this could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes. See also "*—Our ability to generate electricity at our natural gas operating Projects depends on the availability of natural gas, and fluctuations in the supply and price of natural gas could materially adversely affect our results of operations in a number of ways*."

Our ability to generate electricity at our wind and solar Projects depends on suitable meteorological conditions outside of our control. Unfavorable wind conditions may have an adverse impact on the electric energy output

and the revenues generated by it, which may in turn have a material adverse impact on our financial condition and results of operation.

The electricity produced, and revenues generated by, our wind Projects (PIER, PIER II, PIER IV, Bii Nee Stipa, PEM/Ventosa and Wind Dos Arbolitos) and solar Projects (Cuyoaco, Santiago and Hermosillo) are highly dependent on suitable meteorological conditions and associated weather patterns over which we have no control.

For our wind Projects, unfavorable wind and atmospheric conditions, including those resulting from changes in wind patterns, climate change and seasonal variations could impair the effectiveness of their turbines, reduce their output beneath their rated capacity or require a shutdown of key equipment, hampering such Projects' operation and our ability to achieve forecasted revenues and cash flows. We have and may in the future experience declines in total energy production primarily driven by lower wind resources and curtailment affecting our assets. While we use sophisticated forecasting models to predict wind resources, there can be no assurance that these forecasts will be accurate, and any significant discrepancies could have a material adverse effect on our business, financial condition and results of operations.

For our solar Projects, unfavorable solar irradiance conditions, including those resulting from cloud cover, dust, pollution, seasonal variations and climate change, could impair the effectiveness of photovoltaic assets and reduce their output beneath their rated capacity. Additionally, extreme temperatures may reduce the efficiency of solar panels and other equipment.

Any of the above meteorological factors could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and our ability to make payments on the Notes.

Our Projects rely on power transmission facilities that we do not own or control and that are subject to transmission constraints. If transmission capacity is inadequate, we may be restricted in our ability to deliver capacity and electricity and may either incur additional costs or forego revenues.

Some of our Projects currently and in the future may depend upon transmission facilities owned and operated by CFE to deliver the electricity we sell. If transmission is disrupted for any reason, CENACE may have to curtail the operation of our Projects and our ability to sell and deliver electricity may be adversely impacted. If the power transmission infrastructure in one or more of the markets that we serve is inadequate, our recovery of costs and profits may be limited.

CFE, which is responsible for electricity transmission and distribution, may not have sufficient incentive to budget for expansion of transmission and distribution infrastructure or could be limited by political policies or political activities. We cannot predict whether transmission or distribution facilities will be expanded in specific markets to accommodate competitive access to those markets, a failure of which could have a material adverse effect on our business, financial condition, results of operations and liquidity. Moreover, the specific constraints of the transmission infrastructure located near our wind Projects (PIER, PIER II, PIER IV, Bii Nee Stipa, PEM/Ventosa and Wind Dos Arbolitos), solar Projects (Cuyoaco, Santiago and Hermosillo) and cogeneration Projects (ICR, ICB and ICA) could affect our ability to inject into the grid electricity generated by such Projects. Such constraints could result from lack of infrastructure planning, maintenance, failures or other factors. For instance, certain of our assets have experienced curtailment-related production declines as a result of network saturation in the areas where they are located.

The outcome of pending tax administrative procedures in Mexico against us, which we may not be able to successfully contest and/or be indemnified for, could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

As of the date of this Offering Memorandum, tax proceedings with Mexico´s Tax Administration Service (*Servicio de Administración Tributaria,* or "SAT") involving the Group Companies include disputes and audits with aggregate amounts in dispute totaling approximately U.S.$5 million.

If any of these claims are resolved unfavorably, the abovementioned Project Companies may ultimately be required to pay amounts levied together with certain interests, penalties and fees associated with such claims, which could have a material impact on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes. In addition, Mexican tax authorities have the power to audit Mexican companies, so the Project Companies may be subject to additional tax audit procedures, which could

result in tax-related claims in the future. Any such future claims, to the extent significant and resolved unfavorably, may also have an adverse impact on the business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

If the outcome of any tax audit is unfavorable, or if a fine is otherwise imposed and not fully paid or discharged, we may be in default under the Finance Documents and, as a result, our debt holders could declare all outstanding principal and interest to be due and payable, the lenders under our Finance Documents could terminate their commitments to lend us money and foreclose against the assets securing our borrowings, and we could be forced into or may resort to bankruptcy (*concurso mercantil*) or liquidation. Furthermore, the impact any fine would have on our financial condition, including as a result of any actions or measures we would be forced to implement as a result, could have a material adverse impact on our business, results of operations, cash flows, prospects and/or our ability to repay the Notes.

Tax legislation is often amended by the authorities. These amendments or interpretations by the relevant authorities, which may differ from our own, may have a material impact on the business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

The operation of our Projects involves various operating risks, including availability risks, technology risks and other risks beyond our control.

There are a variety of hazards and operating risks inherent in our business, such as leaks, interruptions to power supplies, technical failures, human error, flooding, explosions, fire and mechanical problems, as well as deliberate sabotage, that could result in substantial financial losses. In addition, these risks could result in serious injury and loss of human life, significant damage to property, ancillary facilities and natural resources, environmental pollution and impairment of operations, any of which also could result in substantial financial losses. Incidents that cause an interruption of service could negatively affect our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes, while the affected asset is temporarily out of service. The operation of our business involves, among others, the following risks:

- the possibility of performing below expected levels of output or efficiency;
- facility shutdowns due to wear and tear, improper or untimely maintenance, defects, design errors or the breakdown or failure of equipment or processes, or shortages of replacement equipment, consumables such as oil and grease or spare parts;
- unanticipated costs of operations, maintenance and replacement of components, machinery or facilities;
- software defects;
- failure to operate at design specifications;
- operator error or operational accidents;
- breaches of security, including cyber-attacks and other external attacks;
- severe weather conditions or natural or other unanticipated disasters or similar events; and
- government exercise of eminent domain or similar events.

The occurrence of any of these risks could have an adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or affect our ability to make payments on the Notes.

We may encounter significant competition from private generators and suppliers, as well as from CFE.

We sell contracted capacity pursuant to the PPAs, the majority of which are denominated in U.S. dollars. Moreover, under the Indenture we will be permitted to amend or terminate the PPAs, and replace them with one or more contracts or agreements, or not replace them at all, in our sole discretion. The resulting contracts, or lack of contracts, may expose us to additional or different risks than those under our existing PPAs.

The power generation industry is characterized by intense competition, and we may encounter competition from different players, including CFE, Pemex, and other independent power producers and suppliers, including joint development vehicles established by CFE with private investors under the LSE framework. In recent years, there has been increasing competition among generators and suppliers for PPAs, and this has contributed to a reduction in electricity prices where supply has surpassed demand *plus* appropriate reserve margins. Further, changes in technology may facilitate the entrance of new competitors, increase the supply of electricity or reduce the cost of methods of producing power that we do not currently use. If these technologies became cost-competitive, we could face increasing competition and the value of an investment in a project, new or existing, could be reduced. In addition, our Projects may face significant competition for investment opportunities and, to the extent that any opportunities are identified, we may be unable to effect investments on attractive terms, if at all.

The Mexican government has exercised and, as a result of the 2024 Energy Reform and the issuance of the LSE and its regulations, it is expected to continue to exercise substantial influence over many aspects of the energy sector, including through its control over and influence on CFE and Pemex. CFE is the national electricity utility that continues to be owned by the Mexican Government and generates the majority of the electricity consumed in Mexico and is exclusively responsible for the transmission and distribution of electricity throughout Mexico. Pemex, the state-owned oil and gas company, also generates a significant amount of power. The availability of investment opportunities depends in part on governments continuing to liberalize their policies regarding foreign investment and to further encourage private sector initiatives.

SENER has the authority to launch tender processes to award projects developed jointly by CFE and private investors under the Mixed Development (*Desarrollo Mixto*) regime provided. In October 2025, SENER published a first public tender as part of the PLADESE to award power generation permits for a total generation capacity of approximately 6.0 GW, of which 18 projects with approximately 3.5 GW of installed capacity and 1.3 GW of storage capacity were awarded power generation permits in December 2025. Because the awarded capacity fell short of the initial 6.0 GW requirement, it is expected that SENER will launch additional tenders. Furthermore, in February 2026 SENER and CFE launched an additional tender for renewable generation capacity under the Mixed Investment (*Inversión Mixta*) regime, as part of the Mixed Development structure. This tender is ongoing but received positive response with more than 222 projects being considered with approximately 38 GW of installed capacity.

The award of generation permits through these tender processes has increased, and is expected to continue to increase, the number of competitors in Mexico's energy sector, including for offtake arrangements, qualified suppliers, interconnection capacity, and other resources necessary for the development and operation of generation assets.

Increasing competition among participants in the power generation industry or from governments, as well as actions carried out by the current or future Mexican Government administrations seeking to strengthen CFE may negatively affect our results of operations and revenues. See "*Risk Factors—Risks Relating to Mexico—Changes in Mexican governmental policies could adversely affect the economic and political situation in Mexico and our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.*"

Inadequate operating systems and procedures may increase operating costs and the potential incidence of operator error and equipment failure could have a detrimental effect on our operations.

The ability of our Projects to meet minimum availability requirements and generate the required amount of power to be sold to customers may be the primary determinants of our financial results. There is a risk of equipment failure due to wear and tear, more frequent or larger than forecasted downtimes for equipment maintenance and repair, unexpected construction delays, latent defect, design error, operator error or force majeure events, among other things, any of which could adversely affect our financial results. Additionally, older equipment, even if maintained in accordance with good practices, is subject to operational failure, including events that are beyond our control, and may require unplanned expenditures to operate efficiently. Unplanned outages of generation facilities, including extensions of scheduled outages due to mechanical failures or other problems occur from time to time and are an inherent risk of our business. Unplanned outages typically increase operation and maintenance expenses and may reduce our revenues or require us to incur additional costs, sometimes in excess of the price received under the PPAs, as a result of obtaining replacement power from third parties in the open market to satisfy power supply obligations. While we maintain insurance coverage for certain operational risks, including property damage and

business interruption, such insurance may not cover all potential losses, and any insurance proceeds received may be insufficient to fully compensate us for losses incurred.

For example, the El Carmen facility suffered a compressor failure on its gas turbine, forcing the plant to cease operations for a short amount of time in 2024, resulting in lost production leading to an impact to our Further Consolidated Adjusted EBITDA of U.S.$129 million for fiscal year 2024. See "*Summary Financial Data—Operating Profit – EBIT, Gross Operating Profit – EBITDA, Consolidated Adjusted EBITDA, Further Consolidated Adjusted EBITDA and Consolidated Adjusted Free Cash Flow*."

Other assets across the portfolio, including the Dulces Nombres II, cogeneration and wind facilities, have also experienced shutdowns due to various operational and external causes. In addition, certain of our wind projects, including PIER II, Wind Dos Arbolitos and PEM, may lack comprehensive long-term service coverage for major corrective maintenance events, and we may need to procure such services on an ad hoc basis, potentially at higher cost and with longer lead times.

Despite our attempts to create redundancy and reduce systemic risks of equipment failure, we cannot guarantee that any or all of our power generation equipment at any particular plant will not malfunction or otherwise be unavailable to generate electricity for an extended period of time. Any such extended malfunction or unavailability would have an adverse effect on our results of operations and our ability to repay the Notes.

We may be subject to interruptions or failures in, or cyber-attacks on, our information technology systems.

We increasingly rely on sophisticated information technology systems and infrastructure to support our business, including process control technology, environmental responsibility and safety, and monitoring. Any of these systems may be susceptible to outages due to force majeure events, power loss, telecommunications failures, cyber-attacks and similar events. Information technology system failures, network disruptions and breaches of data security could disrupt our operations. Such failures could have an adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes, and we cannot assure you that our business continuity plans, which we expect to continue, will be completely effective during an information technology failure or interruption.

In particular, cyber-attacks against private businesses or government entities may cause significant harm to us or to government entities in the municipalities and regions where we operate. Cyber-attacks, even if not directed specifically against us or our assets, could cause widespread disruptions to our operational and administrative systems, including causing, among other things, (i) the destruction of critical information or (ii) a catastrophic event including the total or partial loss of an asset, which could have a material adverse effect on our business, financial condition, results of operations, cash flows or prospects.

New business technologies present a risk for attacks on our information systems and the integrity of our energy infrastructure.

Elements of our energy infrastructure may be exposed to cybersecurity risks. In addition to general information and cyber risks, such as malware, malicious intent by insiders and inadvertent disclosure of sensitive information, the energy industry faces evolving cybersecurity risks associated with protecting sensitive and confidential customer information, smart-grid infrastructure, automated metering, and other electronic infrastructure components. Deployment of new business technologies represents a new and large-scale opportunity for attacks on information systems and confidential information as well as the integrity of the energy grid and natural gas infrastructure. While our computer systems have been, and will likely continue to be, subjected to computer viruses or other malware, unauthorized access attempts and cyber or phishing attacks, to date we have not experienced a material breach of cybersecurity. Addressing these risks is the subject of significant ongoing activities across our business, but we cannot ensure that a successful attack will not occur. An attack on our information systems, the integrity of the energy grid or one of our facilities, destruction of critical operating systems and data, or the unauthorized access to confidential customer information could result in energy delivery service failures, financial loss, violations of privacy laws, customer dissatisfaction and litigation, any of which, in turn, could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

In the ordinary course of business, we collect and retain sensitive information, including personal identification information about customers and employees, customer energy usage and other information. The theft, damage or improper disclosure of sensitive electronic data can subject us to penalties for violation of

applicable privacy laws, subject us to claims from third parties, require compliance with notification and monitoring regulations, and harm our reputation.

Finally, the goal of a cyber-attack may be primarily to inflict large-scale harm on a company and the places where it operates. Any such cyber-attack could cause widespread disruptions to our operating and administrative systems, including the destruction of critical information and programming, which could have a material adverse effect on our business operations and the integrity of the power grid, and/or release confidential information about us and our customers, employees and other constituents.

Our insurance contracts may be inadequate, and, if a significant accident or event occurs for which we are not adequately insured, our operations and financial results could be adversely affected.

We have insurance for our operations, including general public liability insurance covering liabilities to third parties for bodily injury, property damage, environmental liability insurance and property insurance covering the replacement cost of all owned real and personal property, including coverage for losses due to equipment breakdown, earthquake, fire, explosions, flood and resulting business interruption/extra expense, terrorism and sabotage, in amounts and with deductibles that we consider appropriate. However, we cannot assure you that the insurance currently in place or other insurance that may be appropriate will be available in the future at commercially reasonable rates or at all. In addition, in any particular instance our insurance coverage could prove to be insufficient, or an accident or casualty could occur that either is not covered or becomes the subject of a dispute. Currently, we do not carry certain types of insurance (for example, for losses caused by war or government action) because these types of losses are often not economically insurable.

If certain casualties occur, if there is a total or partial loss of our facilities, or if there is extended business interruption, there can be no assurance that the proceeds from our applicable insurance policies will be sufficient to cover such loss or related lost revenues, increased expenses or the cost of repair or replacement. Further, there can be no assurance that at such time our insurers or their reinsurers will be solvent. Such loss, including loss of revenue, increased expenses or additional costs could have an adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

Coverage under major equipment warranties may be limited.

Major equipment warranties and guarantees are subject to certain conditions that, if not satisfied, would limit the coverage of the warranties and guarantees, thus requiring us to incur additional costs to repair the equipment or improve its efficiency, which could have an adverse effect on our financial condition and our ability to make payments on the Notes.

For our Cogeneration Projects (except ECM), the LTSA and CSA agreements with GE Vernova provide long-term maintenance coverage; however, the terms of these agreements are subject to change of control provisions that may be triggered by the Acquisition, and the applicable Project Companies may be required to pay termination fees if GE Vernova exercises its right to terminate. For certain of our wind Projects, including PIER II, Wind Dos Arbolitos and PEM, comprehensive long-term service coverage for major corrective maintenance and crane services may not be in place, exposing these Projects to the risk of unplanned maintenance costs. Any limitation in warranty coverage or the loss of O&M arrangements could require us to incur significant additional maintenance expenditures, which could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

We regularly work with volatile and hazardous materials that subject us to risks that may materially impact our operations.

Our business involves using, storing and disposing of highly flammable and explosive materials, which are subject to extensive regulation. Even if we comply with applicable environmental, sanitary, security, transportation, risk management and safety requirements and standards, our operations are subject to significant hazards associated with using, storing, transporting and disposing of such materials, including:

- explosions;
- fires;
- severe weather, natural disasters and other acts of God and force majeure events;

- mechanical failure;
- discharges or releases of hazardous substances or gases;
- other environmental risks; and
- sabotage or terrorist attacks.

If any of these hazards were to cause an accident, damage or destruction in relation to our business or the environment, it could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes. See "*—We are subject to numerous environmental, civil protection, and urban development regulations that may become more stringent in the future and may result in increased liabilities and increased capital expenditures.*"

Severe weather conditions, natural disasters, health epidemics, accidents, major equipment failures, acts of terrorism or criminality could have an adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

Our assets may be damaged by natural disasters, health epidemics, accidents, major equipment failures, acts of terrorism, sabotage or criminal acts. In addition, a health epidemic or other outbreak, may materially and adversely affect our business, financial condition, results of operations, cash flow, prospects and/or our ability to repay the Notes. Natural disasters, health epidemics, accidents, major equipment failures, acts of terrorism or criminality could result in severe business disruptions, significant decreases in revenues and earnings and/or significant additional costs to us. Any such incident could have a material adverse effect on our business, financial condition, results of operations, cash flow, prospects and/or our ability to repay the Notes.

Depending on the nature and location of the facilities affected, any such incident also could cause catastrophic fires, leaks, explosions, spills or other significant damage to natural resources or property belonging to third parties, or cause personal injuries, health impacts or fatalities, or present a nuisance to impacted communities. Any of these consequences could lead to significant claims against us. Insurance coverage may significantly increase in cost or become unavailable for certain of these risks, and any insurance proceeds received may be insufficient to cover our losses or liabilities, which could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

Severe weather conditions may also impact our businesses. Additionally, significant rainstorms and associated high winds, could damage natural gas or power generation infrastructure, resulting in increased expenses, including higher maintenance and repair costs, and interruptions in electricity and natural gas delivery services. As a result, these events can have significant financial consequences, including regulatory penalties and disallowances if our utilities encounter difficulties in restoring service to their customers on a timely basis. Further, the cost of storm restoration efforts may not be fully recoverable through the regulatory process. Any such events could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

Our risk management procedures may not prevent losses.

Although we have in place risk management systems and control systems that use advanced methodologies to quantify and manage risk, these systems may not always prevent material losses. Risk management procedures may not always be followed or may not always work as planned. In addition, daily value-at-risk and loss limits are based on historic price movements. If prices significantly or persistently deviate from historic prices, the limits may not protect us from significant losses. As a result of these and other factors, there is no assurance that our risk management procedures will prevent losses that could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

We depend on our employees and their knowledge of the energy sector and our business, and we may not be able to replace employees if they leave.

Our employees are highly trained industry professionals with significant experience in the energy sector and particularly, in the power generation business. Furthermore, the operation of our business is dependent upon

being able to attract and retain qualified personnel, including specialized engineers and employees, who have the necessary experience and expertise to manage and operate our businesses. We believe that our future success will depend on our continued ability to attract and retain highly skilled operational personnel with power generation industry experience and competition for these people in the industry is intense. In the event that we were to lose the services of any such personnel, this could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

The operation of our Projects depends on good labor relations with our employees.

As of December 31, 2025, we had approximately 681 active employees, including 524 non-unionized and 157 unionized members. We have entered into (i) four collective bargaining agreements with the Mexican Electric Workers Union (*Sindicato Único de Trabajadores Electricistas de la República Mexicana*), (ii) eight with the Nikola Tesla National Workers Union (*Sindicato Nacional de Trabajadores Nikola Tesla*) and (iii) seven with Miguel Trujillo López National Workers Union (*Sindicato Nacional de Trabajadores Miguel Trujillo Lopez*). Such collective bargaining agreements are amended each year with respect to wages, and every two years with respect to all other terms and conditions, including benefits. The majority of unionized employees need to approve such annual and biennial amendment through employees' consultation and secret ballot voting system.

Our performance depends on favorable labor relationships with our employees, compliance with labor laws and regulation and the safety of our Projects. Any deterioration in these relationships, increased costs related to labor issues and injuries in our Projects may adversely affect us. Any failure to reach an agreement on new labor contracts or to negotiate these labor contracts might result in strikes or other labor disruptions. These potential labor disruptions could have an adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes. Labor disruptions, strikes or significant negotiated wage increases, whether due to union activities, employee turnover or otherwise, could have an adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

Our business is capital-intensive and changes in capital requirements or the availability of capital could materially adversely affect our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

Any expansion of our businesses will be capital-intensive and require significant investment. The amount and timing of the capital investments and expenditures for any new energy generation projects will depend in part on market conditions. We may not be able to accurately predict the timing or amount of capital investment and expenditures that would be required for new projects.

To the extent that we do not have sufficient internal resources available to fund new projects, we may be required to access external resources, which may be subject to certain limitations on the availability of credit and/or other financial alternatives and increases in interest rates or credit spreads. In difficult credit markets, we may find it necessary to fund our operations and capital expenditures at a higher cost or on other terms that are unfavorable to us, or we may be unable to raise as much funding as we need to support business activities. This could cause us to reduce capital expenditures and could increase our cost of funding, both of which could reduce our short-term and long-term profitability, which could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

Our businesses are exposed to market risks, including fluctuations in commodity prices, which could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

We buy energy-related commodities from time to time in order to satisfy contractual obligations with customers. For the year ended December 31, 2025, our natural gas procurement costs were approximately U.S.$246.2 million and U.S.$385.3 million for the year ended December 31, 2024, supplied principally by CFEnergía (for El Carmen), Engelhart (for Dulces Nombres II) and Pemex Transformación Industrial (for the cogeneration facilities). Exposure to commodity price fluctuations, particularly natural gas, are mitigated in certain cases by (i) pass-through provisions in contracts with end-consumers and (ii) commodity derivative hedging. The Company utilizes exchange rate hedging instruments, market price hedging instruments, and commodity price hedging contracts (primarily fixed-price natural gas purchase contracts) to manage risk. It is our policy to maintain hedging arrangements covering a material portion of our anticipated natural gas consumption and foreign exchange exposure, and we intend to continue to enter into fixed-price natural gas purchase contracts and FX forward contracts on a rolling basis consistent with our current practice. During 2025, the gross margin

hedging impact was U.S.$(52.4) million, comprising exchange rate hedging of U.S.$(20.5) million, and commodity price hedging of U.S.$(31.9) million. During 2024, the gross margin hedging impact was U.S.$(89.7) million, comprising exchange rate hedging of U.S.$2.2 million, and commodity price hedging of U.S.$(91.9) million. While we expect to maintain our existing hedging arrangements, not all such risk is mitigated, including in circumstances where contractual pass-through mechanisms are not achieved in full. We are exposed to dispatch and fuel price risk in instances where the pass-through charge is not achieved in full, particularly during periods of variable load or partial operation. See *"Management's Discussion and Analysis of Financial Condition and Results of Operations—Factors Affecting Our Results of Operations—Regulatory Changes—Contract Capacity and Energy Sales*". Our business, financial condition, results of operations, cash flows, prospects and our ability to repay the Notes could be materially adversely affected if we cannot pass-through our charges for gas.

Our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes could be materially adversely affected if the prevailing market prices for electricity, natural gas or other commodities that we buy change in a direction or manner not anticipated and for which we had not provided adequately through purchase or sale commitments or other hedging transactions. Volatility in market prices for fuel and electricity may result from many factors which are beyond our control. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources*," "*—Quantitative and Qualitative Disclosures about Market Risk*," and Note 5 to the Audited Consolidated Financial Statements, included elsewhere in this Offering Memorandum.

The prices we pay for diesel and natural gas have been and may continue to be affected by, among other factors, the availability of diesel and natural gas in Mexico and, to a lesser extent, the United States, our ability to enter into agreements with local companies producing or transporting diesel and natural gas, the prices established by the Mexican Government for these products and international supply and demand. Any significant increase in fuel prices could adversely affect our results of operations and financial condition, which, in turn, may affect our ability to make payments under the Notes.

Any additional future acquisitions or strategic investments may not be available on attractive terms and would subject us to additional risks.

Much of our past growth is attributable to acquisitions. As part of our business strategy, we may from time to time in the future pursue other acquisition or expansion opportunities, including strategic investments. To the extent we can identify attractive opportunities, these transactions could involve acquisitions of entire businesses or investments in start-up or established companies and could take several forms. These types of transactions may present significant risks and uncertainties, including the difficulty of identifying appropriate companies to acquire or invest in on acceptable terms, potential violations of covenants in our debt instruments, insufficient revenue acquired to offset liabilities assumed, unexpected expenses, inadequate return of capital, regulatory or compliance issues, potential infringements, difficulties integrating the new properties into our operations, and other unidentified issues not discovered in due diligence. In addition, the financing of any future acquisition completed by us could adversely impact our financial condition, results of operations and ability to make payments under the Notes.

We may elect, subject to certain conditions, to expand or make material capital improvements to the Projects or adjacent to the Projects' sites, which would expose us to risks virtually identical to those associated with construction of a new generating project.

We may elect to engage in an expansion of, or material capital improvement to, the Projects at or adjacent to the Projects' sites, including the design, development, financing, construction, startup, commissioning and operation of improvements of the Project intended to generate and supply electrical energy for any existing or future offtakers. We may also make unlimited investments in an expansion project, which could detract from cash flow available to repay the Notes, and materially adversely affect our financial condition and our ability to repay the Notes. Any expansion project would expose us to a number of material risks associated with project development and construction activities, as well as the risk of damage to or impairment of the Projects as constituted prior to such expansion, which the noteholders will have no ability to review or approve. If we elect to pursue any such project expansion, as with any major construction effort, the construction of such an expansion involves many risks that could result in cost overruns, delays or a failure to complete the expansion at all. These factors could adversely impact our financial condition, results of operations and ability to make payments under the Notes.

Changes in the relative value of the Mexican peso to the U.S. dollar may adversely affect us.

The majority of our total revenues are either denominated in, or linked to the value of, the U.S. dollar and a small portion of our total costs of revenues are denominated in pesos. Consequently, if the peso depreciated materially relative to the U.S. dollar, our revenues in U.S. dollar terms would be reduced and if the peso appreciated materially relative to the U.S. dollar our costs in pesos terms will increase and, as a result, our profit margins could be affected. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Trends and Factors Affecting Our Results of Operations*."

Additionally, the decision by the U.S. Federal Reserve to increase interest rates on banks' reserves could impact the Mexican peso–U.S. dollar exchange rate. In 2025, the peso appreciated by approximately 13% against the U.S. dollar (on a year-end basis) and in 2024, the peso depreciated by approximately 22% against the U.S. dollar (on a year-end basis). The Mexican Government has implemented a series of measures to limit the volatility of the peso. However, we cannot assure you that such measures will be applied in the future or will be effective if applied or how such measures will impact the Mexican economy and, in turn, our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes. For information regarding recent trends in the Mexican peso U.S. dollar exchange rate, see "*Exchange Rate Information*."

Our projects may impact the lifestyle and conditions of local communities.

Historically, power generation projects are subject to high levels of scrutiny by political parties, environmental groups and other organized advocacy groups. The perception that a local community's lifestyle may be endangered by the development, construction and operation of a project, may trigger protests, political action, legal remedies or negative press that may threaten the long-term viability of a project, delay of construction or even disrupt its normal operations.

Significant expansions of existing Projects or development of new ones may require social impact assessments, indigenous consultations, and the free previous, prior and informed consent of indigenous communities.

While we believe our operations incorporate the best industry practices in connection with social responsibility, in order to minimize any negative impact in the communities in which we operate, delays or disruptions caused by organized efforts from these groups may deviate resources and attention, and ultimately affect our revenues.

We do not own all of the land on which our Projects and ancillary infrastructure are located, so our operations could be disrupted by actions of the landowners.

We do not own all of the land on which our Projects have been constructed and certain land rights are currently subject to a regularization process carried out by Iberdrola to comply with certain formalities required by the applicable laws. We are therefore exposed to the risk that more onerous terms or increased costs to retain necessary land or right of way use are imposed if in the future such rights of way or leases, or easements, or usufructs lapse or terminate or if it is determined that we did not have valid rights of way or leases, or easements, or usufructs. This is especially relevant in connection with, although not exclusive to, the land rights over communal property land (*ejidos*), considering that as per applicable law (i) all agreements over communal property shall in no event exceed 30 years after the execution date thereof, and (ii) certain formalities should have been satisfied prior to the execution of the relevant agreement. Any loss of these rights, through our failure or inability to obtain, maintain or renew rights of way or lease contracts or easements rights or usufruct rights or otherwise, may cause delays in the operation of our Projects and could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

The creation and execution of new land-related agreements or their renewal or extension are subject to various federal, state and municipal legal and regulatory requirements, which could delay or derail our operation, increase our costs or result in breaches of one or more permits or contracts related to our Projects, which could in turn represent legal costs, fines or penalties. In addition, we may be required to perform social impact assessments or obtain the consent of indigenous communities for the development of new projects. Following the entry into force of the LSE, the social impact evaluation has been substituted by a social impact assessment (*manifestación de impacto social en el sector energético*, or "MISSE"). The MISSE requirements apply to new energy projects and may impose additional procedural and compliance obligations on future greenfield development. As of the date of this Offering Memorandum, we have one pending MISSE resolution related to our Tecozautla photovoltaic project.

Certain land use agreements, including those involving communal (*ejido*) and private lands, have not been properly registered, and some appear not to have consent from all co-owners or from communal (*ejido)* assemblies. These circumstances could result in challenges to such contracts or their nullification, jeopardizing the possession and use of the land necessary for the operation of the Projects and hindering our ability to operate the affected Projects. We cannot assure you that we would be able to secure any additional land required for any Project.

We may not be successful in maintaining or expanding our existing capacity or obtaining new energy generation projects or required permits.

The market for new energy generation projects in Mexico is highly competitive. We compete with CFE and private investors for new energy generation projects in Mexico and some of our competitors may have better access to capital and greater financial and other resources, which would give them a competitive advantage in bidding for such projects. We may also experience increased competition for the hiring and retention of key personnel.

Also, while we may compete for energy generation projects, we may not be able to fully realize the benefit of these opportunities. Furthermore, we may not be able to obtain permits, authorizations or agreements from governmental agencies such as SENER, CNE, SEMARNAT, CENACE and CFE which may be required for the development, construction and operation of new energy generation projects or the expansion of our existing Projects. This includes the extension, renewal, substitution or migration of the permits we hold under the legacy LSPEE and LIE frameworks. Further, the projections contained elsewhere in this Offering Memorandum relating to growth in the Mexican energy sector may not ultimately be correct. The inability to successfully obtain new energy generation projects may adversely affect our ability to grow our business, which could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

Business development activities may not be successful and future projects to be constructed may not commence operation as scheduled or be completed within budget, which could materially increase our costs and materially impair our ability to recover our investments.

The acquisition, development, construction or expansion of electricity generation facilities, and other energy generation projects, involve numerous risks. We may be required to spend significant sums for preliminary engineering, permitting, fuel supply, resource exploration, legal, and other expenses before we can determine whether a project is feasible, economically attractive, or capable of being built. Success in developing a particular project is contingent upon, among other things:

- acquiring or securing the necessary land and other real estate rights;
- negotiation of satisfactory engineering, procurement and construction agreements;
- negotiation of satisfactory operation and maintenance agreements;
- negotiation of supply and natural gas agreements, including on firm capacity basis;
- timely receipt of required governmental permits, licenses, authorizations and rights-of-way, and maintenance or extension of the foregoing;
- negotiation with local communities (including indigenous communities) and minority groups;
- timely implementation and satisfactory completion of construction; and
- obtaining adequate and reasonably priced financing for the project.

Successful completion of a particular project may be adversely affected by various factors, including:

- unforeseen engineering problems;

- unforeseen difficulty in obtaining, maintaining or extending governmental permits, licenses, authorizations, rights-of-way or easements;
- construction delays and contractor performance shortfalls;
- work stoppages, strikes or boycotts;
- equipment unavailability or delay and cost increases;
- adverse weather conditions;
- environmental and geological conditions;
- opposition or challenges (judicial or extrajudicial) by community organizers, stakeholders of industries affected by energy development activities, non-governmental environmental organizations or indigenous communities;
- risks related to brownfield projects, such as hidden defects, inherited environmental liabilities and problems with rights-of-way;
- unanticipated increases in costs associated with known or unknown adverse environmental conditions, including costs of compliance with environmental laws; and
- impact of exchange rates on imported equipment and supplies.

We have relied on and we may rely in the future on certain affiliates for services and financing, and there can be no assurance that we will be able to obtain such services or financing from our affiliates or from alternate third parties in the future.

The Project Companies have historically relied on certain of their affiliates to provide various technical, administrative and management services, and we expect them to continue to do so in the future. We therefore depend to a certain extent on these affiliates for the successful operation and development of our Projects. We have agreements in place pursuant to which these services are being rendered, as more fully described in "*Certain Relationships and Related Party Transactions*." However, there is no obligation on the part of these affiliates to provide these services upon the expiration of the existing agreements. While we intend to continue to rely on affiliates for these services, we may not be able to obtain such services from these affiliates or any alternate third party in the future at reasonable prices or at all. Any failure to obtain these key technical, administrative and management services on acceptable terms or at all could materially adversely affect our ability to satisfy contractual obligations, or to grow our business, and could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

We have contractual relationships with some of our affiliates that could lead to a conflict of interest.

We have contractual relationships with some of our affiliates. We cannot assure you that any of these arrangements provide us with terms that are substantially similar to those that we might have obtained from unaffiliated third parties. These arrangements include, but are not limited to, our agreements with the Service Companies for a variety of services, including management, ESG and strategic planning, operational advice, oversight of O&M agreements, LTSA management with manufacturers, operational and regulatory efficiency improvements, maintenance, planning, budgeting, environmental management, PPA optimization, ISO compliance, integrated system administration, legal and corporate compliance services, internal audit, IT, and regulatory compliance. We may have conflicts of interest in determining whether to enforce or make claims against our affiliates in connection with any breach of any of their contracts with us. In addition, if we have to contract with third parties because our affiliates are unable to meet their obligations under these contracts, no assurance can be made that we could replicate the terms of these contracts, which could have a material adverse effect on our financial condition and ability to make payments on the Notes. See "*Certain Relationships and Related Party Transactions*."

Application of existing tax laws, rules and regulations is subject to interpretation by taxing authorities.

We may be subject to certain taxes in numerous jurisdictions, including Mexico. While we may rely on consultations with outside accounting and tax experts in computing our obligations under tax laws, rules and regulations, we are required to take various tax accounting and reporting positions on complex matters that are not entirely free from doubt and for which we have not received rulings from the governing authorities. We are also subject to intercompany transfer pricing laws, including those relating to the flow of funds among our companies pursuant to agreements or other arrangements between our companies.

Tax authorities in any applicable jurisdiction may disagree with the positions we have taken or intend to take regarding the tax treatment or characterization of any of our transactions, such as the tax treatment or characterization of our indebtedness, existing and future intercompany loans and guarantees or the deduction of interest expenses. Although we believe our tax positions are reasonable, we cannot assure you that the applicable taxing authorities will agree with our positions.

If any applicable tax authorities were to successfully challenge the tax treatment or characterization of any of our intercompany transactions, it could result in the disallowance of deductions, a limitation on our ability to deduct interest expenses, the imposition of withholding taxes, the application of penalties and accrued interest on intercompany loans or internal deemed transfers or other consequences that could have a material and adverse effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and the Guarantees or cause the market price of the Notes to decline.

There may be construction risk associated with certain of our development assets prior to their completion.

We are currently developing a number of power generation projects. The development and construction of new projects can pose significant environmental, engineering or permitting risks, our ability to complete the remaining construction works associated with these projects on schedule and achieve their respective commercial operating on a timely basis and within budget is subject to certain risks, including, among others:

- court rulings against governmental approvals already granted, such as environmental permits;
- the failure of contractors or subcontractors to complete or commission the facilities by the agreed-upon date, including due to possible shortages in necessary equipment;
- work stoppages, strikes or other labor unrest;
- adverse weather conditions;
- natural disasters, accidents or other unforeseen or force majeure events;
- the possibility that governmental authorities could impose fines or penalties, or temporarily suspend the construction of our investments that are currently under construction; and
- the potential inability to secure the financing required for these projects.

The occurrence of any of the foregoing events could give rise to delays in our planned construction schedules or disruption of our planned sequence of construction activities, lead to cost overruns due to unanticipated problems or conditions, performance deficiencies or otherwise adversely affect the design or operation of those assets that are currently under construction. There can be no assurance that the funding of such increased costs will be available in a timely and cost-effective fashion. If we are unable to obtain sufficient funding to cover cost overruns or other delays or eventualities, our financial condition and results of operations and ability to make payments under the Notes could be materially adversely affected.

Risks Relating to Mexico

Adverse economic and political conditions in Mexico may materially adversely affect our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

We are a Mexican corporation and all of our assets and operations are located and conducted, respectively, in Mexico. Accordingly, our business is significantly dependent upon the performance of the Mexican economy. Mexico has experienced economic crises in the past, caused by internal and external factors,

characterized by, among other things, exchange rate instability (including severe devaluations), high inflation, high domestic interest rates, political events, economic contraction, a reduction of international capital flows, a reduction of liquidity in the banking sector and high unemployment rates. As a result, such conditions, as well as the general condition of the Mexican economy, over which we have no control, could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

The Mexican Government does not currently restrict the ability of Mexican companies or individuals to convert Mexican pesos into U.S. dollars (except for certain restrictions related to cash transactions involving a U.S. dollar payment to a Mexican bank) or other currencies. Mexico has not had a fixed exchange rate policy since 1982. The Mexican peso has been subject to significant devaluations against the U.S. dollar in the past and may be subject to significant fluctuations in the future. Severe devaluations or depreciations of the Mexican peso may result in governmental intervention to institute restrictive exchange control policies, as has occurred before in Mexico and other countries in Latin America. Accordingly, fluctuations in the value of the Mexican peso against other currencies, particularly the U.S. dollar, could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes. For information regarding recent trends in the Mexican peso-U.S. dollar exchange rate, see "*Exchange Rate Information*."

Mexico's GDP grew by 1.2% in 2024 and grew 0.7% for the year ending December 31, 2025. However, if the Mexican economy experiences another recession, including one resulting from a global recession, if inflation or interest rates increase significantly, if Mexico's sovereign debt credit ratings continue to be downgraded or if the Mexican economy continues to show low growth, no growth at all or is otherwise adversely impacted, this could have a material adverse effect on our business, financial conditions, results of operations, cash flows, prospects and/or our ability to repay the Notes.

Changes in Mexican governmental policies could adversely affect the economic and political situation in Mexico and our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

The Mexican Government has exercised, and continues to exercise, significant influence over the Mexican economy. Accordingly, Mexican Government actions and policies concerning the economy, state-owned enterprises and state-controlled, -funded or -influenced financial institutions, including FONADIN, CFE and Pemex, could have a significant impact on private sector entities in general, on us and our Project Companies in particular, and on market conditions, prices and returns of Mexican securities. We cannot predict the impact that the political landscape, including multiparty rule and civil disobedience, will have on the Mexican economy. Furthermore, our prospects could be affected by currency fluctuations, inflation, interest rates, regulation, taxation and other political, social and economic developments in or affecting Mexico.

In the context of the power industry, the current Mexican Government administration has publicly stated that one of its objectives is to strengthen CFE and its role in the domestic energy market. In fact, the 2024 Energy Reform and post-issuance of the LSE and its regulations specifically give CFE a priority participation in the generation and commercialization of electricity in Mexico by allowing CFE to inject into the grid at least 54% of the aggregate volume of electricity injected into the grid during any given year. While we cannot predict whether specific actions by the Mexican Government in the power sector and/or additional regulatory changes will be implemented through energy-related laws, rules and other regulations, it is evident that CFE intends to regain a major role in the Mexican power industry. We cannot predict the exact form or extent of any changes, including whether and the extent to which they could be implemented. Any such changes could require amendments to the existing legal framework of the electricity sector.

The Mexican Government occasionally makes significant changes in policies and regulations to manage expectations with respect to certain macroeconomic indicators and may do so again in the future. Actions to control inflation and other regulations and policies have involved, among other measures, increases in interest rates, changes in tax policies, price controls, currency devaluations and capital controls and limits on imports. Tax and labor legislation, in particular, in Mexico is subject to continuous change, and we cannot assure you that the Mexican Government will maintain existing political, social, economic or other policies or that any such changes would not have a material adverse effect on our operations or financial performance.

The Mexican economy has suffered balance of payment deficits and shortages in foreign exchange reserves in the past and may yet do so again in the future. Although Mexico has imposed foreign exchange controls in the past, there are currently no exchange controls in Mexico. If Mexico experiences serious balance of payment

difficulties or the threat of such difficulties in the future, it would have the right under the USMCA to impose foreign exchange controls on investments made in Mexico, including those made by United States and Canadian investors. Any such restrictive exchange control policy could prevent or restrict our access to U.S. dollars to meet our U.S. dollar obligations and could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes. We cannot predict the impact of any such measures on the Mexican economy. See "*—Risks Relating to Our Business and Industry—Changes to the legal framework regulating the energy sector in Mexico, including changes resulting from ongoing legal proceedings, could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes*."

The consequences of any expropriations on the Mexican economy or financial markets are uncertain. In addition, a total or partial expropriation of any of our assets may interfere with our ability to use and operate all or a portion of our business, which may have an adverse impact on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

The current Mexican Government administration has sufficient control in the Mexican Congress to implement constitutional reforms which, if effected, could have a material adverse impact on our business, financial position or operating results.

The political coalition led by Mexico's National Regeneration Movement (*Movimiento de Regeneración Nacional* or "Morena") party has sufficient control in the Mexican Congress and several state legislatures to implement significant reforms, including to the Mexican Constitution, with only minor support from other Mexican political parties. The Mexican general election held on June 2, 2024 further strengthened Morena's political position in Mexico, as it won the Mexican presidency, obtained a supermajority in the lower chamber of the Mexican Congress and increased the number of seats it held in the Mexican Senate. The new Mexican Congress assumed office on September 1, 2024 and the new Mexican president, Claudia Sheinbaum, assumed office on October 1, 2024.

The concentration of political power in Mexico and any changes in Mexican politics or the Mexican economy resulting therefrom could have a material adverse impact on our business, financial position, operating results and/or ability to repay the Notes. As described herein, the current Mexican Government administration has made public its intention to strengthen the role of CFE in the Mexican energy sector and the 2024 Energy Reform is a testimony to that intention. See "*—Risks Relating to Our Business and Industry—Changes to the legal framework regulating the energy sector in Mexico, including changes resulting from ongoing legal proceedings, could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes*" and "*—Changes in Mexican governmental policies could adversely affect the economic and political situation in Mexico and our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.*"

A significant reform to the Mexican judicial system was passed requiring that judges, magistrates and ministers be appointed by popular vote, irrespective of their capacity and/or experience (the "Judicial Reform"). Autonomous or independent governmental bodies, such as the National Institute for Transparency, Access to Information, and Personal Data Protection (INAI), the National Council for the Evaluation of Social Development Policy (CONEVAL), COFECE, the Federal Telecommunications Institute (IFT), the National Commission for the Continuous Improvement of Education (MEJOREDU), the former energy regulator, CRE, the CNH and the CENACE were extinguished and their powers and authority was transferred to agencies or entities of the Mexican Government.

The Judicial Reform, which was enacted on September 15, 2024 and is now effective, includes a new composition of the Supreme Court (*Suprema Corte de Justicia de la Nación*), reducing both the number of justices and their term. Furthermore, the Judicial Reform provides for the popular election of justices, magistrates and judges, Additionally, the Federal Judiciary Council (*Consejo de la Judicatura Federal*) was replaced by a new administrative body, the Judicial Administration Body (*Organo de Administración Judicial*), and a Disciplinary Judicial Tribunal (*Tribunal de Disciplina Judicial*) was created. It is expected that new procedural rules will be enacted, as well as further modifications to the judicial branch.

We cannot provide you with any assurances that the current political situation or any future developments in Mexico will not affect our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

Downgrades of Mexico and its state-owned companies, including CFE, could adversely affect our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

On April 16, 2025, Fitch affirmed Mexico's sovereign debt rating at BBB- with a stable outlook. On September 5, 2025, S&P reaffirmed Mexico's sovereign debt rating at BBB with a stable outlook, citing high liquidity in Mexico's financial system. On November 14, 2024, Moody's affirmed Mexico's sovereign debt rating at Baa2 and revised its outlook to negative, citing a weakening in the political and institutional settings and risks to fiscal and economic outlooks. S&P had previously downgraded Mexico's sovereign debt to BBB from BBB+ on March 26, 2020. Moody's downgraded Mexico's sovereign debt to Baa2 from Baa1 on July 8, 2022, and CFE's credit ratings to Baa2 on July 12, 2022. Mexico's long-term public external indebtedness is currently rated investment grade by all three major rating agencies, but is two notches above speculative grade with Moody's and S&P, and one notch above speculative grade with Fitch.

On July 24, 2024, Fitch Ratings issued a statement that the wide-ranging constitutional reforms first proposed by President Andrés Manuel López Obrador, including significant modifications to the Mexican judicial system, would negatively affect Mexico's overall institutional profile while recognizing that the severity of their impact might become clearer once these are approved and implemented. Fitch had further stated that weak governance indicators already constrain the sovereign rating, and are only partly offset by a prudent, credible and consistent macroeconomic policy record.

These downgrades or other similar rating agency actions that may occur in the future could adversely affect the Mexican economy and, consequently, adversely affect our funding costs, our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

New and unanticipated tax reforms may be approved.

Mexican tax legislation is frequently amended. The Mexican Congress approved a tax reform submitted by the Mexican Executive Branch as part of a new economic plan, which included important amendments to the Mexican Income Tax Law (*Ley del Impuesto Sobre la Renta*), Mexican Federal Tax Code, Value Added Tax Law, Excise Tax Law, Hydrocarbons Revenue Law, and the Federal Duties Law. With some exceptions and amendments, all of the proposals submitted by the Mexican Executive Branch were ultimately approved by the Mexican Congress. This reform became effective on January 1, 2020. This set of tax reforms is one of the most relevant in recent years and its main objective is to address tax evasion by strengthening the control mechanisms available to the tax authorities. Among the principal modifications contemplated by the tax reforms are strict restrictions on the deductibility of certain expenses, such as a new limitation on the deduction of net interest that exceeds 30% of taxpayers' adjusted income, the non-deductibility of certain payments to related parties or through structured agreements with respect to income that is considered subject to preferential tax regimes, or that is subject to hybrid mechanisms. Likewise, important amendments were introduced with respect to the tax regime applicable to foreign entities or legal entities that are transparent for tax purposes, as well as to foreign entities or legal entities whose income is considered subject to preferential tax regimes.

The 2020 tax reform also introduced a new mandatory disclosure regime for transactions that are considered reportable transactions in terms of the provisions of Title VI, Sole Chapter of the Mexican Federal Tax Code, mainly directed to tax advisors of taxpayers.

On November 12, 2021, the Mexican Government published a decree that resulted in several amendments to the Mexican Income Tax Law, Value Added Tax Law, Excise Tax Law, and Mexican Federal Tax Code. However, no new taxes were introduced, nor were there any increases to existing taxes. As of the date of this Offering Memorandum, certain of our Service Companies may not be in full compliance with the subcontracting restrictions under the amended Federal Labor Law. Specifically, certain intercompany services arrangements between our Service Companies and the operating entities may involve the provision of services that overlap with the core business activities of the recipient entities, which could be characterized as prohibited personnel subcontracting. In addition, certain Service Companies providing such services have not been registered as specialized service providers with REPSE (*Registro de Prestadoras de Servicios Especializados u Obras Especializadas*). Non-compliance with these rules could result in fines and the reclassification of service relationships, which could increase our labor costs and affect our results of operations.

On January 1, 2022, a tax reform came into force with various modifications to the applicable legal framework which may affect our operating results; among them, changes in the parameters for determining foreign exchange gains or losses, limitations on the application of preferential withholding rates in the context of financing

entered into with related parties, additional obligations regarding transfer pricing and the establishment of additional requirements for crediting the value added tax.

We cannot assure you that these or future tax reforms will not have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

Legislative or regulatory action with respect to labor laws and regulations could adversely affect us.

The Mexican government has in recent years implemented various changes to labor laws applicable to Mexican companies, including us. For example, on April 23, 2021, a labor reform was published that amended the outsourcing provisions of the Mexican Labor Law (the "2021 Labor Reform"). The law significantly limits subcontracting and amends the profit-sharing rules. As a result, all subcontracting personnel, both through outsourcing and insourcing schemes is generally prohibited. The subcontracting of specialized services or the execution of specialized works, as well as the provision of complementary or shared services between companies of the same corporate group are allowed and valid under the amended legal provisions, as long as such services or works are not part of the corporate purpose or the main economic activity of the recipient of the same. Companies providing specialized services or works that make their own employees available to a client in Mexico are mandatory to register with REPSE (*Registro de Prestadoras de Servicios Especializados*).

Any further reforms to the Mexican laws related to labor, social security, or other matters could have an adverse effect on our financial position and results of operation.

We may be materially adversely affected by economic and political developments in the United States.

Economic conditions in Mexico are highly correlated with economic conditions in the United States due to the high degree of economic activity between the two countries generally, as well as physical proximity. Adverse economic conditions in the United States or other related events could have a significant adverse effect on the Mexican economy, which could adversely affect our business. In addition, political developments in the United States, including changes in the administration and governmental policies, can also have an impact on the exchange rate between the U.S. dollar and the Mexican peso, economic conditions in Mexico and the global capital markets.

On November 30, 2018, the United States, Canada and Mexico signed the USMCA. The USMCA was ratified in all three countries in March 2020 and replaced NAFTA on July 1, 2020. It did not target the power sector, but any action taken by the current U.S. or Mexican administrations, including changes to the USMCA that would increase the tariff rate between the countries, could have a negative impact on the Mexican economy, such as reductions in the levels of remittances, reduced commercial activity or bilateral trade, or declining foreign direct investment in Mexico. Pursuant to the USMCA, the agreement provides periodically review mechanisms that could lead to adjustments, amendments, or renegotiations in the future, which may create uncertainty regarding the region's medium- and long-term trade framework. In this context, the review of the USMCA scheduled for July 2026 represents the most significant trade-related event for North America. This review will determine whether the agreement is extended through 2042 or whether significant adjustments are required in strategic sectors. The issues expected to generate the greatest scrutiny include automotive rules of origin, labor content requirements, Mexico's energy policies, access to agricultural markets, and the operation of dispute settlement mechanisms. The three countries initiated domestic consultations in 2025 to assess their industries' positions, with Mexico formally launching this process in September 2025. The outcome of this review will be critical for supply chain stability, legal certainty, and regional economic cooperation.

On April 2, 2025, U.S. President Trump, whose administration took office on January 20, 2025, announced reciprocal tariffs on various countries, which vary depending on the specific country and product concerned. It was specified that only Mexican products that meet the rules of origin and minimum regional value content requirements established under the USMCA will be exempt from the aforementioned tariffs. Conversely, all products and/or goods imported from Mexico that do not comply with the USMCA's rules of origin and minimum regional content requirements will be subject to a 25% tariff.

The imposition of the above-mentioned tariffs may heighten global trade tensions, particularly with countries facing higher tariff rates due to their trade deficits with the United States. This could lead to an escalation of protectionist measures and negatively affect international trade. Likewise, potential retaliatory actions against the United States may generate uncertainty in financial markets and among investors, potentially slowing global economic growth. We cannot assure that the United States government will not propose or implement policies,

actions, or measures that are not currently anticipated, or impose tariffs that could adversely affect the Mexican economy or trigger retaliatory measures by the Mexican government. Any such developments could have a material adverse effect on our business, results of operations or financial condition.

The U.S. administration has also begun implementing new and stricter immigration enforcement policies, including a significant increase in deportations and other measures designed to deter immigration to the United States. These policies may have the effect of reducing remittances in Mexico, which could have a negative adverse impact on the Mexican economy and, consequently, our business, financial condition, results of operations, cash flows or prospects. We cannot guarantee that the future political environment in Mexico and the United States, over which we have no control, will not have a material adverse effect on our business, results of operations or financial condition. Moreover, we cannot assure you that the changes in policies and legislation by the administrations in office in the United States and Mexico, may not affect the Mexican economy, causing a significant adverse effect on our business, financial condition, results of operations or prospects.

An increase in interest rates in the United States could adversely impact the Mexican economy and may have a negative effect on our financial condition or performance.

A decision by the U.S. Federal Reserve to increase interest rates on banks' reserves may lead to a general increase in interest rates in the United States. This, in turn, may redirect the flow of capital away from emerging markets and into the United States, because investors may be able to obtain greater risk-adjusted returns in larger or more developed economies rather than in Mexico. Thus, companies in emerging market economies such as Mexico could find it more difficult and expensive to borrow capital and refinance existing debt. This may negatively affect our potential for economic growth and could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

High inflation rates in Mexico may adversely affect electricity prices and our revenues.

Mexico has experienced, and may again experience, high levels of inflation. The annual rate of inflation, as measured by changes in the Mexican national consumer price index, was 4.2% in 2024 and 3.6% in 2025. In the past, inflation in Mexico has led to higher interest rates, depreciation of the peso and the imposition of substantial government controls over exchange rates and prices. An adverse change in the exchange rates or the Mexican economy may have a negative impact on price stability and result in higher inflation than its main trading partners, including the United States. To the extent inflation exceeds our electricity price increases, our electricity prices and revenues may be adversely affected in "real" terms. In 2024 and 2025, inflationary pressures intensified due to a number of factors, including the revitalization of demand for consumer goods, labor shortages, supply chain issues and the rise of the prices of energy, including natural gas, oil and other commodities, exacerbated by the war in Ukraine and conflicts in the Middle East, including the war between Israel and Hamas in the Gaza Strip and heightened tensions involving Iran. In an effort to contain inflation, central banks, including the Central Bank of Mexico, have increased interest rates. High inflation rates and interest rates can adversely affect our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes. See "— *Geopolitical challenges and other global uncertainties could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes*."

High interest rates in Mexico could increase our financing costs.

Mexico has experienced, and may again experience, high real and nominal interest rates. Mexico also has, and is expected to continue to have, high real and nominal interest rates relative to the United States. The interest rates on 28-day Mexican Government treasury securities (*Certificados de la Tesorería de la Federación* or "Cetes"), averaged 7.7%, 11.1%, 10.7% and 8.3% for the years ended December 31, 2022, 2023, 2024 and 2025, respectively. As of April 16, 2026, the 28-day Cetes rate was 6.60% and the 91-day Cetes rate was 6.70%. Accordingly, if we incur peso-denominated debt in the future, it could be at high interest rates, which could increase our financing costs and adversely affect our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes. A recession could affect our operations to the extent that we are unable to reduce our costs and expenses in response to falling demand of electricity not sold pursuant to PPAs (as defined herein).

The Mexican Government exerts significant influence over the Mexican economy and energy landscape, with political, economic, social and judicial implications that we cannot predict and that could have a material adverse effect on our businesses, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

The Mexican Government has exercised, and continues to exercise, significant and increasing influence over the Mexican economy and energy sector and is proposing additional changes to the applicable legal framework that, in each case, could fundamentally impact private investment in such sector. See "*—Risk Factors Related to Our Business and Industry—Changes to the legal framework regulating the energy sector in Mexico, including changes resulting from ongoing legal proceedings, could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes*."

Mexico's current administration has ratified its inclination towards supporting the state-owned energy companies over private-owned energy projects and implementation policy changes seeking to broaden its grip on the industry. The existing regulatory uncertainty may lead to further shifts in policies, including changes in permitting procedures, tariff structures, or other regulations governing private energy projects. Such uncertainty can adversely affect the viability and profitability of our current and future projects.

The current Mexican Government's approach to granting new permits or approving the modification of permits for private energy generation projects has also become more restrictive, resulting in heightened competition among investors for limited opportunities. Delays in obtaining necessary permits or modifications thereto can hinder project timelines and escalate operational costs, which may have a negative impact on the financial performance of potential investments.

The government's emphasis on a state-controlled energy sector could reduce the competitiveness of the energy market, limiting private sector participation and potentially leading to higher energy costs for end consumers. Private energy generation projects may face challenges in maintaining their competitive edge and achieving projected returns amid an increasingly state-dominated market.

We also cannot predict whether future legal actions to enforce, suspend or overturn existing laws and other governmental actions will be successful. More generally, we cannot predict the impact that the political, social and judicial landscape in Mexico will have on its economy, the energy sector and our business in Mexico. If any of the recent Mexican Government actions are passed or otherwise become effective, if efforts to enjoin their enforcement or suspend or overturn them fail, or if other similar actions by the Mexican Government are taken to curb private-party participation in the energy sector, including the enactment of additional laws or regulations or increased investigative and enforcement activities, this could materially impact our ability to operate our facilities at existing levels or at all, may result in increased costs for us and our customers, may adversely affect our ability to develop new projects, may impair our ability to renew or obtain operational permits, and may negatively impact our ability to recover the carrying values of our investments in Mexico, any of which may have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

The increase in violence in Mexico has adversely impacted, and may continue to adversely impact, the Mexican economy and may have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

During recent years, Mexico has experienced a significant increase in violence relating to organized crime, particularly in Mexico's northern states near the U.S. border and in the states of Guanajuato, Jalisco, Michoacán and Morelos. This increase in violence has had an adverse impact on the economic activity in Mexico and may continue to do so. Despite the efforts of the Mexican Government to increase security measures by strengthening its military and police forces, drug-related violence and organized crime continues to threaten the Mexican economy and the peace and security of certain regions, resulting in economic and political instability and uncertainty in Mexico. Social instability in Mexico and adverse social or political developments in or affecting Mexico could adversely affect us and our financial performance. Also, violent crime may increase our insurance and security costs. In addition, systematic criminal activity and isolated criminal events could interrupt our operations, affect our ability to generate revenue and increase the cost of our operations. Continued violence could result in the Mexican Government adopting additional security measures, such as transport restrictions, prohibiting the transit of goods and people at certain times, and interruptions of cross-border trade. Corruption and links between criminal organizations and government authorities also create conditions that affect our business operations, as well as extortion and other acts of intimidation, which may have the effect of limiting the level of action taken by federal and local governments in response to such criminal activity. These activities, their escalation and the violence associated with them, over which we have no control, could have a negative impact on the business environment in which we operate, and therefore on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

Geopolitical challenges and other global uncertainties could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

We could experience negative impacts on our business, financial condition and results of operations due to geopolitical challenges and other uncertainties worldwide. Currently, the global economy faces a number of exceptional challenges. Russia's invasion of Ukraine, the war between Israel and Hamas in the Gaza Strip, and other conflicts in the Middle East such as the recent military escalation involving Iran, Israel and the United States, disruptions and security incidents affecting shipping in and around the Arabian Gulf and Strait of Hormuz, could continue to cause significant disruption, instability and volatility in global markets, as well as prolong the currently elevated inflation rates (including contributing to further increases in energy, including natural gas, oil and other commodity prices and causing further disruption in supply chains) and lower or negative growth. The European Union, the United Kingdom, the United States and other governments have imposed significant sanctions and export controls against Russia and its interests, as well as restrictions on transit and seizure of assets of certain Russian persons within territories of the European Union and have threatened to impose additional sanctions and controls. Although the impact of such measures and Russia's possible responses to them are uncertain, any such measures could materially and adversely affect our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes. Moreover, geopolitical and economic risks have also increased in recent years as a result of trade tensions between the United States and China, Brexit, the rise of populism and tensions in the Middle East. Increasing trade tensions may lead, among other things, to a de-globalization of the world economy, increased protectionism or barriers to immigration, overall reduction in international trade in goods and services, as well as reduced financial market integration. All of the above could materially and adversely affect our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes. See "*—High inflation rates in Mexico may adversely affect electricity prices and our revenues*".

Events and the perception of risk in other countries may materially adversely affect the market price of Mexican securities, including that of our securities.

The market price of securities issued by Mexican companies is affected to varying degrees by economic and market conditions in other countries, including the United States, China and other Latin American and emerging market countries. Therefore, investors' reactions to developments in these other countries may have an adverse effect on the market value of securities of Mexican issuers. Crises in the United States or other emerging market countries may reduce investor interest in securities issued by Mexican companies, including those issued by us.

In the past, adverse economic conditions in other emerging market countries has resulted in capital flight and, as a consequence, in a decrease in the value of foreign investments in Mexico. The financial crisis that originated in the United States during the third trimester of 2008 triggered a recession of global scale. This crisis adversely affected the Mexican economy and Mexican capital markets, both directly and indirectly, and led to, among other things, fluctuations in the trading prices of securities issued by publicly-owned companies, scarcity of credit, cuts in expenditures, a slowdown in the global economy, exchange rate volatility, and inflationary pressures. Recent turmoil in other large economies, such as those in Europe and China, could also have such effect.

In addition, in recent years, economic conditions in Mexico have become increasingly correlated with economic conditions in the United States as a result of the USMCA and increased economic activity between the two countries. Adverse economic conditions in the United States, the termination or re-negotiation of the USMCA or other related events could have a significant adverse effect on the Mexican economy. We cannot assure you that events in other emerging market countries, in the United States or elsewhere will not have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

The Mexican economy is still highly influenced by the economies of the United States, Europe and China. Therefore, if all or some of the existing commercial treaties with the United States, Europe or China are cancelled, modified or similar terminations occur, or the economic conditions in the United States, Europe and China are negative or have less growth, the Mexican economy could be adversely affected. These events could negatively affect our business, financial condition and results of operations.

We are exposed to compliance obligations and risks under the Mexican Federal Anticorruption Law in Public Contracting, the U.S. Foreign Corrupt Practices Act and similar anti-bribery laws. Our failure to comply with

these laws could result in penalties, harm our reputation and have an adverse effect on our business, results of operations and financial condition.

The Mexican General Law of Administrative Responsabilities (*Ley General de Responsabilidades Administrativas*), the U.S. Foreign Corrupt Practices Act ("FCPA"), the UK Bribery Act and similar anti-bribery laws generally prohibit companies from, directly or indirectly through intermediaries, making improper payments to government officials or other persons for the purpose of obtaining or retaining business or any business advantage. Our operations require us to use third-party agents to conduct business or to interact with persons who may be considered governmental officials under the FCPA or other anti-bribery laws. Thus, we face the risk that our contractors and other third-party agents acting on our behalf may offer or provide unauthorized payments or other things of value or may otherwise act in a manner that could give rise to violations of such laws. We maintain internal controls, policies and procedures related to anti-bribery compliance, but we cannot assure you that our policies and procedures will protect us from unlawful acts committed by our contractors or other third-party agents. If we, our officers or our employees fail to comply with any applicable anti-corruption, anti-bribery or anti-money laundering laws, we and our officers and employees may be subject to criminal, administrative or civil penalties and other remedial measures, which could have material adverse effects on our business, financial condition and results of operations. Any investigation of potential violations of anti-corruption, anti-bribery or anti-money laundering laws by governmental authorities in Mexico or other jurisdictions could result in an inability to prepare our financial statements in a timely manner, including under certain circumstances the withdrawal of previously issued audited consolidated financial statements. Violations of these laws, or even allegations of such violations, could damage our reputation and be expensive to defend against and may disrupt our business and have an adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

In 2024, the U.S. Congress enacted the FEND Off Fentanyl Act (Fentanyl Eradication and Narcotics Deterrence Act), which strengthened the authority of the U.S. Department of the Treasury to combat money laundering linked to the illicit trafficking of synthetic opioids. Under this legislation, the Secretary of the Treasury may impose special measures with respect to foreign financial institutions designated as being of "primary money laundering concern," including measures requiring U.S. financial institutions to restrict or prohibit certain fund transfers involving the designated institution.

In the past, FinCEN has issued orders designating certain Mexican financial institutions as institutions of "primary money laundering concern" in connection with the illicit trafficking of opioids, imposing restrictive measures pursuant to the referenced legislation. As a result of such orders, various international financial institutions adopted additional risk mitigation policies and limited or suspended their operational relationships with the designated entities. In addition, Mexican financial authorities implemented intervention and special supervisory measures with respect to such entities and, in certain cases, revoked their licenses to operate as multiple banking institutions (*instituciones de banca múltiple*).

In the future, foreign authorities, including FinCEN or other agencies, could adopt similar measures with respect to other Mexican entities or entities located in the jurisdictions in which we operate. The adoption of such measures could result in, among other effects, restrictions or limitations on the ability of such entities to conduct international transfers, termination or suspension of commercial relationships by other institutions, increased regulatory and compliance burdens, and intervention or special supervisory actions by governmental authorities.

To the extent that we maintain commercial, trust, financial, or other types of relationships with entities that become subject to such designations or restrictive measures, we could experience operational disruptions, delays in payments or transfers, the need to replace counterparties, additional costs, and potential contingencies. Any of the foregoing could adversely affect our business, financial condition, results of operations, and prospects.

Risks Relating to Our Corporate Structure

We are a holding vehicle with no independent operations. We do not generate revenue and depend on cash flow and other financial resources generated by our subsidiaries.

We are a holding vehicle that owns the Projects and, as a result, do not conduct independent operations or possess significant assets other than investments in the Company, the Project Companies and the Service Companies. As such, we rely on dividends, loans or other distributions from the Company, the Project Companies and the Service Companies to meet our obligations, including servicing our indebtedness, repay the Notes, contribute committed capital to our businesses, and to pay dividends or other distributions to our equity holders.

Our ability to access cash flow from the Company, the Project Companies and the Service Companies may be limited in some circumstances and we may not have the ability to cause the entities in which we own an interest to make distributions to us. Additionally, the terms of existing and future joint ventures, financings or cooperative operational agreements, rating considerations, and/or Mexican federal, state and local laws and regulations may also limit the timing and amount of any dividends, other distributions, loans or loan repayments to us.

While the Indenture governing the Notes limits the ability of our subsidiaries to incur consensual restrictions on their ability to pay dividends, these limitations are subject to certain qualifications and exceptions. In the event that we do not receive distributions from our subsidiaries, we may be unable to make required payments on our indebtedness, including the Notes.

Risks Relating to the Notes, the Collateral and Our Indebtedness

The financial information as of and for the year ended December 31, 2025 is not fully comparable to the financial information as of and for the year ended December 31, 2024, and this Offering Memorandum does not contain all of the information that would be required if this offering were registered under the Securities Act.

The financial information as of and for the year ended December 31, 2024 contained in the Audited Consolidated Financial Statements includes assets, liabilities and shareholders' equity data of the business and operating assets sold by the Company to FIEMEX on February 26, 2024. In addition, the results of operations and cash-flow data for the year ended December 31, 2024 includes the consolidation of 57 days of results of operations and cash flows of the MIP entities from January 1 through February 26, 2024, which the Company no longer owns. The discontinued operations generated net revenues of U.S.$334.6 million and net profit of U.S.$29.0 million during such period (see Note 9 to the Audited Consolidated Financial Statements). As such, the financial information as of and for the year ended December 31, 2025 is not fully comparable to the financial information as of and for the year ended December 31, 2024. Investors should not rely on year-over-year comparisons of such financial statements without taking into account the effects of the disposition of the MIP Sale on February 26, 2024.

In addition, this Offering Memorandum has not been prepared in accordance with the disclosure requirements established by the SEC for registered offerings. In particular, this Offering Memorandum does not contain certain pro forma financial information that would otherwise be required under Regulation S-X promulgated by the SEC giving effect to the disposition of the FIEMEX Business for the year ended December 31, 2025 or 2024, which would allow investors to evaluate the Company's historical financial performance on a basis that excludes the divested FIEMEX Business. Due to the fact that the Company no longer controls the FIEMEX Business, no such pro forma financial information has been prepared or included in this Offering Memorandum, and there can be no assurance that any such pro forma financial information, if prepared, would not have provided useful information for investors to analyze the historical financial performance of the Company and its subsidiaries (including the FIEMEX Business).

Prospective investors should carefully consider the foregoing limitations when evaluating the Company's financial condition and results of operations and when making an investment decision with respect to the Notes.

The financial and operational information of our suppliers, offtakers and clients is not included or otherwise incorporated in this Offering Memorandum.

This Offering Memorandum does not contain any financial or operational information of our suppliers, offtakers and clients, including but not limited to any financial statements, and does not contain a description of risks that may exist as to their respective businesses. Consequently, this Offering Memorandum does not provide any indication of their respective financial condition, results of operations, cash flows, prospects or ability to perform their respective contractual obligations, including under PPAs or Fuel Supply Agreements, as applicable. In particular, CFE is a significant counterparty to certain of our Projects as the interconnection counterparty and as offtaker under certain PPAs, and although CFE has been reclassified as a state-owned public entity under the LSE, its financial obligations are not backed by the full faith and credit of the Mexican Government. In addition, any material negative change in the financial condition or operating results of our suppliers, offtakers and clients could jeopardize our business and we cannot assure you that the financial condition or results of operations of our suppliers, offtakers and clients will not deteriorate in the future.

Servicing our existing debt requires a significant amount of cash. We may not be able to generate sufficient cash flows to meet our debt service obligations.

After giving effect to the Transactions, we will have a substantial amount of indebtedness. The obligation to make payments of principal, premium, if any, and interest on the Notes and Note Guarantees will be solely the obligations of the Issuer and the Guarantors, respectively. No other person will guarantee the payment of the Notes or will have any liability for any of the Guarantors' obligations under the Notes or for any claim based on, in respect of, or by reason of, such obligations or their creation.

Our ability to pay interest and principal with respect to the Notes depends entirely on payments of dividends, capital reductions or shareholders loan repayments the Guarantors to us. Our primary assets are the shares of the Company and the other Group Companies. Substantially all of the present and future shares of capital stock of the Issuer and the Company, as holding entity of the other Group Companies, have been transferred to Banco INVEX, S.A., Institución de Banca Múltiple, INVEX Grupo Financiero, a Mexican authorized credit institution in its capacity as trustee (*fiduciario*) under the Security Trust created for the benefit of the Collateral Agent. Only one share of the capital stock of the Issuer and the Company owned respectively by Cox Energy and the Minority Shareholder have been pledged for the benefit of the Collateral Agent pursuant to the Pledge Agreements as part of the Collateral securing the Notes and the other Secured Obligations. As such, the Issuer's ability to make payments of principal, interest, and any other amounts due on the Notes depends entirely on its receipt of distributions in the form of dividends or capital reductions or through repayment of shareholder loans granted by the Company to the Project Companies. If any of such companies fails or is unable to pay us, we may not have sufficient resources to satisfy our obligations under the Notes.

As of December 31, 2025, our total indebtedness (not including indebtedness under the Bridge Facility), was U.S.$257.857 million, of which U.S.$107.479 million was secured. Our and our subsidiaries' substantial amount of indebtedness could have important consequences to holders of the Notes, including:

- requiring us and certain of our subsidiaries to dedicate a substantial portion of our cash flow from operations to the payment of principal of and interest on our indebtedness, thereby reducing the funds available for operations and any future business opportunities;
- limiting flexibility in planning for, or reacting to, changes in our business or the industry in which we operate;
- placing us at a competitive disadvantage compared to our competitors that have less indebtedness;
- increasing our vulnerability to adverse general economic or industry conditions;
- making us and our subsidiaries more vulnerable to increases in interest rates; and
- limiting our ability to obtain additional financing to fund working capital, capital expenditures, acquisitions or other general corporate requirements and increasing our cost of borrowing.

Furthermore, our ability to make scheduled payments on, or to refinance, our obligations with respect to our indebtedness, including the Notes, will depend on our financial and operating performance, which in turn will be affected by general economic conditions and by financial, competitive, regulatory and other factors beyond our control. We cannot assure you that our business will generate sufficient cash flow or that future sources of capital will be available to us in an amount sufficient to enable us to service our indebtedness, including the Notes, or to fund our other liquidity needs. If we are unable to generate sufficient cash flow to satisfy our debt obligations, we may have to undertake alternative financing plans, such as refinancing or restructuring our debt, selling assets, reducing or delaying capital investments or seeking to raise additional capital. We cannot assure you that any refinancing would be possible, that any assets could be sold or, if sold, of the timing of the sales or the amount of proceeds that may be realized from those sales, or that additional financing could be obtained on acceptable terms, if at all. The Indenture that will govern the Notes will restrict our ability to dispose of assets and use the proceeds from the disposition and may also restrict our ability to raise debt or equity capital to be used to repay other indebtedness when it becomes due. We may not be able to consummate those dispositions or to obtain proceeds in an amount sufficient to meet any debt service obligations when due. Our inability to generate sufficient cash flows to satisfy our debt obligations, or to refinance our indebtedness on commercially reasonable terms, would

materially and adversely affect our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

If we cannot make scheduled payments on our debt, we will be in default and holders of the Notes could declare all outstanding principal and interest to be due and payable, causing a cross-acceleration or cross-default under other debt agreements, and we may need to resort to bankruptcy (*concurso mercantil*), liquidation or restructuring proceedings.

Certain restrictive covenants contained in the Indenture governing the Notes will limit our operating and financial flexibility in operating our business.

The Indenture governing the Notes will contain restrictive affirmative and negative and other covenants (including in relation to indebtedness) that limit or prohibit, among other things, the manner in which we and our Restricted Subsidiaries may structure or operate our business, including by limiting our and our Restricted Subsidiaries' ability to:

- incur additional indebtedness or guarantee indebtedness;
- make restricted payments and investments;
- create liens on our or our Guarantors' or Restricted Subsidiaries' assets;
- change the nature of their business;
- sell or otherwise dispose of assets;
- designate our Subsidiaries as Unrestricted Subsidiaries;
- consolidate, merge or enter into transactions with affiliates; and
- create subsidiaries.

See "*Description of the Notes—Affirmative Covenants of the Issuer, Guarantors and Restricted Subsidiaries*" and "*Description of the Notes—Negative Covenants of the Issuer, Guarantors and Restricted Subsidiaries.*"

The breach of any covenants or restrictions under the Indenture governing the Notes or other Finance Documents would result in a default, which could, in turn, lead to all the outstanding amounts under those debt documents becoming immediately due and payable. Further, as a result of these covenants, we will be limited in the manner in which we conduct our business, and we may be unable to engage in favorable business opportunities that are currently unforeseeable, particularly if we are unable to incur financing or make investments to take advantage of these opportunities.

Certain restrictive covenants contained in the Finance Documents will limit our operating and financial flexibility.

The terms of the Finance Documents limit our ability to:

- incur additional indebtedness;
- pay dividends or make distributions or make certain other restricted payments;
- make restricted payments and investments;
- create liens on our or our Guarantors' or Restricted Subsidiaries' assets;
- change the nature of our business;

- sell or otherwise dispose of assets; and
- enter into agreements restricting our Subsidiaries' ability to pay dividends;
- consolidate, merge or sell all or substantially all of our or our Restricted Subsidiaries' assets; or
- enter into transactions with affiliates.

See "*Description of Existing Financing and Collateral Structure*." The breach of any of these covenants would result in a default, which could, in turn, lead to all the outstanding amounts under those debt documents becoming immediately due and payable. Such a default may allow the creditors under such Finance Documents to accelerate the related debt and may result in the acceleration of any other debt to which a cross-acceleration or cross-default provision applies. In addition, an event of default under the Finance Documents could permit the creditors under the Finance Documents to terminate all commitments under such credit facilities to extend further credit under such facilities. Furthermore, if we were unable to repay the amounts due and payable under our Finance Documents, those lenders could proceed against the Collateral granted to them to secure that indebtedness.

Further, as a result of these covenants, we will be limited in the manner in which we conduct our business, and we may be unable to engage in favorable business opportunities that are currently unforeseeable, particularly if we are unable to incur financing or make investments to take advantage of these opportunities.

In addition, while we do not believe that the covenants in the Indenture and the covenants in the Finance Documents are contradictory, complying with separate sets of covenants may be burdensome and costly. Furthermore, in the future we may (at the request of our existing creditors or otherwise) amend the Finance Documents without making similar amendments under the Indenture, which could result in there being further differences in the contractual requirements under the Indenture and Common Terms Agreement that would exist on the issue date. These more burdensome requirements could limit our ability to operate our business and execute our strategy, which in turn could cause a material adverse effect on our financial position and results of operations.

The Unrestricted Subsidiaries (as defined below) and any of their future subsidiaries will be designated as Unrestricted Subsidiaries and the indenture governing the Notes allows for the designation of further Unrestricted Subsidiaries, which will not be subject to any of the covenants in the indenture governing the Notes and whose assets and cashflows will not be required to support the repayment of the Notes.

The Issuer's subsidiaries Fundación Iberdrola México, A.C., Iberdrola Servicios Corporativos, S.A. de C.V., Iberdrola Generación México, S.A. de C.V., Iberdrola Energía Altamira de Servicios, S.A. de C.V., Iberdrola Renovables México, S.A. de C.V., Generación de Energía Base, S.A. de C.V., Soluciones Inteligentes de Descarbonización, S.A. de C.V., Iberdrola Soporte a Proyectos Liberalizado, S.A. de C.V., Iberdrola Soporte a Proyectos Renovables México, S.A. de C.V., Infraestructura de Energía Limpia, S.A. de C.V., Iberdrola Carbón 2 Nature México, S.A. de C.V., Parque de Generación Renovable, S.A. de C.V., Parque Industrial de Energía Renovable, S.A. de C.V., Pier II Quecholac Felipe Ángeles, S.A. de C.V., Pier IV, S.A. de C.V., Servicios de Operación Eoloeléctrica de México, S.A. de C.V. and Corporativo Iberdrola Renovables México, S.A. de C.V. (collectively, "Unrestricted Subsidiaries"), which accounted for 11% of our Consolidated Adjusted EBITDA for the year ended December 31, 2025, will be designated as Unrestricted Subsidiaries on the issue date of the Notes and, as such, will not guarantee the Issuer's obligations under, or provide any security over their assets as collateral for, the Notes. As a result, the Notes and Note Guarantees will be structurally subordinated to all of the existing and future indebtedness and other liabilities of these Unrestricted Subsidiaries.

Unrestricted Subsidiaries will not be subject to the covenants under the indenture governing the Notes or providing any guarantee of payment, collateral security, or any other credit support for the repayment of the Notes. In addition, Unrestricted Subsidiaries may enter into financing arrangements and make investments and dispose of assets, that limit their ability to provide dividend distributions or other cashflows to the Issuer and its Restricted Subsidiaries to support the repayment of the Notes. See "*Description of the Notes—Limitation on Designation of Unrestricted Subsidiaries*".

Prior to or when certain credit facilities under the Finance Documents mature, we may not be able to refinance or replace them.

The Bridge Facility Agreement has an earlier maturity date than the Notes. Prior to or when such facility matures, we will need to refinance them and may not be able to do so on favorable terms or at all. If we are able to refinance the Bridge Facility or other maturing indebtedness, the terms of any refinancing or alternate credit arrangements may contain terms and covenants that restrict our financial and operating flexibility.

In addition, we may be required to maintain letter of credit facilities or other credit support arrangements in connection with certain of our PPAs, interconnection agreements or other contractual obligations. If we are unable to renew such facilities or obtain replacement facilities on a timely basis or on favorable terms, it could trigger an event of default under the applicable agreements and could have an adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

If we are unable to refinance any of our secured indebtedness under the Finance Documents prior to or when it matures, it could result in an event of default under the corresponding Finance Document. Moreover, the occurrence of an event of default under the other Finance Documents could result in an event of default under our other indebtedness, including the Indenture governing the Notes.

Certain provisions in the Common Terms Agreement will not be applicable to the Indenture and the Notes or may be waived, modified or cease to be effective without consent of the holders of the Notes.

Any provisions in the Common Terms Agreement that are not specifically designated as Opt-In Provisions (including certain covenants and events of default) will not apply to the Indenture and the Notes. The provisions of the Common Terms Agreement, including certain of the Opt-in Provisions may be modified or amended, or may terminate or cease to be effective according to terms therein, which changes may not require the vote or consent of the holders of the Notes under the terms of the Intercreditor Agreement. If such provisions of the Common Terms Agreement including the Opt-in Provisions described under "*Description of Existing Financing and Collateral Structure—Opt-in Provisions*" are modified, waived, or cease to be effective, the holders of the Notes would no longer benefit from the protections afforded by such provisions. Any modification, waiver or amendment to the provisions of the Common Terms Agreement, or termination of any such provision, may negatively affect the rights and protections afforded to the holders of the Notes.

The Note Guarantees may be limited or may not be enforceable against the Guarantors.

The Notes will be fully and unconditionally guaranteed by the Note Guarantees. Although such Note Guarantees provide a basis for a direct claim against the Guarantors, it is possible that the Note Guarantees may not be enforceable under Mexican law.

While Mexican law does not prohibit the granting of guarantees such as the Note Guarantees and, as a result, it does not prevent the Note Guarantees from being valid, binding and enforceable against the relevant Guarantor, in the event that a Guarantor becomes subject to an insolvency proceeding (*concurso mercantil*) or to bankruptcy (*quiebra*) under Mexican law, the creditors of such Guarantors may challenge the validity of the Note Guarantee on the grounds that the Guarantors did not receive fair consideration in exchange for such Note Guarantee and such guarantee may be revoked. If any such event were to occur, the creditworthiness of the Notes, and the market value of the Notes in the secondary market may be materially and adversely affected.

Additionally, under Mexican law, obligations of a guarantor, including the Guarantors, cannot exceed the obligations of the main obligor; Mexican law provides that contractual obligations such as those assumed by the Guarantors may only exist to the extent that the obligations of the main obligor are valid; therefore, upon the lack of genuineness, validity or enforceability of the obligations of the Issuer under the Indenture or the Notes, the obligations of the Guarantors shall be equally affected and in such circumstances might not be enforced in a proceeding before Mexican courts. Finally, under Mexican Law, the extension or the granting of grace periods to the Issuer, any modification of a guaranteed obligation that would increase any obligation of the Issuer or the novation of the principal obligation, would require the consent of the Guarantors; as a result, the obligations of the Issuer might not be enforced by a Mexican court against the Guarantors if the guaranteed obligations are extended, increased or novated without the Guarantor's consent at that time.

The Indenture governing the Notes includes a "savings clause" intended to limit each Guarantor's liability under its subsidiary guarantee to the maximum amount that it could incur without causing the subsidiary guarantee to be a fraudulent transfer under applicable law. There can be no assurance that this provision will be upheld as intended. On at least one occasion, a U.S. bankruptcy court has found this kind of provision to be ineffective, and held the guarantees to be fraudulent transfers and voided them in their entirety.

The collection of interest on interest may not be enforceable in Mexico.

An obligation to pay interest on interest is not permitted under the laws of Mexico and, therefore, the accrual of default interest on past due ordinary interest accrued with respect to the Notes may be unenforceable in Mexico.

The transfer of the Notes is restricted, and it may be difficult to resell your Notes.

The Notes have not been, and will not be, registered under the Securities Act or with the RNV of Mexico and will be subject to certain transfer restrictions for their entire term. We do not intend to provide registration rights to holders of the Notes and do not intend to file any registration statement with the U.S. Securities and Exchange Commission in respect of the Notes. Unless so registered, the Notes may not be offered or sold except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act and any other applicable laws. By purchasing the Notes, prospective purchasers will be deemed to have made the acknowledgments, representations, warranties and agreements described under the heading "*Transfer Restrictions*" in this Offering Memorandum. In addition, an affiliate of the Issuer and one of the Initial Purchasers may place a purchase order and be allocated a portion of the Notes offered hereby. Investors should be aware that they may be required to bear the risks of this investment for an indefinite period of time. See "*Plan of Distribution*" and "*Transfer Restrictions*." The Notes and the Indenture will contain provisions that will restrict the Notes from being offered, sold or otherwise transferred except to persons outside the United States purchasing in offshore transactions pursuant to Regulation S or to QIBs within the United States purchasing in reliance on Rule 144A or other exceptions under the Securities Act. It is the obligation of holders of the Notes to ensure that their offers and sales of the Notes within the United States and other countries comply with applicable securities laws.

Many of the covenants in the Indenture governing the Notes will be suspended if the outstanding Notes of any series have investment grade ratings from any two Rating Agencies.

Many of the covenants in the Indenture that will govern the Notes will be suspended if each series of Notes outstanding has investment grade ratings from any two of Moody's, S&P and Fitch, provided that at the time of suspension no default has occurred and is continuing. Although there can be no assurance that the Notes will ever be rated investment grade, or if they are rated investment grade, that the Notes will maintain those ratings, any suspension of the covenants under the Indenture governing the Notes would allow us to engage in certain transactions that would not be permitted while these covenants were in effect. To the extent any suspended covenants are subsequently reinstated, any actions taken by us while the covenants were suspended would not result in an event of default under the Indenture governing the Notes on the basis that such actions would have been prohibited by the covenants. See "*Description of the Notes—Covenant Suspension*."

Your ability to transfer the Notes may be limited by the absence of an active trading market, and we cannot assure you that any active trading market will develop for the Notes.

The Notes are a new issue of securities for which there is currently no trading market, and we cannot assure you that in the future a market will develop, which may limit the ability of the holders of the Notes to sell their Notes or reduce the price for which such holders of the Notes may be able to sell their Notes. Application will be made to the SGX-ST for the listing and quotation of the Notes on the SGX-ST. There is no assurance that such application to the SGX-ST for the listing of the Notes will be approved, that such listing will be granted or, if so granted, that such listing will be maintained. Approval in-principle from, admission to the Official List of, and the listing and quotation of the Notes on, the SGX-ST are not to be taken as an indication of the merits of us, this offering or the Notes. In the event such application to the SGX-ST is approved, we provide no assurance to you that the Notes will remain listed, that a trading market for the Notes will develop, or if a trading market does develop, that it will be maintained.

You may be unable to sell your Notes if a trading market for the Notes does not develop. The Initial Purchasers are under no obligation to create a market with respect to the Notes, and we cannot assure you that trading markets will develop or be maintained. Accordingly, we cannot provide any assurances as to the development or liquidity of any trading market for the Notes. If such market were to develop, the Notes could trade at prices that may be lower than the face value of the Notes, depending on many factors including some beyond our control. Furthermore, the liquidity of, and trading market, if any, for the Notes may be adversely affected by changes in interest rates and by volatility in the market for similar securities as well as by any changes in our business, financial condition or results of operations.

Historically, the market for project finance debt has been subject to disruptions that have caused substantial volatility in the prices of securities similar to the Notes. We cannot assure you that the market, if any, for the Notes will be free from similar disruptions or that any such disruptions may not adversely affect the prices at which you may sell your Notes. Therefore, we cannot assure you that you will be able to sell your Notes at a particular time or price, if at all.

The Notes will be secured only to the extent of the value of the assets that have been granted as security for the Notes.

If there is an event of default on the Notes, the holders of the Notes will be secured only to the extent of the value of the Collateral underlying their security interest. The Collateral securing the Notes consists of the equity interests of the Issuer and the Company (or, following the Required Merger (as defined in the Common Terms Agreement), the equity interests of the Surviving Entity- as defined in the Common Terms Agreement), held through the Security Trust and the Share Pledge Agreements. To the extent that the claims of the holders of the Notes exceed the value of the assets securing the Notes, those claims will rank equally with the claims of the holders of all other existing and future senior unsecured indebtedness ranking equally in right of payment with the Notes. As a result, if the value of the assets constituting the Collateral is less than the value of the claims of the Collateral Agent, those claims may not be satisfied in full before the claims of certain unsecured creditors are paid. Furthermore, upon enforcement against any Collateral or in insolvency (*concurso mercantil* or *quiebra*), the claims of the holders of the Notes to the proceeds of such enforcement will rank equal in right of payment with the claims of the lenders and other holders of any future senior indebtedness secured by the Collateral. As a result, holders of the Notes will receive less from the proceeds of the Collateral in an enforcement action or insolvency proceeding (*concurso mercantil* or *quiebra*) than if they were not required to share proceeds.

No appraisal of the value of the Collateral has been made in connection with this offering and the fair market value of the Collateral may be subject to fluctuations based on factors that include, among others, general economic conditions, the performance and financial condition of the Issuer and the Group Companies, industry conditions and similar factors. The Collateral does not include contracts, agreements, licenses and other rights that by their express terms prohibit the assignment thereof or the grant of a security interest therein. Some of these may be material to us and such exclusion could have a material adverse effect on the value of the Collateral. The amount to be received upon a sale of the Collateral would be dependent on numerous factors, including, but not limited to, the actual fair market value of the Collateral at such time, the timing and the manner (including the possibility of the Collateral or portions thereof being sold together or as an operating business) of the sale, the availability of prospective buyers, and the obtention of the requisite governmental approvals. By its nature, some of the assets that comprise the Collateral may be illiquid and may have no readily ascertainable market value or any other comparable value at all. To the extent that liens, security interests and other rights granted to other parties encumber assets owned by the Issuer or the Guarantors, those parties have or may exercise rights and remedies with respect to the property subject to their liens that could adversely affect the value of that collateral and the ability of the Collateral Agent under the Indenture or the holders of the Notes to realize or foreclose on that Collateral. We cannot assure you that the Collateral can be sold and, even if saleable, the timing of its liquidation and the value to be derived therefrom are uncertain. In the event of a foreclosure, liquidation, bankruptcy (*concurso mercantil*) or similar proceeding, the Collateral may not be sold in a timely or orderly manner, and the proceeds from any sale or liquidation of this Collateral may not be sufficient to repay the obligations under the Notes. Consequently, we cannot assure investors in the Notes that liquidating the Collateral securing the Notes would produce proceeds in an amount sufficient to pay in full any amounts due under the Notes (and other *pari passu* indebtedness) after also satisfying our obligations to pay any other creditors. If the proceeds of any sale of the Collateral are not sufficient to repay all amounts due on the Notes, the holders of the Notes (to the extent not repaid from the proceeds of the sale of the Collateral securing the Notes) would have only an unsecured, unsubordinated claim against our remaining assets.

The rights of the holders of Notes with respect to the Collateral are subject to the terms of the Intercreditor Agreement and the other Collateral Documents, which may materially limit the rights of the holders of the Notes to take enforcement actions, including with respect to the Collateral securing the Notes.

The Notes, together with our other Secured Obligations will be secured by a first priority lien on the Collateral pursuant to the other Collateral Documents. The rights of the holders of Notes and other Secured Obligations with respect to the Collateral will be subject to and may be limited by the terms of the Intercreditor Agreement.

Under the Intercreditor Agreement, the rights of the holders of the Notes to take any enforcement actions, including commencing legal proceedings against us in respect of the Notes, enforcing the Collateral securing the Notes and petitioning for the bankruptcy (including, *concurso mercantil* or *quiebra*) of the Company, will be limited. No holder of Secured Obligations, including the holders of the Notes, will be entitled to take such enforcement actions following an event of default under the applicable secured debt documents subject to the Intercreditor Agreement unless the required percentage of Secured Obligations has elected to exercise such remedies and instructed the Intercreditor Agent to take such actions in accordance with the procedures set forth in the Intercreditor Agreement. Furthermore, the other holders of Secured Obligations may have the ability to control the outcome of certain intercreditor votes under the Intercreditor Agreement without the approval of the holders of the Notes, including with respect to (i) the approval of certain amendments to, and waivers of, the provisions of the other Collateral Documents, (ii) the exercise of remedies against us, including enforcement of the Collateral, and (iii) other instructions that may be provided to the Intercreditor Agent in accordance with the terms of the Intercreditor Agreement.

Each decision made in accordance with the terms of the Intercreditor Agreement will be binding upon the Indenture Trustee and the holders of the Notes and each other party to the relevant secured debt documents subject to the Intercreditor Agreement. See "*Description of the Notes—Collateral Arrangements*," "*—Intercreditor Agreement*" and "*—Amendment, Supplement, Waiver*."

Additionally, if the holders of the Notes obtain any amount from us, including as payment of any amounts due following the acceleration thereof or from any realization on any Collateral, other than amounts obtained from or through the applicable Collateral Agent pursuant to the Intercreditor Agreement and the other Collateral Documents, the holders of the Notes must promptly pay such amount to the applicable Collateral Agent for the account of the holders of Secured Obligations to be shared among such creditors in accordance with the Intercreditor Agreement. See "*Description of the Notes—Collateral Arrangements*."

Future equity offerings or asset dispositions could result in changes to, or releases of, the Collateral and/or the Note Guarantees, which could adversely affect your ability to recover on the Notes.

We and our shareholders may, from time to time, consider strategic transactions, which could include one or more dispositions of assets or equity interests, internal reorganizations, financings, equity offerings or an initial public offering (IPO) (any of which could be referred to herein as a "Strategic Transaction"). Any such Strategic Transaction could, depending on its structure and the applicable documentation, result in the disposition of assets that form part of the Collateral, the transfer, release, substitution or re-perfection of security interests in the Collateral, the addition, removal or substitution of guarantors, and/or the release of the Note Guarantees without your consent. See "*Description of the Notes—Note Guarantees*".

Any reduction in the value of, or enforceability or priority of security interests in, the Collateral, or the release, limitation or reduction of any Note Guarantee, could reduce the proceeds available to satisfy the obligations under the Notes following an event of default and could materially adversely affect our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes, and could cause the market value of the Notes to decline.

If we default on the Notes, recourse will be limited to the Company and the Guarantors.

The Issuer and the Guarantors are the only parties required to make payments on the Notes. The Issuer has no other business or significant assets other than its equity interest in the Company and an indirect interest in the Project Companies and the Service Companies. The Notes are the obligation of solely the Issuer and the Guarantors, payable solely from the Issuer, the Guarantors or the Collateral as applied in accordance with the Collateral Documents.

Payments on the Notes will be effectively junior to any of our secured debt to the extent such debt is secured by collateral that does not secure our Notes.

The Notes will constitute senior secured obligations of the Issuer and will rank equal in right of payment with all of our other existing and future senior unsecured indebtedness of the Issuer.

As of December 31, 2025, our total indebtedness (not including indebtedness under the Bridge Facility), was U.S.$257.857 million, of which U.S.$107.479 million was secured. The Notes will be subordinated to our other debt secured by assets and properties (other than Collateral) to the extent that the assets and property securing

such debt do not equally secure the Notes. The Notes are effectively junior to the debt obligations of the Issuer's subsidiaries and payment on the Notes will also be structurally subordinated to the payment of secured and unsecured debt and other creditors of our subsidiaries. In addition, the Collateral Agent will not be able to foreclose on the assets that do not secure the Notes.

We may incur additional indebtedness that could adversely affect holders of the Notes.

We may be able to incur additional indebtedness in the future. Although the Indenture will contain restrictions on our incurrence of additional indebtedness, these restrictions on us are subject to a number of important qualifications and exceptions. See "*Description of the Notes—Negative Covenants of the Issuer, Guarantors and Restricted Subsidiaries—Limitation on Indebtedness*." If we incur additional indebtedness, the risks that we face as a result of such additional leverage could increase. The Indenture will permit us to issue additional indebtedness that ranks on an equal and ratable basis with the Notes. If we incur any additional debt that ranks on an equal and ratable basis with the Notes, the holders of that debt will be entitled to share ratably with the holders of the Notes in any proceeds distributed in connection with a *concurso mercantil*, liquidation, reorganization, dissolution or other winding-up of us or our subsidiaries, as applicable, subject to satisfaction of certain debt limitations. This may have the effect of reducing the amount of proceeds payable to you.

We also have the ability to incur additional senior secured indebtedness. If we issue or incur any such additional senior secured indebtedness, the relative interest of holders of the Notes in the Collateral would be diluted by the proportion that the principal amount of, interest on, and other amounts due in respect of, such additional senior secured indebtedness bears to the total senior secured indebtedness outstanding at the time such additional senior secured indebtedness is issued or incurred. We cannot assure you that the value of the Collateral is or will be sufficient to protect your investment in the Notes, whether or not we issue additional Notes under the Indenture or incur other additional senior secured indebtedness and thereby dilute the relative interest of existing holders of the Notes in the Collateral, or that we will have sufficient funds to perform our payment obligations under the Notes and all other senior secured indebtedness that we or our subsidiaries issue or incur in the future.

Fraudulent conveyance laws may void the Notes or the Note Guarantees or subordinate the Notes or the Note Guarantees.

The issuance of the Notes and the Note Guarantees and the creation of liens on the Collateral may be subject to review under applicable bankruptcy or *concurso mercantil* law or relevant fraudulent conveyance laws if a bankruptcy lawsuit or similar action affecting the rights of creditors generally is commenced by us or by or on behalf of our creditors. Such applicable bankruptcy law or relevant fraudulent conveyance laws may not be as favorable to your interests as creditors as the bankruptcy laws of the United States or other jurisdictions. While the relevant laws may vary from jurisdiction to jurisdiction and from time to time, in general under these laws, if a court were to find that, in such a lawsuit or action, at the time the Notes or the Note Guarantees are issued, the debt was incurred with the intent of hindering, delaying or defrauding current or future creditors and received less than reasonably equivalent value or fair consideration for incurring the debt, the agreed terms differ significantly from prevailing market conditions, the Notes and the Note Guarantees could be declared ineffective *vis-à-vis* the bankruptcy estate and/or require the holders of the Notes to repay any amounts received with respect to the Notes or such Note Guarantees. In the event of a finding that a fraudulent conveyance occurred, you may not receive any repayment on the Notes or set aside the security interest under the Collateral.

The standards for determining the admissibility of a *bankruptcy proceeding* vary from jurisdiction to jurisdiction, in Mexico the criteria is the following: the failure of a debtor to comply with its payment obligations in respect of two or more creditors, and the existence of the following two conditions: (i) 35 percent or more of the debtor's outstanding liabilities are 30 days past due; and (ii) the debtor has insufficient liquid assets and receivables —which are specifically defined— to support at least 80 percent of its obligations which are due and payable. A debtor can petition for *concurso* if any of the two tests are met or if it declares under oath that it will inevitably fall in any of these two tests within the next ninety days. A creditor or the Office of the Attorney General can demand the *concurso* if both tests are met.

While Mexican law does not prohibit the giving of subsidiary guarantees and, as a result, does not prevent the Note Guarantees from being valid, binding and enforceable against the Guarantors, in the event that a Guarantor becomes subject to a judicial reorganization proceeding (*concurso mercantil*) or to bankruptcy (*quiebra*) under the Mexican Bankruptcy Law, its Note Guarantee may be deemed to have been a fraudulent conveyance and declared void based upon the Guarantor being deemed not to have received fair consideration in exchange for such Note Guarantee.

Outside of a bankruptcy scenario, the issuance of the Notes and the Note Guarantees may be subject to review under relevant fraudulent conveyance laws, if at the time of the transaction, the Issuer or any of the Guarantors were insolvent or became insolvent as a result of issuing the Notes or the Note Guarantees;

The standards for determining whether the debtor was or became insolvent vary from jurisdiction to jurisdiction, in Mexico the criteria is that the sum of its debts, including contingent liabilities, was greater than the value (saleable or other) of all or certain of its assets.

We cannot be certain as to the standards a court would use to determine whether or not we or the Guarantors were solvent or, regardless of the standard that a court uses, that the issuance of the Notes and the Note Guarantees would not be subordinated to our or any Guarantor's other debt or that it would be considered ineffective *vis-à-vis* the bankruptcy estate if subject to a fraudulent conveyance claim.

If the Note Guarantees were legally challenged, any Note Guarantees could also be subject to the claim that, since the Note Guarantees were incurred for our benefit, and only indirectly for the benefit of the Guarantor, the obligations of the applicable Guarantor were incurred for less than fair consideration. A court could consider ineffective *vis-à-vis* the bankruptcy estate the obligation under the Note Guarantees.

Our obligations and the obligations of the Guarantors under the Notes and the Note Guarantees will be subordinated to statutory preferences.

Under Mexican law, our obligations under the Notes and the obligations of the Guarantors under the Note Guarantees are subordinated to specified statutory preferences for payment of claims, including claims for wages, social security, taxes, court fees and expenses, and other secured claims. In the event of our liquidation, these preferences will have priority over any other claims, including claims by any holder in respect of the Notes or the Note Guarantees, and, as a result, holders of Notes may be unable to recover amounts due under the Notes, in whole or in part.

Our obligations and the obligations of the Guarantors under the Notes and the Note Guarantees would be converted into UDIs in the event of insolvency or bankruptcy (concurso mercantil).

Under the Mexican Bankruptcy Law, if we or any of the Guarantors were to be declared in concurso mercantil by a Mexican court, our unsecured payment obligations and those of the Guarantors (or the unsecured portion of those obligations, that are not covered by the collateral securing such obligations), including those under the Notes or Note Guarantees, would (i) be converted on the date of the *concurso mercantil* court declaration to pesos and then from pesos into UDIs, which are a Mexican synthetic unit adjusted for inflation, and would not be adjusted to take into account any devaluation of the peso relative to the dollar occurring after such conversion, (ii) cease to accrue interest from the date the *concurso mercantil* is declared, (iii) be subject to the outcome of, and priorities recognized in, the relevant proceedings (including statutory preferences for tax, social security and labor claims), and (iv) be satisfied at the time claims of all its unsecured creditors are satisfied. This would apply to the outstanding amount under the shares secured by the Security Trust, given that, under Mexican Bankruptcy Law, a fideicomiso de garantía (such as the Security Trust) would not qualify as an *in rem* security interest for these purposes.

The portion of the obligations covered by the collateral securing such obligations that are in a currency that is not pesos or UDIs, such as the Notes or Note Guarantees, will continue to accrue ordinary interest up to the amount of the value of the collateral securing such obligations. The value of the collateral securing such obligations will be determined by the relevant secured creditor and will be converted to UDIs.

This would only apply to the nominal share of each such entity which is pledged to the Collateral Agent pursuant to the Pledge Agreements and outside of the trust estate of the Security Trust Agreement (*fideicomiso de garantía)*.

The Notes will be structurally subordinated to all liabilities of subsidiaries that are not Guarantors.

Certain of our current and future subsidiaries will not act as Guarantors of the Notes. See "*Description of the Notes—Note Guarantees" and "—Certain Definitions—Unrestricted Subsidiary*." In the event of a bankruptcy (*concurso mercantil*), liquidation or reorganization of any future non-guarantor subsidiary, holders of their indebtedness and their trade creditors will generally be entitled to payment of their claims from the assets of those entities before any assets are made available for distribution to us. As a result, the Notes will effectively be

subordinated to the prior payment of all of the liabilities of all future non-guarantor subsidiaries. Non-guarantor subsidiaries are separate and distinct legal entities and have no obligation, contingent or otherwise, to pay amounts due pursuant to the Notes or to make any funds available therefor, whether by dividends, loans, distributions or other payments.

We may not have the ability to raise the funds necessary to finance the Change of Control Offer required by the Indenture.

Upon the occurrence of a "Change of Control Repurchase Event," as defined in the Indenture, we will be required to offer to repurchase all outstanding Notes at 101% of the principal amount thereof *plus* accrued and unpaid interest and Additional Amounts, if any, to the date of repurchase. See "*Description of the Notes—Repurchase Upon Change of Control Repurchase Event*." However, it is possible that we will not have sufficient funds at the time of the Change of Control Repurchase Event to make the required repurchase of Notes. In any case, third-party financing most likely would be required in order to provide the funds necessary for us to make the Change of Control Offer for the Notes and to refinance any other indebtedness that would become payable upon the occurrence of such events. We may not be able to obtain such additional financing on terms favorable to us or at all.

The definition of "Change of Control" in the Indenture will include a disposition of all or substantially all of the properties or assets of the Issuer and its Subsidiaries, taken as a whole, to any person. Although there is a limited body of case law interpreting the phrase "all or substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve a disposition of "all or substantially all" of the assets of the Issuer and its Subsidiaries, taken as whole. As a result, it may be unclear as to whether a Change of Control has occurred and whether we are required to make an offer to repurchase the Notes.

In addition, a failure to make an offer to repurchase the Notes upon a Change of Control Repurchase Event would give rise to an event of default under the Indenture and could result in an acceleration of amounts due thereunder. Any such default and acceleration under the Indenture could trigger a cross-default or cross-acceleration under other indebtedness.

Payments claimed in Mexico on the Notes, pursuant to a judgment or otherwise, would be in Mexican Pesos.

In the event that proceedings are brought against us in Mexico, either to enforce a judgment or as a result of an original action brought in Mexico, or if payment is otherwise claimed from us in Mexico, we would not be required to discharge those obligations in a currency other than Mexican currency. Under the Monetary Law of Mexico (*Ley Monetaria de los Estados Unidos Mexicanos*) an obligation, whether resulting from a judgment or by agreement, denominated in a currency other than Mexican pesos, which is payable in Mexico, may be satisfied in pesos at the exchange rate in effect on the date on which payments are made. Such rate is currently determined by the Central Bank of Mexico on each business banking day and published the following business banking day in the Official Gazette. As a result, you may suffer a U.S. dollar shortfall if you obtain a judgment or a distribution in bankruptcy (*concurso mercantil*) in Mexico. It is unclear, however, whether the applicable exchange rate applied by a Mexican court to determine the Mexican judgment currency would be the rate prevailing at the time when the judgment is rendered or when the judgment is paid. You should be aware that no separate action exists or is enforceable in Mexico for compensation for any shortfall of this kind.

We may not be able to make payments in U.S. dollars.

In the past, the Mexican economy has experienced balance of payments deficits and shortages in foreign exchange reserves. The peso has been subject to significant devaluations against the U.S. dollar in the past and may be subject to significant fluctuations in the future. Severe devaluations or depreciations of the peso may result in governmental intervention to institute restrictive exchange control policies, as has occurred before in Mexico and other Latin American countries.

While the Mexican Government does not currently restrict the ability of Mexican or foreign persons or entities to convert Mexican pesos to foreign currencies, including U.S. dollars, it has done so in the past and could do so again in the future. We cannot assure you that the Mexican Government will not implement a restrictive exchange control policy in the future. Any such restrictive exchange control policy could prevent or restrict our access to U.S. dollars to meet our U.S. dollar obligations and could also have a material adverse effect on our

business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes. We cannot predict the impact of any such measures on the Mexican economy.

Accordingly, fluctuations in the value of the peso against other currencies, particularly the U.S. dollar, could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes. For information regarding recent trends in the peso-U.S. dollar exchange rate, see "*Exchange Rate Information*."

Credit ratings may not reflect all risks, are not recommendations to buy or hold securities and may be subject to revision, suspension or withdrawal at any time.

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to the structure, market, additional risk factors discussed herein and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal by the rating agency at any time. We cannot assure you that a credit rating will remain constant for any given period of time or that a credit rating will not be lowered or withdrawn entirely by the credit rating agency if, in its judgment, circumstances in the future so warrant. A suspension, reduction or withdrawal at any time of the credit rating assigned to the Notes by one or more of the credit rating agencies may adversely affect the cost and terms and conditions of our financings and could adversely affect the value and trading of the Notes.

The Notes will be held in book-entry form and therefore you must rely on the procedures of the relevant clearing system to exercise any rights and remedies.

The Notes will be issued in fully registered form. The Regulation S Global Notes and the Rule 144A Global Notes will be deposited on the closing date, with, or on behalf of, the Indenture Trustee for the account of DTC registered in the name of a nominee of the DTC.

Ownership of beneficial interests in the Global Notes (the "Book-Entry Interests") will be limited to persons that have accounts with DTC ("participants") or persons that hold interests through such participants. Book-Entry Interests will be shown on, and transfers thereof will be effected only through, records maintained in book-entry form by DTC and their participants. Owners of beneficial interests in the Global Notes will not be entitled to receive definitive Notes in registered form, except under the limited circumstances described in "*Book-Entry; Settlement and Clearance.*" So long as the Notes are held in global form, holders of Book-Entry Interests will not be considered the owners or "holders" of Global Notes.

Payments of any amounts owing in respect of the Global Notes (including principal, premium, interest and Additional Amounts, if any) will be made by the Issuer to the paying agents. The paying agents will, in turn, make such payments to DTC, which will in turn distribute such payments to participants in accordance with its procedures. After payment to DTC, we will have no responsibility or liability for the payment of interest, principal or other amounts to the holders of Book-Entry Interests. Accordingly, if you hold a Book-Entry Interest, you must rely on the procedures of DTC, or the procedures of the participant through which you hold your interest, to exercise any rights and obligations of a holder of Notes under the Indenture governing the Notes.

Unlike the holders of the Notes themselves, holders of Book-Entry Interests will not have the direct right to act upon the Issuer's solicitations for consents, requests for waivers or other actions from holders of the Notes. Instead, if you hold a Book-Entry Interest, you will be permitted to act only to the extent you have received appropriate proxies to do so from DTC. The procedures implemented for the granting of such proxies may not be sufficient to enable you to vote on a timely basis. Similarly, upon the occurrence of an event of default under the Indenture governing the Notes, unless and until definitive registered Notes are issued in respect of all Book-Entry Interests, if you hold a Book-Entry Interest, you will be limited to acting through DTC. The procedures to be implemented through DTC may not be adequate to ensure the timely exercise of rights under the Notes.

It may be difficult to enforce civil liabilities against us or our director and executive officers.

The Issuer and the Guarantors are entities incorporated outside the United States. The sole administrator of the Issuer and the directors and officers of the Guarantors and certain experts named in this Offering Memorandum are non-residents of the United States. All of our assets are located, and a significant portion of our revenues are derived from sources, outside the United States. In addition, most of the assets of the sole administrator of the Issuer and the directors and officers of the Guarantors are located outside of the United States.

Although the Issuer and the Guarantors have submitted or will submit to the jurisdiction of certain New York courts in connection with any action under U.S. securities laws, you may be unable to effect service of process within the United States or in any other jurisdiction outside of Mexico on the sole administrator of the Issuer or the directors and officers of the Guarantors or to enforce against such parties judgments obtained in jurisdictions outside of Mexico predicated upon the laws of any such jurisdiction, including judgments predicated upon the federal and state securities laws of the United States. As a result, it may not be possible for investors to effect service of process upon such persons or entities outside Mexico or their respective jurisdiction of residence, as the case may be, or to enforce against such parties any judgment obtained in courts located outside of Mexico or their respective jurisdiction of residence predicated on civil liabilities under the laws of jurisdictions other than Mexico or their respective jurisdiction of residence, including judgments predicated on the civil liability provisions of the U.S. federal securities laws or other laws of the United States. No bilateral treaty is currently in effect between the United States and Mexico that covers the reciprocal enforcement of foreign judgements. There is doubt as to the enforceability in Mexican courts, in original actions or in actions for enforcement of judgments obtained in courts of jurisdictions outside Mexico, of civil liabilities arising under the laws of any jurisdiction outside Mexico, including any judgment predicated solely upon United States federal or state securities laws. In addition, we have been informed that it is questionable whether a court in Mexico would accept jurisdiction and impose civil liability if proceedings were commenced in such court predicated solely upon U.S. federal and state securities laws. See "*Enforcement of Civil Liabilities*."

The Collateral Agent's ability to foreclose on the Collateral on your behalf may be subject to priority issues and practical problems associated with the realization of the Collateral Agent's security interest in such Collateral.

In the event of our *concurso mercantil*, the Collateral Agent, on behalf of the holders of the Notes and other holders of any future *pari passu* debt, would have secured claims against us for amounts due under the Notes and any such other *pari passu* debt. The Collateral Agent's claims would be secured by the Collateral. In the event of any bankruptcy proceedings in the United States, however, the applicable Collateral Agent could not foreclose on any of the Collateral absent relief granted by the bankruptcy judge from the automatic stay in bankruptcy. In a *concurso mercantil* in Mexico, foreclosure on the Collateral should not be stayed given that the Security Trust would not qualify as an in rem security interest for purposes of that proceeding, whereas it would qualify as a separate estate from the bankruptcy estate, thus, not subject to the stay on enforcements against the bankruptcy estate. The pledge over the nominal share of the Issuer and the Company pursuant to the Pledge Agreements would be stayed pursuant to the court's *concurso mercantil* declaration and such a stay would remain during the pendency of such *concurso mercantil*

In addition, substantial rights of the Collateral Agent, including rights under the Security Trust and the Pledge Agreements, are governed by the laws of Mexico. The laws relating to trusts (*fideicomisos*) and to the creation and perfection of security interests in Mexico differ from those in the United States and may be subject to restrictions and limitations. These restrictions and limitations may have the effect of preventing, limiting and/or delaying the enforcement of the Collateral Agent's rights or the foreclosure and subsequent disposition of a material portion of the Collateral, and may materially impair the claims of the holders of the Notes and other *pari passu* debt. Any such delay in having an enforceable claim could also diminish the value of the interest of the holders of the Notes and other holders of *pari passu* debt in such Collateral due, among other things, to the existence of other potential creditors and claimants.

Furthermore, the ability of the Collateral Agent to require the foreclosure on or otherwise enforce the security and other rights in respect of the Collateral may be limited by both practical and legal considerations, including obtaining requisite governmental approvals, restrictions and delays arising under the laws of foreign jurisdictions and the effect of possible *concurso mercantil* or similar proceedings under the laws of any of the jurisdictions of incorporation or organization of any of the entities involved in the Collateral Documents. As a result, the Collateral Agent may encounter material limitations or delays in the foreclosure or enforcement of rights with respect to the Collateral.

Your interests in the Collateral securing the Notes may be adversely affected by our failure to maintain, record and/or perfect security interests.

Your rights in the Collateral may be adversely affected by our failure to comply with our obligations to adequately perfect the security interests on the Collateral when initially put in place, to maintain the security interest in or the priority of the Collateral or to perfect security interests in certain Collateral in the future. The Indenture and the Collateral Documents provide us with certain time periods to fully implement perfection of the

security interest and will require that we maintain the security interest created thereunder as a perfected security interest with the priority required, when applicable, by the Collateral Documents. We may fail to timely complete such registration or other perfection steps, or fail to notify the Collateral Agent of changes in name or other events which may adversely affect the security interest in the Collateral. Neither the Indenture Trustee nor the Collateral Agent have any obligation to monitor the Collateral or the acquisition of additional property or rights that constitute Collateral or the perfection of any security interest in favor of the Notes against third parties. Our failure to perfect the security interest in the Collateral may result in the loss of the security interests therein or the priority of the security interest in favor of the Notes against third parties, which could adversely impact the value that can be derived from such security interest in favor of the holders of the Notes.

Perfection of security interests in the Collateral may not occur for some time or at all and, as a result, you may lose the benefit of such security interests to the extent a default occurs prior to such perfection or if such security interest is perfected during the period immediately preceding the Issuer's *concurso mercantil*.

Impediments exist to any foreclosure on the Collateral, which may adversely affect the proceeds of any foreclosure.

The Collateral Documents that create liens on the Collateral for the benefit of the Notes will be governed by Mexican laws. Such laws require that certain legal and procedural requirements be met, which may be different from those that would apply under the laws of the United States. For example, in Mexico, foreclosure of certain collateral is only permitted upon receipt of a judicial order, or after anextrajudicial procedure contemplated by anagreement is completed, as applicable. In particular, except for foreclosure proceedings related to the Collateral to be held by the Security Trust, Mexican law does not allow for self-executing mechanisms or expedited foreclosure proceedings. There may be additional requirements that are applicable under the laws of Mexico that need to be completed prior to foreclosure. We cannot assure you that the Collateral Agent will be able to efficiently comply with those requirements or if such requirements will affect the value of the Collateral.

Enforcement of security interests created under the laws of Mexico may be conducted in Mexican courts based on the procedures and subject to the rules set forth in such laws. Insolvency statutes in Mexico may stay any foreclosure procedures for the length or a portion of the duration of such proceedings. It is also possible that any such courts will require a judgment regarding the existence of an event of default under the Indenture from a U.S. court prior to any foreclosure. We may also have defenses available to us under Mexican law to foreclosure proceedings that are not available under U.S. law. Procedural delays could result in a decrease in the value of the Collateral that would otherwise be realizable upon foreclosure. During this period, the cash proceeds from any sales of assets that we are not required to hold in a segregated account with the Collateral Agent, if any, may become commingled with our other cash assets and therefore may not be identifiable. In addition to legal and procedural concerns, the Collateral Agent may encounter practical considerations that could delay the foreclosure on assets that are part of the Collateral.

Failure to comply with any legal or procedural requirements or any delay in the foreclosure of the Collateral could affect the value of the Collateral or the probability of the holders of the Notes to receive proceeds from the sale of such Collateral.

It may be difficult to realize the value of the Collateral securing the Notes.

The Collateral securing the Notes will be subject to any and all exceptions, defects, encumbrances, liens and other imperfections permitted under the Indenture and accepted by future creditors that have the benefit of security interests in the Collateral securing the Notes from time to time after the date the Notes are first issued. The existence of any such exceptions, defects, encumbrances, liens and other imperfections could adversely affect the value of the Collateral securing the Notes, as well as the ability of the Collateral Agent to realize or foreclose on such Collateral. Furthermore, the ranking of security interests can be affected by a variety of factors, including, among others, the timely satisfaction of perfection requirements, statutory liens or recharacterization under the laws of certain jurisdictions.

Finally, the Collateral Agent's ability to foreclose on the collateral on behalf of the holders of the notes may be subject to the consent of third parties, prior liens and practical problems associated with the realization of the Collateral Agent's lien on the collateral, and to the provisions of the Intercreditor Agreement.

Enforcing your rights as a holder of Notes under the Notes or the Note Guarantees or the security across multiple jurisdictions may prove difficult.

The Notes will be issued by the Issuer, a corporation organized and existing under the laws of Mexico, and will be guaranteed by entities organized and existing under the laws of Mexico and Spain through shares of capital stock that such entities hold and will hold in the capital stock of the Issuer and the Company, which also are entities organized and existing under the laws of Mexico. In the event of bankruptcy (including *quiebra*), insolvency (including *concurso mercantil*), administration or similar event affecting the Issuer, the Company and their shareholders, proceedings could be initiated in Mexico. The rights of the holders under the Notes and the Collateral are likely to be subject to insolvency and administrative laws of several jurisdictions, and there can be no assurance that the Collateral Agent, acting for the benefit of the holders of the Notes, will be able to effectively enforce its rights in such complex proceedings. In addition, such multi-jurisdictional proceedings are typically complex and costly for creditors and often result in substantial uncertainty and delay in the enforcement of creditors' rights. In addition, the bankruptcy, insolvency, administration and other laws of the jurisdiction of organization of the Issuer and the Guarantors may be materially different from, or in conflict with, one another, including creditors' rights, priority of creditors and the duration of the insolvency proceeding. The application of these various laws in multiple jurisdictions could trigger disputes over which jurisdiction's laws should apply and could adversely affect the ability to enforce the security and to realize any recovery under the Notes and the Note Guarantees.

The Collateral may be subject to expropriation, which may limit your ability to recover as a secured creditor if any of the Collateral is expropriated or otherwise interferes with our business.

It is possible that all or a portion of the Collateral that will secure the Notes may become subject to a proceeding for expropriation. In such event, we may be compensated for any total or partial loss of property, but it is possible that such compensation will be insufficient to fully compensate us for our losses. In addition, a total or partial expropriation may interfere with our ability to use and operate all or a portion of our business, which may have an adverse impact on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.

If certain changes to tax law were to occur, we would have the option to redeem the Notes.

The Notes are redeemable at our option in whole (but not in part), at any time at a redemption price equal to the principal amount thereof, *plus* accrued and unpaid interest and Additional Amounts, if any, on the principal amount of the Notes being redeemed if, as a result of certain changes to tax laws, the Issuer becomes obligated to pay Additional Amounts with respect to interest on the Notes at a rate of withholding or deduction in excess of 4.9%. Although no proposal to increase the withholding tax rate in Mexico is currently pending, we cannot assure you that an increase in withholding tax rate will not be enacted. See "*Description of the Notes—Optional Redemption upon Tax Event*" and "*Taxation—Certain Mexican Tax Considerations—Taxation of Payments of Interest*."

The Indenture will not be qualified under the Trust Indenture Act and the obligations of the Indenture Trustee are limited.

The Indenture will not be qualified as an indenture under the Trust Indenture Act of 1939 (the "Trust Indenture Act"), and the Indenture Trustee will not be required to qualify as a trustee under the Trust Indenture Act. Thus, the holders of the Notes will not have the benefit of the protection of the Trust Indenture Act with respect to the Indenture or the Indenture Trustee. The protections generally afforded to the holder of a security issued under an indenture that has been qualified under the Trust Indenture Act include:

- disqualification of the indenture trustee for "conflicting interests," as defined in the Trust Indenture Act;
- provisions preventing a trustee that is also a creditor of the Issuer from improving its own credit position at the expense of the security holders immediately prior to or after a default under such indenture;
- the requirement that the indenture trustee deliver reports at least annually with respect to certain matters concerning the indenture trustee and the securities; and
- unanimous voting thresholds for certain amendments.

The bankruptcy (concurso mercantil) laws of Mexico may not be as favorable to you as insolvency laws of jurisdictions with which you may be familiar and may preclude holders of the Notes from recovering payments due on the Notes.

The Issuer and the Guarantors are incorporated under the laws of Mexico. Future subsidiaries of the Issuer may be incorporated in other jurisdictions and are or may be subject to the insolvency laws of such jurisdictions.

The insolvency laws of these jurisdictions may differ or may not be as favorable to your interests as creditors as the bankruptcy laws of United States or other jurisdictions. If one or more of the Issuer or the Guarantors experience financial difficulties, it is not possible to predict with certainty in which jurisdiction or jurisdictions insolvency or similar proceedings would first be commenced or how these proceedings would be resolved. The insolvency, administration and other laws of the jurisdictions in which the respective companies are organized or operate may be materially different from, or conflict with, each other. Any conflict between them could call into question whether, and to what extent, the laws of any particular jurisdiction should apply. There can be no assurance as to how the insolvency laws of these jurisdictions will be applied in relation to one another. In addition, the grant of the Note Guarantees or security interests by the respective Guarantors may be subject to challenge in the relevant local insolvency proceeding

USE OF PROCEEDS

We expect the gross proceeds from the sale of the Notes in this offering to be U.S.$1,999,730,000. We intend to apply the gross proceeds of this offering, after paying transaction fees and expenses accrued in connection with the offering (including fees and commissions payable to the Initial Purchasers) to repay approximately U.S.$1,981 million of the loans and all other amounts due and payable under the Bridge Facility, including related interest, breakage costs, premia, fees, costs and other expenses.

Affiliates of the Initial Purchasers are lenders under the Bridge Facility and an affiliate of one of the Initial Purchasers is acting as agent, under the Bridge Facility, and will therefore receive a portion of the proceeds from this offering that will be used to repay a part of the outstanding principal amount and accrued interest of the loans and other amounts due under the Bridge Facility Agreement. See "*Plan of Distribution*."

EXCHANGE RATE INFORMATION

The following table sets forth, for the years and periods indicated, the period end, average, high and low exchange rates published by the Central Bank of Mexico (*Banco de México)* expressed in Mexican pesos per U.S. dollar. The average annual rates presented in the following table were calculated by using the exchange rates on the last day of each month during the relevant period, whereas the average monthly rates were calculated by using the daily exchange rates for that month. The rates shown below are in nominal Mexican pesos that have not been restated in constant currency units. No representation is made that the Mexican peso amounts referred to in this Offering Memorandum could have been or could be converted into U.S. dollars at any particular rate or at all. Furthermore, the exchange rate for purposes of the convenience translation is not necessarily the same rate we used in preparing the Audited Consolidated Financial Statements, which means that U.S. dollar-denominated items, including U.S. dollar-denominated expenses and liabilities, may have been translated into Pesos using one exchange rate (or an average exchange rate) and have been re-translated into U.S. dollars for the convenience of the reader using the convenience translation exchange rate.

We cannot assure you that the Mexican Government will maintain its current policies with respect to the Mexican peso or that the Mexican peso will not appreciate or depreciate significantly in the future.

	Central Bank of Mexico Exchange Rate[1]			
	Low	**High**	**Average[2]**	**Period-End**
Year ended December 31,				
2024	16.34	20.79	18.33	20.79
2025	17.90	20.85	19.20	18.00
Month ended				
January 2026	17.23	17.98	17.64	17.33
February 2026	17.14	17.41	17.22	17.22
March 2026	17.35	18.10	17.77	18.00
April 1 to April 27, 2026	17.24	17.81	17.41	17.41

(1) Source: Central Bank of Mexico.

(2) The average of the exchange rate for Mexican pesos is calculated taking daily quotations of the exchange rate for the fulfilment of obligations in U.S. dollars payable in Mexico (*tipo de cambio para solventar obligaciones denominadas en dólares de los EE.UU.A. pagaderas en México*), during the relevant period.

CAPITALIZATION

The following table sets forth the cash and cash equivalents and capitalization of the Issuer (excluding the Group Companies) as of December 31, 2025 (i) on an actual basis, (ii) as adjusted to reflect the Bridge Facility, the New Revolving Credit Facility and the Acquisition Equity Financing and (iii) as further adjusted to reflect the issuance of the Notes offered hereby and the use of the proceeds from this offering as described under "*Use of Proceeds*" as if these events had occurred on December 31, 2025.

You should read this table together with "*Use of Proceeds*." Since the Issuer does not consolidate the results of operations, assets, liabilities and shareholders' equity of the Group Companies, the presentation of total debt and equity of the Issuer is provided for informational purposes only to show the key capitalization items of the Issuer prior to and after giving effect to the Issuance of the Notes and the application of the proceeds therefrom. Because the Audited Consolidated Financial Statements only include assets, liabilities, results of operations and equity of the Group Companies, any indebtedness incurred by the Issuer is not recorded as indebtedness of the Group Companies in the Audited Consolidated Financial Statements. See "*Risk Factors—Risks Related to Our Business and Industry—Our Audited Consolidated Financial Statements are not indicative of our future financial performance and do not include all the information investors need to evaluate in connection with an investment in the Notes*."

	As of December 31, 2025		
	Actual	**As Adjusted**	**As Further Adjusted**
	(*in thousands of U.S. dollars*)		
Cash and cash equivalents	**—**	10,110	10,110
Debt			
Bridge Facility	—	2,650,000[2]	674, 190
New Revolving Credit Facility	—	—	[4]
Notes offered hereby	—	—	**2,000,000**
Total debt[1]	—	**2,650,000**	**2,674,190**
Total Equity Financing	**—**	**850,000[3]**	**850,000**
Total capitalization	**—**	**3,500,000**	**3,524,190**

(1) Excludes the indebtedness of the subsidiaries of the Issuer, consisting of $107 million for the PIER Financing.
(2) Consists of the indebtedness incurred by the Issuer as part of the Bridge Facility.
(3) Includes the equity capital contributed to the Issuer from its shareholders as part of the Acquisition Equity Financing.
(4) $150,000 5-yr Revolving Credit Facility signed but not disbursed

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

You should read the information below together with "Presentation of Financial and Other Information," "Summary Historical Consolidated Financial Data," "Capitalization," "Use of Proceeds" and "Selected Historical Consolidated Financial Data" and the Consolidated Financial Statements and related notes included elsewhere in this Offering Memorandum. The Consolidated Financial Statements were prepared in accordance with IFRS.

This section contains forward-looking statements that involve risks and uncertainties. Our actual results may vary materially from those discussed in such forward-looking statements as a result of various factors, including, without limitation, those set forth in "Risk Factors" and other matters set forth in this Offering Memorandum.

Overview

The Issuer, Cox Asset México, S.A. de C.V., is a variable capital stock corporation (*sociedad anónima de capital variable)* organized in November 2025 by the Sponsor as a special-purpose vehicle for purposes of consummating the Acquisition and owning and operating the Projects. All of the assets of the Issuer and its consolidated subsidiaries are located in Mexico and all of the revenues and net income of the Issuer derive from the power generation business of the Issuer's consolidated subsidiaries.

The Sponsor, Cox ABG Group, S.A., is a leading energy company based in Spain focused on power generation and energy services throughout Latin America, Europe, Africa and the Middle East. With operations across Europe, Latin America and Africa and approximately 9,642 employees worldwide as of December 31, 2025. The Sponsor has extensive experience in the development, acquisition, financing, integration and operation of conventional and renewable power generation assets across multiple technologies, including CCGT, cogeneration, wind and solar. The Sponsor's investment strategy focuses on acquiring and operating high-quality power generation assets with contracted cash flows under long-term contracts with creditworthy counterparties. The Sponsor brings significant operational expertise and a track record of successful acquisitions in the energy sector in Latin America.

Since commencing operations in Mexico in 2015, the Sponsor has progressively built and strengthened its platform through achieving key milestones, including obtaining regulatory authorization from the CRE in September 2017 to commercialize energy to qualified users, entering into a strategic partnership with Nexus Energía in April 2018 to market electricity and represent generation plants in Mexico, and optimizing its portfolio through the divestment of non-strategic assets in 2019. The Sponsor has further enhanced its profile through the IPO on the Mexican Institutional Stock Exchange (BIVA) in 2020, and most recently, through the Acquisition, which has significantly expanded and consolidated its footprint and presence in the Mexican energy market.

Pursuant to the stock purchase agreement dated as of July 31, 2025 (as subsequently amended on August 26, 2025; October 27, 2025; March 13, 2026, April 6, 2026 and April 17, 2026 and assigned to the Issuer on March 11,2026, the "Acquisition Agreement"), by and among the Sponsor, acting through the Issuer, and Hidrola I, S.L.U., an affiliate of Iberdrola, the Issuer acquired 99.9% of the equity interests in the Company (with the remaining equity interest acquired by an affiliate of the Sponsor) and, through its acquisition of the Company, the Issuer also acquired a 99.9% indirect interest in each of the 16 consolidated subsidiaries that own and operate the Projects. The Acquisition was subject to and received approval from the National Energy Commission (CNE) and the National Antimonopoly Commission (CNA). The purchase price for the Acquisition was of U.S.$3.5 billion and was financed with a combination of equity contributions into the Issuer for a total amount of U.S.$850 million and U.S.$2.65 billion in secured bridge loans provided by affiliates of the Initial Purchasers.

Prior to the consummation of the Transactions, the Issuer did not engage in any material business activities and had no material assets or liabilities. Following consummation of the Acquisition, the Issuer, through the Project Companies, became the owner and operator of one of the leading privately-owned power generation portfolios in Mexico in terms of a total installed capacity, with a total Net Capacity of approximately 2.6 GW, as well as one of the leading qualified suppliers of electricity in the Mexican market, with a market share greater than 25% in terms of electricity sold for the year ended December 31, 2025.

Historical Consolidated Financial Information

The consolidated financial information presented in this Offering Memorandum consists of the combination of the assets and liabilities, income and expenses and cash flows of the operations of the Group Companies acquired pursuant to the Acquisition. The Group Companies were formerly controlled and owned by Iberdrola and its affiliates. See "*Presentation of Financial and Other Information—Historical Consolidated Financial Statements*" and "*Basis of preparation*" in the Consolidated Financial Statements included elsewhere in this Offering Memorandum.

On June 11, 2023, a Stock Purchase Agreement was signed by Iberdrola Generación México, S.A. de C.V.; Iberdrola Renovables México, S.A. de C.V.; Iberdrola Energía Tamazunchale, S.A. de C.V.; Servicios de Operación La Laguna, S.A. de C.V.; Iberdrola Energía Altamira de Servicios, S.A. de C.V.; Iberdrola Energía Altamira, S.A. de C.V.; and Parques Ecológicos de México, S.A. de C.V., as sellers, by which the shares of some entities that were indirectly owned by Iberdrola México, S.A. de C.V. were sold on February 26, 2024 in favor of Banco Actinver, S.A., Institución de Banca Múltiple, Grupo Financiero Actinver, acting solely and exclusively in its capacity as trustee (*fiduciario*) under that certain Irrevocable Administration Trust Agreement identified with number 5561 (*Contrato de Fideicomiso Irrevocable de Administración identificado con el número 5561*), a special purpose trust (*fideicomiso*) formed under the laws of Mexico at the management of Mexico Infrastructure Partners FF, S.A.P.I. de C.V. The sold entities included both IPP entities operating under legacy power purchase agreements with CFE and certain non-IPP entities, including Enertek, S.A. de C.V. and related service companies. As a result of the sale and in accordance with IFRS, we classified the IPP business as discontinued operations corresponding to a CGU, while the non-IPP entities were not classified as discontinued operations. See "*Critical Accounting Policies—Basis of Presentation—Discontinued Operations*" herein.

Trends and Factors Affecting Our Results of Operations

The following are certain key factors that affect, or have recently affected, our results of operations. These should be read in conjunction with the risks and uncertainties discussed under "*Risk Factors*."

Mexican Economic Environment

All of our operations are conducted in Mexico. As a result, our business, financial condition and results of operations depend on and may be affected by the general condition of the Mexican economy, over which we have no control. In general, the performance of the Mexican economy affects demand for electricity. Inflation in particular affects our business by leading to increases in wages and other operating costs, which results in a reduction in our net income to the extent electricity prices do not increase at the same pace as inflation.

The following table sets forth the year-over-year changes in Mexico of various economic indicators, including GDP, the national consumer price index, the national producer price index, merchandise export growth and interest rates, as well as a comparison of these changes to the changes in the demand for electricity in Mexico for the years indicated.

*Selected Economic Indicators for the Years Ended December 31, 2021 through 2025**

	2021	2022	2023	2024	2025
Real GDP (% change)[(1)]	6.1	3.6	3.2	1.5	0.8
National consumer price index (% change)[(2)]	7.4	7.8	4.66	4.1	3.6
National producer price index - core inflation (*inflación subyacente*) (% change)[(2)]	5.9	8.3	5.09	3.6	4.3
Merchandise export growth without oil (% change)[(3)]	16.5	15.7	3.9	5.2	9.3
Interest rates (average % based on 28-day Cetes)[(2)]	4.4	7.7	11.1	10.71	8.13
Change in Electricity Demand in Mexico (% change)[(4)]	3.5	3.4	3.5	0.3	2.5

* Average annual growth rate estimated in the PLADESE.

Sources:
(1) INEGI
(2) Central Bank of Mexico
(3) INEGI
(4) PLADESE

Current U.S. governmental policies towards Mexico have created instability, uncertainty and may adversely affect the Mexican economy. Any uncertainty as to Mexican politics or the Mexican economy, if prolonged, could lead to a decrease in investor confidence in the Mexican market and could have a negative impact on the Mexican economy as well as on our business, financial condition and results of operations.

However, we expect that current macroeconomic dynamics in Mexico will continue to create opportunities for growth in the energy infrastructure sector over the next several years as demand for energy continues to grow. See "*Risk Factors—Risks Relating to Our Business and Industry* ." See "*Changes in Mexican governmental policies could adversely affect the economic and political situation in Mexico and our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.*"

Regulatory Environment

We operate within the Mexican electricity sector, which has undergone significant regulatory changes since 2013. More recently, in October 2024, constitutional reforms were approved modifying articles 25, 27 and 28 of the Political Constitution of the United Mexican States regarding strategic industries of the State. These reforms determined PEMEX and CFE as strategic companies, giving the Government governance of the planning of the SEN and guaranteed its prevalence in the electricity sector.

In March 2025, secondary laws were issued, allowing the implementation of the constitutional reforms approved in the last quarter of 2024, including the LSE, the Hydrocarbons Sector Law, the Energy Planning and Transition Law and the Law of the National Energy Commission.

The CNE is created as a new regulatory entity and technical body, sectored to SENER, with technical, operational and decision-making powers to supervise, authorize and regulate the activities of the energy sector. The CNE replaces the CRE and the CNH, assuming key functions such as issuing regulations, granting permits, supervising tariffs, imposing and enforcing sanctions in the electricity and hydrocarbons sectors. See "*The Mexican Electricity Sector*" and "*Risk Factors—Risks Relating to Our Business and Industry— We operate in a highly regulated environment and our profitability depends on our ability to comply with applicable laws and regulations on a timely and efficient basis.*"

Wholesale Electricity Market Participation and legacy self-supply scheme

We participate in the MEM ourselves and through third parties. The MEM is operated by CENACE and enables sale transactions between private parties, with participants able to trade electricity, capacity, CELs, financial transmission rights ("FTRs") and ancillary services.

We conduct our MEM activities primarily through two key subsidiaries:

- Iberdrola Clientes which holds a permit issued by CNE to act as a qualified supplier (*Suministrador Calificado*). In this capacity, Iberdrola Clientes represents qualified users in the MEM for the acquisition of products such as electricity, capacity, CELs and FTRs from producers and traders participating in the MEM. Iberdrola Clientes maintains guarantees with CENACE totaling U.S.$118.1 million for its participation in the MEM and accreditation as a Supplier of Last Resort (*Suministrador de Último Recurso*).

- Iberdrola Generación which participates in the MEM as a generator.

We operate a portfolio of generation assets under the legacy self-supply regime (LSPEE). This portfolio includes renewable assets such as PEM/Ventosa, Bii Nee Stipa, Dos Arbolitos, Pier, PIER II and PIER IV, as well as cogeneration plants including Cogeneration Altamira, Cogeneration Bajío and Cogeneration Ramos, each supplying electricity to a defined group of contracted off-takers under the regulatory framework in place at the time of permitting. These assets continue to operate under their existing contracts, which remain valid until expiration, after which they are expected to be phased out or transitioned in line with the current market structure. See "*Risk Factors—Risks Relating to Our Business and Industry—Various factors, including changes in Mexico's energy policy and actions, reforms, or other changes to the legal framework regulating the energy sector in Mexico, could result in our inability to obtain such approvals, permits or studies or to enter into such agreements, and could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.*"

Revenues

Our main activities consist of, among others, the following:

- the generation and sale of electric power and related products including but not limited to electricity, capacity, CELs and FTRs.

- participation in the MEM in Mexico, either directly or through third parties.

- representation of qualified users in the MEM for the acquisition of products such as electricity, capacity, CELs and FTRs.

We represent qualified users in the MEM for the acquisition of products such as electricity, capacity, CELs and FTRs, from producers and traders who are participating in the market, which is operated by CENACE.

Revenues are recognized when the energy is delivered. The net revenue for each year includes an estimate of the energy supplied to customers that is pending of bill. Revenue from contracts with consumer partners on a self-supply basis includes fixed income from the energy supply capacity commitment recognized according to the actual consumption, while variable income from operating and maintenance expenses, fuels and start-up of the plants, are recognized as expenses when they are incurred. Revenue recognition is also affected by the regulatory transition from the prior self-supply and cogeneration regime (under the 1992 *Ley del Servicio Público de Energía Eléctrica*) to the current LIE framework. Under the prior regime, revenues from self-supply arrangements were structured as cost pass-throughs to self-supply partners; under the LIE, revenues are recognized under electricity hedging agreements and qualified supply contracts with pricing indexed to CFE tariffs or structured as fixed-charge PPAs.

Changes in Exchange Rates

The consolidated financial statements are presented in U.S. dollars, the currency of the economic environment in which the entity operates and in which it generates and uses cash (functional currency). Transactions carried out in currencies other than the functional currency are recorded at the exchange rates applicable at the time of the transaction. As of the date of consolidated statement of financial position, the balances of monetary assets and liabilities denominated in foreign currency have been revalued at prevailing exchange rates.

As of December 31, 2025 and 2024, the exchange rate was MXN$17.9667 and MXN$20.2683 Mexican pesos per U.S. dollar, respectively.

We are exposed to fluctuations in the exchange rate of the currencies in which financing transactions and business operations are used against the functional currency in which we operate. Fluctuations in the exchange rate of currencies imply a risk affecting the valuation of net assets and the translation of results and may impact our equity position.

We mitigate exchange rate risk by ensuring that all economic flows are carried out in the functional currency corresponding to each company in the Group, maintaining an adequate percentage of debt in foreign currency and/or through derivatives. In accordance with the risk management policy, we entered into foreign exchange hedges to hedge the impact of changes in exchange rates on future cash flows referenced in foreign currency. See "*Risk Factors—Risks Relating to Our Business and Industry—Our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes could be materially adversely affected if we are unable to adequately hedge our exposure to commodity price, exchange rate and/or interest rate risks*."

Availability and Price of Clean Energy Certificates

The Mexican regulatory regime requires that suppliers of electricity surrender a certain amount of CELs to the CNE for each compliance year based on a percentage of the energy they generate that is set by SENER. These CELs are issued to renewable energy producers per each MWh of energy they produce. Through our qualified supplier subsidiary Iberdrola Clientes, we maintain compliance in accordance with the percentage established by the authority since its last update in 2022. This obligation is currently met through the accreditation of CELs generated by the Santiago, Hermosillo and Cuyoaco photovoltaic parks and the Santiago wind farm, all of which are held by Iberdrola Renovables México, S.A. de C.V. This structure guarantees timely and efficient compliance with regulatory commitments in the field of clean energy. See "*Regulatory, Environmental Matters and Permits*" and "*Environmental and Sustainability Matters*."

Credit Risk and Customer Concentration

We are exposed to credit risk arising from the possibility counterparties (customers, suppliers, financial institutions, partners, etc.) might fail to comply with contractual obligations. Risk is appropriately managed and limited, depending on the type of transaction and the creditworthiness of counterparties.

With regard to the credit risk corresponding to commercial debtors, the cost of non-performing loans has remained at moderate levels, close to 1% of the total turnover of this activity. With regard to the "Cash and cash equivalents" caption of the consolidated statement of financial position, the average credit rating of the counterparties is AAA (mex) according to the scale used by the agency Fitch Ratings.

Our operations carried out with CENACE during 2025 and 2024 were 31% and 52%, respectively, of the total turnover. For a discussion of risks associated with concentration of revenue sources. See "*Risk Factors—Risks Relating to Our Business and Industry*." See "*Our business relies on the continued supply of electricity by FIEMEX and its subsidiaries under our supply agreements with them. If these agreements are terminated, or if FIEMEX or its subsidiaries fail to perform their obligations, our revenues, financial condition and results of operations could be materially adversely affected*."

Description of Income Statement Line Items

Revenue

We recognize revenue when the energy is delivered. Revenues are primarily generated from (i) sales of electricity to private customers under electricity purchase and sale agreements with an average duration period of three years, (ii) delivery of electricity to consumer partners under long-term electricity supply contracts that establish a referenced tariff to CFE prices and (iii) sales in the MEM through Iberdrola Generación as a generator.

The net revenue for each year includes an estimate of the energy supplied to customers that is pending of bill. Revenue from contracts with consumer partners on a self-supply basis includes fixed income from the energy supply capacity commitment recognized according to actual consumption, while variable income from operating and maintenance expenses, fuels and start-up of the plants are recognized as expenses when they are incurred.

Revenue is segmented into three categories: (i) Electric Power (Generation) derived from thermal generation plants, (ii) Electric Power (Renewable) derived from photovoltaic and wind facilities held by Iberdrola Renovables México, S.A. de C.V., and (iii) Steam derived from cogeneration activities.

Supplies

The primary components of supplies are natural gas, electricity, tolls for the use of electricity transmission and distribution networks, water and the cost of energy purchased under power purchase agreements from third-party power plants, including those sold to MIP. As described in footnote (1) to the Summary Historical Financial Data, CENACE purchases are recorded on a gross basis in Supplies and are equal and offsetting to the corresponding amounts recorded in Revenue.

Personnel expenses

Personnel expenses primarily include wages and salaries, social security payable by the company, additional provisions for retirement and similar obligations, and other employee expenses.

External services

External services consist primarily of maintenance costs incurred under specialized maintenance contracts with technology companies, including Power Servicios de Energía, GE Gas Power International, GE Vernova Operations LLC, General Electric International Operations Company Inc, GE Vernova Parts and Products GmbH, GE Vernova International LLC, GE Vernova Global Services GmbH, Mitsubishi Power de México and Mitsubishi Power Americas, Inc.

Gain on sale of subsidiaries

The gain on sale of subsidiaries represents the difference between the sale price and the book value of the assets and liabilities held for disposal on February 26, 2024, in connection with the sale of the IPP plants and related service entities to MIP.

Other operating income

We recognize credit notes issued by General Electric in accordance with the maintenance contracts entered into with General Electric as other operating income in the event that the actual efficiency of the plants turns out to be lower than the guaranteed efficiency. Our policy is to recognize as other operating income payments that are considered reimbursed by third parties necessary to comply with an obligation (insurance collection, indemnity clauses or supplier guarantees).

Net operating (expense)/income

Net operating (expense)/income represents the total operational costs including personnel expenses, external services and other operating income, as well as the gain on sale of subsidiaries when applicable.

Taxes

Taxes primarily consist of property taxes, payroll taxes and other local taxes incurred in the course of business operations.

Depreciation and amortization

Depreciation and amortization includes (i) depreciation charges for intangible assets, (ii) depreciation charges for property, plant and equipment, (iii) amortization charges for rights-of-use assets, and (iv) write-off of non-current assets.

Finance income

Finance income consists of (i) foreign currency gains, (ii) non-hedge derivatives and inefficiencies, and (iii) other finance income including interest income.

Finance expense

Finance expense consists of (i) finance costs and similar financing costs (interest expense on debt), (ii) foreign currency losses, (iii) discount to present value of provisions for retirement and similar obligations, (iv) discount to present value of other provisions, (v) non-hedge derivatives and inefficiencies, and (vi) other financing costs.

Critical Accounting Policies

Critical accounting policies are those that are most important to the portrayal of our financial condition, results of operations and cash flows, and require management to make judgments, assumptions and estimates about matters that are inherently uncertain or where judgments, assumptions and estimates are significant. Our management bases its estimates on historical experience and other assumptions that it believes are reasonable based upon information available to us at the time that these judgments, assumptions and estimates are made. We continually evaluate our judgments, assumptions and estimates. Our actual results may differ from the judgments, assumptions and estimates made by our management. To the extent that there are material differences between these judgments, assumptions and estimates (on the one hand) and actual results (on the other hand), our future financial statement presentation, financial condition, results of operation and cash flows may be affected.

The following are some of the key judgments that management has made in the process of applying our accounting policies that have had or may have the most significant effect on the amounts recognized in the Audited Consolidated Financial Statements. For additional information regarding significant accounting policies and the use of estimates, see Notes 4 and 6, respectively, to the Audited Consolidated Financial Statements.

Basis of preparation

The Audited Consolidated Financial Statements of the Group Companies were prepared in accordance with IFRS as issued by the International Accounting Standards Board.

The Audited Consolidated Financial Statements have been prepared on a going concern basis and under a historical cost convention, except for the derivative financial instruments, which have been measured at fair value.

The accompanying Audited Consolidated Financial Statements are presented in U.S. dollars, which is the functional currency of the Group Companies.

Basis of Presentation—Discontinued Operations

On February 26, 2024, the Company sold certain entities to MIP. The sold entities included IPP plants, including Iberdrola Energía Monterrey, Iberdrola Energía Altamira, Iberdrola Energía del Golfo, Iberdrola Energía Escobedo, Iberdrola Energía La Laguna, Iberdrola Energía Tamazunchale, Iberdrola Energía Baja California, Iberdrola Energía Noroeste, Iberdrola Energía Topolobampo, as well as certain non-IPP entities, including Energías Renovables Venta III, S.A. de C.V., Enertek, S.A. de C.V. and related service companies. For purposes of the Audited Consolidated Financial Statements, only the IPP business was classified as discontinued operations. The total consideration received for all sold entities was U.S.$5.8 billion, and the Group recognized a gain on sale of subsidiaries of U.S.$1,882.9 million.

In accordance with IFRS 5 "Non-current assets held for sale and discontinued operations," the business operating under the IPP regime has been classified as discontinued operations, corresponding to a cash-generating unit ("CGU"). The results for 2024 from discontinued operations (from January 1 through February 26, 2024) reflect net revenues of U.S.$334.6 million, gross income of U.S.$122.6 million, and gross operating profit – EBITDA of U.S.$78.1 million, resulting in a net profit from discontinued operations (net of taxes) of U.S.$29.0 million. The Audited Consolidated Financial Statements have been prepared without a carve-out of the discontinued operations; instead, the results of the discontinued operations are presented separately within the financial statements. Specifically, revenue, expenses, and taxes attributable to discontinued operations have been removed from each line item of continuing operations and are shown as a single line item "Net profit for the year from discontinued operations, net of taxes." The 2024 results from discontinued operations reflect the period from January 1, 2024 through February 26, 2024 (the closing date of the sale). See Note 9 to the Audited Consolidated Financial Statements.

This presentation approach means that period-over-period comparisons of continuing operations line items reflect only the ongoing business, while the full impact of the disposed IPP business is captured in the discontinued operations line. Investors should consider this presentation when analyzing year-over-year trends, as 2024 comparative figures for continuing operations exclude the IPP business results for all periods presented.

Consolidated Income Statement Data of the Group Companies—Years Ended December 31, 2025 and 2024

The following table sets forth our consolidated income statement for the Company and its consolidated subsidiaries for the years ended December 31, 2025 and 2024, and the corresponding variances for each period.

	Year Ended December 31,	
(Thousands of U.S.$)	**2025**	**2024**
Revenue	$2,351,863	$1,831,716
Supplies	(1,566,088)	(1,261,591)
Gross Income	$785,775	$570,125
Personnel expenses	(71,695)	(74,638)
External services	(134,012)	(124,017)
Gain on sale of subsidiaries	—	1,882,938
Other operating income	42,927	29,957
Net operating (expense)/income	(162,780)	1,714,240
Taxes	(9,119)	(5,985)
Gross Operating Profit - EBITDA	$613,876	$2,278,380
Depreciation and amortization	(135,463)	(123,478)
Operating profit - EBIT	$478,413	$2,154,902
Finance income	271,720	763,319
Finance expense	(405,336)	(525,682)
Net finance (expense)/income	($133,616)	$237,637
Profit before tax	$344,797	$2,392,539
Income tax	(25,176)	(874,470)
Net profit for the year from continuing operations	$319,621	$1,518,069
Net profit for the year from discontinued operations, net of taxes	—	29,022
Non-controlling interests	(17,771)	(4,045)
Net profit for the period attributable to the Parent	$301,850	$1,543,046

Results of Operations for the Year ended December 31, 2025 compared to year ended December 31, 2024

Revenue

Revenue was U.S.$2,351.9 million for the year ended December 31, 2025, compared to U.S.$1,831.7 million for the year ended December 31, 2024, representing an increase of U.S.$520.2 million, or 28.4%. The increase was primarily driven by: (i) higher energy volumes sold through the qualified supply platform, reflecting an expanded client base following the lifting of regulatory restrictions on acquiring new qualified users that had constrained growth in prior years; (ii) increased representation revenues settled through CENACE, largely as a result of the migration of the Dulces Nombres II facility from the self-supply regime to the MEM in 2024 and higher GWh dispatched; and (iii) higher contracted capacity with qualified clients. These increases were partially offset by the fact that for the year ended December 31, 2024 we recorded U.S.$167 million self-supply revenues that did not recur in 2025 due to the regime migration of Dulces Nombres II. Revenue from energy and capacity sales to third-party offtakers under bilateral PPAs and MEM arrangements constituted the substantial majority of total revenues in both periods.

Supplies

Supplies were U.S.$1,566.1 million for the year ended December 31, 2025, compared to U.S.$1,261.6 million for the year ended December 31, 2024, representing an increase of U.S.$304.5 million, or 24.1%. As set forth in Note 25 to the Audited Consolidated Financial Statements, the principal components of supplies were: (i) electricity purchases of U.S.$1,100.2 million (2025) and U.S.$872.0 million (2024), representing an increase of U.S.$228.2 million driven by higher energy and capacity purchases settled through CENACE (which are recorded on a gross basis as both revenue and supplies) and increased purchases of energy from MIP-related entities under the FIEMEX supply arrangements to meet growing client demand; (ii) tolls for the use of electricity transmission and distribution networks of U.S.$217.4 million (2025) and U.S.$209.7 million (2024), representing an increase of U.S.$7.7 million reflecting higher regulated transmission charges; (iii) natural gas procurement costs of U.S.$246.2 million (2025) and U.S.$385.3 million (2024), representing a decrease of U.S.$139.1 million driven by a stabilization of gas prices relative to elevated levels in prior periods combined with lower gas consumption following the migration of certain facilities from cogeneration to market-based operations; and (iv) water costs of U.S.$2.3 million (2025) and U.S.$6.6 million (2024).

Gross income

Gross income was U.S.$785.8 million for the year ended December 31, 2025, representing a 37.8% increase compared to gross income of U.S.$570.1 million for the year ended December 31, 2024. The increase in gross income was primarily due to: (i) the recovery from the El Carmen combined-cycle gas turbine facility shutdown experienced in 2024, including incremental power purchases at elevated spot prices and negative Capacity Balance Market settlements during critical demand hours; (ii) higher energy production volumes across the generation fleet; and (iii) increased contracted capacity with qualified clients.

Personnel expenses

Personnel expenses were U.S.$71.7 million for the year ended December 31, 2025, compared to U.S.$74.6 million for the year ended December 31, 2024, representing a decrease of U.S.$2.9 million, or 3.9%. This decrease was primarily due to a reduction in the average headcount from 843 employees in 2024 to 725 employees in 2025, reflecting the corporate restructuring and staff optimization carried out in connection with the realignment of the workforce following the sale of the IPP entities to MIP in February 2024. The reduction in headcount was partially offset by inflationary adjustments to wages and higher variable compensation accruals for retained employees. Wages and salaries decreased from U.S.$56.6 million in 2024 to U.S.$53.8 million in 2025, social security contributions decreased from U.S.$8.2 million to U.S.$6.9 million, and provisions for retirement and similar obligations decreased from U.S.$2.9 million to U.S.$0.8 million.

External services

External services expenses were U.S.$134.0 million for the year ended December 31, 2025, compared to U.S.$124.0 million for the year ended December 31, 2024, representing an increase of U.S.$10.0 million, or 8.1%. External services expenses primarily consist of corporate and administrative services provided by Iberdrola affiliates (including Iberdrola Servicios Corporativos and Iberdrola España), repair and maintenance expenses under the Group's OEM long-term service agreements, insurance premiums covering property damage and business interruption, and professional services fees. The year-over-year increase was principally driven by: (i)

higher corporate services charges as the fixed cost base of administrative services previously allocated across a larger number of Iberdrola entities was redistributed following the MIP sale, resulting in a higher per-entity charge to the remaining Group Companies; and (ii) increased repair and maintenance costs associated with scheduled maintenance activities. These increases were partially offset by a reduction in professional services fees, which declined as certain non-recurring legal and advisory costs incurred in connection with the MIP transaction in 2024 did not recur.

Gain on sale of subsidiaries

The Company recognized no gain on sale of subsidiaries in 2025. In 2024, the Company recorded a non-recurring gain of U.S.$1,882.9 million from the sale of subsidiaries that owned the IPP plants to MIP, which closed on February 26, 2024. The disposed entities included 13 combined-cycle gas turbine plants and related service entities that were classified as discontinued operations in accordance with IFRS 5. This gain represented the difference between the total consideration received of U.S.$5.8 billion and the carrying value of the net assets of the disposed entities.

Other operating income

Other operating income was U.S.$42.9 million for the year ended December 31, 2025, compared to U.S.$30.0 million for the year ended December 31, 2024, representing an increase of U.S.$12.9 million, or 43.1%. Other operating income principally consists of income from services provided to MIP entities under the transitional services agreement, reinvoicing of transmission and operations costs to MIP-related entities, and indemnities received from third parties. The increase in 2025 was primarily driven by: (i) higher service fees earned under the transitional services arrangement with MIP, which increased as the scope of services provided expanded during the year; and (ii) higher income from the reinvoicing of administrative and operational costs to related entities. In 2024, this caption included a U.S.$6.3 million insurance compensation received for damages to the El Carmen facility, which was non-recurring in nature.

Net operating (expense)/income

Our net operating expense was U.S.$162.8 million for the year ended December 31, 2025, compared to net operating income of U.S.$1,714.2 million for the year ended December 31, 2024, representing a change of U.S.$1,877.0 million. This change was driven by the non-recurrence in 2025 of the U.S.$1,882.9 million gain on sale of subsidiaries recorded in 2024. Excluding this one-time gain, net operating expense improved by U.S.$5.9 million year-over-year, reflecting the increase in gross income and other operating income, partially offset by higher external services costs.

Taxes

Taxes were U.S.$9.1 million for the year ended December 31, 2025, compared to U.S.$6.0 million for the year ended December 31, 2024, representing an increase of U.S.$3.1 million, or 52.4%. These taxes principally consist of payroll taxes (calculated at 3% of employee remuneration) and regulatory levies payable to energy regulatory commissions. The increase was primarily driven by higher payroll tax assessments and increased regulatory fees associated with the Group's operating permits.

Gross operating profit - EBITDA

Gross operating profit - EBITDA was U.S.$613.9 million for the year ended December 31, 2025, representing a 73.1% decrease compared to U.S.$2,278.4 million for the year ended December 31, 2024. The decrease was primarily due to the recognition in 2024 of a one-time gain of U.S.$1,882.9 million from the sale of subsidiaries that owned the IPP plants to MIP. Excluding this one-time gain, gross operating profit - EBITDA from continuing operations increased by $218.4 million, or 55.2%, from U.S.$395.5 million in 2024 to U.S.$613.9 million in 2025. This underlying improvement was driven by the recovery in gross income following the El Carmen shutdown in 2024, higher energy volumes sold and increased contracted capacity, partially offset by higher external services expenses.

Gross operating profit - EBITDA is calculated as gross income less operating expenses (personnel expenses and external services) plus other operating income less taxes. For the year ended December 31, 2024, Gross operating profit - EBITDA of U.S.$2,278.4 million includes the gain on sale of subsidiaries of U.S.$1,882.9 million.

Depreciation and amortization

Depreciation and amortization was U.S.$135.5 million for the year ended December 31, 2025, compared to U.S.$123.5 million for the year ended December 31, 2024, representing an increase of U.S.$12.0 million, or 9.7%. Depreciation and amortization comprised (i) depreciation charges for property, plant and equipment of U.S.$123.6 million for the year ended December 31, 2025 and U.S.$114.1 million for the year ended December 31, 2024; (ii) amortization charges for rights-of-use assets of U.S.$5.5 million for the year ended December 31, 2025 and U.S.$4.6 million for the year ended December 31, 2024; (iii) depreciation charges for intangible assets of U.S.$4.1 million for the year ended December 31, 2025 and U.S.$4.2 million for the year ended December 31, 2024; and (iv) provisions for write-off of non-current assets (sanitation project) of U.S.$2.2 million for the year ended December 31, 2025 and U.S.$0.5 million for the year ended December 31, 2024. The year-over-year increase was primarily driven by higher depreciation charges for property, plant and equipment, reflecting a larger depreciable asset base resulting from recent capital expenditures, including investments in the construction of photovoltaic assets by GPE.

Operating profit - EBIT

Our operating profit - EBIT was U.S.$478.4 million for the year ended December 31, 2025, representing a 77.8% decrease compared to our operating profit - EBIT of U.S.$2,154.9 million for the year ended December 31, 2024. This decrease was primarily due to the recognition in 2024 of the one-time gain of U.S.$1,882.9 million from the sale of subsidiaries that owned the IPP plants to MIP. Excluding this gain, operating profit - EBIT from continuing operations increased by U.S.$206.4 million year-over-year, partially offset by higher depreciation and amortization charges.

Net finance (expense)/income

Net finance expense was U.S.$133.6 million for the year ended December 31, 2025, compared to net finance income of U.S.$237.6 million for the year ended December 31, 2024, representing a decrease of U.S.$371.2 million. This shift from net finance income to net finance expense was primarily driven by movements in the following components:

Finance income decreased from U.S.$763.3 million for the year ended December 31, 2024 to U.S.$271.7 million for the year ended December 31, 2025, a decline of U.S.$491.6 million. The decrease was principally attributable to: (i) a significant reduction in foreign currency gains, from U.S.$295.4 million for the year ended December 31, 2024 to U.S.$36.8 million for the year ended December 31, 2025, reflecting lower favorable exchange rate movements on U.S. dollar-denominated intercompany balances; (ii) lower gains from non-hedge derivatives and inefficiencies, which decreased from U.S.$375.8 million for the year ended December 31, 2024 to U.S.$205.2 million for the year ended December 31, 2025, as the mark-to-market impact of derivative instruments moderated; and (iii) lower other finance income, from U.S.$118.8 million for the year ended December 31, 2024 to U.S.$29.8 million for the year ended December 31, 2025, primarily reflecting reduced interest income on intercompany receivables following the repayment of intercompany debt.

Finance expense decreased from U.S.$525.7 million for the year ended December 31, 2024 to U.S.$405.3 million for the year ended December 31, 2025, a decrease of U.S.$120.4 million. The decrease was primarily attributable to: (i) lower foreign currency losses, which decreased from U.S.$214.9 million for the year ended December 31, 2024 to U.S.$21.4 million for the year ended December 31, 2025; and (ii) lower finance costs and similar financing costs, from U.S.$44.0 million for the year ended December 31, 2024 to U.S.$19.8 million for the year ended December 31, 2025, reflecting reduced interest expense on financial debt. These decreases were partially offset by higher losses from non-hedge derivatives and inefficiencies, which increased from U.S.$310.2 million for the year ended December 31, 2024 to U.S.$346.7 million for the year ended December 31, 2025, and higher other finance expenses, from U.S.$5.9 million in 2024 to U.S.$13.0 million in 2025.

Profit before tax

Profit before tax was U.S.$344.8 million for the year ended December 31, 2025, compared to U.S.$2,392.5 million for the year ended December 31, 2024, representing a decrease of U.S.$2,047.7 million, or 85.6%. The decrease was principally driven by the non-recurrence of the U.S.$1,882.9 million gain on sale of subsidiaries and the shift from net finance income in 2024 to net finance expense in 2025, as described above.

Income tax

Income tax expense was U.S.$25.2 million for the year ended December 31, 2025, compared to U.S.$874.5 million for the year ended December 31, 2024, representing a decrease of U.S.$849.3 million, or 97.1%. The significant decrease was primarily attributable to the substantially lower profit before tax in 2025 and the non-recurrence of the significant tax liability associated with the U.S.$1,882.9 million capital gain recognized on the sale of subsidiaries to MIP in 2024. The effective income tax rate was 7.3% in 2025, compared to 36.5% in 2024. The lower effective tax rate in 2025 reflects the impact of permanent differences, including adjustments related to inflation, foreign currency effects on the tax base, and the recognition of deferred tax assets.

Net profit from continuing operations

Net profit from continuing operations was U.S.$319.6 million for the year ended December 31, 2025, compared to U.S.$1,518.1 million for the year ended December 31, 2024, representing a decrease of U.S.$1,198.5 million, or 78.9%. The decrease was principally driven by the non-recurrence of the gain on sale of subsidiaries in 2024, partially offset by higher EBITDA from continuing operations and a significantly lower income tax charge in 2025.

Net profit from discontinued operations

Net profit from discontinued operations, net of taxes, was nil for the year ended December 31, 2025, compared to U.S.$29.0 million for the year ended December 31, 2024. The 2024 amount reflected the operating results and related tax effects of the IPP entities sold to MIP for the period from January 1, 2024 to the closing of the MIP transaction on February 26, 2024. These entities were classified as discontinued operations in accordance with IFRS 5. As the disposal was completed in February 2024, no further discontinued operations results were recorded in 2025.

Non-controlling interests and net profit attributable to the Parent

Non-controlling interests were U.S.$17.8 million for the year ended December 31, 2025, compared to U.S.$4.0 million for the year ended December 31, 2024. Non-controlling interests principally relate to the minority stakes held by third parties in certain of the Group's wind and solar subsidiaries, particularly the PIER entities (in which Impulsadora Latinoamericana de Energía Renovable holds a 49% minority interest). The increase in 2025 reflects higher profitability at these jointly controlled entities, particularly in the renewable generation segment. Net profit attributable to the Parent was U.S.$301.9 million for the year ended December 31, 2025, compared to U.S.$1,543.0 million for the year ended December 31, 2024, consistent with the factors described above.

Liquidity and Capital Resources

Overview

We currently finance our liquidity needs through the earnings and cash flows of the Group Companies and the financing obtained through the Acquisition Financing described elsewhere in this Offering Memorandum. See "*Summary—The Acquisition*." We expect to apply a portion of the net proceeds from the sale of the Notes to repay all outstanding amounts under the Bridge Facility. See "*Use of Proceeds*."

Our principal capital needs are for working capital, capital expenditures related to maintenance and debt service. Our ability to fund our capital needs depends on our ongoing ability to generate cash from operations, including dividends received from the Group Companies, the terms of our financing arrangements (including the Notes) and our access to the capital markets. See "*Risk Factors—Risks Relating to Our Business and Industry—Our business is capital-intensive and changes in capital requirements or the availability of capital could materially adversely affect our business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes.*"

In addition, a material portion of the capacity of the Projects is under long-term agreements with customers, which we believe provides us with a generally steady and predictable cash flow stream. Moreover, our counterparties in these agreements are stable, creditworthy entities. Nevertheless, we cannot assure you that we will generate positive operating cash flow. See "*Risk Factors—Risks Relating to Our Business and Industry—Our business depends on a limited number of customers.*"

As of December 31, 2025, the Group Companies had cash and cash equivalents of U.S.$147.3 million and no restricted cash.

As of December 31, 2025, the Group Companies' current liabilities exceed its current assets by U.S.$1.6 million. As of the date of this Offering Memorandum, we believe that our working capital will be sufficient to meet both our short-term (*i.e.*, within 12 months) and long-term liquidity needs in light of the trends and factors we consider to be most significant to our business as highlighted above.

Liquidity

Company Structure

The Issuer is a holding company. As a result, the Issuer's ability to meet its obligations depends primarily on the earnings and cash flows of the Group Companies and their ability to pay dividends or other amounts to the Issuer, as well as equity contributions made by the Sponsor.

Sources and Uses of Cash

	Year Ended December 31,	
	2025	**2024**
	(Thousands of U.S.$)	
Net cash flows (used in) operating activities	$(13,289)	$(1,260,360)
Net cash flows (used in) from investing activities	(89,844)	5,925,373
Net cash flows (used in) financing activities	(1,772,003)	(2,704,678)
Cash and cash equivalents (including restricted cash) at the beginning of year	2,022,416	$62,081
Cash and cash equivalents (including restricted cash) at end of year	$147,280	$2,022,416

Results of Operations for Year ended December 31, 2025 compared to year ended December 31, 2024

Operating Activities

Net cash used in operating activities in 2025 was U.S.$13.3 million, representing a 98.9% decrease compared to the amount of U.S.$1,260.4 million of net cash used in operating activities in 2024. This decrease was mainly due to the repayment in 2024 of U.S.$1.9 billion of short-term related-party debt owed to Iberdrola affiliates in Spain under the Group Companies' centralized cash pooling arrangements, which did not recur in 2025. This intercompany debt was classified within working capital as a current liability under the Group Companies' centralized treasury framework and, accordingly, its settlement was reflected in operating cash flows rather than financing cash flows in the Group Companies' consolidated statement of cash flows prepared in accordance with IFRS. Excluding the effect of this non-recurring intercompany debt repayment, operating cash flows in 2024 would have been positive, broadly consistent with the 2025 result.

Investing Activities

Net cash used in investing activities in 2025 was U.S.$89.8 million, compared to the amount of U.S.$5,925.4 million in net cash generated by investing activities in 2024. The significant cash inflow in 2024 was mainly due to proceeds from disposal of subsidiaries' discontinued operations of U.S.$5,895.0 million.

Financing Activities

Net cash used in financing activities in 2025 was U.S.$1,772.0 million, representing a 34.5% decrease compared to the amount of U.S.$2,704.7 million in net cash used in financing activities in 2024. This decrease is mainly due to the repayment in 2024 of U.S.$750 million of long-term intercompany debt with related parties in Spain, which did not recur in 2025.

Existing Indebtedness

Historical debt of the Group Companies

	Year Ended December 31, 2025
	(thousands of U.S.$)
Current Bank borrowings and other obligations	$14,382
Non-current Bank borrowings and other obligations	93,097
Debts with bank institutions and other obligations	$107,479

As of December 31, 2025, the Group Companies had a total of U.S.$107.5 million in debt (current and non-current bank borrowings and other obligations). We intend to use the proceeds of the issuance of the Notes to repay the Bridge Facility.

See "*Description of Existing Financing and Collateral Structure*" for a description of the material terms of our credit arrangements, including terms of such loans, prepayment provisions, covenants and events of default.

Capital Expenditures

Capital expenditures consist of cash outflows for the acquisition of property, plant and equipment and intangible assets, as reflected in the consolidated statements of cash flows.

The Group Companies made capital expenditures of U.S.$108.2 million and U.S.$91.3 million for the year ended December 31, 2025 and 2024, respectively, primarily related to maintenance capital expenditures across the generation fleet and investments in the development of two photovoltaic parks for Green Park Energy. Capitalized expenses for property, plant and equipment in progress amounted to U.S.$111.4 million in 2025 and U.S.$100.0 million in 2024. The difference between total capital expenditures reported in the cash flow statement and the capitalized property, plant and equipment in progress reflects timing differences between the accrual of capital commitments and the associated cash payments, including changes in capital expenditure-related payables and the capitalization of borrowing costs and other non-cash items.

As of December 31, 2025 and 2024, we had commitments to acquire property, plant and equipment in the amount of U.S.$261.0 million (corresponding to the construction of two photovoltaic parks for Green Park Energy) and U.S.$5.0 million, respectively.

Contractual Obligations

The following is a summary of our contractual obligations as of December 31, 2025, considering undiscounted cash flows of financial liabilities based on the earliest date on which the Issuer can be required to pay, including both interest and principal payments:

(thousands of U.S.$)	1 year	2-4 years	More than 4 years	Total
Lease liabilities	$11,838	$31,353	$89,311	$132,502
Trade creditors	110,057	—	—	110,057
Bank borrowings	19,735	56,041	63,093	138,869
Derivative financial instruments	189,062	3,809	—	192,871
Other current liability	90,801	—	—	90,801
Total	$421,493	$91,203	$152,404	$665,100

Our obligations under derivative financial instruments are described further below under "*—Quantitative and Qualitative Disclosures about Market Risk—Derivative Financial Instruments.*"

Dividend Policy

Any future determination to pay dividends will be made at the discretion of our equity holders subject to applicable laws and the restrictions set forth in our financing agreements, and will depend upon, among other factors, our results of operations, financial condition, contractual restrictions and capital requirements.

On February 27, 2025, the Shareholders' Meeting of Iberdrola Mexico approved the payment of dividends of U.S.$1,700.0 million equivalent to U.S.$0.1339 per share.

On September 30, 2024, the Shareholders' Meeting of Iberdrola Mexico approved the payment of dividends of U.S.$930.6 million equivalent to U.S.$0.0733 per share.

Off-Balance Sheet Arrangements

The Issuer has no off-balance sheet arrangements.

Quantitative and Qualitative Disclosures about Market Risk

Derivative Financial Instruments

We enter into derivative financial instruments to reduce our exposure to fluctuations in interest rates on our indebtedness. To effectively manage and limit these risks, we annually set a target debt structure between fixed and variable interest rates and employ dynamic management to decide on actions to be carried out throughout the year, which may involve taking on new financing at fixed or variable rate and/or using interest rate derivatives.

We recognize all derivative assets or liabilities at fair value on our financial statements. The fair value of derivatives not traded on an organized market is determined using assumptions based on market conditions at year-end. These measurement models take into account the risks of the asset or liability, including the credit risk of both the counterparty and the entity itself. Credit risk is calculated based on exposure at default, probability of default (depending mainly on the features of the counterparty and its credit rating), and loss given default.

Exchange Rate Risk

Our functional currency is the U.S. dollar. However, a significant portion of our operating expenses, including personnel expenses and certain external services, are denominated in Mexican pesos. As a result, we are exposed to fluctuations in the U.S. dollar/Mexican peso exchange rate. We manage this exposure through non-delivery forward contracts to hedge anticipated peso-denominated cash outflows.

Commodity Price Risk

Our thermal generation activities require the acquisition and sale of commodities (i.e., natural gas) for the generation of electricity, whose price is subject to the volatility of international markets (global and regional) where those commodities are traded. To reduce uncertainty, mainly linked to expected margin of scheduled transactions, as a result of the volatility of these markets, we subscribe financial derivatives to establish the cost of own generation and purchase of energy associated with the expected sales of gas and electricity to customers.

BUSINESS

The Issuer, Cox Asset México, S.A. de C.V., is a variable capital stock corporation (*sociedad anónima de capital variable)* organized in November 2025 by the Sponsor as a special-purpose vehicle for purposes of consummating the Acquisition and owning and operating the Projects. All of the assets of the Issuer and its consolidated subsidiaries are located in Mexico and all of the revenues and net income of the Issuer derive from the power generation business of the Issuer's consolidated subsidiaries.

The Sponsor, Cox ABG Group, S.A., is a leading energy company based in Spain focused on power generation and energy services throughout Latin America, Europe, Africa and the Middle East. With operations across Europe, Latin America and Africa and approximately 9,642 employees worldwide as of December 31, 2025. The Sponsor has extensive experience in the development, acquisition, financing, integration and operation of conventional and renewable power generation assets across multiple technologies, including CCGT, cogeneration, wind and solar. The Sponsor's investment strategy focuses on acquiring and operating high-quality power generation assets with contracted cash flows under long-term contracts with creditworthy counterparties. The Sponsor brings significant operational expertise and a track record of successful acquisitions in the energy sector in Latin America.

Since commencing operations in Mexico in 2015, the Sponsor has progressively built and strengthened its platform through achieving key milestones, including obtaining regulatory authorization from the CRE in September 2017 to commercialize energy to qualified users, entering into a strategic partnership with Nexus Energía in April 2018 to market electricity and represent generation plants in Mexico, and optimizing its portfolio through the divestment of non-strategic assets in 2019. The Sponsor has further enhanced its profile through the IPO on the Mexican Institutional Stock Exchange (BIVA) in 2020, and most recently, through the Acquisition, which has significantly expanded and consolidated its footprint and presence in the Mexican energy market.

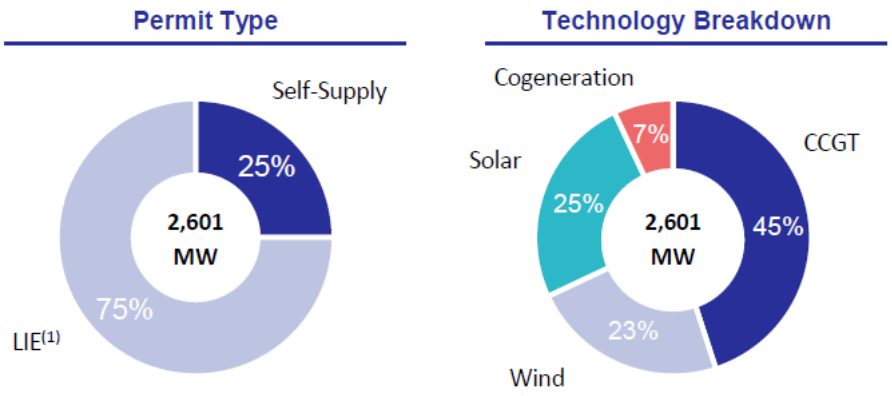
Pursuant to the stock purchase agreement dated as of July 31, 2025 (as subsequently amended on August 26, 2025; October 27, 2025; March 13, 2026, April 6, 2026 and April 17, 2026 and assigned to the Issuer on March 11, 2026, the "Acquisition Agreement"), by and among the Sponsor, acting through the Issuer, and Hidrola I, S.L.U., an affiliate of Iberdrola, the Issuer acquired 99.9% of the equity interests in the Company (with the remaining equity interest acquired by an affiliate of the Sponsor) and, through its acquisition of the Company, the Issuer also acquired a 99.9% indirect interest in each of the 16 consolidated subsidiaries that own and operate the Projects. The Acquisition was subject to and received approval from the CNE and the CNA. The purchase price for the Acquisition was U.S.$3.5 billion and was financed with a combination of equity contributions into the Issuer for a total amount of U.S.$850 million and U.S.$2.65 billion in secured bridge loans provided by affiliates of the Initial Purchasers.

Prior to the consummation of the Transactions, the Issuer did not engage in any material business activities and had no material assets or liabilities. Following consummation of the Acquisition, the Issuer, through the Project Companies, became the owner and operator of one of the leading privately-owned power generation portfolios in Mexico in terms of a total installed capacity, with a total Net Capacity of approximately 2.6 GW, as well as one of the leading qualified suppliers of electricity in the Mexican market, with a market share greater than 25% in terms of electricity sold for the year ended December 31, 2025.

The Company

As of the date of this Offering Memorandum, based on our internal assessment of the market, the Company, through its consolidated subsidiaries, is the leading integrated conventional and renewable energy platform in Mexico, with a total installed capacity of 2,601 MW distributed among two CCGT facilities, four cogeneration facilities, seven wind-powered generation facilities, and three solar-powered generation facilities. In addition, we have assembled a greenfield renewables development pipeline totaling 11,490 MW.

The following charts illustrate the composition of the Company's generation portfolio by permit type and technology, highlighting a balanced regulatory structure and a diversified mix of power generation assets across conventional and renewable sources:



Source: Iberdrola Factbook 2025.
Note: Data as of FY 2025. (1) Consolidates PIER and PIER IV.

Through its consolidated subsidiaries, the Company owns and operates 16 power generation facilities with aggregate installed capacity of 1,368 MW of thermal generation capacity (CCGT and cogeneration) and 1,233 MW of renewable energy capacity (wind and solar). In addition, unlike most private generators in Mexico, which sell electricity into the MEM or depend on CFE to reach end users, the Company sells directly to industrial and commercial customers through its own licensed qualified supplier, Iberdrola Clientes, one of the largest such platforms in Mexico. By offering contracts at a discount to CFE's published tariffs through its self-supply (*autoabastecimiento*) business, thereby capturing the full generation-to-supply margin, and nurturing direct relationships with approximately 500 industrial and commercial clients, with approximately 19.2 TWh of energy commercialized annually (includes self-supply). The Company is one of the leading private electricity generators in Mexico and holds more than a 25% market share in the qualified supplier segment, which makes it one of the largest qualified suppliers by energy supplied in as many as five of the eight CENACE regions in the country. As of April 24, 2026, the Company's top 10 clients represented approximately 50% of aggregate portfolio energy volume and approximately 36.5% of aggregate contracted energy capacity (1,129 MW out of 3,085 MW) in Mexico.

The business of the Company is organized as a vertically integrated energy platform and is operated through two integrated divisions: Cox Mexico Generación (power generation) and Cox Mexico Clientes (qualified supply). This integrated structure mitigates merchant exposure by matching generation output and third-party contracted capacity with contracted client demand, seeking 100% coverage.

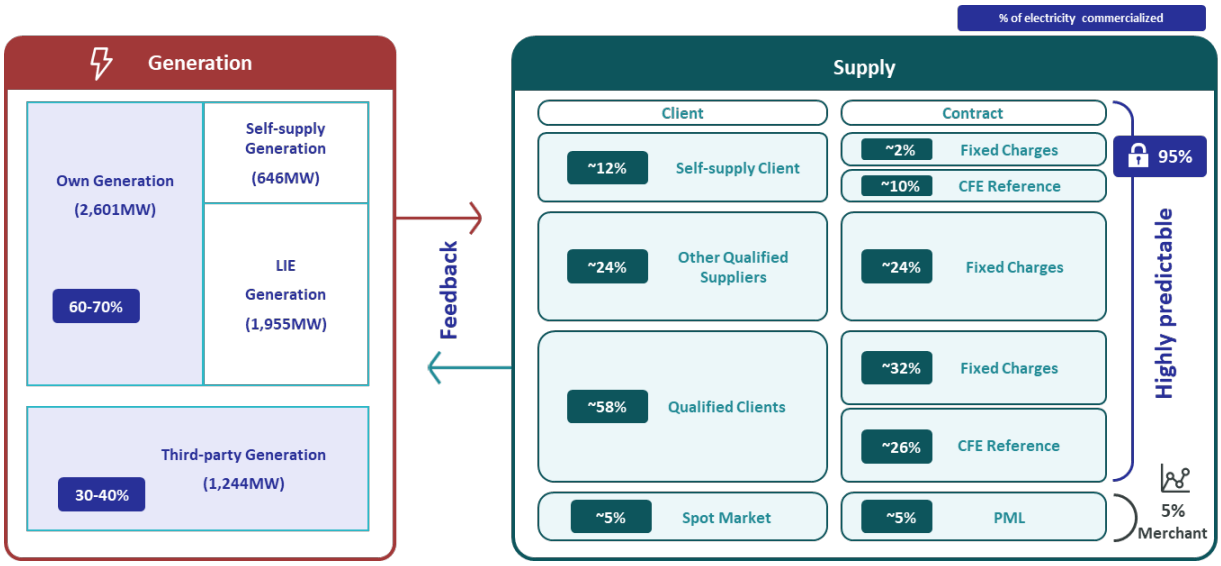
1. Power generation: This division owns and operates the generation portfolio and sells electricity, capacity, and CELs to (i) self-supply offtakers (*socios de autoabastecimiento)*, (ii) cogeneration offtakes (*establecimientos asociados*), and (iii) to the Company's subsidiary Iberdrola Clientes, and other qualified suppliers. For the years ended December 31, 2025 and 2024, revenues from the Company's power generation business division represented 92% and 93%, respectively, of the Company's consolidated revenues for those periods. Because the power generation division sells energy to the qualified supply division under intercompany arrangements (which are eliminated on consolidation), the revenue percentages for the two divisions are not additive and reflect the pass-through nature of the vertically integrated model.

2. Qualified Electricity Supply Business: Iberdrola Clientes, under its license as a qualified supplier under the MEM, acquires energy from (i) our generation portfolio, (ii) the FIEMEX portfolio, and (iii) the MEM, and sells it directly to end customers through qualified supply contracts and discounted arrangements based on CFE tariffs. This vertically integrated structure allows the Company to capture the entire generation-to-supply margin, unlike transactions with other qualified suppliers, where the trading margin is retained by those intermediaries. The Company offers contracts at a discount to CFE's published tariffs, effectively competing with CFE for retail business. This integrated structure eliminates residual merchant exposure by matching generation output and third-party contracted capacity with contracted client demand on a 100% coverage basis. For the years ended December 31, 2025 and 2024, revenues from the Company's qualified supply business represented 50.1% and 50.5%, respectively, of the Company's consolidated revenues for those periods. The other 49.9% and 49.5% for the years ended December 31, 2025 and 2024, respectively,

are derived from from coverage contracts entered into with third parties and offtakers (*socios autoabastecidos and establecimientos asociados a la cogeneración*).

The qualified supply business serves approximately 500 industrial clients across diversified sectors including steel, automotive, food and beverage, cement, consumer products, and chemicals. In addition to serving end clients, the qualified supply platform acts as the platform for placement of the Company's own energy generation, allowing the Company to market its generation output directly to end consumers rather than relying on wholesale market sales or third-party intermediaries. Approximately 51% of commercialized energy volumes are attributable to investment-grade-rated counterparties, and 37% to speculative grade rated counterparties. The commercial platform is supported by approximately 130 full-time employees across four offices nationwide, ranking first in energy supply in 5 of 8 CENACE regions.

The Company, through its consolidated subsidiaries, sells electricity generated by the Projects, as well as electricity generated by third parties and purchased by the Company under supply contracts with FIEMEX, a portfolio vehicle of MIP, formed in 2024 to acquire older CCGT assets contracted with CFE. Under the supply agreement with FIEMEX, the Company has access to approximately 1,244 MW of additional contracted capacity which supplies it with sufficient electricity to, together with electricity generated by the Projects, meet the demand from its customers. Together, the Company's owned assets and FIEMEX contracted capacity provided access to over 19 TWh of electricity in 2025.



Source: Energy allocation based on contractual obligations for 2026 per Iberdrola Mexico internal controls.

For the years ended December 31, 2025 and 2024, 63% and 69%, respectively, of the Company's consolidated revenues were derived from sales of power generated by the Projects with the remaining 37% and 31%, respectively, of consolidated revenues derived from sales of power generated by FIEMEX and made available to the Company under its supply agreement with FIEMEX.

For the years ended December 31, 2025 and 2024, the Company generated total revenues of U.S.$2,351.9 million and U.S.$1,831.7 million, respectively. Adjusted Revenue (excluding the CENACE Adjustments) was U.S.$1,566.9 million and U.S.$1,475.6 million, respectively, for such periods. Net profit for the year from continuing operations was U.S.$319.6 million for the year ended December 31, 2025, compared to U.S.$1,518.1 million for the year ended December 31, 2024. Please see "*Summary Financial Data—Other Financial Data and non-IFRS measures*" for more details on certain Non-IFRS Measures used by the Company, including Consolidated Adjusted EBITDA, Adjusted Revenue, Gross Operating Profit - EBITDA, Further Consolidated Adjusted EBITDA and Consolidated Adjusted Free Cash Flow.

Currently, seven Power Purchase Agreements (PPAs) have been formalized with different power plants owned by FIEMEX: El Clérigo (514 MW), Monterrey U31 (255 MW), Monterrey U41 (250 MW), Enertek (130 MW), Topolobampo II (30 MW), Escobedo (35 MW), and Baja California III (30 MW). All contracts, except for El Clérigo contract, have a term of five years starting in 2024. El Clérigo contract has a term of twenty years starting from the same date. The contracts provide payments for both Energy and Capacity. The Capacity charge

for Topolobampo II, Escobedo, and Baja California III is variable based on the energy generated, as these plants do not have a contractual obligation to deliver Capacity. The remaining contracts include a fixed Capacity charge as well as a contractual obligation to deliver Capacity. The variable energy charge under all contracts includes a gas price pass-through with a guaranteed efficiency, as well as a variable O&M charge. Pursuant to our commercial agreements with MIP, al Clérigo has 96% guaranteed availability while Monterrey U31, Monterrey U41 and Enertek have a guaranteed availability of 92%.

The Acquisition

On July 31, 2025, the Sponsor, as buyer, entered into the Acquisition Agreement with Hidrola I, S.L.U., an affiliate of Iberdrola, S.A., as seller (the "Seller"), to acquire 99.9% of the equity interests in the Company for a base purchase price of U.S.$3.5 billion. The Sponsor, acting through the Issuer as assignee of the purchaser's rights under the Acquisition Agreement, consummated the Acquisition on April 24, 2026. The Acquisition Agreement contains customary representations, warranties and covenants of the Seller and the Company. The closing of the Acquisition was subject to customary closing conditions, including required regulatory approvals by certain Mexican agencies. Under the Acquisition Agreement, the Seller has agreed to provide certain transition services to the Issuer and its consolidated subsidiaries for a period of 12 months. On April 24, 2026, we entered into a Transition Services Agreement with Iberdrola under which Iberdrola will continue to provide these services to us and the Project Companies. Once such agreement expires, we will need to have in place our own operational capabilities and management infrastructure to operate the Projects on a standalone basis.

The Financing Transactions

The Acquisition was financed by the Issuer as follows:

- with an equity contribution from its shareholders of approximately U.S.$850 million (the "Acquisition Equity Financing");
- with a U.S.$2,650 million secured bridge loan facility, provided by affiliates of the Initial Purchasers, as bridge facility lenders (such facility, the "Bridge Facility") with affiliates of the Initial Purchasers.

We refer to the Acquisition Equity Financing and the Bridge Facility, collectively, as the "Acquisition Financing." The Acquisition and the Acquisition Financing are collectively referred to as the "Transactions."

We intend to repay the Bridge Facility with the proceeds of the Notes offered hereby and with the proceeds of a new five-year senior secured term loan facility in a principal amount of $1.150 billion to be provided by a syndicate of banks, including affiliates of the Initial Purchasers who have obtained preliminary approvals to rollover a portion of their exposure under the Bridge Facility (the "New Term Loan Facility"). In addition, on the Closing Date, we have entered into a new five-year $150.0 million senior secured revolving credit facility with affiliates of the Initial Purchasers (the "New Revolving Credit Facility" and, together with the New Term Loan Facility, the "New Senior Secured Credit Facilities"), and into hedging agreements (the "Hedging Agreements") with affiliates of certain of the Initial Purchasers to hedge the interest rate risk associated with the Bridge Facility and the New Senior Secured Credit Facilities, and the gas price associated with gas long-term supply arrangements the Project Companies have with third parties to secure fuel feedstock for the thermal power plants owned by the Projects. The Hedging Agreements and New Senior Secured Facilities are equally and ratably secured by the Collateral securing the Notes and the Bridge Facility (until such facility is fully repaid).

In connection with the Bridge Facility and the New Senior Secured Credit Facilities, the lenders thereunder have entered into, and the holders of the Notes and the lenders under the New Senior Secured Credit Facilities have entered into, the Intercreditor Agreement and the Common Terms Agreement, which includes certain provisions regarding common conditions precedent, common representations and warranties and covenants of the parties thereunder and common events of default that apply to the Acquisition Financing documents and the New Senior Secured Credit Facilities. See "*Description of Existing Financing and Collateral Structure*."

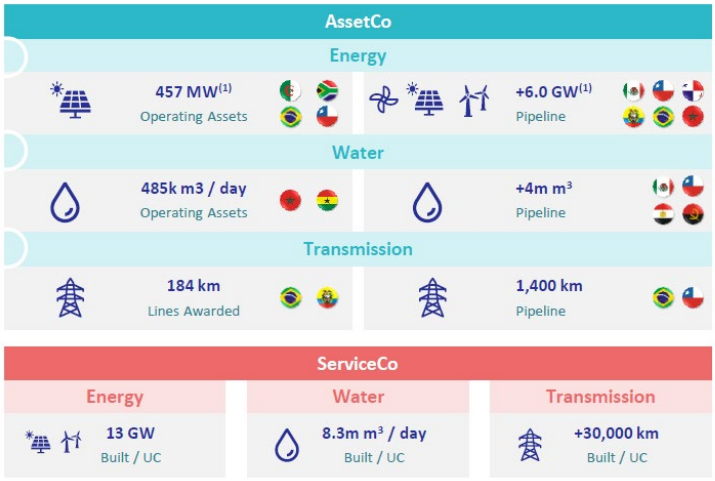
The obligations of the holders of the Notes, the lenders under the Bridge Facility (until such facility is repaid in full), the New Senior Secured Credit Facilities and the Hedging Agreements will be secured by the Collateral, which consists of the Security Trust in all of the present and future shares of capital stock in the Company and the Issuer (provided that a nominal share of each such entity shall be pledged for the benefit of the

Collateral Agent pursuant to the Pledge Agreements independent from the Security Trust to satisfy Mexican law requirements). See "*Description of Existing Financing and Collateral Structure*."

The Sponsor

The Sponsor is a vertically integrated energy company with a presence in the principal energy markets of the Americas, Europe, Africa and the Middle East, and operations in Mexico, Chile, Colombia, Central America, Brazil, Spain, Portugal, Algeria, Morocco, South Africa and the UAE. The Sponsor has a unique portfolio of projects in different states of development and identified opportunities to conduct its business within a sustainable development framework. The Sponsor is part of the Cox Group, a diversified platform organized across three core verticals, energy, water and transmission, with an integrated services and support platform that provides engineering, procurement and O&M services to its asset portfolio and third-party-owned assets.

The Cox Group combines asset ownership with execution capabilities through ServiceCo, with operating energy assets of approximately 477 MW and a development pipeline exceeding 5.5 GW, alongside water and transmission platforms with significant operating capabilities and growth pipelines. This diversified platform spans multiple geographies and is supported by approximately 9,642 employees as of December 31, 2025:



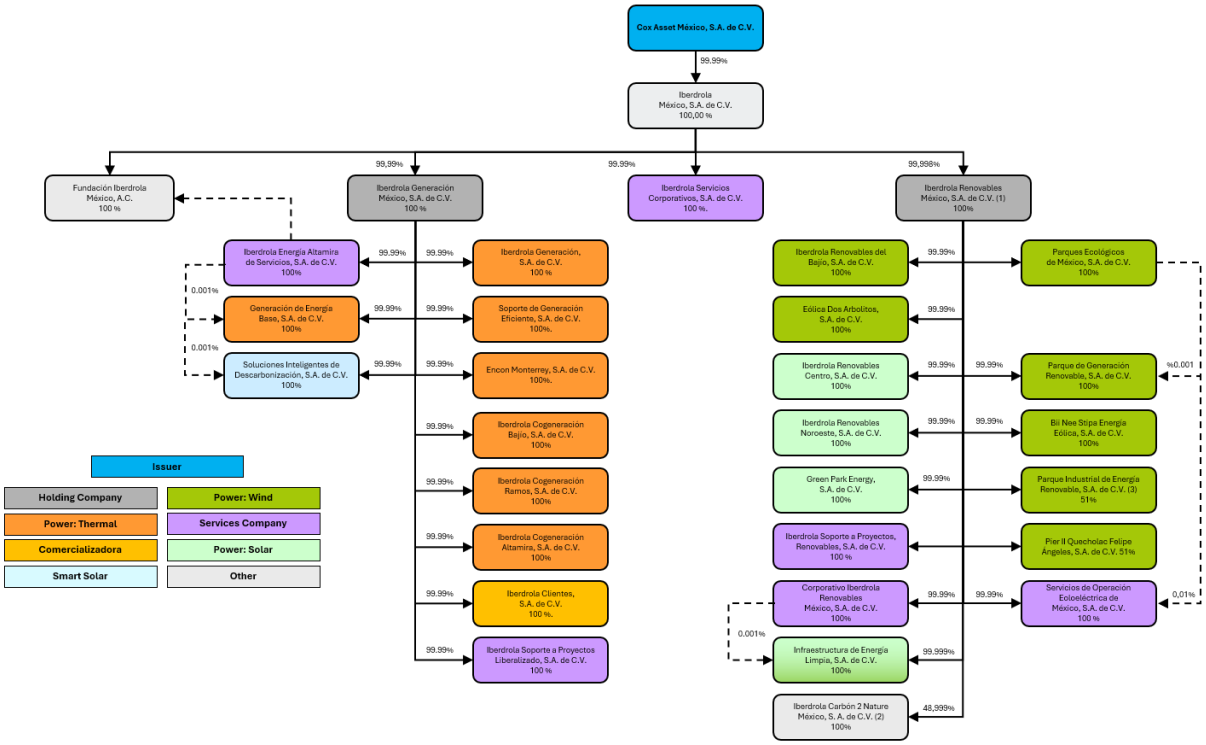
(1) Excluding 2.6 GW operating assets and 11.8 GW pipeline from the acquisition of Iberdrola Mexico.

The Cox Group's integrated model underpins its financial performance, including EBITDA of approximately €225 million (20% margin) and an order backlog of approximately €3.189 billion as of 2025.

Current Corporate Structure

Following the consummation of the Transactions, the Sponsor owns all of the equity interests of the Issuer and the Issuer will own substantially all of the equity interests of each Project Company, Service Company, Iberdrola Generación and Iberdrola Clientes.

The following diagram illustrates our current corporate structure:



Notes:
(1) Iberdrola Energía Altamira de Servicios, S.A. de C.V. holds 0.002% of Iberdrola Renovables México, S.A. de C.V.
(2) Iberdrola Energía Altamira de Servicios, S.A. de C.V. holds 51%.
(3) ILER La Esperanza, S.A. de C.V. holds 49%. All shares of Parque Industrial de Energía Renovable, S.A. de C.V. have been conveyed to Guaranty Trust Agreement No. 21646 (*Fideicomiso de Garantía 21646.*)
(4) PIER IV, S.A. de C.V. (merger is pending approval, subject to the authorization from the CNE for the transfer of permits to the surviving company – Parque Industrial de Energía Renovable, S.A. de C.V.).

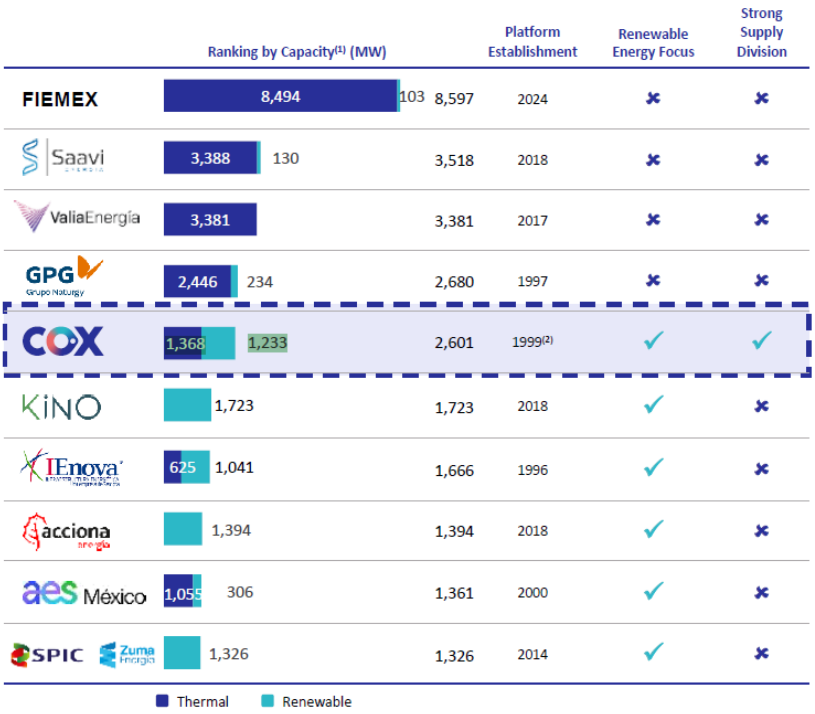
Competitive Strengths

Leading Integrated Utility Platform with National Scale

We benefit from a fully integrated business model that combines generation capacity, supply, and contracted capacity into a unified platform. Through our licensed qualified supplier subsidiary, Iberdrola Clientes, we sell electricity directly to end customers at a discount to CFE's published tariffs and with a pass-through scheme, effectively competing with CFE for retail business. This vertically integrated approach allows us to capture the entire generation-to-supply margin. With approximately 2.6 GW of installed generation capacity distributed across 16 operating plants, we coordinate hedge, contract and market representation activities across the full value chain, providing visibility over revenues and costs while mitigating exposure to wholesale price volatility in a market with tight reserve margins. The integrated model also enhances our ability to provide reliable service to industrial clients and to manage risk at the portfolio level.

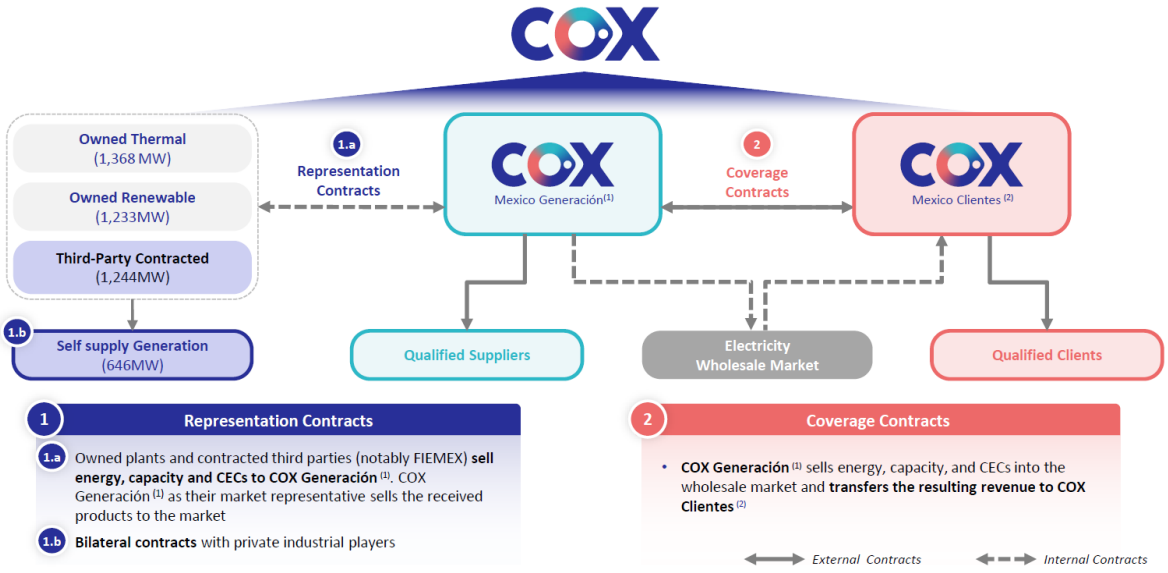
According to PLADESE, we are the fifth largest generation platform in Mexico, in terms of capacity, with an operating portfolio of approximately 2.6 GW of installed generation capacity. In 2025, we generated approximately 11.8 TWh of electricity and have maintained strong operational performance, with average availability of 90.5% over the 2021–2025 period. Further, we are a leading qualified supplier in Mexico, delivering over 19 TWh of energy in 2025. Our commercial platform is supported by strong credit performance, with a delinquency rate of <0.2%, and high customer retention, as evidenced by contract renewal rates exceeding 99%. We believe we have a competitive and diversified portfolio relative to key industry peers, and a differentiated model combining both a strong conventional and renewable energy generation focus and integrated supply

capabilities, which many peers do not offer simultaneously. The chart below depicts some of the key energy producers in Mexico:



We benefit from a strongly positioned, fully integrated energy platform in Mexico, combining generation and supply capabilities across the value chain and supported by approximately 2.6 GW of installed capacity. Our structural advantages include regulatory barriers to entry, as suppliers are required to offer power, energy and CECs, and a renewable energy offering backed by firm capacity. The Company maintains long- and medium-term agreements with key counterparties, including DeAcero and CFE Calificados, and serves a diversified client base of approximately 525 customers, with the top 10 representing approximately 50% portfolio volume and 51% of energy supplied in 2025 delivered to investment-grade customers. Our disciplined risk management framework includes rigorous onboarding processes and continuous monitoring of guarantees and covenants. In addition, our revenue mix of approximately 50–60% U.S. dollars and 40–50% Mexican pesos, together with hedging strategies and pass-through contract structures, provides us with protection against foreign exchange and commodity price volatility.

The following diagram illustrates our integrated generation and supply model following completion of the Acquisition, under which Cox Mexico Generación aggregates and commercializes energy from both owned and third-party assets, and, through coordination with Cox Clientes, delivers electricity to end-users via a combination of wholesale market participation and bilateral contracts:



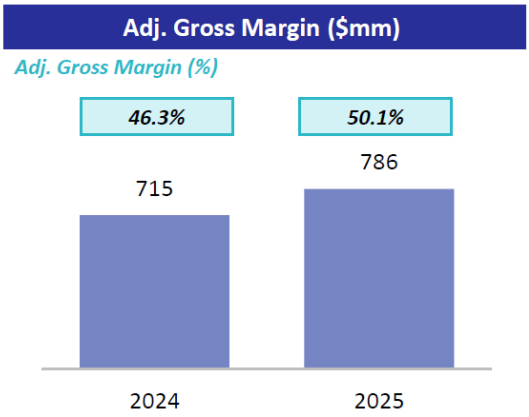
Notes: (1) Cox Mexico Generación as denomination for existing entity Iberdrola Generación S.A. de C.V.; (2) Cox Mexico Clientes as denomination for existing entity Iberdrola Clientes S.A. de C.V.

Stable Contracted Revenues and Well-Diversified Customer Base

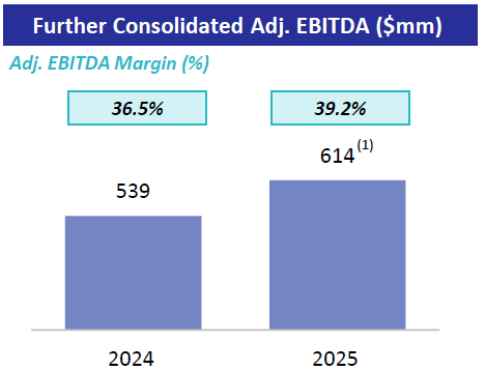
We maintain commercial relationships with more than 500 off-takers, including qualified users and industrial clients operating across sectors such as steel, automotive, food and beverage, cement, consumer products and chemicals. A significant portion of contracted volumes is attributable to counterparties with investment-grade credit ratings, which we believe contributes to stability in collections and lowering counterparty-risk exposure. As of April 24, 2026, the Company's top 10 clients represented approximately 50% of total portfolio energy volume and approximately 36.5% of contracted capacity (1,129 MW out of 3,085 MW). Most of our qualified supply revenues are derived from contracts indexed to CFE's published tariffs at a discount, providing a built-in pricing reference and competitive moat: as long as CFE's tariffs remain at current levels or rise, these contracts remain economically attractive to customers. The remaining revenue is derived from PPA contracts with cost pass-through structures. In the recent past, our Project Companies have demonstrated consistently high contract-renewal rates (>99%) and low delinquency levels (<0.2%), supported by a rigorous client-onboarding framework and ongoing credit monitoring. Contract structures, typically featuring inflation adjustments, cost pass-through mechanisms, and long-term tenors, provide us with predictable earnings and support long-duration cash-flow visibility. The weighted average remaining contract life exceeds seven years, further reinforcing stability.

Predictable Cash Generation and Disciplined Financial Policies

We are driven by stable margins, as illustrated in the table below, modest recurring capital expenditures and a revenue base predominantly anchored by long-term contracts with quality counterparties, all of which support predictable cash generation, as we maintain a conservative financial policy framework that includes minimum liquidity thresholds and the New Revolving Credit Facility—specifically, a minimum cash balance of $100 million and a $150.0 million five-year New Revolving Credit Facility that is fully available from the Issue Date, restrictions on dividend distributions for the initial four-year period, and limitations on expansionary capital expenditures for the first three years following closing. Our business also includes strict hedging policies across FX, commodities and interest-rate exposures. These measures are intended to preserve credit quality, support deleveraging and ensure compliance with covenant requirements across market cycles.



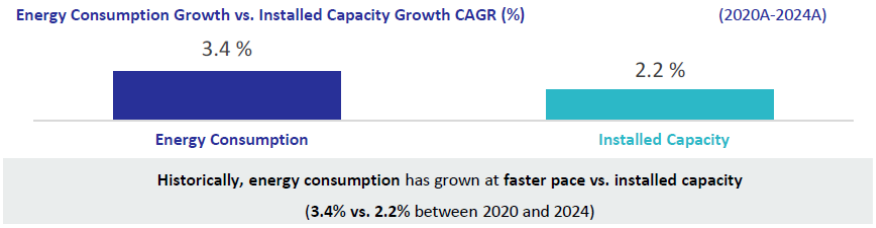
The following table depicts the Company's operating performance, with Further Consolidated Adjusted EBITDA increasing from U.S.$539 million in 2024 to U.S.$614 million in 2025, representing 13.9% year-over-year growth, alongside an improvement in Further Consolidated Adjusted EBITDA margin from 36.5% to 39.2% over the same period:



(1) Further Consolidated Adjusted EBITDA is adjusted in 2025 for non-recurring events.

Exposure to a Favorable and Structurally Undersupplied Power Market

Electricity demand in Mexico has grown steadily over the past decade, driven by domestic consumption trends, industrial expansion and nearshoring activity, according to the PLADESE and Fitch BMI. At the same time, constrained capacity growth, policy shifts, and transmission congestion have led to a structural undersupply, with the SIN operating reserve margins near the 6% "critical" threshold, according to CENACE. Capacity prices have risen significantly, from approximately U.S.$175 thousand per MW per year in 2023 to approximately U.S.$289 thousand per MW per year in 2025, representing a compound annual growth rate of approximately 28.6%, and these market conditions are particularly favorable for generators with significant firm-capacity resources, such as our Project Companies. Rising capacity prices, limited new entry, and the increasing value of reliable supply create opportunities for participants with established scale, diversified technologies and long-term commercial arrangements. The charts below highlight the ten-year evolution of some key metrics of the Mexican power market between 2014 and 2024:



Large, Diversified and High-Performing Generation Fleet

We operate a diversified mix of CCGT, wind, cogeneration and solar assets, which collectively support a balanced risk profile and contribute to stability of generation volumes. The aggregate book value of our assets amounted to $3.3 billion for the year ended December 31, 2025. These assets have historically demonstrated Availability Factors of approximately 90%, reflecting both the quality of the underlying portfolio and our disciplined operating approach consisting of a model supported by: (a) advanced preventive maintenance, (b) standardized O&M processes, and (c) centralized operation with digital support. Long-term gas supply agreements and long-term service arrangements with established OEMs reinforce operational reliability and limit exposure to commodity price fluctuations and unexpected maintenance events. The generation fleet is further strengthened by approximately 1.2 GW of contracts entered into by Iberdrola Generación with certain operating subsidiaries of FIEMEX. These agreements provide stable availability-linked payments and reduce earnings volatility across cycles.

Qualified Supplier Capabilities

We operate one of the largest qualified supplier platforms in the country, supplying 10.7 TWh (plus 4.4 TWh to market participants) of energy for the year ended December 31, 2025 to a diversified base of approximately 500 industrial and commercial clients through the largest market share in the segment, making us the number-one qualified supplier by energy supplied in five of eight CENACE regions. Unlike most private generators in Mexico, which sell into the MEM or through CFE, Iberdrola Clientes sells directly to end customers, capturing the entire generation-to-supply margin rather than only the trading spread retained by other qualified suppliers. The platform maintains exceptional customer stickiness and financial stability, evidenced by more than 99% contract renewal rates and <0.2% delinquency, supported by rigorous onboarding, credit evaluations, and ongoing guarantee and covenant monitoring. We operate four commercial offices with 130 FTEs enabling highly customized supply solutions and strengthening long-term relationships, which we believe positions the Company as one of the most capable and reliable qualified suppliers in Mexico.

Experienced Management Team and Robust Corporate Governance

We are also led by a highly experienced management team with strong expertise in the Mexican power sector and extensive tenure within the Company's predecessor platform. This continuity provides deep institutional knowledge, familiarity with regulatory frameworks, and longstanding relationships with key stakeholders in the Mexican market. The governance framework includes independent board participation, comprehensive risk-management protocols, and established internal controls covering financial, commercial, operational, compliance and security activities. We expect the corporate governance structure of the merged business of the Issuer to include a Board of Directors comprised of eight members, of which at least five would be independent members, supported by independent audit and code of ethics committees. These structures are designed to ensure operational discipline, focus on credit profile preservation and adherence to international corporate governance standards.

Our Business Strategy

Integrated Power Generation and Supply Strategy

Our integrated business model with respect the LIE Projects is designed to capture value across the entire power generation and supply chain while minimizing merchant risk and ensuring stable, predictable cash flows, also by combining owned thermal and renewable generation assets with contracted third-party supply to deliver a balanced portfolio. Through hedge contracts, the Company aligns the sale of energy, capacity, and CELs from its generation platform to its client base, leveraging both direct sales and MEM participation. This structure enables us to effectively manage market exposure by transferring energy to the MEM and contracting supply back to its

retail arm, ensuring optimized pricing and revenue predictability and stability. Final clients, primarily large industrial and commercial users, are served through tailored supply agreements that incorporate fixed charges and CFE-indexed components, providing cost transparency and long-term stability. Overall, the integrated model strengthens our competitive positioning, enhances operational flexibility, and supports resilient, medium-term contracted cash flows.

Strengthen Commercial Capabilities and Expand Long-Term Client Relationships

We intend to expand our commercial presence through nationwide coverage by deploying sector-specific client strategies—such as data centers—and tailored contracting structures integrated with behind-the-meter solutions. This strategy includes strengthening relationships with investment-grade industrial clients, given their favorable credit profiles and multi-year contracting patterns. We will maintain disciplined credit-screening processes and focus on long-term bilateral agreements that enhance revenue visibility.

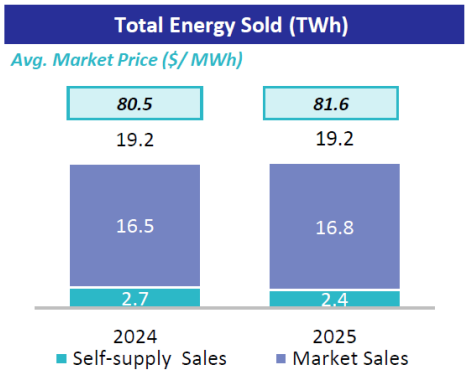
Capture Opportunities in a Constrained Supply Environment

Given Mexico's structural undersupply and the expected need for substantial incremental capacity additions, we are well positioned to benefit from tightening market conditions. Also, we intend to leverage our existing generation assets, their long-term contracted-capacity position and qualified-supplier platform to capture value arising from capacity prices, industrial load growth and limited new project development.

Maximize Integration Benefits Across the Platform

With the assistance and experience of the Company, we intend to further strengthen our position as an integrated utility platform by optimizing coordination among our generation, supply and contracted-capacity businesses. Integration enables us to align dispatch decisions with contractual obligations, coordinate energy purchases and hedges, and enhance the efficiency of our commercial offering to qualified users. We expect to continue refining these processes as part of our long-term objective to maintain stable margins and reduce exposure to market price volatility.

Our stable performance is supported by a balanced mix of market sales and self-supply volumes, alongside a slight improvement in average realized market prices from U.S.$80.5/MWh to U.S.$81.6/MWh, for the years 2024 and 2025, respectively, reinforcing the resilience and predictability of our diversified revenue base. The following table shows that our total energy sold remained stable year over year at 19.2 TWh for the years 2024 and 2025, reflecting a consistent demand profile and disciplined commercial strategy:



Enhance Operational Performance and Maintain High Availability Factors

Operational reliability remains a core strategic priority. We plan to maintain our focus on predictive and preventive maintenance, long-term service agreements, continuous monitoring of asset health, and strict performance-management procedures. Following isolated operational disruptions experienced in 2024, we have implemented corrective and preventive measures including control logic improvements and enhanced verification programs during turbine inspections, aimed at further reducing the risk of unplanned outages. Maintaining Availability Factors above 90% on a sustained basis remains a key operational objective.

Maintain Strong Governance and Ensure Continuity Through Integration

As we integrate the Company's legacy operations into the broader Cox Group, we intend to preserve the management structures, policies and processes that have traditionally supported operational performance and compliance. Governance will remain aligned with best practices, including independent oversight, adherence to risk-management frameworks and alignment with Cox Group policies where applicable. We will reinforce our internal-control environment to support sustainable long-term growth.

Drive Sustainable and Reliable Energy Solutions with the Lowest Environmental Impact

The Company is committed to environmental sustainability and responsible operations. Since 2020, the Company has reduced total carbon emissions by approximately 55%, with a stated goal of achieving zero net emissions by 2040. The Company actively promotes Clean Energy Certificates ("CECs") generated through its renewable energy portfolio. In addition, the Company participates in several community and social impact programs, including: (i) the "Luces de Esperanza" initiative aimed at electrifying rural communities without grid access, benefiting more than 12,000 individuals; (ii) the "Energía por México" program supporting communities affected by natural disasters; (iii) the "Impulso STEM" program fostering young women's interest in science and technology careers, reaching more than 2,000 students and teachers; and (iv) the Iberdrola Mexico Foundation, which provides scholarships and supports environmental protection and community development. The Company also supports Cox's broader environmental goals, including a tree planting initiative aiming to plant 20 million trees by 2030.

Preserve Financial Discipline and Support Credit Profile Stability

Our financial strategy will remain centered on liquidity preservation, prudent cash management and compliance with covenant obligations. Key priorities include maintaining minimum liquidity levels, limiting distributions, managing currency and commodity risks through established hedging policies, and ensuring financial flexibility to meet operating and maintenance requirements. These measures are intended to support a durable credit profile and enable us to navigate periods of market volatility.

The Projects

Overview

As of the date of this Offering Memorandum, based on our internal assessment of the market, we are the leading integrated energy platform in Mexico, with a total installed capacity of 2,601 MW distributed among two CCGT facilities, four cogeneration facilities, seven wind-powered generation facilities, and three solar-powered generation facilities. In addition, we have assembled a greenfield renewables development pipeline totaling 11,490 MW. Our existing Projects supply energy to Iberdrola Clientes, who runs our qualified supply business, which serves approximately 500 off-takers across diversified sectors. See "*-Material Agreements-Revenue Generating Contracts*" below.

The following table provides an overview of certain key characteristics of the Projects:

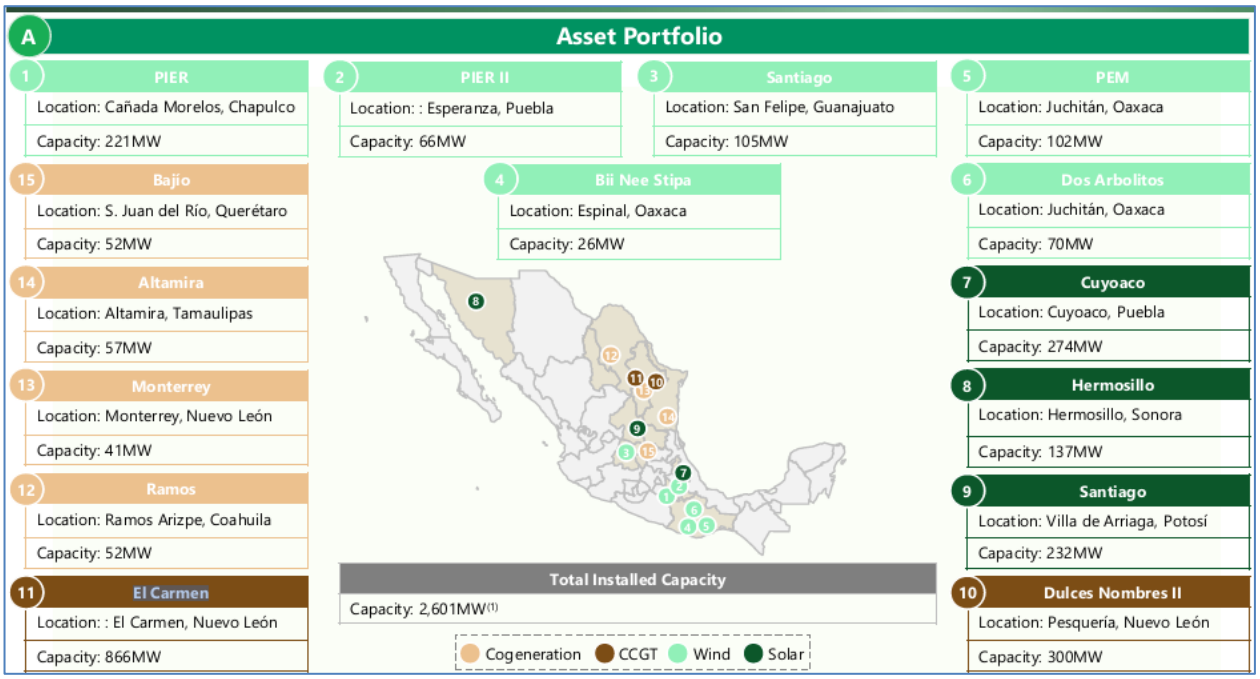
No.	Project Name	Project Company	Description	Location	Net Capacity (MW)[1]	Contracted Capacity(2) (MW)	2025 Load Factor	Generation Permit Term
1.	El Carmen	SGE	CCGT	Nuevo León (El Carmen)	866	866	85%	Through 2046
2.	Dulces Nombres II	ENCO	CCGT	Nuevo León (Pesquería)	300	265	45%	Through 2053
3.	Cogeneration Ramos	ICR	Cogeneration	Coahuila (Ramos Arizpe)	52	52	87%	Through 2036
4.	Cogeneration Bajío	ICB	Cogeneration	Querétaro (San Juan del Río)	52	52	82%	Through 2037
5.	Cogeneration Altamira	ICA	Cogeneration	Tamaulipas (Altamira)	57	51	81%	Through 2037
6.	Cogeneration Monterrey	ENCO	Cogeneration	Nuevo León (Monterrey)	41	41	82%	Through 2053

7.	PIER[3]	PIER	Wind-powered	Puebla (Palmar de Bravo, Cañada Morelos, and Esperanza)	86.5	86.5	33%	Perpetual
8.	PIER IV[3]	PIER IV	Wind-powered	Puebla (Nicolas Bravo, Cañada Morelos, and Chapulco)	133.5	133.5	33%	Perpetual
9.	PIER II[4]	PIER II	Wind-powered	Puebla (Esperanza)	66	66	34%	Perpetual
10.	Wind Santiago	IRB	Wind-powered	Guanajuato (San Felipe)	105	102	33%	Through 2053
11.	Bii Nee Stipa	BNS	Wind-powered	Oaxaca (Espinal)	26	26	31%	Perpetual
12.	PEM/Ventosa	PEM	Wind-powered	Oaxaca (Juchitán)	102	102	20%	Perpetual
13.	Dos Arbolitos	EDA	Wind-powered	Oaxaca (Juchitán)	70	70	30%	Perpetual
14.	Cuyoaco	GPE	Solar	Puebla (Cuyoaco)	274	220	15%	Through 2047
15.	Hermosillo	IRNO	Solar	Sonora (Hermosillo)	137	100	21%	Through 2048
16.	Solar Santiago	IRC	Solar	San Luis Potosí (Villa de Arriaga)	232	170	22%	Through 2047

(1) Net Capacity represents the installed capacity for each Project, in accordance with the Exhibit "D" (key Operating Projects) of the Acquisition Agreement.
(2) Self-Supply and cogeneration arrangements are contracted with offtakers (*socios autoabastecidos* and *establecimientos asociados a la cogeneración*) under the legacy LSPEE framework.
(3) The Company holds indirectly approximately 51% equity stakes in PIER and PIER IV, and 51% equity stakes in Wind PIER II.

Geographic Distribution

The following illustration shows the approximate geographic location of each of the Projects.



Key Characteristics

El Carmen

The El Carmen Project is a combined-cycle, natural gas-fired power generation project and ancillary assets owned by SGE and located in the municipality of El Carmen in the state of Nuevo León, Mexico.

The Project consists of two Mitsubishi Hitachi Power Systems M501J gas turbines and one Mitsubishi Hitachi Power Systems TC4F steam turbine. The CRE granted SGE a LIE generation permit (E/1761/GEN/2016) with a term expiring on March 17, 2046. This Project's Net Capacity is 866 MW, with a permit generation and interconnection capacity up to 949.8 MW.

The Project reached its COD on September 26, 2019, and has a remaining useful life of approximately 34 years. The Project's energy is contracted through an Electricity Hedging Agreement for the Purchase and Sale of Capacity, Electricity and Clean Energy Certificates (*Contrato de Cobertura Eléctrica para la Compraventa de Potencia, Energía Eléctrica y Certificados de Energías Limpias*) with Iberdrola Generación for supply to industrial clients through Iberdrola Clientes, with a contracted capacity of 866 MW and a term through 2039.

Fuel supply is provided by CFEnergía under a contract expiring on December 31, 2042, with a maximum daily fuel capacity of 134,400 MMBTU/day. Gas is transported through Midstream's pipeline system.

The Project benefits from a long-term LTSA with Mitsubishi Power de México and Mitsubishi Power Americas, Inc., with a 30-year term commencing in March 2017, for the life of the asset, with a fixed fee of U.S.$150,000/month and a variable fee of U.S.$442.62/EFH.

Dulces Nombres II

The Dulces Nombres II Project is a combined-cycle, natural gas-fired power generation project and ancillary assets owned by ENCO and located in the municipality of Pesquería in the state of Nuevo León, Mexico. The commercial operation date for this Project was January 10, 2016, as established in CRE official communication No. UE-240/28742/2024, dated February 22, 2024.

The Project consists of GE gas turbines and steam turbines. The CRE granted ENCO a LIE generation permit (E/1055/GEN/2013) with a term expiring on November 30, 2053. This Project's Net Capacity is 300 MW, with a permit generation capacity of 338 MW.

The Project reached its COD on January 10, 2016, and has a remaining useful life of approximately 31 years. The Project's energy is contracted through a Electricity Hedging Agreement for the Purchase and Sale of Capacity, Electricity and Clean Energy Certificates (*Contrato de Cobertura Eléctrica para la Compraventa de Potencia, Energía Eléctrica y Certificados de Energías Limpias*) with Iberdrola Generación for supply to industrial clients through Iberdrola Clientes, with a contracted capacity of 265 MW and a term through 2053.

Fuel supply is provided by Engelhart under a contract expiring in December 2033 and on March 31, 2028 with a maximum daily fuel capacity of 48,000 MMBTU/day. Gas is transported by Kinder Morgan.

The Project benefits from a long-term LTSA with GE Gas Power International and Power Servicios de Energía, with a 25-year term commencing in June 2014, for the life of the asset with a fixed fee of U.S.$28,583/month (10,250+18,333), plus other fees such as the mobilization fee and the fees per event.

Cogeneration Ramos

The Cogeneration Ramos Project is a cogeneration power generation project and ancillary assets owned by ICR and located in the municipality of Ramos Arizpe in the state of Coahuila, Mexico. The commercial operation date for this Project was May 1, 2016, as established in CFE official communication No. DDGN/SPC/DPD-159/16, dated May 6, 2016.

The CRE granted ICR a cogeneration permit (E/1228/COG/2014) under the LSPEE regime. This Project's Net Capacity is 52 MW, with a permit generation capacity of 60.1 MW.

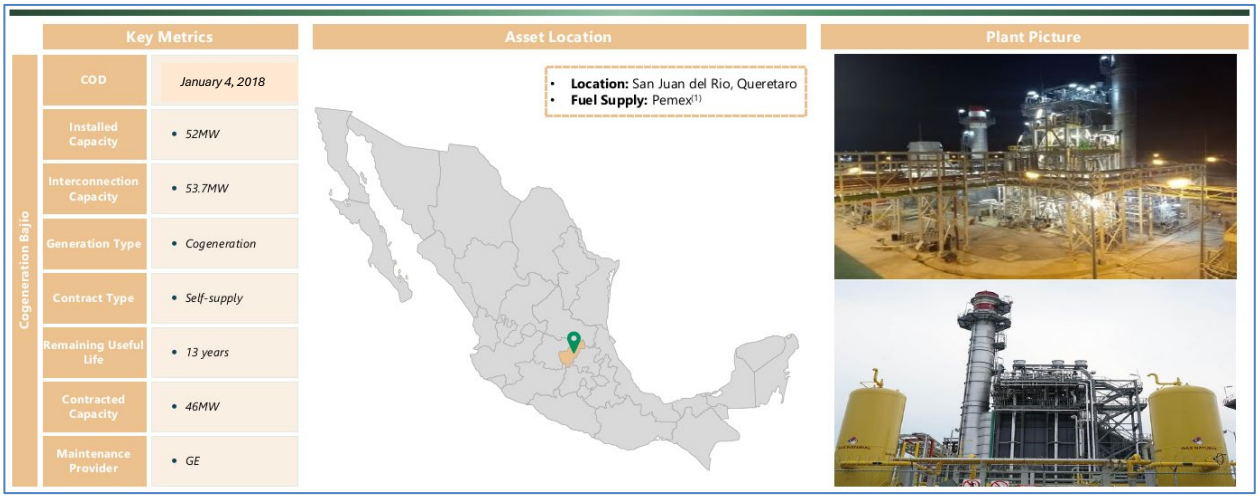
The Project reached its COD on May 1, 2016, and has a remaining useful life of approximately 10 years. Under the self-supply arrangement, we provide steam to Kimberly-Clark and electricity to industrial offtakers.

Fuel supply is provided by Pemex under a contract with no established maturity date, with a maximum daily fuel capacity of 12,037 MMBTU/day.

The Project benefits from a long-term contractual services with GE Vernova Operations LLC and General Electric International Operations Company Inc., commencing in August 2015 for the life of the asset, with a variable fee of U.S.$233.45/EFH (Amendment $225.28/EFH).

Cogeneration Bajío

The Cogeneration Bajío Project is a cogeneration power generation project and ancillary assets owned by ICB and located in the municipality of San Juan del Río in the state of Querétaro, Mexico.



The CRE granted ICB a cogeneration permit (E/1486/COG/2015) under the LSPEE regime. This Project's Net Capacity is 52 MW, with a generation permit capacity of 51.69 MW.

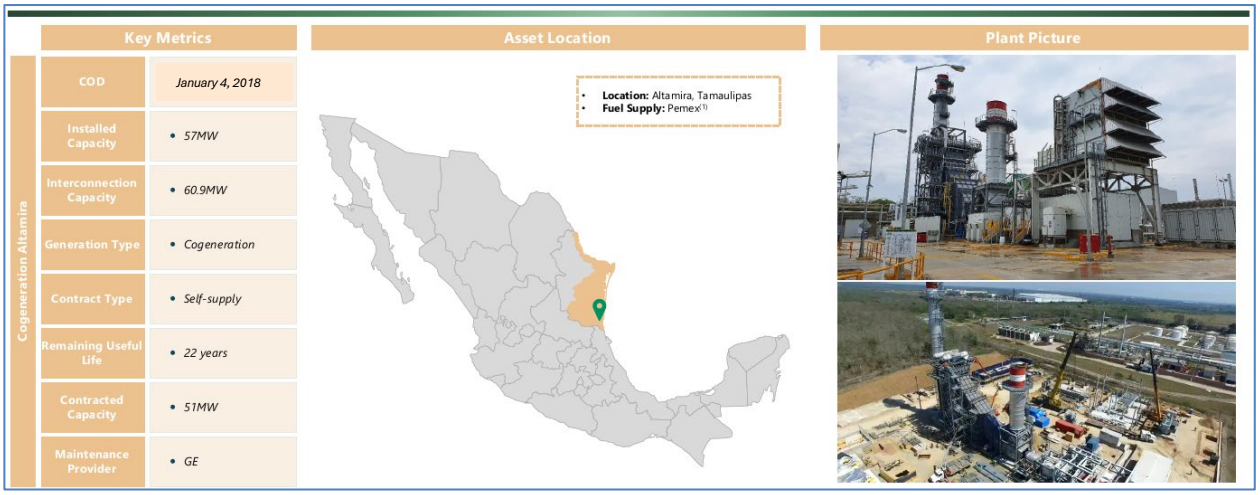
The Project reached its COD on January 4, 2018, and has a remaining useful life of approximately 13 years. Under the self-supply arrangement, we provide steam to Kimberly-Clark and electricity to industrial offtakers including Industria Vidriera del Potosí, Mazda and FCA Mexico. Fuel supply is provided by Pemex (with a distribution contract signed with GDF), with a maximum daily fuel capacity of 9,952 MMBTU/day.

The Project benefits from a long-term CSA agreement with GE Vernova Parts and Products GmbH, GE Vernova International LLC and GE Vernova Global Services GmbH, with a 15-year term commencing in 2017

with a fixed fee of U.S.$25,000/month and a variable fee of U.S.$85.00/EFH until 64,000h, U.S.$40.00/EFH until 96,001h and U.S.$21/EFH until end CSA.

Cogeneration Altamira

The Cogeneration Altamira Project is a cogeneration power generation project and ancillary assets owned by ICA and located in the municipality of Altamira in the state of Tamaulipas, Mexico. The commercial operation date for this Project was January 4, 2018, as established in CRE official communication No. UE-240/22325/2018, dated March 6, 2018.



The CRE granted ICA a cogeneration permit (E/1397/COG/2015) under the LSPEE regime with an expiration date of April 23, 2037. This Project's Net Capacity is 57 MW, with a generation permit capacity of 60.9 MW.

The Project reached its COD on January 4, 2018, and has a remaining useful life of approximately 12 years (until permit expiration). Under the self-supply arrangement, we provide steam to DYNASOL and electricity to industrial offtakers including Industria Vidriera del Potosí, Mazda and FCA Mexico. Fuel supply is provided by Pemex (with a distribution contract signed with Gas Natural de Noreste), with a maximum daily fuel capacity of 16,387 MMBTU/day.

The Project benefits from a long-term contractual services with GE Vernova Parts and Products GmbH, GE Vernova International LLC and GE Vernova Global Services GmbH, commencing in October 2017, with a fixed fee of U.S.$25,000/month and a variable fee of U.S.$85/EFH until 64,001h, U.S.$35/EFH until end CSA.

Cogeneration Monterrey

The Cogeneration Monterrey Project is a cogeneration power generation project and ancillary assets owned by ENCO and located in the municipality of Monterrey in the state of Nuevo León, Mexico.

The commercial operation date for this Project was March 16, 2025, as established in the CRE acknowledgment of receipt identified as DIGES/CRE-25005.

The CRE granted ENCO a LIE generation permit (E/2311/GEN/2023) with an expiration date of November 17, 2053. This Project's Net Capacity is 41 MW, with a generation permit capacity of 64.3 MW.

The Project reached its COD on March 16, 2025, and has a remaining useful life of approximately 27 years (until permit expiration). The Project's energy is contracted through an LIE, with a contracted capacity of 40 MW and a term through 2049. Fuel supply is provided by Pemex (with a distribution contract signed with Gas Natural México) under a contract expiring on July 31, 2028, with a maximum daily fuel capacity of 13,300 MMBTU/day.

The Project benefits from a O&M agreement with GE, commencing in June 2006, with a variable fee of U.S.$134/EFH (Amendment No. 1 $188/EFH).

Wind Projects

Wind PIER

The Wind PIER Project is a wind-powered generation project and ancillary assets owned by PIER and located in the municipalities of Palmar de Bravo, Cañada Morelos, and Esperanza in the state of Puebla, Mexico. The Company holds approximately a 51% equity stake in this Project.

The Project consists of 33 Gamesa G114 wind turbines, each with a capacity of 2.6 MW, hub height of 93 meters, and blade diameter of 114 meters. The CRE granted PIER a self-supply generation permit (E/1204/AUT/2014) with perpetual validity. This Project's Net Capacity is 86.5MW, with a generation permit capacity of 150MW.

The Project reached its COD on July 14, 2020, and has a remaining useful life of approximately 25 years. The Project's energy is contracted through self-supply arrangements with counterparties including Teléfonos de México, Ingredion Mexico, and Grupo Ab Inbev.

The Project benefits from an O&M agreement with Siemens.

Wind PIER IV

The Wind PIER IV Project is a wind-powered generation project and ancillary assets owned by PIER IV and located in the municipalities of Nicolas Bravo, Cañada Morelos, and Chapulco in the state of Puebla, Mexico. The Company holds approximately a 51% equity stake in this Project.

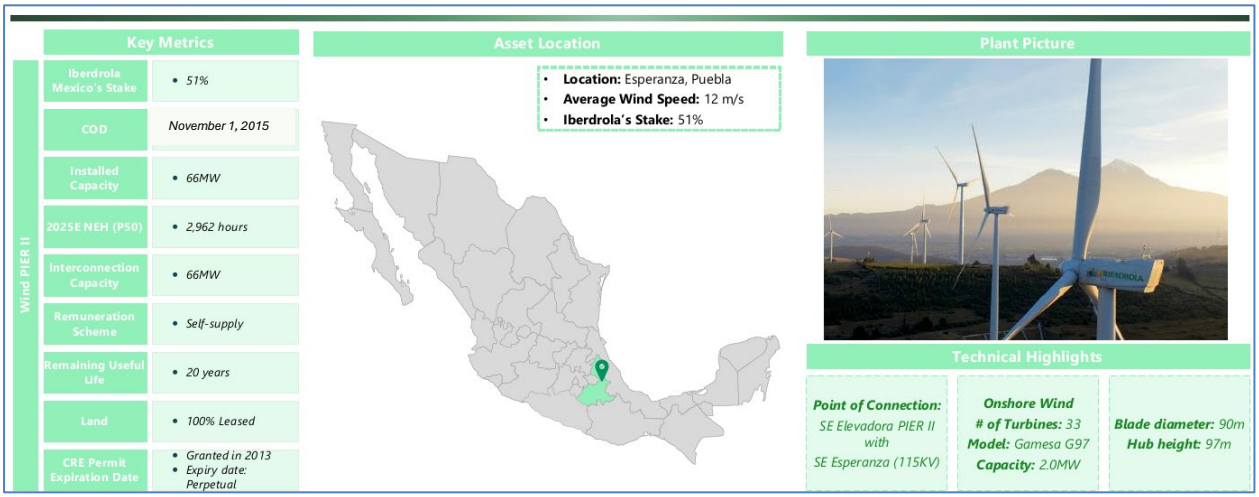
The Project consists of 51 Gamesa G114 wind turbines, each with a capacity of 2.6 MW, hub height of 93 meters, and blade diameter of 114 meters. The CRE granted PIER IV a self-supply generation permit (E/1207/AUT/2014) with perpetual validity. This Project's Net Capacity is 133.5 MW, with a permit generation capacity of 150 MW.

The Project reached its COD on August 1, 2020, and has a remaining useful life of approximately 25 years. The Project's energy is contracted through self-supply arrangements with counterparties including Teléfonos de México, Ingredion Mexico, and Grupo Ab Inbev.

The Project benefits from an O&M agreement with Siemens Gamesa Renewable Energy. According to management, the O&M services for the PIER II wind farm are contracted with Siemens Gamesa Renewable Energy.

Wind PIER II

The Wind PIER II Project is a wind-powered generation project and ancillary assets owned by PIER II and located in the municipality of Esperanza in the state of Puebla, Mexico. The commercial operation date for this Project was November 1, 2015, as established in CENACE official communication No. CENACE/GCROR/STC/448/2015, dated November 9, 2015. The Company holds a 51% equity stake in this Project.



The Project consists of 33 Gamesa G97 wind turbines, each with a capacity of 2.0 MW, hub height of 90 meters, and blade diameter of 97 meters. The CRE granted PIER II a self-supply generation permit (E/1054/AUT/2013) with perpetual validity. This Project's Net Capacity is 66 MW, with a generation permit capacity of 66 MW.

The Project reached its COD on November 1, 2015, and has a remaining useful life of approximately 20 years. The Project's energy is contracted through self-supply arrangements with counterparties including Sabritas, Productos Internacionales Mabe, and Grupo Gamesa.

The Project benefits from an O&M agreement with ATM.

Wind Santiago

The Wind Santiago Project is a wind-powered generation project and ancillary assets owned by Iberdrola IRB and located in the municipality of San Felipe in the state of Guanajuato, Mexico. The commercial operation date for this Project was September 15, 2023, as established in CRE official communication No. UE-240/55084/2023, dated October 4, 2023.

The Project consists of 50 Gamesa G114 wind turbines, each with a capacity of 2.1 MW, hub height of 93 meters, and blade diameter of 114 meters. The CRE granted IRB a LIE generation permit (E/2293/GEN/2023) with an expiration date of June 9, 2053. This Project's Net Capacity is 105 MW, with a generation permit capacity of 105 MW.

The Project reached its COD on September 15, 2023, and has a remaining useful life of approximately 25 years.

The Project's energy is contracted through an LIE Arrangement with Iberdrola Generación for supply to industrial clients through Iberdrola Clientes, with an annual energy supply commitment of 286, 440 MW together with the corresponding CELs.

The Project benefits from an O&M agreement with Siemens

Wind Bii Nee Stipa

The Wind Bii Nee Stipa Project is a wind-powered generation project and ancillary assets owned by BNS and located in the municipality of Espinal in the state of Oaxaca, Mexico.

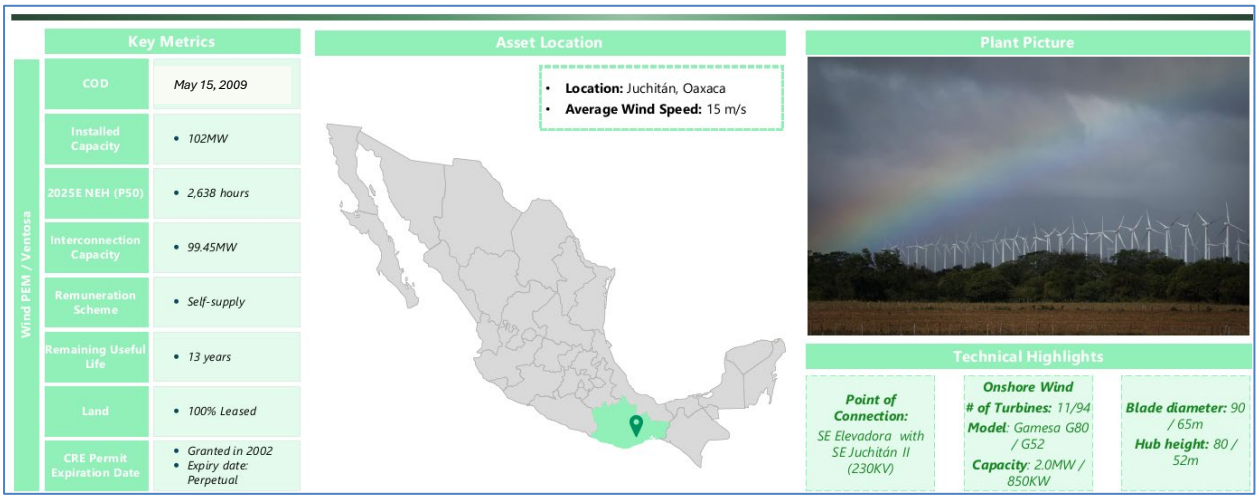
The Project consists of 31 Gamesa G52 wind turbines, each with a capacity of 850 kW, hub height of 65 meters, and blade diameter of 52 meters. The CRE granted BNS a self-supply generation permit (E/548/AUT/2006) on September 28, 2006, with perpetual validity. This Project's Net Capacity is 26 MW, with a generation permit capacity of 26.35 MW.

The Project reached its COD on April 1, 2010, and has a remaining useful life of approximately 15 years. The Project's energy is contracted through self-supply arrangements with Propimex.

The Project benefits from an O&M agreement with Camaradecimavilla Mexico, S.A. de C.V. and one O&M agreement with Vestas WTG México, S.A. de C.V.

PEM/Ventosa

The Wind PEM/Ventosa Project is a wind-powered generation project and ancillary assets owned by PEM and located in the municipality of Juchitán in the state of Oaxaca, Mexico.



The Project consists of 11 Gamesa G80 turbines with a capacity of 2.0 MW each, and 94 Gamesa G52 turbines with a capacity of 850 kW each, with hub heights of 90 and 65 meters respectively, and blade diameters of 80 and 52 meters respectively. The CRE granted PEM a self-supply generation permit (E/215/AUT/2002) on September 19, 2002, with perpetual validity. This Project's Net Capacity is 102 MW, with a generation permit capacity of 102.5 MW.

The Project reached its COD on May 15, 2009, and has a remaining useful life of approximately 13 years. The Project's 2025E Net Equivalent Hours (P50) is 2,638 hours. PEM has lease agreements, usufruct rights or any other rights of use arrangements over the Project land and the point of connection (SE Elevadora with SE Juchitán II at 230 kV). The Project's energy is contracted through self-supply arrangements with counterparties including Sabritas, and Tienda Soriana.

The Project benefits from an O&M agreement with Ingeteam Mexico S.A. de C.V. and one O&M agreement with Vestas WTG México, S.A. de C.V., and one O&M with Camaradecimavilla México, S.A. de C.V.

Dos Arbolitos

The Wind Dos Arbolitos Project is a wind-powered generation project and ancillary assets owned by EDA and located in the municipality of Juchitán in the state of Oaxaca, Mexico.

The Project consists of 35 Gamesa G80 wind turbines, each with a capacity of 2.0 MW, hub height of 90 meters, and blade diameter of 80 meters. The CRE granted EDA a self-supply generation permit (E/1159/AUT/2014) on July 3, 2014, with perpetual validity. This Project's Net Capacity is 70 MW, with a generation permit capacity of 70 MW.

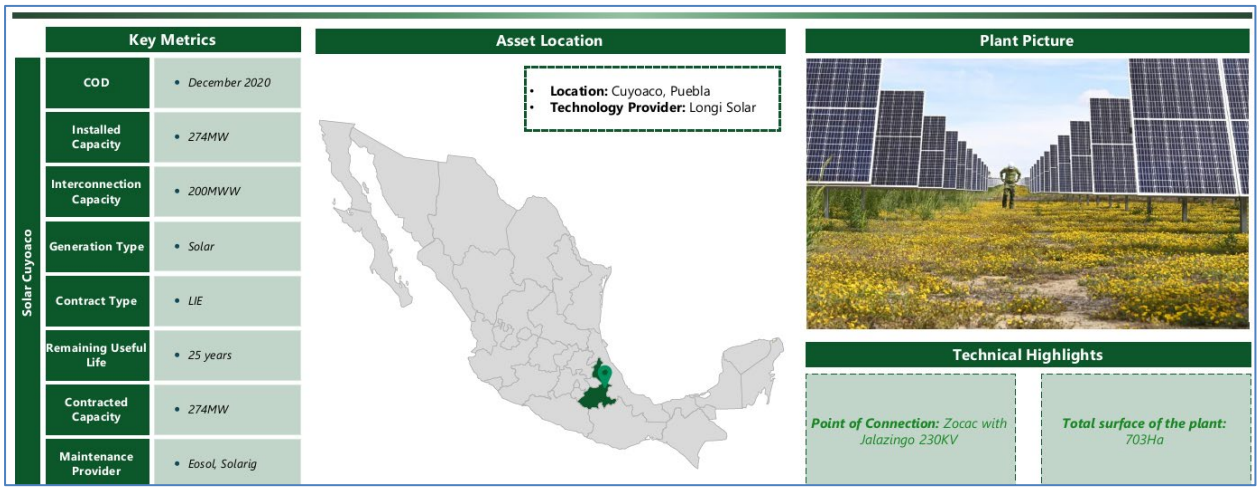
The Project reached its COD on December 1, 2014, and has a remaining useful life of approximately 19 years. The Project's energy is contracted through self-supply arrangements with counterparties including Procter & Gamble, Hotelera Palace Resorts, and Nestlé Mexico.

The Project benefits from an O&M agreement with Ingeteam Mexico S.A. de C.V.

Solar Projects

Solar Cuyoaco

The Solar Cuyoaco Project is a solar-powered generation project and ancillary assets owned by GPE and located in the municipality of Cuyoaco in the state of Puebla, Mexico.



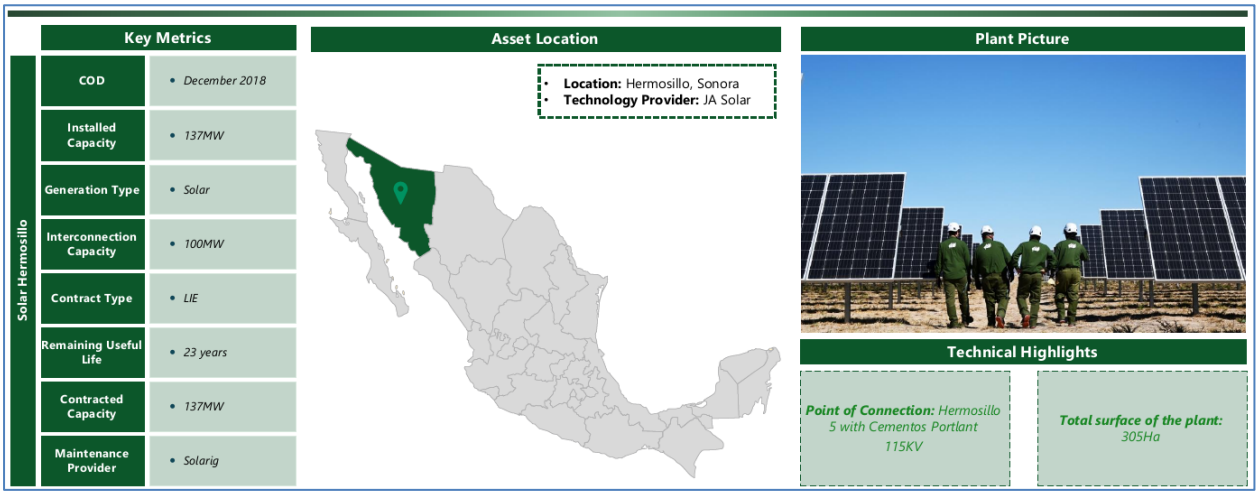
The Project utilizes Longi Solar technology with Mono PERC HALF-CELL modules (monofacial), STI N-S axis trackers, and Ingeteam Zentral 1 inverters with 1 MPPT (1,640 kW). The CRE granted GPE a LIE generation permit (E/1974/GEN/2017) on October 27, 2017, with a term expiring on October 27, 2047. This Project's Net Capacity is 274 MW, with a generation permit capacity of 220.8 MW.

The Project reached its COD on December 18, 2020, and has a remaining useful life of approximately 25 years. The Project's 2025 Net Equivalent Hours is 2,094 hours. The total surface of the plant is 696.67 hectares, and the point of connection is Zocac with Jalazingo at 230 kV. The Project's energy is contracted through an LIE Arrangement with Iberdrola Generación for supply to industrial clients through Iberdrola Clientes, with a supply committed of around 232 MW and a term through 2047.

The Project benefits from O&M arrangements with Solarig.

Solar Hermosillo

The Solar Hermosillo Project is a solar-powered generation project and ancillary assets owned by IRNO and located in the municipality of Hermosillo in the state of Sonora, Mexico.



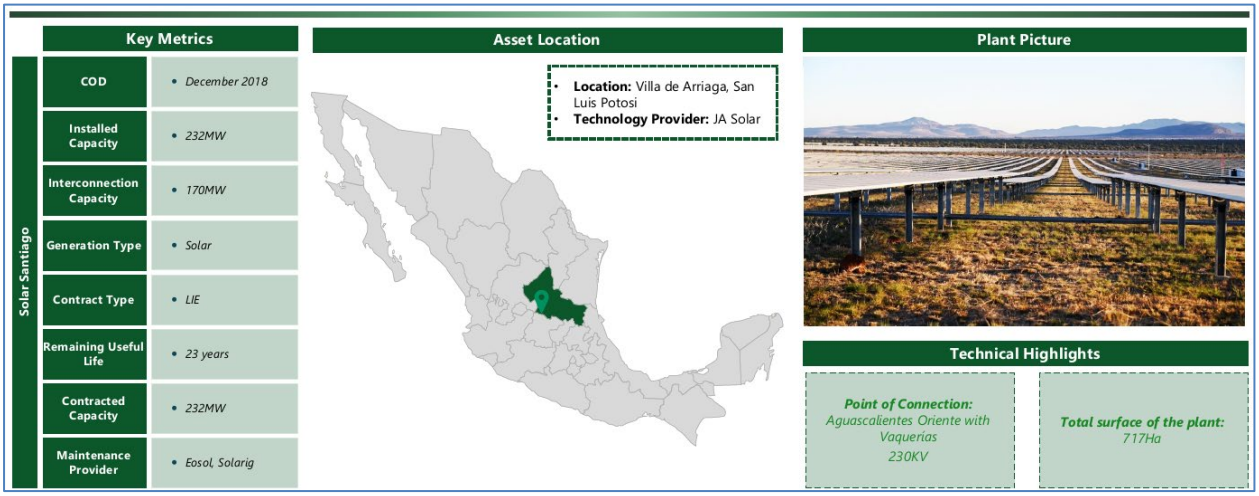
The Project utilizes JA Solar technology with monocrystalline modules (monofacial, 345W-350W-355W), STI N-S axis trackers, and Power Electronics Zentral 1 inverters with 1 MPPT (3,500 kW). The CRE granted IRNO a LIE generation permit (E/1442/GEN/2015) on March 28, 2018, with a term expiring on March 18, 2048. This Project's Net Capacity is 137 MW DC/115.5 MW AC, with a generating permit capacity of 100 MW.

The Project reached its COD on December 21, 2018, and has a remaining useful life of approximately 23 years. The Project's 2025 Net Equivalent Hours is 2,169 hours. The total surface of the plant is 306 hectares, and the point of connection is Hermosillo 5 with Cementos Portland at 115 kV. The Project's energy is contracted through an LIE Arrangement with Iberdrola Generación for supply to industrial clients through Iberdrola Clientes, with a contracted capacity of 137 MW DC/115.5 MW AC, and a term through 2048.

The Project benefits from O&M arrangements with Solarig.

Solar Santiago

The Solar Santiago Project is a solar-powered generation project and ancillary assets owned by IRC and located in the municipality of Villa de Arriaga in the state of San Luis Potosí, Mexico.



The Project utilizes JA Solar technology with monocrystalline modules (monofacial, 345W-350W-360W), STI N-S axis trackers, and Power Electronics inverters with 1 MPPT (3, 500 kW). The CRE granted IRC a LIE generation permit (E/1441/GEN/2015) on December 18, 2017, with a term expiring on December 18, 2047. This Project's Net Capacity is 232 MW DC/196 MW AC, with a generating permit capacity of 200 MW.

The Project reached its COD on December 21, 2018, and has a remaining useful life of approximately 23 years. The Project's 2025 Net Equivalent Hours is 2,134 hours. The total surface of the plant is 756 hectares, and the point of connection is Aguascalientes Oriente with Vaquerías at 230 kV. The Project's energy is contracted through an LIE Arrangement with Iberdrola Generación for supply to industrial clients through Iberdrola Clientes, with a contracted capacity of 232 MW DC/196 MW AC and a term through 2047.

The Project benefits from O&M arrangements with Power Electronics and Solarig.

Maintenance Schedules and Historical Availability

El Carmen

SGE entered into an LTSA with MHPS, pursuant to which MHPS provides the parts and services associated with the major maintenance of the gas and steam turbines and associated generators, accessories and auxiliaries of this plant. The maintenance inspections covered under the LTSA for the El Carmen Project are performed in accordance with a planned maintenance program. MHPS may undertake or apply inspections, techniques, monitoring and/or analysis to extend or optimize outage intervals, parts usage and/or work scope and maintenance activities.

The LTSA has a 30-year term commencing in March 2017 with a fixed fee of U.S.$150,000/month and a variable fee of U.S.$442.62/EFH. The LTSA covers all major maintenance activities for the Mitsubishi Hitachi Power Systems M501J gas turbines and TC4F steam turbine.

During 2024, El Carmen suffered damages on the compressor of the gas turbine, which forced the plant to cease operations from 18th of May 2024 to 28th of June 2024. Additionally, the plant also suffered an extraordinary shutdown in June 2023. Management estimates that the 2024 shutdown had an impact of approximately U.S.$129 million in the financial year ending December 31, 2024.

Dulces Nombres

ENCO entered into an LTSA with GE (previously Alstom, following the acquisition of Alstom by GE Gas Power International and Power Servicios de Energía in 2015), pursuant to which GE provides the parts and services associated with the major maintenance of the gas and steam turbines and associated generators, accessories and auxiliaries. The maintenance inspections covered under the LTSA for the Dulces Nombres II Project are performed in accordance with a planned maintenance program. GE may undertake or apply inspections, techniques, monitoring and/or analysis to extend or optimize outage intervals, parts usage and/or work scope and maintenance activities.

The LTSA has a 25-year term commencing in June 2014 for the life of the asset, with a fixed fee of U.S.$28,583/month (10,250+18,333). The LTSA covers all major maintenance activities for the GE gas turbines and steam turbines.

Cogeneration Ramos

ICR entered into an CSA with General Electric, pursuant to which GE Vernova Operations LLC and General Electric International Operations Company Inc. provides the parts and services associated with the major maintenance of the gas turbines and associated generators, accessories and auxiliaries. The maintenance inspections covered under the CSA for the Cogeneration Ramos Project are performed in accordance with a planned maintenance program.

The CSA is for the life of the asset and includes a variable fee of a variable monthly fee of U.S. $233.45 per fired Hour of the Covered Unit, for all fired Hours recorded during the months for the Covered Unit from zero fire Hours to the performance end date. The CSA covers all major maintenance activities in accordance with OEM specifications.

Cogeneration Bajío

ICB entered into an CSA with General Electric, pursuant to which GE Vernova Parts and Products GmbH, GE Vernova International LLC and GE Vernova Global Services GmbH provides the parts and services associated with the major maintenance of the gas turbines and associated generators, accessories and auxiliaries. The maintenance inspections covered under the CSA for the Cogeneration Bajío Project are performed in accordance with a planned maintenance program.

The CSA commenced in October 2017 and is for the life of the asset, with a fixed fee of U.S.$25,000/month and a variable fee of U.S.$85.00/EFH until 64,000h, U.S.$ 40/EFH until 96,000h and U.S.$21/EFH until the end CSA. The CSA covers all major maintenance activities in accordance with OEM specifications.

Cogeneration Altamira

ICA entered into an CSA with GE, pursuant to which GE Vernova Parts and Products GmbH, GE Vernova International LLC and GE Vernova Global Services GmbH provides the parts and services associated with the major maintenance of the gas turbines and associated generators, accessories and auxiliaries. The maintenance inspections covered under the CSA for the Cogeneration Altamira Project are performed in accordance with a planned maintenance program.

The CSA commenced in October 2017 and is for the life of the asset, with a fixed fee of U.S.$25,000/month and a variable fee of U.S.$85/EFH until 64,001h, U.S.$35/EFH until the end CSA. The CSA covers all major maintenance activities in accordance with OEM specifications.

Cogeneration Monterrey

ECM entered into an CSA with GE, pursuant to which GE Vernova Operations LLC and General Electric International Operations Company Inc provides the parts and services associated with the major maintenance of the gas turbines and associated generators, accessories and auxiliaries. The maintenance inspections covered under the CSA for the Cogeneration Monterrey Project are performed in accordance with a planned maintenance program.

The CSA commenced in June 2006 and is for the life of the asset, with a variable fee of U.S.$134/EFH (Amendment No. 1 $188/EFH) with a step-up based on effective fired hours. The CSA covers all major maintenance activities in accordance with OEM specifications.

Wind PIER and Wind PIER IV

PIER and PIER IV entered into an O&M agreement with Siemens, pursuant to which Siemens provides operations and maintenance services for the wind turbines and associated equipment. The O&M services for the Wind PIER Project and Wind Pier IV Project are performed in accordance with a planned maintenance program that includes scheduled inspections, preventive maintenance, and corrective maintenance as required.

The O&M agreement had a contract end date of March 2026. Maintenance activities include regular inspections of the Gamesa G114 wind turbines, gearbox maintenance, blade inspections, and electrical system maintenance in accordance with OEM specifications.

Wind PIER II

PIER II entered into an O&M agreement with ATM, pursuant to which ATM provides operations and maintenance services for the wind turbines and associated equipment. The O&M services for the Wind PIER II Project are performed in accordance with a planned maintenance program that includes scheduled inspections, preventive maintenance, and corrective maintenance as required.

The O&M agreement has a contract end date of January 2027. Management is currently in negotiations regarding renewal or replacement arrangements. Maintenance activities include regular inspections of the Gamesa G97 wind turbines, gearbox maintenance, blade inspections, and electrical system maintenance in accordance with OEM specifications.

Wind Santiago

IRB entered into an O&M agreement with Siemens, pursuant to which Siemens provides operations and maintenance services for the wind turbines and associated equipment. The O&M services for the Wind Santiago Project are performed in accordance with a planned maintenance program that includes scheduled inspections, preventive maintenance, and corrective maintenance as required.

The maintenance activities include regular inspections of the Gamesa G114 wind turbines, gearbox maintenance, blade inspections, and electrical system maintenance in accordance with OEM specifications.

Wind Bii Nee Stipa

BNS entered into an O&M agreement with Vestas, which is transitioning to Adventis, pursuant to which Vestas/Adventis provides operations and maintenance services for the wind turbines and associated equipment. The O&M services for the Wind Bii Nee Stipa Project are performed in accordance with a planned maintenance program that includes scheduled inspections, preventive maintenance, and corrective maintenance as required.

The maintenance activities include regular inspections of the Gamesa G52 wind turbines, gearbox maintenance, blade inspections, and electrical system maintenance in accordance with OEM specifications.

Wind PEM/Ventosa

PEM entered into an O&M agreement with Vestas, which is transitioning to Adventis, pursuant to which Vestas/Adventis provides operations and maintenance services for the wind turbines and associated equipment. The O&M services for the Wind PEM/Ventosa Project are performed in accordance with a planned maintenance program that includes scheduled inspections, preventive maintenance, and corrective maintenance as required.

The maintenance activities include regular inspections of the Gamesa G80 and G52 wind turbines, gearbox maintenance, blade inspections, and electrical system maintenance in accordance with OEM specifications.

Wind Dos Arbolitos

EDA entered into an O&M agreement with Ingeteam, pursuant to which Ingeteam provides operations and maintenance services for the wind turbines and associated equipment. The O&M services for the Wind Dos Arbolitos Project are performed in accordance with a planned maintenance program that includes scheduled inspections, preventive maintenance, and corrective maintenance as required.

The O&M agreement has a contract end date of November 2026. Management is currently evaluating renewal options or alternative service arrangements given the proximity to expiration. Maintenance activities include regular inspections of the Gamesa G80 wind turbines, gearbox maintenance, blade inspections, and electrical system maintenance in accordance with OEM specifications.

Solar Cuyoaco

GPE entered into O&M agreements with Ingeteam and Solarig, pursuant to which Ingeteam and Solarig provide operations and maintenance services for the solar panels, inverters, trackers, and associated equipment. The O&M services for the Solar Cuyoaco Project are performed in accordance with a planned maintenance program that includes scheduled inspections, preventive maintenance, and corrective maintenance as required.

Maintenance activities consist of inspection of the Longi Solar Mono PERC HALF-CELL modules (including thermographic inspection), inverter maintenance (Ingeteam Zentral 1), tracker system maintenance (STI N-S axis), electrical system maintenance, and vegetation management in accordance with OEM specifications.

Solar Hermosillo

IRNO entered into O&M agreements with Solarig, pursuant to which Solarig provide operations and maintenance services for the solar panels, inverters, trackers, and associated equipment. The O&M services for the Solar Hermosillo Project are performed in accordance with a planned maintenance program that includes scheduled inspections, preventive maintenance, and corrective maintenance as required.

Maintenance activities include thermography drone and inspection of the JA Solar monocrystalline modules, inverter maintenance (Power Electronics Zentral 1), tracker system maintenance (STI N-S axis), electrical system maintenance, and vegetation management in accordance with OEM specifications.

Solar Santiago

IRC entered into O&M agreements with Solarig, pursuant to which Solarig provide operations and maintenance services for the solar panels, inverters, trackers, and associated equipment. The O&M services for the Solar Santiago Project are performed in accordance with a planned maintenance program that includes scheduled inspections, preventive maintenance, and corrective maintenance as required.

Maintenance activities include thermography drone and inspection of the JA Solar monocrystalline modules, inverter maintenance (Power Electronics), tracker system maintenance (STI N-S axis), electrical system maintenance, and vegetation management in accordance with OEM specifications.

Near-Term Expansion Plans

In the near term, we expect to focus on executing our 11,490 MW greenfield renewables development pipeline and expanding our qualified supply business to meet growing industrial energy demand in Mexico. Based on our initial assessment of our development pipeline and operating assets, we have identified potential projects and initiatives which, if deployed, could significantly increase the overall capacity of our portfolio over the next several years.

Our high-visibility pipeline of 6,000 MW comprises projects that are in advanced stages of development with secured land rights, completed environmental studies, and identified grid interconnection points. These projects are expected to be the primary drivers of our near-term capacity growth and are strategically located in Mexico's key industrial corridors.

All the projects under development are located in areas of high commercial potential and with the possibility of interconnecting to the nation electricity system under competitive conditions in terms of interconnection costs. The geographical distribution covers 17 states of the republic and in all cases there is control of the land with a total of approximately 20,000 hectares.

With respect to projects under development, we have seven projects that have applied for the generation permit before the CNE for a total of 1.2 GWp stand out, of which six are photovoltaic for 1,052 MWp and 1 is wind for 148 MW, whichtogether will provide a generation capacity of more than 2.5 TWh per year; in addition, these projects will have storage systems with an installed power of 420 MW with a duration of 3.5 hours on average with a storage capacity of up to 1.5 TWh. The dates of entry into commercial operation of these projects are scheduled for the period 2028 - 2030 and in all cases they have a very advanced processing of environmental and social permits.

There is a significant degree of progress in other projects in the portfolio related to the interconnection process before CENACE, a necessary condition to initiate an application for an Electric Power Generation Permit before the CNE under the new Mexican regulatory framework. The interconnection processes underway total more than 4.6 GW focusing on the Western and Northeast regions, which allows for new project alternatives ready for definitive development.

The successful completion of these projects and our ability to obtain sufficient funds to finance them are subject to numerous risks and uncertainties. See *"Risk Factors—Risks Related to Our Business and Industry—There may be construction risk associated with certain of our development assets prior to their completion."*

Material Agreements

Revenue Generating Contracts

Qualified Supply Contracts

Iberdrola Clientes, our qualified supply business, is a leader in Mexico's qualified supplier market, with a market share of 25% and projected energy supply of over 18 TWh in 2025. Our qualified supply contracts with approximately 500 industrial clients (consumption points) form the core of our revenue-generating activities. Iberdrola Clientes has been present in Mexico since 2016, adding value to its customers by offering tailor-made contracts that consider (i) a unique consumption profile for each customer, (ii) CELs, and (iii) hedging solutions to mitigate FX risk and other market price exposures.

Under the LSE, qualified users (*Usuarios Calificados*) are permitted to purchase electricity directly from qualified suppliers in the MEM. Qualified users are defined as those with a demand equal to or greater than 1 MW. Iberdrola Clientes is authorized as a qualified supplier (*suministrador de servicios calificados*) pursuant to (i) permit E/1759/SC/2016 issued by CRE on March 17, 2016, with a 30-year validity period, and (ii) the market participant contract (*contrato de participante en el mercado*) in the qualified supplier modality, executed with CENACE on December 7, 2016.

As a qualified supplier, Iberdrola Clientes acquires capacity from the MEM to supply energy, capacity, and clean energy certificates to qualified users (demand exceeding 1 MW). Iberdrola Clientes, through financial

coverage contracts, indirectly purchases energy, capacity, and CELs from Iberdrola Generación in the terms established in the contract. Iberdrola Generación, to serve this financial coverage, transfers to Iberdrola Clientes the revenues received from the sale of these products to the market.

Our qualified supply contracts involve the sale of energy to industrial clients under bilateral arrangements through two primary types of contracts: (1) industrial players with an average tenor of 3 to 4 years, and (2) market participants with an average tenor of 15 to 20 years. Compensation under our qualified supply contracts is structured through the following pricing mechanisms:

Pricing Type	Description
Fixed Charges	Fixed pricing for cost predictability and stability, typically preferred by non-sophisticated clients (hotels, retailers)
REF CFE (Reference Tariff)	Prices based on rates set by the CNE, applying a discount to CFE tariffs and offering price predictability

Additionally, we offer pass-through schemes under which Iberdrola transfers MEM costs directly to the client, as well as market products linked to gas indexes or market rates for clients seeking better price management.

Approximately 76% of our clients are focused on the industrial sector with contracts ranging between 3 to 4 years and low churn rates, while the remaining 24% are qualified suppliers with contracts ranging between 15 and 20 years. Our client base includes leading industrial companies such as Teléfonos de México, PepsiCo, Honda, Cemex, Nestlé, Procter & Gamble, DEACERO, Holcim, Mazda, Toyota, Volvo, AstraZeneca, Merck, and Honeywell, among others.

In terms of credit quality, of our client base, 51% are rated investment grade, 37% are rated speculative grade, and 12% are unrated or other. Our rigorous credit evaluation process has resulted in a delinquency rate of less than 0.2% over the last five years (2021–2025), with renewal rates consistently exceeding 99% since 2022.

To provide service across Mexico, Iberdrola Clientes maintains approximately 130 full-time employees (37% in sales and 63% in support) with commercial offices strategically located across the country. Iberdrola Clientes has presence in all CENACE regions, ranking first in energy supply in 5 regions as of August 2024. The regional breakdown of our supply is as follows: Northeast (29%), Central (8%), Eastern (16%), Western (32%), Northwest (9%), Peninsular (1%), Baja California (1%), and North (1%).

Bilateral PPAs with Iberdrola Clientes and MEM Representation Agreements with Iberdrola Generación

Our CCGT and certain renewable assets sell their capacity and energy to Iberdrola Clientes under bilateral electricity hedging agreements (which are referred to as LIE Arrangements elsewhere in this Offering Memorandum). Concurrently, each operating entity has entered into a separate MEM Representation Agreement with Iberdrola Generación, which acts as market representative before CENACE and the MEM. Iberdrola Clientes in turn supplies industrial clients under its qualified supply contracts. Compensation under each bilateral PPA consists of two types of monthly payments: (1) a capacity payment consisting of a fixed capacity charge, and (2) an energy payment consisting of (a) a variable charge for operation and maintenance, and (b) a fuel charge (pass-through component for thermal plants).

Concurrently with the execution of the bilateral PPAs with Iberdrola Clientes, MEM Representation Agreements were also signed with Iberdrola Generación, with maturity dates tied to those specified in the bilateral PPAs. The services covered under the MEM Representation Agreements primarily include registering, certifying, and acting as the agent for the listed facilities in the MEM regarding the capacity to be delivered to Iberdrola Clientes under the bilateral PPAs, as well as providing other ancillary services, such as overall management of the projects' operation in the MEM, regulatory compliance, and technical and financial operations.

The following table summarizes the relevant provisions of the bilateral PPAs with Iberdrola Clientes:

No.	Defined Term per Project	Execution Date	Termination Date[(1)]	Contracted Capacity	Average Monthly Price[(3)] (in U.S. dollars)
1.	El Carmen PPA	February 20, 2017	Through 2039	866 MW	33.4 $/MWh
2.	Dulces Nombres II PPA	December 18, 2023	Through 2044	265 MW	33.7 $/MWh
3.	Santiago (Wind) PPA	June 26, 2023	Through 2043	102 MW	62.3 $/MWh

4.	Cuyoaco PPA	June 25, 2020	Through 2038	270 MW	47.5 $/MWh
5.	Hermosillo PPA	May 11, 2018	Through 2038	100 MW	47.5 $/MWh
6.	Santiago (Solar) PPA	May 11, 2018	Through 2038	170 MW	47.5 $/MWh
7.	Monterrey	March 11, 2024	Through 2049	40 MW	60.7 $/MWh

(1) Term can be extended for a 6-month period after its termination, at our option, if a substitute service provider has not yet been appointed.
(2) Under each bilateral PPA, both the owner of each Project and Iberdrola must provide a corporate guarantee.
(3) Average Price from March to July 2024.

Self-Supply Arrangements (Wind Projects)

Several of our wind projects operate under self-supply (*autoabastecimiento*) arrangements, pursuant to which the projects supply energy to designated industrial offtakers who are partners or members of the generation association. Under the legacy self-supply regulatory regime established under the Public Electricity Service Law (*Ley del Servicio Público de Energía Eléctrica* or "LSPEE"), when multiple parties sought to self-supply from a single power plant, they were required to either become co-owners of the plant or form a company whose purpose was to generate electricity to satisfy the self-supply needs of its shareholders. Under these arrangements, electricity could only be delivered to shareholders who were approved as part of the original project (including expansion plans), and any excess energy could only be made available to CFE.

The Energy Reform of 2013 and the Electric Industry Law brought significant changes to the Mexican energy sector, but self-supply permits were allowed to continue as legacy permits with perpetual validity. However, pursuant to CRE Resolution RES/1094/2020, these self-supply permits cannot be modified to include new shareholders to satisfy their self-supply needs. Accordingly, once the existing PPAs with self-supply shareholders expire, new PPAs cannot be entered into with parties other than those already authorized under the permit. These arrangements may continue to be subject to regulatory scrutiny and could potentially be subject to revocation proceedings.

Under these self-supply arrangements, the Project's owners supply electricity to designated industrial offtakers at contracted prices. Payments under self-supply arrangements are structured based on the energy delivered to each shareholder in accordance with their respective consumption needs. These arrangements provide stable, long-term revenue streams with creditworthy industrial counterparties.

The self-supply projects are structured as companies with multiple shareholders, including Iberdrola subsidiaries as majority shareholders and numerous industrial consumers (*socios consumidores*) as minority shareholders who receive energy in proportion to their shareholding.

The following table summarizes the relevant provisions of our self-supply agreements.

No.	Project	Agreements	CRE Permit Number	Permit Issuance Date	Permit Expiry	Interconnection Contract Expiry	Key Counterparties	Net Capacity (MW)
1.	PIER	PIER Self-Supply Agreement	E/1204/AUT/2014	November 4, 2014	Perpetual	August 1, 2040	Teléfonos de México, Ingredion Mexico, Ab Inbev	86.5
2.	PIER IV	PIER Self-Supply Agreement	E/1207/AUT/2014	November 4, 2014	Perpetual	August 1, 2040	Teléfonos de México, Ingredion Mexico, Ab Inbev	133.5
3.	PIER II	PIER II Self-Supply Agreement	E/1054/AUT/2013	October 24, 2013	Perpetual	November 1, 2035	PepsiCo, Productos Internacionales Mabe, Grupo Gamesa	66
4.	Bii Nee Stipa Self	Bii Nee Stipa Self-Supply Agreement	E/548/AUT/2006	September 28, 2006	Perpetual	January 1, 2030	Propimex	26
5.	PEM/Ventosa	PEM/Ventosa Self-Supply Agreement	E/215/AUT/2002	September 19, 2002	Perpetual	February 1, 2029	PepsiCo Tienda Soriana	102
6.	Wind Dos Arbolitos	Dos Arbolitos Self-Supply Agreement	E/1159/AUT/2014	July 3, 2014	Perpetual	December 1, 2034	Procter & Gamble, Hotelera Palace Resorts, Nestlé Mexico	70

Cogeneration Arrangements

Our four cogeneration facilities provide steam and electricity to industrial offtakers under long-term contracts. Compensation under each cogeneration arrangement consists of three types of monthly payments: (1)

a capacity payment consisting of a fixed or variable capacity charge, (2) an energy payment consisting of (a) a variable charge for operation and maintenance, and (b) a fuel charge (pass-through component), and (3) steam payment. These arrangements provide stable, predictable cash flows with limited commodity price exposure.

The following table summarizes the relevant provisions of our cogeneration arrangements:

No.	Project	Permit Type[1]	Permit Number	Permit Expiry[2]	Net Capacity	Interconnection Capacity
1.	Ramos	Self-Supply	E/1228/COG/2014	May 1, 2036	52 MW	54.9 MW
2.	Bajío	Self-Supply	E/1486/COG/2015	February 1, 2038	52 MW	53.7 MW
3.	Altamira	Self-Supply	E/1397/COG/2015	January 4, 2038	57 MW	60.9 MW
4.	Monterrey[3]	LIE	E/2311/GEN/2023	November 17, 2053	41 MW	37.2 MW

(1) Under each cogeneration arrangement, we provide steam and electricity to industrial offtakers. Compensation consists of capacity payments and energy payments (including fuel pass-through).
(2) The cogeneration permits for Ramos, Bajío, and Altamira were granted under the LSPEE regime and are not subject to extension; upon expiration, they must be migrated to the regulatory framework established under the LSE.
(3) Cogeneration Monterrey operates under a LIE permit.

Power Interconnection Agreements

The Project Companies that hold a LIE generation permit have a Power Interconnection Agreement with CFET which into CFE as a result of the LSE. The purpose of these agreements is to provide an interconnection between the generation facilities and the SEN. The following table summarizes the relevant provisions of these agreements.

No.	Interconnection Agreement	Project	Execution Date	Termination Date[1]	Remaining Term[2]	Contracted Interconnection Capacity
1.	El Carmen Interconnection Agreement No. CTR/GRT_NES/CI/0141/2017	El Carmen	April 17, 2017	March 17, 2046	20 years	949.8 MW
2.	Dulces Nombres II Interconnection Agreement No. CTR/GRT_NES/CI/0128/2023	Dulces Nombres II	December 18, 2023	November 30, 2053	27 years	303 MW
3.	Ramos Interconnection Agreement No. CIRCD/DDGN/SPC/01_2016	Ramos	January 26, 2016	May 1, 2036	10 years	54.9 MW
4.	Bajío Interconnection Agreement No. CIDP65-11_2016	Bajío	November 30, 2016	February 1, 2038	12 years	53.7 MW
5.	Altamira Interconnection Agreement No. CIDU28-06_2016	Altamira	July 28, 2016	January 4, 2038	12 years	60.9 MW
6.	Monterrey Interconnection Agreement No. CTR/GRT_NES/CI/0111/2024	Monterrey	December 19, 2024	November 17, 2053	27 years	37.2 MW
7.	PIER Interconnection Agreement No. CIDV03-03_2018	PIER	March 14, 2018	July 14, 2040	14 years	86.5 MW
8.	PIER IV Interconnection Agreement No. CIDV04-03_2018	PIER IV	March 14, 2018	August 1, 2040	14 years	133.5 MW
9.	PIER II Interconnection Agreement No. CIRCD28-04_2015	PIER II	May 21, 2015	November 1, 2035	9 years	66 MW
10.	Santiago (Wind) Interconnection Agreement No. CTR/GRT OCC/CI/0073/2023	Santiago (Wind)	August 9, 2023	June 9, 2053	27 years	102 MW
11.	Bii Nee Stipa Interconnection Agreement No. CIRC26-06/2010	Bii Nee Stipa	August 27, 2010	January 1, 2030	4 years	26.35 MW
12.	PEM/Ventosa Interconnection Agreement No. 6CIRCD29-04_2015	PEM/Ventosa	June 10, 2015	February 1, 2029	3 years	99.45 MW
13.	Dos Arbolitos Interconnection Agreement No. 2CIRCD136-11_2015	Dos Arbolitos	December 1, 2015	December 1, 2034	8 years	70 MW
14.	Cuyoaco Interconnection Agreement No. CTR/GRT ORI/CI/0016/2018	Cuyoaco	March 9, 2018	December 31, 2050	24 years	200 MW
15.	Hermosillo Interconnection Agreement No. CTR/GRT NOR/CI/0056/2018	Hermosillo	June 22, 2018	April 14, 2045	19 years	100 MW
16.	Santiago (Solar) Interconnection Agreement No. CTR/GRT OCC/CI/0033/2018	Santiago (Solar)	April 26, 2018	December 18, 2047	21 years	170 MW

(1) For self-supply projects with perpetual permits, the interconnection agreement term is linked to the permit validity.
(2) Remaining term as of March 2026.

Fuel Supply and Transportation Agreements

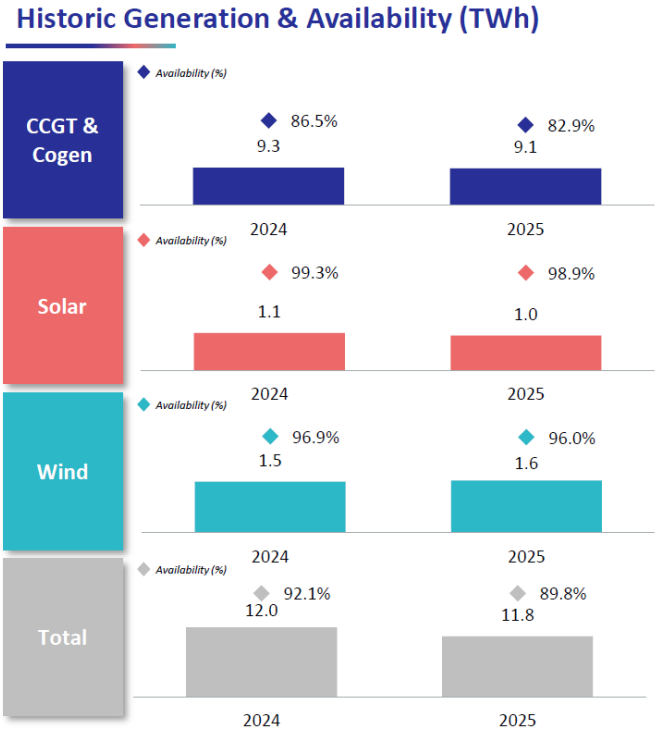
Gas Supply Agreements

Under our bilateral PPAs with Iberdrola Generación and our cogeneration arrangements, we are responsible for contracting gas supply to comply with our dispatch obligations. The following table summarizes the relevant provisions of our Gas Supply Agreements.

No.	Agreement	Project	Supplier	Execution Date	Termination Date[(1)]	Maximum Daily Quantity	Average Monthly Fee (in U.S. dollars)[(2)]
1.	Natural Gas Supply Agreement	El Carmen	CFEnergía	August 31, 2017	December 31, 2042	134,400 MMbtu/D	$15,000,000
2.	Natural Gas Supply Agreement	Dulces Nombres II	Engelhart	November 8, 2023	March 31, 2028	48,000 MMbtu/D	$3,800,000
3.	Natural Gas Supply Agreement	Cogeneration Ramos	Pemex Transformación Industrial	June 18, 2019	Indefinite Term	12,037 MMbtu/D	$1,300,000
4.	Natural Gas Supply Agreement	Cogeneration Bajío	Pemex Transformación Industrial	June 18, 2019	Indefinite Term	9,952 MMbtu/D	$1,400,000
5.	Natural Gas Supply Agreement	Cogeneration Altamira	Pemex Transformación Industrial	June 18, 2019	Indefinite Term	13,369 MMbtu/D	$1,500,000
6.	Base Contract for Natural Gas Supply	Cogeneration Monterrey	Pemex Transformación Industrial	March 2, 2001	July 31, 2028	13,300 MMbtu/D	$1,600,000

(1) Regarding the Contract with Engelhart, upon the expiration of the initial term, the agreement shall automatically renew on a month-to-month basis unless written notice. Contracts with Pemex that have "no established validity" are renewed on an ongoing basis and remain in effect so long as the underlying generation permit remains valid.
(2) Average Monthly Fee represents the average fee for 2025.

The charts below compare our generation and availability in 2024 and 2025, showing stable output across the portfolio, with thermal assets providing the bulk of generation and renewables delivering high availability, supporting consistent and reliable performance:



Gas Interconnection and Transportation Agreements

The following table summarizes the relevant provisions of our natural gas interconnection, transportation and distribution agreements. These agreements are not subject to a specific termination date as their duration is linked to the validity of the gas transportation permits and the operation of the associated infrastructure. Transportation capacity under these agreements is intertwined with the contracted capacity under the Gas Supply Agreements described above.

No.	Agreement	Project	Counterparty	Execution Date
1.	Gas Interconnection Agreement	El Carmen	Midstream de México	September 11, 2018
2.	Gas Transportation Agreement (Intrastate and Mexico)	Dulces Nombres II	Kinder Morgan	December 23, 2013
3.	Gas Distribution Agreement	Ramos	CENAGAS	March 2, 2016
4.	Gas Distribution Agreement	Bajío	GDF Suez México Comercializadora	October 17, 2016
5.	Gas Distribution Agreement	Altamira	GNN	December 16, 2015
6.	Gas Distribution Agreement	Monterrey	Gas Natural México	November 30, 2001

Operation and Maintenance Agreements

Our Projects have entered into O&M agreements with leading global service providers. The O&M agreements cover mobilization and operational services by on-site personnel, including for the transition, evaluation and improvement of Project systems, safety, environmental programs, administrative, operational and maintenance practices, procurement, information systems, training and compliance, in each case with the purpose of optimizing Project performance.

CCGT and Cogeneration O&M Agreements

No.	Project	O&M Provider	Execution Date	Termination Date	Term	Operation fee[(1)] (in U.S. dollars)
1.	El Carmen	Mitsubishi	September 2019	September 2049	30 years	$4,100,000
2.	Dulces Nombres II	GE	October 2016	October 2041	25 years	$4,690,000
3.	Ramos	GE	2015	Second Major Inspection	11.5 years	$2,000,000
4.	Bajío	GE	February 2018	February 2032	14 years	$1,640,000
5.	Altamira	GE	January 2018	January 2032	14 years	$1,640,000
6.	Monterrey	GE	2012	December 2028	16 years	$1,170,000

(1) Equivalent annual amount payable.

Iberdrola Transition Services Agreement

On April 24, 2026, Iberdrola, S.A., and the Company entered into the Iberdrola TSA to facilitate the orderly conduct of their respective business and operations during a transition period of 12 months following the closing of the Acquisition. Under this agreement, Iberdrola S.A. has agreed to provide the transitional services specified thereunder to us and the Project Companies.

Market and Industry Trends

Power Generation

Power generation in Mexico by private-sector companies was historically limited by applicable laws and regulations to certain types of generation facilities, namely, IPPs, export, small scale, and captive/self-supply. However, as a result of the 2013 Energy Reform, power generation by private-sector companies is no longer limited to the same extent and sale to the MEM is permitted. See "*Regulatory, Environmental Matters and Permits* " and "*Environmental and Sustainability Matters*."

Upon expiration or termination of our bilateral PPAs and self-supply arrangements, we expect to seek replacement contracts, and may consider maintaining a portion of the Projects' capacity available in the spot market. See "*Risk Factors—Risks Relating to Mexico—Changes in Mexican Governmental policies could adversely affect the Issuer's business, financial condition, results of operations, cash flows, prospects and/or our ability to repay the Notes*." Going forward, we expect to continue facing keen competition from other developers, including Sempra, Saavi, Naturgy, and Enel, among others, who have made significant investments in Mexico in the past. The principal elements of competition are price and availability, terms of service, flexibility and reliability of service. General economic activity, conservation, legislation, governmental regulations, weather, additional generation capacities and other factors affect the supply and demand for electricity. As the market matures and more customers understand the possibilities of switching suppliers, we expect competition in this segment to further increase.

Insurance

We maintain a comprehensive package of insurance consistent in nature with operations of a portfolio of power plants and related energy operations. Our insurance coverage is underwritten through various carriers in Mexico as required by insurance regulation. Each of the carriers and/or their reinsurance are rated A (Excellent), AM (Best) or better, or maintain similar S&P ratings for financial assurance and claims paying ability. Our operating platform includes property damage and business interruption as the core coverages for all power plants and related operations. These insurance programs are provided by Allianz. The structure of coverage is common for similar operations and provides coverages for (i) physical damage to the operations of the assets, including fire, mechanical breakdown and natural hazards such as flood, quake, windstorms and other similar events and (ii) business interruption resulting from the aforementioned covered events. Coverage is provided based upon the projected new replacement costs of all property and continues annually to be re-evaluated and updated to track with inflation and supply chain impacts on costs of such replacement.

Our insurance policies comply with our various contractual commitments, including CFE's requirements. In addition, we believe that the level of insurance coverage that we maintain for our properties, operations, personnel and businesses is reasonably appropriate for the risks that we face. Our policies, including policy terms, conditions, limits, exclusions, and deductibles are comparable to those obtained by other energy companies with similar operations.

Employees

As of December 31, 2025, the Company directly and indirectly employs 375 corporate employees (based in Mexico City, Monterrey and other 2 commercial offices) and 306 plant operations employees. The following table shows the number of the Issuer's active full-time employees by area of activity:

By Activity	Employees
Plant Operations	306
Management	22
Finance	5
Operations and Commercial	173
Legal	13
Human Resources	13
IT	9
General Services	6
Internal Control	2
Health, Safety and Environmental	12
Corporate Functions	120
Total	681

Legal, Administrative and Arbitration Proceedings

From time to time, we may become involved in litigation and administrative proceedings relating to claims arising in the ordinary course and business relating to our operations and properties. These may include claims filed by suppliers and customers, federal, state or local governmental authorities, including tax authorities, neighboring residents and environmental and social activists, as well as labor disputes.

These proceedings are not likely, individually or in the aggregate, to have a material adverse effect on our operations, financial condition or results of operations. However, we cannot be certain that these claims will

be resolved in our favor. Responding to the demands of litigation claims and responding to, or initiating proceedings may divert management's time, attention and financial resources.

In February 2024, 13 combined cycle gas plants previously owned by the Group Companies were sold to MIP for U.S.$5,895 million (the "MIP Sale"). As a result of the MIP Sale, the Group Companies recognized a gain on sale of subsidiaries of U.S.$1,882.9 million and an associated corporate income tax liability of U.S.$794.2 million. In February 2025, the Group Companies distributed dividends of U.S.$1,700 million to Hidrola from the cash proceeds of the MIP Sale. To finance the payment of the corporate income tax liability, in February 2025, Iberdrola México requested a revolving credit facility of U.S.$500 million from Iberdrola Financiación, S.A., of which U.S.$300 million was drawn for this purpose. We understand that the intragroup balance with Iberdrola Financiación, S.A. will be either settled or converted into equity prior to the closing of the Acquisition.

Following the MIP Sale, the Group Companies have been undergoing a restructuring process that is expected to result in the dismissal of approximately 280 individuals (80 corporate employees and 200 business employees) from 2025 onwards. The restructuring is primarily related to the reorganization of the workforce following the transfer of personnel from MIP entities. As of December 31, 2024, non-recurring severance payments of U.S.$709 thousand had been recorded. The remaining severance costs associated with this restructuring have not yet been fully quantified.

Additionally, management has confirmed that U.S.$20.7 million in insurance compensation related to material damage from the El Carmen shutdown was recognized by the insurer (MHPS-related material damage) and has been collected.

Additionally, there are several claims that have we have initiated, which may—eventually—result in favorable outcomes for us or, in a worst-case scenario, could translate into a non-favorable judgment and a judgment ordering the payment of legal fees.

ICC Arbitration (ENCO v. GE)

ENCO has initiated an arbitration proceeding before the International Court of Arbitration of the ICC (Case No. 28312/PDP) against (i) Power Servicios de Energía, S.A. de C.V., (ii) GE Gas Power International LLC, and (iii) General Electric Global Services GmbH in connection with the cogeneration Projects Dulces Nombres II and Monterrey Cogeneration. The arbitration relates to the late and defective installation of blades in the CDU II turbine. GE has filed a counterclaim alleging that the Group Companies were responsible for delays in repairs and import taxes, and has asserted that the Group Companies are liable to pay U.S.$17.6 million. In May 2025, the Group Companies submitted its reply and response to MIP's counterclaim. In addition, the Group Companies have received written claims from GE for the payment of U.S.$357 million related to repair and replacement costs, as well as loss of income from the sale of assets under construction. These claims have been resolved by MIP and the Group Companies. The total amount, considering the claims of both parties, is significant. The arbitration remains pending.

DAMOSA Fraud (Iberdrola Clientes v. Miguel Ángel Ríoz Nuñez, et. al.)

Iberdrola Clientes filed a criminal complaint against two employees and third parties (suppliers) before the Nuevo Leon Attorney General's Office (FGJNL-13363/2023) in light of the payment of undue amounts for alleged storage services.

Major Maintenance 2025, Pipeline Collapse & Heat Rate (GE v. ENCO and ICA, ICB)

GE may initiate an arbitration against ENCO, ICA and ICB (as well as *vice versa*, ENCO, ICA and ICB against GE) regarding the payment for the Major Maintenance 2025 and pipeline collapse and low turbine efficiency. However, the controversy has not been filed by any of the parties.

Labor Disputes

As of December 31, 2025, there were seven pending labor lawsuits filed against certain Service Companies and their affiliates before various federal and local labor courts in Mexico. These claims relate to wrongful termination and other employment-related matters and are at various stages of proceedings. The aggregate contingency for all labor matters is not material to the Company.

MANAGEMENT

Sole Administrator

The Issuer is currently managed by Enrique José Riquelme Vives as Sole Administrator (*Administrador Único*), who was appointed upon the incorporation of the Issuer on November 13, 2025. The Sole Administrator has the broadest powers to carry out the corporate purpose of the Issuer, including the powers and authority described in the Issuer's bylaws. The administration of the Issuer may be entrusted to either a Sole Administrator or a Board of Directors composed of a minimum of 3 (three) and a maximum of 10 (ten) members, as determined by the general shareholders' meeting. Until such time as a Board of Directors is constituted by the general shareholders' meeting, the Issuer will continue to be managed by the Sole Administrator with the same authority and obligations as the Board of Directors.

In addition, Daniel Luis Jiménez Gallo was appointed as statutory auditor (comisario) of the Issuer upon its incorporation. The statutory auditor accepted the appointment and undertook to faithfully discharge the duties of such office, and was relieved of the obligation to post a bond in connection therewith.

Below is a summary of the business experience, activities and areas of expertise of the Issuer's Sole Administrator.

Enrique José Riquelme Vives. Mr. Riquelme Vives is the Executive Chairman and controlling shareholder of the Sponsor, Cox ABG Group, S.A., which is listed on the BME (Spanish stock exchange). He began his career in the real estate and construction sectors. In 2010, he founded Grupo El Sol in Panama, focused on mining, cement, infrastructure and energy, which became the largest supplier of sand for the UTE (joint venture) responsible for the expansion of the Panama Canal. In 2012, he led the bidding and development phases of Rainbow 50, at the time the largest photovoltaic project in Latin America, located in Guatemala. In 2014, he founded Cox Energy, a Spanish renewable energy company focused on the solar photovoltaic sector, and serves as its founder, principal shareholder, and Executive Chairman.

Mr. Riquelme Vives has received several notable recognitions for his contribution to business and sustainability. In 2018, he was awarded the National Young Entrepreneur Award by the Spanish Confederation of Young Entrepreneurs (CEAJE), one of the most important business awards in Spain. That same year, Forbes magazine featured him on its cover as "The Man of Solar Energy." In November 2019, the Sachamama organization designated him as one of the "100 Most Influential Latinos Committed to Climate Action." He was also named one of the "100 Most Creative Spaniards in Business" by Forbes magazine. He is currently a member of the International Council of the San Telmo Business School and serves as President of the Advisory Council and World President for Technology and Entrepreneurship of the Scholas Foundation, which is promoted by Pope Francis and operates in 190 countries. He holds a degree in Marketing and Business Management

Actions of the Sole Administrator and the Board of Directors

The Sole Administrator (or the Board of Directors, as applicable) is authorized to carry out the corporate purpose of the Issuer with the broadest powers, including, without limitation, the specific powers and authority enumerated in the Issuer's bylaws. The general shareholders' meeting (*Asamblea General de Accionistas*) is the supreme governing body of the Issuer and has the broadest powers to resolve and ratify all types of acts and corporate transactions. Resolutions of the shareholders' meeting are binding on all shareholders, including absent and dissenting shareholders, subject to any applicable rights of opposition under the Mexican General Law of Business Organizations (*Ley General de Sociedades Mercantiles*) and the Issuer's bylaws.

Meetings of the Board of Directors are quorate if a majority of the board members are present. Resolutions at such meetings are valid if approved by a majority of the members present. Resolutions adopted unanimously by all board members outside of a formal session will have the same legal validity as if adopted at a duly convened meeting, provided they are confirmed in writing.

Board members (or the Sole Administrator, as applicable) hold their positions for one-year terms and may be reelected. They will continue in their positions until the person designated to replace them takes possession of the office. Board members will receive such compensation as may be determined by the general ordinary shareholders' meeting.

Members of the Board of Directors are required to communicate to the chairman and the secretary of the Board any situation that may give rise to a conflict of interest and to abstain from participating in the corresponding

deliberation. In addition, board members are obligated to act diligently in the interest of the Issuer, without favoring any particular shareholder or group of shareholders, to maintain confidentiality with respect to information that could affect the Issuer's operations, and to attend at least seventy percent of the meetings to which they are called.

Executive Officers

As of the date of this Offering Memorandum, the following table sets forth our current executive officers:

Name	Position
Katya Somohano	Chief Executive Officer
Salvador Torres Cano	Chief Operating Officer
Alfonso Campos	Head of Commercial
Alejandro Alarcón	Head of Origination
Marco Esquivel	Head of Production
Rodrigo Moreno	Head of Energy Management
Luis Estrada	Head of Projects
Fabiola Hormigo	Planning and Control Director
Vicente Noguera	Head of Legal
Alex Goyeneche	Finance & Treasury Responsible
Rafael Navarro	Head of Chief Executive Officer Office
Erika Elizondo	Head of People
Cesar Alonso	Chief Compliance Officer
Paola Martinez	Head of Communications
Alicia Valcarce	Head of Foundation

Below is a summary of the business experience, activities and areas of expertise of our current officers as of the date of this Offering Memorandum.

Katya Somohano Silva. Ms. Somohano serves as Chief Executive Officer of Cox Mexico, having assumed the position of CEO of Iberdrola Mexico in April 2024. She brings extensive experience in both the public and private energy sectors. Prior to becoming Chief Executive Officer, Ms. Somohano served as Planning and Sustainability Director at Iberdrola Mexico from June 2022. Before joining Iberdrola, she was Energy and Sustainability Director at DEACERO from 2019 to 2022. Earlier in her career, she served as Chief Executive Officer of CFE Calificados, a subsidiary of the state-owned Comisión Federal de Electricidad (CFE), from 2016 to 2018, and as Head of CFE's Investment Promotion Unit from 2014 to 2016. She also served as General Director of Hydrocarbons Boards for the Mexican Ministry of Energy (2013–2014) and as a Project Manager at Impulsora de Desarrollo Económico para América Latina (IDEAL). Ms. Somohano holds a Law degree with honors from the Universidad Nacional Autónoma de México (UNAM) and a Master of Laws (LL.M.) from the University of Cambridge. She completed the Senior Management program at the Instituto Panamericano de Alta Dirección de Empresa (IPADE) in 2018 and attended the Innovation Program at Harvard Business School. Ms. Somohano also serves on the Board of Directors of OMA (Grupo Aeroportuario Centro Norte).

Salvador Bricio Torres Cano. Mr. Torres Cano serves as Chief Operating Officer of Cox Mexico since 2024. He originally joined Iberdrola in 2003, bringing over two decades of experience within the organization, including service as a registered representative of Iberdrola Generación, S.A. de C.V. before Mexico's Centro Nacional de Control de Energía (CENACE). Mr. Torres Cano is an Electrical Mechanical Engineer by training, having graduated from the Instituto Tecnológico y de Estudios Superiores de Monterrey (ITESM), and also holds a Master's degree in Business Administration.

Alfonso Campos. Mr. Campos serves as Head of Commercial at Cox Mexico since 2025. Mr. Campos joined Iberdrola in 2007 and has extensive experience in the commercial operations of the platform. He is an Industrial Engineer by training from the Instituto Tecnológico y de Estudios Superiores de Monterrey (ITESM) and holds a Master's degree in Business Administration.

Alejandro Alarcón. Mr. Alarcón serves as Head of Origination at Cox Mexico, having been with Iberdrola for approximately eight years and bringing 15 years of total industry experience.

Marco Esquivel. Mr. Esquivel serves as Head of Production (Director de Generación) at Cox Mexico, bringing 25 years of industry experience accumulated entirely within Iberdrola. Mr. Esquivel has been with

Iberdrola Mexico since at least 2016, when he oversaw the company's generation assets, including historically significant facilities in Monterrey. He holds a degree from the Universidad Autónoma de Nuevo León.

Rodrigo Moreno. Mr. Moreno serves as Head of Energy Management at Cox Mexico. He has been with Iberdrola for approximately 11 years and brings 15 years of total industry experience.

Luis Estrada. Mr. Estrada serves as Head of Projects at Cox Mexico, having been with Iberdrola for approximately 18 years and bringing 25 years of total industry experience.

Fabiola Hormigo. Ms. Hormigo serves as Planning and Control Director at Cox Mexico. She has been with Iberdrola for approximately 23 years and brings 25 years of total industry experience.

Vicente José Noguera Hernández. Mr. Noguera (born Valencia, Spain, 1980) serves as Head of Legal (Director de Servicios Jurídicos) at Cox Mexico, as well as Secretary of the Board of Directors and of the Audit and Compliance Committee of Iberdrola México, S.A. de C.V. Mr. Noguera holds a Law degree from the Universidad de Valencia and is a practicing attorney. He joined Iberdrola in 2011, initially serving as head of Legal Services for the Network Business in the Eastern Region (Comunidad Valenciana and Región de Murcia) at I-DE Redes Eléctricas Inteligentes, S.A.U. (formerly Iberdrola Distribución Eléctrica, S.A.U.), a role he held until September 2020. During that period, he also served as Vice Secretary of the Board of Directors of I-DE and Secretary of its Audit and Compliance Committee. Mr. Noguera was recognized by The Legal 500 GC Powerlist as a recommended individual in the Spain: Latam Specialists 2022 edition.

Alexander Goyeneche. Mr. Goyeneche leads Finance and Treasury at Cox Mexico. He has been with Iberdrola for approximately 15 years and brings 16 years of total industry experience. Mr. Goyeneche holds an MBA and played a key role in the corporate development processes leading up to the sale of the Iberdrola Mexico business.

Rafael Navarro Aceves. Mr. Navarro serves as Head of the CEO Office, Regulation and Sustainability at Cox Mexico, a role he has held since July 2024. He has more than 14 years of experience in regulation, corporate strategy and public policy. Mr. Navarro joined Iberdrola Mexico in March 2019 as a Senior Regulatory Affairs Specialist and was promoted to Head of Regulatory Affairs and Sustainability in December 2022 before assuming his current expanded responsibilities. Prior to joining Iberdrola, he served as Director of Planning at the Comisión Reguladora de Energía (CRE), Mexico's energy regulatory commission, the Federal Economic Competition Commission, the Federal Telecommunications Institute, the Commission for Regulatory Improvement, the Ministry of Finance and as an Assistant Professor in Economic Regulation and Antitrust at Universidad Panamericana. Mr. Navarro represents Iberdrola Mexico at several industry organizations, including ICC Chapter Mexico, the Asociación Mexicana de Energía, the Comité Ejecutivo de Empresas Globales, the Consejo Coordinador Empresarial, and the Cámara Española de Comercio en México. He holds degrees from ITAM and the University of Sussex.

Erika Elizondo. Ms. Elizondo serves as Head of Talent at Cox Mexico. She is one of the longest-tenured members of the Cox Mexico team, having been with Iberdrola for approximately 26 years and bringing 27 years of total industry experience.

Cesar Alonso. Mr. Alonso serves as Chief Compliance Officer at Cox Mexico, having been with Iberdrola for approximately five years and bringing six years of total industry experience. Mr. Alonso has been recognized by The Legal 500 GC Powerlist, appearing in both the Green Mexico 2024 and Green Mexico 2025 editions for his work in compliance at Iberdrola México.

Paola Martinez. Ms. Martinez serves as Head of Communications at Cox Mexico, having been with Iberdrola for approximately eight years.

Alicia Valcarce. Ms. Valcarce serves as Head of the Foundation at Cox Mexico, having been with Iberdrola for approximately eight years.

PRINCIPAL SHAREHOLDERS

As of the date of this Offering Memorandum, the Issuer's share capital stock is MXN$1,050,000 (U.S.$58,333), represented by 1,050,000 shares, comprising Series A shares representing the fixed portion of the Issuer's capital stock, as well as Series B shares representing the variable portion of the Issuer's capital stock.

The following table sets forth certain information as of this Offering Memorandum, concerning the ownership of the Issuer's shares:

Shareholders	Fixed Shares	Variable Shares	Total	% of Total
Banco INVEX, S.A., Institución de Banca Múltiple, INVEX Grupo Financiero, as Security Trustee	49,999*	1,000,000*	1,049,999	99.998%
Cox Energy, S.A.B. de C.V.	1**	—	1	0.002%
Total	**50,000**	**1,000,000**	**1,050,000**	**100%**

* Shares transferred to Banco INVEX, S.A., Institución de Banca Múltiple, INVEX Grupo Financiero, acting solely and exclusively as Security Trustee under the Security Trust, to secure the obligations under the Notes and other financings of the Issuer

**Share pledged by Cox Energy in favor of Banco Citi México, S.A., Institución de Banca Múltiple, Grupo Financiero Citi México, División Fiduciaria, in its capacity as Collateral Agent, on the name and behalf of the Secured Parties.

The Issuer's shareholders are entitled to one vote per share at shareholders' meetings. Pursuant to the Security Trust, until the occurrence of an event of default under the Finance Documents, the Sponsor will be able to vote the shares it transferred to the Security Trustee pursuant to the Security Trust and receive dividends payable on such shares. See "*Description of Financing and Collateral Structure – Collateral and Security Documents.*"

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

The following is a description of certain transactions since January 1, 2025 to which we have been a party and in which one or more of our directors, members of our senior management or our indirect controlling shareholder, or an affiliate or immediate family member of any of the foregoing, had or will have a direct or indirect material interest. It is our policy to conduct all related party transactions at an arm's-length basis, in line with market practices. We believe the terms obtained or consideration that is paid or received, as applicable, in connection with the transactions described below were comparable to terms available or the amounts that would be paid or received, as applicable, from unaffiliated third parties.

In the ordinary course of our business, we engage in a number of transactions with our indirect controlling shareholder and with companies that are owned or controlled, directly or indirectly, by our indirect controlling shareholder or an affiliate thereof. The principal categories of these transactions are described below.

Cash Pooling Arrangements

The Group Companies finance a portion of its activities through cash pooling arrangements. The operating entities within the Generation business line participate in a daily cash pooling mechanism with IGM, while the operating entities within the Renewables business line participate in a separate daily cash pooling mechanism with IRM. The holding companies (IGM, Iberdrola Servicios Corporativos, S.A. de C.V. ("ISC") and IRM) in turn participate in a cash pooling system with the Company. Cash pooling receivables within the Generation business with the Company amounted to approximately U.S.$131.8 million as of December 31, 2024. Cash pooling payables within the Renewables business with the Company amounted to approximately U.S.$10.0 million as of December 31, 2024. The applicable daily cash pooling interest rate for the Generation business was approximately 2.2% in 2022, 6.5% in 2023 and 7.0% in 2024. The applicable daily cash pooling interest rate for the Renewables business was approximately 3.4% in 2022, 8.0% in 2023 and 7.0% in 2024. All cash pooling balances are denominated in U.S. dollars and are eliminated upon consolidation.

PIER and PIER II, which are 51%-owned by the Group Companies, do not participate in the cash pooling mechanism with IRM. These entities hold their cash independently in bank accounts, and their third-party debt with NAFINSA and ILER is described elsewhere in this Offering Memorandum. See "*Description of Existing Financing and Collateral Structure*."

Intercompany Loan Agreements

Certain of our operating subsidiaries have entered into intercompany loan agreements with their respective holding companies within the Group Companies. As of December 31, 2025, the principal intercompany loan arrangements outstanding were as follows:

ENCO Intercompany loan with IGM in an aggregate principal amount of U.S.$250.0 million, bearing interest at TERM SOFR (6-month) plus 1.99%, maturing in December 2028. As of December 31, 2024, the outstanding principal balance was approximately U.S.$250.0 million, with accrued interest and cash pooling payables of approximately U.S.$75.0 million. As of December 31, 2025, the outstanding principal balance remained U.S.$250.0 million, with accrued interest and cash pooling payables of approximately U.S.$82.6 million.

SGE Intercompany loan with IGM bearing interest at TERM SOFR (6-month) plus 1.99%. As of December 31, 2024, net financial debt (including cash pooling and intercompany debt with IGM) amounted to approximately U.S.$385.0 million. As of December 31, 2025, SGE net financial debt (including cash pooling cash surplus and intercompany debt with IGM) was approximately U.S.$359.3 million.

EDA Intercompany loan with the Company in an aggregate principal amount of U.S.$70.0 million, bearing interest at TERM SOFR (6-month) plus 6.01%, maturing in June 2028. This loan was the result of a restructuring process carried out within the renewable entities, and EDA is the only operating entity within the Renewables business holding intercompany debt directly with the Company. As of December 31, 2024, net financial debt (including cash pooling surplus cash and intercompany loan with IRM) amounted to approximately U.S.$42.0 million. As of December 31, 2025, net financial debt (including cash pooling surplus cash and intercompany loan with IRM) was approximately U.S.$38.4 million.

GPE Intercompany loan with IRM in an aggregate principal amount of U.S.$113.3 million, bearing interest at TERM SOFR (6-month) plus 2.76%, maturing in December 2028. As of December 31, 2024, net

financial debt (including cash pooling) amounted to approximately U.S.$131.7 million. As of December 31, 2025, net financial debt (including cash pooling and intercompany loan with IRM) amounted to approximately U.S.$136.2 million.

PIER Intercompany loan with IRM in an aggregate principal amount of approximately U.S.$17.3 million, bearing interest at TERM SOFR (6-month) plus 2.72%, maturing in December 2033. PIER Intercompany loan was fully paid on December 18th, 2025.

IRNO Intercompany loan with IRM in an aggregate principal amount of U.S.$15.0 million, bearing interest at TERM SOFR (6-month) plus 2.12%, maturing in December 2030. As of December 31, 2024, net financial debt (including cash pooling cash surplus and intercompany loan with IRM) amounted to approximately U.S.$12.9 million. As of December 31, 2025, net financial debt (including cash pooling surplus cash and intercompany loan with IRM) was approximately U.S.$7.5 million.

All of the foregoing intercompany loans are denominated in U.S. dollars and bear variable interest rates.

Corporate Services and Management Agreements

The Group Companies receive corporate, administrative and management services from several affiliated entities. ISC, one of the Service Companies, acts as the Group Companies' holding services entity and provides corporate services to the operating entities, including tax, accounting, legal, human resources and IT services. The Company provides administrative services related to the Chief Executive Officer and the senior management team, which are subsequently re-invoiced to the operating entities. All group services are provided at cost plus a margin ranging between 4% and 8%, determined in accordance with the Group Companies' transfer pricing policy. These intercompany charges are eliminated upon consolidation.

Technical and Engineering Services Agreements

The Group Companies' operating entities also receive technical, administrative and engineering services from certain of the Service Companies within the transaction perimeter. For the Generation business line, Iberdrola Energía Altamira de Servicios, S.A. de C.V. and Iberdrola Soporte a Proyectos Liberalizado, S.A. de C.V. provide technical and engineering services primarily to the thermal operating entities. For the Renewables business line, Corporativo Iberdrola Renovables México, S.A. de C.V., Servicios de Operación Eoloeléctrica de México, S.A. de C.V. and Iberdrola Soporte a Proyectos Renovables, S.A. de C.V. provide administrative, technical and engineering services. All such services are provided at cost plus a margin of 4% to 8% in accordance with the Group Companies' transfer pricing policy, and the related charges are eliminated upon consolidation.

Corporate Services from Iberdrola España, S.A.

During the historical period, Iberdrola España, S.A. ("Iberdrola España") provided corporate services to the Mexican portfolio related to brand image, SAP costs and legal costs. These services were invoiced to ISC, which subsequently re-invoiced the costs to the operating entities. Unlike other intercompany services, the costs charged by Iberdrola España are not eliminated at the consolidated level. Corporate services charged by Iberdrola España to ISC amounted to approximately U.S.$8.159 million in 2024. The services provided by Iberdrola España will not continue following the consummation of the Acquisition.

Transactions with Entities Outside the Iberdrola México Group

On March 1, 2025, Iberdrola Servicios Corporativos, S.A. de C.V. entered into a service agreement with Iberdrola Ingeniería y Construcción México, S.A. de C.V. for the provision of various legal, accounting and tax services, effective through December 31, 2026. Balances payable and receivable from related parties generally have a maturity of 30 days for payment in cash.

On December 18, 2024, Iberdrola Carbon2Nature México S.A. de C.V.,entered into a service agreement with Carbon2Nature, S.A.U. for an indefinite term, for the provision of services including performing all actions necessary for project certification under high-quality international standards, advising on and developing business with potential investors, and preparing and negotiating voluntary emission reduction purchase agreements. Balances payable and receivable from related parties generally have a maturity of 30 days for payment in cash.

On January 1, 2012, Iberdrola México, S.A. de C.V. entered into a service agreement with Iberdrola Generación Térmica, S.A.U. for the receipt of services including steam and gas turbine maintenance and other

technical support services. Balances payable and receivable from related parties generally have a maturity of 30 days for payment in cash.

INDUSTRY OVERVIEW AND COMPETITION

Overview

Prior to 1992, the generation, transmission and distribution of electricity in Mexico was reserved to the Mexican Government. These activities were performed primarily by CFE, the principal state-owned electric utility. In 1992, a legal reform allowed private investors to participate in the generation of electricity for non-public service purposes through six different schemes: (i) self-supply (*autoabastecimiento*), (ii) cogeneration, (iii) small production (*pequeña producción*) for generation up to 30 MW), (iv) import, (v) export, and (vi) independent power production or IPP. Under the self-supply scheme, private generators formed partnerships (*sociedades de autoabastecimiento*) with industrial consumers to jointly own and operate generation plants, with the generated electricity allocated to the partners in proportion to their participation. Under the cogeneration scheme, industrial facilities that produced both electricity and thermal energy (steam or heat) could sell surplus electricity to their associated establishments (*establecimientos asociados*). Nine of the Company's Projects with an aggregate net capacity of approximately 645 MW operate under these legacy self-supply and cogeneration permits, which remain valid under the transitional provisions of the current regulatory framework. The generation and sale of electricity for public-service purposes was retained by the federal government of Mexico, acting primarily though CFE.

In December 2013, the Mexican Congress approved a constitutional reform (the "2013 Energy Reform") that opened the Mexican electric industry to private investment, except for transmission and distribution activities, which remained under the control of the Mexican Government, acting through CFE. In August 2014, the Mexican Congress enacted implementing legislation through the Electric Industry Law, which allowed private investors to participate in the generation and commercialization of electricity in a competitive market with open access to the national transmission and distribution networks. Since the Electric Industry Law became effective, customers with more than 1.0 MW of peak demand ("Qualified Users") may purchase electricity, capacity and associated products through the MEM.

According to SENER after the enactment of the Electric Industry Law, specifically between 2016 and 2023, CFE went from controlling 58.9% of Mexico's installed power generation capacity to 50.2%, as private generators operating under IPPs, self-supply, cogeneration and other schemes gained market share.

In October 2024, the Mexican Congress approved a new constitutional reform (the "2024 Energy Reform"). Under the terms of the 2024 Energy Reform, private investors may continue to participate in the generation and commercialization of electricity, provided that such participation cannot have priority (*prevalencia*) over the participation of Mexican State in those activities.

In March 2025, Mexican Congress enacted secondary legislation to implement the terms of the 2024 Energy Reform, including the Law of State-Owned Enterprises (*Ley de la Empresa Pública del Estado*), Federal Electricity Commission (*Comisión Federal de Electricidad* or LCFE), the Electricity Sector Law (*Ley del Sector Eléctrico* or LSE), and the National Energy Commission Law (*Ley de la Comisión Nacional de Energía* or LCNE). These laws consolidated CFE as a vertically integrated state-owned enterprise with exclusive responsibility for transmission, distribution, and basic supply, while reinforcing the principle that the State must maintain a prevailing role in electricity generation and commercialization. This framework reflects the government's intent to ensure that public service obligations and strategic control of the SEN remain at the core of the sector, with private participation subject to the State's planning and oversight. The LSE replaced the former Electricity Industry Law and introduced mechanisms to align private investment with national priorities and continued to emphasize the relevance on focusing on renewable asset developments, while the LCNE established the CNE under SENER to oversee technical and economic regulation.

The new regulation focused on establishing the rules of the game of the energy sector, while focusing on strengthening the SIN via transmission expansion and modernization projects, development of energy storage assets to reduce intermittency, and developing projects that guarantee the reliability, continuity, accessibility and sustainability of the grid. Additionally, the SIN will continue to dispatch energy under the economic efficiency.

In accordance with the LSE, the Mexican Government, through SENER, is in charge of planning the development of the SIN, including generation, transmission and distribution assets. As part of the Government's plan to increase energy output in key regions, SENER published a public tender for the development of renewable assets by private players (plants with a total installed capacity ~3,475 MW were approved) and CFE, together with SENER, launched another tender to develop assets in the Mixed Development regime.

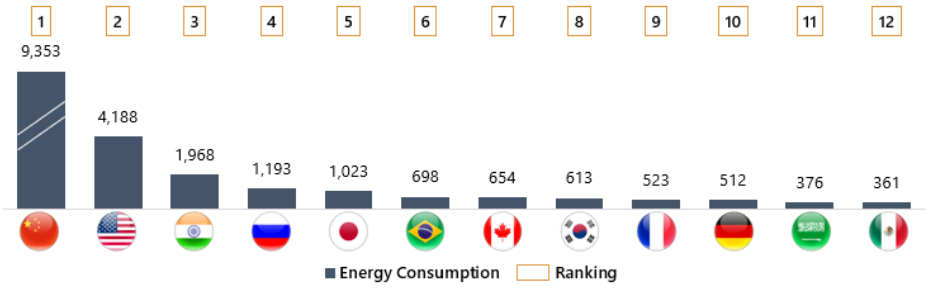
Under the LSE, power generation assets can be developed under various schemes which are different from those permitted under the prior regulation, the LSPEE and the LIE. See "*Regulatory, Environmental Matters and Permits—Electricity Regulation in Mexico*."

As of March 2026, implementing regulations for these laws are still in development, including detailed provisions on dispatch priority, participation schemes, and tariff methodologies. The framework clearly reinforces the State's strengthened position and its intent to maintain a prevailing role in strategic activities, while private participation remains subject to defined planning. However, many operational aspects and timelines are still being shaped, and their final form will determine how the sector adapts to this new structure.

Status of Mexico's Power Sector

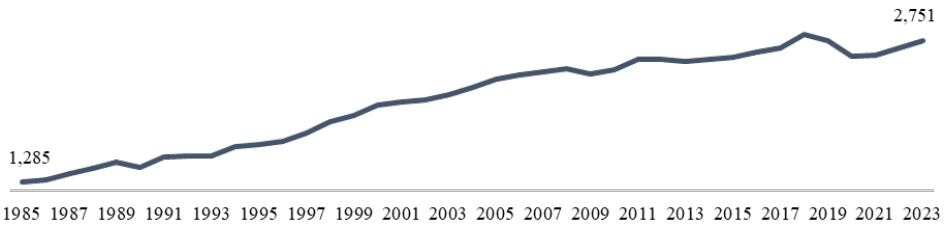
Mexico's power sector is expected to expand, as electricity consumption trends move closer to levels observed in other global economies. Although per capita electricity generation has steadily increased, from 1,285 kWh in 1985 to 2,751 kWh in 2023, Mexico remains below the international average when comparing electricity use against GDP per capita, as shown in the lower left quadrant of the Per Capita Electricity Generation vs GDP per Capita Analysis presented below. This under penetration suggests significant headroom for future growth. As Mexico continues to develop, energy consumption is expected to accelerate, gradually narrowing the gap with higher-consuming countries and supporting broader economic progress.

Total Energy Consumption (2023)



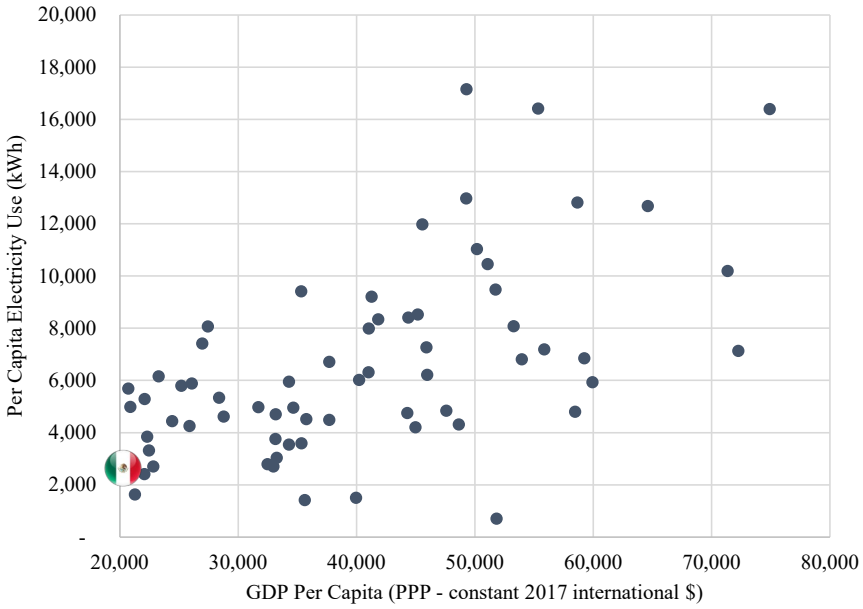
Source: Our World Data

Evolution of Per Capita Electricity Generation in Mexico (kWh)



Source: Our World Data

Per Capita Electricity Generation vs GDP per Capita (2022)



Source: Our World Data

Electricity Supply

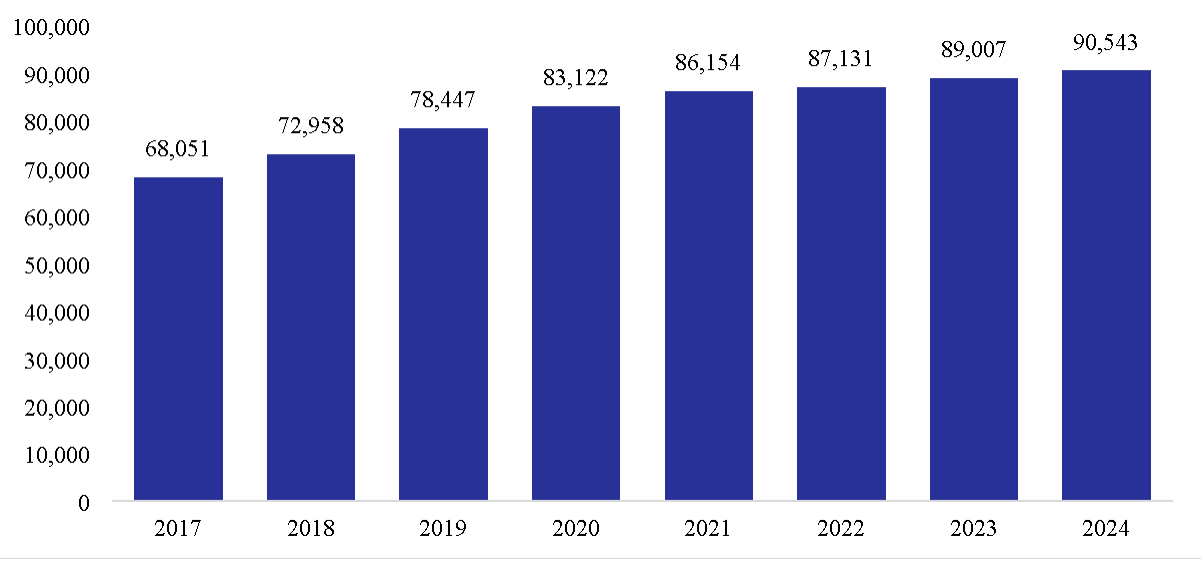
Installed Generation Capacity

As of December 31, 2023, the total installed capacity delivered to the SEN in operation of power plants was 89,007 MW, while as of year-end 2024 it increased to 90,543 MW, which reflects an increase of 1.7% compared to 2023. This total capacity is broadly categorized by source into conventional and renewable.

While total overall capacity had a 1.7% CAGR during the 4-year period between 2021-2024, renewables increased by 3.3% CAGR during the same period. Combined-cycle capacity had a 2.04% CAGR between 2021 and 2024, increasing its total installed capacity from 33,640 MW to 35,669 MW.

The following chart illustrates the evolution of Mexico's total installed capacity over the past seven years and the proportion of installed capacity under the "self-supply" regime.

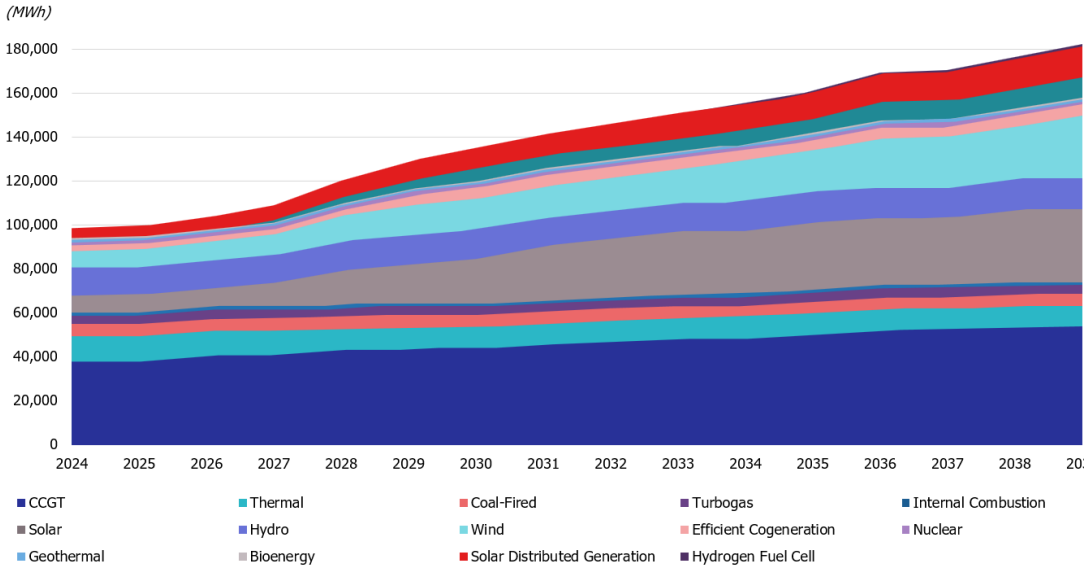
Installed Capacity Evolution, 2017-2024 (MW)



Source: PLADESE 2025-2039.

As of December 31, 2024, the total installed capacity for both conventional, renewable and other clean energy in Mexico was 59,500 MW, 34,713 MW and 3,830 MW, respectively, for an aggregate installed capacity of 98,043 MW. Combined cycle power generation is still the leading energy source, representing 38.9% of the total, with hydroelectricity representing 12.7% and conventional thermal representing 10.7% of the total installed capacity in Mexico as of December 31, 2024, respectively(1). The chart below illustrates the breakdown of installed capacity as of December 2023 by energy type and expected installed capacity in 2038.

Installed Capacity by Technology, 2024-2039
(MW)

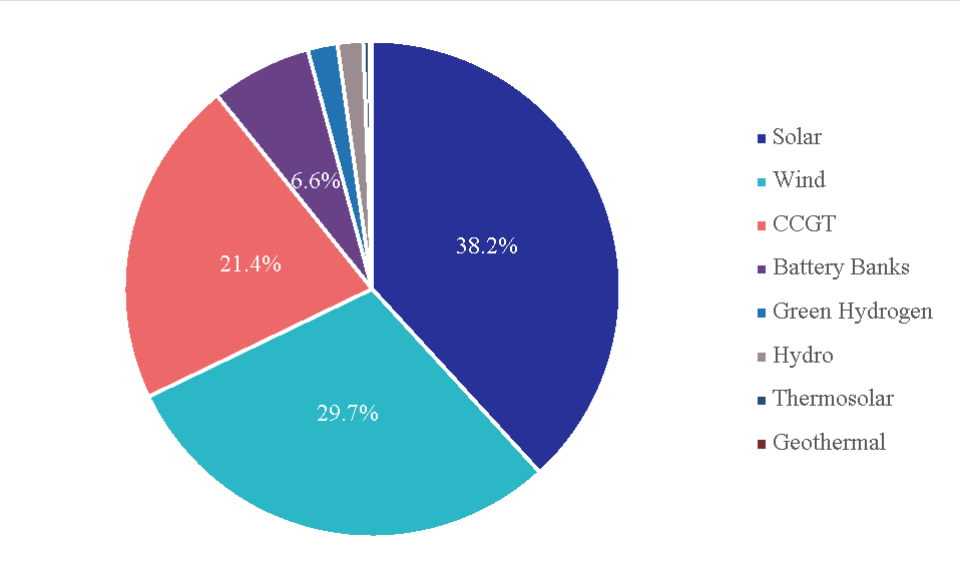


Source: PLADESE 2025-2039.
Notes:
(1) Excludes batteries and CC Green Hydrogen, based on the National Energy Plan.

The past years have shown a shift from aging gasoil and diesel-fueled generation to natural gas, which is more efficient, and, more recently, renewables. One of the pillars of the 2013 Energy Reform was the Energy Transition Law (*Ley de Transición Energética*), which sets minimum mandatory proportions of clean energies in the total power generation mix. Pursuant to the Energy Transition Law and according to SENER, renewables must represent 35.0% and 50.0% of total power generation in Mexico by 2030 and 2050, respectively. These generation targets will have to be supported by proportional increases in capacity. According to SENER, 19.4% of the total additional installed capacity until 2030 is expected to come from combined cycle technologies, while capacity additions from renewable sources is expected to be 69.2% (44.0% from solar assets, 23.5% from wind assets and 1.7% from hydro assets). The graphs below illustrate the expected capacity additions by type of technology in Mexico in the near term and through 2039.

Additionally, as part of the Government's focus on increasing the generation from renewable sources the private sector will be focused on the development of wind, solar and hydro assets (including the respective storage assets), while CFE will develop CCGT capacity requirements, renewable assets and other capacity that will help increase its market share in Mexico's energy generation.

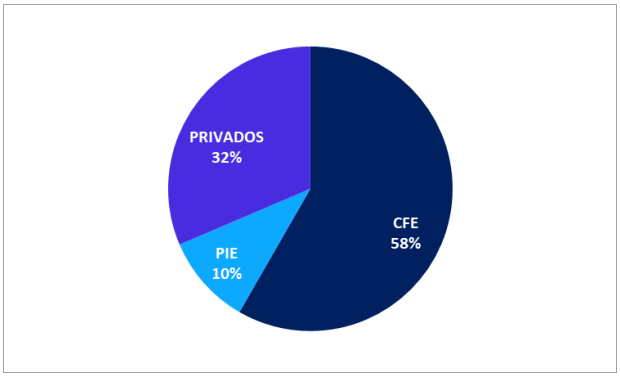
Expected Evolution of Installed Capacity Additions by Technology, 2031-2039
(Percentage)



Source: PLADESE 2025-2039.
Notes:
(1) Solar includes solar-FV and photovoltaic distributed generation (GD-FV)

The other major private participants in the Mexican electricity industry are primarily large, international companies. As of December 31, 2024, we are the largest integrated platform (generation with qualified supplier with contracts from third-parties) in terms of installed capacity. Additionally, we have developed a pipeline of more than 11 GW of installed capacity in Mexico, which would represent the largest private player portfolio.

Private Power Installed Capacity in Mexico (MW)

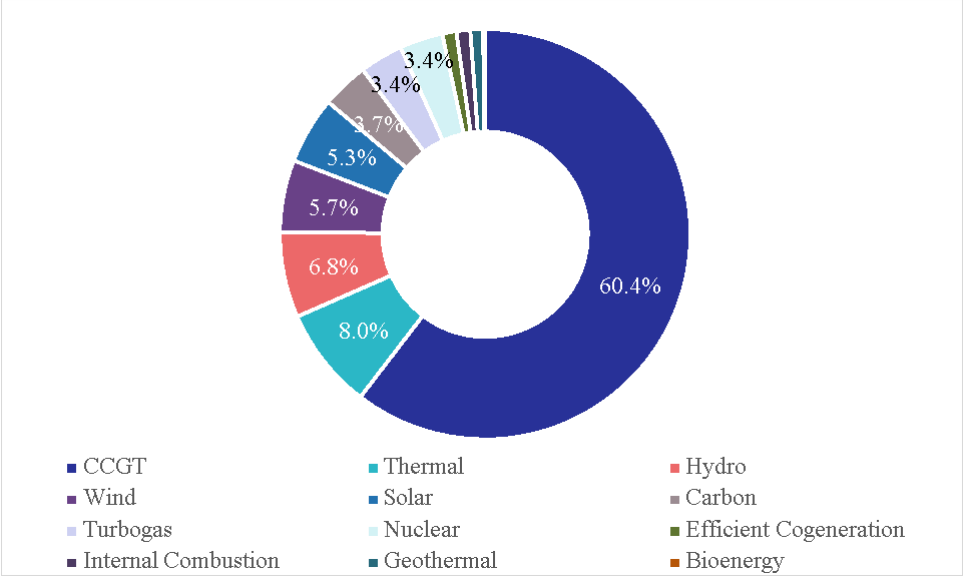


Sources: Plan de Fortalecimiento y Expansión del Sistema Eléctrico Nacional 2025-2030.

2) Energy Generation Breakdown

Mexico's electricity generation is currently more diversified than it has ever been. Between 2020 and 2023, total net electricity generation had a 10% CAGR, while wind and photovoltaic had CAGRs of 5% and 26%, respectively. During 2023, 18.5% and 81.5% of the total net electricity generation is derived from renewables and conventional energy sources, respectively. The chart below illustrates the total electricity generation in Mexico, as well as the share of generation technology in the country's generation matrix as of December 31, 2023.

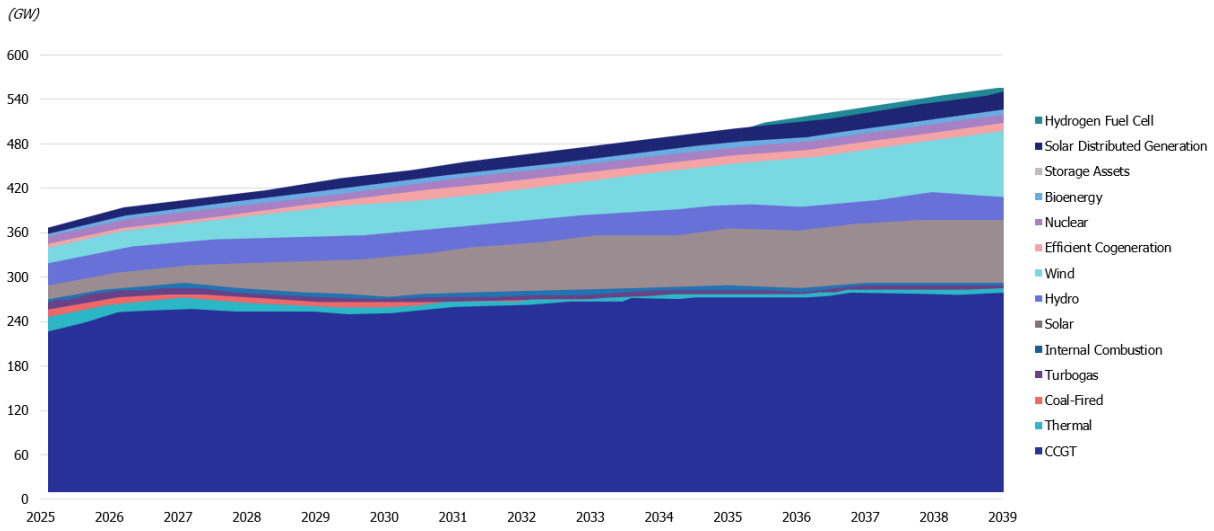
Net Generation by Technology, 2024
(GWh, Percentage)



Source: PLADESE 2025-2039.

Combined cycle generation continues to be the main source of electricity in Mexico, accounting for 60.4% of total generation as of December 31, 2024. According to SENER, total generation is expected to increase to over 550,000 GWh by 2039, representing a 2.8% growth in the industry by 2038. The following chart shows the breakdown of expected energy generation evolution by type as of January 1, 2025 and projections through 2038:

Expected Evolution of Net Electricity Generation, 2025–2039
(TWh)



Source: PLADESE 2025-2039.

Clean Energy Certificate Requirements

In 2015, the Energy Transition Law was enacted to develop and implement legal, regulatory and tax conditions aimed at promoting a sustainable and efficient use of energy, reduction of emissions and replacement of fossil fuels. This goal was supported by the introduction of CELs, which are issued by the CNE to evidence the generation of renewable energy, as an incentive for the generation of clean energy.

Electricity Demand

Consumption

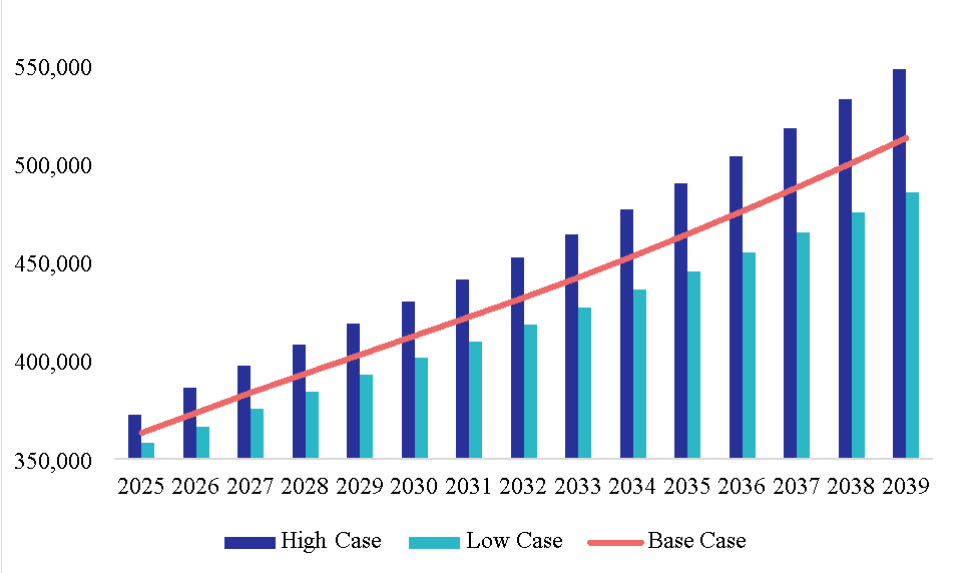
Power consumption in Mexico is highly correlated with the country's economic performance, as electricity is a key resource for growth in the commercial, industrial, residential, services, agricultural and other economic sectors. The following chart shows the maximum and net consumption of electricity in Mexico per year alongside the country's annual gross-domestic product ("GDP") growth:

GDP and Electricity Consumption (Annual Growth Rate)

Source: PLADESE 2025-2039.

Energy demand is expected to grow in line with GDP, population growth and greater electrification in transportation. Below is the PLADESE's forecast for the National Electric System's net consumption evolution for the next 14 years as indicated by SENER under three scenarios: (i) planned, (ii) high and (iii) low. It is estimated that the planned scenario will have a 2.54% CAGR, while the high and low scenarios will have a CAGR of 3.5% and 2.5%, respectively.

National Electric System – Net Consumption Forecast

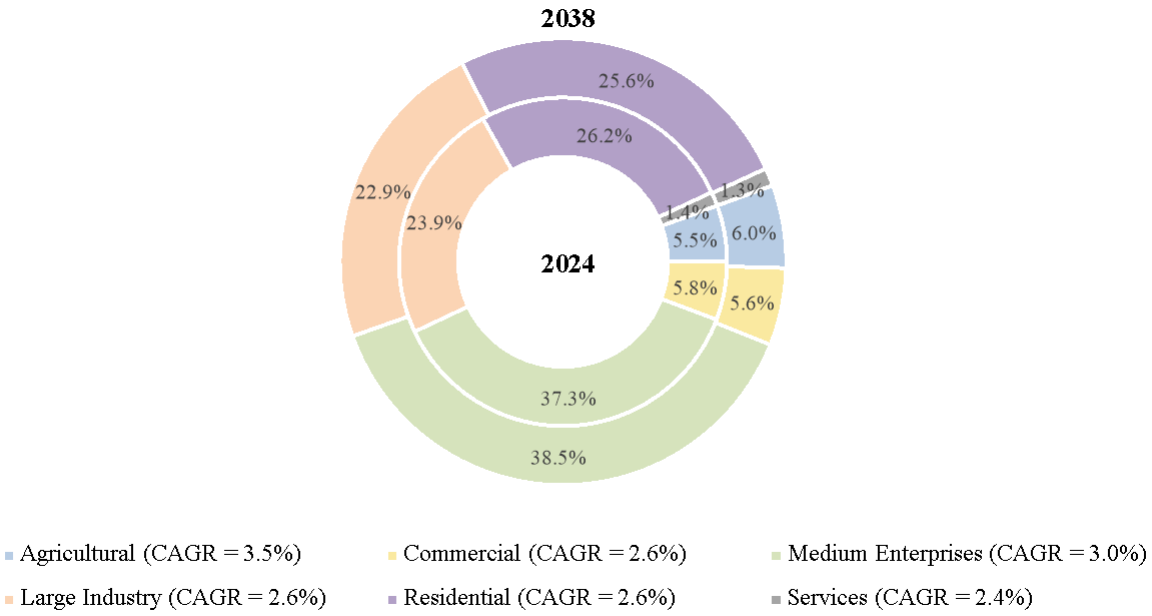


Source: PLADESE 2025-2039.

Simplified Commercial Overview of Mexican Power Sector

The energy sector in Mexico has a well-balanced final user distribution, with medium-sized enterprises (38.5%), residential (25.6%), large industrial (22.9%), and others (commercial, agriculture and services) (13.0%) driving the majority of consumption. The larger growth in consumption is expected to come from the agricultural sector, which is expected to grow at a CAGR of 3.5% from 2024-2038. Other sectors are also expected to experience similar growth ranging between 2.4% and 3.0%. The chart below illustrates the breakdown of total electricity consumption by economic sector for 2024 and expected for 2038.

Electricity Consumption

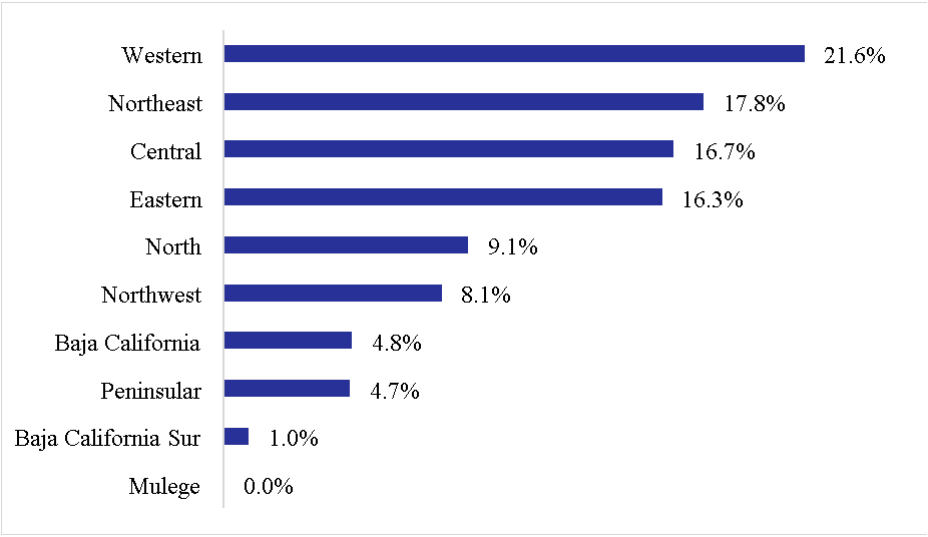


Source: PLADESE 2025-2039.

The National Electric System is comprised of three independent systems: (i) the National Interconnected System (*Sistema Interconectado Nacional*), comprising seven interconnected control regions (Northwest, North, Northeast, Peninsular, East, Central and West regions), (ii) the Baja California System (*Sistema Eléctrico de Baja California* or "BCN"), in the north of the Baja California peninsula region and (iii) the Baja California Sur System (*Sistema Eléctrico de Baja California Sur* or "BCS") comprising the Baja California Sur and Mulegé regions in the south of the Baja California peninsula. Collectively, these 10 regions compose the National Electric System.

The chart below illustrates the distribution of energy consumption and final users by region, as of December 2024:

Electricity Consumption by Control Area, 2024
(Percentage)

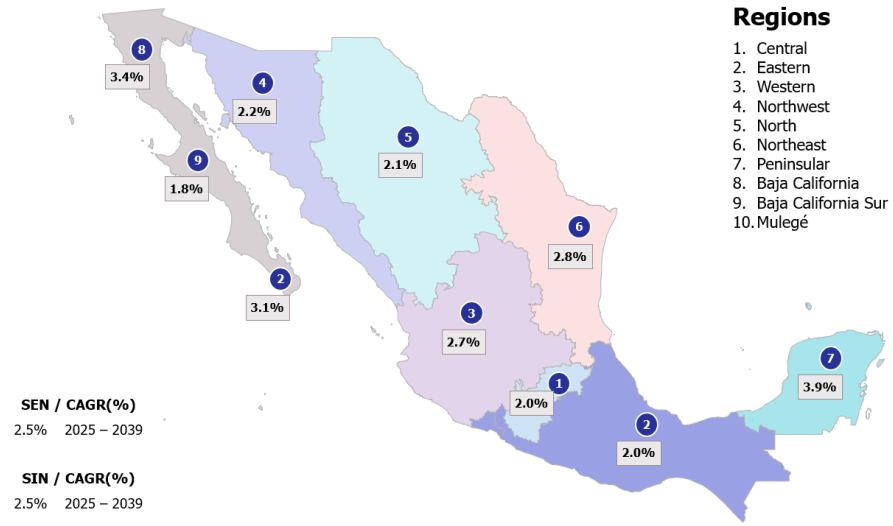


Source: PLADESE 2025-2039.

Despite showing lower than expected growth rates during 2024, the Western, Northeast and Central regions continue to lead the overall consumption mix in Mexico (consuming 21.6%, 17.8% and 16.7% of total

GWh, respectively). The chart below summarizes expected growth consumption by region between 2024 and 2038.

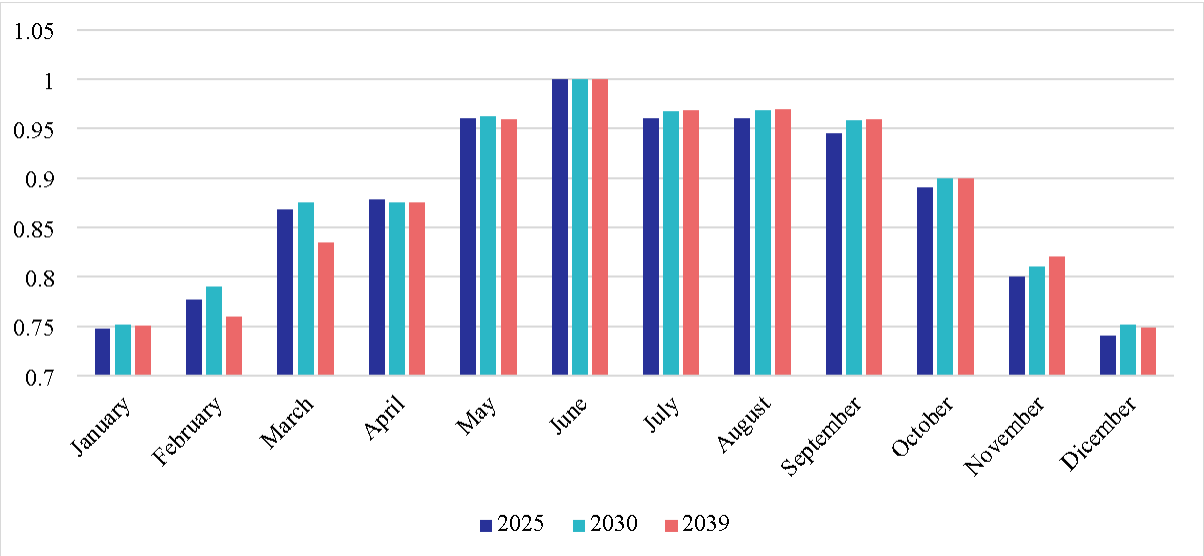
Expected Consumption Growth by Region (CAGR, 2025-2039)



Source: PLADESE 2025-2039.

As with electricity consumption, peak demand is highly correlated with economic and population growth in Mexico. SENER makes an official projection for demand using historical correlation with major macroeconomic factors in an effort to identify the required infrastructure to support its growth. The optimal allocation and minimum capacity requirement of installed capacity is determined by the gross maximum demand on an annual basis. This demand is measured as the sum of the maximum demand experienced by each control area throughout a year. The chart below shows planned peak demand for 2025, 2030, and 2039, as projected by SENER, confirming typical market dynamics with peak demand occurring in June:

Expected Peak Demand, Planning Scenario



Source: PLADESE 2025-2039.

Transmission Grid

The map below shows the transmission control areas under the SEN, which includes 10 control regions, each operated through a decentralized control center in the following cities: Mexico City, Mérida, Puebla, Guadalajara, Hermosillo, Gómez Palacio, Monterrey, Mexicali, La Paz and Santa Rosalía.

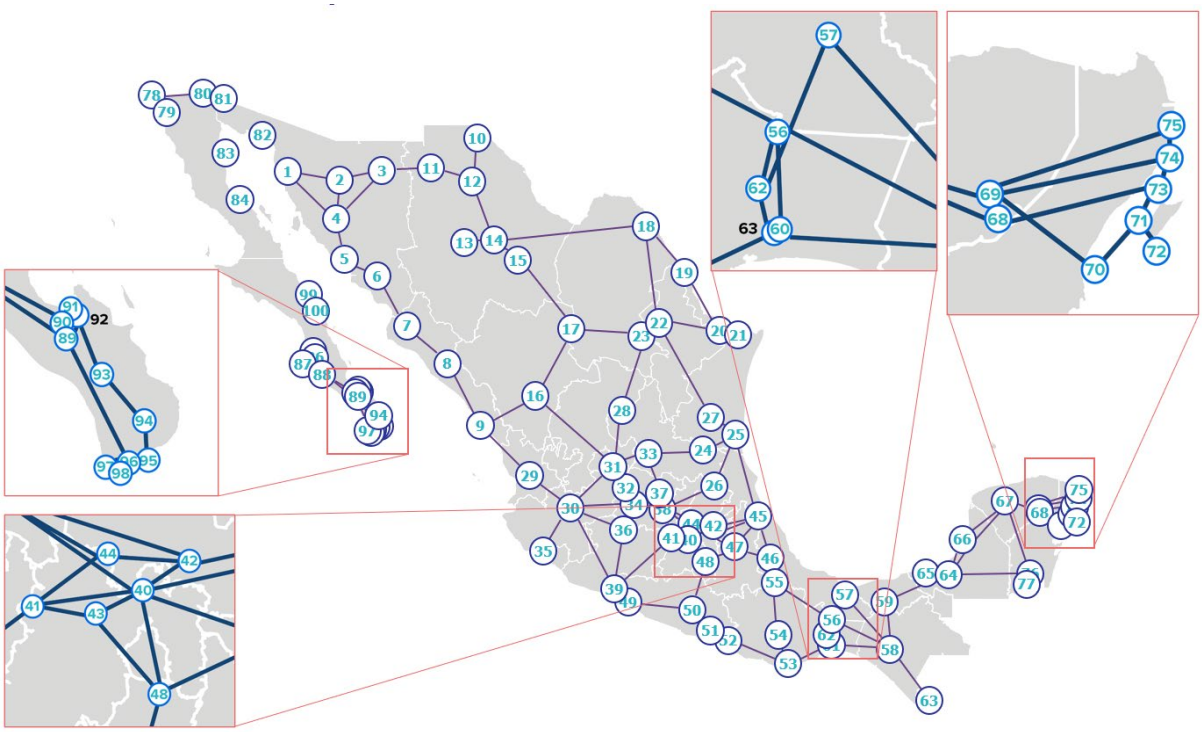
Mexico's Transmission Control Areas

Source: PLADESE 2025-2039.

The National Interconnected System, which comprises the Central, Eastern, Western, Northwest, North, Northeast, and Peninsular regions shown above, is divided into these seven interconnected control regions that share capacity, reserves and resources. This allows for energy exchanges across regions, which improve the operation and efficiency of the overall energy interconnected system. The BCN grid is connected to the Western Electricity Coordinating Council ("WECC") in the U.S. through two 230kV transmission lines, La Rosita-Imperial Valley and Tijuana-Miguel. On the other hand, the Baja California Sur and Mulegé grids in the BCS system operate independently.

The following map shows the breakdown of the National Electric System's total transmission lines as of December 2024.

National Electric System Transmission Grid, 2024



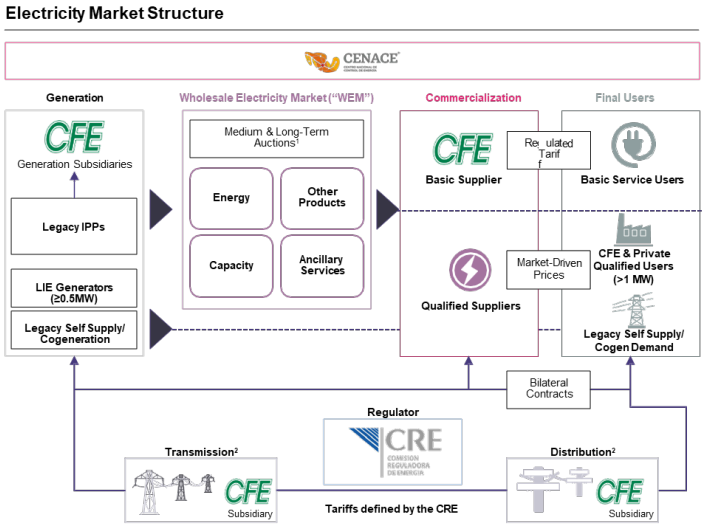
Source: PLADESE 2025-2039.

As illustrated above, Mexico's four grids operate completely independent of and isolated from each other. One of the major areas for improvement is the potential to improve the allocation of resources that results in inefficiencies from the separation in the grids, for example, in the operation of the BCS and Mulegé grids. The main consumption centers for the BCS grid are La Paz, Cabo San Lucas and San José del Cabo. The Mulegé grid, on the other hand, includes smaller towns towards the northern part of the state. Given that BCS has a relatively small electrical network for the amount towns it must support, and that the Mulegé grid cannot support its energy requirements, the BCS system must satisfy demand through internal combustion and other costly, highly-pollutant energy generation alternatives.

System Operation

As part of the 2013 Energy Reform, the Electric Industry Law called for the creation of the MEM comprised of next-day and real-time markets, a capacity market and a market for CELs. Its main objective was to provide transparency to transactions within the power industry, as well as to guarantee competitive prices between suppliers and users.

Operation of the Wholesale Electricity Market



Source: Iberdrola Factbook 2025.

Regulating Entities for the Wholesale Electricity Market

The Ministry of Finance (*Secretaría de Hacienda y Crédito Público*) sets the Mexican Government's economic policy. It is responsible for the economic and fiscal characteristics of contracts and tender/auctions designated by SENER.

SENER sets the Mexican Government's policy relating to energy and plans national infrastructure projects and transmission and generation grid expansion. It also determines the clean energy portfolio minimums and oversees CFE.

CNE designs, implements and oversees the MEM. In this role, it issues supply and generation permits, gas transportation, registers Qualified Users in the market and issues CELs.

CENACE has operative control of the power market and the national energy system. It supervises power auctions and registers short-term transactions by allocating the relevant amount of electricity produced and injected into the system by generators to the supplier which has purchased it. CENACE also monitors prices of electricity in the short-term market and ensures compliance from participants.

Participants in the Wholesale Electricity Market

Generators (*Generadores*). Generators ("Generator") include CFE and private generation companies. Generators compete with each other in the energy market and produce electricity using different types of technology. They may sell electricity into the MEM to a qualified service suppliers, basic service suppliers and/or to participating Qualified Users. Generators can participate in public tenders published by SENER/CFE to develop assets in the LSE or Mixed Development regimes and can also enter into long-term agreements directly with qualified service suppliers, basic service suppliers and/or Qualified Users. In addition to electricity, Generators can also sell capacity, CELs and FTRs.

Each Generator participating in the short-term market is able to set its price for electricity, but it has to report its operating costs to CENACE on a daily basis. CENACE maintains a database of the operating costs of all generators to determine whether prices are being offered competitively.

CFE (transmission, distribution, commercialization). CFE operates and maintains the national transmission grid, at the direction of CENACE and subject to prices determined by CNE. CFE can hire third parties through bidding processes to expand, maintain and improve the SEN and operate transmission projects. With respect to distribution, CFE operates the general distribution grid, at the direction of CENACE and with prices determined by the CNE. It also executes, at the direction of SENER, the expansion and improvement of the distribution grid. As to commercialization, CFE operates as the only basic service supplier.

Service Suppliers (*Suministradores*). Service suppliers are entities in the market that purchase products from Generators, to then supply such products to end users. These entities drive demand in the market in accordance with consumption from end users.

Qualified Service Suppliers (*Suministradores de Servicios Calificados*). Qualified service suppliers can purchase products in both the short-term and long-term markets, but must only supply to Qualified Users for which the supply is non-regulated. In the long-term market, qualified service suppliers may execute non-regulated electricity coverage contracts with Generators at negotiated prices and quantities, to supply electricity to Qualified Users. They may also participate in regulated LTAs. In the short-term market, qualified service suppliers may purchase products in the Spot Market through CENACE to satisfy last minute demands of its Qualified Users. Qualified service suppliers can also buy and may sell CELs.

Qualified Users (*Usuarios Calificados*). Qualified Users are those with peak demand exceeding 1.0 MW. By virtue of their size, bargaining power and electricity consumption, transactions between qualified service suppliers and Qualified Users are not regulated and can be negotiated freely. Alternatively, Qualified Users can also enter the market as participating Qualified Users and purchase products directly from Generators, thus skipping the qualified service supplier intermediary.

Basic Service Suppliers (*Suministradores de Servicios Básicos*). Basic service suppliers provide regulated supply to basic (non-qualified) users whose load points are located in areas where "last resort suppliers" (as described below) operate. Basic service providers are required to purchase their products under model electricity coverage contracts awarded via LTAs. As of December 2023, CFE is the only basic service supplier.

Basic Users (*Usuarios Básicos*). Basic users are retail and small-scale users of electricity with peak demand below 1.0 MW. These are usually residential users and small retail businesses.

Last Resort Suppliers (*Proveedores de Último Recurso*). Last resort suppliers provide regulated supply to Qualified Users whose load points are located in areas where last resort suppliers operate, at a regulated maximum price and for a given period, usually under a grid emergency scenario to maintain the continuity of the service.

CENACE. CENACE has the operative control of the MEM. It supervises long-term auctions and registers short-term transactions by allocating the relevant amount of electricity produced and injected into the SEN by Generators to the supplier who has purchased it. CENACE also monitors prices of electricity in the short-term market. As such, CENACE's main functions are related to the balancing of the SEN, both from a physical and financial standpoint, by means of dispatching power plants and demand response assets and operating the transmission and distribution grids related to the MEM.

Market Products

The main product bought and sold in the MEM is electricity. Additionally, capacity, CELs, FTRs and ancillary services are also exchanged.

Capacity. Capacity is a commercial product determined by the amount of electricity which a GenCo made available to the grid system during peak hours (100 critical hours) throughout a year, in accordance with the calculations made by CENACE at the end of the given year and with a maximum price. Generators selling their capacity undertake the obligation to ensure production availability to the short-term market for a determined period of time.

Clean Energy Certificates. Participants in the MEM are required to purchase a certain amount of CELs from Generators based on the total amount of electricity purchased in the market. CELs are transferrable title certificates which may be purchased through bilateral transactions between two parties, so long as the transaction satisfies the monetary, reporting and verification requirements established by CNE necessary to verify the title certificates.

FTRs. Financial transmission rights allow market participants to hedge potential losses related to the price risk of delivering energy to the grid. FTRs are a financial contract entitling the FTR holder to a stream of revenues (or charges) based on the day-ahead hourly congestion price difference across an energy path. FTRs provide a way to bypass congestion charges associated with locational marginal pricing. They give market participants the ability to increase price certainty when delivering energy across the grid. FTRs are priced based on the economic value determined by the day-ahead hourly congestion prices.

Ancillary Services (*Servicios Conexos*). Ancillary services relate to the operation of the grid system and are necessary to ensure and maintain the quality, reliability, continuity and safety of the national grid. These services include operational and revolving reserves, monitoring of frequency and voltage and emergency start of the system.

Products from Storage Assets. The Mexican Government has focused on pushing for the development of storage assets together with new renewable projects. Monetization of products from the storage assets will be available in the MEM, even though the mechanisms and rules have not been published as of 1Q'26.

Sub Markets

The MEM has four sub-markets: (i) the short-term energy market/spot market (*Mercado de Energía de Corto Plazo*) which is itself comprised of (a) the day-ahead market (*Mercado del Día en Adelanto*) and (b) the real-time market (*Mercado de Tiempo Real*), (ii) the capacity market (*Mercado para el Balance de Potencia*), (iii) the Clean Energy Certificates Market (*Mercado de Certificados de Energías Limpias*) and (iv) the Financial Transmission Rights Auctions market (*Subastas de Derechos Financieros de Transmisión*).

The day-ahead market first launched in January 2016. The LMPs are established in the grid, with nodal price calculations including energy, congestion, and loss components. CENACE also reports "distributed nodes" within the primary interconnection which represent average offtaker pricing around a given area. The day-ahead market has been the primary platform for price discovery so far (largely within the CFE subsidiaries) and a baseline for auction and contract pricing. The real-time market first began reporting prices in January 2017, and was fully operational as of the end of 2018. The hour-ahead market is intended to bridge the day-ahead and real-time markets.

Dispatch Order in Short-Term Markets

In short-term markets, utilities are dispatched through an economic model, where the most cost-efficient (clean) plants are dispatched first until the total demand is met at a given point in time (merit order dispatch). The last plant dispatched in order to cover demand sets the locational marginal price, determined by its variable and maintenance costs, which also vary according to the generation technology.

Private Player Tenders (LSE and Mixed Development)

SENER, as the entity in charge of planning the development of generation, transmission and distribution assets, has the authority to launch tender processes to choose projects from private players that are in line with technology, region and capacity requirements. The plants can be developed to sell to qualified suppliers under the LSE regime or in the Mixed Development regime together with CFE.

Results of Private Player Tenders

SENER published the first public tender as part of the PLADESE in October 2025, in which the private sector could present assets from their pipeline that fit the requirements of 34 renewable projects located across the country in key nodes and regions. The total generation capacity of the tendered projects was ~6.0 GW and in line with SENER's requirements, the projects also had to include at least 30% of storage capacity.

In December 2025, SENER published that 18 projects with an installed capacity of ~3.5 GW and 1.3 GW of storage capacity were awarded generation permits as part of the tender. Due to project approval below the ~6.0 GW requirement the Government plans to launch additional tenders in 2026 to cover the remaining demand.

In February 2026, SENER and CFE launched an additional public tender for the development of 6.0 GW of renewable generation capacity under the Mixed Development regime. As part of the tender, private player could submit any projects across Mexico, without specific location requirements. As of March 2026, the results of the public tender have not been published.

Bilateral Transactions

Bilateral transactions among market participants is permitted under the existing regulatory framework. CENACE specifies three types of bilateral transactions: (i) financial, as a fixed energy delivery schedule ("TBFin Fijos"); (ii) financial, as a percentage of unit generation or supplier demand at a given node ("TBFin Referenciadas"); and (iii) capacity ("TBPot").

Energy contracts are purely financial and have no unit scheduling or delivery guarantees associated. The generator must clear generation in the market or cover the cost associated with the transaction. TBFin Fijo contracts may be bid in day-ahead or real-time, whereas TBFin Referenciadas may only bid in the real-time market. These contracts can be settled directly through their accounts with CENACE as obligations to buy/sell. Finally, TBPot contracts simply provide coverage for the supplier in the balancing capacity market and associated requirements, and are settled directly between parties. CFE basic supply, the regulated retail entity of CFE, cannot enter into bilateral transactions outside of the medium and long-term auctions. However, qualified service suppliers are allowed to enter into bilateral agreements without the need to go through formal mechanisms.

Market Dynamics - Clean Energy Certificates

The issuance and subsequent trading of the CELs seeks to incentivize the production of clean energy and serve as a secondary source of income for renewable generators. For every 1.0 MWh of clean energy produced, generators receive 1 Clean Energy Certificate, each of which will be subsequently tradeable on what is expected to become an open, spot market for CELs.

While the supply of CELs depends on the amount of clean energy produced by any non- to low-carbon-emitting generator, certain offtakers are required by regulation to acquire an amount of CELs that is determined as a percentage of their load that does not come from clean sources. These include service suppliers (*suministradores*) that buy electricity on behalf of qualified and basic users (the latter of which do not participate in the MEM) and self-supply generators on isolated sources. The requirement can either be met by purchasing CELs directly, if consuming conventional energy only, or by consuming renewable energy that blends in the CELs.

The requirements are established by SENER and are set by taking into consideration projected economic factors in the country and the governmental target for renewables in 2024. Failure to meet these requirements by the consumers may result in fines, which are dependent on the CNE's discretion, the number of CELs the consumer fell short by and the number, if any, of prior violations to the minimum clean energy sources requirement.

In October 2019, SENER issued a decree changing the eligibility criteria for generators to obtain and issue CELs, creating a surplus of CELs and making their price uncertain. The content of this decree was later included in the amendments to the Electric Industry Law and has not yet been enforced.

Balancing Capacity

To ensure resource adequacy, CENACE has implemented annual capacity requirements for all load-serving entities. A balancing capacity market measures system capacity shortage or excess and operates ex-poste for the preceding year.

The capacity market centers on calculations of load and delivered capacity during 100 "critical hours" during the year. The critical hours are estimated for the upcoming year, but only finally calculated at the conclusion of the year. Since 2018 onwards the critical hours are defined by the hours with lowest operating reserves.

Prices

CFE Reference Tariff

Historically, CFE has published monthly reference prices for electricity. After the 2013 Energy Reform and the introduction of the spot market, CFE tariffs continue to be used as a reference for legacy contracts. These tariffs are adjusted monthly using factors to update previous prices, including changes in input (fuel) prices and inflation, among others. Also, different adjustment factors are applied depending on the sector to which the end user belongs.

Starting in 2018, the calculation methodology for CFE's reference tariff was updated based on a "cost recovery" approach and eliminating some factors related to fuel and inflation. This process is still ongoing and CFE tariffs continue to be under a calibration phase.

Spot Prices

With the introduction of the day-ahead market in 2016, spot prices have become a relevant reference in the market. In this market, energy purchase and sale orders are received in the morning of the previous day, after which they are run through the dispatch model, which distributes the generation responsibilities within the generators. With the resulting dispatch curve, prices are calculated and subsequently published at the end of the following day. Prices in the MEM are nodal prices, meaning they are calculated in each node of the system, based on three components:

- *Energy component*: accounts for the marginal cost of generating electricity.
- *Congestion component*: accounts for the level of saturation of the grid.
- *Loss component*: accounts for the transmission losses.

Natural Gas Sector Overview

As mentioned above, in December 2013 the Mexican constitution was amended in order to increase the scope of private investment in the energy industry. The 2013 Energy Reform enabled the private sector to participate in the refining, marketing, transportation, storage, import and export of hydrocarbons, including the processing, compression, liquefaction, regasification, transportation, distribution, commercialization and retail of refined products and the transportation and storage of petrochemicals.

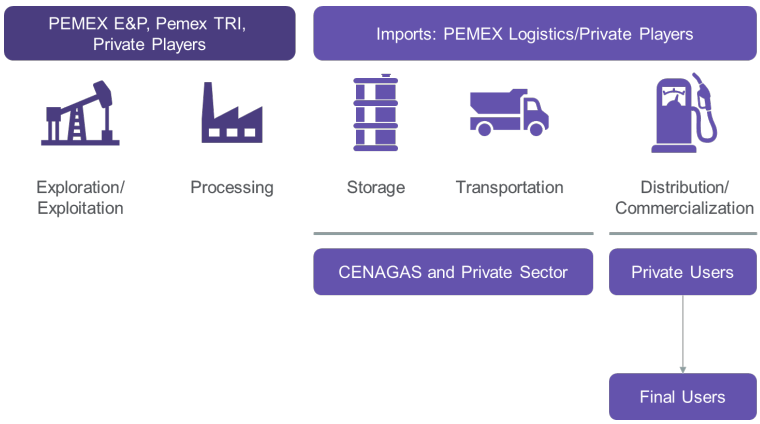
In connection with the 2013 Energy Reform, the Mexican Government launched the Integrated Strategy for the Supply of Natural Gas (*Estrategia Integral de Suministro de Gas Natural*) to incentivize the development of the national distribution and infrastructure for natural gas. Prior to the 2013 Energy Reform, the production and other activities related to natural gas were controlled by the Mexican Government through Pemex and its subsidiaries. Participation of the private sector was first allowed in 1995, although limited to transportation, storage and distribution activities.

As part of the 2013 Energy Reform, the Mexican Government created the CENAGAS, a decentralized public entity responsible for managing and operating Mexico's National Integrated Natural Gas Transportation and Storage System (*Sistema de Transporte y Almacenamiento Nacional Integrado de Gas Natural* or "SISTRANGAS"). Pursuant to the 2013 Energy Reform, Pemex transferred its midstream assets to CENAGAS. In January 2016 a transfer of 9,168 kilometers of natural gas pipeline was made to CENAGAS. The SISTRANGAS would be managed through Open-Access Pipeline Transportation Projects (*Temporadas Abiertas*), through which CENAGAS would assign available transportation capacity to different players, fostering competitive markets and the number of natural gas customers.

In 2015, SENER published the first version of the Five-Year Plan for Hydrocarbons Exploration and Extraction Tenders 2015-2019, the latest version of which was published in 2020 and comprises the period between 2020-2024. Additionally, in 2016, SENER published additional guidelines that would allow for the creation of an efficient and competitive natural gas market, seeking to incentivize investment in the sector and keep barriers to entry low. In connection with the guidelines, CENAGAS launched a process with the National Transportation and Storage System of Natural Gas for the open reservation of transportation capacity. This fostered competition in the sector and allowed new players to enter the market, ultimately, to the benefit of consumers.

The diagram below illustrates the value chain of natural gas in Mexico and its primary participants:

Mexico's Natural Gas Value Chain

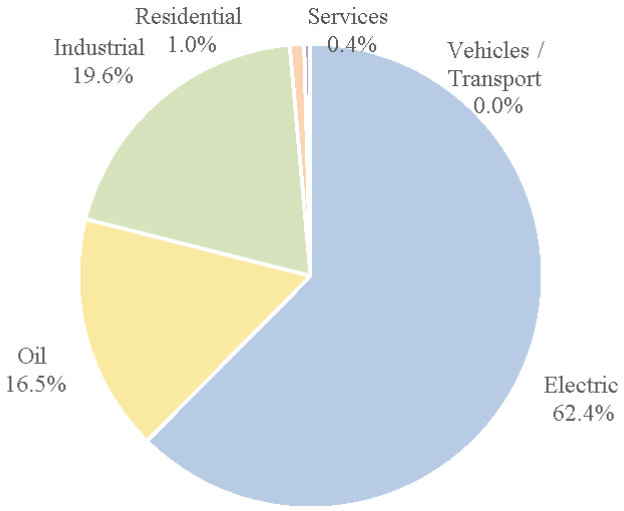


Source: SENER

Gas Demand

The 2013 Energy Reform boosted demand for and participation in the natural gas sector in Mexico. At year-end 2024 total natural gas consumption reached 8,843 MMcfd. The growth in demand for natural gas is expected to be driven by the electricity sector, which is expected to make up 62.4% of the total demand expected in 2032 and would result in a volume of 5,182 MMcfd. The following chart illustrates the projected demand for natural gas by sector for 2037:

Natural Gas Demand in Mexico by Economic Sector, 2037 (Percentage)



Source: SENER (Natural Gas Prospective 2023-2037)

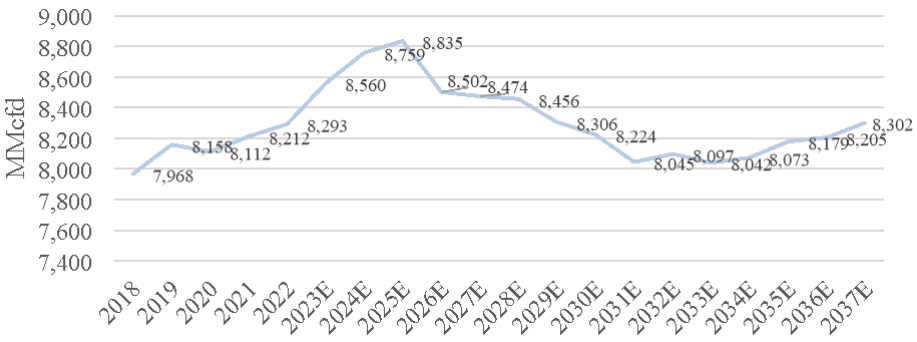
In terms of geographical consumption, the Southeast region demands the most natural gas in the country. The map below illustrates the differences in natural gas demand as of 2022 between regions in the country, with the Northeast region representing 31.1% of the total:

Expected Regional Demand for Natural Gas in Mexico, 2037
(MMcfd)

Source: SENER (Natural Gas Prospective 2023-2037)

Total demand for natural gas is expected to reach 8,301.6 MMcfd in 2037 representing a 0.01% CAGR as compared to 2022. The graph below illustrates the actual natural gas demand for the past 5 years, 2018-2023, and its expected evolution in between 2024 and 2037:

Expected Demand for Natural Gas in Mexico, 2023-2037
(MMcfd)

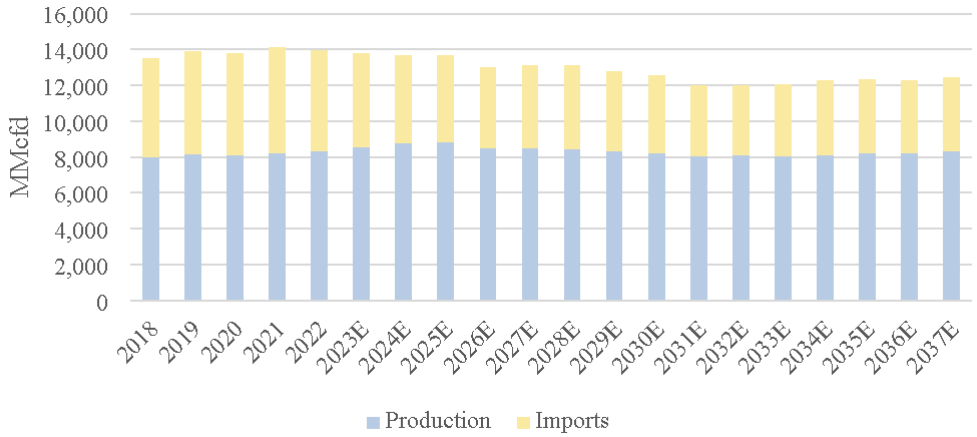


Source: SENER (Natural Gas Prospective 2023-2037), CONAHCYT (Historical data 2018-2022)

Despite the increased demand over the past decade, local production has been unable to keep up. Hence, Mexico has geared towards importing natural gas from the United States through pipelines. According to various reports issued by SENER, Mexico is a net importer of natural gas. Furthermore, the majority of imports (99.2%) come from the United States through pipelines as of December 31, 2023.

Natural gas imports to Mexico have experienced an increase given the gap between production and demand for gas in the country, as well as the low prices of gas in the United States as compared to the local costs of natural gas extraction.

Evolution of Natural Gas Production and Imports, 2018 – 2037E
(% of Total MMcfd)



Source: SENER (Natural Gas Prospective 2023-2037)

Gas Transportation

Natural gas is transported throughout the country by a 21,149 km network of pipelines, while the SISTRANGAS is the largest integrated network system. As of December 31, 2025, the SISTRANGAS was composed of 9,732 km of open access transport pipelines. The map below illustrates such systems:

Mexico's SISTRANGAS Map, 2025

Source: CENAGAS and PLADESE 2025-2039.

The liberalization of prices and market participants has also been accompanied by improvements in infrastructure. The open-access awards by the CENAGAS will further improve the natural gas infrastructure in the country moving forward, creating an extensive pipeline network that is expected to satisfy the increasing demand for natural gas.

REGULATORY, ENVIRONMENTAL MATTERS AND PERMITS

We are currently engaged in the business of electricity generation in Mexico. The greenfield portfolio in Mexico is made up of more than 50 power generation projects and is diversified in renewable and conventional technologies for more than 13 GW, which will generate more than 20 TWh per year of energy and its associated products for the Mexican market. In terms of technological diversification, photovoltaic generation stands out with 9.6 GW representing 74% of the portfolio, wind generation with 2.4 GW for 18% and conventional generation with 1 GW for the remaining 8%. Those activities are governed by the Mexican Constitution along with a diverse body of laws, regulations, rules, general administrative provisions, guidelines and official technical standards.

Electricity Regulation in Mexico

1992 Constitutional Reform

Before 1992, the generation, transmission, distribution and supply of electricity in Mexico was performed exclusively by the Mexican State, acting primarily through CFE, Mexico's then principal state-owned electric utility. In 1992, a constitutional reform followed by amendments to the then applicable law, the LSPEE, permitted private investors to participate in the generation of electricity for non-public service purposes through specific schemes: (i) self-supply (*autoabastecimiento*), (ii) independent power production (generation for sale to CFE), (iii) cogeneration, (iv) small production (generation of up to 30 MW for sale to CFE), (v) import, and (vi) export. The generation and sale of electricity for public-service purposes was retained as an exclusive activity of the Mexican Government, which was provided primarily through CFE.

Under the self-supply scheme, generators were allowed to satisfy their own electricity requirements or the requirements of other persons provided that such persons held an equity interest in corporations holding the relevant permits. Some of our subsidiaries currently operate under this scheme pursuant to permits granted by CRE, the former regulator, and interconnection agreements entered into with CFE under the former LSPEE framework. According to current laws and regulations, our self-supply permits (listed below) will terminate upon expiration of their corresponding interconnection agreements, at which time the operation of those projects will have to migrate to the framework in effect when that happens, currently the LSE:

Project	Permit Holder (Subsidiary)	Technology	Regulatory Regime	Permit No.	Installed Capacity (MW)	Generation Permit Capacity (MW)	Permit Validity	Interconnection Agreement Expiry
PIER	Parque Industrial de Energía Renovable, S.A. de C.V. ("PIER")	Wind	Self-supply (Autoabastecimiento) – LSPEE	**E/1204/AUT/2014**	86.5	150	Perpetual (issued November 4, 2014)	July 14, 2040
PIER IV	Pier IV, S.A. de C.V. ("PIER IV")	Wind	Self-supply (Autoabastecimiento) – LSPEE	**E/1207/AUT/2014**	133.5	150	Perpetual (issued November 4, 2014)	August 1, 2040
PIER II	Pier II Quecholac Felipe Ángeles, S.A. de C.V. ("PIER II")	Wind	Self-supply (Autoabastecimiento) – LSPEE	**E/1054/AUT/2013**	66	66	Perpetual (issued October 24, 2013)	November 1, 2035
Bii Nee Stipa	Bii Nee Stipa Energía Eólica, S.A. de C.V. ("BNS")	Wind	Self-supply (Autoabastecimiento) – LSPEE	**E/548/AUT/2006**	26	26.35	Perpetual (issued September 28, 2006)	January 1, 2030
PEM / Ventosa	Parques Ecológicos de México, S.A. de C.V. ("PEM")	Wind	Self-supply (Autoabastecimiento) – LSPEE	**E/215/AUT/2002**	102	102.5	Perpetual (issued September 19, 2002)	February 1, 2029
Wind Dos Arbolitos	Eólica Dos Arbolitos, S.A. de C.V. ("EDA")	Wind	Self-supply (Autoabastecimiento) – LSPEE	**E/1159/AUT/2014**	70	70	Perpetual (issued July 3, 2014)	December 1, 2034

Project	Permit Holder (Subsidiary)	Technology	Regulatory Regime	Permit No.	Installed Capacity (MW)	Generation Permit Capacity (MW)	Permit Validity	Interconnection Agreement Expiry
Cogeneration Ramos	Iberdrola Cogeneración Ramos, S.A. de C.V. ("ICR")	Cogeneration	Cogeneration – LSPEE	**E/1228/COG/2014**	52	60.1	Until termination of interconnection agreement	May 1, 2036
Cogeneration Altamira	Iberdrola Cogeneración Altamira, S.A. de C.V. ("ICA")	Cogeneration	Cogeneration – LSPEE	**E/1397/COG/2015**	57	57.612	Until termination of interconnection agreement	January 4, 2038
Cogeneration Bajío	Iberdrola Cogeneración Bajío, S.A. de C.V. ("ICB")	Cogeneration	Cogeneration – LSPEE	**E/1486/COG/2015**	52	51.59	Until termination of interconnection agreement	February 1, 2038

2013 Energy Reform

In December 2013, the Mexican Congress approved a constitutional reform that opened the electric industry to private investment, except for the transmission and distribution of electricity which remained under the exclusive control of the Mexican Government, acting through CFE. In August 2014, the Mexican Congress implemented the 2013 Energy Reform by enacting various laws including, most importantly, the LIE which replaced the LSPEE. As a result of the 2013 Energy Reform and the LIE, private investors were allowed to participate in the generation and commercialization of electricity in a competitive market, with open and non-discriminatory access to the National Transmission Network (*Red Nacional de Transmisión*, the "RNT") and the General Distribution Networks (*Redes Generales de Distribución*, the "RGDs").

Despite the enactment of the LIE, permits previously issued by CRE pursuant to the LSPEE, such as the self-supply and cogeneration permits that are currently held by some of our subsidiaries, were protected and continue in effect until the expiration of the interconnection agreements entered into by those subsidiaries with CFE under the LSPEE framework.

Some of our subsidiaries obtained and currently operate under permits issued by CRE pursuant to the LIE:

Project	Permit Holder (Subsidiary)	Technology	Regulatory Regime	Permit No.	Installed Capacity (MW)	Generation Permit Capacity (MW)	Permit Validity	Interconnection Agreement Expiry
Wind Santiago	Iberdrola Renovables del Bajío, S.A. de C.V. ("IRB")	Wind	Generation – LIE	**E/2293/GEN/2023**	105	105	June 9, 2023 – June 9, 2053	June 9, 2053
Solar Cuyoaco	Green Park Energy, S.A. de C.V. ("GPE")	Solar	Generation – LIE	**E/1974/GEN/2017**	274	220.8	October 27, 2017 – October 27, 2047	December 31, 2050
Hermosillo	Iberdrola Renovables Noroeste, S.A. de C.V. ("IRNO")	Solar	Generation – LIE	**E/1442/GEN/2015**	137	100	March 28, 2018 – March 18, 2048	April 14, 2045
Solar Santiago	Iberdrola Renovables Centro, S.A. de C.V. ("IRC")	Solar	Generation – LIE	**E/1441/GEN/2015**	232	200	December 18, 2017 – December 18, 2047	December 18, 2047

El Carmen	Soporte de Generación Eficiente ("SGE")	CCGT	Generation – LIE	**E/1761/GEN/ 2016**	866	949	September 19- March 2046	March 2046
Dulces Nombres II	Encon Monterrey, S.A. de C.V. ("ECM")	CCGT	Generation – LIE	**E/1055/GEN/ 2013**	300	338	October 16- November 2053	November 2053
Cogeneration Monterrey	Encon Monterrey, S.A. de C.V. ("ECM")	COGEN	Generation – LIE	**E/2311/GEN/ 2023**	41	64.3	October 25- November 2053	November 2053

2024 Energy Reform

In October 2024, a new constitutional reform was approved by the Mexican Congress. The 2024 Energy Reform became effective on November 1, 2024 and maintains the right of private investors to participate in the generation and commercialization of electricity, provided that such participation cannot have priority (*prevalencia*) over the participation of Mexican State in these activities. On the back of the 2024 Energy Reform, in March 2025 the Mexican Congress enacted implementing legislation through the issuance of various laws, including the LSE, which replaced the LIE. In October 2025 regulations to the LSE were issued and became effective.

The Mexican Constitution, as amended by the 2024 Energy Reform, together with the LSE, the RLSE and the laws, regulations, and rules arising therefrom set forth the current legal framework of the Mexican electricity industry and the principal rules and regulations that govern our business. Pursuant to this new framework:

- the Mexican State has exclusive authority over the following strategic areas:
    - the planning and control of the National Electric System (*Sistema Eléctrico Nacional*, the "SEN"), comprised by (a) the RNT and the RGDs, operated by CFE, (b) the power generation facilities interconnected into the RNT and the RGDs, and (c) equipment and facilities owned by the CENACE. These activities are the responsibility of SENER.
    - the transmission and distribution of electricity in the country, which activities are performed by CFE.
- the Mexican Government, acting through SENER and CNE, the newly formed regulator which replaced the CRE, oversee the creation and enforcement of policies, regulation and supervision of the energy industry. The mandate of SENER includes, among others, the following activities:
    - the planning of the Mexican electricity sector through the issuance of sector programs that are supposed to be binding (*vinculantes*) and whose relevant provisions must be incorporated in the Electricity Sector Development Plan (*Plan Nacional de Desarrollo del Sector Eléctrico*, the "PLADESE") which must also be issued by SENER;
    - the establishment, supervision and coordination of the country's electricity policy;
    - the formulation of the energy sector program in accordance and consistent with the country's National Development Plan (*Plan Nacional de Desarrollo*); and
    - the coordination of the sector activities and regulators, including CNE and CENACE.

The CNE is the regulatory agency responsible for granting permits for the generation of electricity and other ancillary activities.

CENACE is responsible for the operational control of the SEN, oversees the open access to the RNT and the RGDs and is responsible for the operation of the MEM, a merchant market in which, in addition to electricity, participants are able to trade capacity, Clean Energy Certificates and other products and services.

- The Mexican State, acting through CFE, must "maintain" (i.e. inject) at least 54% (fifty-four percent) of the aggregate volume of electricity that is injected into the SEN during any calendar year.

In October 2025 SENER unveiled the first version of the PLADESE, a medium and long-term plan that reflects Mexico's policy with respect to various items, including the development and modernization of the SEN for the immediately following 15-year period. Pursuant to applicable law, SENER must update the PLADESE annually. The PLADESE 2025-2039 contemplates net additions of approximately 73,754 MW of generation capacity over the 15-year horizon, of which approximately 28,004 MW are scheduled to be added by 2030, with approximately 17,009 MW corresponding to projects of the Mexican State (through CFE) and approximately 10,995 MW to projects developed by private participants.

Electric Sector Law and its Regulations

The current electricity framework, which has the LSE and its regulations as its cornerstone, is comprised of a comprehensive set of legislation, regulations and administrative rules regulating diverse matters such as interconnection of power generation facilities and connection of load points to the RNT and the RDG, transactions in the MEM, social impact, clean energy requirements, and the powers and authorities of the regulatory bodies.

Generation Schemes

Under the LSE, the generation of electricity can be performed in an open and competitive environment, subject to obtaining and maintaining a permit from CNE for any of the following schemes:

- Distributed Generation (*Generación Distribuida*): power generation facilities with capacity below 0.7 MW and are interconnected to a distribution circuit with high concentration of load points. Generation under this scheme does not require a permit from CNE.

- Self-Consumption (*Autoconsumo*): power generation facilities that provide electricity and associated products to one or more off-takers (*usuarios de autoconsumo*) through a private transmission line. Generation under this scheme requires a permit from CNE. Facilities operating under this scheme may be isolated from or interconnected to the RNT or the RGDs. In the latter case, excess energy and associated products may be purchased exclusively by CFE pursuant to terms and conditions determined by CNE.

- MEM (*Generación para el Mercado Eléctrico Mayorista*): power generation facilities for the sale of electricity and associated products through the MEM. Generation under this scheme requires a permit from CNE.

- Cogeneration (*cogeneración*): the simultaneous production of electricity and thermal energy from a single primary energy source. Facilities operating under this scheme that have 0.7 MW or greater capacity require a permit from CNE.

- Mixed Development (*Desarrollo Mixto*): power generation facilities developed jointly by the Mexican State, acting through CFE, and private investors through two different mechanisms:

    - Long Term Production (*Producción de Largo Plazo*): development of power generation facilities with private funds (the Mexican State cannot allocate or provide funds for that purpose), where all the electricity and associated products generated by or attributable to the facility must be sold to CFE, who is in charge of representing the facility in the MEM and who, upon the expiration of the term of the underlying contract, has the option to acquire the facility free of charge.

    - Mixed Investment (*Inversión Mixta*): development of power generation facilities where CFE must have a direct or indirect participation of at least 54% (fifty-four percent) and where CFE has a preferential right to acquire the electricity and associated

products generated by or attributable to the facility provided that, if any such electricity or associated products are not acquired by CFE, they may be sold in the MEM.

Commercialization of electricity under the LSE may be achieved through different arrangements, including through the MEM.

Permitting

Under the LSE, permits granted by CRE pursuant to the former LSPEE and LIE remain in effect until they expire, including the self-supply permits, cogeneration permits and the LIE permits that are currently held by some of our subsidiaries. Permits granted under those laws will remain subject to their own provisions and to the terms and conditions of the laws and regulations in effect at the time they were issued. Upon expiration of such permits, generators will have to secure new permits from CNE to continue generating electricity under any of the schemes provided for in the LSE.

Under the LSE, generation and commercialization permits will be granted by CNE, while the import and export of electricity and associated products will require the previous authorization by SENER. Permits and authorizations granted by CNE or SENER must consider, and be consistent with, SENER's electricity sector programs and the PLADESE.

Storage

Energy storage was formally integrated for the first time into Mexican electricity law as a regulated activity under the LSE. Prior to the LSE, the participation of energy storage systems in the SEN was governed exclusively at the regulatory and market-rule level, principally through the *Bases del Mercado Eléctrico* published in 2015 and a series of CENACE operational manuals, without an express legislative framework.

The current regulatory architecture rests on two principal instruments: (i) the LSE, which recognizes energy storage as an activity that can be carried out by the Mexican State, by private parties, or under mixed development schemes, in coordination with binding planning; and (ii) the General Administrative Provisions for the Integration of Electric Energy Storage Systems into the National Electric System, issued by Resolution A/113/2024 and published in the Federal Official Gazette on March 7, 2025 (the "Storage DACG"), which remain in force following the entry into force of the LSE and may be amended or supplemented by the CNE.

Under the Storage DACG, an electric energy storage system, or "SAE" (*Sistema de Almacenamiento de Energía Eléctrica*), is not in itself a separate permitted activity; rather, because the SAE injects and withdraws electric energy from the SEN, its operation is treated as equivalent to generation activity. Where there is a possibility of injection of energy into the National Transmission Network ("RNT") or General Distribution Networks ("RGD"), the SAE must form part of a generation permit or obtain a new generation permit, and must be represented in the MEM by a Market Participant under the figure of Generator. The Storage DACG establishes four principal integration modalities: SAE-CE (associated with an intermittent power plant, sharing the same Interconnection Point); SAE-CC (associated with a load center, without injection into the SEN); SAE-AA (associated with isolated supply, including for cross-border import or export); and standalone SAE (SAE no Asociado), a battery-based system not integrated into a power plant or load center, which requires its own generation permit and registration with the MEM. A fifth modality, SAE-GE, is available to exempt generators under the existing distributed generation framework.

Storage systems may participate in the MEM both for energy and capacity products, and the Storage DACG allows SAE to offer ancillary services included and not included in the MEM, subject to compliance with Market Rules and the technical capabilities of the SAE. Standalone SAE and SAE-CE that charge from the resources of the associated power plant may accredit firm capacity if they can deliver their available energy uniformly for at least three consecutive hours, taking into account degradation. Intermittent power plants associated with an SAE cannot receive additional Clean Energy Certificates for the energy stored, and standalone SAE neither receive nor are obligated to accredit such certificates.

Important elements of the storage regulatory framework remain to be developed by the CNE and CENACE, including the regulated tariffs for ancillary services not included in the MEM, the CENACE Operational Guide for the representation of SAE in the short-term energy market, the dimensioning methodology for SAE associated with intermittent plants, and modifications to the Capacity Balance Market Manual addressing the various SAE

modalities and their accreditation as firm capacity. The timing and final content of these implementing instruments may affect the commercial viability and project economics of new storage projects in Mexico.

Natural Gas, LPG and Oil Products

Article 27 of the Mexican Constitution sets forth the general principles that regulate activities involving oil, natural gas and other hydrocarbons in Mexico. Historically, Article 27 prohibited the Mexican Government from entering into agreements or granting concessions with respect to hydrocarbons activities and specified that certain activities involving oil and other hydrocarbons were exclusively reserved to the Mexican State under a vertical integration system.

In addition to the amendments that were introduced in the electricity sector, the 2013 Energy Reform changed the legal framework to enable private participation in upstream activities and for the processing, refining, marketing, transportation, storage, import and export of hydrocarbons, including the processing, compression, liquefaction, regasification, transportation, distribution, marketing and retail of natural gas, the transportation, storage, distribution, marketing and retail of oil products, including LPG, and the transportation (through pipelines) and related storage of petrochemicals.

The Hydrocarbons Law (*Ley de Hidrocarburos*, the "HL"), which was issued in August 2014 to implement the changes introduced by the 2013 Energy Reform, preserved the concept of state ownership over hydrocarbons while they are located in the subsoil, and opened the hydrocarbon sector to the participation of private investment, subject to certain regulatory requirements. In parallel to the HL, two sets of implementing regulations were enacted as a result of the 2013 Energy Reform: (i) the Regulations to the Hydrocarbons Law (*Reglamento de la Ley de Hidrocarburos*), and (ii) the Regulations of the Activities Specified in Title Three of the Mexican Hydrocarbons Law (*Reglamento de las actividades a que se refiere el Título Tercero de la Ley de Hidrocarburos*). These regulations, together with general administrative rules (*Disposiciones Administrativas de Carácter General*) issued by the former regulator, the CRE, regulated Mexico's natural gas, LNG, LPG, oil products and ethane markets.

After the 2024 Energy Reform the HL was replaced in March 2025 by the Hydrocarbons Sector Law (*Ley del Sector de Hidrocarburos*, the "LSH") and in October 2025, regulations to the LSH (*Reglamento de la Ley del Sector Hidrocarburos*, the "RLSH") were issued and became effective. The Mexican Constitution, as amended by the 2024 Energy Reform, together with the LSH, the RLSH and the laws, regulations, and rules arising therefrom set forth the current principal legal framework of the Mexican hydrocarbon industries.

Under the LSH, private investment may participate in the storage, transportation, distribution, commercialization and the direct sale of hydrocarbons, as well as the ownership and operation of pipelines and liquefaction, regasification, compression and de-compression facilities or terminals and related equipment, in each case subject to obtaining a permit from CNE. In addition, private investors may import or export hydrocarbons subject to obtaining a permit from SENER.

Permits granted by CRE under the HL will remain in effect for their original term, and rights of their holders are not affected by the LSH and the RLSH.

Activities in the midstream and downstream natural gas, LPG and oil products industries are subject, among others, to the provisions of the LSH, the RLSH, the National Energy Commission Law (*Ley de la Comisión Nacional de Energía*), the National Agency for Industrial Safety and Protection of the Environment of the Hydrocarbons Sector Law (*Ley de la Agencia Nacional de Seguridad Industrial y de Protección al Medio Ambiente del Sector Hidrocarburos*) and applicable environmental and safety regulations. General Administrative Provisions (*Disposiciones Administrativas de Carácter General*) issued by the CNE and environmental authorities, Mexican Official Standards (*Normas Oficiales Mexicanas*) and terms and conditions set forth in related permits also govern these activities.

Open Access

Open access refers to systems where natural gas transportation and storage infrastructure are available to all users on a non-discriminatory basis. Permit holders subject to open access obligations that have available capacity are bound to perform open seasons to allocate such capacity to third parties. Available capacity is deemed to exist when (1) a new system is developed, (2) the capacity of an existing system is increased in view of operational efficiencies or an extension of infrastructure, (3) existing capacity has not been allocated by means of

a reserved capacity service contract, or if having been contracted under executed reserved capacity services agreements is not actually being used by the corresponding users or (4) the end user transfers the capacity through secondary markets, the independent Integrated Systems manager or the permit-holder. The rates for open-access permits are currently determined by CNE.

Marketing and Cross-Shareholding Restrictions

Under the LSH and the RLSH, a permit from CNE is required to effect natural gas commercialization activities. Marketing companies must maintain, directly or through third parties, transportation, distribution or storage services from other permit-holders. In addition, with certain exceptions set forth in the law, storage and open-access transportation permit-holders are generally banned from marketing natural gas stored in their facilities or transported through their systems.

The LSH provides cross-shareholding restrictions with respect to marketing companies and open-access pipeline transportation or storage permit-holders. However, cross-shareholding may be allowed by CNE - and upon issuance of the relevant provisions, by SENER - with the prior approval from the National Antimonopoly Commission (*Comisión Nacional Antomonopolios*), while taking into account the binding planning from the Mexican government; provided that, such cross-shareholding does not affect competition, market efficiency or effective open-access. Compliance with these requirements may be met by guaranteeing operations with independent systems operations or by establishing legal and corporate mechanisms to prevent intervention in operations and management of the permit-holders. According to the previous applicable rules, until further guidelines are enacted, the following may be required: (1) the strict legal unbundling of permitted activities or a functional, operational and accounting separation, (2) participation limitations in a company's share capital, (3) maximum participation limitations for economic agents in the marketing market, and (4) the reservation of capacity in storage facilities and pipelines.

Mexican Official Standards, General Administrative Provisions, Directives and General Rules

In addition to the laws and regulations mentioned above, the legal framework that regulates the Company's activities also includes (1) the Mexican Official Standards issued by the SENER, and CNE in connection with technical matters of the Company's business, such as product quality and technical specifications related to the design, construction, safety, operation and maintenance of the Company, (2) the Directives issued by the CNE that regulate economic matters applicable to our business such as prices and rates and accounting and insurance matters, (3) the General Administrative Provisions related to service provision issued by the CNE, and (4) public policy documents issued by the SENER regarding any of the activities of the hydrocarbons sector in which the Company participates.

Other Authorizations

There are several other authorizations, approvals, concessions, permits, licenses or registrations that may be required by the three different levels of government (municipal, state or federal) for the development, construction and operation and maintenance of power plants. These include environmental permits, social permits, land use and zoning permits, construction permits, civil protection approvals, among others.

General Law of Administrative Responsibility

On July 18, 2016, the legal framework that creates Mexico's National Anticorruption System was published in the Official Gazette. This new legal framework implements the 2015 Constitutional reform on anticorruption matters and is comprised by several laws, including the General Law of Administrative Responsibility (*Ley General de Responsabilidades Administrativas*, or "GLAR"). Although it was published in the Official Gazette on July 18, 2016, the GLAR became effective on July 19, 2017.

The aforementioned law establishes certain mechanisms for private parties to prevent corruption, such as (i) organizational guidelines establishing areas in charge of doing business with the government and their obligations and responsibilities; (ii) a code of conduct for their employees; (iii) recruiting policies addressed to detect potential liabilities and/or conflicts of interest when conducting business with governmental entities; and (iv) monitoring procedures and accountability for the company's personnel, as well as disciplinary procedures for any employee who fails to comply with the company's policies and/or the applicable law.

Additionally, the GLAR sets forth certain rules and guidelines to prevent and sanction persons and companies for the unlawful participation in administrative procedures, influence peddling, bribery, wrongful exercise of public funds, collusion in public tenders (including procedures called by foreign entities), use of false information when applying for an administrative permit, authorization or concession, among others.

In view of the above, we are subject to the GLAR with respect to any activities that require the granting of a permit or a concession, public procurement processes, and/or any other administrative procedure carried out before a governmental entity.

The GLAR establishes administrative procedures for the investigation of possible unlawful conduct and addressing claims. Pursuant to such law, the Ministry of Anti-corruption and Good Governance (*Secretaría Anticorrupción y Buen Gobierno*) and ministries of state governments are responsible for investigating and penalizing any minor offense, while the Federal Superior Audit Office (*Auditoría Superior de la Federación*) and the state audit offices will be responsible for investigating and penalizing major offenses.

Administrative misconduct by private parties will be subject to the Federal Administrative Court (*Sala Superior del Tribunal Federal de Justicia Administrativa*), which now has a special chamber in charge of judging severe corruption actions and is entitled to impose the corresponding penalties and required sanctions.

As to the extent of the penalties that may be applied to a private company upon any unlawful action, the GLAR provides for the following: (i) fines up to two times the amount obtained by the company from any unlawful action or between 1,000 up to 1,500,000 times the daily value of the Unit of Measurement and Update (*Unidad de Medida y Actualización*); (ii) disqualification from participating in any public procurement procedure for at least 3 months and up to 10 years; (iii) suspension of all commercial activities of the private company, for at least 3 months and up to 10 years; (iv) dissolution of the company and (v) compensation for the damages caused to the federal public treasury, and/or federal, state or municipal entities.

Mexican Data Protection Law

We are subject to the provisions of the Mexican Data Protection Law (*Ley Federal de Protección de Datos Personales en Posesión de los Particulares*) that became effective in Mexico as of March 20, 2025. The Mexican Data Protection Law applies to individuals and private entities that collect, manage, store, or process personal data within Mexican territory, as well as in other instances established under the Mexican Data Protection Law's regulations.

Pursuant to the Mexican Data Protection Law, the processing and transfer of personal data requires consent by the data owner prior to such processing or transfer. Consent can be obtained by means of a document referred to in the law as a "privacy notice," which informs the data owner of the personal data being collected, the purpose for the use of the personal data, any intended transfers and the data owner's rights of access, correction, and cancellation or opposition to the processing of the personal data. The privacy notice can be delivered through printed, digital, visual, electronic or sonorous means or in any other format. According to the Mexican Data Protection Law, data owners are entitled to revoke their consent at any time. The Mexican Data Protection Law provides certain requirements for the transfer of personal data to third parties and certain exceptions for such requirements in which the transfer of information is permitted.

Constitutional Amendments on Rights of Indigenous and Afro Mexican Communities

On September 30, 2024, Mexico's Constitution was amended to elevate at the constitutional level the rights of indigenous and afro-Mexican communities to self-determination and autonomy, setting forth the obligation for all levels of government to undertake the prior and informed consultation with these communities of any potential laws, public policies and projects that may affect them, in order to obtain their approval. It is expected that secondary legislation will be enacted to enforce these constitutional rights; however, as of the date of this Offering Memorandum, no laws have been enacted, and no related bills are under discussion in Mexico's Congress.

Mexican Federal Environmental Liability Law

The Mexican Federal Environmental Liability Law (*Ley Federal de Responsabilidad Ambiental*) enacted on July 7, 2013 regulates environmental liability arising from damages to the environment including remediation, restoration and compensation. In the event of intentional and unlawful action or inaction, the responsible party

may be fined up to approximately U.S.$3.5 million for 2026. This liability regime is independent from administrative, civil or criminal liability regimes.

Environmental liability may be attributed to an entity for conduct carried out by its representatives, managers, directors, employees, or officers who have an operational domain of their activities. The statute of limitations to claim environmental liability is 12 years from the environmental damage. The law allows the interested parties to solve disputes by means of alternative dispute resolution mechanisms, provided the public interest or third-party rights are not affected.

Mexican Federal Labor Law

In May 2019, the Mexican Federal Labor Law (*Ley Federal del Trabajo*) and other related regulations were amended regarding labor justice, freedom of association and collective bargaining. Pursuant to these reforms, new labor authorities and courts were created that, among other things, are intended to guarantee workers' rights and prevent and combat labor discrimination. The amendments altered the process of collective bargaining in Mexico resulting in increased union activity within the country.

On November 12, 2020, the Mexican Executive Branch proposed to the Mexican Congress an amendment to several labor and tax regulations, including the Mexican Federal Labor Law, intended to curtail the use of personnel subcontracting arrangements (the "Subcontracting Laws"). This reform was approved by Congress and published in the Official Gazette on April 23, 2021, becoming effective the day after its publication with certain exceptions. The Subcontracting Laws have three main components: (i) a significant limitation on indirect hiring (both outsourcing and insourcing) permitting only the subcontracting of specialized services, that is those that are not part of the core business of the recipient of the services, (ii) a limitation on the amount of employers' profit-sharing obligation, and (iii) the inclusion of new penalties in respect of tax deductions and fines. As a consequence of the approval and enactment of the Subcontracting Laws, several Mexican entities may be required to modify their current labor structure, labor costs may increase, and the type and number of labor obligations Mexican companies will have to observe will change significantly.

Pursuant to the Mexican Federal Labor Law, employers are required to distribute and pay their employees 10% of their pre-tax profits each year within 60 days after the date on which the employer's annual tax statement was filed with the relevant authorities. The amount of profit sharing to be allocated and paid among employees is capped at either (i) three months of each employee's salary, or (ii) the average of the payments made in the previous three years to the employees, whichever amount is more favorable to the employees.

Finally, the Mexican Government has historically passed laws, regulations and decrees requiring companies in the private sector to increase wages and provide specified benefits to employees, and it may do so again in the future. For instance, in 2023 came into effect, a reform to the Mexican Federal Labor Law providing for an increase in vacation periods for all employees by six additional paid days, which also impacted the cost of the vacation premium and the applicable social security contributions.

Mexican employers, both in the public and private sectors, have experienced significant pressure from their employees and labor organizations to increase wages and to provide additional employee benefits. The Mexican Government, as a result, increased the minimum salary by 20% starting in January 2024, a 12% increase as of January 2025 and a 13% increase was mandated as of January 2026.

It is worth noting that in 2025, a presidential reform bill was submitted to the Mexican Congress to gradually implement a 40-hour workweek in Mexico, the initiative is still pending to be discussed and approved.

Any of the reforms discussed above, as well as other labor-related reforms that the Mexican Government undertakes in the future, may adversely affect our businesses, financial condition, results of operations, cash flows, and prospects.

Environmental Matters

Environmental Regulations

Our Mexican operations are subject to federal, state and local environmental authorities, laws, regulations, Mexican Official Standards, General Administrative Provisions and other technical standards. The distribution of jurisdiction over environmental matters among governmental authorities at the federal, state and

municipal levels is based on a "residual formula" provided in the Mexican Constitution which establishes that those matters which are not expressly reserved to the Mexican Government fall under the jurisdiction of the local governments, referred to as concurrent jurisdiction. While energy projects mainly fall under the jurisdiction of the Mexican Government, some specific environmental matters such as the handling of special management or urban solid wastes and the opening of new access roads, land use, construction and civil protection may fall under state or municipal jurisdiction.

The primary federal environmental laws in Mexico applicable to the Issuer's business are: the Mexican General Law on Ecological Equilibrium and Environmental Protection (*Ley General del Equilibrio Ecológico y la Protección al Ambiente*); the Mexican General Law for the Prevention and Comprehensive Management of Wastes (*Ley General para la Prevención y Gestión Integral de los Residuos*); the Mexican National Waters Law (*Ley de Aguas Nacionales*); the Mexican General Law for Sustainable Forestry Development (*Ley General de Desarrollo Forestal Sustentable*); the Mexican Federal Environmental Liability Law (*Ley Federal de Responsabilidad Ambiental*), the Mexican General Law of National Assets (*Ley General de Bienes Nacionales*) and the Mexican General Law on Climate Change (*Ley General de Cambio Climático*). Pursuant to these laws, rules and regulations have been issued concerning environmental impact and risk matters, forestry land use change, noise emissions, air emissions, water extraction and wastewater discharge, waste management, environmental protection, etc., to which the Issuer's businesses are also subject. The Issuer's businesses may also be subject to other laws, regulations and technical requirements relating to the protection of the environment such as the Mexican General Health Law (*Ley General de Salud*) and the Mexican Federal Regulations on Safety, Hygiene and Work Environment (*Reglamento Federal de Seguridad*, *Higiene y Medio Ambiente en el Trabajo*).

Non-compliance with the applicable environmental laws, regulations and Mexican Official Standards may result in the imposition of administrative fines or sanctions; revocations of authorizations, approvals, concessions, licenses, permits or registrations; administrative arrests; seizure of polluting equipment; and in certain cases, temporary or permanent closure of facilities and even imprisonment, when environmental violations are classified as criminal offenses as well as in remediation, reparation or compensation obligations in matters of civil or environmental liability.

Our projects operate under licenses, permits, authorizations, approvals, concessions and registrations issued under these environmental laws, as well as local and municipal environmental, urban development and civil protection regulations.

The Issuer follows internal policies and procedures to ensure compliance with applicable laws, regulations and the Issuer's permits. From time to time the Issuer updates its permits, authorizations, approvals, licenses, concessions and registrations and make periodic assessments in connection with their validity, including the amendment, renewal, extension or termination of such permits. In the event that as a result of such assessments any action is needed to renew, maintain, transfer or obtain any permit, authorization, license or approval, The Issuer undertakes the necessary actions to maintain the effectiveness thereof. Applications for the renewal of some of these permits, licenses, approvals and authorizations have been filed and are under review from applicable authorities.

Regulatory and Supervising Authorities

SEMARNAT is the primary federal environmental agency responsible for environmental policies and management and is empowered, among other things, to grant federal environmental impact and risk authorizations and federal air emissions licenses and to issue Mexican Official Environmental Standards (*Normas Oficiales Mexicanas*).

There are four administrative departments within SEMARNAT (which are dependent on SEMARNAT and act on its behalf), and two decentralized administrative departments (with legal standing and economic autonomy from SEMARNAT, but under the coordination of SEMARNAT), which oversee specific areas of environmental law. The PROFEPA, is the enforcement branch of the SEMARNAT. PROFEPA is responsible for inspecting and verifying facilities (including through the voluntary environmental audit program described below), imposing sanctions, as well as presiding over administrative appeals filed by persons who have been sanctioned for failure to comply with the law.

CONAGUA is in charge of the management and administration of national waters, both surface and underground, the prevention of pollution to water, as well as the use and protection of certain national assets related to rivers, dams and other bodies of water. CONAGUA grants concessions for the use of national waters and permits

for wastewater discharges into federal water-bodies. CONAGUA has its own enforcement department, independent from PROFEPA; however, PROFEPA also has administrative functions enacted by law to verify matters of national waters.

At the local and municipal levels, environmental, urban development and civil protection authorities have the power to regulate and supervise matters within their respective jurisdictions, including the management of special handling and solid waste, as well as urban development, construction and civil protection matters.

Environmental Certifications, Policies and Programs

Clean Industry or Environmental Quality Certifications

As part of these voluntary environmental audit programs, companies agree to conduct biannual environmental audits of their own facilities and operations through an authorized third-party consultant. Based on the audit findings, the consultant prepares and proposes to the company a corrective and/or improvement action plan and, depending on the certification process, advises the Mexican Environmental Protection Enforcement Agency, on the results of the audit and the appropriateness of the resulting action plan. Subject to its review and approval of the audit findings and recommendations, PROFEPA, enters into an agreement with the audited company for the implementation of the action plan.

A clean industry or an environmental quality certificate is the end product of this voluntary environmental audit program, which generally shows that the company or business has complied with the action plan and is in compliance with applicable federal and local environmental laws and regulations, and in some cases with international standards and prudent engineering and operational practices for the relevant business. The certificate is valid for a two-year period and can be continuously renewed for similar periods as long as the company continues to prove that it has maintained or improved the environmental compliance conditions present at the time when the certificate was first awarded.

Corporate Environmental Policies

The Issuer conducts its business in compliance with the Issuer's Corporate Environmental Policy. This policy is communicated to the Issuer's employees and contractors and applied to new projects and the operation and maintenance of the Issuer's facilities and processes. We intend to continue following these or similar policies in the future. The commitments stated in this policy include:

- minimizing and controlling the environmental impact from the Issuer's operations and the services provided by the Issuer;
- sustainably managing the Issuer's resources and constantly monitoring the Issuer's operations and environmental management;
- optimizing and reviewing the Issuer's environmental performance report on the Issuer's consumption of water, fuels and energy, conforming to the Issuer's objectives and environmental goals, which are verified on an annual basis; and
- complying with applicable environmental laws, regulations and norms and the best practices in the industry.

CNE Permits

Power Generation Permits

El Carmen Permit

A generation permit number E/1761/GEN/2016 was issued by the CRE on March 17, 2016, in favor of Iberdrola Energía Escobedo, S.A. de C.V. and assigned to Soporte de Generación Eficiente, S.A. de C.V., with the purpose of generating electrical power under the LIE regime, with a permitted generation capacity of up to 949.8 MW, by a combined cycle power plant located in the municipality of El Carmen in the state of Nuevo León, with a term expiring on March 17, 2046.

Dulces Nombres II Permit

A generation permit number E/1055/GEN/2013 was issued by the CRE on November 30, 2013, in favor of ENCO, with the purpose of generating electrical power under the LIE regime, with a capacity of up to 338 MW, by a combined cycle power plant located in the municipality of Pesquería in the state of Nuevo León, with a term expiring on November 30, 2053.

Monterrey V Permit

A generation permit number E/2311/GEN/2023 was issued by the CRE on November 17, 2023, in favor of Iberdrola Energía Monterrey, S.A. de C.V. and assigned to ENCO, with the purpose of generating electrical power under the LIE regime, with a generation permit capacity of up to 64.30 MW, by a cogeneration plant located in the municipality of Monterrey in the state of Nuevo León, with a term expiring on November 17, 2053.

ICR Permit

A cogeneration permit number E/1228/COG/2014 was issued by the CRE on November 20, 2014, in favor of ICR, with the purpose of generating electrical power under the cogeneration modality established in the LSPEE to satisfy the needs of its associated cogeneration establishments, with a capacity of up to 60.1 MW, by a cogeneration plant located in the municipality of Ramos Arizpe in the state of Coahuila. The permit remains in effect for the term of the interconnection agreement. The interconnection agreement has a term of 20 years from the COD, expiring on May 1, 2036. This permit was granted under the LSPEE regime and is not subject to extension; upon expiration, it must be migrated to the regulatory framework established under the LSE.

ICA Permit

A cogeneration permit number E/1397/COG/2015 was issued by the CRE on March 19, 2015, in favor of ICA, with the purpose of generating electrical power under the cogeneration modality established in the LSPEE to satisfy the needs of its associated cogeneration establishments, with a capacity of up to 57.612 MW, by a cogeneration plant located in the municipality of Altamira in the state of Tamaulipas. The permit remains in effect for the term of the interconnection agreement. The interconnection agreement has a term of 20 years from the COD, expiring on January 4, 2038. This permit was granted under the LSPEE regime and is not subject to extension; upon expiration, it must be migrated to the regulatory framework established under the LSE.

ICB Permit

A cogeneration permit number E/1486/COG/2015 was issued by the CRE on May 14, 2015, in favor of ICB, with the purpose of generating electrical power under the cogeneration modality established in the LSPEE to satisfy the needs of its associated cogeneration establishments, with a capacity of up to 51.59 MW, by a cogeneration plant located in the municipality of San Juan del Río in the state of Querétaro. The permit remains in effect for the term of the interconnection agreement. The interconnection agreement has a term of 20 years from the COD, expiring on February 1, 2038. This permit was granted under the LSPEE regime and is not subject to extension; upon expiration, it must be migrated to the regulatory framework established under the LSE.

PIER IV Permit

A self-supply permit number E/1207/AUT/2014 was issued by the CRE on November 4, 2014, in favor of PIER IV, with the purpose of generating electrical power under the self-supply modality established in the LSPEE to satisfy the self-supply needs of its shareholders, with a capacity of up to 150 MW, by a wind-powered plant located in the municipalities of Cañada Morelos, Chapulco and Palmar de Bravo in the state of Puebla. The permit was granted with perpetual validity.

PIER Permit

A self-supply permit number E/1204/AUT/2014 was issued by the CRE on November 4, 2014, in favor of PIER, with the purpose of generating electrical power under the self-supply modality established in the LSPEE to satisfy the self-supply needs of its shareholders, with a capacity of up to 150 MW, by a wind-powered plant located in the municipalities of Palmar de Bravo, Cañada Morelos and Esperanza in the state of Puebla. The permit was granted with perpetual validity.

PIER II Permit

A self-supply permit number E/1054/AUT/2013 was issued by the CRE on October 24, 2013, in favor of PIER II, with the purpose of generating electrical power under the self-supply modality established in the LSPEE to satisfy the self-supply needs of its shareholders, with a capacity of up to 66 MW, by a wind-powered plant located in the municipality of Esperanza in the state of Puebla. The permit was granted with perpetual validity.

IRB Permit

A generation permit number E/2293/GEN/2023 was issued by the CRE on June 9, 2023, in favor of IRB, with the purpose of generating electrical power under the LIE regime, with a capacity of up to 105 MW, by a wind-powered plant located in the municipality of San Felipe in the state of Guanajuato, with a term expiring on June 9, 2053.

BNS Permit

A self-supply permit number E/548/AUT/2006 was issued by the CRE on September 28, 2006, in favor of BNS, with the purpose of generating electrical power under the self-supply modality established in the LSPEE to satisfy the self-supply needs of its shareholders, with a capacity of up to 26.35 MW, by a wind-powered plant located in the municipality of Espinal in the state of Oaxaca. The permit was granted with perpetual validity.

PEM Permit

A self-supply permit number E/215/AUT/2002 was issued by the CRE on September 19, 2002, in favor of PEM, with the purpose of generating electrical power under the self-supply modality established in the LSPEE to satisfy the self-supply needs of its shareholders, with a capacity of up to 102.5 MW, by a wind-powered plant located in the municipality of Juchitán in the state of Oaxaca. The permit was granted with perpetual validity.

EDA Permit

A self-supply permit number E/1159/AUT/2014 was issued by the CRE on July 3, 2014, in favor of EDA, with the purpose of generating electrical power under the self-supply modality established in the LSPEE to satisfy the self-supply needs of its shareholders, with a capacity of up to 70 MW, by a wind-powered plant located in the municipality of Juchitán in the state of Oaxaca. The permit was granted with perpetual validity.

GPE Permit

A generation permit number E/1974/GEN/2017 was issued by the CRE on October 27, 2017, in favor of Iberdrola Renovables Norte, S.A. de C.V., assigned initially to Energías Renovables Venta III, S.A. de C.V. and subsequently to GPE, with the purpose of generating electrical power under the LIE regime, with a capacity of up to 220.8 MW, by a solar photovoltaic plant located in the municipality of Cuyoaco in the state of Puebla, with a term expiring on October 27, 2047.

IRNO Permit

A generation permit number E/1442/GEN/2015 was issued by the CRE on March 28, 2018, in favor of IRNO, with the purpose of generating electrical power under the LIE regime, with a capacity of up to 100 MW, by a solar photovoltaic plant located in the municipality of Hermosillo in the state of Sonora, with a term expiring on March 18, 2048.

IRC Permit

A generation permit number E/1441/GEN/2015 was issued by the CRE on December 18, 2017, in favor of IRC, with the purpose of generating electrical power under the LIE regime, with a capacity of up to 200 MW, by a solar photovoltaic plant located in the municipality of Villa de Arriaga in the state of San Luis Potosí, with a term expiring on December 18, 2047.

Power Interconnection Agreements

El Carmen Power Interconnection

Iberdrola Energía Escobedo, S.A. de C.V. entered into the power interconnection agreement number CTR/GRT_NES/CI/0141/2017 with CFET, dated April 17, 2017. The term of the power interconnection agreement is 30 years as of March 17, 2016, expiring on March 17, 2046.

Dulces Nombres II Power Interconnection

ENCO entered into the power interconnection agreement number CTR/GRT_NES/CI/0128/2023 with CFET, dated December 18, 2023, amended by First Amendment Agreement dated February 28, 2024. The term of the power interconnection agreement is 30 years as of November 30, 2023, expiring on November 30, 2053.

ICR Power Interconnection

ICR entered into the power interconnection agreement number CIRCD/DDGN/SPC/01_2016 with CFE, dated January 26, 2016, as amended from time to time, most recently by the Second Amendment Agreement dated November 22, 2023. The term of the power interconnection agreement is 20 years as of the COD that occurred on May 1, 2016, expiring on May 1, 2036.

ICB Power Interconnection

ICB entered into the power interconnection agreement number CIDP65-11_2016 with CFE, dated November 30, 2016. The term of the power interconnection agreement is 20 years as of the COD that occurred on February 1, 2018, expiring on February 1, 2038.

ICA Power Interconnection

ICA entered into the power interconnection agreement number CIDU28-06_2016 with CFE, dated July 28, 2016. The term of the power interconnection agreement is 20 years as of the COD that occurred on January 4, 2018, expiring on January 4, 2038.

ENCO Power Interconnection

ENCO entered into the power interconnection agreement number CTR/GRT_NES/CI/0111/2024 with CFET, dated December 19, 2024. The term of the power interconnection agreement is 30 years as of November 17, 2023, expiring on November 17, 2053.

PIER Power Interconnection

PIER entered into the power interconnection agreement number CIDV03-03_2018 with CFE Intermediación de Contratos Legados, S.A. de C.V., dated March 14, 2018. The term of the power interconnection agreement is 20 years as of the FON (*Fecha de Operación Normal*) that occurred on July 14, 2020, expiring on July 14, 2040.

PIER IV Power Interconnection

PIER IV entered into the power interconnection agreement number CIDV04-03_2018 with CFE Intermediación de Contratos Legados, S.A. de C.V., dated March 14, 2018. The term of the power interconnection agreement is 16 years and seven months as of the FON (*Fecha de Operación Normal)* that occurred on August 1, 2020, expiring on August 1, 2040.

PIER II Power Interconnection

PIER II entered into the power interconnection agreement number CIRCD28-04_2015 with CFE, dated May 21, 2015. The term of the power interconnection agreement is 11 years and 9 months as of the FON (*Fecha de Operación Normal)* that occurred on November 1, 2015, expiring on November 1, 2035.

IRB Power Interconnection

IRB entered into the power interconnection agreement number CTR/GRT OCC/CI/0073/2023 with CFET, dated August 9, 2023. The term of the power interconnection agreement is 30 years as of June 9, 2023, expiring on June 9, 2053.

BNS Power Interconnection

BNS entered into the power interconnection agreement number 2CIRC26-06/2010 with CFE, dated August 27, 2010. The term of the power interconnection agreement is 19 years and 9 months as of the FON (*Fecha de Operación Normal)* that occurred on April 1, 2010, expiring on January 1, 2030.

PEM Power Interconnection

PEM entered into the sixth power interconnection agreement number 6CIRCD29-04_2015 dated December 19, 2024, with CFET. The term of the power interconnection agreement is 13 years and 10 months as of April 1, 2015, expiring on February 1, 2029.

EDA Power Interconnection

EDA entered into the second power interconnection agreement number 2CIRCD136-11_2015, dated December 1, 2015. The term of the power interconnection agreement is 19 years as of December 1, 2015, expiring on December 1, 2034.

GPE *Power Interconnection*

GPE entered into the power interconnection agreement number CTR/GRT ORI/CI/0016/2018 with CFET, dated March 9, 2018, as amended from time to time, most recently by the Second Amendment Agreement dated February 2, 2024. The term of the power interconnection agreement is 30 years as of December 31, 2020, expiring on December 31, 2050.

IRNO Power Interconnection

IRNO entered into the power interconnection agreement number CTR/GRT NOR/CI/0056/2018 with CFET, dated June 22, 2018. The term of the power interconnection agreement is 30 years as of April 14, 2015, expiring on April 14, 2045.

IRC Power Interconnection

IRC entered into the power interconnection agreement number CTR/GRT OCC/CI/0033/2018 with CFET, dated April 26, 2018. The term of the power interconnection agreement is 30 years as of December 18, 2017, expiring on December 18, 2047.

Qualified Supplier Permit

A qualified supplier permit number E/1759/SC/2016 was issued by the CRE on March 17, 2016, in favor of Iberdrola Clientes, with the purpose of providing electric supply services under the qualified supplier modality (*suministrador de servicios calificados*) to qualified users (*usuarios calificados*) with a demand equal to or greater than 1 MW. The permit was granted for a term of 30 years from the date of issuance, expiring on March 17, 2046.

ENVIRONMENTAL AND SUSTAINABILITY MATTERS

Environmental and Sustainability Matters

Environmental Regulations

Our Projects are subject to federal, state and municipal environmental, civil protection and urban development laws and regulations, as well as environmental Mexican Official Standards (*Normas Oficiales Mexicanas*). Jurisdiction over environmental matters is distributed among governmental authorities at the federal, state and municipal levels based on a "residual formula" provided for in the Mexican Constitution, which establishes that matters not expressly reserved to the Federal Mexican Government fall under the jurisdiction of local governments. While energy projects mainly fall under the jurisdiction of the Federal Mexican Government on environmental matters, certain specific environmental matters such as the handling of special management or urban solid wastes, as well as civil protection, land use and construction permits are subject to state or municipal jurisdictions. See *"Risk Factors–Risk Relating to Our Business and Industry–We operate in a highly regulated environment and our profitability depends on our ability to comply with applicable laws and regulations on a timely and efficient basis"; "Risk Factors–Risk Relating to Our Business and Industry–We are subject to numerous environmental civil protection and urban development regulations that may become more stringent in the future and may result in increased liabilities and increased capital expenditures; and Risk Factors–Risk Relating to the Acquisition–Availability of Information".*

The principal federal environmental laws in Mexico applicable to the Projects' business include:

- the General Law on Ecological Equilibrium and Environmental Protection (*Ley General del Equilibrio Ecológico y la Protección al Ambiente* or the "General Law on Environmental Protection");
- the General Law for the Prevention and Comprehensive Management of Waste (*Ley General para la Prevención y Gestión Integral de los Residuos* or the "General Law on Waste Management");
- the National Waters Law (*Ley de Aguas Nacionales* or the "LAN");
- the General Law for Sustainable Forestry Development (*Ley General de Desarrollo Forestal Sustentable* or the "General Law on Sustainable Forestry");
- the Federal Environmental Liability Law (*Ley Federal de Responsabilidad Ambiental*);
- the General Law on National Assets (*Ley General de Bienes Nacionales*); and
- the General Law on Climate Change (*Ley General de Cambio Climático*).

The Projects' operations may also be subject to other laws and regulations related to health and safety, such as the General Health Law (*Ley General de Salud*) and the Federal Regulations on Safety, Hygiene and Work Environment (*Reglamento Federal de Seguridad, Higiene y Medio Ambiente en el Trabajo*).

At the local and municipal levels, certain environmental matters are regulated under specific legal frameworks. In particular, the management of special handling waste and municipal solid waste are governed by applicable state and municipal waste laws and regulations. Additionally, urban development, land use, and construction activities are regulated through local urban development laws and programs, construction regulations, and civil protection regulations. The operation of the Projects may also be subject to municipal regulations governing commercial establishments, applicable to facilities conducting commercial or industrial activities within the relevant jurisdiction.

Failure to comply with applicable environmental, civil protection and urban development laws and regulations, as well as environmental Mexican Official Standards may result in the conduction of enforcement actions by the corresponding governmental authorities that could include, among other things, the imposition of economic fines, the seizure of machinery and equipment, the revocation of authorizations, concessions, licenses, permits or registrations, administrative arrests, seizure of polluting equipment and, in certain cases, total or partial, temporary or permanent closure of works or facilities, imprisonment (where environmental violations are classified as criminal offenses), as well as in remediation, reparation or compensation obligations in matters of

civil or environmental liability. Permitting scenarios where a preceding permit or authorization exists, or where a permit is in process of being issued or regularized, are generally taken into consideration by competent enforcement authorities as mitigation factors in the determination of administrative-liability.

Our Projects shall be developed and operate under licenses, permits, authorizations, concessions and registrations issued under these environmental, civil protection and urban development laws. Except for the minority of and very specific cases being regularized and/or addressed, the Project Companies hold all material permits, licenses, registrations, concessions and authorizations (collectively, the "Governmental Approvals") for the Projects and assets that the Project Companies operate; and there are currently no material legal or administrative proceedings pending against the Project Companies with respect to any environmental, civil protection and urban development matters.

For purposes of the foregoing, "material" Governmental Approvals are those the absence of which may result in the total or partial, temporary or permanent closure or suspension of the relevant activities, processes or facilities.

SEMARNAT is the main federal environmental agency responsible for environmental policies and management. SEMARNAT's authority includes granting federal environmental impact and risk authorizations, forestry land use change authorizations, and federal air emissions licenses, as well as issuing Mexican Official Standards on environmental related matters.

The following are the main administrative agencies within SEMARNAT which are competent and have jurisdiction over our projects:

- PROFEPA; and
- CONAGUA.

PROFEPA is the general enforcement branch of SEMARNAT. PROFEPA is responsible for monitoring and compliance with the regulations applicable to the restoration, preservation and protection of natural resources through inspection visits to facilities. It also has the power to impose security measures and administrative sanctions, as well as presiding over administrative appeals filed by persons who have been sanctioned for failure to comply with federal law.

As a result of a reform to the General Law on Environmental Protection, published in the Federal Official Gazette (*Diario Oficial de la Federación*) ("DOF") on December 17, 2025, the National Guard (*Guardia Nacional*) may participate in inspection and surveillance activities in support of federal environmental authorities in enforcing environmental laws, upon request of SEMARNAT.

CONAGUA oversees management and administration of national waters, both surface and underground, the prevention of water pollution, as well as the use and protection of certain national assets such as rivers, dams and other bodies of water. CONAGUA grants concessions for the use and exploitation of national waters and the use and occupation of the federal zone or national bodies of water and permits for wastewater discharges into federal receptor bodies of water. CONAGUA has its own enforcement department, which is independent from PROFEPA, but PROFEPA also has administrative functions enacted by law to supervise matters relating to national waters, specifically with respect to water pollution.

Environmental Impact and Risk

Under the General Law on Environmental Protection, the main Governmental Approval permit for the development of a project in Mexico is the environmental impact authorization (*autorización de impacto ambiental*), which is the initial assessment of all potential environmental impacts that may result from the site preparation, construction, operation, maintenance and decommissioning of any project, and the mitigation measures required to offset any such impacts. Energy sector projects, including power plants, power substations and transmission lines, are generally required to obtain an environmental impact authorization from the SEMARNAT.

In terms of operational permits, projects that fall within the scope of the SEMARNAT's authority are covered by the permits required for their main activity (*e.g.*, energy generation).

For El Carmen, Dulces Nombres II, Cogeneración Monterrey, Cogeneración Altamira, Cogeneración Bajío and Cogeneración Ramos projects, under the General Law on Environmental Protection certain activities considered "high risk", like the use of 500 Kg. or more of natural gas, require an environmental risk assessment (*evaluación de riesgo ambiental*) that is typically filed alongside the environmental impact assessment (*manifestación de impacto ambiental*) before SEMARNAT, which describes the potential risks and risk scenarios resulting from the use of one or more listed substances and their interaction with the environment, the population and industrial operations.

The environmental risk assessment, whether evaluated by itself or jointly with the environmental impact assessment, requires the approval by SEMARNAT of an accident prevention program (*programa de prevención de accidentes*) that sets forth the specific action plans, emergency response protocols and general measures to be implemented in the event of an emergency contemplated in the environmental risk assessment.

On environmental impact matters, El Carmen and Dulces Nombres II projects are pending initiation of the process before SEMARNAT to change the holder of the existing environmental impact authorization. The current authorization covers both the physical space of these projects and that of a previously divested/separated project as part of a prior transaction with MIP. Depending on SEMARNAT's response, and considering this background, such authority may issue separate environmental authorizations or, alternatively, require the filing of two new environmental impact assessments for the operational stage of the respective projects.

The Cogeneración Monterrey project is currently undergoing the process for the change of holder before SEMARNAT.

With respect to the El Carmen and Cogeneración Monterrey projects, evidence of compliance with certain conditions set forth in their environmental impact authorizations is currently in progress.

Forestry Land Use Change

Under the General Law on Sustainable Forestry, the removal of forestry vegetation for the development of a project requires a forestry land use change authorization (*autorización de cambio de uso de suelo en terrenos forestales*) from SEMARNAT, prior to executing any activity related to the project, as well as a payment of an environmental compensation to the National Forestry Fund (*Fondo Nacional Forestal*) to mitigate the effects of the removal of the forestry vegetation.

A forestry land use change authorization was obtained for the El Carmen, Dulces Nombres II, Cogeneración Altamira, PIER, PIER II, Santiago Eólico, Hermosillo and the Santiago Solar projects.

Air Emissions

Air emissions from power generation activities are regulated by the SEMARNAT under the General Law on Environmental Protection and its regulations through the "sole environmental license" (*Licencia Ambiental Única*), which serves as the base environmental operating permit that encompasses all operational matters of a particular facility. Air emissions must comply with the relevant Mexican Official Standards and the concentration parameters set for therein. Air emissions from most operations are subject to the regulations set forth under NOM-085-SEMARNAT-2011 Air Pollution-Maximum permissible emission levels of indirect heating combustion equipment and their measurement (NOM-085-SEMARNAT-2011, *Contaminación atmosférica-Niveles máximos permisibles de emisión de los equipos de combustión de calentamiento indirecto y su medición*) and NOM-043-SEMARNAT-1993, which establishes the maximum permissible levels of emission into the atmosphere of solid particles from stationary sources (NOM-043-SEMARNAT-1993, *Que establece los niveles máximos permisibles de emisión a la atmósfera de partículas sólidas provenientes de fuentes fijas*).

The sole environmental license requires the filing of a yearly operating report including information on air emissions, wastewater discharges, water use, hazardous waste generated, greenhouse gas emissions and other relevant operational data.

Both the Dulces Nombres II and El Carmen projects are pending initiation of the process before SEMARNAT of change of holder of their existing sole environmental license, which currently covers both their physical space and the physical space corresponding to MIP. Depending on SEMARNAT's response and considering this background, we would either expect the issuance of separate sole environmental licenses or, alternatively, the need to obtain new/separate licenses.

Additionally, the Dulces Nombres II project has an ongoing administrative proceeding with PROFEPA, which was initiated in connection with the terms and conditions set forth in the corresponding sole environmental license. As of the date of this report, no safety measures have been imposed by the authority in connection with such proceeding, the project continues to operate in the ordinary course. Administrative proceedings of this nature typically relate to compliance matters and, where sanctions are imposed, they generally consist of monetary fines that do not tend to fall within the highest ranges available under applicable environmental legislation.

Water Supply

Under the LAN, surface water and groundwater are regarded as national assets and thus can only be exploited or used through a concession granted by CONAGUA. Concession titleholders are required to pay the corresponding fees depending on the volume of water extracted. Alternative sources may include private water suppliers regulated by services agreements and local water utilities regulated by particular permits and/or agreements.

In this regard, on December 11, 2025, a reform to the LAN was published in the DOF, which modified, among other matters, the process for renewing water concession titles. Under this reform, title holders are required to demonstrate "responsible use of water", and renewals are now subject to water availability in the relevant aquifer. Additionally, in cases where the total volume of water granted under the concession is not used for two consecutive years, the option to pay the warranty fee to avoid the early termination of the unused volumes (*cuota de garantía de no caducidad*) is now limited to two occasions.

Wastewater Discharge

Discharging wastewater into a federal receiving body or into the ground requires a wastewater discharge permit issued by CONAGUA, whereas discharges into sewage systems operated by local public utilities may be subject to different permits, registrations or licenses, depending on the particular state and municipality in which the relevant facility is located.

In addition, all wastewater discharge must comply with the relevant Mexican Official Standards and the concentration parameters set for therein, or the specific discharge conditions (*condiciones particulares de descarga*) established in the corresponding wastewater discharge permit. As a general rule, wastewater that is discharged into a sewage system operated by a local public utility entity must be in compliance with NOM-002-SEMARNAT-1996, that establishes the maximum permissible limits of contaminants in wastewater discharged into urban or municipal sewage systems (NOM-002-SEMARNAT-1996, *Que establece los límites máximos permisibles de contaminantes en las descargas de aguas residuales a los sistemas de alcantarillado urbano o municipal*), whereas wastewater discharged into federal receiving bodies such as rivers, lakes or the ground, must comply with NOM-001-SEMARNAT-2021, that establishes the permissible limits of contaminants in wastewater discharged into national bodies of water (NOM-001-SEMARNAT-2021, *Que establece los límites permisibles de contaminantes en las descargas de aguas residuales en cuerpos receptores propiedad de la nación*).

Hazardous Waste Management

Any facility that generates "hazardous waste" under the General Law on Environmental Protection, and the General Law on Waste Management, must register as a hazardous waste generator before SEMARNAT. In addition, facilities that generate more than 10 tons of hazardous waste per year, as well as those that generate specific types of hazardous waste, require an authorization of its hazardous waste management plan from said authority. All hazardous waste must be handled (collected, transported and finally disposed) by third parties authorized by SEMARNAT.

Special Handling Waste

Facilities that generate "special handling waste" under the General Law on Waste Management or NOM-161-SEMARNAT-2011, that establishes the criteria to classify Special Management Waste and determine which are subject to Management Plan; the list thereof, the procedure for inclusion or exclusion to said list; as well as the elements and procedures for the formulation of management plans (NOM-161-SEMARNAT-2011, *Que establece los criterios para clasificar a los Residuos de Manejo Especial y determinar cuáles están sujetos a Plan de Manejo; el listado de los mismos, el procedimiento para la inclusión o exclusión a dicho listado; así como los elementos y procedimientos para la formulación de los planes de manejo*), must register as special handling waste generator before the environmental state authorities. In addition, facilities that generate more than 10 tons of

special handling waste per year require a registration or authorization of its special handling waste management plan.

Land Use License and Land Use Change Authorization

The development of certain activities in a plot or a land requires a land use certificate, license or permit issued by the applicable municipal authority. This certificate confirms that the zoning of the area where the activities are being conducted is consistent with the applicable urban development plan. Additionally, in the event that the activities to be carried out require a change from the pre-established land use, a land use change authorization issued by the competent authority is required.

In this regard, with respect to the PIER II project, a land use change was authorized by the Municipality of Palmar de Bravo, Puebla, to modify the designation from "tierras de uso común y parceladas" within the Ejido of San Francisco Piletas to a specific use for a wind farm (*parque eólico*), pursuant to the applicable Municipal Council Resolution (*Acta de Cabildo*).

Land use certificates or licenses are typically obtained prior to the commencement of construction and constitute a prerequisite for securing other local or municipal permits, such as construction licenses. Once construction has been completed, these instruments are generally not subject to annual or periodic renewal, unless otherwise provided under applicable law or in the relevant land use certificate or license.

Construction Licenses and Work Completion Notices

A construction license must be obtained from the applicable municipal authority in order to develop any facility. Construction of new facilities and expansions or major modification to existing facilities are subject to prior authorization by the municipal authority and a prior review of compatibility with local zoning regulations, including urban development plans. Additionally, final approval of occupancy after completion of construction also requires the submission of the relevant Work Completion Notice before the applicable municipal authority. Specific requirements may vary from municipality to municipality but are generally focused on zoning restrictions.

Civil Protection Program

Having a Civil Protection Internal Program approved by municipal or state-level authorities is required for industrial and commercial activities, including power generation of our Project Companies. This program outlines preventive measures, emergency response procedures and protocols for coordination with civil protection agencies. The Civil Protection Program typically needs to be renewed and approved on an annual basis and during the first half of the corresponding fiscal year.

Municipal Operation Permit

In Mexico, most commercial and industrial activities are required to obtain a municipal operation permit that mandates annual renewal. It serves as official permission from municipal authorities for the operation of business. The municipal operation permit typically needs to be renewed and approved on an annual basis.

Social Impact Assessment

Under the LIE and applicable mandatory general administrative provisions energy projects in Mexico are required to obtain a resolution of its social impact evaluation (*evaluación de impacto social*), which evaluates the potential social effects that the development, construction, operation and decommissioning of a project may have on surrounding communities. This assessment typically identifies affected stakeholders, including local communities and vulnerable groups, and establishes mitigation and management measures aimed at preventing, minimizing or compensating adverse social impacts, as well as promoting social benefits.

Since the entry into force of the LSE the social impact evaluation was substituted by the social impact assessment (*manifestación de impacto social en el sector energético*).

Work Permit and Concession to Use and Occupy Federal Zones

A permit for the construction of hydraulic infrastructure and a concession from CONAGUA is required for the use and occupation of the federal zone of national bodies of water. The Solar Santiago and Wind Santiago projects are pending initiation of the process of filing twelve requests of concession with CONAGUA.

Environmental Liability

The Federal Environmental Liability Law enacted on July 7, 2013, regulates environmental liability arising from damages to the environment, including remediation, restoration and compensation. In the event of intentional and unlawful actions or omissions, the responsible party may be fined up to approximately U.S.$3.5 million for 2026, in addition to other potential administrative, civil or criminal liabilities.

Entities may incur environmental liability for actions or omissions of their representatives, managers, directors, employees or officers. The statute of limitations for environmental liability is 12 years from the date on which the environmental damage was caused or ceased to produce effects. The law allows the interested parties to solve disputes by means of alternative dispute resolution mechanisms, provided the public interest or third-party rights are not affected.

In practice, the Federal Environmental Liability Law has been rarely applied for purposes of enforcement of environmental liabilities arising from specific projects throughout Mexican territory, while the most common type of liabilities related to deviations with the aforementioned federal environmental laws in Mexico is still managed from the administrative stance (e.g., mostly through PROFEPA or CONAGUA for the projects pertaining to this Offering Memorandum).

Projects subject to Development

With respect to all additional projects subject to development, all applicable federal, state, and municipal permits, licenses and authorizations must be obtained from the relevant governmental authorities prior to the commencement of site preparation and construction activities, including, if applicable and without limitation, environmental impact authorizations, forestry land use change authorizations, land use permits, construction permits, and civil protection approvals. The necessary steps to apply for and obtain such permits, licenses and authorizations will be undertaken in accordance with the construction program of each project. On this matter, please note that we are unaware of any current activities involving the development (site preparation, construction and/or operation) of these projects.

DESCRIPTION OF EXISTING FINANCING AND COLLATERAL STRUCTURE

Set forth below is a summary of our existing financing arrangements documented by the Finance Documents. The following summary is not exhaustive and is subject to and qualified in its entirety by reference to all of the provisions of such Finance Documents, including the definitions therein of certain terms. Definitions of certain terms used in this summary description of the Existing Secured Indebtedness are set forth in "Defined Terms" below. Spanish translations of the agreements described in the summary that are governed by New York law will be used in any legal proceedings before Mexican courts. Spanish language versions of any agreements described in the summary that are governed by Mexican law are determinative. In addition, we may in the future consider seeking to implement further amendments to the Finance Documents. See "Description of the Notes—Intercreditor Agreement" and "Risk Factors—Risks Related to the Notes, the Collateral and Our Indebtedness—Certain provisions in the Common Terms Agreement will not be applicable to the Indenture and the Notes or may be waived, modified or cease to be effective without consent of the holders of the Notes."

Overview

We incurred U.S.$2,650 million of senior secured debt on the closing date of the Acquisition with affiliates of the Initial Purchasers in the form of a bridge loan to finance (i) the acquisition of the Company, and (ii) certain fees and expenses incurred in connection with the Acquisition and the Finance Documents. All such senior secured debt was (or, in the case of the Required Hedging Agreements will be) documented through a series of agreements, including the following:

(a) the Common Terms Agreement;

(b) the Bridge Facility;

(c) the Required Hedging Agreements; and

(d) the Intercreditor Agreement.

Substantially concurrently with the settlement of the Notes, we have entered into the New Revolving Credit Facility.

As of the date of this Offering Memorandum, prior to giving effect to the offering of the Notes and the application of proceeds therefrom, the aggregate outstanding principal amount under the Bridge Facility is U.S.$2,650 million.

Interest Rates and Fees

The following interest rates apply under the Bridge Facility and the New Revolving Credit Facility:

Facility	Interest Rate
Bridge Facility.....	Term SOFR + Applicable Margin*
New Revolving Credit Facility	Term SOFR + Applicable Margin**

***** Applicable Margin(a) from the pre-funding date until (including) the date that is six (6) months thereafter, 3.00% per annum, (b) from and excluding the date that is six (6) months after the pre-funding date until (including) the date that is the nine (9) months after the Bridge Facility disbursement date, 3.25% per annum, (c) from and excluding the date that is nine (9) months after the pre-funding date until (including) the date that is twelve (12) months after the pre-funding date, 3.50% per annum and (d) from and excluding the date that is twelve (12) months after the pre-funding date and at all times thereafter, 4.00% per annum.

** Applicable Margin (a) from the revolving loan disbursement date until (including) the date that is twenty four (24) months thereafter, 3.25% per annum, (b) from and excluding the date that is twenty four (24) months after the revolving loan disbursement date until (including) the date that is forty eight (48) months after the revolving loan disbursement date until, 3.50% per annum and (c) from and excluding the date that is forty eight (48) months after the revolving loan disbursement date and at all times thereafter, 3.75% per annum.

Maturity and Scheduled Repayment of Principal

The outstanding principal amount under (i) the Bridge Facility is payable in a single installment on the date that is eighteen (18) months after the Bridge Facility disbursement date; and (ii) the New Revolving Credit Facility maturity date is sixty (60) months after the revolving loan disbursement date.

Mandatory Prepayments

We are required to prepay Senior Debt if any of the following circumstances occurs (subject to certain baskets, exceptions and other qualifications):

(a) Except in respect of the New Revolving Credit Facility, with (A) one hundred percent (100%) of the Net Cash Proceeds of all Dispositions (other than any Permitted Disposition or any Permitted Transaction) of any Property, in each case in excess of (1) ten million Dollars ($10,000,000) individually per Disposition, or (2) an aggregate amount for the then applicable Financial Year of twenty five million Dollars ($25,000,000), in each case, on the Payment Date immediately following receipt thereof; (B) Loss Proceeds and other insurance proceeds, in accordance with the Common Terms Agreement, on the Payment Date immediately following receipt thereof, and (C) provided no replacement Material Project Document has been entered into in accordance with the Common Terms Agreement, one hundred percent (100%) of proceeds from the termination of any Material Project Document on the Payment Date immediately following receipt thereof;

(b) Other than in respect of the New Revolving Credit Facility, with one hundred percent (100%) of the Net Cash Proceeds received from the incurrence of Indebtedness (excluding Permitted Indebtedness, but including any Replacement Debt) or issuance of Equity Interest by any Group Company promptly, but in no event later than two (2) Business Days following the date on which such Indebtedness is incurred or such Equity Interest (other than Equity Interest (x) issued prior to the consummation of the Acquisition to fund the Minimum Equity Contribution or (y) issued pursuant to management or employee incentive packages not in excess of an aggregate amount for the then applicable Financial Year of ten million Dollars ($10,000,000);

(c) Upon any Change in Law that renders it unlawful or impossible for any Senior Creditor to make or continue to maintain any Senior Debt or any portion thereof, or for any Loan Participant to make or continue to maintain its participation in any Senior Debt or otherwise renders unlawful the performance by any Senior Creditor of its obligations under the Finance Documents, or the performance by any Loan Participant of its obligations under its respective Loan Participation Agreement, the Borrower shall, upon request by such affected Senior Creditor (whether directly or in respect of any such Loan Participant under its Senior Debt), prepay in full that portion of the applicable Senior Debt that such Senior Creditor advises is so affected upon the earlier to occur of (A) the next succeeding Payment Date, or (B) the date such prepayment or cancellation is required to be made in accordance with Applicable Law;

(d) In the event the Closing Date has not occurred by the Acquisition Closing Outside Date, the Borrower shall prepay the Bridge Loans in full, together with all accrued interest thereon and all other Obligations then due and payable, on the date that is one (1) Business Day after the Closing Outside Date (including accrued interest thereon since the Pre-Funding Date). The Borrower hereby irrevocably instructs and authorizes the Closing Agent to return all proceeds of the Bridge Loans (and any interest or other amounts earned thereon) on deposit in the Closing Agent Account to the Bridge Lenders promptly, but in any event no later than one (1) Business Day after the Acquisition Closing Outside Date, following the occurrence of the Pre-Funding Deadline without the Closing Date having occurred by the Acquisition Closing Outside Date. Any unused Bridge Loan Commitments shall be automatically reduced to zero on the Acquisition Closing Outside Date.

All mandatory prepayments pursuant to section (a) and (b) above shall be applied: (x) prior to the Bridge Facility Repayment Date, to the applicable Secured Parties under the Bridge Facility, and (y) after the Bridge Facility Repayment Date, pro rata to the Senior Debt (other than the New Revolving Credit Facility) in accordance with the respective principal amounts thereof then outstanding in inverse order of maturity; provided that mandatory prepayments made in connection with Replacement Debt shall be subject to the application of proceeds provision described below.

Any mandatory prepayment pursuant to section (c) above shall be applied solely to prepay the applicable Senior Debt of the applicable Senior Creditor affected by such Change in Law.

In the event that the Borrower incurs any Replacement Debt, the Net Cash Proceeds of such Replacement Debt shall be applied: (x) prior to the Bridge Facility Repayment Date, to pay the applicable Secured Parties under the Bridge Facility, and (y) after the Bridge Facility Repayment Date, to the pro rata prepayment of all Senior Debt, but excluding any Senior Debt the holders of which have expressly agreed not to have their respective Senior Debt repaid on a pro rata basis upon any prepayment of any other Senior Debt in accordance with this Agreement.

If the terms of any Senior Debt include any further mandatory prepayment or repurchase or Cash Collateralization thereof which are not included under the Mandatory Prepayments above, then any amounts applied to any such mandatory prepayment, repurchase or Cash Collateralization shall be applied to a prepayment or repurchase of all of the Senior Debt (other than the Required Revolving Credit Facility), and such amounts or proceeds shall be applied pro rata to prepay all such Senior Debt and to repurchase or prepay any such other Senior Debt (other than the Required Revolving Credit Facility), as applicable.

If any offer to repurchase or redeem the Senior Bonds pursuant to the applicable indenture agreement and is either refused by any Senior Bondholder or is proposed to be allocated differently pursuant to the provisions of the applicable Senior Bond Documents, then the pro rata proceeds corresponding to such Senior Bondholders shall not be required to be applied to prepay such Senior Bonds and shall instead be allocated on a pro rata basis to prepay any other Senior Debt required to be then prepaid.

Voluntary Prepayments

The financing documents allow us to voluntarily prepay outstanding senior indebtedness, in whole or in part, without premium or penalty, subject to customary notice, minimum amount and other administrative requirements. In this regard, the Borrower is generally required to provide at least five (5) Business Days' prior irrevocable notice (or such shorter period as may be agreed) and any such prepayment must be in a minimum principal amount of at least $1,000,000 and, if in excess thereof, in integral multiples of $100,000 (or such lesser amounts as may be agreed).

Prior to the repayment date of the Bridge Facility, voluntary prepayments are generally applied to repay the Bridge Facility. Following the repayment of the Bridge Facility, voluntary prepayments are applied on a pro rata basis among the Group Companies' senior indebtedness (other than the New Revolving Credit Facility) in inverse order of maturity, subject to certain exceptions, including the ability to apply such amounts to the repurchase or redemption of senior bonds.

Notwithstanding the foregoing, the Borrower may, in certain circumstances, elect to prepay only specific indebtedness, including (i) prepayments of the Bridge Facility funded with equity contributions and (ii) following the repayment of the Bridge Facility, redemptions of senior bonds triggered by specified regulatory or change in law events and funded with equity contributions.

Voluntary prepayments may also be made in accordance with the terms of the applicable finance documents governing the relevant indebtedness.

Covenants

The Common Terms Agreement contains a number of affirmative and negative covenants, which are summarized below.

Affirmative Covenants

Pursuant to the Common Terms Agreement, we are required to comply with certain affirmative covenants, including without limitation:

(a) Provide notices of defaults, events of default and Material Adverse Effect; material litigation, proceedings and claims; ERISA-related events; transfer or issuance of shares or other security convertible into shares; cancellation or amendments to third party approvals and consents; assignments, amendments or waivers to any Material Project Documents; amendments to constitutional documents or organizational changes; investigations or actions related to anti-corruption laws, anti-money laundering laws or sanctions; occurrence of condemnation or loss

events; appointment of new officers; sales of assets; and of other material events, circumstances and communications;

(b) Notices of Certain Occurrences;

(c) Deliver unaudited quarterly and annual audited financial statements and compliance certificates; and annual operating budgets;

(d) Maintain and preserve corporate existence;

(e) Effect and maintain insurance and reinsurance coverages and apply any Loss Proceeds thereunder in accordance with the requirements set forth in the Common Terms Agreement;

(f) Maintain and preserve all properties required for the performance of our business and intellectual property rights;

(g) Establish, maintain, protect and preserve liens on the Collateral;

(h) Maintain adequate books, accounts, systems, records, auditors and separateness of businesses;

(i) Comply with applicable law (including anti-money laundering laws, anti-corruption laws and sanctions), and governmental approvals, environmental and social matters;

(j) Timely file and pay taxes;

(k) Permit visits and inspections by the agents and Senior Creditors;

(l) Comply with use of proceeds;

(m) Register the security documents;

(n) Comply with the terms of the Senior Bond Engagement Letter; deliver updated financial statements and all other financial date in the event the Take-Out Senior Bonds are not consummated prior to May 14, 2026; notify the Senior Lenders of any event that would cause the Take-Out Bond documentation to include an untrue statement; and make its management (and cause the Seller to make the Company's management) available for a due diligence session;

(o) Execute and maintain the Hedging Agreements in an aggregate notional amount that complies with the percentage thresholds set forth in the Common Terms Agreement;

(p) Ensure that payment obligations under the Finance Documents at all times rank at least *pari passu* in right of payment with all other unsecured and unsubordinated indebtedness;

(q) Maintain the number of employees that is necessary to comply with corporate purposes;

(r) Operate and maintain the Projects within the applicable operating budget;

(s) Cause the Issuer and the Project Companies to make cash dividends or distributions to the Issuer as often and as promptly as possible subject to and in accordance with the Finance Documents;

(t) Obtain and maintain Material Project Documents and comply with their terms;

(u) Preserve, protect, maintain and enforce rights under the Acquisition Agreement, and not agree to any material amendment thereto;

(v) Invest any Excess Cash Flow not used to fund maintenance Capital Expenditures included in the Operating Budget in Cash;

(w) Maintain the minimum aggregate Cash balance of U.S.$100,000,000 at all times;

(x) Designate as additional guarantor any subsidiary so that the aggregate Consolidated EBITDA of the borrower and the existing guarantors is equal or greater than 85% of the Consolidated EBITDA within the time-frame included in the Common Terms Agreement; and

(y) The Bridge Facility is expected to be refinanced in full with a term loan facility. Within 20 days after commitments for such facility are obtained on terms satisfactory to the joint lead arrangers, the Borrower is required to enter into definitive documentation and promptly draw the term loans, applying 100% of the net proceeds (after fees and expenses) to repay the Bridge Facility in full (in an amount equal to the then-outstanding principal thereof, together with accrued interest and related costs).

Negative Covenants

The Common Terms Agreement imposes on us certain restrictions (subject to certain baskets, exceptions and other qualifications), including:

(a) The Issuer and the Guarantors shall not conduct any business other than (i) owning the Equity Interests in the Company, (ii) incurring in Permitted Indebtedness, (iii) making Permitted Dispositions, (iv) making Permitted Investments, (v) incurring Permitted Liens, (vi) making Permitted Transactions, and (vii) performing its obligations under the Finance Documents;

(b) The Loan Parties shall not incur Indebtedness, except for (i) Indebtedness under the Senior Debt, (ii) Existing Indebtedness, and any renewal, extension or replacement of the letters of credit listed as Existing Indebtedness under the Common Terms Agreement, (iii) Subordinated Indebtedness; (iv) Intercompany Debt, (iv) trade or similar Indebtedness incurred in the ordinary course of business not exceeding U.S.$30 million, if not over 90 days past due or under good faith contest, (v) capital leases of equipment or software or Indebtedness for the deferred purchase price of equipment or software in the ordinary course of business, not exceeding U.S.$5 million individually or U.S.$10 million in the aggregate, (vi) Indebtedness related to bonds and similar obligations in the ordinary course of business (unrelated to Indebtedness for Borrowed Money), not exceeding U.S.$1 million in the aggregate, (vii) Indebtedness under bank checks or cash management services in the ordinary course of business, not exceeding U.S.$1 million, and which shall be extinguished within 10 Business Days of its incurrence, (viii) Indebtedness in respect of any Permitted Hedging Agreements, and (ix) unsecured Indebtedness in respect of letters of credit issued in the ordinary course of business in connection with the Project Documents not exceeding U.S.$30 million;

(c) The Loan Parties shall not incur in Liens upon our respective properties, other than (among others) (a) liens under the Security Documents; (b) customary statutory and operational liens (including mechanics', carriers' and similar liens) not yet due or subject to good faith contest; (c) liens for taxes not yet due or contested in good faith; (d) ordinary course pledges and deposits (including in respect of workers' compensation and social security); (e) liens arising from litigation that are stayed, bonded, insured or adequately reserved; (f) ordinary course pledges and deposits (including bids, trade contracts and performance bonds); (g) easements, rights of way and minor title defects that do not materially impair the use or value of the relevant assets; (h) purchase money or similar liens over specific assets; and (i) any extensions, renewals or replacements of the foregoing;

(d) The Loan Parties shall not dispose of our assets or rights, except for (among others) (i) disposals permitted or required under the Common Terms Agreement and the Intercreditor Agreement, (ii) liquidation, sale or use of Permitted Investments, (iii) sales of obsolete or redundant vehicles or equipment that are not useful or necessary for the operation of the Projects or that are being replaced in accordance with good industry practice, (iv) (a) condemned Property that is the subject of a Condemnation Event to the respective Governmental Authority or other Person, or (b) Property that has been subject to an Event of Loss to the respective insurer of such Property as part of an insurance settlement; without triggering an Event of Default, or (v) any Disposition in respect of which the net cash proceeds are applied to a mandatory prepayment;

(e) The Loan Parties shall not (i) allow any termination (other than any rescission or termination of a Material Project Document as a result of a default of the counterparty or counterparties of the

Issuer, the Guarantors or Service Company thereof in accordance with its terms (but not as a result of a default thereunder by any such Person), assignment, amendment, or waiver of Material Project Documents or Material Governmental Approvals, or fail to enforce or exercise rights and remedies thereunder, including any of its Subsidiaries not to, fail to comply with, or enforce or exercise its rights or remedies under, any Material Project Document, unless (a) the Intercreditor Agent has consented to such termination, assignment, amendment, modification, waiver or failure or (b) is required by the Finance Documents;

(f) Other than a consolidation, amalgamation or merger of (a) a Loan Party with or into another Loan Party, or (b) any Subsidiary of a Loan Party with or into another Loan Party, no Loan Party shall, nor shall it agree to, and each Loan Party shall cause each of its Subsidiaries not to, and not to agree to, do any of the following: (i) enter into any consolidation, amalgamation, spin-off, demerger, merger, reconstruction, partnership, profit-sharing or any analogous arrangement, (ii) wind up, liquidate or dissolve or take any action that would (or fail to take any action where such failure would) result in the liquidation or dissolution of any Group Company, (iii) change its legal form or (iv) amend or modify its Constitutional Documents, in each case, in a manner that would materially and adversely affect the Secured Parties' rights or remedies under the Finance Documents;

(g) The Loan Parties shall not make any investments in any person, other than Permitted Investments;

(h) (a) Prior to the Bridge Facility Repayment Date, no Loan Party shall, and each Loan Party shall cause each Subsidiary not to, incur Capital Expenditures other than Capital Expenditures included in the Operating Budget and (b) after the Bridge Facility Repayment Date, no Loan Party shall, and each Loan Party shall cause each Subsidiary not to, incur Capital Expenditures prior to the date that is three (3) years after the Closing Date, other than Permitted Capital Expenditures;

(i) The Loan Parties shall not, directly or indirectly, enter into any activity, business, agreement, transaction or series of transactions with or for the benefit of our Affiliates, except in the ordinary course of business and on terms at least as favorable as a comparable arm's-length transaction;

(j) Prior to the date on which all the obligations under the Bridge Facility have been paid in full, the Borrower shall not, directly or indirectly, declare or make any Restricted Payment and (b) after the date on which all the obligations under the Bridge Facility have been paid in full, the Loan Parties shall not, and shall cause each of its Subsidiaries not to, directly or indirectly, declare or make any Restricted Payment (other than Restricted Payments by a Wholly-Owned Subsidiary of a Loan Party to a Loan Party or by a Loan Party to another Loan Party) unless each of the applicable conditions is satisfied, both immediately before and after the making of such Restricted Payment;

(k) Other than leases comprising Permitted Indebtedness, no Loan Party shall, and each Loan Party shall cause each of its Subsidiaries not to, directly or indirectly become or remain liable as lessee or as a guarantor or other surety with respect to any lease, whether an operating lease or capital lease obligations of any Property (whether real, personal or mixed), whether now owned or hereafter acquired, which such Group Company (i) has sold or transferred or is to sell or transfer to any other Person (other than a Group Company) or (ii) intends to use for substantially the same purpose as any other Property which has been or is to be sold or transferred by such Group Company to any Person (other than a Group Company);

(l) The Loan Parties shall not make any material change in their accounting or reporting policies or change their financial year;

(m) The Loan Parties shall not use any funds to pay Senior Debt obligations, or use proceeds of any Indebtedness in violation of Sanctions, Anti-Money Laundering Laws or Anti-Corruption Laws;

(n) The Loan Parties shall not enter into any Derivative Agreements (or any Derivative Transactions thereunder) other than any Hedging Agreement;

(o) (1) Prior to the date on which all the obligations under the Bridge Facility have been paid in full, (i) the Loan Parties shall not allow the ratio of Gross Debt to Consolidated EBITDA, as of any Measurement Date, during the most recently ended Measurement Period, to exceed (A) from the Closing Date until December 31, 2026: 4.75:1.00 and (B) from January 1, 2027, until the Bridge Facility have been paid in full: 4.25:1.00; and (ii) the Loan Parties shall not allow the Interest Coverage Ratio, as of any Measurement Date, to be less than 2.75:1.00; and (2) after the date on which all the obligations under the Bridge Facility have been paid in full, (i) the Loan Parties shall not allow the ratio of Gross Debt to Consolidated EBITDA, as of any Measurement Date, during the most recently ended Measurement Period, to exceed (A) from the Closing Date until December 31, 2026: 4.75:1.00; (B) from January 1, 2027, until December 31, 2027: 4.25:1.00; (C) from January 1, 2028, until December 31, 2028: 3.75:1.00; and (D) from January 1, 2029, and thereafter: 3.50:1.00, and (ii) the Loan Parties shall not allow the Interest Coverage Ratio, as of any Measurement Date, to be less than (A) from the Closing Date until December 31, 2026: 2.75:1.00; (B) from January 1, 2027, until December 31, 2027: 3.00:1.00; (C) from January 1, 2028, until December 31, 2028: 3.25:1.00; and (D) From January 1, 2029, and thereafter: 3.50:1.00;

(p) The Loan Parties shall not use the proceeds of the Senior Debt in violation of regulations issued by the Federal Reserve Board (including Regulations U, X and T);

(q) The Loan Parties shall not sponsor, maintain or contribute to or have any obligation to contribute to any Pension Plan or Multiemployer Plan; and

(r) The Loan Parties shall not, and shall not permit any of its Subsidiaries to, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or restriction on such Subsidiary's ability to make Restricted Payments or otherwise pay dividends or make any other distributions on any capital stock owned, directly or indirectly, by a Loan Party.

Events of Default

Each of the following breaches, events and circumstances is an event of default under the Common Terms Agreement:

(a) failure to make payments under the Finance Documents (subject to any applicable cure period for interests or any other amount payable other than principal);

(b) misrepresentations by us or the Guarantors;

(c) breach of covenants by us or the Guarantors under the Finance Documents (subject to any applicable cure period);

(d) involuntary proceedings against the Group Companies, seeking that such person be wound up or liquidated or adjudging such person bankrupt or insolvent under any applicable law, if such proceeding continues undismissed or unremedied for 60 days, or if an order for relief against such person shall be entered into as an involuntary case under applicable law;

(e) the institution by any Group Company, of proceedings or plans, to be adjudicated bankrupt or insolvent or the consent by it to the institution of bankruptcy or insolvency proceedings against it or the filing by it of a petition or answer or consent seeking reorganization or debt relief under any applicable law, or to the appointment of a receiver, liquidator or other similar official, or the making by it of an assignment for the benefit of creditors, or if such Person shall generally fail to pay its debts as they fall due or an admission by it in writing of its inability or unwillingness to pay its debts generally as they become due, or any other event shall have occurred which under any applicable would have an effect analogous to any of those events listed herein with respect to any such person or any action is taken by any such person for the purpose of effecting any of the foregoing;

(f) Termination of (i) any Revenue Generating Contract that accounted for more than five percent (5%) of consolidated revenues of the Company during the most recently ended four (4) consecutive fiscal quarters of the Company, or (ii) without the prior written consent of the

Intercreditor Agent to the extent such consent is required under this Agreement or any Finance Document, any other Material Project Document that would reasonably be expected to have a Material Adverse Effect;

(g) final judgments or awards in respect of the Issuer, the Project Companies or the Service Companies, (i) in excess of U.S.$5,000,000 in the aggregate, or (ii) that has had or could reasonably be expected to, individually or in the aggregate, have a Material Adverse Effect; in each case, if such judgments are not complied with, discharged, bonded or a stay of execution is not procured within 60 days from the date of entry of such judgment;

(h) failure to create or maintain the security interests, rights, titles, interest, or priority created under or permitted by the Security Documents or if any such documents shall cease to be in full force in effect in accordance with its terms;

(i) any Finance Document becomes illegal, invalid or unenforceable, or we or the Guarantors repudiate or take any action to challenge its validity or enforceability, or if any such document ceases to be in full force and effect;

(j) a Change of Control occurs;

(k) certain ERISA-related events;

(l) (i) any Group Company shall default for a period beyond any applicable grace period in the payment of any principal, interest or other amount due under any agreement or instrument involving Indebtedness (other than under the Finance Documents) and such aggregate outstanding amount or amounts payable equals or exceeds twenty million Dollars ($20,000,000) (or the equivalent in any other currency) or (ii) any event specified in any agreements or instruments involving Indebtedness that in aggregate equals or exceeds twenty million Dollars ($20,000,000);

(m) (i) any Condemnation Event shall have occurred with respect to a material part of any one Project, or any equity interests or collateral of any Loan Party, or any Subordinated Indebtedness, or (ii) any governmental authority shall have commenced any action (x) having the effect of a legal proceeding in furtherance of any such Condemnation Event, or (y) to dissolve or disestablish the Issuer, a Project Company or a Service Company or to prevent any of them from carrying on all or a material part of its business; and

(n) occurrence of an independent event of default under any Facility Agreement that is not separately set forth in the Common Terms Agreement. See "*Specific Covenants and Events of Default under the Initial Facility Agreements*" below.

Bridge Facility Agreement

The covenants, events of default and other terms of the Bridge Facility Agreement are not materially different from those set forth in the Common Terms Agreement, as described above, and are substantially consistent therewith.

Opt-in Provisions

On the Issue Date, the Indenture Trustee will accede to the Common Terms Agreement and the Intercreditor Agreement. As a result, the holders of the Notes will become Senior Creditors for all purposes under the Finance Documents, and all Obligations under the Notes shall be secured, equally and ratably with all other present and future Secured Obligations, by the Collateral. Furthermore, upon accession by the Indenture Trustee on behalf of the holders of the Notes, the following provisions of the Common Terms Agreement, which are being summarized herein for the benefit of the reader, shall become applicable to the Indenture and the Notes for the benefit of the holders of the Notes (such provisions, collectively, the "Opt-in Provisions"). For the avoidance of doubt, upon accession to the Common Terms Agreement, the Indenture Trustee will (subject to certain exceptions) opt out of all other provisions (including certain covenants and events of default) of the Common Terms Agreement not expressly described below.

- Certain mandatory prepayments relating to: (i) Events of Loss, (ii) Insurance Vitiating Acts, and (iii) certain Dispositions. See: "*Description of the Notes—Mandatory Ratable Offers to Purchase Notes for Prepayments under the Common Terms Agreement" "—Mandatory Ratable Offer to Purchase Notes in Connection with Events of Loss*," "*—Mandatory Ratable Offer to Purchase Notes in Connection with Insurance Vitiating Acts*," and "*—Mandatory Ratable Offer to Purchase Notes in Connection with Dispositions."*

- Certain affirmative covenants relating to: (i) Preservation of Existence, etc., (ii) Maintenance of Properties, (iii) Books and Records, (iv) Separateness, (v) Protection of Security Interests and Covenant to Give Security, (vi) Post-Closing Mexican Security Obligations, (vii) Priority of Obligations, (viii) Capital Expenditures, and (ix) required merger with the Company. See "*Description of the Notes—Affirmative Covenants of the Issuer*, *Guarantors and Restricted Subsidiaries*," "*—Preservation of Existence, etc.*," "*—Maintenance of Properties,*" "*—Books and Records*," "*—Separateness,*" "*—Protection of Security Interests; Covenant to Give Security,*" "*—Post-Closing Mexican Security Obligations*," "*—Ranking*," "*—Capital Expenditures*," and "*—Company Merger*."

- Certain reporting requirements relating to financial statements. See "*Description of the Notes—Reporting Requirements*"—clauses (a) and (b).

- Certain negative covenants relating to: (i) Conduct of Business, (ii) Merger, Consolidation, Liquidation, Dissolution, (iii) Limitation on Investments, (iv) Limitation on Transaction with Affiliates, and (v) Limitation on Sale and Lease-Back Transactions. See "*Description of the Notes—Negative Covenants of the Issuer, Guarantors and Restricted Subsidiaries*," "*—Conduct of Business,*" "*—Merger, Consolidation, Liquidation, Dissolution,*" "*—Limitation on Transaction with Affiliates*," and "*—Limitation on Sale and Lease-Back Transactions.*"

- Certain events of default relating to: (i) judgment defaults, (ii) failure to maintain fully perfected security interests or unenforceability or expiration (other than in accordance with its terms) of the Security Documents, (iii) illegality, unenforceability or repudiation of any Finance Document or expiration thereof (other than as expressly permitted or in accordance with its terms), and (iv) cross-default and cross-acceleration. See clauses (g), (h), (i) and (j) under *Description of the Notes—Events of Default*."

Under the Intercreditor Agreement and the other Finance Documents certain of the Opt-in Provisions can be amended without the consent of the holders of the Notes. See "*Risk Factors—Risks Relating to the Notes—Certain provisions in the Common Terms Agreement will not be applicable to the Indenture and the Notes or may be waived, modified or cease to be effective without consent of the holders of the Notes*," and "*Description of Existing Financing and Collateral Structure—Intercreditor Agreement—Voting Mechanics.*"

New Revolving Credit Facility

In connection with the offering of the Notes, on the Issue Date, we have entered into the New Revolving Credit Facility with affiliates of the Initial Purchasers as lenders substantially concurrently with the settlement of the Notes. Subject to the following changes, we expect that the covenants, events of default and other terms of the New Revolving Credit Facility are not materially different from those set forth in the Common Terms Agreement, as described above, and are substantially consistent therewith.

(a) Affirmative Covenants:

a. The thresholds for notifications in connection with Material Project Documents is $10,000,000 instead of $5,000,000;

b. The thresholds for notifications in connection with condemnation events is $10,000,000 instead of $5,000,000;

c. The thresholds for notifications in connection with dispositions is $20,000,000 instead of $10,000,000;

d. The prepayment threshold if loss proceeds payable in respect of a single event of loss or a series of simultaneous event of loss is $50,000,000 instead of $30,000,000 individually or in aggregate for the then applicable Financial Year;

e. The prepayment threshold in the event that any insurer or reinsurer delivers a notice of a "Vitiating Act" is $50,000,000 instead of $30,000,000); and

f. Covenants described in paragraphs (m), (n), and (y) are not applicable.

(b) Negative Covenants:

a. The thresholds described in (b)(v) are increased to $15,000,000 and $30,000,000, respectively;

b. The thresholds described in (b)(vi) and (b)(vii) are increased to $20,000,000;

c. Only the Capital Expenditures restrictions described in (h) as applicable after the Bridge Facility Repayment Date apply;

d. Only the Restricted Payments restrictions described in (j) as applicable after the Bridge Facility Repayment Date apply;

e. Only the financial covenants described in (o) as applicable after the Bridge Facility Repayment Date apply;

(c) Events of Default:

a. The New Revolving Credit Facility also includes an event of default if (i) the Issuer or any guarantor under the Indenture is in default in the payment of any principal of or premium or make whole amount or interest in respect of any Indebtedness under the Indenture, or (ii) as a consequence of the occurrence or continuation of any event or condition, (A) the Issuer or any guarantor, individually, has become obligated to purchase or repay such Indebtedness under the Indenture before its regular maturity or before its regularly scheduled dates of payment (other than in respect of mandatory prepayments) or (B) one or more persons have the contractual right to require such issuer or guarantor to purchase or repay (other than in respect of mandatory prepayments) such Indebtedness under the Indenture;

b. The thresholds described in (g) is $10,000,000 instead of $5,000,000; and

c. The thresholds described in (l) is $30,000,000 instead of $20,000,000.

Terms of the New Revolving Credit Facility are Subject to Change

The terms described above with respect to the New Revolving Credit Facility are subject to change and a number of conditions, including the consummation of this offering. To the extent that any of the conditions with respect to such indebtedness are not satisfied, such indebtedness may not be available on the terms described herein or at all.

Hedging Agreements

In compliance with the requirements under the Common Terms Agreement, the Issuer have entered into interest rate swaps pursuant to certain International Swaps and Derivatives Association, Inc. ("ISDA") 2002 Master Agreements (each an "ISDA Master Agreement") (each including a Schedule (as defined in the ISDA Master Agreement)) with affiliates of the Initial Purchasers (collectively, the "Required Hedging Agreements"). The Common Terms Agreement requires the Issuer to maintain until the Final Maturity Date one or more Interest Rate Hedging Transactions under one or more Permitted Hedging Agreements in an aggregate notional amount equal to at least seventy-five percent (75%) and no more than one hundred five percent (105%) of the outstanding aggregate principal amount of the Senior Loans.

Pursuant to the Required Hedging Agreements, the Issuer will be the fixed rate payer and, accordingly, makes or receives net periodic payments to or from each of its counterparties based on the spread between the specified fixed rate and the USD-Compounded-SOFR for the relevant semi-annual calculation period.

The principal terms of the initial transactions under the Required Hedging Transactions are expected to be consistent with market terms and conditions. All of the Issuer's obligations under the Required Hedging Agreements will be secured pursuant to the Security Documents.

The Required Hedging Agreements are expected to be subject to early termination upon an event of default or termination event under the Required Hedging Agreements and include customary events of default and termination events, including failure to pay any amounts payable under the Required Hedging Agreements when due and payable and bankruptcy and insolvency events of default.

If there is an early termination of a transaction under a Required Hedging Agreement, the early termination amount will be determined in accordance with the customary provisions of the ISDA Master Agreement. The definitive documentation and final terms of the Required Hedging Agreements are in the process of being negotiated so the final terms and conditions of the Required Hedging Agreements are subject to change.

Collateral and Security Documents

The obligations of the Issuer and the Guarantors with respect to the Finance Documents will be equally and ratably secured by the following Collateral (as defined herein):

(a) Security Trust: a Mexican law irrevocable security trust (*fideicomiso irrevocable de garantia*) over all present and future shares issued by the Issuer and the Company, except for one nominal share of the capital stock of each of the Issuer and the Company, which will be subject to a pledge to satisfy a requirement of Mexican law;

(b) Pledge Agreements:

a. a Mexican law share pledge (*prenda sobre acciones*) over one share to the capital stock of the Issuer and owned by Cox Energy ("Cox Energy") with a value of MXN$1.00 (one Peso, Mexican currency), representing less than 1% (on percent) of the capital stock of the Issuer (the "Cox Energy Nominal Share"); and

b. a Mexican law share pledge (*prenda sobre acciones*) over one share of the capital stock of the Company and owned by Iberdrola Energía Altamira de Servicios, S.A. de C.V. ("IEAS") with a value of MXN$1.00 (one Peso, Mexican currency), representing less than 1% (on percent) of the capital stock of the Company (the "IEAS Nominal Share").

Security Trust

On April 24, 2026, the Issuer and Cox México S.L. ("Cox MX"), as settlors (*fideicomitentes*) and second place beneficiaries (*fideicomisarios en segundo lugar*), entered into the Security Trust a Mexican law irrevocable security trust agreement with Banco Invex, S.A., Institución de Banca Múltiple, Invex Grupo Financiero, as trustee (*fiduciario*) (the "Security Trustee"), and Banco Citi México, S.A., Institución de Banca Múltiple, Grupo Financiero Citi México, División Fiduciaria, as first place beneficiary (*fideicomisario en primer lugar*), acting as Collateral Agent on behalf of and for the benefit of the Secured Parties.

Pursuant to the Security Trust, Cox MX (in respect of the Issuer) and the Issuer (in respect of the Company) have transferred and agreed to transfer, as applicable, to the Security Trustee title to all of their present and future shares issued by the Issuer and the Company, except for the Cox Energy Nominal Share and the IEAS Nominal Share.

As of the Issue Date, pursuant to the Security Trust: (a) Cox MX has transferred to the Security Trustee (i) 49,999 Series A shares of the capital stock of the Issuer, and (ii) 1,000,000 Series B shares of the capital stock of the Issuer, which represent more than 99.9% of such capital stock in the aggregate, and (b) the Issuer has transferred to the Security Trustee (i) 49,999 Class I shares, and (ii) 12,691,942,012, Series A, Class II shares of the capital stock of the Company, which represent more than 99.9% of such capital stock in the aggregate.

The Security Trust has become effective and guarantees and secures all Secured Obligations.

Pledge Agreements

a. Issuer Share Pledge Agreement

On April 24, 2026 Cox Energy, as pledgor (*deudor prendario*), entered into a Mexican share pledge agreement with the Collateral Agent, as pledgee (*acreedor prendario*), acting on behalf of and for the benefit of

the Secured Parties (the "Issuer Share Pledge Agreement") pursuant to which Cox Energy has created a first priority pledge over the Cox Energy Nominal Share.

b. Company Share Pledge Agreement

On April 24, 2026 IEAS, as pledgor (*deudor prendario*), entered into a Mexican share pledge agreement with the Collateral Agent, as pledgee (*acreedor prendario*), acting on behalf of and for the benefit of the Secured Parties (the "Company Share Pledge Agreement", and together with the Issuer Pledge Agreement, the "Share Pledge Agreements") pursuant to which IEAS has created a first priority pledge over the IEAS Nominal Share.

The Share Pledge Agreements have become effective and guarantee and secure all Secured Obligations.

Intercreditor Agreement

The Indenture Trustee, for itself and the holders of the Notes in its capacity as Additional Senior Facility Agent, will accede into the Intercreditor Agreement which sets forth certain customary intercreditor provisions, including the method for voting and decision-making among the Secured Parties, arrangements applicable to joint consultation and actions in respect of approval rights and waivers, the limitation on rights of enforcement upon an event of default and the application of proceeds upon enforcement.

Under the Intercreditor Agreement, the Secured Parties (other than the Hedge Counterparties) will be represented by the Facility Representatives (or the Indenture Trustee, in the case of the holders of the Notes).

Ranking and Sharing

All Obligations owed to the Secured Parties under the Finance Documents shall rank *pari passu*, without any preference or priority among the Secured Parties. The Intercreditor Agreement provides that the Secured Parties will share in the Collateral. Each of the Secured Parties has agreed that it will not contest or support any other Person in contesting, in any proceeding, the perfection, priority, validity or enforceability of a lien held by or on behalf of any of the Secured Parties in the Collateral. Furthermore, each Secured Party agreed that the Issuer will not grant or permit additional liens on any assets or property to secure any obligations unless we have granted or concurrently grant a lien on such assets or property to secure all obligations, for the benefit of the Secured Parties, on a *pari passu* basis.

Each Secured Party has agreed that if it obtains any amount in respect of any Finance Document, it shall notify the Intercreditor Agent and the Collateral Agent thereof and shall promptly, and in any event within 10 Business Days of its so obtaining the same, pay such amount (less any documented reasonable costs and expenses incurred by such Secured Party in obtaining such amount) to the Collateral Agent for the account of the Secured Parties, to be shared in accordance with the Intercreditor Agreement; *provided*, *however*, that no Secured Party shall have any obligation to share:

(a) payments made by any Person to such Secured Party pursuant to a participation or assignment by which an interest of such Secured Party under the Finance Documents is transferred to such Person;

(b) payment made pursuant to and in accordance with the Intercreditor Agreement or any Permitted Hedging Agreement (other than from the exercise of any set-off rights therein); and

(c) payments made pursuant to the application of mandatory prepayments provisions of the Common Terms Agreement, the proceeds of which are specifically identified therein as being required to be paid directly to a specific Secured Party.

Priority of Payments

If the Collateral Agent receives a Remedies Instruction that has not been revoked, regardless of any Bankruptcy, the Collateral Agent shall apply all amounts in respect of any Collateral held, received or recovered by it toward the payment of any obligations in the following order of priority (provided that payments due at any particular level of clauses (a) through (g) below shall be made in full before any payment is made at the next level):

(a) *first*, to the payment of any costs, expenses and indemnities of any of the Common Agents, together with any unpaid fees of counsel, agents and experts to or of any Common Agent pro rata based on such respective amounts then due to such Agents;

(b) *second*, to the payment of any costs, expenses and indemnities of any Agent (other than the Common Agents) and/or Indenture Trustee, together with any unpaid fees of counsel, agents and experts to or of any Agent (other than the Common Agents) and/or Indenture Trustee pro rata based on sch respective amounts then due to such Agents;

(c) *third*, to the pro rata payment of any default interest then due and payable (i) to the Senior Creditors in respect of any Senior Debt, or (ii) any Hedge Counterparty in respect of any Permitted Hedging Agreement;

(d) *fourth*, to the pro rata payment of (i) any accrued interest (excluding default interest), premium and any breakage costs then due and payable to the Senior Creditors in respect of any Senior Debt, and (ii) any Ordinary Course Settlement Payments then due and payable to the Hedge Counterparties in respect of any Permitted Hedging Agreement;

(e) *fifth*, to the pro rata payment of (i) outstanding principal due and payable to the Senior Creditors in respect of any Senior Debt (including cash collateralization of all outstanding Letters of Credit issued under a Permitted LC Facility), and (ii) Termination Payments then due and payable to the Hedge Counterparties in respect of any Permitted Hedging Agreement;

(f) *sixth*, to the pro rata payment of any other fees, costs and expenses and remaining obligations (including the amount by which make-whole amounts under the Notes exceeds par *plus* accrued interest) under the Finance Documents; and

(g) *seventh*, the balance, if any, after all of the Obligations have been paid in full in cash, to the Borrower or as otherwise required by Applicable Law.

Waivers and Amendments

The Secured Parties may not take any Intercreditor Action other than in accordance with the Intercreditor Agreement; except for (i) unilateral actions by the Secured Parties (including without limitation, any action that may be taken unilaterally by any Facility Representative (other than a Hedge Counterparty)) (x) under their respective Facility Agreement or Senior Bond Documents in accordance with the Common Terms Agreement, or (y) that any Senior Creditor is specifically authorized to take unilaterally pursuant to the Finance Documents and (ii) a determination by a Facility Representative to declare the occurrence of an event of default under its Facility Documents (hereinafter, a "Unilateral Action"). The Intercreditor Agent is required to take any Intercreditor Action in accordance with the Intercreditor Agreement.

Voting Mechanics

Except as otherwise expressly provided in the Intercreditor Agreement, each Voting Party shall be entitled to vote for itself or on behalf of the Secured Parties it represents, as applicable, in each Intercreditor Vote conducted under the Intercreditor Agreement. An Instruction of the Required Voting Parties issued in accordance with the terms of the Intercreditor Agreement and each Intercreditor Action taken pursuant thereto shall be binding upon each of the Secured Parties, and all of the Secured Parties shall cooperate in connection with such Instruction as reasonably necessary to allow the Intercreditor Agent to take such action.

If an Instruction of the Required Voting Parties is required for any Intercreditor Action, the determination of whether such Instruction should be given or withheld shall be made by an Intercreditor Vote (including pursuant to procedures allowing the Required Voting Parties to direct the Intercreditor Agent without conducting an Intercreditor Vote).

None of (i) the Loan Parties, the Purchaser or any of their Affiliates, (ii) any Senior Creditor who is not an eligible senior lender or a holder of the Notes, (iii) except as it relates to specific matters set forth in the Intercreditor Agreement, any defaulting lender, nor (iv) any Senior Creditor or Hedge Counterparty who has agreed, directly or indirectly, to vote or otherwise acts at the direction or subject to the approval or disapproval of any Person identified in the foregoing clause (i) through (iii) (each a "Non-Voting Creditor"), shall be entitled to participate in any Intercreditor Vote or any vote under any Facility Document to which it is a party (as applicable), and each facility

representative in determining the percentage of votes cast under its respective Finance Documents shall exclude the portion of the aggregate exposure of the Senior Debt held by each Non-Voting Creditor from both the Numerator and Denominator of such Intercreditor Vote and for the purposes of calculating the Voting Party Percentage, provided that each Voting Party shall promptly notify the Intercreditor Agent if at any time it becomes a Non-Voting Creditor or defaulting lender.

The Hedge Counterparties are not entitled to vote in respect of (i) an Enforcement Action prior to any obligations under any Facility Agreement or Senior Bond Documents having been accelerated, or (ii) any Intercreditor Vote that is not a Hedge Counterparty Relevant Matter.

Each Voting Party will have a number of votes in any Intercreditor Vote equal to the U.S. dollar amount of its portion of the aggregate exposure of the Senior Debt (the total dollar amount of such aggregate exposure, the "Vote Amount").

In calculating the Voting Party Percentage with respect to any proposed Intercreditor Action, the Vote Amount cast by each Voting Party (and the Secured Parties represented by it (if any)) in favor of the proposed action (the "Numerator") shall be divided by the Vote Amount entitled to be cast with respect to such matter (the "Denominator," and such percentage, the "Voting Party Percentage"), except as otherwise set forth in the Intercreditor Agreement. With respect to any Intercreditor Action for which the Required Voting Parties are the Majority Voting Parties, if any Voting Party that is a Senior Creditor or Hedge Counterparty entitled to vote thereon does not cast its vote within the decision period the Vote Amount that could have been cast by such Voting Party (and the Secured Parties represented by it (if any)) shall be excluded from both the Numerator and the Denominator in calculating the Voting Party Percentage.

In any Intercreditor Vote, the Indenture Trustee may retain an agent to solicit the vote of the holders of the Notes and the procedures of the DTC may be utilized, including DTC's Legal Notice System of DTC's Automated Tender Offer Program ("ATOP") procedures (in each case or any successor thereto); *provided*, however, that if the DTC ATOP system does not permit the transmittal of any vote other than an affirmative vote, any outstanding indebtedness under any Finance Documents constituting a Senior Bond that does not vote affirmatively or negatively in connection with any decision within the prescribed period shall be deemed to be a negative vote, and with respect to the corresponding holders of the Notes, any failure to vote with respect to the solicited vote shall be deemed to be a negative vote for purposes of the calculation for the Voting Party Percentage; *provided*, *further*, that in any Intercreditor Vote where DTC ATOP system is not utilized (or if utilized, the DTC ATOP system permits the transmittal of affirmative and negative votes), any outstanding indebtedness under any Finance Documents constituting a Senior Bond that does not vote affirmatively or negatively within the prescribed period for such Intercreditor Vote shall be excluded from both the Numerator and Denominator. The Indenture Trustee's only obligation shall be to provide the notice to the holders of the Notes of such Intercreditor Vote (including any solicitation to such holders of the Notes to provide their approval or disapproval of the relevant Intercreditor Vote) so that such notice or solicitation is eligible in accordance with the applicable procedures at DTC that the Indenture Trustee determines to facilitate such vote.

In determining whether the Unanimous Voting Parties have voted for or against any Intercreditor Action set forth in the Intercreditor Agreement, if any Voting Party entitled to vote thereunder does not cast its votes within the applicable decision period, such Voting Party (and the Secured Parties represented by it (if any)) shall be deemed to have voted against such Intercreditor Action. Additionally, in any Intercreditor Vote relating to the approval of any Deemed Approved Matter, as of the expiration of the applicable decision period, the Intercreditor Agent has received votes from Voting Parties sufficient to prevent the Required Voting Parties from affirmatively voting in favor of or approving such Deemed Approved Matter, the Intercreditor Vote will be deemed a rejection of such Deemed Approved Matter and an Instruction to the Intercreditor Agent to reject the Issuer's request for approval of such Deemed Approved Matter; *provided* that any Voting Party may change or withdraw its vote prior to the expiration of the applicable decision period.

In all Intercreditor Votes, each Voting Party that represents other Secured Parties shall cast its votes in accordance with the respective votes cast by the Secured Parties represented by such Voting Party under the Finance Documents to which such Voting Party is a party.

Voting Issues

(a) *Unanimous Voting Issues*: Subject to the Hedge Matters, the Hedge Banks Provision and the rights of Initiating Voting Parties with respect to Events of Default, and except for Unilateral Actions, any determination with respect to the following issues (collectively, the "Unanimous

Voting Issues") requires the consent of 100% of the Voting Parties entitled to vote thereon (which, for the avoidance of doubt, does not include the Hedge Counterparties): (i) waivers, modifications or determinations under any Finance Document that have the effect of: (a) releasing or replacing a material portion of the Collateral (other than releases of loss proceeds applied to prepay the Senior Debt) or (b) modifying the priority of the Collateral or of application of payments as among the Secured Parties or as to revenues received by the Collateral Agent in accordance with the Security Documents, (ii) waiver of or modification or determination that has the effect of subordinating the liens on the Collateral securing the Senior Debt or subordinating any Senior Debt in right of payment, (iii) modification to certain definitions, including "Additional Senior Credit Exposure," "Aggregate Exposure," "Bridge Facility Exposure," "Class," "Majority Voting Parties," "Required Voting Parties," "Unanimous Voting Parties" or "Voting Parties" or to the Unanimous Voting Issues or the Majority Voting Issues, and (iv) modification of any definition contained in the Finance Documents to the extent such modification would result in the making of any of the modifications referred to in clauses (i) through (iii) above.

(b) *Majority Voting Issues*: Subject to the Hedge Matters, the Hedge Banks Provision and the rights of Initiating Voting Parties with respect to Events of Default, and except for Unilateral Actions, Unanimous Voting Issues and Certain Determinations and Modifications, , no determination or modification shall be made with respect to any Project Matter unless approved by the Majority Voting Parties.

Hedge Matters

(a) *Hedge Counterparty Veto Matters*: Except as described in the Hedge Banks Provision, any determination or modification that would have any of the following effects (among others) on any Hedge Counterparty shall be void *ab initio* without the prior written consent of such Hedge Counterparty (collectively, the "Hedge Counterparty Veto Matters"): (i) impose any additional restriction on the ability of a Hedge Counterparty to terminate any Permitted Hedging Agreement or to calculate amounts due in connection therewith, (ii) impair a Hedge Counterparty's ability to withhold payment or performance under a Permitted Hedging Agreement, (iii) impact the rights of any Hedge Counterparty and impose any additional restriction on the ability of a Hedge Counterparty to terminate any Permitted Hedging Agreement, (iv) impair a Hedge Counterparty's ability to withhold payment or performance under a Permitted Hedging Agreement, (v) impact the rights of any Hedge Counterparty in a manner materially and adversely different from the impact on any other Secured Party, (vi) adversely impact the position of a Hedge Counterparty with respect to the priority of the lien on the Collateral or the priority of payments due to a Hedge Counterparty in accordance with the Intercreditor Agreement, (vii) release any material portion of the Collateral (except as expressly permitted by the Finance Documents), (viii) modify certain definitions in a manner that materially and adversely impacts a Hedge Counterparty, and (ix) impair a Hedge Counterparty's rights under certain sections of the Intercreditor Agreement.

(b) *Hedge Counterparty Voting on Enforcement Actions*: Subject to the provisions on Unilateral Actions, as well as the Hedge Banks Provision and the Hedge Counterparty Veto Matters, the Hedge Counterparties will be entitled to participate in any vote on any proposed Enforcement Action taken after the acceleration of any Senior Debt according to their respective portion of the aggregate exposure of the Senior Debt.

Defaults and Remedies

If any Secured Party obtains actual knowledge of the occurrence of any Default, Event of Default or Early Termination Event pursuant to the terms of any Finance Document or declares the occurrence of an Event of Default under any Finance Document to which it is a party or that any Default, Event of Default or Early Termination Event thereunder has ceased to exist, it shall notify the Intercreditor Agent in writing thereof, which shall describe such Default, Event of Default or Early Termination Event (or its cessation) in reasonable detail and specify whether such notice relates to Hedge Counterparty Relevant Matter. Upon receipt thereof, the Intercreditor Agent shall send a copy thereof to each Voting Party (which shall only include the Hedge Counterparties to the extent such notice relates to a Hedge Counterparty Relevant Matter).

Furthermore, if an Event of Default occurs and is continuing, any Secured Party may serve a written notice on the Intercreditor Agent and request the Intercreditor Agent to seek Instructions from the Voting Parties as to whether such Event of Default should be waived or any other modification should be made (a "Waiver Notice"), or whether a proposed Enforcement Action should be taken with respect thereto (a "Remedies Initiation Notice"). No Secured Party shall be entitled to take the Enforcement Action proposed under a Remedies Initiation Notice during the period commencing on the date of delivery of a Remedies Initiation Notice and ending on the date of delivery of a Remedies Instruction (such period, the "Standstill Period"), unless otherwise provided in the Intercreditor Agreement. No Hedge Counterparty shall be entitled to participate in any Intercreditor Vote in respect of an Enforcement Action prior to any obligations under any Facility Agreement or Senior Bond Documents having been accelerated. No Secured Party shall exercise any rights or remedies in respect of the Collateral other than in accordance with the Intercreditor Agreement. Upon receipt of an instruction from the Initiating Voting Parties satisfying the requirements set forth in the Intercreditor Agreement (a "Remedies Instruction"), the Intercreditor Agent, directly or through the Collateral Agent, shall commence to take Enforcement Action described therein and the Collateral Agent shall implement Enforcement Actions in respect of the Collateral described therein.

If any Remedies Instruction calls for the commencement of foreclosure proceedings with respect to any Collateral, such Remedies Instruction shall be implemented by the Intercreditor Agent (through the Collateral Agent and, if required, through the Mexican Trustee).

Upon any Enforcement Action and at all other times contemplated by the Intercreditor Agreement, the proceeds of any collection, recovery, receipt, appropriation, realization or sale of any or all of the Collateral or the enforcement of any Security Document shall be applied to the payment of the obligations in accordance with the order of priority set forth in the Intercreditor Agreement.

Hedge Banks

Irrespective of any Standstill Period, at any time when (I) any obligations under any Facility Agreement or Senior Bond Documents have been accelerated, (II) an "Event of Default" under any Permitted Hedging Agreement (as defined in such Permitted Hedging Agreement) in respect of which the Issuer is the "Defaulting Party" (as defined in such Permitted Hedging Agreement) shall have occurred under any Permitted Hedging Agreement or (III) any "Termination Event" (including any "Additional Termination Event") under any Permitted Hedging Agreement (as defined in such Permitted Hedging Agreement) in respect of which the Issuer is the "Affected Party" (as defined in such Permitted Hedging Agreement) shall have occurred and is continuing, then, the Hedge Counterparty party to such Permitted Hedging Agreement may (i) terminate such Permitted Hedging Agreement, (ii) exercise any right to withhold payment or performance thereunder, (iii) exercise (subject to the Intercreditor Agreement) any netting rights to the extent given to such Hedge Counterparty thereunder, and (iv) cause any Termination Payment thereunder to become due and payable; *provided* that, if such Hedge Counterparty causes any Termination Payment to become due and payable, then such Hedge Counterparty shall give written notice of such Termination Payment to the Intercreditor Agent (for further distribution to each Facility Representative); *provided further* that in the case of clause (II) above where an Event of Default has occurred under Section 5(a)(i) of the relevant Permitted Hedging Agreement, the Common Agents may, pursuant to a Remedies Instruction, cure such failure by the Issuer to pay such amounts due under such Permitted Hedging Agreement within five (5) days of receipt of notice from the Hedge Counterparty and, during such five (5) day period, such Hedge Counterparty shall not exercise any right to terminate such Permitted Hedging Agreement. No action taken by a Hedge Counterparty as set forth herein shall constitute an Intercreditor Action or be subject to the vote or consent of any Secured Party or Voting Party.

The Hedge Counterparties (i) irrevocably authorize, acknowledge and consent to the creation by the Issuer in favor of the Collateral Agent, for the benefit of the Secured Parties, of a lien on, and a first priority lien in (including by way of assignment) all of the Issuer's right, title and interest in, to and under each Permitted Hedging Agreement to which it is a party in accordance with the Security Documents, and (ii) shall deposit any amounts payable by such Hedge Counterparty to the Issuer pursuant to such Permitted Hedging Agreement.

The paragraphs above shall hereinafter be referred to as the "Hedge Banks Provision."

Defined Terms

"Ordinary Course Settlement Payments" means all regularly scheduled payments (including interest thereon) payable by the Issuer to the relevant Hedge Counterparty under any Permitted Hedging Agreement from time to time, calculated in accordance with the terms of such Permitted Hedging Agreement, but excluding, for

the avoidance of doubt, any Termination Payments payable by the Issuer to the relevant Hedge Counterparty under such Permitted Hedging Agreement.

"Permitted Hedging Agreements" shall mean any derivative agreement entered into by the borrower and a hedge counterparty which governs foreign exchange hedging transactions, interest rate hedging transactions and/or commodity hedging transactions.

"Relevant Hedged Senior Facility" means each Senior Loan that is hedged pursuant to one or more Interest Rate Hedging Transactions under one or more Permitted Hedging Agreements.

"Termination Payment" means any amount payable by the Issuer to any Hedge Counterparty in connection with an early termination, in part or in whole (whether as a result of the occurrence of an event of default or other termination event or otherwise), of any Permitted Hedging Agreement in accordance with the terms thereof and the Intercreditor Agreement; *provided*, that "Termination Payment" shall not include any Ordinary Course Settlement Payment due under any Permitted Hedging Agreement (except any Ordinary Course Settlement Payments that have been included as "unpaid amounts" (as defined in the applicable Permitted Hedging Agreement) in the amount due as part of such termination payment).

Other Financing Arrangements

On November 29, 2018, PIER and PIER IV, as borrowers, and Nacional Financiera, Sociedad Nacional de Crédito, Institución de Banca de Desarrollo (mandated lead arranger and agent), Banco Nacional de Comercio Exterior, Sociedad Nacional de Crédito, Institución de Banca de Desarrollo and Banco Sabadell, S.A., Institución de Banca Múltiple, in their capacity as lenders entered into a secured loan agreement (the "PIER Financing") to finance the Pier and PIER IV renewable energy projects. As of December 31, 2025, the outstanding principal balance of the PIER Financing was $107.0 million.

DESCRIPTION OF CERTAIN MATERIAL AGREEMENTS

Power Offtake Agreements

LIE Arrangements

The LIE regulatory regime was established as part of the Energy Reform of 2013 and the Electric Industry Law (Ley de la Industria Eléctrica or "LIE"), which opened the Mexican energy sector to private and foreign investment and liberalized the electricity market. Under the LIE regime, private companies are authorized, via generation permits issued by the CRE, to produce electricity and sell it in the MEM.

The LIE arrangements cover seven generation facilities operated by various Project Companies and their affiliates. Under these arrangements, each of the relevant Project Companies, as generator and seller (*vendedor*), has entered into an Electricity Hedging Agreement for the Purchase and Sale of Capacity, Electricity and Clean Energy Certificates (*Contrato de Cobertura Eléctrica para la Compraventa de Potencia, Energía Eléctrica y Certificados de Energías Limpias*) with Iberdrola Generación, as purchaser (*comprador*), which is an affiliate of the Company (collectively, the "LIE Arrangements"). The economic terms applicable to each Project, including the contracted capacity, the pricing structure and the term of each pricing schedule, are set forth in the Annex I (Anexo I) to each LIE Arrangement, as amended from time to time.

Under the LIE Arrangements, each Project Company is required to sell, and Iberdrola Generación is required to purchase, capacity, electrical energy and CELs generated from the contracted commercial capacity of the relevant generation facility. For combined cycle and cogeneration projects, pricing is structured on the basis of a fixed capacity charge (*cargo fijo de capacidad*; "CFC", in USD/MW-month) plus a variable fuel component and a variable operations and maintenance component (*cargo variable de operación y mantenimiento*, "CVOM"), each calculated in accordance with the formulas set forth in Annex I. For solar and wind projects, pricing is structured on an energy generated basis (USD/MWh), adjusted for inflation. Payments are made monthly.

The contracted capacity applicable to each Project is set out in the pricing schedule (*Tabla "A"*) of the relevant Annex I and may vary by period as agreed between the parties. The term of each pricing schedule is specified in the applicable Annex I and ranges from 5 to 25 years from the COD of the relevant generation facility.

El Carmen

On September 29, 2017, SGE, as seller, entered into the LIE Arrangement with Iberdrola Clientes, as purchaser (the "El Carmen LIE Arrangement"), in relation to its El Carmen combined cycle gas turbine plant (*Central de Ciclo Combinado El Carmen*) located in the municipality of El Carmen in the state of Nuevo León, Mexico. The COD for this Project was September 26, 2019. The term of the applicable pricing schedule is 25 years from the COD. The contracted capacity under the El Carmen LIE Arrangement is currently 471 MW (October 2025 through April 2037), escalating to 616 MW from May 2037 through the end of the applicable pricing schedule.

Dulces Nombres II

On December 18, 2023, ENCO, as seller, entered into the LIE Arrangement with Iberdrola Generación, as purchaser (the "Dulces Nombres II LIE Arrangement"), in relation to its Dulces Nombres II combined cycle gas turbine plant (*Central de Ciclo Combinado Dulces Nombres II*) located in the municipality of Pesquería in the state of Nuevo León, Mexico. The COD for this Project was January 1, 2024. The term of the applicable pricing schedule is 25 years from the COD. The contracted capacity under the Dulces Nombres II LIE Arrangement is 265 MW (January through April 2024), reduced to 205 MW (May 2024 through December 2029), and reverting to 265 MW from January 2030 through the end of the applicable pricing schedule

Cogeneration Monterrey

On March 11, 2024, ECM, as seller, entered into the LIE Arrangement with IberdrolaGeneración, as purchaser (the "Cogeneration Monterrey LIE Arrangement"), in relation to its Cogeneration Monterrey plant (Planta de Cogeneración Monterrey) located in the municipality of Monterrey in the state of Nuevo León, Mexico. The COD for this Project under the LIE regime was March 16, 2025. The term of the applicable pricing schedule is 25 years from the COD. The contracted capacity under the Cogeneration Monterrey LIE Arrangement is 40 MW.

Wind Santiago

On June 26, 2023, IRB, as seller, entered into the LIE Arrangement with Iberdrola Generación, as purchaser (the "Wind Santiago LIE Arrangement"), in relation to its wind plant located in the municipality of San Felipe in the state of Guanajuato, Mexico. The COD for this Project was September 15, 2023. The economic terms are set forth in the applicable Annex I. The contracted capacity under the Wind Santiago LIE Arrangement is 102 MW.

Solar Cuyoaco

On June 25, 2020, GPE, as seller, entered into the LIE Arrangement with Iberdrola Generación, as purchaser (the "Solar Cuyoaco LIE Arrangement"), in relation to its solar photovoltaic plant located in the municipality of Cuyoaco in the state of Puebla, Mexico. The COD for this Project was September 21, 2020. Pricing is on an energy basis. The contracted energy supply commitment under the Solar Cuyoaco LIE Arrangement is approximately 507,063 MWh in Year 1, declining gradually over a 20 year term from the COD.

Solar Santiago

On May 11, 2018, IRC, as seller, entered into the LIE Arrangement with Iberdrola Generación, as purchaser (the "Solar Santiago LIE Arrangement"), in relation to its solar photovoltaic plant located in the municipality of Villa de Arriaga in the state of San Luis Potosí, Mexico. The COD for this Project was December 21, 2018. Pricing is on an energy basis. The term of the applicable pricing schedule is 20 years from the COD, with a contracted energy supply commitment of approximately 448,758 MWh in Year 1, declining gradually over the term.

Solar Hermosillo

On May 11, 2018, IRNO, as seller, entered into the LIE Arrangement with Iberdrola Clientes, as purchaser (the "Solar Hermosillo LIE Arrangement"), in relation to its solar photovoltaic plant located in the municipality of Hermosillo in the state of Sonora, Mexico. The COD for this Project was December 21, 2018. Pricing is on an energy basis. The term of the applicable pricing schedule is 20 years from the COD, with a contracted energy supply commitment of approximately 260,202 MWh in Year 1, declining gradually over the term.

Relevant LIE Arrangement Provisions

Under each of the LIE Arrangements, the applicable Project Company, as seller, is obligated to sell and deliver capacity, electrical energy and CELs to Iberdrola Generación in the quantities and on the terms set forth in the applicable Annex I. Iberdrola Generación, as purchaser, is obligated to acquire and pay for such products in accordance with the pricing and payment terms of the applicable Annex I.

An event of default occurs, unless resulting from an act of God or force majeure, in the case of: (i) dissolution or liquidation of either party; (ii) insolvency of either party, or commencement of insolvency or bankruptcy proceedings not dismissed or cancelled within 90 days; (iii) material misrepresentations detrimental to the other party, if continuing for 60 days following notification; (iv) manipulation of measurement equipment contrary to applicable law; (v) payment default continuing 30 days after the applicable payment date; (vi) default in providing information required by applicable law or action in contravention of applicable law, regulations or the Basis of the MEM; (vii) material default in a party's obligations; (viii) any change of control or assignment of rights or obligations in contravention of the terms of the relevant LIE Arrangement; and (ix) termination of the applicable MEM Representation Agreement (defined below) for reasons attributable to the defaulting party.

In the event of a force majeure event, the affected party must notify the other party within 20 business days of occurrence, providing a preliminary report setting forth an estimate of the duration, a complete description of the event, the impact on the performance of its obligations, and preliminary supporting documentation. If the delivered energy is reduced by more than 50% of the contracted energy for 180 consecutive days or 270 non-consecutive days in any 3-year period, either party shall have the right to terminate the relevant LIE Arrangement upon written notice without the necessity of a court order or arbitration award.

Iberdrola Generación may assign its rights and obligations under the LIE Arrangements to any of its affiliates upon prior written notice to the relevant Project Company. Assignment to a third party requires the relevant Project Company's prior written consent. Each Project Company may assign its rights and obligations to

an affiliate upon prior written notice to Iberdrola Generación, and may also assign or encumber its present or future collection rights and other rights under the relevant LIE Arrangement in favor of: (a) its lenders, including any security trusts in which they participate as beneficiaries; or (b) any third party designated by the lenders.

Under the LIE Arrangements, the contracted products are Capacity (*Potencia*), Electrical Energy (*Energía Eléctrica*) and CELs. For solar and wind facilities, only Electrical Energy and CELs are sold under the LIE Arrangements.

#	Project / Entity	Type	Products	Contracted Products (CP)	Term (under the Pricing Schedule)
1	Baja California III (Iberdrola Energía Baja California, S.A. de C.V.)	Combined Cycle	Capacity and Electrical Energy	20 MW (Feb–Jul 2017) 18 MW (Aug–Dec 2017) 16 MW (Jan–Feb 2018) 26 MW (Mar–Dec 2018) 30 MW (Jan 2019–Feb 2021) 28 MW (Mar 2021–Dec 2025) 30 MW (Jan 2026 to end)	Period 1: 1 Feb 2017 to 25 Feb 2024 Period 2: 26 Feb 2024 to 28 Feb 2029
2	Escobedo (Iberdrola Energía Escobedo, S.A. de C.V.)	Combined Cycle	Capacity and Electrical Energy	35 MW	From COD (9 Oct 2019); 5 years from 26 Feb 2024
3	El Carmen (Soporte de Generación Eficiente, S.A. de C.V.)	Combined Cycle	Capacity and Electrical Energy	616 MW (Oct 2019–Apr 2020) 451 MW (May 2020–Feb 2021) 411 MW (Mar 2021) 328.333 MW (Apr 2021) 291 MW (May 2021–Apr 2022) 471 MW (May 2022–14 Mar 2025) 431 MW (15 Mar–Sep 2025) 471 MW (Oct 2025–Apr 2037) 616 MW (May 2037 to end)	25 years from COD (26 Sep 2019)
4	Hermosillo (Iberdrola Energía Noroeste, S.A. de C.V.)	Solar PV	Electrical Energy and CEL	N/A (energy-based pricing; no PC in pricing table)	20 years from COD (21 Dec 2018)
5	Santiago FV (Iberdrola Renovables Centro, S.A. de C.V.)	Solar PV	Electrical Energy and CEL	N/A (energy-based pricing; no PC in pricing table)	20 years from COD (21 Dec 2018)
6	Cuyoaco FV (Green Park Energy, S.A. de C.V.)	Solar PV	Electrical Energy and CEL	N/A (energy-based pricing; no PC in pricing table)	20 years from COD (21 Sep 2020)
7	Santiago EO (Iberdrola	Wind	Electrical Energy and CEL	N/A (energy-based pricing; no PC in pricing table)	20 years from COD (15 Sep 2023)

#	Project / Entity	Type	Products	Contracted Products (CP)	Term (under the Pricing Schedule)
	Renovables del Bajío, S.A. de C.V.)				
8	Tamazunchale (Tamazunchale, S.A.P.I. de C.V.)	Combined Cycle	Capacity and Electrical Energy	239 MW (May 2022–Apr 2037) 514 MW (May 2037 to end)	From COD; 20 years from 26 Feb 2024
9	Dulces Nombres II (Encon Monterrey, S.A. de C.V.)	Combined Cycle	Capacity and Electrical Energy	265 MW (Jan–Apr 2024) 205 MW (May 2024–Dec 2029) 265 MW (Jan 2030 to end)	25 years from COD (1 Jan 2024)
10	Enertek (Enertek, S.A. de C.V.)	Combined Cycle	Capacity and Electrical Energy	130 MW	5 years from 26 Feb 2024
11	CDN Unidad 31 (Iberdrola Energía Monterrey, S.A. de C.V.)	Combined Cycle	Capacity and Electrical Energy	255 MW	5 years from COD (17 Aug 2024)
12	CDN Unidad 41 (Iberdrola Energía Monterrey, S.A. de C.V.)	Combined Cycle	Capacity and Electrical Energy	250 MW	5 years from COD (17 Aug 2024)
13	Cogeneración Monterrey (Encon Monterrey, S.A. de C.V.)	Cogeneration	Capacity and Electrical Energy	40 MW	25 years from COD (16 Mar 2025)
14	Topolobampo II (Iberdrola Energía Noroeste, S.A. de C.V.)	Combined Cycle	Capacity and Electrical Energy	30 MW	5 years from 26 Feb 2024

Notes: (i) Quantities of Electrical Energy and CEL are not fixed in the Tablas "A"; per clauses 5.1 and 6.1 of the LIE Arrangements, they are determined through periodic Sale Offers accepted by the Purchaser. (ii) The Contracted Products (CP) for Baja California III, El Carmen, Tamazunchale and Dulces Nombres II varies by period as detailed above.

In addition to the LIE Arrangements described above, Iberdrola Generación, acting as generator, and Iberdrola Clientes, acting as a qualified supplier (*Suministrador de Servicios Calificados*), have entered into additional electricity hedging and supply arrangements with third party offtakers and suppliers in the MEM. Under these arrangements, the relevant parties purchase and sell energy, capacity, and, where applicable, CELs, through bilateral transactions settled via the CENACE. The following table summarizes the material terms of these additional arrangements:

No.	Offtaker	Seller	Products	Execution Date	Termination Date
1.	Iberdrola Clientes (Purchaser)	Iberdrola Generación (Seller)	Energy, capacity, and CELs	September 29, 2017	No established validity
2.	Deacero, S.A.P.I. de C.V. (qualified user)	Iberdrola Generación (generator)	Capacity and Electrical Energy	December 5, 2019	March 31, 2040
3.	CFE Calificados, S.A. de C.V. (supplier)	Iberdrola Generación (generator)	Capacity and Electrical Energy	October 16, 2017	15 years from commercial commencement date (*Fecha de vigilencia commercial*, renewable
4.	CFE Calificados, S.A. de C.V. (supplier)	Iberdrola Generación (generator)	Capacity and Electrical Energy	March 15, 2017	15 years from commercial commencement date (*Fecha de vigilencia commercial)*, renewable
5.	Alen Sostenible, S.A. de C.V. (qualified user)	Iberdrola Generación (generator)	Capacity, Electrical Energy and CELs	February 28, 2025	5 years from the supply commencement date, renewable

Self-Supply Arrangements

The self-supply (*autoabastecimiento*) regime was permitted under the Electric Energy Public Service Law (*Ley del Servicio Público de Energía Eléctrica*) that preceded the LIE. Under the self-supply regime, private companies could enter into contracts with private generators in which they had an ownership stake. Under this regime, electricity could be transmitted through the generator's own lines or through the national transmission grid. Players who operated under this regime prior to the 2013 Energy Reform can continue to operate in this manner, provided that they meet specific CNE requirements. However, this regime is unavailable for new projects.

Our self-supply arrangements cover eight of our Projects and involve the sale of capacity and energy to industrial offtakers that are partners (*socios*) in the self-supply structure. Under these arrangements, the industrial offtakers acquire electricity generated by the Projects for their own consumption.

Cogeneration Altamira

ICA, as generator, entered into self-supply arrangements with industrial offtakers including Industria Vidriera del Potosí, Mazda and FCA Mexico (the "Cogeneration Altamira Self-Supply Arrangements"), in relation to its cogeneration plant located in the municipality of Altamira in the state of Tamaulipas, Mexico. The COD for this Project was January 4, 2018, as established in CRE official communication No. UE-240/22325/2018, dated March 6, 2018. The term of the cogeneration permit is through 2038, unless terminated earlier. The contracted capacity under these self-supply arrangements is 51 MW.

Cogeneration Bajío

ICB, as generator, entered into self-supply arrangements with industrial offtakers including Costco de Mexico, Materias Primas Monterrey and Truper (the "Cogeneration Bajío Self-Supply Arrangements"), in relation to its cogeneration plant located in the municipality of San Juan del Río in the state of Querétaro, Mexico. The COD for this Project was January 4, 2018. The term of the cogeneration permit is through June 1, 2037, unless terminated earlier. The contracted capacity under these self-supply arrangements is 52 MW.

Cogeneration Ramos

ICR, as generator, entered into self-supply arrangements with Iberdrola Generación, S.A. de C.V. (the "Cogeneration Ramos Self-Supply Arrangements"), in relation to its cogeneration plant located in the municipality of Ramos Arizpe in the state of Coahuila, Mexico. The COD for this Project was May 1, 2016. The term of the cogeneration permit is through March 15, 2036, unless terminated earlier. The contracted capacity under these self-supply arrangements is 52 MW.

Wind PIER

PIER, as generator, entered into self-supply arrangements with Teléfonos de México, Ingredion Mexico and Grupo Ab Inbev (the "Wind PIER Self-Supply Arrangements"), in relation to its wind plant located in the municipalities of Palmar de Bravo, Cañada Morelos, and Esperanza in the state of Puebla, Mexico. The COD for this Project was July 14, 2020. The generation permit is perpetual. The contracted capacity under these self-supply arrangements is 86.5 MW. The Company holds approximately a 51% equity stake in this Project.

Wind PIER IV

PIER IV, as generator, entered into self-supply arrangements with Teléfonos de México, Ingredion Mexico and Grupo Ab Inbev (the "Wind PIER IV Self-Supply Arrangements"), in relation to its wind plant located in the municipalities of Nicolas Bravo, Cañada Morelos, and Chapulco in the state of Puebla, Mexico. The COD for this Project was August 1, 2020. The generation permit is perpetual. The contracted capacity under these self-supply arrangements is 133.5 MW. The Company holds approximately a 51% equity stake in this Project.

Wind PIER II

PIER II, as generator, entered into self-supply arrangements with PepsiCo, Productos Internacionales Mabe and Grupo Gamesa (the "Wind PIER II Self-Supply Arrangements"), in relation to its wind plant located in the municipality of Esperanza in the state of Puebla, Mexico. The COD for this Project was November 1, 2015. The generation permit is perpetual. The contracted capacity under these self-supply arrangements is 66 MW. The Company holds a 51% equity stake in this Project.

Wind Bii Nee Stipa

BNS, as generator, entered into self-supply arrangements with Propimex (the "Wind Bii Nee Stipa Self-Supply Arrangements"), in relation to its wind plant located in the municipality of Espinal in the state of Oaxaca, Mexico. The COD for this Project was April 1, 2010. The generation permit is perpetual. The contracted capacity under these self-supply arrangements is 26 MW.

Wind PEM/Ventosa

PEM, as generator, entered into self-supply arrangements with PepsiCo and Tienda Soriana (the "Wind PEM/Ventosa Self-Supply Arrangements"), in relation to its wind plant located in the municipality of Juchitán in the state of Oaxaca, Mexico. The COD for this Project was December 26, 2008. The generation permit is perpetual. The contracted capacity under these self-supply arrangements is 102 MW.

Wind Dos Arbolitos

EDA, as generator, entered into self-supply arrangements with Procter & Gamble, Hotelera Palace Resorts and Nestlé Mexico (the "Wind Dos Arbolitos Self-Supply Arrangements"), in relation to its wind plant located in the municipality of Juchitán in the state of Oaxaca, Mexico. The COD for this Project was December 1, 2014. The generation permit is perpetual. The contracted capacity under these self-supply arrangements is 70 MW.

Relevant Self-Supply Arrangement Provisions

Under the self-supply regime, the Project Companies entered into agreements with industrial offtakers (*socios autoabastecidos*) for the sale of electricity generated by the Projects for the offtakers' own consumption. The self-supply permits were issued under the prior regulatory framework (*Ley del Servicio Público de Energía Eléctrica*) and continue to be valid under the current regulatory regime, subject to the restrictions described in the Risk Factors.

Payments under the self-supply arrangements are made monthly and consist of fixed and variable components based on contracted capacity and energy delivered. The agreements generally provide that offtakers are required to pay for their share of contracted capacity and associated energy output. In the event of a payment default, the relevant Project Company is entitled to suspend service after an applicable cure period.

There is a general prohibition on assignment of rights and obligations under the self-supply arrangements without the prior written consent of the counterparty. The Project Companies may assign or encumber their present or future collection rights and other rights under the self-supply arrangements in favor of: (i) lenders, including any security trusts in which they participate as beneficiaries; or (ii) third parties designated by the lenders, with prior written notice to the offtaker.

The self-supply arrangements may be terminated upon: (i) the expiration of the applicable self-supply permit; (ii) material breach of the agreement by either party that remains uncured for the applicable cure period; (iii) insolvency of either party; or (iv) force majeure events that prevent performance for an extended period as specified in the agreements.

Gas Supply Agreements

Under our LIE arrangements and self-supply agreements, we are responsible for contracting gas supply to comply with our dispatch obligations for our thermal Projects. We have entered into gas supply agreements (*Contratos de Suministro de Gas Natural*) with creditworthy suppliers, including CFEnergía, Pemex, and Engelhart.

El Carmen

SGE, as purchaser (*comprador*), and CFEnergía, as supplier (*proveedor*), entered into a Natural Gas Supply Agreement (*Contrato de Suministro de Gas Natural*) (the "El Carmen Gas Supply Agreement"), by means of which CFEnergía is obligated to supply natural gas to IEE up to the maximum daily firm amount (*cantidad diaria firme máxima*) of 134,400 MMBTU/day. The El Carmen Gas Supply Agreement was executed on August 31, 2017, and will be in force until December 31, 2042. Such agreement is subject to Mexican law. Pursuant to the terms of the agreement, both parties granted a corporate guarantee to ensure the fulfillment of their respective obligations.

Dulces Nombres II

ENCO, as the client, and both Engelhart CTP Energy Marketing, LLC, and Engelhart CTRP Energy Marketing de México, S. de R.L. de C.V as agent, entered into an Asset Management and Agency Agreement for the provision of certain services, including nominating, scheduling, and balancing with gas suppliers for the provision of gas (*Contrato de Gestión de Activos*) (the "Dulces Nombres II Gas Supply Agreement"). The Dulces Nombres II Gas Supply Agreement was executed on November 8, 2023, and will be in force until March 31, 2028 as an initial term. Upon the expiration of the initial term, the agreement shall automatically renew on a month-to-month basis unless either party provides written notice of termination. The maximum daily quantity (*cantidad diaria máxima*) under the agreement is 48,000 MMBTU/day. Such agreement is subject to the laws of the State of Texas.

Cogeneration Altamira

ICA, as purchaser (*comprador*), and Pemex Transformación Industrial, as supplier (*proveedor*) entered into Gas Supply Agreement (*Contrato de Suministro de Gas Natural*) (the "Cogeneration Altamira Gas Supply Agreement"). The Cogeneration Altamira Gas Supply Agreement was executed on June 18, 2019. The maximum daily quantity (*cantidad diaria máxima*) is 12,037 MMBTU/day. The agreement has no established validity date (*vigencia indefinida*) and therefore will be renewed on an ongoing basis. Such agreement is subject to Mexican law.

Cogeneration Bajío

ICB, as purchaser (*comprador*), and Pemex Transformación Industrial as supplier (*proveedor*)entered into a Gas Supply Agreement (*Contrato de Suministro de Gas Natural*) (the "Cogeneration Bajío Gas Supply Agreement"). The Cogeneration Bajío Gas Supply Agreement was executed on June 18, 2019. The maximum daily quantity (*cantidad diaria máxima*) is 9,952 MMBTU/day. The agreement has no established validity date

(*vigencia indefinida*) and therefore will be renewed on an ongoing basis. Such agreement is subject to Mexican law.

Cogeneration Monterrey

ENCO (as successor to Iberdrola Energia Monterrey, S.A. de C.V., the original party of the agreement) as purchaser (*comprador*), and Pemex Transformación Industrial -then Pemex Gas y Petroquímica Básica-, as supplier (*proveedor*), entered into a Base Contract for Natural Gas Supply (*Acuerdo Base para el Suministro de Gas Natural*) (the "Cogeneration Monterrey Gas Supply Agreement"). The Cogeneration Monterrey Gas Supply Agreement was executed on March 2, 2001 and will be in force until July 31, 2028. The maximum daily quantity (*cantidad diaria máxima*) is 13,300 MMBTU/day. Such agreement is subject to Mexican law.

Cogeneration Ramos

ICR, as purchaser (*comprador*), and Pemex Transformación Industrial as supplier (proveedor) entered into a Gas Supply Agreement (*Contrato de Suministro de Gas Natural*) (the "Cogeneration Ramos Gas Supply Agreement"). The Cogeneration Ramos Gas Supply Agreement was executed on June 18, 2019. The maximum daily quantity (*cantidad diaria máxima*) is 12,037 MMBTU/day. The agreement has no established validity date (*vigencia indefinida*) and therefore will be renewed on an ongoing basis. Such agreement is subject to Mexican law.

Relevant Gas Supply Agreement Provisions

Under our Gas Supply Agreements, the respective gas supplier is obligated to supply natural gas to the Project Companies up to the maximum daily firm amount (cantidad diaria firme máxima) specified in each agreement. While the terms and conditions of these agreements vary due to the involvement of different suppliers, they all include standard market terms and conditions.

The Gas Supply Agreements generally provide that the supplier may suspend or reduce gas supply in the event of: (i) non-payment by the purchaser after an applicable cure period; (ii) force majeure events; (iii) scheduled or unscheduled maintenance of the supplier's facilities; or (iv) breach of the purchaser's material obligations under the agreement. In the event of a force majeure event affecting supply, the supplier's obligations are suspended for as long as the force majeure event continues, and the purchaser's payment obligations are adjusted accordingly.

The Gas Supply Agreements generally may be terminated upon, among other circumstances: (i) insolvency of either party; or (ii) force majeure events that prevent performance for an extended period as specified in each agreement.

Gas Interconnection and Transportation Agreements

Our thermal Projects require natural gas interconnection and/or transportation and/or distribution agreements (*Contratos de Interconexión y/o Transporte y/o distribución de Gas Natural*) to receive natural gas supply at the relevant delivery points (*puntos de entrega*). These agreements are entered into with pipeline operators (*operadores de ductos*) and gas distribution companies (*empresas distribuidoras de gas*) that transport natural gas from supply points to our generation facilities. These agreements are not subject to a specific termination date as their duration is linked to the validity of the gas transportation permits (*permisos de transporte de gas*) and the operation of the associated infrastructure. Transportation capacity (*capacidad de transporte*) under these agreements is intertwined with the contracted capacity under the Gas Supply Agreements described above.

El Carmen

SGE, and Midstream de México, S. de R.L. de C.V. ("Midstream"), entered into a Gas Interconnection Agreement (*Contrato de Interconexión de Gas Natural*) (the "El Carmen Gas Interconnection Agreement") executed on September 11, 2018. The agreement is subject to Mexican law and the terms of Midstream´s gas transportation permit (*permiso de transporte de gas*).

Dulces Nombres II

a) Intrastate Firm Gas Transportation Agreement

ENCO (as successor to Iberdrola Energía Monterrey, S.A. de C.V., the original party of the agreement), as shipper (*usuario*), and both Kinder Morgan Texas Pipeline, LLC, and Kinder Morgan Tejas Pipeline, LLC, as transporter (*transportista*), entered into a Intrastate Firm Gas Transportation Agreement (*Contrato Interestatal de Transporte de Gas Natural en Firme*) (the "Dulces Nombres II Intrastate Gas Transportation Agreement") executed on December 23, 2013 to receive and transport gas on Transporter´s pipeline system within USA to be delivered in Mexico by Kinder Morgan de México, S. de R.L. de C.V. ("Kinder Morgan México") at the Dulces Nombres II Facility. Such agreement is subject to the laws of the State of Texas.

b) Firm Gas Transportation Agreement

ENCO (as successor to Iberdrola Energía Monterrey, S.A. de C.V., the original party of the agreement), as shipper (*usuario*), and Kinder Morgan México, as transporter (*transportista*), entered into a Firm Gas Transportation Agreement (*Contrato de Transporte de Gas Natural en Firme*) (the "Dulces Nombres II Gas Transportation Agreement") executed on December 23, 2013, pursuant to which Kinder Morgan México provides natural gas transportation services (*servicios de transporte de gas natural*) to the Dulces Nombres II combined cycle gas turbine plant. The gas is transported through Kinder Morgan's pipeline system (*sistema de ductos*) to the delivery point (*punto de entrega*) at the Dulces Nombres II facility. The agreement is subject to Mexican law and the terms of Kinder Morgan's gas transportation permit (*permiso de transporte de gas*).

Cogeneration Altamira

ICA, as shipper (*usuario*), and Gas Natural del Noroeste, S.A. de C.V. ("GNN"), as distributor (*distribuidor*), entered into a Distribution Services Agreement (*Contrato de Prestación de Servicio de Distribución Simple*) (the "Cogeneration Altamira Gas Distribution Agreement") executed on December 16, 2015, pursuant to which GNN provides natural gas transportation and distribution services (*servicios de transporte y distribución de gas natural*) to the Cogeneration Altamira plant. The gas is transported through GNN's distribution network (*red de distribución*) to the delivery point (*punto de entrega*) at the Cogeneration Altamira facility. The agreement is subject to Mexican law and the terms of GNN's gas distribution permit (*permiso de distribución de gas*).

Cogeneration Bajío

ICB, as shipper (*usuario*), and GDF Suez México Comercializadora, S. de R.L. de C.V. ("GDF") as distributor (*comercializador*), entered into a Marketing Services Agreement (*Contrato de Prestación de Servicio de Comercialización*) (the "Cogeneration Bajío Gas Marketing Agreement") executed on October 17, 2016, pursuant to which Engie provides natural gas transportation and distribution services (*servicios de transporte y distribución de gas natural*) to the Cogeneration Bajío plant. The agreement is subject to Mexican law and the terms of GDF's natural gas marketing permit (*permiso de comercialización de gas*).

Cogeneration Monterrey

ENCO, as shipper (*usuario*), and Gas Natural México, S.A. de C.V., as distributor (*distribuidor*), entered into a Gas Distribution Agreement (*Contrato de Distribución simple de gas natural*) (the "Cogeneration Monterrey Gas Distribution Agreement") executed on November 30, 2001, pursuant to which Gas Natural Mexico provides natural gas transportation and distribution services (*servicios de transporte y distribución de gas natural*) to the Cogeneration Monterrey plant. The agreement is subject to Mexican law and the terms of Gas Natural Mexico's gas distribution permit (*permiso de distribución de gas*).

Cogeneration Ramos

ICR, as shipper (*usuario*), and Centro Nacional de Control del Gas Natural ("CENAGAS"), as transporter (*transportista*), entered into a Gas Interconnection and Metering Agreement (*Contrato de Interconexión y Medición de Gas Natural*) (the "Cogeneration Ramos Gas Interconnection Agreement") executed on March 2, 2016, pursuant to which CENAGAS provides natural gas transportation services (*servicios de transporte de gas natural*) to the Cogeneration Ramos plant. The agreement is subject to Mexican law.

Relevant Gas Interconnection and Transportation Agreement Provisions

The Gas Interconnection and Transportation Agreements provide for the transportation of natural gas from supply points to our generation facilities through the pipeline systems or distribution networks of the respective transporters. These agreements are not subject to a specific termination date, as their duration is linked,

in most of the cases, to the validity of the gas transportation or distribution permits and the operation of the associated infrastructure. While the terms and conditions of these agreements vary due to the involvement of different parties, they all include standard market terms and conditions.

The agreements generally provide that the transporter may suspend or interrupt transportation services in the event of: (i) non-payment by the shipper after an applicable cure period; (ii) force majeure events; (iii) maintenance or adjustment of the transporter's facilities; (iv) failure of the shipper's facilities; or (v) breach of the shipper's obligations. Under some agreements, the shipper is required to pay the corresponding capacity fee during the interruption period. A service interruption not attributable to the above events requires the transporter to compensate the shipper in accordance with the terms of the agreement.

Power Interconnection Agreements

The Project Companies that hold generation permits granted under the LIE framework or self-supply (*autoabastecimiento*) or cogeneration permits granted under the LSPEE framework hold Interconnection Agreements (*Contrato de Interconexión de Acceso Abierto y No Indebidamente Discriminatorio para Centrales Eléctricas Interconectadas a la Red Nacional de Transmisión o a las Redes Generales de Distribución*) that allow the physical interconnection of their Projects with the National Transmission Network (*Red Nacional de Transmisión*), which is owned and operated by CFE and is part of the broader National Electric System (*Sistema Eléctrico Nacional* or "SEN").

El Carmen

SGE holds an Interconnection Agreement (*Contrato de Interconexión de Acceso Abierto y No Indebidamente Discriminatorio para Centrales Eléctricas Interconectadas a la Red Nacional de Transmisión o a las Redes Generales de Distribución*) (the "El Carmen Power Interconnection Agreement") with CFET, which merged into CFE as a result of the LSE. Pursuant to that agreement, CFET provides open access transmission services (*servicios de transmisión de acceso abierto*) to interconnect the El Carmen combined cycle gas turbine plant to the National Electric System (*Sistema Eléctrico Nacional*). The contracted interconnection capacity (*capacidad de interconexión contratada*) under this agreement is 949.8 MW. The point of connection (*punto de interconexión*) is SE El Carmen at 400 kV. The agreement is subject to Mexican law and the regulatory oversight of CFE, CNE and CENACE.

Dulces Nombres II

ENCO, as generator (*generador*), and CFET, as transmission service provider (*prestador del servicio de transmisión*), entered into a Power Interconnection Agreement (*Contrato de Interconexión*) (the "Dulces Nombres II Power Interconnection Agreement"), pursuant to which CFET provides open access transmission services (*servicios de transmisión de acceso abierto*) to interconnect the Dulces Nombres II combined cycle gas turbine plant to the National Electric System (*Sistema Eléctrico Nacional*). The contracted interconnection capacity (*capacidad de interconexión contratada*) under this agreement is 303 MW. The point of connection (*punto de interconexión*) is SE Dulces Nombres at 115 kV. The agreement is subject to Mexican law and the regulatory oversight of CFE, CNE and CENACE.

Cogeneration Altamira

ICA, as generator (*generador*), and CFET, as transmission service provider (*prestador del servicio de transmisión*), entered into a Power Interconnection Agreement (*Contrato de Interconexión*) (the "Cogeneration Altamira Power Interconnection Agreement"), pursuant to which CFET provides open access transmission services (*servicios de transmisión de acceso abierto*) to interconnect the Cogeneration Altamira plant to the National Electric System (*Sistema Eléctrico Nacional*). The contracted interconnection capacity (*capacidad de interconexión contratada*) under this agreement is 60.9 MW. The point of connection (*punto de interconexión*) is SE Altamira II at 115 kV. The agreement is subject to Mexican law and the regulatory oversight of CFE, CNE and CENACE.

Cogeneration Bajío

ICB, as generator (*generador*), and CFET, as transmission service provider (*prestador del servicio de transmisión*), entered into a Power Interconnection Agreement (*Contrato de Interconexión*) (the "Cogeneration Bajío Power Interconnection Agreement"), pursuant to which CFET provides open access transmission services (*servicios de transmisión de acceso abierto*) to interconnect the Cogeneration Bajío plant to the National Electric

System (*Sistema Eléctrico Nacional*). The contracted interconnection capacity (*capacidad de interconexión contratada*) under this agreement is 53.7 MW. The point of connection (*punto de interconexión*) is SE San Juan del Río at 85 kV. The agreement is subject to Mexican law and the regulatory oversight of CFE, CNE and CENACE.

Cogeneration Monterrey

ENCO, as generator (*generador*), and CFET, as transmission service provider (*prestador del servicio de transmisión*), entered into a Power Interconnection Agreement (*Contrato de Interconexión*) (the "Cogeneration Monterrey Power Interconnection Agreement"), pursuant to which CFET provides open access transmission services (*servicios de transmisión de acceso abierto*) to interconnect the Cogeneration Monterrey plant to the National Electric System (*Sistema Eléctrico Nacional*). The contracted interconnection capacity (*capacidad de interconexión contratada*) under this agreement is 37.2 MW. The point of connection (*punto de interconexión*) is SE Monterrey at 138 kV. The agreement is subject to Mexican law and the regulatory oversight of CFE, CNE and CENACE.

Cogeneration Ramos

ICR, as generator (*generador*), and CFET, as transmission service provider (*prestador del servicio de transmisión*), entered into a Power Interconnection Agreement (*Contrato de Interconexión*) (the "Cogeneration Ramos Power Interconnection Agreement"), pursuant to which CFET provides open access transmission services (*servicios de transmisión de acceso abierto*) to interconnect the Cogeneration Ramos plant to the National Electric System (*Sistema Eléctrico Nacional*). The contracted interconnection capacity (*capacidad de interconexión contratada*) under this agreement is 54.9 MW. The point of connection (*punto de interconexión*) is SE Ramos Arizpe at 115 kV. The agreement is subject to Mexican law and the regulatory oversight of CFE, CNE and CENACE.

Wind PIER IV

PIER IV, as generator (*generador*), and CFET, as transmission service provider (*prestador del servicio de transmisión*), entered into a Power Interconnection Agreement (*Contrato de Interconexión*) (the "Wind PIER IV Power Interconnection Agreement"), pursuant to which CFET provides open access transmission services (*servicios de transmisión de acceso abierto*) to interconnect the Wind PIER plant to the National Electric System (*Sistema Eléctrico Nacional*). The contracted interconnection capacity (*capacidad de interconexión contratada*) under this agreement is 133.5 MW. The point of connection (*punto de interconexión*) is SE Elevadora PIER with SE Tecali at 230 kV. The agreement is subject to Mexican law and the regulatory oversight of CFE, CNE and CENACE.

Wind PIER

PIER, as generator (*generador),* and CFET, as transmisison service provider (*prestador del servicio de transmisión*), entered into a Power Interconnection Agreement (*Contrato de Interconexión*) (the "Wind PIER Power Interconnection Agreement"), pursuant to which CFET provides open access transmission services (*servicios de transmisión de acceso abierto*) to interconnect the Wind PIER plant to the National Electric System (*Sistema Eléctrico Nacional*). The contracted interconnection capacity (*capacidad de interconexión contratada*) under this agreement is 86.5 MW. The point of connection (*punto de interconexión*) is SE Elevadora PIER with SE Tecali at 230 kV. The agreement is subject to Mexican law and the regulatory oversight of CFE, CNE and CENACE

Wind PIER II

PIER II, as generator (*generador*), and CFET, as transmission service provider (*prestador del servicio de transmisión*), entered into a Power Interconnection Agreement (*Contrato de Interconexión*) (the "Wind PIER II Power Interconnection Agreement"), pursuant to which CFET provides open access transmission services (*servicios de transmisión de acceso abierto*) to interconnect the Wind PIER II plant to the National Electric System (*Sistema Eléctrico Nacional*). The contracted interconnection capacity (*capacidad de interconexión contratada*) under this agreement is 66 MW. The point of connection (*punto de interconexión*) is SE Elevadora PIER II with SE Esperanza at 115 kV. The agreement is subject to Mexican law and the regulatory oversight of CFE, CNE and CENACE.

Wind Santiago

IRB, as generator (*generador*), and CFET, as transmission service provider (*prestador del servicio de transmisión*), entered into a Power Interconnection Agreement (*Contrato de Interconexión*) (the "Wind Santiago Power Interconnection Agreement"), pursuant to which CFET provides open access transmission services (*servicios de transmisión de acceso abierto*) to interconnect the Wind Santiago plant to the National Electric System (*Sistema Eléctrico Nacional*). The contracted interconnection capacity (*capacidad de interconexión contratada*) under this agreement is 105 MW. The point of connection (*punto de interconexión*) is Vaquerías with Villa de Reyes at 230 kV. The agreement is subject to Mexican law and the regulatory oversight of CFE, CNE and CENACE.

Bii Nee Stipa

BNS, as generator (*generador*), and CFET, as transmission service provider (*prestador del servicio de transmisión*), entered into a Power Interconnection Agreement (*Contrato de Interconexión*) (the "Wind Bii Nee Stipa Power Interconnection Agreement"), pursuant to which CFET provides open access transmission services (*servicios de transmisión de acceso abierto*) to interconnect the Wind Bii Nee Stipa plant to the National Electric System (*Sistema Eléctrico Nacional*). The contracted interconnection capacity (*capacidad de interconexión contratada*) under this agreement is 26.35 MW. The point of connection (*punto de interconexión*) is SE Elevadora BNS with SE Juchitán II at 115 kV. The agreement is subject to Mexican law and the regulatory oversight of CFE, CNE and CENACE.

Wind PEM/Ventosa

PEM, as generator (*generador*), and CFET, as transmission service provider (*prestador del servicio de transmisión*), entered into a Power Interconnection Agreement (*Contrato de Interconexión*) (the "Wind PEM/Ventosa Power Interconnection Agreement"), pursuant to which CFET provides open access transmission services (*servicios de transmisión de acceso abierto*) to interconnect the Wind PEM/Ventosa plant to the National Electric System (*Sistema Eléctrico Nacional*). The contracted interconnection capacity (*capacidad de interconexión contratada*) under this agreement is 99.45 MW. The point of connection (*punto de interconexión*) is SE Elevadora with SE Juchitán II at 230 kV. The agreement is subject to Mexican law and the regulatory oversight of CFE, CNE and CENACE.

Wind Dos Arbolitos

EDA, as generator (*generador*), and CFET, as transmission service provider (*prestador del servicio de transmisión*), entered into a Power Interconnection Agreement (*Contrato de Interconexión*) (the "Wind Dos Arbolitos Power Interconnection Agreement"), pursuant to which CFET provides open access transmission services (*servicios de transmisión de acceso abierto*) to interconnect the Wind Dos Arbolitos plant to the National Electric System (*Sistema Eléctrico Nacional*). The contracted interconnection capacity (*capacidad de interconexión contratada*) under this agreement is 70 MW. The point of connection (*punto de interconexión*) is SE Elevadora with SE Ixtepec Potencia at 115 kV. The agreement is subject to Mexican law and the regulatory oversight of CFE, CNE and CENACE.

Solar Cuyoaco

GPE, as generator (*generador*), and CFET, as transmission service provider (*prestador del servicio de transmisión*), entered into a Power Interconnection Agreement (*Contrato de Interconexión*) (the "Solar Cuyoaco Power Interconnection Agreement"), pursuant to which CFET provides open access transmission services (*servicios de transmisión de acceso abierto*) to interconnect the Solar Cuyoaco plant to the National Electric System (*Sistema Eléctrico Nacional*). The contracted interconnection capacity (*capacidad de interconexión contratada*) under this agreement is 200 MW. The point of connection (*punto de interconexión*) is Zocac with Jalazingo at 230 kV. The agreement is subject to Mexican law and the regulatory oversight of CFE, CNE and CENACE.

Solar Santiago

IRC, as generator (*generador*), and CFET, as transmission service provider (*prestador del servicio de transmisión*), entered into a Power Interconnection Agreement (*Contrato de Interconexión*) (the "Solar Santiago Power Interconnection Agreement"), pursuant to which CFET provides open access transmission services (*servicios de transmisión de acceso abierto*) to interconnect the Solar Santiago plant to the National Electric

System (*Sistema Eléctrico Nacional*). The contracted interconnection capacity (*capacidad de interconexión contratada*) under this agreement is 170 MW. The point of connection (*punto de interconexión*) is Aguascalientes Oriente with Vaquerías at 230 kV. The agreement is subject to Mexican law and the regulatory oversight of CFE, CNE and CENACE.

Solar Hermosillo

IRNO, as generator (*generador*), and CFET, as transmission service provider (*prestador del servicio de transmisión*), entered into a Power Interconnection Agreement (*Contrato de Interconexión*) (the "Solar Hermosillo Power Interconnection Agreement"), pursuant to which CFET provides open access transmission services (*servicios de transmisión de acceso abierto*) to interconnect the Solar Hermosillo plant to the National Electric System (*Sistema Eléctrico Nacional*). The contracted interconnection capacity (*capacidad de interconexión contratada*) under this agreement is 100 MW. The point of connection (*punto de interconexión*) is Hermosillo 5 with Cementos Portland at 115 kV. The agreement is subject to Mexican law and the regulatory oversight of CFE, CNE and CENACE.

Relevant Power Interconnection Agreement Provisions

The Power Interconnection Agreements are "regulated" contracts in the sense that the forms thereof are approved by the CNE and, as a result, cannot be amended by the parties thereto without the prior authorization of CNE. These agreements are entered into pursuant to standardized terms and conditions established by the CNE.

Under the Power Interconnection Agreements, CFET is obligated to provide open access transmission services to interconnect the Project Companies' generation facilities to the National Electric System (*Sistema Eléctrico Nacional* or "SEN"). The Project Companies are required to pay the applicable transmission fees and comply with the technical requirements established by CENACE and CNE.

CFET may suspend or interrupt transmission services in the event of: (i) non-payment by the generator after an applicable cure period; (ii) force majeure events; (iii) scheduled or unscheduled maintenance of the transmission facilities; (iv) grid emergencies or reliability concerns as determined by CENACE; or (v) breach of the generator's material obligations under the agreement.

The table below summarizes the key terms of the Power Interconnection Agreements:

No.	Interconnection Agreement	Project	Execution Date	Termination Date[(1)]	Remaining Term[(2)]	Contracted Interconnection Capacity
1.	El Carmen Interconnection Agreement No. CTR/GRT_NES/CI/0141/2017	El Carmen	April 17, 2017	March 17, 2046	20 years	949.8 MW
2.	Dulces Nombres II Interconnection Agreement No. CTR/GRT_NES/CI/0128/2023	Dulces Nombres II	December 18, 2023	November 30, 2053	27 years	303 MW
3.	Ramos Interconnection Agreement No. CIRCD/DDGN/SPC/01_2016	Ramos	January 26, 2016	May 1, 2036	10 years	54.9 MW
4.	Bajío Interconnection Agreement No. CIDP65-11_2016	Bajío	November 30, 2016	February 1, 2038	12 years	53.7 MW
5.	Altamira Interconnection Agreement No. CIDU28-06_2016	Altamira	July 28, 2016	January 4, 2038	12 years	60.9 MW
6.	Monterrey Interconnection Agreement No. CTR/GRT_NES/CI/0111/2024	Monterrey	December 19, 2024	November 17, 2053	27 years	37.2 MW
7.	PIER Interconnection Agreement No. CIDV03-03_2018	PIER	March 14, 2018	July 14, 2040	14 years	86.5 MW
8.	PIER IV Interconnection Agreement No. CIDV04-03_2018	PIER IV	March 14, 2018	August 1, 2040	14 years	133.5 MW
9.	PIER II Interconnection Agreement No. CIRCD28-04_2015	PIER II	May 21, 2015	November 1, 2035	9 years	66 MW
10.	Santiago (Wind) Interconnection Agreement No. CTR/GRT OCC/CI/0073/2023	Santiago (Wind)	August 9, 2023	June 9, 2053	27 years	105 MW
11.	Bii Nee Stipa Interconnection Agreement No. CIRC26-06/2010	Bii Nee Stipa	August 27, 2010	January 1, 2030	4 years	26.35 MW
12.	PEM/Ventosa Interconnection Agreement No. 6CIRCD29-04_2015	PEM/Ventosa	June 10, 2015	February 1, 2029	3 years	99.45 MW

13.	Dos Arbolitos Interconnection Agreement No. 2CIRCD136-11_2015	Dos Arbolitos	December 1, 2015	December 1, 2034	8 years	70 MW
14.	Cuyoaco Interconnection Agreement No. CTR/GRT ORI/CI/0016/2018	Cuyoaco	March 9, 2018	December 31, 2050	24 years	200 MW
15.	Hermosillo Interconnection Agreement No. CTR/GRT NOR/CI/0056/2018	Hermosillo	June 22, 2018	April 14, 2045	19 years	100 MW
16.	Santiago (Solar) Interconnection Agreement No. CTR/GRT OCC/CI/0033/2018	Santiago (Solar)	April 26, 2018	December 18, 2047	21 years	170 MW

MEM Representation Agreements

Each of the LIE Project Companies that holds a LIE generation permit has also entered into a separate agreement for the purchase and sale of products and market representation (*Contrato de Compraventa de Productos y de Representación en el Mercado Eléctrico Mayorista*) with Iberdrola Generación, as purchaser and market representative (*comprador y representante en el mercado*) (collectively, the "*MEM Representation Agreements*"). These agreements are distinct from the LIE Arrangements described above.

The MEM Representation Agreements serve two complementary purposes: (i) enabling Iberdrola Generación to represent each Project Company's generation facility before the MEM and CENACE as market representative -generator-, in accordance with the requirements of the Electricity Market Guidelines (*Bases del Mercado Eléctrico*); and (ii) establishing the terms under which each Project Company transfers to Iberdrola Generación the electrical energy and other electricity products generated by the relevant facility, so that Iberdrola Generación may in turn deliver such products to Iberdrola Clientes under the LIE Arrangements. Compensation under each MEM Representation Agreement consists of a monthly payment equal to U.S.$1.00 per MWh of electrical energy delivered at the interconnection point, plus the corresponding Value Added Tax (*Impuesto al Valor Agregado*; "IVA").

El Carmen

SGE, as principal (*mandante*), entered into a MEM Representation Agreement on Feburary 20, 2017 (as successor by spin-off to Iberdrola Energía Escobedo, S.A. de C.V with Iberdrola Generación, as market representative (*representante del mercado*) (the "El Carmen MEM Representation Agreement"), in relation to its El Carmen combined cycle gas turbine plant located in Nuevo León, Mexico. The term of the pricing schedule under this agreement is 25 years from the COD (September 26, 2019), but the agreement shall remain in full force and effect until all outstanding obligations under the same have been fulfilled. The contracted capacity under this agreement, as reflected in Annex I (*Tabla "A"*), is currently 471 MW, escalating to 616 MW from May 2037. SGE may freely assign its rights and obligations to its lenders and Affiliates without Iberdrola Generación's prior consent; however, assignments to entities acquiring the Power Plant require Iberdrola Generación's prior written authorization. Iberdrola Generación may assign to an Affiliate with SGE's prior authorization. Any assignment must be documented through an amendment agreement.

Dulces Nombres II

ENCO, as principal, entered into a MEM Representation Agreement on December 18, 2023, with Iberdrola Generación, as market representative (the "Dulces Nombres II MEM Representation Agreement"), in relation to its Dulces Nombres II combined cycle gas turbine plant located in Nuevo León, Mexico. The term of the pricing schedule under this agreement is 25 years from the COD (January 1, 2024), but the agreement shall remain in full force and effect until all outstanding obligations under the same have been fulfilled. The contracted capacity under this agreement is 265 MW (January through April 2024), 205 MW (May 2024 through December 2029), and 265 MW from January 2030 through the end of the applicable pricing schedule. ENCO may freely assign its rights and obligations to its lenders and Affiliates without Iberdrola Generación's prior consent; however, assignments to entities acquiring the Power Plant require Iberdrola Generación's prior written authorization. Iberdrola Generación may assign to an Affiliate only with ENCO's prior authorization and subject to the requirements of Clause 15. Any assignment must be documented through an amendment agreement.

Cogeneration Monterrey

ENCO, as principal, entered into a MEM Representation Agreement on March 11, 2024, with Iberdrola Generación, as market representative (the "Cogeneration Monterrey MEM Representation Agreement"), in relation to its Cogeneration Monterrey plant located in Nuevo León, Mexico. The term of the pricing schedule under this agreement is 25 years from the COD (March 16, 2025), but the agreement shall remain in full force and

effect until all outstanding obligations under the same have been fulfilled. The contracted capacity under this agreement is 40 MW. ENCO may freely assign its rights and obligations to its lenders and Affiliates without Iberdrola Generación's prior consent; however, assignments to entities acquiring the Power Plant require Iberdrola Generación's prior written authorization. Iberdrola Generación may assign to an Affiliate only with ENCO's prior authorization and subject to the requirements of Clause 15. Any assignment must be documented through an amendment agreement.

Wind Santiago

IRB, as principal, entered into a MEM Representation Agreement on June 26, 2023, with Iberdrola Generación México, S.A. de C.V., on behalf of Iberdrola Generación, as market representative (the "Wind Santiago MEM Representation Agreement"), in relation to its wind plant located in Guanajuato, Mexico. The pricing terms are set forth in the applicable Annex I. The contracted capacity under this agreement is 102 MW. The term of this agreement is 20 years from the COD (September 15, 2023). Pricing is on an energy basis of 60.7 USD/MWh, indexed to inflation. IRB may freely assign its rights and obligations to its lenders and Affiliates without Iberdrola Generación's prior consent; however, assignments to entities acquiring the Power Plant require Iberdrola Generación's prior written authorization. Iberdrola Generación may assign to an Affiliate with IRB's prior authorization. Any assignment must be documented through an amendment agreement.

Solar Cuyoaco

Iberdrola Renovables México, S.A. de C.V., on behalf of GPE, as principal, entered into a MEM Representation Agreement on June 25, 2020 (as amended by the First Amendment Agreement dated November 22, 2023, by which Energías Renovables Venta III, S.A. de C.V.'s rights and obligations were transferred to GPE as successor by spin-off) with Iberdrola Generación México, S.A. de C.V., on behalf of Iberdrola Generación, as market representative (the "Solar Cuyoaco MEM Representation Agreement"), in relation to its solar photovoltaic plant located in Puebla, Mexico. The term of this agreement is 20 years from the COD (September 21, 2020). Pricing is on an energy basis of 43.14 USD/MWh, indexed to inflation. GPE may freely assign its rights and obligations to its lenders and Affiliates without Iberdrola Generación's prior consent; however, assignments to entities acquiring the Power Plant require Iberdrola Generación's prior written authorization. Iberdrola Generación may assign to its lenders and Affiliates with GPE's prior authorization.

Solar Santiago

IRC, as principal, entered into a MEM Representation Agreement on May 11, 2018, with Iberdrola Generación, as market representative (the "Solar Santiago MEM Representation Agreement"), in relation to its solar photovoltaic plant located in San Luis Potosí, Mexico. The term of this agreement is 20 years from the COD (December 21, 2018). Pricing is on an energy basis of 43.14 USD/MWh, indexed to inflation. IRC may freely assign its rights and obligations to its lenders and Affiliates without Iberdrola Generación's prior consent; however, assignments to entities acquiring the Power Plant require Iberdrola Generación's prior written authorization. Iberdrola Generación may assign to an Affiliate with IRC's prior authorization.

Solar Hermosillo

IRNO, as principal, entered into a MEM Representation Agreement on May 11, 2018, with Iberdrola Generación, as market representative (the "Solar Hermosillo MEM Representation Agreement"), in relation to its solar photovoltaic plant located in Sonora, Mexico. The term of this agreement is 20 years from the COD (December 21, 2018). Pricing is on an energy basis of 43.14 USD/MWh, indexed to inflation. IRNO may freely assign its rights and obligations to its lenders and Affiliates without Iberdrola Generación's prior consent; however, assignments to entities acquiring the Power Plant require Iberdrola Generación's prior written authorization. Iberdrola Generación may assign to an Affiliate with IRNO 's prior authorization.

Relevant MEM Representation Agreement Provisions

Under each of the MEM Representation Agreements, Iberdrola Generación, as market representative, is obligated to register and represent the relevant generation facility before the MEM and the CENACE, to deliver the facility's dispatch instructions and to carry out the commercial, regulatory and financial management associated with the participation of such facility in the MEM, including the sale of capacity through Bilateral Power Transactions (*Transacciones Bilaterales de Potencia*; "TBPot") and the settlement of energy in the MEM.

The MEM Representation Agreements may be renewed by mutual agreement of the parties. During any extension period, either party may terminate the relevant agreement upon prior written notice, subject to the payment of a penalty as specified in the applicable agreement. In the event of a default continuing uncured within the applicable cure period, the non-defaulting party may: (a) demand specific performance of the defaulting party's obligations; (b) terminate the agreement without the need for a judicial declaration and demand payment of a penalty; or (c) exercise any other right provided under applicable law. Neither party may assign its rights and obligations without the prior written consent of the other party, except that each Project Company may assign or encumber its present or future collection rights in favor of lenders or third parties designated by lenders, with prior written notice to Iberdrola Generación.

Long-Term Services Agreements and Contractual Service Agreements

Our Projects have entered into Long-Term Services Agreements (*Contratos de Servicios de Largo Plazo* or "LTSAs") and Contractual Service Agreements (*Contratos de Servicios* or "CSAs") that govern the timing and scope of major maintenance activities. Our LTSAs and CSAs are entered into with the original equipment manufacturers (*fabricantes de equipo original* or "OEMs") for the turbines and other major equipment at each Project.

El Carmen

On March 17, 2017, SGE -as successor of Iberdrola Energía Escobedo, S.A. de C.V.-, as owner (*propietario*), entered into a Long-Term Services Agreement (*Contrato de Servicios de Largo Plazo*) with the consortium between Mitsubishi Hitachi Power Systems Americas, Inc. and Mitsubishi Hitachi Power Systems de México, S.A. de C.V., as contractor (*contratista*) (the "El Carmen LTSA") as amended from time to time, most recently by the Amendment Agreement dated July 9, 2021; pursuant to which MHPS provides the parts and services associated with the major maintenance of the gas and steam turbines and associated generators, accessories, and auxiliaries of the El Carmen combined cycle gas turbine plant. The El Carmen LTSA has a term of 30 years from the contract start date. MHPS may undertake or apply inspections, monitoring and/or analysis to extend or optimize outage intervals, parts usage and/or work scope and maintenance activities. The maintenance inspections covered under the El Carmen LTSA are performed in accordance with a planned maintenance program. Such agreement is subject to New York law.

Dulces Nombres II

In October 2016, ENCO, as owner (*propietario*), entered into a Long-Term Services Agreement (*Contrato de Servicios de Largo Plazo*) with GE Gas Power International and Power Servicios de Energía (originally Alstom, which was acquired by GE in 2015), as service provider (*prestador de servicios*) (the "Dulces Nombres II LTSA"), pursuant to which GE provides the parts and services associated with the major maintenance of the gas and steam turbines and associated generators, accessories, and auxiliaries of the Dulces Nombres II combined cycle gas turbine plant. The Dulces Nombres II LTSA has a term of 25 years from the contract start date. GE may undertake or apply inspections, monitoring and/or analysis to extend or optimize outage intervals, parts usage and/or work scope and maintenance activities. The maintenance inspections covered under the Dulces Nombres II LTSA are performed in accordance with a planned maintenance program and with a fixed fee of U.S.$28,583/month (10,250+18,333). Such agreement is subject to Mexican law.

Cogeneration Altamira

On October 30, 2017, ICA, as owner (*propietario*), entered into a Contractual Service Agreement (*Contrato de Servicios*) with GE, as service provider (*prestador de servicios*) (the "Cogeneration Altamira CSA"), pursuant to which GE provides the parts and services associated with the major maintenance of the gas turbine and associated generators of the Cogeneration Project Altamira plant. The contract term is for the life of the asset (*vida útil del activo*). GE may undertake or apply inspections, monitoring and/or analysis to extend or optimize outage intervals, parts usage and/or work scope and maintenance activities. The fixed fee under this agreement is U.S.$25,000 per month. Such agreement is subject to New York law.

Cogeneration Bajío

On October 30, 2017 ICB, as owner (*propietario*), entered into a Contractual Service Agreement (*Contrato de Servicios*) with GE, as service provider (*prestador de servicios*) (the "Cogeneration Bajío CSA"), pursuant to which GE provides the parts and services associated with the major maintenance of the gas turbine and associated generators of the Cogeneration Project Bajío plant. The contract term is for the life of the asset

(*vida útil del activo*). GE may undertake or apply inspections, monitoring and/or analysis to extend or optimize outage intervals, parts usage and/or work scope and maintenance activities. The fixed fee under this agreement is U.S.$25,000 per month. Such agreement is subject to New York law.

Cogeneration Monterrey

On June 25, 2006, Iberdrola Energía Monterrey, S.A. de C.V. as owner (*propietario*), entered into a Contractual Service Agreement (*Contrato de Servicios*) with GE, as service provider (*prestador de servicios*) (the "Cogeneration Monterrey CSA") as amended from time to time, most recently by the First Amendment Agreement dated December 28, 2012; pursuant to which GE provides the parts and services associated with the major maintenance of the gas turbine and associated generators of the Cogeneration Monterrey Project plant. The contract term is until the first occurrence of the following: (a) the date uponthe asset has reached its performance end date (*vida útil del activo*); and (b) sixteen years from the execution date of the contract GE may undertake or apply inspections, monitoring and/or analysis to extend or optimize outage intervals, parts usage and/or work scope and maintenance activities. The variable fee under this agreement is U.S.$188.00 per Fired Hour of the Covered Unit, for all Fired Hours recorded during the months for the Covered Unit starting from 50,001 Fired Hours to the Performance End Date. Such agreement is subject to New York law.

Cogeneration Ramos

On August 18, 2015, ICR, as owner (*propietario*), entered into a Contractual Service Agreement (*Contrato de Servicios*) with GE, as service providers (*prestador de servicios*) (the "Cogeneration Ramos CSA"), pursuant to which such service providers provide the parts and services associated with the major maintenance of the gas turbine and associated generators of the Cogeneration Ramos Project plant. The contract term is until the first occurrence of the following: (a) the date upon the asset has reached its performance end date (*vida útil del activo*); and (b) fifteen years from the execution date of the contract. Each quarterly periodic payment shall consist of (i) the Monthly fee — a variable monthly fee of U.S.$233.45 per fired Hour of the Covered Unit, for all fired Hours recorded during the months for the Covered Unit from zero fire Hours to the performance end date — for three months of such quarter plus or minus (ii) the applicable performance bonus/Liquidated Damage per Exhibit "C" of the agreement. Such agreement is subject to New York law.

PIER and PIER IV

On September 30, 2022 PIER and PIER IV, as owner (*propietario*), entered into a Contractual Service Agreement (*Contrato de Servicios*) with Siemens, as service provider (*prestador de servicios*) (the "PIER and PIER IV CSA"), pursuant to which Siemens provides the parts and services associated with the major maintenance of the PIER and PIER IV Project plants. The contract term is 4 years. Siemens may undertake or apply inspections, analysis, software updates and/or maintenance activities in connection with the wind turbines, according to the corresponding maintenance plan. The fixed fee under this agreement is U.S.$54,478.64 per wind turbine, per year. Such agreement is subject to Mexican law.

PIER II

In April 16, 2024 PIER II, as the client (*cliente*), entered into a Specialized Operation and Maintenance Services Agreement (*Contrato de Servicios especializado de operación y mantenimiento*) with Asistencia Total en Mantenimiento, S.L.U., as service provider (prestador de servicios, "AT") (the "PIER II CSA"), pursuant to which AT provides the parts and services associated with the major maintenance of the PIER II Project plants. The contract term is three years, and may be renewed for up to two (2) additional successive periods of one (1) year each. AT may undertake or apply inspections, analysis, software updates and/or maintenance activities in connection with the wind turbines, according to the corresponding maintenance plan. The fixed fee under this agreement is MXN$ 25,091.00 per wind turbine, per year. Such agreement is subject to Mexican law.

Wind Santiago

On January 19, 2024 IRB, as owner (*propietario*), entered into a Contractual Service Agreement (*Contrato de Servicios*) with Siemens, as service provider (*prestador de servicios*) (the "Wind Santiago CSA"), pursuant to which Siemens provides the parts and services associated with the major maintenance of the Wind Santiago Project plant. The contract term is 2 years. Siemens may undertake or apply inspections, analysis, software updates and/or maintenance activities in connection with the wind turbines, according to the corresponding maintenance plan. The fixed fee under this agreement is U.S.$36,000.00 per wind turbine, per year. Such agreement is subject to Mexican law.

Bii Nee Stipa

On February 25, 2025 BNS, as the client (*cliente*), entered into a Framework Agreement number 4600047860 (*Contrato Marco*) with Camaradecimavilla México, S. A. de C.V., as service provider (*prestador de servicios*) (the "BNS CSA"), pursuant to which the service provider provides services and certain parts associated with the maintenance of the Bii Nee Stipa Project plant. The contract term is 5 years. The service provider may undertake or apply inspections, analysis, software updates and/or maintenance activities in connection with the wind turbines, according to the corresponding maintenance plan. The fixed fee under this agreement is U.S.$18.986 per wind turbine, per year. Such agreement is subject to Mexican law.

PEM/Ventosa

In November 2, 2023, PEM and EDA collectively as owner/client (*propietario/cliente*), represented by Iberdrola Renovables México, S.A. de C.V., entered into a Specialized Operation and Maintenance Services Agreement (*Contrato de Prestación de Servicios Especializados de Operación y Mantenimiento*) with Ingeteam México S.A. de C.V., as service provider (*contractor*) (the "PEM/Ventosa CSA"), for the operation and maintenance of G8X/9X wind turbines (aerogeneradores) at wind farms located in Oaxaca, Mexico, with a term of three (3) years and up to two (2) additional successive periods of one (1) year each. AT may undertake or apply inspections, analysis, software updates and/or maintenance activities in connection with the wind turbines, according to the corresponding maintenance plan. The fixed fee under this agreement is MXN$ 32,038.35 per wind turbine, per year. Such agreement is subject to Mexican law.

Dos Arbolitos

In November 2, 2023, PEM and EDA collectively as owner/client (*propietario/cliente*), represented by Iberdrola Renovables México, S.A. de C.V., entered into a Specialized Operation and Maintenance Services Agreement (*Contrato de Prestación de Servicios Especializados de Operación y Mantenimiento*) with Ingeteam México S.A. de C.V., as service provider (*contractor*) (the "EDA CSA"), for the operation and maintenance of G8X/9X wind turbines (aerogeneradores) at wind farms located in Oaxaca, Mexico, with a term of three (3) years and up to two (2) additional successive periods of one (1) year each. AT may undertake or apply inspections, analysis, software updates and/or maintenance activities in connection with the wind turbines, according to the corresponding maintenance plan. The fixed fee under this agreement is MXN$ 32,038.35 per wind turbine, per year. Such agreement is subject to Mexican law.

Cuyoaco

In April 29, 2022 GPE, as the client (*cliente*), entered into a Framework Agreement number C460038227 (*Contrato Marco*) with Solarig México, S. de R.L. de C.V., as service provider (*prestador de servicios*) (the "Cuyoaco CSA"), pursuant to which the service provider provides services and certain parts associated with the maintenance of the Cuyoaco Project plant. The contract term is until May 1, 2026. The service provider may undertake or apply inspections and/or maintenance activities in connection with the strings and electrical cabinets, according to the corresponding maintenance plan. The fixed fee under this agreement is U.S.$4,990,600 for all solar field, per year. Such agreement is subject to Mexican law.

Hermosillo

In April 29, 2022 IRNO, as the client (*cliente*), entered into a Framework Agreement number 460038226 (*Contrato Marco*) with Solarig México, S. de R.L. de C.V., as service provider (*prestador de servicios*) (the "Hermosillo CSA"), pursuant to which the service provider provides services and certain parts associated with the maintenance of the Hermosillo Project plant. The contract term is until May 1, 2026. The service provider may undertake or apply inspections and/or maintenance activities in connection with the strings and electrical cabinets, according to the corresponding maintenance plan. The fixed fee under this agreement is U.S.$2,500,000 for all solar field, per year. Such agreement is subject to Mexican law.

Solar Santiago

In April 29, 2022 IRC, as the client (*cliente*), entered into a Framework Agreement number 4600038225 (*Contrato Marco*) with Solarig México, S. de R.L. de C.V., as service provider (*prestador de servicios*) (the "Cuyoaco CSA"), pursuant to which the service provider provides services and certain parts associated with the maintenance of the Solar Santiago Project plant. The contract term is until May 1, 2026. The service provider may undertake or apply inspections and/or maintenance activities in connection with the strings and electrical cabinets,

according to the corresponding maintenance plan. The fixed fee under this agreement is U.S.$6,800,000 for all solar field, per year. Such agreement is subject to Mexican law.

Relevant LTSA and CSA Provisions

Under the LTSAs and CSAs, the respective OEM service providers are obligated to provide the parts and services associated with the major maintenance of the turbines and associated generators, accessories, and auxiliaries at each Project. The service providers may undertake or apply inspections, monitoring and/or analysis to extend or optimize outage intervals, parts usage and/or work scope and maintenance activities.

The LTSAs and CSAs generally provide that the service provider may suspend services in the event of: (i) non-payment by the owner after an applicable cure period; (ii) force majeure events; or (iii) breach of the owner's material obligations under the agreement. In the event of a force majeure event, the affected party's obligations are suspended for as long as the force majeure event continues.

Compensation under the LTSAs and CSAs varies by agreement and may consist of: (i) fixed monthly fees; (ii) variable fees based on Equivalent Fired Hours (EFH) or other usage metrics; or (iii) a combination of fixed and variable components. Payments are generally made monthly or upon completion of scheduled maintenance events.

The LTSAs and CSAs may be terminated upon: (i) expiration of the stated term; (ii) material breach by either party that remains uncured for the applicable cure period; (iii) insolvency of either party; or (iv) force majeure events that prevent performance for an extended period as specified in each agreement.

Neither party may assign its rights and obligations without the prior written consent of the other party. The Project Companies may assign or encumber their present or future collection rights and other rights under the LTSAs and CSAs in favor of: (i) lenders, including any security trusts in which they participate as beneficiaries; or (ii) third parties designated by the lenders, with prior written notice to the service provider.

For our wind and solar O&M agreements, the service providers are obligated to provide scheduled and unscheduled maintenance, spare parts supply and technical support. These agreements contain similar termination provisions and assignment restrictions as described above for the LTSAs and CSAs.

Real Estate and Land Use Rights

El Carmen and Dulces Nombres II

The El Carmen and Dulces Nombres II combined cycle gas turbine plants are located on land that is owned by the respective Project Companies. The Project Companies hold fee simple title (*pleno dominio*) to the land on which the generation facilities are located.

Cogeneration Projects

The Cogeneration Altamira, Cogeneration Bajío, Cogeneration Monterrey and Cogeneration Ramos plants are located on land that is owned or leased by the respective Project Companies. The Project Companies hold fee simple title (*pleno dominio*) or long-term leases (*contratos de arrendamiento de largo plazo*) to the land on which the generation facilities are located.

Wind Projects

The Wind PIER, Wind PIER IV, Wind PIER II, Wind Bii Nee Stipa, Wind PEM/Ventosa, Wind Dos Arbolitos and Wind Santiago plants are located on land that is leased pursuant to long-term lease agreements (*contratos de arrendamiento de largo plazo*) with private landowners and, in certain cases, ejidal communities (*comunidades ejidale*s). These lease agreements typically have terms of 20 to 30 years and provide for annual rental payments to the landowners.

With respect to the Wind PEM/Ventosa Project, there is a pending *acción reivindicatoria* (quiet title action) regarding certain real property used for the Project. See "*Risk Factors—The outcome of pending litigation, arbitration and regulatory proceedings could have a material adverse effect on our business*."

Solar Projects

The Solar Cuyoaco, Solar Santiago and Solar Hermosillo plants are located on land that is leased pursuant to long-term lease agreements (*contratos de arrendamiento de largo plazo*) with private landowners. These lease agreements typically have terms of 20 to 30 years and provide for annual rental payments to the landowners. The Solar Hermosillo Project is located on approximately 306 hectares of leased land.

Relevant Real Estate Provisions

The real estate of our Projects falls mainly into four categories: (1) owned property (*propiedad privada*) relating to the Project sites, (2) right of way easement contracts (*servidumbres de paso*), entered into with private landowners (*propietarios privados*), (3) leases (*contratos de arrendamiento*) and usufructs (*usufructos*) documenting the right to use third-party properties, and (4) permits acquired from federal, state and municipal authorities for road crossings, water body crossings and use of any other state-owned land and infrastructure.

Some of our Projects are located on communal property land (*tierras ejidales*), which is subject to special rules under Mexican agrarian law (*Ley Agraria*). Under applicable law, agreements over communal property may not exceed 30 years after the execution date thereof, and certain formalities must be satisfied prior to the execution of the relevant agreement, including approval by the ejidal assembly (*asamblea ejidal*).

The lease agreements generally provide that the lessor may not assign or transfer its rights and obligations without the prior written consent of the lessee. The Project Companies may assign their rights under the lease agreements in favor of lenders or third parties designated by lenders, with prior written notice to the lessor. Termination of the lease agreements may occur upon breach of material obligations, non-payment of rent after the applicable cure period, or other events of default specified in the agreements.

DESCRIPTION OF THE NOTES

The following summary of certain provisions of the Indenture, the Notes (including the related Note Guarantees), the Finance Documents and the Collateral is not complete and is subject to, and qualified in its entirety by reference to, all of the provisions of the Indenture, the Notes (including the related Note Guarantees) and the Finance Documents, as applicable. The holders of the Notes will be entitled to the benefits of, be bound by, and be deemed to have notice of, all of the provisions of the Indenture, the Notes (including the related Note Guarantees) and the Finance Documents, including, without limitation, the immunities and rights of the Indenture Trustee, the Intercreditor Agent and Collateral Agent. Copies of the Indenture, the Notes (including the related Note Guarantees) and the other Finance Documents will be on file at the corporate trust office of the Indenture Trustee and may be inspected upon request.

General

In this "Description of the Notes," the word "Issuer" refers only to Cox Asset Mexico, S.A. de C.V., a variable capital stock corporation (*sociedad anónima de capital variable*) organized under the laws of Mexico, and not to any of its Subsidiaries, as defined herein. The definitions of certain other terms used in this description are set forth throughout the text or under the caption "*—Certain Definitions*."

The Notes due 2032

The Issuer will issue U.S.$1,000 million in aggregate principal amount of 7.125 % Senior Secured Notes due 2032 (the "2032 Notes"). The 2032 Notes will be issued under an indenture (the "Indenture") among the Issuer, the Guarantors from time to time thereunder, UMB Bank, N.A., as trustee (the "Indenture Trustee") registrar, transfer agent and paying agent, and Banco Citi México, S.A., Institución de Banca Múltiple, Grupo Financiero Citi México, División Fiduciaria, as the Collateral Agent and will constitute a single series of senior secured notes under the Indenture.

The 2032 Notes will be due and payable on January 8, 2032.

The Notes due 2036

The Issuer will issue U.S.$1,000 million in aggregate principal amount of 7.750 % Senior Secured Notes due 2036 (the "2036 Notes"). The 2036 Notes will be issued under the Indenture among the Issuer, the Guarantors from time to time thereunder, the Indenture Trustee registrar, transfer agent and paying agent, and the Collateral Agent and will constitute a single series of senior secured notes under the Indenture.

The 2036 Notes will be due and payable on May 8, 2036.

The 2036 Notes, together with the 2036 Notes, are collectively, or individually as the context requires, referred to in this section as the "Notes".

As of December 31, 2025, after giving pro forma effect to the offering and sale of the Notes and the application of the proceeds therefrom, amounts remaining outstanding under the Bridge Facility and the drawing of commitments available under the Required Revolving Credit Facility the Issuer's consolidated Indebtedness, all of which is secured by the Collateral (as defined below), consisted of (i) the 2032 Notes in an aggregate outstanding principal amount of U.S.$1,000 million, (ii) the 2036 Notes in an aggregate outstanding principal amount of U.S.$1,000 million, (iii) outstanding borrowings of U.S.$ 674.2 million under the Bridge Facility Agreement (which represents the total borrowing availability thereunder) and (iv) outstanding borrowing availability of U.S$150 million under the Required Revolving Credit Facility (which represents 100% of the total borrowing availability thereunder).

The Notes and the other Secured Obligations will have the benefit of, and shall be subject to, the terms of the Security Documents and the Intercreditor Agreement. The Security Documents set forth the terms of the agreements in respect of the Collateral that will secure, equally and ratably, the Notes and all other present and future Secured Obligations. For a description of the Security Documents, see "*Description of Existing Financing and Collateral Structure—Collateral and Security Documents*." We urge each investor to read the Indenture, the Common Terms Agreement, the Security Documents and the Intercreditor Agreement because those documents, and not this summary, define your rights and remedies as a holder of the Notes, and the limitations that apply to the exercise of those rights and remedies.

The Indenture will not be qualified under the Trust Indenture Act of 1939, as amended, and, as such, holders of the Notes will not be entitled to the protections provided thereunder to holders of debt securities issued under an indenture that is so qualified.

As of the Issue Date, the following Subsidiaries of the Issuer will be Restricted Subsidiaries and will Guarantee the Notes as Guarantors: Iberdrola México, IGEN, SGE, ENCO, ICB, ICR, ICA, ICL, IRB, EDA, IRC, IRN, GPE, BNS and PEM. Under the circumstances described below in the covenant "*—Limitation on Designation of Unrestricted Subsidiaries*," the Issuer will be permitted to designate certain of its Subsidiaries as "*Unrestricted Subsidiaries*." Unrestricted Subsidiaries will not be subject to any of the restrictive covenants in the Indenture. Further, Unrestricted Subsidiaries will not Guarantee the Notes, and their assets and properties will not be part of the Collateral securing the Notes and the other Secured Obligations.

Status, Ranking and No Recourse

The Notes will:

- constitute the Issuer's direct, unconditional and unsubordinated senior secured obligations;
- be secured, equally and ratably, with all other present and future Secured Obligations, by a first priority Lien on the Collateral;
- rank at least equally in right of payment with all other present and future unsecured and unsubordinated Indebtedness of the Issuer from time to time outstanding, including other Senior Debt, except for certain liabilities that are granted preferential treatment over the Notes pursuant to Applicable Law (such as tax, social security and labor obligations);
- rank senior in right of payment to all present and future unsecured Indebtedness of the Issuer (to the extent of the value of the Collateral) and Subordinated Indebtedness of the Issuer, if any, from time to time outstanding;
- be effectively subordinated to all present and future Indebtedness of the Issuer secured by Liens on assets of the Issuer (other than the Collateral), to the extent of the value of the assets securing such obligations;
- be structurally subordinated to all present and future Indebtedness of the Issuer's Subsidiaries that are not Guarantors of the Notes; and
- be fully, irrevocably and unconditionally guaranteed by the Guarantors on a joint and several basis (*solidariamente*).

The Note Guarantees will:

- constitute the Guarantors' joint and several (*solidarias*), irrevocable and unconditional senior unsubordinated obligations;
- be secured, equally and ratably, with the Notes and all other present and future Secured Obligations, by a first priority Lien on the Collateral;
- rank at least equally in right of payment without any preference among themselves with all other present and future unsubordinated senior obligations of the Guarantors from time to time outstanding, including the Notes and other Senior Debt, except for certain liabilities that are granted preferential treatment over the Note Guarantees pursuant to Applicable Law (such as tax, social security and labor obligations);
- rank senior in right of payment to all present and future unsecured obligations of the Guarantors and Subordinated Indebtedness of the Guarantors, if any, from time to time outstanding; and

- be effectively subordinated to all present and future Indebtedness of the Guarantors secured by Liens on assets of the Guarantors (other than the Collateral), to the extent of the value of the assets securing such obligations.

All obligations in connection with the Notes and the Note Guarantees are solely obligations of the Issuer and the Guarantors, respectively, with no recourse to any other Person or entity, including the Indenture Trustee. No Person nor any Permitted Holder or any other Affiliate of the Issuer, or any of their respective incorporators, stockholders, members, managers, representatives, partners, directors, officers or employees, has guaranteed or (except for any Restricted Subsidiary formed, acquired or designated as such after the Issue Date), will guarantee the payment of the Notes or have any obligation or liability with respect to payment of the Notes or in respect of the Issuer's or any of the Guarantors' obligations under the Notes, the Note Guarantees and/or any of the other Finance Documents. Each holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under the federal securities laws.

As of the Issue Date, the following Subsidiaries of the Issuer will be Restricted Subsidiaries and will Guarantee the Notes as Guarantors: Iberdrola México, IGEN, SGE, ENCO, ICB, ICR, ICA, ICL, IRB, EDA, IRC, IRN, GPE, BNS and PEM.

As of the Issue Date, the following Subsidiaries of the Issuer will be designated as Unrestricted Subsidiaries on the issue date of the Notes and, as such, will not guarantee the Issuer's obligations under or provide any security over their assets as collateral for the Notes: Fundación Iberdrola México, A.C., Iberdrola Servicios Corporativos, S.A. de C.V., Iberdrola Generación México, S.A. de C.V., Iberdrola Energía Altamira de Servicios, S.A. de C.V., Iberdrola Renovables México, S.A. de C.V., Generación de Energía Base, S.A. de C.V., Soluciones Inteligentes de Descarbonización, S.A. de C.V., Iberdrola Soporte a Proyectos Liberalizado, S.A. de C.V., Iberdrola Soporte a Proyectos Renovables México, S.A. de C.V., Infraestructura de Energía Limpia, S.A. de C.V., Iberdrola Carbón 2 Nature México, S.A. de C.V., Parque de Generación Renovable, S.A. de C.V., Parque Industrial de Energía Renovable, S.A. de C.V., Pier II Quecholac Felipe Ángeles, S.A. de C.V., Pier IV, S.A. de C.V., Servicios de Operación Eoloeléctrica de México, S.A. de C.V. and Corporativo Iberdrola Renovables México, S.A. de C.V.

Principal, Maturity and Interest

The Notes due 2032

The 2032 Notes will bear interest at 7.125% per annum from May 8, 2026 or from the immediately preceding interest payment date to which interest has been paid, payable semi-annually in arrears on each Scheduled Payment Date, commencing on January 8, 2027, to the holders of record of the 2032 Notes at the close of business on December 25 or June 24, respectively, immediately preceding the corresponding interest payment date. Interest on the 2032 Notes will be computed on the basis of a 360-day year of twelve 30-day months.

Principal on the 2032 Notes will be paid on January 8, 2032. The 2032 Notes will not be entitled to the benefit of any sinking fund to retire them.

The Notes due 2036

The 2036 Notes will bear interest at 7.750% per annum from May 8, 2026 or from the immediately preceding interest payment date to which interest has been paid, payable semi-annually in arrears on each Scheduled Payment Date, commencing on November 8, 2026, to the holders of record of the 2036 Notes at the close of business on April 24 or October 25, respectively, immediately preceding the corresponding interest payment date. Interest on the 2036 Notes will be computed on the basis of a 360-day year of twelve 30-day months.

Principal on the 2036 Notes will be paid on May 8, 2036. The 2036 Notes will not be entitled to the benefit of any sinking fund to retire them.

Note Guarantees

General

The due and punctual payment of all amounts payable under the Notes, including principal, premium, if any, and interest, together with all other payment obligations of the Issuer under the Indenture and the Notes, will be jointly and severally (*solidariamente*), irrevocably and unconditionally guaranteed on a senior secured basis by the Guarantors equally and ratably with all other Secured Obligations outstanding as of, or Incurred after, the Issue Date.

Each Guarantor that makes a payment under its Note Guarantee will be entitled to contribution from any other Guarantor.

The Indenture will provide that the obligations of each Guarantor under its Note Guarantee shall not exceed the maximum amount that can be guaranteed by such Guarantor by law or that would result in its obligations under its Note Guarantee being voidable or unenforceable under Applicable Laws relating to bankruptcy (including a *concurso mercantil* or *quiebra* under Mexican law), fraudulent transfer, or similar laws affecting the rights of creditors generally. By virtue of this limitation, a Guarantor's obligation under its Note Guarantee could be significantly less than amounts payable with respect to the Notes, or a Guarantor may effectively have no obligation under its Note Guarantee. See "R*isk Factors—Risks Related to the Notes, the Collateral and our Indebtedness—Fraudulent conveyance laws may void the Notes or the Note Guarantees or subordinate the Notes or the Note Guarantees*."

Future Guarantors

Any Restricted Subsidiary that is not a Guarantor must become a Guarantor promptly and, in any event, no later than 30 days after the date on which such Restricted Subsidiary becomes a Restricted Subsidiary or is incorporated, as the case may be, and execute a supplemental indenture to provide a Note Guarantee and deliver an Opinion of Counsel and Officer's Certificate to the Indenture Trustee, each in accordance with the provisions of the Indenture.

Any such Restricted Subsidiary must also accede to or join, as applicable, the Common Terms Agreement and any other Facility Agreement, as may be required.

Release of the Note Guarantees and Guarantors

A Note Guarantee will be automatically and unconditionally released (and thereupon shall terminate and be discharged and be of no further force and effect):

(1) in connection with any sale or other disposition (including by merger or otherwise) of capital stock of the applicable Guarantor after which such Guarantor is no longer a Subsidiary (as defined below), if the sale or other disposition of all such capital stock complies with the applicable provisions of the Indenture;

(2) upon a defeasance or satisfaction and discharge of the Indenture that complies with the provisions under "*—Defeasance*" or "*—Satisfaction and Discharge*" herein;

(3) upon payment in full of the aggregate principal amount of all Notes then outstanding and all other obligations under the Indenture and the Notes then due and owing; or

(4) as otherwise provided in the Intercreditor Agreement.

At any time after the Issue Date, the Issuer may designate a Subsidiary Guarantor as a Non-Guarantor Subsidiary (a "Non-Guarantor Designation"), if, after giving effect to such Non-Guarantor Designation, the total Consolidated EBITDA of all Non-Guarantor Subsidiaries (measured on a combined basis) for the relevant fiscal quarter is less than 15.0% of the Issuer's aggregate Consolidated EBITDA, on a pro forma basis to give effect to any acquisition or disposition of companies, divisions, lines of businesses, assets or operations by the Issuer and its Restricted Subsidiaries subsequent to the last day of the relevant fiscal quarter and on or prior to the date of such Non-Guarantor Designation.

Upon any release of a Guarantor from its Note Guarantee, if such former Guarantor does not otherwise remain a Restricted Subsidiary, such Guarantor will also be released from its obligations under the Security Documents to the extent permitted under the Security Documents. Upon any occurrence giving rise to a release of a Note Guarantee as specified above, the Indenture Trustee and relevant Collateral Agent will execute any documents reasonably required in order to evidence or effect such release, discharge and termination in respect

of such Note Guarantee or the release of such Guarantor from its obligations under the Security Documents; provided that, in each case, the Indenture Trustee and the Collateral Agent shall be entitled to an Officer's Certificate and Opinions of Counsel stating that all conditions precedent to any such release, discharge and termination or other release in the Indenture and the other Finance Documents have been satisfied. Neither the Issuer nor any Guarantor will be required to make a notation on the Notes to reflect any Note Guarantee or any such release, termination or discharge.

Further Issuances

The Issuer will initially issue (i) an aggregate of U.S.$1,000 million of 2032 Notes and (ii) an aggregate of U.S.$1,000 million of 2036 Notes, but may, subject to the limitations set forth under "*—Negative Covenants of the Issuer, Guarantors and Restricted Subsidiaries—Limitation on Incurrence of Additional Indebtedness*," issue an unlimited principal amount of the Notes of each series. To the extent permitted under the Indenture and the other Finance Documents, the Issuer may, without your consent, issue additional Notes of the same series (the "Additional Notes") in one or more transactions, which have substantially identical terms (other than issue price, date of issuance and date from which the interest will accrue) as the Notes of such series issued on the Issue Date. Such Additional Notes may be issued with the same or different CUSIP numbers; provided, however, that unless such Additional Notes are issued pursuant to a "qualified reopening" of the original Notes of such series, are otherwise treated as part of the same "issue" of debt instruments as the original series of Notes or are issued with less than a de minimis amount of original issue discount, in each case for U.S. federal income tax purposes, such Additional Notes must be issued under a different CUSIP number. Any Additional Notes will be consolidated and form a single class with the other Notes of such series issued on the Issue Date, so that, among other things, holders of any Additional Notes will have the right to vote together with holders of such series of Notes issued on the Issue Date as one class, and will be secured by the Collateral, equally and ratably with the Notes and the other present and future Secured Obligations. Unless as expressly provided therein or herein or the context otherwise requires, for all purposes under the Indenture and this "Description of the Notes," references to the Notes includes any Additional Notes actually issued.

Form, Denomination and Registration

The Global Notes of each series of notes (and beneficial interests therein) will be issued in registered form only, without interest coupons, in minimum denominations of U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof. No Notes will be issued in bearer form. Notes offered and sold in reliance upon Rule 144A under the Securities Act will be issued in the form of one or more Rule 144A Global Note of each series of notes. Notes offered and sold in reliance on Regulation S under the Securities Act will be issued in the form of one or more Regulation S Global Notes of each series of notes. Each of the Global Notes will be initially registered in the name of The Depository Trust Company ("DTC") or its nominee and deposited with the Indenture Trustee as custodian for DTC. Beneficial interests in the Global Notes will be shown on, and transfers thereof will be effected only through, the book-entry records maintained by DTC and its direct and indirect participants (including Euroclear and Clearstream).

Payments and Paying Agents

The Issuer will make all payments on the Notes exclusively in U.S. dollars.

The Issuer will make payments of principal and interest on the Notes to the Indenture Trustee, which will pass such funds to any paying agent for payment to the holders of the Notes. Initially, the Indenture Trustee will act as registrar, transfer agent and paying agent for the Notes.

The Issuer will pay interest on the Notes to the Persons in whose name the Notes are registered on the respective Regular Record Dates. Payments of principal and interest in respect of each Global Note will be paid by wire transfer of immediately available funds to DTC. Payments of principal and interest in respect of any certificated notes will be made by U.S. dollar check drawn on a bank in the City of New York and mailed to the holder of such Note at its registered address or by wire transfer. If payments on certificated notes are to be made by check, upon application by a holder of at least U.S.$1.0 million in aggregate principal amount of the 2032 Notes or the 2036 Notes, as applicable, to the specified office of the Indenture Trustee or any paying agent not less than 15 days before the due date for any payment in respect of such Note, such payment may be made by transfer to a U.S. dollar account maintained by the payee.

All payments will be subject in all cases to any applicable tax or other laws and regulations, but without prejudice to the provisions of "*—Additional Amounts*." For the purposes of the preceding sentence, the phrase "applicable tax or other laws and regulations" will include any obligation on the Issuer to withhold or deduct from a payment pursuant to FATCA (as defined below). No commissions or expenses will be charged to the holders in respect of such payments.

Subject to any applicable abandoned property law, the Indenture Trustee and the paying agents will pay to the Issuer upon its request any monies held by them for the payment of principal or interest that remains unclaimed for two years, and, thereafter, holders entitled to such monies must look to the Issuer for payment as its general creditors. After the return of such monies by the Indenture Trustee or the paying agents to the Issuer, neither the Indenture Trustee nor the paying agents shall be liable to the holders in respect of such monies.

Senior Debt Facilities

In order to finance part of the acquisition of Iberdrola Mexico pursuant to the Acquisition Agreement, on April 24, 2026, the Issuer Incurred U.S.$2,650 million of senior secured debt in the form of secured term loans under the Bridge Facility Agreement documented through a series of agreements, including the Bridge Facility Agreement, the Common Terms Agreement, the Security Documents and the Intercreditor Agreement. Relatedly, on the Issue Date, the Issuer has entered into the Required Revolving Credit Facility whereby it will have additional revolving commitments available in the amount of U.S.$150.0 million. For a description of the Finance Documents, including the Bridge Facility Agreement, the Common Terms Agreement and the Intercreditor Agreement, see "*Description of Existing Financing and Collateral Structure*" and for a description of the Acquisition of Iberdrola Mexico and its Subsidiaries see "*The Issuer—Overview—The Acquisition*."

Opt-in Provisions

On the Issue Date, the Indenture Trustee will accede to the Common Terms Agreement and the Intercreditor Agreement and, as a result, the holders of the Notes will become Senior Creditors for all purposes under the Finance Documents and all Obligations under the Notes shall be secured, equally and ratably with all other present and future Secured Obligations, by the Collateral. By accepting a Note, each holder will be deemed to have authorized and directed the Indenture Trustee to accede to the Common Terms Agreement and the Intercreditor Agreement on its behalf on the Issue Date. Pursuant to the terms of the Common Terms Agreement, upon accession by the Indenture Trustee on behalf of the holders of the Notes, the provisions of the Common Terms Agreement as described in this Offering Memorandum, will become applicable to the Indenture and the Notes for the benefit of the holders of the Notes (such provisions, collectively, the "Opt-in Provisions"). For convenience of the reader, the Opt-in Provisions have been reproduced or summarized herein under the captions "*—Mandatory Ratable Offers to Purchase Notes for Prepayments under the Common Terms Agreement*," "*—Affirmative Covenants of the Issuer, Guarantors and Restricted Subsidiaries*," "*—Negative Covenants of the Issuer, Guarantors and Restricted Subsidiaries*," "*—Reporting Requirements*" and "*—Events of Default*," and the definitions contained in the Common Terms Agreement that are used or referenced in such Opt-in Provisions have been reproduced and summarized herein under "*—Certain Definitions*.".

Upon accession to the Common Terms Agreement by the Indenture Trustee on the Issue Date, the Indenture Trustee will become a party to the Common Terms Agreement, the holders of the Notes will become Senior Creditors under the Finance Documents and, thereafter, the Opt-in Provisions will become applicable to the Indenture and the Notes for the benefit of the holders of the Notes. On the Issue Date, upon accession to the Common Terms Agreement, the Indenture Trustee will (subject to certain exceptions) opt out of all other provisions (including certain covenants and events of default) of the Common Terms Agreement and, as a result, those other provisions will not be applicable to the Indenture and the Notes for the benefit of the holders of the Notes. See "*Risk Factors—Risks Relating to the Notes, the Collateral and Our Indebtedness—Certain provisions in the Common Terms Agreement will not be applicable to the Indenture and the Notes or may be waived, modified or cease to be effective without consent of the holders of the Notes*."

Under the Intercreditor Agreement and the other Finance Documents certain of the Opt-in Provisions can be amended without the consent of the holders of the Notes. See "*Risk Factors—Risks Relating to the Notes—Certain provisions in the Common Terms Agreement will not be applicable to the Indenture and the Notes or may be waived, modified or cease to be effective without consent of the holders of the Notes*," and "*Description of Existing Financing and Collateral Structure—Intercreditor Agreement—Voting Mechanics*."

Collateral Arrangements

The obligations of the Issuer with respect to the Notes and the performance of all other obligations of the Issuer and the Guarantors under or relating to the Indenture and the other Finance Documents will be secured, equally and ratably with all other present and future Secured Obligations, by all of the collateral securing the Finance Documents (the "Collateral") including the following:

(a) Mexican law security trust agreement that will hold title to all but one of the present and future shares of Iberdrola Mexico and the Issuer; and

(b) Mexican law share pledge agreements over one nominal share of each of Iberdrola Mexico and the Issuer;

For more information on the Collateral, see "*Description of Existing Financing and Collateral Structure—Collateral and Security Documents*."

Intercreditor Agreement

The Indenture Trustee, for itself and the holders of the Notes in its capacity as Additional Senior Facility Agent, will accede into the Intercreditor Agreement which sets forth certain intercreditor provisions between the Secured Parties, including the method of voting and decision-making for the Secured Parties, arrangements applicable to joint consultation and actions in respect of approval rights and waivers, the limitation on rights of enforcement upon an event of default and the application of proceeds upon enforcement. See "*Description of Existing Financing and Collateral Structure*."

Open Market Purchases

The Issuer and its affiliates may at any time and from time to time purchase any Notes or a beneficial interest therein by tender offer, open market purchases, negotiated transactions or otherwise at any price, subject to compliance with any applicable regulation or law.

Optional Redemption with Make-Whole Premium

The Issuer may redeem on one or more occasions some or all of the Notes before they mature.

The Notes due 2032

Prior to December 8, 2031 (one month prior to their maturity date), the 2032 Notes will be redeemable, in whole or in part, at the Issuer's option at any time and from time to time at a redemption price equal to the greater of (1) 100% of the principal amount of the Notes to be redeemed and (2) the present value at such redemption date of (i) the redemption price of 2032 Notes at December 8, 2031 (such redemption price being set forth under "*—Optional Redemption without Make-Whole Premium—The Notes due 2032"*), plus (ii) all required interest payments that would otherwise be due to be paid during the period between the redemption date and December 8, 2031 (excluding accrued and unpaid interest and any Additional Amounts (as defined below) to the redemption date), discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the applicable Treasury Rate plus 50 basis points, plus, in either case accrued and unpaid interest and Additional Amounts, if any, on the principal amount being redeemed to such redemption date.

The Notes due 2036

Prior to February 8, 2036 (three months prior to their maturity date), the 2036 Notes will be redeemable, in whole or in part, at the Issuer's option at any time and from time to time at a redemption price equal to the greater of (1) 100% of the principal amount of the 2036 Notes to be redeemed and (2) the present value at such redemption date of (i) the redemption price of the 2036 Notes at February 8, 2036 (such redemption price being set forth under "*—Optional Redemption without Make-Whole Premium—The Notes due 2036*"), plus (ii) all required interest payments that would otherwise be due to be paid during the period between the redemption date and February 8, 2036 (excluding accrued and unpaid interest and any Additional Amounts (as defined below) to the redemption date), discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the applicable Treasury Rate plus 50 basis points, plus, in either case accrued and unpaid interest and Additional Amounts, if any, on the principal amount being redeemed to such redemption date.

The Issuer shall be responsible for determining the redemption price of the Notes in connection with any such redemption and its Issuer's actions and determinations in determining the redemption price shall be conclusive and binding for all purposes, absent manifest error. For the avoidance of doubt, the Indenture Trustee has no duty to perform any calculations in connection with the Notes.

Optional Redemption without Make-Whole Premium

The Notes due 2032

At any time, or from time to time, after December 8, 2031, the Issuer may redeem the 2032 Notes, at its option, in whole or in part, at a redemption price equal to 100% of the principal amount of the 2032 Notes on the redemption date, plus any accrued and unpaid interest to, but excluding, the redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date).

The Notes due 2036

At any time, or from time to time, after February 8, 2036, the Issuer may redeem the 2036 Notes, at its option, in whole or in part, at a redemption price equal to 100% of the principal amount of the 2036 Notes on the redemption date, plus any accrued and unpaid interest to, but excluding, the redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date).

Optional Redemption upon Equity Event

In addition, at any time, or from time to time, on or prior to December 8, 2031 with respect to the 2032 Notes and February 8, 2036 with respect to the 2036 Notes, the Issuer may, at its option, use the net cash proceeds of one or more Equity Events to redeem in the aggregate up to (a) 35% of the aggregate principal amount of the 2032 Notes and/or (b) 35% of the aggregate principal amount of the 2036 Notes originally issued at a redemption price equal to 107.125% of the principal amount thereof (in the case of the 2032 Notes) and to 107.750% of the principal amount thereof (in the case of the 2036 Notes), in each case, plus accrued and unpaid interest to, but excluding, the date of redemption (subject to the right of the holders of record on the relevant record date to receive interest due on the relevant interest payment date); provided, however, that at least U.S.$650,000,000 of the original aggregate principal amount of the 2032 Notes and U.S.$650,000,000 of the original aggregate principal amount of the 2036 Notes must remain outstanding immediately after giving effect to each such redemption (excluding any Notes held by the Issuer or any of its Subsidiaries). Notice of any such redemption must be given not more than 120 days after the date of the closing of the relevant Equity Event. In connection with an optional redemption upon Equity Event the Liens related to shares of the Issuer described in caption "—*Collateral Arrangements*" may be released.

Optional Redemption upon Tax Event

The Issuer may at any time redeem the Notes at its option, in whole, but not in part, at a redemption price equal to 100% of the then-outstanding principal amount of the Notes, plus accrued and unpaid interest thereon to, but excluding, the date of redemption and any Additional Amounts payable with respect thereto, if the Issuer certifies to the Indenture Trustee (in the manner prescribed below) that:

(a) the Issuer has, or but for the redemption of the Notes would, become obligated on the next Scheduled Payment Date to pay Additional Amounts in excess of those attributable to a withholding tax rate of 4.9% with respect to taxes imposed by the government of Mexico or, if different, the rate of withholding imposed by the relevant jurisdiction when it became a Relevant Jurisdiction with respect to the Notes (see "—*Additional Amounts*") (the "Excess Additional Amounts") as a result of any generally applicable change in or amendment to the laws or regulations (including a change in the rate of such Mexican income tax withholding) of a Relevant Jurisdiction or Governmental Authority thereof or therein having power to tax, or any generally applicable change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective or, in the case of a change in official position, is published by the relevant Governmental Authority on or after the later of the date of issuance of the Notes or the date that a Relevant Jurisdiction becomes a Relevant Jurisdiction; and

(b) such obligation cannot be avoided by taking reasonable measures available to the Issuer; provided that reasonable measures will not include any change in the Issuer's jurisdiction of tax residency.

provided further, however, that the notice of redemption, which will specify the date of redemption and redemption price, will not be given earlier than 60 days before the earliest date on which the Issuer would be obligated to pay such Excess Additional Amounts if a payment in respect of the Notes were then due.

No later than 15 days (unless a shorter period is acceptable to the Indenture Trustee) before giving any notice of redemption as described in the preceding clauses, the Issuer will deliver an Officer's Certificate to the Indenture Trustee stating that the Issuer is entitled to effect such redemption in accordance with the terms of the Indenture and setting forth in reasonable detail a statement of facts relating thereto. The Officer's Certificate will be accompanied by an Opinion of Counsel under the Indenture and a written opinion of recognized independent counsel experienced in tax and other related matters in the Relevant Jurisdiction to the effect that the Issuer has or will become obligated to pay the Excess Additional Amounts as a result of such change or amendment. The Indenture Trustee will accept such Officer's Certificate and rely on such opinion of counsel as sufficient evidence of the satisfaction of the conditions described above, without further inquiry, in which event it will be conclusive and binding on the holders of the Notes.

Optional Redemption Procedures

The procedures in this section apply to any redemption pursuant to "*—Optional Redemption with Make-Whole Premium*," "—Optional Redemption without Make-Whole Premium" and "*—Optional Redemption upon Tax Event*" above. If less than all of the 2032 Notes or the 2036 Notes, as applicable, are redeemed at any time, the Indenture Trustee will select Notes of such series to be redeemed pro rata in compliance with DTC's procedures (or such other basis as required by the applicable depositary for the corresponding Notes). No Notes of a principal amount of less than U.S.$200,000 may be redeemed in part and Notes of a principal amount in of U.S.$200,000 or more may be redeemed in multiples of U.S.$1,000 only.

Notice of any redemption will be given at least 10 but not more than 60 days before the redemption date to the Indenture Trustee and each holder of the 2032 Notes or 2036 Notes, as applicable, to be redeemed in accordance with the provisions described under "*—Notices*" herein.

If 2032 Notes or 2036 Notes, as applicable, are to be redeemed in part only, the notice of redemption will state the series and portion of the principal amount thereof to be redeemed. In the event that there are any certificated Notes outstanding, a new certificated Note of such series in a principal amount equal to the unredeemed portion thereof (if any) will be issued in the name of the holder thereof upon cancellation of the original certificated Note. Adjustments to the amount and beneficial interests in a global note will be made, as appropriate. For so long as the applicable Notes are admitted to listing on the SGX-ST, we will cause notices of redemption also to be published as provided under the caption "*—Notices*."

We will pay the redemption price for any Note together with accrued and unpaid interest and Additional Amounts, if any, thereon up to, but not including, the date of redemption. On and after the redemption date, interest will cease to accrue on Notes or portions thereof called for redemption as long as we have deposited with the paying agent funds in satisfaction of the applicable redemption price pursuant to the Indenture. Upon redemption of any Notes by us, such redeemed Notes will be cancelled.

The Issuer will direct the Indenture Trustee to give notice to the applicable depositary for the Notes pursuant to the provisions described under "*—Notices*" of any optional redemption we propose to make at least 10 days but not more than 60 days before the redemption date, except that redemption notices may be mailed or otherwise delivered (in accordance with the applicable policies and procedures of the depositary) by the Issuer or the Indenture Trustee, as the case may be, more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the 2032 Notes or the 2036 Notes or a satisfaction and discharge of the Indenture.

Any redemption may be subject to one or more conditions precedent at our discretion. If any redemption is so conditioned, the applicable notice of redemption shall describe each such condition precedent and, if applicable, shall state that the redemption date may be delayed, at our discretion, until such time when all conditions are satisfied or waived, or that such redemption may be rescinded if any or all such conditions are not satisfied by the applicable redemption date; provided that any such redemption date may not be delayed more than 60 days after the redemption date initially contemplated in the notice of redemption that was mailed or otherwise delivered (in accordance with the applicable policies and procedures of the depositary) by the Issuer or the Indenture Trustee, as the case may be, except that any redemption date may be delayed more than 60 days prior if the notice is issued in connection with a defeasance of the 2032 Notes or the 2036 Notes or a satisfaction and

discharge of the Indenture. In addition, the Issuer may provide in such notice that payment of the redemption price and performance of the Issuer's obligations with respect to such redemption may be performed by another Person.

In the case of a partial redemption of the 2032 Notes or the 2036 Notes, a selection of the applicable series of Notes for redemption will be made pro rata pursuant to DTC's procedures. No Notes of a principal amount less than $200,000 will be redeemed in part and Notes of a principal amount of U.S.$200,000 or more may be redeemed in multiples of U.S.$1,000 only. If any Note is to be redeemed in part only, the notice of redemption that relates to the Note will state the portion of the principal amount of the Note to be redeemed. A new Note of the applicable series in a principal amount equal to the unredeemed portion of the Note will be issued in the name of the holder of the Note upon surrender for cancellation of the original Note of such series. For so long as the Notes of each series are held by DTC(or another depositary), the redemption of the Notes of such series shall be done in accordance with the policies and procedures of such depositary.

Unless the Issuer defaults in payment of the redemption price, on the redemption date interest will cease to accrue on the Notes or the portions thereof called for redemption.

Mandatory Ratable Offers to Purchase Notes for Prepayments under the Common Terms Agreement

We will be required to make an Offer to Purchase (as defined below) for a ratable amount of Notes and on a ratable basis among any outstanding series of Notes prior to their Stated Maturity, at a purchase price equal to 100% of the outstanding principal amount of the Notes being purchased, plus accrued and unpaid interest to the purchase date, plus Additional Amounts, if any (but without payment of any make-whole premium), payable in respect of each series of Notes, and any other Senior Debt, if applicable, on a ratable basis between each series of Notes and on a ratable basis in accordance with the Common Terms Agreement, if (i) any mandatory prepayment is made under Section 3.4(b) (Mandatory Prepayments) and other applicable sections of the Common Terms Agreement, as described in captions "*—Mandatory Ratable Offer to Purchase Notes in Connection with Events of Loss*," "*—Mandatory Ratable Offer to Purchase Notes in Connection with Insurance Vitiating Acts*," "*—Mandatory Ratable Offer to Purchase Notes in Connection with Dispositions*," and "*—Mandatory Ratable Offer to Purchase Notes in Connection with Material Project Documents*," mutatis mutandis, (each, a "Mandatory Prepayment Event"), or (ii) so long as any Obligations under any Senior Debt (other than the Notes) remain outstanding, any voluntary prepayment of the Term Loans is made under Section 3.4(d) (Voluntary Prepayments) and other applicable sections of the Common Terms Agreement, as described in caption "*—Mandatory Ratable Offers to Purchase Notes upon a Voluntary Prepayment under the Common Terms Agreement*" below.

For the avoidance of doubt, the proceeds being applied to a mandatory Offer to Purchase of each series of Notes accepted by the holders of the Notes the corresponding series of Notes will also be applied pro rata to the repayment and/or redemption of principal, accrued and unpaid interest, and Additional Amounts, if any, payable in respect of any Senior Debt that requires such prepayment or redemption in accordance with the Common Terms Agreement.

Mandatory Ratable Offer to Purchase Notes in Connection with Events of Loss

The Issuer will be required to make an Offer to Purchase Notes and on a ratable basis among any outstanding series of Notes, at a purchase price equal to 100% of the principal amount of the Notes being purchased plus accrued and unpaid interest and Additional Amounts, if any, thereon to, but not including, the purchase date, (x) prior to the Bridge Facility Repayment Date, to the applicable Secured Parties under the Bridge Facility, and (y) after the Bridge Facility Repayment Date, on a ratable basis with any other Senior Debt (excluding the Required Revolving Credit Facility and including any outstanding series of Notes) outstanding under the Common Terms Agreement in accordance with the respective principal amounts thereof then outstanding in inverse order of maturity, if an Event of Loss or series of Events of Loss occur, including any Condemnation Event, with an amount equal to all Loss Proceeds and other insurance proceeds on the Scheduled Payment Date immediately following receipt thereof:

(a) Subject to the Offer to Purchase described in caption "—Mandatory Ratable Offer to Purchase Notes in Connection with Insurance Vitiating Acts" below, if the Loss Proceeds payable in respect of an Event of Loss are equal to or greater than (x) U.S.$10.0 million individually (or the equivalent thereof in any other currency) or (y) U.S.$20.0 million in aggregate (or the equivalent thereof in any other currency) for the then applicable Financial Year; and (i) the Issuer does not notify the Intercreditor Agent of its intent to apply such Loss Proceeds to Restore the Affected Property as provided for in the Common Terms Agreement; or (ii) the Issuer

notifies the Intercreditor Agent of its intent to apply such Loss Proceeds to Restore the Affected Property as provided for in the Common Terms Agreement and any of the conditions for the application of Loss Proceeds set forth below have not been fulfilled within 60 Business Days after receipt of the corresponding Loss Proceeds:

(A) the Issuer and the applicable Guarantor shall have delivered a plan for such Restoration to the Intercreditor Agent, demonstrating that (1) such Restoration is technically and economically feasible, and (2) that the amount of Loss Proceeds received by the Issuer or such Guarantor are sufficient to complete the Restoration within the timeframe set forth in such plan;

(B) the Issuer and the applicable Guarantor shall have delivered to the Intercreditor Agent cash-flow projections demonstrating the Issuer's ability to meet its obligations under the Finance Documents during the period from the occurrence of such Event of Loss until and following the completion of the Restoration of such Affected Property;

(C) the Issuer and the applicable Guarantor shall have delivered evidence to the Intercreditor Agent that all Permits required for the Restoration have been obtained, or for those Permits required to be obtained in the future, it has no reasonable grounds to believe it will be unable to obtain such Permits;

(D) the Issuer shall have delivered evidence to the Intercreditor Agent that all Material Project Documents and Permits related to the Affected Property remain in full force and effect in all material respects and the Issuer, the applicable Guarantor, the applicable Project and the applicable Project site have complied with all requirements of Applicable Law in all material respects as relates to the Affected Property; and

(E) if the Loss Proceeds payable in respect of an Event of Loss are equal to or greater than U.S.$10.0 million individually (or the equivalent thereof in any other currency) or in aggregate for the then applicable Financial Year, but less than U.S.$25.0 million individually (or the equivalent thereof in any other currency) or in aggregate for the then applicable Financial Year, the Intercreditor Agent shall have delivered to the Issuer written notice confirming that each of the foregoing conditions have been satisfied or notifying that one or more of the conditions are not satisfactory and specifying which; provided however that: (1) the delivery of such notice shall be made by the Intercreditor Agent as promptly as possible pursuant to the Intercreditor Agreement after receipt of the Officer's Certificate delivered pursuant to this section "*—Mandatory Ratable Offer to Purchase Notes in Connection with Events of Loss*," and which shall include all the deliverables set out under clauses (A) to (D) above, and (2) the failure by the Intercreditor Agent to deliver such notice within such 15-Business Day period shall be deemed a confirmation by the Intercreditor Agent that each of the foregoing conditions have been satisfied, unless and until the Intercreditor Agent delivers such notice pursuant to the Intercreditor Agreement.

(b) If the Loss Proceeds payable in respect of a single Event of Loss or a series of simultaneous Event of Loss are equal to or greater than U.S.$50.0 million individually or in aggregate for the then applicable Financial Year.

Any Loss Proceeds and insurance proceeds offered but not accepted by holders of the Notes will be used, prior to the Loan Repayment Event, to prepay in full the Term Loans and after the Loan Repayment Event, may be retained by us and used for any purpose not prohibited under the Indenture. The Indenture Trustee will have no liability or responsibility to monitor any events or determine if a redemption, repurchase or offer to purchase is required or permitted under the Indenture or otherwise in connection with the Notes.

Mandatory Ratable Offer to Purchase Notes in Connection with Insurance Vitiating Acts

The Issuer will be required to make an Offer to Purchase Notes and on a ratable basis among any outstanding series of Notes, at a purchase price equal to 100% of the principal amount of the Notes being purchased plus accrued and unpaid interest and Additional Amounts, if any, thereon to, but not including, the purchase date, (x) prior to the Bridge Facility Repayment Date, to the applicable Secured Parties under the Bridge Facility, and (y) after the Bridge Facility Repayment Date, on a ratable basis with any other Senior Debt (excluding the Required Revolving Credit Facility and including any outstanding series of Notes) in accordance with the respective principal amounts thereof then outstanding in inverse order of maturity, in the event that any insurer or reinsurer delivers a notice of a "Vitiating Act" (as defined in any Insurance Policy), with an amount equal to any Loss Proceeds received by the Issuer under or in respect of the relevant Insurance Policy on or subsequent to the receipt of such notice; provided that the foregoing shall not apply to any Loss Proceeds in an amount that is less than U.S.$50.0 million.

Any Loss Proceeds offered but not accepted by holders of the Notes will be used, prior to the Loan Repayment Event, to prepay in full the Term Loans and after the Loan Repayment Event, may be retained by us and used for any purpose not prohibited under the Indenture. The Indenture Trustee will have no liability or responsibility to monitor any events or determine if a redemption, repurchase or offer to purchase is required or permitted under the Indenture or otherwise in connection with the Notes.

Mandatory Ratable Offer to Purchase Notes in Connection with Dispositions

The Issuer will be required to make an Offer to Purchase Notes and on a ratable basis among any outstanding series of Notes, at a purchase price equal to 100% of the principal amount of the Notes being purchased plus accrued and unpaid interest and Additional Amounts, if any, thereon to, but not including, the purchase date, (x) prior to the Bridge Facility Repayment Date, to the applicable Secured Parties under the Bridge Facility, and (y) after the Bridge Facility Repayment Date, on a ratable basis with any other Senior Debt (excluding the Required Revolving Credit Facility and including any outstanding series of Notes) in accordance with the respective principal amounts thereof then outstanding in inverse order of maturity, with 100% of the Net Cash Proceeds of all (i) Dispositions (other than any Permitted Disposition or any Permitted Transaction) of any Property , in each case in excess of (x) U.S.$20.0 million individually per Disposition, or (y) an aggregate amount for the then applicable Financial Year of U.S.$40.0 million, in each case, on the Scheduled Payment Date immediately following receipt thereof, or (ii) issuances of Equity Interests in any Subsidiary of the Issuer or of Iberdrola Mexico; excluding any Equity Interests issued pursuant to management or employee incentive packages not in excess of an aggregate amount for the then applicable Financial Year of U.S.$10.0 million, in no event later than two (2) Business Days following the date on which such Equity Interest is issued.

Any Net Cash Proceeds offered but not accepted by holders of the Notes will be used, prior to the Loan Repayment Event, to prepay in full the Term Loans and after the Loan Repayment Event, may be retained by us and used for any purpose not prohibited under the Indenture. The Indenture Trustee will have no liability or responsibility to monitor any events or determine if a redemption, repurchase or offer to purchase is required or permitted under the Indenture or otherwise in connection with the Notes.

Mandatory Ratable Offer to Purchase Notes in Connection with Material Project Documents

The Issuer will be required to make an Offer to Purchase Notes and on a ratable basis among any outstanding series of Notes, at a purchase price equal to 100% of the principal amount of the Notes being purchased plus accrued and unpaid interest and Additional Amounts, if any, thereon to, but not including, the purchase date, (x) prior to the Bridge Facility Repayment Date, to the applicable Secured Parties under the Bridge Facility, and (y) after the Bridge Facility Repayment Date, on a ratable basis with any other Senior Debt (excluding the Required Revolving Credit Facility and including any outstanding series of Notes) in accordance with the respective principal amounts thereof then outstanding in inverse order of maturity, with 100% of the proceeds from the termination of any Material Project Document in excess of (x) U.S. $10.0 million individually per event, or (y) an aggregate amount for the then applicable Financial Year of U.S.$20.0 million, in each case, on the Scheduled Payment Date immediately following receipt thereof if no replacement Material Project Document has been entered into pursuant to clause (2)(x) of "*—Material Project Documents*".

Any termination proceeds offered but not accepted by holders of the Notes will be used, prior to the Loan Repayment Event, to prepay in full the Term Loans and after the Loan Repayment Event, may be retained by us and used for any purpose not prohibited under the Indenture. The Indenture Trustee will have no liability or responsibility to monitor any events or determine if a redemption, repurchase or offer to purchase is required or permitted under the Indenture or otherwise in connection with the Notes.

Mandatory Ratable Offers to Purchase Notes upon a Voluntary Prepayment under the Common Terms Agreement

So long as any Obligations under any other Senior Debt (other than the Notes of any series) remain outstanding, the Issuer will be required to make an Offer to Purchase a ratable amount of the Notes and on a ratable basis among any outstanding series of Notes, at a purchase price equal to 100% of the principal amount of the Notes being purchased plus accrued and unpaid interest and Additional Amounts, if any, thereon to, but not including, the purchase date on a ratable basis, if any pro rata voluntary prepayment of all the Senior Debt (excluding the Required Revolving Credit Facility) is made, in whole or in part, in accordance with the respective principal amounts thereof then outstanding in inverse order of maturity and such voluntary prepayment will be made on a Scheduled Payment Date.

Offer to Purchase Procedures

Any "Offer to Purchase" hereunder shall be made by the Issuer by mailing (or otherwise communicating in accordance with the applicable procedures of DTC) the notice required pursuant to the terms of the Indenture, with a copy to the Indenture Trustee. The Offer to Purchase will remain open for a period of 20 Business Days following its commencement, except to the extent that a shorter period is permitted under Applicable Law or a longer period is required by Applicable Law (the "Offer Period"). No later than five Business Days after the termination of the Offer Period (the "Purchase Date"), the Issuer will apply an amount equal to a ratable portion, in accordance with the Intercreditor Agreement, of the amount of funds required to be used to make the relevant mandatory prepayment pursuant to the Facilities, to purchase the aggregate principal amount of Notes required to be offered for purchase pursuant to the Indenture and (the "Offer Amount") or, if less than the Offer Amount has been so validly tendered, all Notes validly tendered in response to the Offer to Purchase. Payment for any Notes so purchased will be made in the same manner as interest payments are made.

If the Purchase Date is on or after an applicable interest record date and on or before the related interest payment date, any accrued and unpaid interest to the Purchase Date and Additional Amounts, if any, will be paid on the Purchase Date to the Person in whose name a Note is registered at the close of business on such record date.

On or before the Purchase Date, the Issuer will, to the extent lawful, accept for payment, on a pro rata basis to the extent necessary, the Offer Amount of Notes or portions thereof validly tendered and not validly withdrawn pursuant to the Offer to Purchase, or, if less than the principal amount sought has been validly tendered and not validly withdrawn, all Notes so tendered, in the case of the Notes in integral multiples of U.S.$1,000; provided that if, following repurchase of a portion of a Note, the remaining principal amount of such Note outstanding immediately after such repurchase would be less than U.S.$200,000, then the portion of such Note so repurchased shall be reduced so that the remaining principal amount of such Note outstanding immediately after such repurchase is U.S.$200,000. If the aggregate principal amount of Notes validly tendered and not validly withdrawn pursuant to an Offer to Purchase exceeds the Offer Amount, the Indenture Trustee shall select the Notes to be purchased on a pro rata basis on the basis of the aggregate accreted value or principal amount of tendered Notes (or as otherwise required by the applicable procedures of DTC or other depositary).

The Issuer will deliver, or cause to be delivered, to the Indenture Trustee the Notes so accepted and a certificate of a Responsible Officer stating the aggregate principal amount of Notes so accepted and that such Notes were accepted for payment by the Issuer in accordance with the terms of the Indenture. The paying agent or the Issuer, as the case may be, will promptly, but in no event later than five Business Days after termination of the Offer Period, mail (or otherwise deliver in accordance with the applicable procedures of DTC) to each tendering holder of Notes, an amount equal to the purchase price of the Notes so validly tendered and not validly withdrawn by such holder and accepted by the Issuer for purchase.

If certificated notes have been issued, the Issuer will promptly issue a new certificated Note, and the Indenture Trustee, upon delivery of an authentication order from the Issuer, will authenticate and mail (or otherwise deliver in accordance with the applicable procedures of DTC) (or cause to be transferred by book entry) such new certificated Note to such holder (it being understood that, notwithstanding anything in the Indenture to the contrary, no Opinion of Counsel or certificate of a Responsible Officer will be required for the Indenture Trustee to authenticate and mail or deliver such new certificated Note) in a principal amount equal to any unpurchased portion of the Note surrendered; provided that each such new Note will be in a principal amount of U.S.$200,000 or an integral multiple of U.S.$1,000 in excess thereof. Any Note not so accepted will be promptly mailed or delivered by the Issuer to the holder thereof.

Any amounts offered in an Offer to Purchase (other than an Offer to Purchase related to an Offer to Purchase described in caption "*—Mandatory Ratable Offers to Purchase Notes upon a Voluntary Prepayment under the Common Terms Agreement*" but not accepted by holders of the Notes will be used, prior to the Loan Repayment Event, to prepay in full the Term Loans and after the Loan Repayment Event, may be retained by us and used for any purpose not prohibited under the Indenture.

Repurchase Upon Change of Control Repurchase Event

Except as otherwise described below, by no later than 30 days after the occurrence of a Change of Control Repurchase Event, the Issuer must give notice thereof to the Indenture Trustee and the holders of the Notes (which notice may be delivered by the Indenture Trustee, upon the written request and at the expense of the Issuer) a

notice (a "Change of Control Notice") offering to purchase all of the Notes then outstanding on a selected date that is no earlier than 30 days and no later than 60 days (or such additional time as may be required by Applicable Laws) after the date of such notice, which selected date must be a Business Day (such offer, a "Change of Control Offer"). In connection with any Change of Control Offer, the Issuer will hold such offer open for at least 20 Business Days (or such additional time as may be required by Applicable Laws). The Change of Control Notice must advise each holder of the Notes in sufficient detail as to how to tender its Notes should it elect to accept such offer.

The Issuer will: (a) subject to the next paragraph, accept (except to the extent such would violate Applicable Laws) for purchase all or any part (equal to U.S.$200,000 and multiples of $1,000 in excess thereof) of the Notes of each series that have been tendered in (but not withdrawn from) such Change of Control Offer, and (b) pay (such payment to be made in U.S. dollars) each applicable holder for its Notes of such series a purchase price equal to 101% of the portion of the outstanding principal balance represented by such Notes plus all accrued and unpaid interest (if any) thereon to but excluding the purchase date plus Additional Amounts, if any, payable in respect of such Notes.

If certificated Notes have been issued and the Issuer purchases only a portion of an outstanding certificated Note in connection with a Change of Control Offer, the Issuer will, promptly upon cancellation of the original certificated Note, issue in the name of the holder thereof a new certificated Note in a principal amount equal to the portion thereof not purchased. The unpurchased portion of any certificated Note will not be less than the minimum denomination of a certificated Note specified in caption "Book-Entry; Settlement and Clearance."

The Issuer will comply, to the extent applicable, with the requirements of Rule 14e-1 under the Exchange Act and any other Applicable Laws in connection with a Change of Control Offer. To the extent that the provisions of any Applicable Laws conflict with provisions of this covenant, the Issuer will comply with such Applicable Laws and will not be deemed to have breached its obligations under this covenant by virtue of its compliance with such Applicable Laws.

Each registered holder of the Notes (except as otherwise required by law) will be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, writing on, or theft or loss of, the definitive Note issued in respect of it) and no Person will be liable for so treating the holder.

If holders of not less than 90% in aggregate principal amount of the outstanding Notes of any series validly tender and do not withdraw such Notes in a Change of Control Offer and the Issuer, or any third party making a Change of Control Offer in lieu of the Issuer as described below, purchases all of the Notes of such series validly tendered and not withdrawn by such holders, the Issuer will have the right, upon not less than 30 nor more than 60 days' prior notice, given not more than 30 days following such purchase pursuant to the Change of Control Offer described above, to redeem all of the Notes of such series that remain outstanding following such purchase at a redemption price in cash equal to the applicable payment in the Change of Control Offer plus, to the extent not included in such payment, accrued and unpaid interest, if any, thereon, to, but not including, the date of redemption, plus Additional Amounts, if any, payable in respect of such Notes.

The Issuer will not be required to make a Change of Control Offer upon a Change of Control Repurchase Event if (1) a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by the Issuer and purchases all Notes of such series properly tendered and not withdrawn under the Change of Control Offer, or (2) a notice of redemption has been given pursuant to the Indenture as described above under the caption "*—Optional Redemption with Make-Whole Premium*," "*—Optional Redemption Procedures*," or "*—Optional Redemption upon Tax Event*" unless and until there is a default in payment of the applicable redemption price. A Change of Control Offer may be made in advance of a Change of Control Repurchase Event, with the obligation to pay and the timing of payment conditioned upon the occurrence of a Change of Control Repurchase Event, if a definitive agreement to effect a Change of Control is in place at the time the Change of Control Offer is made.

Priority of Payments upon Foreclosure on the Collateral

If the maturity of the Notes has been accelerated and if the Collateral Agent forecloses on or sells substantially all of the Collateral at any time pursuant to the terms of the Security Documents, all proceeds realized in connection therewith must be applied to pay to redeem the Notes and other required amounts in accordance with the priority set forth in the Intercreditor Agreement, irrespective of whether such proceeds are sufficient to

pay all amounts then due under the Notes but excluding, for the avoidance of doubt, application of any such proceeds to the payment of any premium.

Additional Amounts

The Issuer will make payments of, or in respect of, principal, premium (if any) and interest on the Notes free and clear of, and without withholding (including backup withholding) or deduction for or on account of any present or future Taxes, unless such withholding or deduction is required by law.

The Issuer or any paying agent may be required by Mexican law to withhold and deduct Mexican withholding tax at a rate of 4.9%, if certain requirements are satisfied, from payments of interest (and amounts deemed interest) made to holders who are not residents of Mexico for tax purposes, and will pay Additional Amounts (as defined below) on those payments. The Issuer will pay the holders of the Notes such additional amounts ("Additional Amounts") as may be necessary so that the net payment received by such holders will not be less than the amount such holder would have received if such Taxes had not been withheld or deducted, as provided for in the Notes. By net payment, we mean the amount we or our paying agent pay the holder after deducting or withholding an amount for or on account of any present or future taxes, duties, assessments or other governmental charges ("Taxes") imposed with respect to that payment by a Mexican taxing authority, or any political subdivision or taxing authority thereof or therein or of any other jurisdiction (or any political subdivision or any authority thereof or therein) through or from which payments on the Notes are made (each, a "Relevant Jurisdiction").

The foregoing obligation to pay Additional Amounts to any holder of Notes, however, will not apply to or in respect of:

(a) any Taxes that would not have been so imposed, assessed, levied or collected but for the fact that the holder or beneficial owner of the Note (or a fiduciary, settlor, beneficiary, member or shareholder of, or possessor of a power over, such holder, if such holder is an estate, trust, partnership or corporation) having some present or former connection with a Relevant Jurisdiction, including such holder of the Note (i) being or having been a domiciliary, national or resident of the Relevant Jurisdiction, (ii) engaging or having been engaged in a trade or business in the Relevant Jurisdiction, (iii) maintaining or having maintained an office, a permanent establishment or branch in the Relevant Jurisdiction or (iv) being or having been physically present in the Relevant Jurisdiction, except for a connection solely arising from mere ownership of the Note;

(b) any Taxes that would not have been so imposed, assessed, levied or collected but for the fact that, where presentation is required in order to receive payment, the Note was presented more than 30 days after the date on which such payment became due and payable or was provided for, whichever is later, except to the extent that the holder or beneficial owner thereof would have been entitled to Additional Amounts had the Note been presented for payment on the last day of such 30-day period;

(c) any estate, inheritance, gift, sales, use, stamp, transfer, excise or personal property or similar Taxes;

(d) any Taxes that are not payable by way of deduction or withholding from payments on or in respect of the applicable Note;

(e) any Taxes that would not have been so imposed, assessed, levied or collected but for the failure by the holder or the beneficial owner of the Note to provide any certification, identification, information, documentation or other evidence or information concerning the nationality, residence or identity of the holder or the beneficial owner or its connection with a Relevant Jurisdiction, if (i) compliance is required by statute, rule, regulation or administrative practice of a Relevant Jurisdiction as a condition to relief, reduction or exemption from all or part of such Taxes and (ii) the Issuer has given the holders or beneficial owners, as applicable, at least 30 days' written notice prior to the first payment date with respect to which such certification, identification, information, documentation or other evidence is required to the effect that holders will be required to provide such information and identification;

(f) any payment on the Note to a holder that is a fiduciary, a partnership or any person other than the sole beneficial owner of any such payment to the extent that a beneficiary or settlor with respect to

such fiduciary, a partner of such partnership or the beneficial owner of the payment would not have been entitled to the Additional Amounts had the beneficiary, settlor, partner or beneficial owner been the holder of the Note;

(g) any Taxes imposed on or in respect of Section 1471 through 1474 of the Code ("FATCA") (or any amended or successor version of FATCA), any current or future regulations or official interpretations thereof, any intergovernmental agreement between the United States and another jurisdiction facilitating the implementation of FATCA, the laws of any Relevant Jurisdiction implementing FATCA or any such intergovernmental agreement, any agreement between either the Issuer and the United States or any authority thereof entered into for FATCA purposes, and any agreements entered into pursuant to Section 1471(b)(1) of the Code; or

(h) any combination of the Taxes and/or withholdings or deductions described in (a) through (g) above.

The limitations on our obligations to pay Additional Amounts set forth in clause (e) above will not apply if (i) the provision of information, documentation or other evidence described in such clause (e) would be materially more onerous, in form, in procedure or in the substance of information disclosed, to a holder or beneficial owner of a Note, than comparable information or other reporting requirements imposed under U.S. tax law (including the United States-Mexico income tax treaty), regulations (including temporary or proposed regulations) and administrative practice, or (ii) with respect to taxes imposed by Mexico or any political subdivision or taxing authority thereof, Article 166, Section II, subsection (a), of the Mexican Income Tax Law (or a substitute or equivalent provision, or a substantially similar successor of such Article, whether included in any law or regulation) is in effect, unless (a) the provision of the information, documentation or other evidence described in (e) above is expressly required by statute, regulation, the applicable Mexican laws or official administrative practice in order to apply Article 166, Section II, subsection (a), of the Mexican Income Tax Law (or a substantially similar successor, substitute or equivalent provision), (b) the Issuer cannot obtain the information, documentation or other evidence necessary to comply with the applicable Mexican laws and regulations on its own through reasonable diligence, and (c) the Issuer otherwise would not meet the requirements of Article 166, Section II, subsection a) of the Mexican Income Tax Law (or a substitute or equivalent provision, or a substantially similar successor of such Article, whether included in any law or regulation).

In addition, clause (e) above does not require, and shall not be construed to require, that any holder or beneficial owner of a Note, including any non-Mexican pension fund, retirement fund, tax-exempt organization or financial institution, register, to the extent applicable, with the Ministry of Finance or the Tax Administration Service to establish eligibility for an exemption from, or a reduction of, Mexican withholding taxes.

As provided in caption "*—Payments and Paying Agents*," all payments in respect of the Notes will be made subject to any withholding or deduction required pursuant to Section 1471(b) of the Internal Revenue Code of 1986, as amended (the "Code"), or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations thereunder or official interpretations thereof or any law implementing an intergovernmental approach thereto (collectively, "FATCA"), and we will not be required to pay any Additional Amounts on account of any such deduction or withholding required pursuant to FATCA.

Unless otherwise stated, references in any context to the payment of principal of, and premium, if any, or interest on, any Note, will be deemed to include payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

The Issuer will also pay any present or future stamp, court or documentary taxes or other excise or property taxes, charges or similar levies which arise in any jurisdiction from the execution, delivery or registration in respect of the Notes, excluding any such taxes, charges or similar levies imposed by any jurisdiction outside of Mexico other than those resulting from, or required to be paid in connection with, the enforcement of the Notes in the case of a default by the Issuer in its payment obligations under the Notes and the Issuer agrees to indemnify each of the Indenture Trustee, the paying agents, the Collateral Agent and the holders of the Notes for any such amounts paid or Incurred by any such party.

If the Issuer will be obligated to pay Additional Amounts with respect to any payment under or with respect to the Notes, the Issuer will deliver to the Indenture Trustee, at least three Business Days prior to the relevant payment date, an Officer's Certificate stating the fact that such Additional Amounts will be payable, the amounts so payable and will set forth such other information necessary to enable the Indenture Trustee to pay such Additional Amounts to holders of Notes on the payment date. Each such Officer's Certificate shall be relied

upon by the Indenture Trustee without further enquiry until receipt of a further Officer's Certificate addressing such matters.

The foregoing obligations will survive any termination, defeasance or discharge of the Indenture and will apply mutatis mutandis to any jurisdiction in which any successor person to the Issuer or a paying agent is organized or any political subdivision or taxing authority or agency thereof or therein.

Affirmative Covenants of the Issuer, Guarantors and Restricted Subsidiaries

Set forth below are summaries of the principal affirmative covenants contained in the Indenture.

Compliance with Laws, Etc.

The Issuer and each Guarantor will, and will cause each of their respective Restricted Subsidiaries to, comply with all Applicable Laws and all orders, writs, injunctions and decrees applicable to it or to its business or property (including any Environmental Laws), except where any failure to so comply would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; provided that the Issuer, any Guarantor or any of the Restricted Subsidiaries may, at its expense, contest by appropriate proceedings conducted in good faith the validity or application of any such requirement of Applicable Law, so long as (1) none of the Secured Parties would be subject to any liability for failure to comply therewith and (2) the institution of such proceedings would not reasonably be expected to result in a Material Adverse Effect.

Payment of Obligations

Each of the Issuer and each Guarantor will pay, discharge or otherwise satisfy in full, at or before maturity or before they become delinquent, all of its respective obligations and liabilities arising pursuant to the Notes or the Note Guarantees, as applicable, including all payments of principal, interest, any premium and any Additional Amounts.

The Issuer will, and will cause each Restricted Subsidiary to, pay and discharge as the same become due and payable all of its obligations and liabilities, including (i) all tax liabilities, assessments and governmental charges or levies upon it or its properties or assets, unless the same are subject to contest in good faith and for which reasonable reserves have been provided for; (ii) all premiums owed under any insurance policies and (iii) all lawful claims that, if unpaid, would by law become a Lien upon its properties, except in the case of clauses (i), (ii) and (iii) where the failure to do so could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Preservation of Existence, Etc.

The Issuer and each Guarantor will, and will cause each of their respective Restricted Subsidiaries, to preserve and maintain its legal existence, legal form (other than the Restricted Subsidiaries in respect of a Permitted Disposition), organizational rights, privileges, corporate capacity, authority, Permits and franchises necessary (a) in the normal conduct of its business and (b) to perform its obligations under the Finance Documents and Material Project Documents to which it is a party.

Maintenance of Properties

Except as expressly permitted in the Indenture, the Issuer and each Guarantor will, and will cause each of their respective Restricted Subsidiaries to (i) keep and maintain the Projects and all Property required for the performance of its business in good condition, repair and working order (ordinary wear and tear excepted) in all respects in accordance with Prudent Industry Practices, Applicable Law, the applicable Operating Budget, the Permits, and the Material Project Documents to which it is a party; (ii) maintain good, legal and valid title to all such Property, free of all Liens other than Permitted Liens, and (iii) preserve and maintain in all respects rights in its intellectual property and comply in all respects with the terms of its licenses for the use of intellectual property, except, in each case, where the failure to do so would not reasonably be expected to, individually or in the aggregate, have a Material Adverse Effect.

Books and Records

The Issuer and each Guarantor will, and will cause each Restricted Subsidiary to, (i) maintain, or cause to be maintained, proper books, accounts and records in accordance with the Accounting Principles with respect to itself and its Projects, and (ii) maintain, or cause to be maintained, KPMG or any other Approved Auditor as its auditor (the "Auditors").

Separateness

The Issuer and each Guarantor will, and will cause each Restricted Subsidiary to: (a) act solely in its name and through its Authorized Officers in the conduct of its businesses; (b) maintain separate bank accounts and separate books of account from the Issuer, or the other Guarantors or Restricted Subsidiaries and cause each of its liabilities to be readily distinguishable from the liabilities of the Issuer, the other Guarantors or the other Restricted Subsidiaries and their respective Affiliates; (c) conduct its business in all material respects solely in its own name, in a manner not misleading to other Persons as to its identity and, without limiting the generality of the foregoing, furnish all oral and written communications (if any), including letters, invoices, purchase orders, contracts, statements and applications solely in its own name; (d) provide for the payment of its own operating expenses and liabilities from its own funds or as otherwise permitted by the Indenture; and (e) comply in all material respects with the terms of its Constitutional Documents, including by obtaining any proper authorization from member(s), director(s) and manager(s), as required thereunder for all of its limited liability company actions.

Protection of Security Interests; Covenant to Give Security

The Issuer and each Guarantor will, and will cause each Security Provider which is not the Issuer or a Guarantor, as applicable, to, at its own expense, take all actions that are reasonably required to establish, maintain, protect and preserve (i) the Liens created or required to be created by each Security Document to which each Security Provider is a party, the required priority (to the extent available under Applicable Law) of such Liens and the effectiveness of the irrevocable powers of attorney granted pursuant to such Security Documents, including taking all actions to ensure that all such Collateral is subject to a valid and enforceable first-priority Lien in favor of the Collateral Agent, as applicable, for the benefit of the Secured Parties,and (ii) good and valid title to or rights in, the Collateral.

Without limiting the generality of the foregoing, the Issuer and each Guarantor will, and will cause each Security Provider that is not the Issuer or a Guarantor to, at its own expense take all actions that are reasonably necessary to: (i) establish and maintain first ranking and priority security interests in favor of the Collateral Agent (for the benefit of the Secured Parties) in the terms set out in the Indenture and in the Security Documents; (ii) maintain the Security Documents in full force and effect at all times, and preserve and protect the Collateral and protect and enforce its rights and title and the rights conferred on the Collateral Agent pursuant to the Security Documents; (iii) pursuant to the terms and conditions of the Security Documents, make all filings or registrations required by Applicable Law to create and perfect the security interests in the Collateral with respect to new Equity Interests issued by the Issuer and Iberdrola Mexico; (iv) discharge all other Liens adversely affecting the rights of the Secured Parties in the Collateral; and (v) maintain and preserve at all times in full force and effect the Liens granted by it pursuant to the Security Documents and the priority thereof as first-priority Liens.

As it relates to the obligations set out in sub-section (i), the Issuer and each Guarantor will, and will cause each Security Provider that is not the Issuer or a Guarantor to, perform such acts or deliver such item by the applicable due date for such obligation specified in the relevant Security Document.

Post-Closing Mexican Security Obligations

On or prior to the Issue Date and no later than 10 Business Days following the date of any amendment or supplement thereto, the Issuer will deliver to the Collateral Agent evidence of registration at the Sole Security Registry of the Mexican Security Trust Agreement, the Cox Energy Equity Pledge Agreement, and the Minority Shareholder Equity Pledge Agreement, jointly with an original first copy (*primer testimonio*) of the public deed (*escritura pública*) containing the granting or ratification, as applicable, of the Mexican Security Trust Agreement, the Cox Energy Equity Pledge Agreement, and the Minority Shareholder Equity Pledge Agreement with appropriate evidence of registration in, the Sole Security Registry.

Further Assurances

The Issuer and each Guarantor will, and will cause each of their respective Restricted Subsidiaries to, upon the reasonable request of the Indenture Trustee or the Collateral Agent, and at the cost and expense of the Issuer, the applicable Guarantor or the applicable Restricted Subsidiary, as applicable, execute and deliver such other instruments, agreements, certificates, opinions and other documents, and take such other actions as shall be necessary or reasonably advisable or that the Indenture Trustee or the Collateral Agent may request, to perfect or protect any of the other rights or remedies of the Secured Parties under the Finance Documents and perform such other reasonable acts as may be necessary to carry out the intent of the Notes, the Indenture and the other Finance Documents, or to consummate any of the other transactions contemplated thereby.

Use of Proceeds

The Issuer shall use the net proceeds from the offering of the Notes in the manner set forth in this Offering Memorandum under the caption "Use of Proceeds."

Ranking

The Issuer and the Guarantors will ensure that their payment obligations under the Notes, the Note Guarantees, the Indenture or any other Finance Documents will at all times rank at least equally in right of payment with all other unsecured and unsubordinated Indebtedness of the Issuer or such Guarantor, as applicable.

Maintenance of Ratings

The Issuer will at all times use commercially reasonably efforts to maintain a rating of the Notes by at least two Rating Agencies, provided, however, that, in the event that one or more Rating Agency (i) ceases to exist, (ii) ceases to issue ratings of the type issued in respect of the Notes as of the Issue Date or (iii) refuses or otherwise declines to provide a rating for the Notes (other than due to the Issuer's failure to (A) provide such Rating Agency with such reports and other information or documents, as such Rating Agency shall reasonably request to monitor and continue to assign ratings to the Notes, (B) pay customary fees to such Rating Agency in connection therewith or (C) take any other action reasonably requested by such Rating Agency in connection therewith) (and, in each of cases (i) through (iii) above, the Issuer is unable to substitute another Rating Agency in place of such Rating Agency), the failure by the Issuer to obtain or maintain such rating shall not constitute a Default or Event of Default; it being understood that the Issuer shall not request any Rating Agency to cease rating the Notes and/or the Issuer. For the avoidance of doubt, the Issuer shall not have any obligation to maintain any particular minimum rating or level of rating in respect of itself or the Notes.

Maintenance of Insurance

The Issuer and each Guarantor will, and will cause each of their respective Restricted Subsidiaries to, obtain and maintain insurance and reinsurance coverage in such amounts and covering such risks consistent with Prudent Industry Practices, subject to any requirements of the Finance Documents and Applicable Laws.

Distributions

The Issuer will cause the Restricted Subsidiaries to make distributions in amounts, to the extent available, that are sufficient in order to cover any amounts of debt service due under the Notes (including any Additional Amounts).

Capital Expenditures

Prior to the Bridge Facility Repayment Date, none of the Issuer or any of the Guarantors will, and will cause each of their respective Restricted Subsidiaries not to, incur Capital Expenditures other than Capital Expenditures included in the Operating Budget and after the Bridge Facility Repayment Date, none of the Issuer or any of the Guarantors will, and will cause each of their respective Restricted Subsidiaries not to, incur Capital Expenditures prior to April 24, 2029, other than Permitted Capital Expenditures.

Company Merger

No later than 365 days following the Initial Disbursement Date, the Issuer will effectuate the merger of the Issuer and Iberdrola Mexico, with Issuer as the surviving entity, and will deliver to the Intercreditor Agent evidence reasonably satisfactory to it of the consummation of such merger, including (i) an Officer's Certificate

certifying the completion of such merger and (ii) certified copies of all corporate resolutions, filings and other documents evidencing such merger; provided that, to the extent that any consent to extend such period is approved by the Secured Parties (other than the holders of the Notes and the Indenture Trustee) who are entitled to participate in an Intercreditor Vote with respect to any such consent under the Intercreditor Agreement shall be effective and binding upon the holders of the Notes and the Indenture Trustee; provided further, that each holder of the Notes by accepting a Note waives any right to participate in any such voting issue.

Required Revolving Credit Facility

For so long as the Issuer's Consolidated Net Leverage Ratio is equal to, or greater than, 3.25 to 1.00, the Issuer shall maintain in effect the Required Revolving Credit Facility with outstanding revolving (drawn and undrawn) commitments thereunder in an aggregate principal amount of no less than U.S.$150.0 million at all times during such period.

Minimum Cash Balance

For so long as the Issuer's Consolidated Net Leverage Ratio is equal to, or greater than, 3.25 to 1.00, the Issuer will maintain an amount of no less than U.S.$100.0 million in Cash at all times during such period.

Negative Covenants of the Issuer, Guarantors and Restricted Subsidiaries

Set forth below are summaries of the principal negative covenants contained in the Indenture.

Limitation on Incurrence of Additional Indebtedness

(1) The Issuer and each Guarantor will not, and will not permit any of their respective Restricted Subsidiaries to, create, Incur, assume or suffer to exist any Indebtedness and the Issuer and each Guarantor will not, and will not permit any of their respective Restricted Subsidiaries to issue any Disqualified Capital Stock, except that the Issuer, the Guarantors or any of the Restricted Subsidiaries may Incur Indebtedness or issue any Disqualified Capital Stock if immediately after giving effect to the Incurrence of such Indebtedness (and the application of proceeds therefrom) or issuance of Disqualified Capital Stock:

(i) no Default or Event of Default has occurred and shall be continuing or will result from such Incurrence or issuance, as applicable;

(ii) the ratio of Issuer's Gross Debt to Consolidated EBITDA is equal to or less than:

(a) 4.25 to 1.00, if from the Issue Date through (and including) December 31, 2026;

(b) 3.75 to 1.00, from January 1, 2027 through (and including) December 31, 2027; or

(c) 3.25 to 1.00, on and after January 1, 2028; and

(iii) the Issuer's Interest Coverage Ratio is equal to or greater than:

(a) 2.75 to 1.00 from the Issue Date through (and including) December 31, 2026;

(b) 3.00 to 1.00 from January 1, 2027 through (and including) December 31, 2027;

(c) 3.25 to 1.00 from January 1, 2028 through (and including) December 31, 2028; or

(d) 3.50 to 1.00 on and after January 1, 2029.

(2) Notwithstanding clause (1) above, the Issuer, the Guarantors or any of the Restricted Subsidiaries may Incur the following, to the extent such Incurrence would not result in a breach under or violation of any other Finance Document:

(a) (i) Indebtedness in respect of the Notes and the Note Guarantees thereof, excluding any Additional Notes and guarantees thereof; (ii) Indebtedness under the Senior Loans outstanding from time to time

in an aggregate amount at any one time not to exceed the difference between (x) the sum of (A) the Acquisition Debt Amount, (B) U.S.$50,000,000, and (C) transaction fees and expenses incurred in connection with the issuance of the Notes and the New Senior Secured Credit Facilities, not to exceed U.S.$35,000,000, and (y) Indebtedness in respect of the Notes and the Note Guarantees thereof, excluding any Additional Notes and guarantees thereof;

(b) Indebtedness of the Issuer and the Restricted Subsidiaries outstanding on the Issue Date (including, if applicable, Indebtedness under the Required Revolving Credit Facility, to the extent such facility is already in place prior to the Issue Date);

(c) Indebtedness under the Permitted LC Facility outstanding from time to time in an aggregate amount at any one time not to exceed the sum of U.S.$150.0 million.

(d) Subordinated Indebtedness;

(e) Indebtedness incurred under the Required Revolving Credit Facility, to the extent such facility is not outstanding on the Issue Date and permitted under clause (b) above;

(f) Intercompany Debt;

(g) any trade or other similar Indebtedness in each case that is Incurred in the ordinary course of the Issuer's, any Guarantor's or any Restricted Subsidiary's business (to the extent that it does not involve advance or deferred payment for a period of more than 9 months after Incurrence thereof) that is not more than 90 days past due or is being contested pursuant to a Good Faith Contest by the Issuer or such Guarantor or Restricted Subsidiary; provided, that the aggregate principal amount of all such Indebtedness Incurred by the Issuer, the Guarantors and the Restricted Subsidiaries pursuant to this paragraph (g) outstanding at any time shall not exceed U.S.$30.0 million (or the equivalent in any other currency);

(h) any capital lease of equipment or software, or Indebtedness for the deferred purchase price of equipment or software, in each case Incurred in the ordinary course of business and related to the Projects; provided, that the aggregate principal amount of such Indebtedness Incurred by the Issuer, the Guarantors and the Restricted Subsidiaries pursuant to this paragraph (h) does not at any time exceed (i) U.S.$15.0 million (or the equivalent in any other currency) individually per purchase or lease of equipment or software, or (ii) U.S.$30.0 million (or the equivalent in any other currency) in the aggregate;

(i) Indebtedness in respect of performance bonds, bid bonds, appeal bonds, surety bonds, financial assurances and completion guarantees, indemnification obligations, obligations to pay insurance premiums and similar obligations in each case, of the Issuer, the Guarantors or the Restricted Subsidiaries; provided, that such indebtedness is Incurred in the ordinary course of business and not in connection with Indebtedness for Borrowed Money, including those Incurred to secure health, safety and environmental obligations in the ordinary course of business; and provided further, that the aggregate principal amount of all such Indebtedness does not at any time exceed U.S.$20.0 million (or the equivalent in any other currency) in the aggregate;

(j) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business or other cash management services in the ordinary course of business or other cash management services in the ordinary course of business; provided, that such Indebtedness shall not be in an amount that is greater than U.S.$20.0 million (or the equivalent in any other currency) and shall be extinguished within 10 Business Days of its Incurrence;

(k) Indebtedness in respect of any Permitted Hedging Agreements (and any Derivative Transactions thereunder);

(l) Refinancing Indebtedness in respect of:

(i) Indebtedness Incurred pursuant to clause (1) above; or

(ii) Indebtedness Incurred pursuant to this clause (2);

(m) Indebtedness, in respect of severance payments, workers' compensation claims, payment obligations in connection with health or other social security benefits, unemployment insurance or other

self-insurance obligations for employees, bankers' acceptances, and reimbursement obligations in respect of the foregoing (or letters of credit or performance bonds in connection with, in lieu of or in respect of each of the foregoing), in each case, Incurred in the ordinary course of business or in order to comply with any requirements of Applicable Law;

(n) Indebtedness in respect of letters of credit (other than pursuant to the Finance Documents) or performance, bid or other bonds or reimbursement obligations in respect of such letters of credit or bonds, in each case, entered into in the ordinary course of business (which are not Incurred in connection with the borrowing of money) in order to comply with any requirements under Applicable Law; provided that, upon the drawing of such letters of credit or the Incurrence of such Indebtedness, such obligations are reimbursed within 30 days following such drawing or Incurrence;

(o) Unsecured Indebtedness of the Issuer or any Restricted Subsidiary in an aggregate principal amount not to exceed U.S.$100.0 million at any time outstanding; and

(p) Acquired Indebtedness of a Person that becomes a Restricted Subsidiary or that is merged, consolidated or amalgamated with or into the Issuer or any Restricted Subsidiary after the Issue Date; provided that (i) such Indebtedness existed at the time such Person became a Restricted Subsidiary or was merged, consolidated or amalgamated with or into the Issuer or such Restricted Subsidiary and was not created in anticipation thereof, and (ii) prior to and after giving pro forma effect to the incurrence of such Indebtedness the Issuer is able to Incur at least U.S.$1.00 of additional Indebtedness pursuant to clause (1)(a) of "*—Negative Covenants of the Issuer, Guarantors and Restricted Subsidiaries—Limitation on Incurrence of Additional Indebtedness*."

(3) Any Indebtedness permitted by clause (1) or clause (2) above will be "Permitted Debt" under the Indenture. In addition, Permitted Debt under the Indenture, to the extent permitted to be secured in accordance with the limitations on Liens over the Collateral set forth in the Indenture as described below in caption "*— Limitation on Liens*," will share in the Collateral with all other Secured Obligations subject and pursuant to the Intercreditor Agreement.

(4) Neither the Issuer nor any Guarantor will Incur any Indebtedness that is contractually subordinated in right of payment to any other Indebtedness, unless such Indebtedness is expressly subordinated in right of payment to the Notes to the same extent and on the same terms as such Indebtedness is subordinated to such other Indebtedness; provided, however, that no Indebtedness will be deemed to be contractually subordinated in right of payment to any other Indebtedness solely by virtue of being unsecured or by virtue of being secured on a first or junior Lien basis.

(5) For purposes of determining compliance with, and the outstanding principal amount of, any particular Indebtedness Incurred pursuant to and in compliance with this covenant:

(a) the outstanding principal amount of any item of Indebtedness will be counted only once (without duplication for guarantees or otherwise);

(b) in the event that an item of Indebtedness meets the criteria of more than one of the categories of Permitted Debt described in clauses (2)(a) through (2)(p) above, or is entitled to be incurred pursuant to clause (1) above, the Issuer may, in its sole discretion, divide and classify (or at any time reclassify) such item of Indebtedness in any manner that complies with this covenant without giving pro forma effect to the Indebtedness (or any portion thereof) Incurred pursuant to clause (2) above when calculating the amount of Indebtedness (or any portion thereof) that may be Incurred pursuant to clause (1) above;

(c) The amount of Indebtedness Incurred by a Person on the Incurrence date thereof shall equal the amount recognized as a liability on the balance sheet of such Person in accordance with the Accounting Principles and the amount of Indebtedness issued at a price that is less than the principal amount thereof will be equal to the amount of liability in respect thereof determined in accordance with the Accounting Principles. Accrual of interest, the accretion or amortization of original issue discount, the payment of regularly scheduled interest in the form of additional Indebtedness of the same instrument or the payment of regularly scheduled dividends on Disqualified Capital Stock in the form of additional Disqualified Capital Stock with the same terms will not be deemed to be an Incurrence of Indebtedness for purposes of this covenant;

(d) The accrual of interest, the accretion or amortization of original issue discount and the payment of interest on any Indebtedness in the form of Additional Senior Debt with the same terms will not be deemed to be an incurrence of Indebtedness for purposes of this covenant; and

(e) with respect to any U.S. dollar-denominated restriction on the incurrence of Indebtedness, the U.S. dollar- equivalent principal amount of Indebtedness denominated in a foreign currency shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was incurred, in the case of term Indebtedness, or first committed, in the case of revolving credit Indebtedness; provided, that if such Indebtedness is incurred to Refinance other Indebtedness denominated in a foreign currency, and such Refinancing would cause the applicable U.S. dollar-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such Refinancing, such U.S. dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such Refinancing Indebtedness does not exceed the principal amount of such Indebtedness being Refinanced. Notwithstanding any other provision of this covenant, the maximum amount of Indebtedness that the Issuer may incur pursuant to this covenant shall not be deemed to be exceeded solely as a result of fluctuations in the exchange rate of currencies. The principal amount of any Indebtedness incurred to Refinance other Indebtedness, if incurred in a different currency from the Indebtedness being Refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such Refinancing Indebtedness is denominated that is in effect on the date of such Refinancing.

Limitation on Restricted Payments

The Issuer and each Guarantor will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, take any of the following actions (each, a "Restricted Payment"):

(a) declare or pay any dividend or make any distribution or return of capital on or in respect of Equity Interests of the Issuer or any Restricted Subsidiary to holders of such Equity Interests, other than:

(1) dividends or distributions payable in Qualified Capital Stock of the Issuer,

(2) dividends, distributions or returns of capital payable to the Issuer and/or a Restricted Subsidiary, or

(3) dividends, distributions or returns of capital made on a pro rata basis to the Issuer and its Restricted Subsidiaries, on the one hand, and the other holders of Equity Interests of such Restricted Subsidiary, on the other hand (or on a less than pro rata basis to any minority holder);

(b) purchase, redeem or otherwise acquire or retire for value any Equity Interests of the Issuer except for Equity Interests held by the Issuer or a Restricted Subsidiary;

(c) make any principal payment on, purchase, defease, redeem, prepay, decrease or otherwise acquire or retire for value, scheduled repayment or scheduled sinking fund payment, as the case may be, any Subordinated Indebtedness except (i) a payment of interest, (ii) a repayment, redemption, repurchase, defeasance or acquisition or retirement in anticipation of satisfying a sinking fund obligation, principal installment or final maturity, in each case, due within one year of the date of such repurchase, defeasance or acquisition or retirement and (iii) Subordinated Indebtedness permitted to be Incurred under clause (2)(c) of "*—Negative Covenants of the Issuer, Guarantors and Restricted Subsidiaries—Limitation on Incurrence of Additional Indebtedness*";

(d) make any Restricted Investment;

(e) any other payment by the Issuer or any of its Subsidiaries to an Affiliate thereof (other than the Issuer or a Guarantor), including any payment in respect of compensation, management, advisory, administration, consulting, license or other fees, bonuses or commissions; or

(f) any transfer by Issuer or any of its Subsidiaries of any of its property for consideration of less than fair market value thereof to any of its directors or officers, Cox ABG or any of their respective Affiliates;

if immediately after giving effect thereto (the conditions set forth below, collectively, the "Restricted Payment Conditions"):

(1) a Default or Event of Default shall have occurred and be continuing, or would occur as a result of such Restricted Payment;

(2) the Issuer is not able to Incur at least U.S.$1.00 of additional Indebtedness pursuant to clause (1)(a) of "*—Negative Covenants of the Issuer, Guarantors and Restricted Subsidiaries—Limitation on Incurrence of Additional Indebtedness*";

(3) April 24, 2030 shall not have occurred; and

(4) the aggregate amount (the amount expended for these purposes, if other than in cash, being the Fair Market Value of the relevant property) of the proposed Restricted Payment and all other Restricted Payments made subsequent to the Issue Date up to the date thereof shall exceed the sum of:

(a) 50% of cumulative Consolidated Net Income of the Issuer (or, if Consolidated Net Income shall be a deficit, minus 100% of such deficit) accrued on a cumulative basis during the period, treated as one accounting period, beginning on the first day of the fiscal quarter in which the Issue Date occurs to the end of the most recent fiscal quarter ending prior to the date of such Restricted Payment for which financial statements of the Issuer have been provided to the Indenture Trustee pursuant to the Indenture; plus

(b) 100% of the aggregate net cash proceeds and the Fair Market Value of Property (other than cash) received by the Issuer from any Person from any:

- (i) contribution to the equity capital of the Issuer not representing an interest in Disqualified Capital Stock and, (ii) issuance and sale of Qualified Capital Stock of the Issuer subsequent to April 1, 2026; or

- issuance and sale subsequent to April 1, 2026 (and, in the case of Indebtedness of a Restricted Subsidiary, at such time as it was a Restricted Subsidiary) of any Indebtedness included in clauses (a), (c), (d), (e) and (j) of the definition thereof of the Issuer or any Restricted Subsidiary that has been converted into or exchanged for Qualified Capital Stock of the Issuer;

excluding, in each case, any net cash proceeds:

(x) received from a Restricted Subsidiary of the Issuer; or

(y) applied in accordance with clause (2) of the second paragraph of this covenant below; plus

(c) to the extent that any Restricted Investment is sold for cash or otherwise liquidated or repaid for cash or Designated as a Restricted Subsidiary, the cash proceeds with respect to such Restricted Investment (less the cost of disposition, if any) in the case of any sale, liquidation or repayment and the Fair Market Value of the Issuer's Restricted Investments as of the date of Designation in the case of any Designation; provided, that if such Restricted Investment was made prior to the Issue Date, such amount shall not be included in determining if the Issuer can make a Restricted Payment provided for in clauses (a), (b) and (c) of the first paragraph of this covenant; plus

(d) to the extent that any Unrestricted Subsidiary of the Issuer Designated as such on or after the Issue Date is redesignated as a Restricted Subsidiary, the Fair Market Value of the Issuer's Investment in such Subsidiary as of the date of such redesignation; plus

(f) to the extent that the Issuer, any Guarantors or a Restricted Subsidiary terminates all or any part of any commitment to make an Investment that was previously accounted for as a Restricted Payment, the amount of the terminated commitment; plus

(g) to the extent not included above under this clause, 100% of any dividends, distributions or cash received by the Issuer or any of the Restricted Subsidiaries from an Unrestricted Subsidiary or any Person in which the Issuer or a Restricted Subsidiary owns a minority interest.

Notwithstanding the preceding paragraph, this covenant does not prohibit:

(1) the payment of any dividend or other distribution or redemption within 60 days after the date of declaration of such dividend or call for redemption if such payment would have been permitted on the date of declaration or call for redemption pursuant to the preceding paragraph;

(2) the voluntary prepayment, purchase, defeasance, redemption or other acquisition or retirement for value of any Subordinated Indebtedness solely in exchange for, or through the application of net cash proceeds of a substantially concurrent sale, other than to a Restricted Subsidiary of the Issuer, of Refinancing Indebtedness for such Subordinated Indebtedness;

(3) repurchases of Equity Interests deemed to occur upon exercise of stock options, warrants or other similar rights if such Equity Interests represents a portion of the exercise price of such options, warrants or other similar rights or nominal cash payments in lieu of issuances of fractional shares;

(4) the payment at any time of all or any part of a Restricted Investment, if at the time of the entering into the commitment to make the Restricted Investment, the making of such Restricted Investment would have been permitted under any provision of the Indenture; provided, that at the time of entering into such commitment to make the Restricted Investment (i) the entire amount of such commitment was permitted to be made as a Restricted Payment under the Indenture as if the entire amount was made on the date of such commitment and (ii) the entire amount of such commitment is included in the calculation required under clause (4) of the first paragraph above;

(5) Restricted Payments consisting of distributions made by the Issuer, any Guarantor or any Restricted Subsidiary in an amount necessary for any direct or indirect parent entity of the Issuer to pay Taxes that are due and payable by such parent entity as a result of the income or operations of the Issuer and its Restricted Subsidiaries; or

(6) Restricted Payments in an amount which, when taken together with all Restricted Payments made pursuant to this clause (6), do not exceed U.S.$350 million (or the equivalent in other currencies); provided that (A) the Term Loans under the Term Loan Facility have been repaid in full, (B) the Issuer obtains a Ratings Affirmation in connection with such Restricted Payment, and (C) immediately after giving pro-forma effect to the making of such Restricted Payment the Issuer's Consolidated Net Leverage Ratio would be equal to or less than 3.75 to 1.00.

The amount of any Restricted Payments not in cash will be the Fair Market Value on the date of such Restricted Payment of the Property, assets or securities proposed to be paid, transferred or issued by the Issuer or the relevant Restricted Subsidiary, as the case may be, pursuant to such Restricted Payment.

Limitation on Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries

(a) Except as provided in paragraph (b) below, the Issuer and each Guarantor will not, and will not permit any of their respective Restricted Subsidiaries to, directly or indirectly, create or otherwise cause or permit to exist or become effective any encumbrance or restriction on the ability of any Restricted Subsidiary to:

(1) pay dividends or make any other distributions on its Equity Interests to the Issuer or any other Restricted Subsidiary or pay any Indebtedness owed to the Issuer or any other Restricted Subsidiary;

(2) make loans or advances to the Issuer or any other Restricted Subsidiary (it being understood that the subordination of loans or advances made to the Issuer or any Restricted Subsidiary to other Indebtedness Incurred by the Issuer or any Restricted Subsidiary shall not be deemed a restriction on the ability to make loans or advances); or

(3) transfer any of its property or assets to the Issuer or any other Restricted Subsidiary.

(b) Paragraph (a) above will not apply to encumbrances or restrictions existing under or by reason of:

(1) applicable law, rule, regulation or order (including, without limitation, (i) by any national stock exchange on which any Restricted Subsidiary has its Equity Interests listed and (ii) pursuant to any fiduciary obligations imposed by law);

(2) the Indenture or the Notes; or

(3) the terms of any Indebtedness under the Finance Documents existing on the Issue Date and any extensions, renewals, replacements, amendments or refinancings thereof made in accordance with the Finance Documents; provided that such extension, renewal, replacement, amendment or refinancing is not, taken as a whole, materially more restrictive with respect to such encumbrances or restrictions than those in existence on the Issue Date;

(4) customary non-assignment provisions in contracts, agreements, leases, permits and licenses;

(5) restrictions with respect to a Restricted Subsidiary of the Issuer imposed pursuant to a binding agreement which has been entered into for the sale or disposition of all or substantially all of the Equity Interests or assets of such Restricted Subsidiary; provided, that such restrictions apply solely to the Equity Interests or assets of such Restricted Subsidiary being sold;

(6) customary provisions in a joint venture or other similar agreement with respect to a Restricted Subsidiary that was entered into in the ordinary course of business; and

(7) Refinancing Indebtedness; provided, that the restrictions contained in the agreements governing such Refinancing Indebtedness are not materially more restrictive, taken as a whole, than those contained in the agreements governing the Indebtedness being Refinanced.

Limitation on Liens

The Issuer and each Guarantor will not, and will not permit any of their respective Restricted Subsidiaries to, directly or indirectly, create, incur, assume or suffer to exist any Lien securing Indebtedness of any kind on any Property or asset whether now owned or hereafter acquired, or any proceeds therefrom (except Permitted Liens), unless contemporaneously therewith effective provision is made to secure the Notes, the Guarantees and all other amounts due under the Indenture; in each case, equally and ratably with or prior to such Indebtedness or other obligation (or, in the event that such Indebtedness is subordinated in right of payment to the Notes, the Guarantees and all other amounts due under the Indenture, as the case may be, prior to such Indebtedness or other obligation) with a Lien on the same Property or asset (or proceeds therefrom) of the Issuer or such Restricted Subsidiary, as the case may be, securing such Indebtedness or other obligation for so long as such Indebtedness or other obligation is secured by such Lien.

Conduct of Business

The Issuer and each Guarantor will not at any time conduct any business other than (a) owning the Equity Interests in the Guarantors, the Restricted Subsidiaries and any Unrestricted Subsidiary, (b) Incurring in Permitted Debt, (c) making Permitted Dispositions, (d) making Permitted Investments, (e) Incurring Permitted Liens, and (f) performing its obligations under the Finance Documents.

The Issuer and the Guarantors will not, and will cause each of their respective Restricted Subsidiaries not to, conduct any business other than (a) such business or transaction as is conducted by the Issuer, the applicable Guarantor and the applicable Restricted Subsidiary as of the date of the Issue Date or any business reasonably related or incidental thereto or representing a reasonable expansion thereof, (b) Incurring in Permitted Debt, (c) making Permitted Dispositions, (d) making Permitted Investments, (e) Incurring Permitted Liens, (f) making Permitted Transactions, (g) performing its obligations under the Finance Documents, and (h) complying with the Applicable Law.

The Issuer and each Guarantor will not, and will cause each of their respective Restricted Subsidiaries not to, change their purpose in any manner which could contravene this "—*Conduct of Business*" section (as applicable).

Limitation on Merger, Consolidation, Liquidation, Dissolution

Other than a consolidation, amalgamation or merger of (a) the Issuer or any Guarantor with or into the Issuer or any other Guarantor, as applicable, or (b) any Subsidiary of the Issuer or any Guarantor with or into the Issuer another or any Guarantor, as applicable, none of the Issuer and each Guarantor will, and will not agree to, and will cause each of their respective Restricted Subsidiaries not to, and not to agree to, (i) enter into any

consolidation, amalgamation, spin-off, demerger, merger, reconstruction, partnership, profit-sharing or any analogous arrangement, (ii) wind up, liquidate or dissolve or take any action that would (or fail to take any action where such failure would) result in the liquidation or dissolution of the Issuer, any Guarantor or any Restricted Subsidiary, or (iii) change its legal form, or (iv) amend or modify its Constitutional Documents, in each case of the foregoing, in a manner that would materially and adversely affect the Secured Parties' rights or remedies under the Finance Documents, unless in each case of the forgoing each of the following requirements is met (a "Permitted Transaction"):

(a) either (x) the Issuer or the relevant Guarantor is the surviving or continuing entity, or (y) if the Issuer or the relevant Guarantor is not the surviving or continuing person, the person formed by such consolidation or amalgamation or into which the Issuer or such Guarantor is merged or that acquired or leased such property or assets from the Issuer or such Guarantor will be a company organized and validly existing under Mexican Law or the laws of the United States, such person is not subject to sanctions and expressly assumes subsequent to the consummation of such consolidation, amalgamation or merger or acquisition or leasing of property or assets, all of the Issuer's or such Guarantor's obligations under the Finance Documents, including the Notes and the Indenture;

(b) immediately after giving effect to the relevant transaction, no Event of Default, or Default has occurred and is continuing;

(c) the Intercreditor Agent receives any other opinions and other documents or evidence as it may reasonably request in connection therewith; and

(e) to the extent reasonably requested by the Intercreditor Agent, the Finance Documents shall have been amended (or amended and restated) to reflect such merger, amalgamation, consolidation, conveyance, transfer or lease.

Limitation on Asset Sales

The Issuer will not, and will cause each Restricted Subsidiary not to, consummate an Asset Sale unless:

(1) the Issuer (or the Restricted Subsidiary, as the case may be) receives consideration at the time of such Asset Sale at least equal to the Fair Market Value of the assets or Equity Interests issued or sold or otherwise disposed of;

(2) the Issuer obtains a Ratings Affirmation in connection with such Asset Sale; and

(3) at least 75% of the consideration therefor received by the Issuer or such Restricted Subsidiary is in the form of:

(a) Cash or cash equivalents (including any cash equivalents received from the conversion within 60 days of such Asset Sale of any securities, notes or other obligations received in consideration of such Asset Sale);

(b) Permitted Assets;

(c) any liabilities of the Issuer, any Guarantor or any Restricted Subsidiary as shown on the Issuer's or such Restricted Subsidiary's most recent balance sheet (other than contingent liabilities, Indebtedness that is by its terms subordinated in right of payment to the Notes or any Note Guarantee and liabilities to the extent owed to the Issuer or any Affiliate of the Issuer) that are assumed by the transferee of any such assets or Equity Interests pursuant to a customary novation agreement that releases the Issuer or such Restricted Subsidiary from or indemnifies the Issuer or such Restricted Subsidiary against further liability;

(d) Equity Interests in a Person engaged primarily in a Permitted Business that will become a Restricted Subsidiary as a result of such Asset Sale; or

(e) any combination of the consideration specified in clauses (a) to (d).

Within 365 days after the receipt of any Net Cash Proceeds from an Asset Sale, the Issuer or a Restricted Subsidiary, as the case may be, may apply an amount equal to such Net Cash Proceeds from any such Asset Sale at its option:

(1) prior to the Loan Repayment Event: to permanently repay outstanding amounts under the Term Loan Facility;

(2) after the Loan Repayment Event:

(i) to repay Obligations under the Notes (and the Note Guarantees), any Additional Notes (and the guarantees thereof) or repay other Indebtedness which ranks pari passu in right of payment with the Notes; including, without limitation, at the Issuer's option, redeeming Notes in accordance with the provisions set forth under "*—Optional Redemption*," purchasing Notes through privately negotiated transactions or open market purchases, in each case, at purchases that are at or above 100% of the principal amount thereof, or by making an offer to all holders of Notes to repurchase their Notes at a purchase price equal to 100% of the principal amount of the Notes to be purchased, plus accrued and unpaid interest to, but excluding, the date of purchase; or

(ii) to purchase Permitted Assets (or enter into a binding agreement to purchase such Permitted Assets; provided that (x) such purchase is consummated no later than the later of (i) the 360th day after such Asset Sale or (ii) 180 days after the date of such binding agreement and (y) if such purchase is not consummated within the period set forth in subclause (x), the Net Cash Proceeds not so applied will be deemed to be Excess Proceeds (as defined below)); or

(iii) to make an Asset Sale Offer as described below.

The amount of such Net Cash Proceeds required to be applied (or to be committed to be applied) during such 365-day period as set forth in the preceding paragraph and not applied (or committed to be applied) as so required by the end of such period shall constitute "Excess Proceeds." If, as of the first day of any calendar month, the aggregate amount of Excess Proceeds totals at least U.S.$20 million, the Issuer must commence, not later than the fifteenth Business Day of such month, and consummate an offer to purchase (an "Asset Sale Offer"), from the holders of the Notes and all holders of other Secured Obligations containing provisions similar to those set forth in the Indenture with respect to offers to purchase with the proceeds of sales of assets, the maximum principal amount of Notes of any series and such other Secured Obligations that may be purchased ratably out of the Excess Proceeds. The offer price in any such Asset Sale Offer will be equal to 100% of the principal amount (or accredited value, if applicable) of the Notes and such other Secured Obligations plus accrued and unpaid interest, to the date of purchase, subject to the rights of holders of Notes on the relevant record date to receive interest on the relevant interest payment date, and will be payable in cash. To the extent that any Excess Proceeds remain after consummation of an Asset Sale Offer pursuant to this "*—Limitation on Asset Sales*" covenant, the Issuer may use those Excess Proceeds for any purpose not otherwise prohibited by the Indenture, and those Excess Proceeds shall no longer constitute "Excess Proceeds." The Issuer may satisfy its obligations under this covenant with respect to the Excess Proceeds of an Asset Sale by making an Asset Sale Offer prior to the expiration of the relevant 365-day period. The procedures set forth in the first through the fifth paragraph of "*—Repurchase Upon Change of Control Repurchase Event*" above shall apply to any Asset Sale Offer, except to the extent otherwise specified in this "*—Asset Sales*" covenant.

Limitation on Designation of Unrestricted Subsidiaries.

The Issuer may designate after the Issue Date any Subsidiary of the Issuer or any Subsidiary thereof as an "Unrestricted Subsidiary" under the Indenture (a "Designation") only if:

(1) no Event of Default shall have occurred and be continuing at the time of, and no Default or Event of Default shall have occurred and be continuing after giving effect to, such Designation and any transactions between the Issuer or any of its Restricted Subsidiaries and such Unrestricted Subsidiary are in compliance with the covenant described under the covenant "*—Limitation on Transactions with Affiliates*;"

(2) the Issuer would be permitted to make an Investment at the time of Designation (assuming the effectiveness of such Designation and treating such Designation as an Investment at the time of Designation) as a Restricted Payment pursuant to the first paragraph or clause (5) of the second paragraph of "*—Limitation on Restricted Payments*" in an amount (the "Designation Amount") equal to the amount of the Issuer's Investment

in such Subsidiary on such date (as determined in accordance with the second paragraph of the definition of "Investment"); and

(3) the Subsidiary subject of the Designation is not a Guarantor.

Neither the Issuer nor any Restricted Subsidiary will at any time provide credit support for, subject any of its property or assets (other than the Equity Interests of any Unrestricted Subsidiary) to the satisfaction of, or Guarantee, any Indebtedness of any Unrestricted Subsidiary (including any undertaking, agreement or instrument evidencing such Indebtedness) or be directly or indirectly liable for any Indebtedness of any Unrestricted Subsidiary unless such credit support or Indebtedness was permitted to be Incurred as Indebtedness under the covenant "*—Negative Covenants of the Issuer, Guarantors and Restricted Subsidiaries—Limitation on Incurrence of Additional Indebtedness*".

The Issuer may revoke any Designation of a Subsidiary as an Unrestricted Subsidiary (a "Revocation") only if:

(1) no Event of Default shall have occurred and be continuing at the time of, and no Default or Event of Default shall have occurred and be continuing, after giving effect to such Revocation; and

(2) all Indebtedness of such Unrestricted Subsidiary, as applicable, outstanding immediately following such Revocation would, if Incurred at such time, be permitted to be Incurred pursuant to the Indenture.

The Designation of a Subsidiary of the Issuer as an Unrestricted Subsidiary, as applicable, shall be deemed to include the Designation of all of the Subsidiaries of such Subsidiary. All Designations and Revocations must be evidenced by resolutions of the board of directors of the Issuer, delivered to the Indenture Trustee together with an Officer's Certificate certifying compliance with the preceding provisions.

Limitation on Investments

The Issuer and each Guarantor will not, and will cause each of their respective Restricted Subsidiaries not to, make or hold any Investments in any Person except for Permitted Investments.

Limitation on Transactions with Affiliates

The Issuer and each Guarantor will not, and will cause each of their respective Restricted Subsidiaries not to, directly or indirectly, enter into any activity, business, agreement, transaction or series of transactions with or for the benefit of any of its Affiliates, the Issuer, any other Guarantor or any other Restricted Subsidiary or their respective Affiliates (each, an "Affiliate Transaction") (other than in connection with any equity contribution or Subordinated Indebtedness Incurred in compliance with "*—Limitation on Incurrence of Additional Indebtedness*" above), except in the ordinary course of business and upon terms and conditions at least as favorable to the Issuer, such Guarantor or such Restricted Subsidiary as would be obtainable by it at the time in a comparable arm's-length transaction with a Person that is not an Affiliate of the Issuer, the Guarantors or the Restricted Subsidiaries; provided that, within 10 Business Days after entering into any such agreement permitted under the Indenture with its Affiliate (other than with the Issuer or any of its Subsidiaries) the Issuer shall, and shall cause each of its Subsidiaries to, deliver to the Intercreditor Agent (i) an Officer's Certificate describing such transaction in reasonable detail and certifying as to the satisfaction of conditions set forth in this section "*—Limitation on Transactions with Affiliates*" and (ii) if applicable, ancillary documents in connection therewith.

Notwithstanding the foregoing, the paragraph above will not apply to:

(a) Affiliate Transactions with or among the Issuer and any Restricted Subsidiary or between or among Restricted Subsidiaries;

(b) Affiliate Transactions undertaken pursuant to (i) any contractual obligations or rights in existence on the Issue Date, (ii) any contractual obligation of any Restricted Subsidiary or any Person that is merged into the Issuer or any Restricted Subsidiary on the date such Person becomes a Restricted Subsidiary or is merged into the Issuer or any Restricted Subsidiary and (iii) any amendment or replacement agreement to the obligations and rights described in clauses (i) and (ii), so long as such amendment or replacement agreement is not more disadvantageous to the holders in any material respect, taken as a whole, than the original agreement;

(c) transactions with customers, clients, distributors, suppliers or purchasers or sellers of goods or services, in each case in the ordinary course of business and on market terms, or transactions with joint ventures or other similar arrangements entered into in the ordinary course of business, on market terms and consistent with past practice or industry norms;

(d) any Restricted Payments made in compliance with "*—Limitation on Restricted Payments*" and Permitted Investments permitted under the Indenture;

(e) any Subordinated Indebtedness expressly permitted under the Indenture.

Limitation on Sale and Lease-Back Transactions

Other than leases comprising Permitted Debt, the Issuer and each Guarantor will not, and will cause each of their respective Restricted Subsidiaries not to, directly or indirectly become or remain liable as lessee or as a guarantor or other surety with respect to any lease, whether an operating lease or capital lease obligations of any Property (whether real, personal or mixed), whether now owned or hereafter acquired, which the Issuer, such Guarantor or such Restricted Subsidiary, as applicable, (i) has sold or transferred or is to sell or transfer to any other Person (other than to the Issuer, another Guarantor or another Restricted Subsidiary) or (ii) intends to use for substantially the same purpose as any other Property which has been or is to be sold or transferred by the Issuer, such Guarantor or such Restricted Subsidiary to any Person (other than to the Issuer, another Guarantor or another Restricted Subsidiary).

Material Project Documents

Except as would not reasonably be expected to materially impair the value of the interest or rights of the Issuer thereunder or otherwise reasonably be expected to have a Material Adverse Effect, the Issuer and each Guarantor will not, and will not permit any of their respective Restricted Subsidiaries, to:

(a) consent to, agree to or permit, any termination of any Material Project Document (other than any recission or termination of a Material Project Document as a result of a default of the counterparty or counterparties thereof in accordance with its terms and not as a result of a default thereunder by any of the Issuer, the corresponding Guarantor or Restricted Subsidiary, or as a result of expiration or upon its scheduled maturity date), assignment of any Material Project Document (other than an assignment to the Issuer or a Guarantor), amendment to, modification of, or waiver of timely compliance with, any material terms or conditions of any Material Project Document, or

(b) fail to comply with or fail to enforce or exercise its rights or remedies under any Material Project Document, unless the Intercreditor Agent has consented to such termination, assignment, amendment, modification, waiver or failure or is required by the Finance Documents (such consent not to be unreasonably withheld, delayed or conditioned); provided that to the extent that any such consent is approved by the Secured Parties (other than the holders of the Notes and the Indenture Trustee) who are entitled to participate in an Intercreditor Vote with respect to any such consent under the Intercreditor Agreement shall be effective and binding upon the holders of the Notes and the Indenture Trustee; provided, further, that each holder of the Notes by accepting a Note waives any right to participate in any such voting issue;

; provided that:

(1) to the extent that any such consent is approved by the Secured Parties (other than the holders of the Notes and the Indenture Trustee) who are entitled to participate in an Intercreditor Vote with respect to any such consent under the Intercreditor Agreement shall be effective and binding upon the holders of the Notes and the Indenture Trustee; provided, further, that each holder of the Notes by accepting a Note waives any right to participate in any such voting issue; and

(2) the abovementioned consent from the Intercreditor Agent shall not be required in connection with (A) any Material Revenue Generating Contracts (other than the Grandfathered Material Revenue Generating Contracts) if any amendment, modification or waiver thereto is immaterial, ministerial or administrative in nature, is required by Applicable Law solely in respect of Material Revenue Generating Contracts entered into with a Governmental Authority, or does not modify the economic terms thereunder in any way which could reduce the revenue or increase the liability of the applicable Guarantor or Restricted Subsidiary thereunder; and (B) in the event that the Issuer or any Guarantor that is a party to one or more Grandfathered Material Revenue Generating

Contracts, upon the migration of its power generation Permit to a Permit under any of the generation schemes permitted by the Applicable Law then in effect within 90 days following effective date of the migration of its Permit, (x) such Issuer or Guarantor enters into a replacement agreement (such replacement agreement to be an Additional Material Project Document) on terms that are similar or more favorable to such Group Company than those of Grandfathered Material Revenue Generating Contract(s) being replaced, and (y) the Issuer provides an Officer's Certificate to the Indenture Trustee that effect.

(3) in connection with any Material Project Documents not included in clauses (1) and (2) above if (A) any amendment or modification of any such Material Project Document, if the Issuer certifies that the proposed amendment, modification or waiver (x) does not negatively impact the rights of the Issuer or any Guarantor or Restricted Subsidiary under such Material Project Document and (y) is on terms that are similar or more favorable to the Issuer, such Guarantor or such Restricted Subsidiary thereof than those of the existing Material Project Document; or (B) any termination of any such Material Project Document, if the Issuer provides (x) evidence that the Issuer or such corresponding Guarantor or Restricted Subsidiary thereof has entered into a replacement agreement (such replacement agreement to be an Additional Material Project Document) by no later than 90 days following the termination of such Material Project Document, and (z) a certificate from the Issuer including the certifications described in sub clause (2)(B) (x)-(y) above, in respect of such replacement Material Project Document;

Covenant Suspension

If on any date following the Issue Date (a) both the 2032 Notes and the 2036 Notes have an Investment Grade Rating from any two Rating Agencies, and (b) no Default or Event of Default has occurred and is continuing (the occurrence of the events described in the foregoing clauses (a) and (b) being collectively referred to as a "Covenant Suspension Event"), the Issuer and the Restricted Subsidiaries will not be subject to the following covenants (collectively, the "Suspended Covenants"):

(1) "Negative Covenants of the Issuer, Guarantors and Restricted Subsidiaries—Limitation on Incurrence of Additional Indebtedness";

(2) "Negative Covenants of the Issuer, Guarantors and Restricted Subsidiaries—Limitation on Restricted Payments";

(3) "Negative Covenants of the Issuer, Guarantors and Restricted Subsidiaries—Limitation on Asset Sales";

(4) "Negative Covenants of the Issuer, Guarantors and Restricted Subsidiaries—Limitation on Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries";

(5) "Negative Covenants of the Issuer, Guarantors and Restricted Subsidiaries—Limitation on Investments";

(6) "Limitation on Transactions with Affiliates" other than any transaction with any affiliated shareholder of the Issuer or Affiliate thereof other than the Issuer or any Subsidiary thereof.

In the event that the Issuer and the Restricted Subsidiaries are not subject to the Suspended Covenants for any period of time as a result of the foregoing, and on any subsequent date (the "Reversion Date"), any or both of the 2032 Notes and/or the 2036 Notes cease to have an Investment Grade Rating from any two Rating Agencies, then the Issuer and the Restricted Subsidiaries will thereafter again be subject to the Suspended Covenants. The period of time between the occurrence of a Covenant Suspension Event and the Reversion Date is referred to as the "Suspension Period." Notwithstanding that the Suspended Covenants may be reinstated, no Default or Event of Default will be deemed to have occurred as a result of a failure to comply with any of the Suspended Covenants during the Suspension Period (or upon termination of the Suspension Period or after that time based solely on events that occurred during the Suspension Period). The Indenture Trustee shall be provided with written notice of any Covenant Suspension Event, Suspension Period and/or Reversion Date.

On the Reversion Date, all Indebtedness incurred during the Suspension Period will be classified to have been incurred pursuant to paragraph (1) of "*—Limitation on Incurrence of Additional Indebtedness*" or one of the clauses set forth in paragraphs (a) through (p) of paragraph (2) of "*—Limitation on Incurrence of Additional Indebtedness*" (to the extent such Indebtedness would be permitted to be incurred thereunder as of the Reversion

Date and after giving effect to the Indebtedness incurred prior to the Suspension Period and outstanding on the Reversion Date). To the extent such Indebtedness would not be permitted to be incurred pursuant to "*—Limitation on Incurrence of Additional Indebtedness*," such Indebtedness will nonetheless be deemed to be permitted under paragraph (2) of "*—Limitation on Incurrence of Additional Indebtedness*."

We cannot assure you that the Notes will achieve or maintain Investment Grade Rating.

Reporting Requirements

The Issuer will provide the Indenture Trustee and, upon request, the holders of the Notes, with the following reports and notices:

(a) as soon as available, but in any event within sixty (60) days after the end of each of the first three fiscal quarters of each fiscal year of the Issuer (or ninety (90) days for the first financial statements to be delivered hereunder) starting from the first fiscal quarter of 2026 (included), unaudited, but subject to limited review and including all explanatory notes from Auditors, consolidated balance sheet and related statements of income and cash flows of the Issuer and the other Group Companies for such quarter, together with an Officer's Certificate stating that such financial statements fairly represent the financial condition and results of operations of the Issuer, in accordance with the Accounting Principles as at the end of, and for, such quarter;

(b) as soon as available, but in any event within one hundred and twenty (120) days after the end of each Financial Year (or one hundred and fifty (150) days for the first financial statements to be delivered hereunder), consolidated financial statements (including cash flow statements) of the Issuer and its consolidated Subsidiaries for such year prepared in accordance with the Accounting Principles (which may be consolidated, combined or as otherwise required by the Accounting Principles), audited and accompanied by a certification from the Approved Auditor stating that such financial statements present a true and fair view of the financial condition and results of operations of the Issuer and its consolidated Subsidiaries in accordance with the Accounting Principles as at the end of and for such Financial Year and are not subject to qualification as to "going concern" or the scope of such audit;

(c) without duplication, upon request, English language versions or summaries in electronic format of such other reports or notices as may be filed or submitted by (and within ten (10) days after filing or submission by the Issuer with the SGX-ST, or any other stock exchange on which the Notes may be listed, in each case, to the extent that any such report or notice is generally available to the Issuer's debt holders, provided, however, that the Issuer shall not be required to furnish such information to the extent such information is available on the Issuer's website or to the extent that the information contained therein is not materially different than the information provided pursuant to clauses (a) and (b) above;

(d) so long as the Issuer is not subject to Section 13 or Section 15(d) of the Exchange Act and exempt from reporting pursuant to Rule 12g3-2(b) of the Exchange Act, upon request, to any holder and any prospective purchaser of the Notes, the information required pursuant to Rule 144A(d)(4) under the Securities Act;

(e) promptly (but in any event within five (5) Business Days after a Responsible Officer of the Issuer obtains knowledge or is aware thereof), a notice, including reasonable details, of: (i) any event which constitutes a Default or Event of Default under the Notes, and (ii) the occurrence of a Change of Control and a Change of Control Repurchase Event;

Simultaneously with the delivery of each set of financial statements referred to in clauses (a) or (b) above, the Issuer will provide the Indenture Trustee with an Officer's Certificate stating (1) whether a Default or Event of Default exists on the date of such Officer's Certificate and, if a Default or Event of Default exists, specifying the nature and extent thereof, (2) in the case of an Officer's Certificate delivered in connection with the financial statements provided for clause (b), the ratio of Gross Debt to Consolidated EBITDA and the Interest Coverage Ratio as of the Measurement Date occurring on the last Business Day of each January, (3) in the case of an Officer's Certificate delivered in connection with the financial statements provided for clause (a), the ratio of Gross Debt to Consolidated EBITDA and the Interest Coverage Ratio as of the Measurement Date occurring on the last Business Day of each such fiscal quarter, in each case, jointly with the relevant detailed calculations and (4) any changes to the legal name, jurisdiction of formation, type of entity and organizational number (or equivalent), in each case for each of the Issuer and its Subsidiaries or confirming that there has been no change in

such information since the Issue Date or the date of the most recent certificate delivered in connection with the financial statements referred to in clauses (a) or (b) above.

All reports, notices, certificates and other documents delivered pursuant to this "*—Reporting Requirements*" covenant shall be in the English language. Delivery of reports, information and documents to the Indenture Trustee is for informational purposes only and its respective receipt of such reports shall not constitute actual or constructive notice of any information contained therein or determinable from information contained therein, including the Restricted Subsidiaries' or any other Person's compliance with any of its covenants under the Indenture or the Notes (as to which the Indenture Trustee is entitled to rely conclusively on Officer's Certificates). The Indenture Trustee shall have no liability or responsibility for the filing, timeliness or content of any report required under or in connection with the Indenture.

Operating Budget

(a) Prior to the occurrence of the Loan Repayment Event, the Issuer will deliver to the Indenture Trustee an annual Operating Budget as soon as available, but in any event not later than 10 days after approval thereof in accordance with the provisions of the Common Terms Agreement and the Intercreditor Agreement (which do not require approval from the holders of the Notes or the Indenture Trustee).

(b) On and after the occurrence of the Loan Repayment Event, the Issuer will deliver to the Indenture Trustee an Operating Budget as soon as available, but in any event not later than 60 days prior to the start of each Financial Year accompanied by an Officer's Certificate of the Issuer certifying that such Operating Budget constitutes the Issuer's good faith estimate for the period covered.

Events of Default

Pursuant to the Indenture each of the following events, acts, occurrences or conditions, will constitute an event of default under the Notes of any series (each, an "Event of Default"). "Default" means any condition or event that with the lapse of time or the giving of notice, or both, would (unless cured or waived) become an Event of Default.

(a) The Issuer or any Guarantor defaults (i) in the payment when due of the principal of or premium, if any, on any Note of such series, including the failure to make a required payment to purchase any Note of such series tendered pursuant to an optional redemption, Change of Control Offer or an Asset Sale Offer; or (ii) defaults for 30 days or more in the payment when due of interest on any Note of such series; provided that a default in the payment of interest or other amounts (other than principal) solely due to administrative error or oversight shall not constitute an Event of Default if such amount is paid within two (2) Business Days of receipt of written notice of such non-payment;

(b) Any representation, warranty or certification made or deemed to be made by the Issuer, any Guarantor or any Restricted Subsidiary in or pursuant to any Finance Document (including the Indenture) to which such Person is a party, or in any notice or other certificate, agreement, document or financial statement delivered pursuant hereto or thereto, shall prove to have been false or misleading in any material respect (or, if qualified by "materiality," "Material Adverse Effect" or similar language, in all respects after giving effect to such qualification) when made or deemed to be made; provided, that such misrepresentation or such false statement (other than as set forth in or with respect to Sections 4.5 (Legality and Enforceability), 4.16 (Anti-Money Laundering Laws; Anti-Corruption Laws and Sanctions), 4.17 (Use of Proceeds), 4.21 (Solvency) and 4.24 (Pari Passu) of the Common Terms Agreement) shall not constitute an Event of Default if (i) such condition or circumstance is susceptible to cure; and (ii) the facts or conditions giving rise to such misstatement are cured in such a manner as to eliminate such misstatement within 30 days (or 45 days to the extent the Issuer commences and is diligently pursuing a cure in good faith) after the earlier of (A) the Intercreditor Agent giving written notice thereof, (B) notice from the Indenture Trustee thereof or notice thereof to the Indenture Trustee and the Issuer by the holders of at least 25% in aggregate principal amount of the Notes of the applicable series then outstanding and (C), such Person having obtained knowledge thereof;

(c) (i) The Issuer, any Guarantor or any of the Restricted Subsidiaries defaults in the due performance or observance of any term, covenant or agreement contained in the Indenture or (ii) the Issuer, any Guarantor or any of the Restricted Subsidiaries shall default in the due performance or observance by it of any other term, covenant or agreement under any Finance Document (subject to any applicable cure period) (other than, in the case of the Issuer, any Guarantor or any of the Restricted Subsidiaries, the Obligations otherwise

identified in this "*—Events of Default*" section) and such failure under clauses (i) or (ii) above continues for 30 days (or 45 days to the extent the Issuer commences and is diligently pursuing a cure in good faith) after the earlier of (A) the Intercreditor Agent giving written notice thereof (B) notice from the Indenture Trustee thereof or notice thereof to the Indenture Trustee and the Issuer by the holders of at least 25% in aggregate principal amount of the Notes of the applicable series then outstanding and (C) such Person having obtained knowledge thereof;

(d) Any Insolvency Proceeding occurs with respect to the Issuer, any Guarantor or any Restricted Subsidiary, or any action is taken by any such Person for the purpose of effecting an Insolvency Proceeding;

(e) Termination of any Revenue Generating Contract that accounted for more than 5% of consolidated revenues of Iberdrola Mexico during the most recently ended four consecutive fiscal quarters of Iberdrola Mexico, that is not replaced with a Replacement Revenue Generating Contract within 45 days following its termination;

(f) Any Material Project Document is terminated, unless in accordance with its terms, or the Indenture, and not as a result of a default thereunder, except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect;

(g) There is entered a final judgment, judgments or arbitral award not capable of further appeal for the payment of money in respect of any Group Company (x) in excess of U.S.$10.0 million, or (y) that has had or could reasonably be expected to, individually or in the aggregate, have a Material Adverse Effect, in each case shall be rendered by one or more Governmental Authorities or arbitral tribunals having jurisdiction over the Group Companies and the same shall not be complied with, discharged (or provision shall not be made for such discharge), bonded or a stay of execution shall not be procured, within 60 days from the date of entry of such judgment or judgments;

(h) (i) The Liens in favor of the Secured Parties under the Security Documents shall at any time cease to constitute valid and fully perfected Liens granting a first priority security interest in any portion of the Collateral to the Secured Parties, and (ii) except for expiration in accordance with its terms, any of the applicable Security Documents shall at any time for any reason cease to be valid and binding or in full force and effect in accordance with its terms;

(i) Any Finance Document once executed (i) is declared by a court of competent jurisdiction invalid, illegal or unenforceable or the Issuer, any Guarantor or any Restricted Subsidiary shall have repudiated, disavowed or disaffirmed, or stated that it is entitled to repudiate, disavow or disaffirm, or taken any action to challenge, the validity or enforceability of such agreement or (ii) except as otherwise expressly permitted under the Indenture or any other Finance Document, or as a consequence of expiry, ceases to be in full force and effect;

(j) The Issuer, or any Guarantor or any Restricted Subsidiary defaults for a period beyond any applicable grace period in the payment of any principal, interest or other amount due under any agreement or instrument involving Indebtedness (other than under the Finance Documents) and such aggregate outstanding amount or amounts payable equals or exceeds U.S.$30.0 million (or the equivalent in any other currency) or (ii) any event specified in any agreements or instruments involving Indebtedness that in aggregate equals or exceeds U.S.$30.0 million (or the equivalent in any other currency) shall have occurred, if in the case of this clause (ii), such event would entitle the holders of the obligation concerned to accelerate the scheduled maturity of such Indebtedness or to cause it to be prepaid in full prior to its stated maturity or to have the interest rate thereto reset;

(k) (i) Any Condemnation Event occurs (either directly or indirectly, by a single act or series thereof) in connection with (x) all or (y) a material part of any one Facility, or any Equity Interests or Collateral of the Issuer, any Guarantor or any Restricted Subsidiary, or any Subordinated Indebtedness, and, in the case of (y) above, such Condemnation Event would reasonably be expected to result in a Material Adverse Effect, or (ii) any Governmental Authority commences any legal proceedings or any Governmental Authority commences any other action in Mexico having the effect of a legal proceeding, in furtherance of any such Condemnation Event or (iii) any Governmental Authority shall have taken any action to dissolve or disestablish the Issuer, any Guarantor or any Restricted Subsidiary or to prevent the Issuer any Guarantor or any Restricted Subsidiary or its officers from carrying on all or a material part of its business or operations;

(l) Any Governmental Authority asserting de jure or de facto governmental or police powers in Mexico shall, by moratorium laws or otherwise, cancel, suspend or defer the obligation of the Issuer or any Restricted Subsidiary to pay any amount required to be paid under the Indenture or its Note Guarantee, or prohibit

any Restricted Subsidiary from paying dividends, respectively, when the same becomes due and payable thereunder and such cancellation, suspension or deferral shall continue for ten (10) or more consecutive Business Days; and

(m) Any Independent Facility Default shall have occurred.

Upon the occurrence and during the continuation of any Event of Default, the Indenture Trustee or the holders of at least 25% in aggregate principal amount of the Notes of the applicable series then outstanding, by notice then given in writing to the Issuer (and to the Indenture Trustee if given by the holders of such Notes), may declare the aggregate principal balance of all Notes of such series immediately due and payable; provided that any Event of Default under clause (d) above will automatically result in the aggregate principal balance of all Notes of such series becoming immediately due and payable.

At any time after a declaration of acceleration with respect to the Notes of such series as described in the preceding paragraph, holders of a majority in principal amount of the outstanding Notes of the applicable series may rescind and cancel such declaration and its consequences:

- if the rescission would not conflict with any judgment or decree;
- if all existing Events of Default have been cured or waived, except nonpayment of principal or interest that has become due solely because of the acceleration;
- to the extent the payment of such interest is lawful, interest on overdue installments of interest and overdue principal, which has become due otherwise than by such declaration of acceleration, has been paid; and
- if the Issuer has paid the Indenture Trustee its reasonable compensation and reimbursed the Indenture Trustee for its reasonable expenses, disbursements and advances.

No rescission will affect any subsequent Default or impair any rights relating thereto.

Holders of a majority in principal amount of the outstanding Notes of the applicable series may waive any existing Default or Event of Default under the Indenture, and its consequences, except a default under clauses (a) and (d) above.

The Indenture Trustee shall not be deemed to have knowledge of any Default or Event of Default unless written notice of such Default or Event of Default has been delivered to a Responsible Officer of the Indenture Trustee by the Issuer or the holders of the Notes of either series and such notice is labeled a "Notice of Default."

The Indenture Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request or direction of any of the holders of the Notes of any series (permitted by the Indenture), unless such holders will have offered to the Indenture Trustee indemnity and/or security satisfactory to the Indenture Trustee. Subject to such provision for the indemnification of and security to the Indenture Trustee, the holders of a majority in aggregate principal amount of the outstanding Notes of any series will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Indenture Trustee in respect of such Notes or exercising any trust or power conferred on the Indenture Trustee in respect of the Notes.

Satisfaction and Discharge

The Indenture will be discharged and will cease to be of further effect (except as to surviving rights of registration of transfer or exchange of the Notes and the rights of the Indenture Trustee and agents under the Indenture, as expressly provided for in the Indenture) as to all outstanding Notes when:

(a) either:

(i) all of the Notes previously authenticated and delivered (except lost, stolen or destroyed Notes which have been replaced or paid and Notes for whose payment money has previously been deposited in trust and

thereafter repaid to the Issuer or discharged from such trust) have been delivered to the Indenture Trustee for cancellation; or

(ii) all Notes not previously delivered to the Indenture Trustee for cancellation (i) have become due and payable or will become due and payable at Stated Maturity within one year or (ii) are to be called for redemption within one year under irrevocable arrangements satisfactory to the Indenture Trustee for the giving of notice of redemption by the Indenture Trustee in the name, and at the expense, of the Issuer and, in each case, the Issuer has irrevocably deposited or caused to be deposited with the Indenture Trustee cash in U.S. dollars, United States government securities, or a combination thereof, in such amounts as will be sufficient, in the opinion of an internationally recognized firm of independent public accountants expressed in a written certificate delivered to the Indenture Trustee, without reinvestment to pay and discharge the entire indebtedness on the Notes not previously delivered to the Indenture Trustee for cancellation, for principal of, premium, if any, and interest on the Notes to the date of deposit (in the case of Notes that have become due and payable) or to the maturity or redemption date, as the case may be, and any Additional Amounts payable with respect thereto, together with irrevocable written instructions from the Issuer directing the Indenture Trustee to apply such funds to the payment;

(b) no Default or Event of Default will have occurred and be continuing on the date of such deposit or will occur as a result of such deposit and such deposit will not result in a breach or violation of, or constitute a default under, any other instrument to which the Issuer, any Guarantor or any Restricted Subsidiary is a party or by which the Issuer, any Guarantor or any Restricted Subsidiary is bound;

(c) the Issuer has paid all other sums payable by it under the Indenture and the Notes; and

(d) the Issuer has delivered to the Indenture Trustee an Officer's Certificate and Opinion of Counsel stating that all conditions precedent under the Indenture relating to the satisfaction and discharge of the Indenture have been complied with.

Upon satisfaction of the conditions set forth in this "—*Satisfaction and Discharge*" section, the Indenture Trustee, upon the Issuer's written request and at the Issuer's expense, shall acknowledge in writing the satisfaction and discharge of the Indenture. Upon satisfaction and discharge of the Indenture, the Liens of the Security Documents shall terminate with respect to the Indenture and the Notes.

Defeasance

The Issuer may at any time terminate all of its obligations with respect to the Notes and all obligations of the Guarantors with respect to their Note Guarantees ("defeasance"), except for certain obligations, including those to the Indenture Trustee and the agents appointed under the Indenture, those regarding any trust established for a defeasance and obligations to register the transfer or exchange of the Notes, to replace mutilated, destroyed, lost or stolen Notes, to maintain agencies in respect of Notes and those expressly stated to survive any termination or defeasance. The Issuer may at any time terminate its obligations and any obligations of the Guarantors under certain covenants set forth in the Indenture, and any omission to comply with such obligations will not constitute a Default or an Event of Default with respect to the Notes ("covenant defeasance"). In order to exercise either defeasance or covenant defeasance, the Issuer must irrevocably deposit in trust, for the benefit of the holders of Notes, with the Indenture Trustee cash in U.S. dollars, United States government securities, or a combination thereof, in such amounts as will be sufficient, in the opinion of an internationally recognized firm of independent public accountants expressed in a written certificate delivered to the Indenture Trustee, without consideration of any reinvestment, to pay the principal of, premium, if any, on and interest on the Notes to redemption or maturity and comply with certain other conditions, including the delivery of an opinion of legal counsel of nationally recognized standing in the United States to the effect that the beneficial owners of the Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of the defeasance and will be subject to U.S. federal income tax on the same amount and in the same manner and at the same time as would otherwise have been the case (and in the case of a defeasance that is not a covenant defeasance, such opinion shall be based on a change in applicable U.S. federal income tax law or a published ruling of the U.S. Internal Revenue Service that can be relied upon by the Issuer).

Amendment, Supplement, Waiver

Subject to certain exceptions, the Indenture, the Notes of either series and, subject to the terms thereof, the Security Documents and the Intercreditor Agreement, may be amended or supplemented with the consent of the holders of at least a majority in principal amount of the Notes then outstanding, and any past Default or

compliance with any provision in the Indenture, the Notes and, subject to the terms of the Security Documents and the Intercreditor Agreement, the Security Documents and the Intercreditor Agreement, as applicable, may be waived with the consent of the holders of at least a majority in principal amount of the Notes of each applicable series then outstanding, provided no such amendment may change or adversely affect the rights, duties or obligations of the Indenture Trustee without the written consent of the Indenture Trustee (such consent not to be unreasonably withheld, delayed or conditioned). However, without the consent of each holder of an outstanding Note affected thereby, no amendment may:

(a) reduce the rate of or extend the time for payment of interest on the Notes of such series;

(b) reduce the principal, or change the Stated Maturity, of the Notes of such series;

(c) reduce the amount payable upon redemption or repurchase of the Notes of such series or change the time at which the Notes of such series may or must be redeemed or repurchased;

(d) make any change in the provisions of the Indenture described under the caption "—Additional Amounts" that adversely affects the rights of any holder of Notes of such series;

(e) change the currency for, or place of payment of, principal, premium or interest on the Notes of such series;

(f) impair the right to institute suit for the enforcement of any payment on or with respect to the Notes of such series or the corresponding Note Guarantees;

(g) waive a Default or Event of Default in the payment of principal of or premium, if any, or interest on the Notes of such series (except a rescission of acceleration of such Notes by the holders of at least a majority in aggregate principal amount of such Notes and a waiver of the payment default that resulted from such acceleration) or in respect of a covenant or provision contained in this Indenture, the Notes of such series or the Guarantees which cannot be amended or modified without the consent of all the holders of the Notes of such series;

(h) release any Guarantor from any of its obligations under its Note Guarantee or the Indenture, except in accordance with the terms of the Indenture;

(i) amend, change or modify the obligation of the Issuer to make and consummate a Change of Control Offer in the event of a Change of Control Repurchase Event in accordance with the covenant described under the caption "*—Repurchase Upon Change of Control Repurchase Event*" after such Change of Control Repurchase Event has occurred, including, in each case, amending, changing or modifying any definition relating thereto;

(j) except as otherwise permitted under the covenants described under the captions "*—Negative Covenants of the Issuer, Guarantors and Restricted Subsidiaries, —Limitation on Merger, Consolidation, Liquidation, Dissolution*" consent to the assignment or transfer by the Issuer or any Guarantor of any of their rights or obligations under the Indenture;

(k) modify the grant of security interests in the Collateral for the benefit of the Secured Parties in a manner that would adversely impact the Secured Parties or the holders of the Notes of such series or release all or substantially all of the interest in the Collateral, in each case other than pursuant to the terms of the Indenture, the Security Documents and the documents contemplated therein;

(l) make any change in the provisions in the Indenture or the Security Documents dealing with the application of proceeds of Collateral that would adversely affect the holders of the Notes of such series in any material respect;

(m) (i) contractually subordinate the Obligations in connection with the Notes of either series in right of payment to any other Indebtedness for Borrowed Money or (ii) contractually subordinate all or substantially all of the Liens on the Collateral securing the Obligations in connection with such Notes to Liens on the Collateral securing any other Indebtedness for Borrowed Money, except, in the case of each of clause (i) and (ii), pursuant to a transaction in which participation in such other Indebtedness for Borrowed Money is offered to

the holders of such Notes on a pro rata basis or in connection with a "debtor in possession" financing (or any similar financing arrangement in an insolvency proceeding in a non-U.S. jurisdiction);

(n) reduce the principal amount of Notes of such series whose holders must consent to any amendment or waiver;

(o) make any change in the amendment or waiver provisions which require each holder's consent; or

(p) amend, change or modify the obligation and price for repurchase following the occurrence of a Mandatory Prepayment Event or any Asset Sale Offer with respect to any Asset Sale that has been consummated.

The holders of the Notes of each series will receive prior notice as described under the caption "— *Notices*" of any proposed amendment to such Notes, the Indenture or the Security Documents described in the immediately preceding paragraph. After an amendment described in the immediately preceding paragraph becomes effective, the Issuer is required to deliver to the holders of the Notes of each series a notice briefly describing such amendment. However, the failure to give such notice to all holders of such Notes, or any defect therein, will not impair or affect, with respect to such Notes, the validity of the amendment.

The consent of the holders of the Notes is not necessary to approve the particular form of any proposed amendment. It is sufficient if such consent approves the substance of the proposed amendment.

The Issuer, the Guarantors, the Indenture Trustee, the applicable Collateral Agent and any other applicable agent under the Indenture or the Security Documents may, without the consent or vote of any holder of the Notes of either series, amend or supplement the Indenture, the applicable Notes and, subject to the terms of the Security Documents, the Security Documents (or, if the Indenture Trustee is not a party to any such Security Document, the Indenture Trustee may consent to the Collateral Agent, as applicable, amending or supplementing such Security Document) for the following purposes:

(a) to cure any ambiguity, omission, defect or inconsistency;

(b) evidence the succession of another Person to the Issuer and the assumption by such successor of the covenants contained in the Indenture or otherwise established with respect to the Notes, in each case in accordance with the Indenture;

(c) to add guarantees or collateral with respect to the Notes;

(d) to add to the covenants of the Issuer and/or its Subsidiaries for the benefit of holders of the Notes;

(e) to surrender any right conferred upon the Issuer or any of its Subsidiaries;

(f) to evidence and provide for the acceptance of an appointment by a successor trustee;

(g) to provide for the issuance of Additional Notes;

(h) to conform the text of the Indenture, the Notes or the Security Documents to any provision of this "*Description of the Notes*";

(i) to conform the text of any Opt-in Provision in the Indenture and the Notes (including any defined terms used therein) to reflect any amendment or waiver to provisions in the Common Terms Agreement that does not require Unanimous Voting Parties;

(j) to comply with the regulations of any securities exchange on which the Notes may be listed;

(j) to release any Collateral from Liens securing the Notes when permitted or required under the Indenture or the Security Documents or to convey, transfer, assign, mortgage or pledge to the Collateral Agent as security for the Notes any property;

(k) to release any Note Guarantee in accordance with the Notes and the Indenture;

(l) to make any other change that does not materially adversely affect the rights of any holder of the Notes;

(m) evidence and provide for the acceptance and appointment under the Indenture or any other Finance Document of a successor Indenture Trustee, successor Collateral Agent or other successor agent thereunder pursuant to the requirements thereof; or

(n) permit or facilitate the issuance of Notes in definitive form.

In executing any amendment, waiver or supplemental indenture to the Indenture, the Notes or the Security Documents, the Indenture Trustee and, if applicable, the Collateral Agent and any other agent under the Indenture or the Security Documents, will be entitled to receive an Officer's Certificate and an Opinion of Counsel, each stating that such amendment, waiver or supplemental indenture is authorized or permitted by the Indenture and/or the Security Documents, as the case may be, that all covenants and conditions precedent to such amendment, supplement or waiver under the Indenture and the Security Documents have been complied with, and that it shall be valid and binding upon the Issuer and the Guarantors in accordance with its terms.

Pursuant to the Indenture, each holder, by its acceptance of a Note, will authorize and direct the Indenture Trustee and each agent under the Indenture to execute and deliver from time to time, if so requested in writing by the Issuer, and without the consent of the holders of the Notes, one or more documents or agreements as are expressly contemplated to be executed by the Indenture Trustee or any such agent in accordance with the terms of the Finance Documents (collectively, "Permitted Supplemental Agreements"); provided that the entry by any such party into any such Permitted Supplemental Agreement will be subject to the prior receipt of (i) an Officer's Certificate from the Issuer certifying that (A) each of the conditions precedent specified in the Finance Documents to the entry by the Indenture Trustee or the applicable agent, as the case may be, into such Permitted Supplemental Agreement, and (B) the requirements set forth in the Finance Documents in respect of the relevant transactions contemplated by such Permitted Supplemental Agreement, have been satisfied; and (ii) an Opinion of Counsel stating that, in the opinion of such counsel, the execution, delivery and performance by the Issuer, the Indenture Trustee, and/or the applicable agent, as applicable, and any other relevant other counterparty(ies) to the Permitted Supplemental Agreement, is permitted under the Indenture and will not result in any conflict with or breach of any Finance Document.

Listing

Application will be made for the listing and quotation of the Notes on the Official List of the SGX-ST. Each of the Issuer, any Guarantor, the Indenture Trustee (subject to the terms of the Indenture) and each Collateral Agent are (without the need for any approvals, consents or instructions from any holders of the Notes, but in accordance with all other provisions applicable thereto) authorized to join in the execution of any amendment (including amendment and restatement) of any Finance Document(s) to the extent required to provide such a listing. Promptly after such a listing, the Issuer will so notify the Indenture Trustee and provide notice thereof (or cause such notice to be provided) to each of the holders of the Notes.

In the event that the Notes are admitted to listing on the SGX-ST, the Issuer will use its commercially reasonable efforts to maintain such listing, provided that if, as a result of any legislation the Issuer could be required to publish financial information either more regularly than it otherwise would be required to or according to accounting principles which are materially different from the Accounting Principles which it would otherwise use to prepare its published financial information, or if the Issuer determines that it is unduly burdensome, in its good faith determination, to maintain a listing on the SGX-ST, the Issuer may delist the Notes from the SGX-ST (with written notice to the Indenture trustee and holders) and, in the event of such delisting, the Issuer will use its commercially reasonable efforts to seek an alternative admission to listing, trading and/or quotation for the Notes by another listing authority, stock exchange and/or quotation system as it may decide; provided that such listing authority, stock exchange or quotation system is used for listing and trading in the international debt capital markets. Although the Issuer cannot assure you as to the liquidity that may result from a listing on the SGX-ST, delisting the Notes from the SGX-ST may have a material effect on the ability of holders of the Notes to resell the Notes in the secondary market.

Notices

For so long as Notes in global form are outstanding, notices to be given to holders will be given to the depositary, in accordance with its applicable policies as in effect from time to time. If Notes are issued in individual definitive form, notices to be given to holders will be deemed to have been given upon the mailing by first class mail, postage prepaid, of such notices to holders of the Notes at their registered addresses as they appear in the registrar's records. Neither the failure to give any notice to a particular holder of the Notes, nor any defect in a notice given to a particular holder of the Notes, will affect the sufficiency of any notice given to another holder of the Notes.

For so long as the Notes are listed on the SGX-ST and in accordance with the rules and regulations of such exchange, the Issuer will publish notices in a newspaper with general circulation in Singapore, which is expected to be the Business Times, Singapore Edition. Notices shall be deemed to have been given on the date of publication as aforesaid or, if published on different dates, on the date of the first such publication.

Governing Law and Submission to Jurisdiction

The Notes and the Indenture will be governed by, and construed in accordance with, the laws of the State of New York. The Security Documents will be governed by Mexican law.

Each of the parties to the Indenture will irrevocably submit to the exclusive jurisdiction of the U.S. federal and New York State courts located in the Borough of Manhattan, City and State of New York in respect of actions brought against it as a defendant for purposes of all legal actions and proceedings instituted in connection with the Notes, the Indenture, the Intercreditor Agreement and any Security Document stated to be governed by the laws of the State of New York. Each of the parties to the Indenture will irrevocably and unconditionally waive (and each holder of Notes (by acquiring a Note or a beneficial interest therein or otherwise accepting the benefits of the Indenture and the other applicable Finance Documents) will be deemed to irrevocably and unconditionally waive), to the fullest extent permitted by Applicable Law, any right to any other jurisdiction by virtue of any party's domicile, place of residency, or any other reason and any objection that it may now or thereafter have to the laying of the venue of any such proceeding brought in such a court, any claim that any such proceeding brought in such a court has been brought in an inconvenient forum and any objection based on place of residence or domicile.

The Issuer and the Guarantors will appoint on or prior to the Issue Date, and each future Mexican Guarantor will appoint upon provision of its Note Guarantee, Corporation Service Company, with an office on the date hereof at 19 West 44th Street, Suite 200, New York, NY 10036, United States of America, as their authorized agent upon which process may be served in any such action. The Issuer and the Guarantors will have granted on or prior to the Issue Date, and each future Mexican Guarantor will grant upon provision of its Note Guarantee, an irrevocable power of attorney for lawsuits and collections under the laws of Mexico in favor of Corporation Service Company.

Currency Indemnity

U.S. dollars are the sole currency of account and payment for all sums payable by the Issuer and each Guarantor under or in connection with the Notes, the Indenture and the Note Guarantees, including damages and the Indenture Trustee shall have no responsibility or liability for any currency conversion. To the greatest extent permitted under Applicable Law, any amount received or recovered in a currency other than U.S. dollars (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the winding-up or dissolution of the Issuer or any Guarantor or otherwise) by any holder of a Note in respect of any sum expressed to be due to it from the Issuer or any Guarantor will only constitute a discharge to the Issuer or such Guarantor to the extent of the U.S. dollar amount which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If that U.S. dollar amount is less than the U.S. dollar amount expressed to be due to the recipient under any Note, the Indenture or any Note Guarantee, the Issuer and each Guarantor will indemnify such holder against any loss sustained by it as a result; and if the amount of U.S. dollars so purchased is greater than the sum originally due to such holder, such holder will, by accepting a Note, be deemed to have agreed to repay such excess. In any event, the Issuer and each Guarantor will indemnify the recipient against the cost of making any such purchase.

For the purposes of the preceding paragraph, it will be sufficient for the holder of a Note to certify in a satisfactory manner (indicating the sources of information used) that it would have suffered a loss had an actual purchase of U.S. dollars been made with the amount so received in that other currency on the date of receipt or recovery (or, if a purchase of U.S. dollars on such date had not been practicable, on the first date on which it would have been practicable, it being required that the need for a change of date be certified in the manner mentioned above). These indemnities will constitute a separate and independent obligation from the other obligations of the Issuer and the Guarantors, will give rise to a separate and independent cause of action, will apply irrespective of any indulgence granted by any holder of a Note and will continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Note.

Waiver of Immunity

To the extent that the Issuer, any of the Restricted Subsidiaries or any of their respective properties, assets or revenues may have or may hereafter become entitled to any right of immunity, on the grounds of sovereignty or otherwise, from any legal action, suit or proceeding, from the giving of any relief in any such legal action, suit or proceeding, from setoff or from counterclaim from the jurisdiction of any Mexican, New York State or U.S. federal or other applicable court, from service of process, from attachment upon or prior to judgment, from attachment in aid of execution of judgment, or from execution of judgment, or other legal process or proceeding for the giving of any relief or for the enforcement of any judgment, in any such court in which proceedings may at any time be commenced, with respect to the obligations and liabilities of the Issuer or any of the Restricted Subsidiaries, or any other matter under or arising out of or in connection with, the Notes or the Indenture, the Issuer and each Guarantor irrevocably and unconditionally waives or will waive, and will cause each other Restricted Subsidiary to waive, such right, and agrees not to plead or claim any such immunity and consents to such relief and enforcement. To the extent that the Issuer, any of the Restricted Subsidiaries or any of their respective properties, assets or revenues may hereafter become entitled to any such right of immunity, such waiver may not be effective if it affects the interests of any third parties as they relate to the Issuer or any such Restricted Subsidiary or if such waiver is expressly forbidden under Mexican law.

Indenture Trustee

UMB Bank, N.A. will act as the Indenture Trustee under the Indenture and its corporate office for transfers, exchanges or surrender of the Notes is 1412 Broadway, Suite 1606 New York, New York 10018, Attention: Corporate Trust and Escrow Services, Administrator . Cox Asset Mexico, S.A. de C.V.

The Indenture contains provisions for the immunities and the protections and rights of the Indenture Trustee under the Indenture, for which reference is made to the Indenture. The obligations of the Indenture Trustee to the holders of the Notes are subject to such immunities and rights as set forth therein and are only as expressly set forth in the Indenture. In addition, the Indenture will contain provisions permitting the holders of specified percentages in principal amount of the Notes at the time then outstanding, on behalf of the holders of all Notes, to direct the Indenture Trustee in connection with actions to be taken, or rights to be exercised, under the Indenture and the other Finance Documents, including without limitation in connection with the exercise of rights and remedies following the occurrence and during the continuation of an Event of Default, in each case on and subject to the terms and conditions set forth in the Indenture.

The Indenture Trustee will be responsible for (among other things): (a) maintaining a record of the aggregate holdings of Notes and accepting Notes for exchange and registration of transfer, (b) making payments (in its capacity as paying agent) in respect of the Notes to the holders of the Notes to the extent funds are available therefor and (c) transmitting notices to the holders and from such holders to the Issuer (in each case, as contemplated by the Indenture).

Collateral Agent

Banco Citi México, S.A., Institución de Banca Múltiple, Grupo Financiero Citi México, División Fiduciaria has been appointed to act as Collateral Agent on behalf of the holders of the Notes and the other Secured Parties pursuant to the Security Documents. The Collateral Agent has and will: (a) accept delivery of the Security Documents and execute and deliver each of such Security Documents on behalf of the Secured Parties and (b) hold, for the benefit of the Secured Parties, the Liens intended to be created by such Security Documents over the Collateral located in Mexico.

Intercreditor Agent

Citibank, N.A., has been appointed to act as the Intercreditor Agent under the Intercreditor Agreement. The rights, duties, protections and obligations of the Intercreditor Agent are set forth in the Intercreditor Agreement.

Certain Definitions

"Acceleration" means a declaration by any Facility Agent that all or any part of the Obligations under the applicable Facility Agreement or Senior Bond Documents are due and payable or payable on demand pursuant to Section 10.2 (Acceleration) of the Common Terms Agreement and pursuant to the terms of such Facility Agreement or Senior Bond Documents, including the Indenture, as applicable.

"Accounting Principles" means Mexican GAAP or IFRS, as applicable.

"Acceptable Counterparty" means (i) any Governmental Authority, or (ii) any other Person with, or whose payment obligations under a Replacement Revenue Generating Contract are Guarantee Obligations of a Person with, an international long-term unsecured debt rating at the time of entering into the relevant Replacement Revenue Generating Contract of at least Investment Grade Rating by two (2) Rating Agencies.

"Acquired Indebtedness" means Indebtedness of a Person or any of its Subsidiaries existing at the time such Person becomes a Restricted Subsidiary or at the time it merges or consolidates with the Issuer or any of the Restricted Subsidiaries or is assumed in connection with the acquisition of assets from such Person. Such Indebtedness will be deemed to have been Incurred at the time such Person becomes a Restricted Subsidiary or at the time it merges or consolidates with the Issuer or a Restricted Subsidiary or at the time such Indebtedness is assumed in connection with the acquisition of assets from such Person.

"Acquisition" means the acquisition by the Issuer of substantially all (99.99%) of the issued and outstanding Equity Interests of Iberdrola Mexico, and the acquisition of the remaining Equity Interest (less than 0.01%) by IEA, pursuant to the Acquisition Agreement.

"Acquisition Agreement" means that certain stock purchase agreement dated July 31, 2025, entered into by and between Hidrola I, S.L.U. as seller and COX ABG Group, S.A. as purchaser (as amended from time to time in accordance with the provisions of the Indenture and the Finance Documents).

"Acquisition Debt Amount" means U.S.$2,650 million.

"Additional Material Project Document" means any contract or agreement entered into by any Group Company after the Initial Disbursement Date (a) which replaces a Material Project Document, in whole or in part, (b) pursuant to which any Group Company is required to make or receive, in any calendar year, payments in excess of (i) U.S.$5.0 million individually, or (ii) U.S.$15,000,000 in the aggregate, (c) the performance or non-performance or termination of which could reasonably be expected to have a Material Adverse Effect, (d) with any Governmental Authority, including, without limitation, any interconnection agreement entered into with CFE and any market participant agreement entered into with CENACE, or (e) any contract or agreement that replaces any of the contracts or agreements mentioned in clauses (a) through (d) above.

"Additional Notes" has the meaning set forth in caption "*—Further Issuances*."

"Additional Senior Creditor" means each Additional Senior Lender and each holder of the Notes.

"Additional Senior Debt" means, individually or collectively, (i) any Replacement Debt, (ii) any Permitted LC Facility, and (iii) the Required Revolving Credit Facility.

"Additional Senior Facility" means each Additional Senior Loan Facility, including the Term Loan Facility, and each Senior Bond Facility.

"Additional Senior Loan Facility" means each facility for providing Additional Senior Debt by an Additional Senior Lender through the disbursements of Additional Senior Loans.

"Additional Senior Facility Agent" means any agent appointed on behalf of any Additional Senior Lender or any Senior Bondholder (including the Indenture Trustee solely with respect to a Senior Bond Document on behalf of the Senior Bondholders and any other Person acting as an indenture trustee) pursuant to the terms of the relevant Additional Senior Facility Document.

"Additional Senior Facility Agreement" means any loan agreement or similar agreement entered into between the Issuer and any Additional Senior Lender in respect of any Additional Senior Loan.

"Additional Senior Facility Document" means each Additional Senior Loan Document and each Senior Bond Document.

"Additional Senior Facility Representative" means (i) solely to the extent an Additional Senior Facility Agent has not been appointed pursuant to such Additional Senior Facility Agreement, the Additional Senior Lenders thereof, (ii) any Additional Senior Facility Agent or (iii) the Indenture Trustee (on behalf of any Senior Bondholders), as the case may be, who shall have executed a Joinder Agreement in respect of any Additional Senior Debt in accordance with the Common Terms Agreement, and an ICA Accession Agreement in respect of the Intercreditor Agreement.

(1) "Additional Senior Lender" means each Replacement Creditor and any other creditor providing Additional Senior Loans.

(2) "Additional Senior Loan" means any Additional Senior Debt made available to the Issuer by an Additional Senior Lender pursuant to an Additional Senior Loan Document.

"Additional Senior Loan Document" has the meaning given to it in the Common Terms Agreement.

"Affected Property" means any Property of the Issuer and the Restricted Subsidiaries which is lost, destroyed, damaged or otherwise taken as a result of any Event of Loss.

"Affiliate" means at any time, and with respect to any Person, any other Person that at such time, directly or indirectly through one or more intermediaries Controls, or is Controlled by, or is under common Control with, such first Person and, if such Person is an individual, any member of the immediate family (including parents, spouse, children and siblings) of such individual and any trust whose principal beneficiary is such individual or one or more members of such immediate family and any Person who is Controlled by any such member or trust. Unless the context otherwise clearly requires, any reference to an "Affiliate" is a reference to an Affiliate of the Issuer, the Guarantors or the Restricted Subsidiaries.

"Affiliate Transaction" has the meaning set forth in caption "*—Limitation on Transactions with Affiliates*".

"Agents" means collectively the Common Agents and each Facility Agent.

"Applicable Law" means any treaty, constitution, statute, law, rule, regulation, ordinance, judgment, order, Governmental Approval, decree or any published directive, guideline, requirement, Mexican official norm, code, Mexican technical norm (norma oficial mexicana), binding administrative legal provisions, standard or other rule or restriction issued by any Governmental Authority which, in each case, has the force of law in any applicable jurisdiction (including all applicable Environmental Laws and Debtor Relief Laws) and any determination by or interpretation of any of the foregoing by, any judicial, regulatory or other Governmental Authority, binding on a given Person as of any relevant date whether in effect as of the date hereof or as of any date thereafter.

"Approved Auditor" means (a) any of PwC, Deloitte Touche Tohmatsu Limited, Ernst & Young (E&Y) or KPMG or their respective Affiliates, or (b) any other internationally recognized independent public accounting firm reasonably acceptable to the Intercreditor Agent having no affiliation with the Issuer, the Permitted Holders or any of their Affiliates.

"Asset Acquisition" means:

(a) an Investment by the Issuer or any Restricted Subsidiary in any other Person pursuant to which such Person will become a Restricted Subsidiary, or will be merged with or into the Issuer or any Restricted Subsidiary; or

(b) the acquisition by the Issuer or any Restricted Subsidiary of the assets of any Person (other than a Subsidiary of the Issuer) which constitute all or substantially all of the assets of such Person or comprises any division or line of business of such Person or any other properties or assets of such Person other than in the ordinary course of business; or

(c) any Revocation with respect to an Unrestricted Subsidiary.

"Asset Sale" means any sale, lease, transfer or other disposition (or series of related sales, leases, transfers or dispositions) by the Issuer or any Guarantor of any assets or rights, including Equity Interests in its respective Subsidiaries, provided, however, that, Asset Sale will not include any of (a) through (h) below (each a "Permitted Disposition"):

(a) a disposition of assets expressly permitted or required by the Common Terms Agreement and the Intercreditor Agreement;

(b) the liquidation, sale or use of Permitted Investments;

(c) any sales or Dispositions of obsolete or redundant vehicles or equipment that are not useful or necessary for the operation of the Projects or that are being replaced in accordance with good industry practice;

(d) transfers of, (i) condemned Property that is the subject of a Condemnation Event to the respective Governmental Authority or other Person, or (ii) Property that has been subject to an Event of Loss to the respective insurer of such Property as part of an insurance settlement; provided that such transfers would not otherwise constitute an Event of Default;

(e) the granting of Liens not prohibited by the covenant described under "*—Limitation on Liens*;"

(f) the sale or other disposition of cash or Permitted Cash Equivalents;

(g) a Restricted Payment that does not violate the covenant described under "*—Limitation on Restricted Payments*" or a Permitted Investment; and

(h) consolidations, mergers, amalgamations and other internal reorganizations among the Issuer and/or the Restricted Subsidiaries (each, a "Permitted Reorganization"), provided that (i) the surviving or resulting entity is a Restricted Subsidiary, (ii) the Collateral and Note Guarantees are preserved and (iii) such Permitted Reorganization does not result in a Default or Event of Default.

"Asset Sale Transaction" means any Asset Sale and, whether or not constituting an Asset Sale, (1) any sale or other disposition of Equity Interests, (2) any Designation with respect to an Unrestricted Subsidiary and (3) any sale or other disposition of property or assets excluded from the definition of Asset Sale by clause (g) of that definition.

"Authorized Officer" means: (a) with respect to the Issuer, any of the Issuer's directors, managers, chief financial officer, secretary, alternate secretary or attorney-in-fact with sufficient authority of the Issuer from time to time and (b) with respect to any other Person (other than an agent), the general director, the president, any vice president, secretary, chief accountant, treasurer, attorney-in-fact with sufficient authority or any other officer of such Person: (i) to whom a matter is referred because of such officer's responsibility for overseeing the administration of, and reviewing compliance with, the Material Project Documents or (ii) and with respect to any financial matters, the chief financial officer or treasurer of such Person, as the context may require.

(3) "Bankruptcy Code" means, as applicable, (i) the United States Bankruptcy Reform Act of 1978, as heretofore and hereafter amended, and codified as 11 U.S.C. Section 101 et seq., and (ii) the Ley de Concursos Mercantiles of Mexico as heretofore and hereafter amended or replaced.

"BNS" means Bii Nee Stipa Energía Eólica, S.A. de C.V.

"Board of Directors" means, as to any Person, the board of directors, management committee or similar governing body of such Person or any duly authorized committee thereof.

"Board Resolution" means, with respect to any Person, a copy of a resolution certified by the Secretary or an Assistant Secretary of such Person to have been duly adopted by the Board of Directors of such Person and to be in full force and effect on the date of such certification, and delivered to the Indenture Trustee.

(4) "Business Day" means any day other than a Saturday, Sunday or other day on which commercial banks in New York, New York, United States of America or Mexico City, Mexico are authorized or required by law to close.

(5) "Bridge Facility" means up to U.S.$2,650,000,000 in loans that the Senior Lenders party to the Bridge Facility Agreement have agreed to provide to the Issuer pursuant to, and on the terms and conditions set forth in, the Bridge Facility Agreement and the Common Terms Agreement.

(6) "Bridge Facility Agent" means Citibank, N.A., as bridge facility agent under the Bridge Facility Agreement, on behalf of itself and the Senior Lenders.

"Bridge Facility Agreement" means the Bridge Facility Agreement dated as of April 21, 2026, by and among others, the Issuer, as borrower, the Bridge Facility Agent and the lenders and loan parties from time to time party hereto.

"Bridge Facility Repayment Date" shall mean the date on which all the Obligations under the Bridge Facility have been unconditionally and indefeasibly discharged and paid in full (other than any inchoate indemnity obligations that expressly survive the termination of the Bridge Facility Agreement in respect of which no claim or demand for payment has been made at such time).

(7) "Bridge Loan Documents" means the Bridge Facility Agreement and any other agreement, contract, document, note or other instrument evidencing any Bridge Facility or the Obligations in respect thereof or any guarantee or other form of security, credit or equity support provided in respect thereof.

(8) "Cash" means money, currency or a credit balance in any demand or deposit account.

"CENACE" means the Mexican Centro Nacional de Control de Energía, and its permitted successors and assigns pursuant to Applicable Law.

"CFE" means the Mexican Comisión Federal de Electricidad and any of its affiliates (filiales), and their respective permitted successors and assigns pursuant to Applicable Law.

"Capital Expenditures" means for any period after the Initial Disbursement Date, expenditures made by (or on behalf of) the Issuer or the Guarantors to acquire or construct fixed assets, plant and equipment (including renewals, improvements and replacements, but excluding repairs) during such period classified as capital expenditures in accordance with the applicable Accounting Principles.

"Change of Control" means the occurrence of one or more of the following events:

(a) prior to the first public offering of capital stock of the Issuer, the Permitted Holders collectively ceasing to own, directly or indirectly, more than 50% of the Equity Interests of the Issuer entitled to vote at meetings of shareholders;

(b) On the date of or after the first public offering of capital stock referred to in clause (a), the Issuer becomes aware of (by way of a report or any other filing pursuant to Section 13(d) of the Exchange Act, proxy, vote, written notice or otherwise) the acquisition by any person or group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act, or any successor provision), including any group acting for the purpose of acquiring, holding or disposing of securities (within the meaning of Rule 13d-5(b)(1) under the Exchange Act), other than one or more Permitted Holders, in a single transaction or in a related series of transactions, by way of merger, consolidation or other business combination or purchase, of direct or indirect ownership of 35% or more of the total Voting Interests of the Issuer and the Permitted Holders shall own, directly or indirectly, less than such Person or group of the total Voting Interests of the Issuer;

(c) the Permitted Holders (including through an Affiliate thereof) at any time ceasing to have the power to direct the management and/or the policies of the Issuer and the Restricted Subsidiaries;

(d) the direct or indirect sale, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Issuer and the Restricted Subsidiaries, taken as a whole, to any "person" (as that term is used in Section 13(d)(3) of the Exchange Act) other than one or more Permitted Holders; or

(e) the adoption of a plan relating to the liquidation or dissolution of the Issuer, whether or not otherwise in compliance with the provisions of the Indenture.

"Change of Control Repurchase Event" means the occurrence of both a Change of Control and a Ratings Decline.

"Collateral" has the meaning set forth in caption "—*Collateral Arrangements*."

"Collateral Agent" means Banco Citi México, S.A., Institución de Banca Múltiple, Grupo Financiero Citi México, División Fiduciaria, as Collateral Agent for the Secured Parties.

"Commitments" means, in relation to any Facility, the aggregate principal amount of the Senior Debt committed to the Issuer pursuant to the terms of the relevant Facility Agreement.

"Commodity Exchange Act" means the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute.

"Common Agent" means each of the Intercreditor Agent and the Collateral Agent.

"Common Terms Agreement" means that certain common terms agreement dated as of April 21, 2026 entered into by and among the Issuer as borrower, the Guarantors as subsidiary guarantors, the Bridge Facility Agent, on behalf of itself and the Senior Lenders, the Collateral Agent and the Intercreditor Agent, as amended, restated, supplemented and otherwise modified from time to time.

"Condemnation Event" means any nationalization, taking, seizure, compulsory acquisition, custody, control, confiscation, requisition, exercise of rights of eminent domain, public improvement, inverse condemnation, condemnation, rescate, expropriación, ocupación temporal or similar action or threat of any such action of or proceeding by any Governmental Authority or other Person relating to all or any part of any of the Projects or any Equity Interests in the Issuer, or any Guarantor or any of the Restricted Subsidiaries.

"Consolidated EBITDA" means, for any period, an amount determined for the Group Companies on a consolidated basis equal to, without duplication: (i) consolidated revenue minus (ii) consolidated cost of sales minus (iii) consolidated administrative expenses plus (iv) consolidated other non-operating net income, plus (v) non-cash or non-recurring losses or expenses included in any of the foregoing plus (vi) any dividends or distributions received by the Group Companies from any person in which the Group Companies own a minority interest, minus (vii) any dividends or distributions paid by the Group Companies to the minority interest holders (i.e., third-party shareholders in less than Wholly-Owned Subsidiaries), as each such item is reported on the most recent consolidated financial statements of the Group Companies delivered pursuant to the covenants described in section "Reporting Requirements"; provided that (i) the Consolidated EBITDA of any person or line of business acquired by the Group Companies during such period shall be included on a pro forma basis for such period (assuming that the consummation of such acquisition and the incurrence of any Indebtedness in connection therewith occurred as of the first day of such period); and (ii) the Consolidated EBITDA of any person or line of business disposed of by the Group Companies during such period shall be excluded for such period (assuming that the consummation of such disposition and the repayment of any Indebtedness in connection therewith occurred as of the first day of such period).

"Consolidated Net Income" means, with respect to any Person for any period, the aggregate net income (or loss) of such Person and its Subsidiaries for such period on a consolidated basis, determined in accordance with Accounting Principles; provided, that there shall be excluded therefrom to the extent reflected in such aggregate net income (loss):

(1) the net income (or loss) of any Person that is (i) not a Restricted Subsidiary, or (ii) accounted for by the equity method of accounting, except, in each case, to the extent of the amount of dividends or similar distributions paid in cash to the specified Person or a Restricted Subsidiary of that Person;

(2) any non-cash charges or expense and non-cash gains;

(3) any non-recurrent charges or expenses and non-recurrent gains; and

(4) the cumulative effect of changes in Accounting Principles.

"Consolidated Net Leverage Ratio" means, with respect to any Person as of any date of determination, the ratio of the aggregate amount of Consolidated Total Net Indebtedness for such Person as of such date to Consolidated EBITDA for such Person for the four most recent full fiscal quarters for which financial statements are available ending prior to the date of such determination.

For purposes of this definition, Consolidated Total Net Indebtedness and Consolidated EBITDA will be calculated after giving effect on a pro forma basis in good faith for the period of such calculation for the following:

(1) the Incurrence, repayment or redemption of any Indebtedness (including Acquired Indebtedness) of such Person or any of its Subsidiaries (Restricted Subsidiaries (in the case of the Issuer)), and the application of the proceeds thereof, including the Incurrence of any Indebtedness (including Acquired Indebtedness), and the application of the proceeds thereof, giving rise to the need to make such determination, occurring during such period or at any time subsequent to the last day of such period and prior to or on such date of determination, to the extent, in the case of an Incurrence, such Indebtedness is outstanding on the date of determination, as of such Incurrence, and

(2) the application of the proceeds thereof, repayment or redemption occurred on the first day of such period; and any Asset Sale Transaction or Asset Acquisition by such Person or any of its Subsidiaries (Restricted Subsidiaries in the case of the Issuer), including any Asset Sale or Asset Acquisition giving rise to the need to make such determination, occurring during such period or at any time subsequent to the last day of such period and prior to or on such date of determination, as if such Asset Sale Transaction or Asset Acquisition occurred on the first day of such period.

For purposes of making such pro forma computation, the amount of Indebtedness under any revolving credit facility or letter of credit will be computed based on:

(a) the average daily balance of such Indebtedness during such period; or

(b) if such facility was created or letter of credit issued after the end of such period, the average daily balance of such Indebtedness during the period from the date of creation of such facility or issuance of such letter of credit to the date of such calculation, in each case giving pro forma effect to any borrowings related to any transaction referred to in clause (2) above;

provided that, with respect to letters of credit, only the reimbursement and loan obligations in respect thereof shall be included in such computation.

"Consolidated Total Net Indebtedness" means, with respect to any Person as of any date of determination, an amount equal to the aggregate amount (without duplication) of all Indebtedness of such Person and its Subsidiaries (Restricted Subsidiaries in the case of the Issuer) outstanding at such time less the sum of (without duplication) consolidated cash and Permitted Cash Equivalents and consolidated marketable securities recorded as current assets, except for any Equity Interests in any Person, in all cases determined in accordance with IFRS and as set forth in the most recent consolidated balance sheet of the Issuer and the Restricted Subsidiaries.

"Consolidated Total Assets" means the aggregate amount of total assets of the Issuer and its Restricted Subsidiaries, all determined on a consolidated basis in accordance with the applicable Accounting Principles, based (i) on the Issuer's most recent annual or quarterly balance sheet which are available, (ii) in accordance with the applicable Accounting Principles and (iii) on a pro forma basis to give effect to any acquisition or disposition of companies, divisions, lines of businesses or operations by the Issuer and its Restricted Subsidiaries subsequent to such date and on or prior to the date of determination.

(9) "Constitutional Documents" means with respect to the Issuer, Iberdrola Mexico, the Guarantors and the Restricted Subsidiaries or any other Person that is incorporated under the laws of Mexico or Spain, the certificate of incorporation (*escritura constitutiva*) and by-laws (*estatutos sociales*) (including any

amendments thereto) in effect at any given time, and any shareholder, partner or other voting agreements regarding the Equity Interests issued by such Person.

(10) "Control" means with respect to any Person, the possession, by contract or otherwise, and directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person or to elect a majority of such Person's directors, management, technical committee or supervisory board members or governing body, in each case, through a trust (*fideicomiso*), including the Mexican Security Trust Agreement, the ownership of Equity Interests or other voting securities, beneficiary rights (*derechos fidecomisarios*), by contract or otherwise. The terms "Controlling", "Controlled by" and "under common Control with" have meanings correlative to the foregoing.

"Cox ABG" means Cox ABG Group, S.A.

(11) "Cox Energy" means Cox Energy, S.A.B. de C.V., a sociedad anónima bursátil de capital variable organized and existing under the laws of Mexico.

"Cox Energy Equity Pledge Agreement" means the pledge agreement (*contrato de prenda sobre acciones*), governed by Mexican law dated as of April 24, 2026, entered into by and between Cox Energy, as pledgor (*deudor prendario*), and the Collateral Agent, as pledgee (*acreedor prendario*), pursuant to which Cox Energy will pledge in favor of the Collateral Agent the Equity Interest it holds in the Issuer, with a value of Ps. 1.00.

(12) "Cox Mexico" means Cox México, S.L., a *sociedad limitada* organized and existing under the laws of Spain.

"Debtor Relief Laws" means the Bankruptcy Code of the United States, the Ley de Concursos Mercantiles of Mexico and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States, Mexico or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

"Derivative Agreement" means any master agreement (including any schedules and annexes thereto) governing any Derivative Transaction.

"Derivative Transaction" means any swap, cap, collar, put, call, floor, future, option, spot, forward or other similar transaction, agreement or arrangement (or any combination of the foregoing), in each case settled by reference to one or more rates, currencies, commodities or prices.

"Designation" and "Designation Amount" have the meanings set forth under "—Limitation on Designation of Unrestricted Subsidiaries" above. "Designated" will have correlative meanings.

"Disqualified Capital Stock" means that portion of any Equity Interests which, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable at the option of the holder thereof), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or is redeemable at the sole option of the holder thereof, in any case, on or prior to the 91st day after the final maturity date of the Notes.

"Disposition" means with respect to any Property, any sale, lease, sale and leaseback, assignment, conveyance, liquidation, transfer or other disposition thereof, whether by agreement, operation of law or otherwise. The terms "Dispose," "Disposal" and "Disposed of" will have correlative meanings.

"Dollar", "U.S. dollar" or "U.S.$" means the lawful currency of the United States.

"EDA" means Eólica Dos Arbolitos, S.A. de C.V.

"Eligible Senior Lender" has the meaning given to it in the Common Terms Agreement.

"ENCO" means Encon Monterrey, S.A. de C.V.

(13) "Energy Products" means electricity, capacity (*potencia*), clean energy certificates, financial transmission rights and/or associated products (*productos asociados*) or ancillary services (*servicios conexos*) and other products or services that may become available from time to time to be transacted in the Wholesale Electricity Market (*Mercado Eléctrico Mayorista*) of Mexico in accordance with Applicable Law in Mexico.

"Environmental Laws" means any and all Applicable Laws, in each case as now or hereafter in effect and applicable to the Issuer, the Guarantors, the Restricted Subsidiaries and/or the Projects, relating to Environmental or Social Matters.

"Environmental or Social Matter" means a matter relating to: (a) the Release of any hazardous substances into the air including the environment; (b) Release of any hazardous substances into any river, watercourse, lake, pond (whether natural or artificial, above ground or that joins or flows into any such water outlet above ground) or reservoir or onto the surface of the riverbed or of other land supporting such waters or into ground waters, sewer or the sea; (c) soil, surface water or groundwater hazardous substance contamination; (d) nuisance, noise, health and safety at work, industrial illness, industrial injury due to environmental factors; (e) conservation, preservation, protection, remediation, restoration and clean-up of the natural or man-made environment or any living organisms supported by the natural or man-made environment; (f) conservation of archaeological and historical sites, rights-of-way, resettlement, expropriation, indigenous groups, and rights, prior informed consultation and consent, social impact assessment, traffic or any matters whatsoever affecting social conditions; (g) labor, worker rights or human rights; or (h) urban development, ecological planning or civil protection (*protección civil*).

"Equity Contributions" means the contributions of capital in the form of equity provided by any Person (other than the Issuer, a Guarantor or a Restricted Subsidiary), or Subordinated Indebtedness provided by a Subordinated Lender, directly or indirectly, to the Issuer or any Guarantor, in each case, funded in cash in immediately available funds.

"Equity Event" means a public or private offering of Qualified Capital Stock of the Issuer.

"Equity Interests" means any and all shares (including *acciones*), interests (including *partes sociales*), participations or other equivalents (however designated) of capital stock of a corporation, whether fully paid or unpaid (including *acciones de tesorería*) and any and all equivalent ownership interests in a Person (including a trust or *fideicomiso*), whether full, limited, non-voting or special, of any series or class, and any warrants, options or other rights entitling the holder thereof to purchase or acquire any of the foregoing, including partnership interests, limited liability company interests and membership interests.

"Event of Loss" means, with respect to any Property of the Issuer, the Guarantors or the Restricted Subsidiaries, or Equity Interests in the Issuer, the Guarantors and the Restricted Subsidiaries, any loss of, destruction of or damage to, any Total Loss of, or any Condemnation Event or other taking of, such Property.

"Exchange Act" means the U.S. Securities Exchange Act of 1934, as amended from time to time, and the rules and regulations promulgated thereunder from time to time in effect.

"Excluded Swap Obligation" means, with respect to any Guarantor any Swap Obligation if, and to the extent that, all or a portion of the guarantee of such Guarantor of, or the grant by such Guarantor of a security interest to secure, such Swap Obligation (or any guarantee thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such Guarantor's failure for any reason to constitute an "eligible contract participant" as defined in the Commodity Exchange Act and the regulations thereunder at the time the guarantee of such Guarantor or the grant of such security interest becomes effective with respect to such Swap Obligation. If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such guarantee or security interest is or becomes illegal. "Facility" means the Term Loan Facility and each Additional Senior Facility.

"Facility Agents" has the meaning given to it in the Common Terms Agreement.

"Facility Agreements" means the Bridge Facility Agreement and each Additional Senior Facility Agreement.

"Facility Document" means the Bridge Loan Documents and each Additional Senior Facility Document.

"Fair Market Value" of any property, asset, share of capital stock, other security, Investment or other item means, on any date, the fair market value of such property, asset, share of capital stock, other security, Investment or other item on that date as determined in good faith by the senior management of the Issuer, any Guarantor or any Restricted Subsidiary, as applicable.

"Finance Documents" means the Notes, the Indenture, the Facility Documents, the Security Documents, the Hedge Documents, that certain senior bond engagement letter in connection with the issuance of the Notes, and any other agreements, documents or instruments entered into from time to time relating to the Facilities and designated as Finance Documents by the Issuer and the Intercreditor Agent.

"Finance Party" means collectively, the Intercreditor Agent and each Facility Agent.

"Financial Year" means, with respect to each of the Issuer and any of the Guarantors or the Restricted Subsidiaries, the period commencing each Year on January 1 and ending on the next succeeding December 31.

"Financing Costs" means (a) all interest accrued, paid and payable or reimbursable by the Issuer to the Senior Creditors under the Finance Documents for such period; (b) all fees, premiums, prepayment compensation, costs, expenses, indemnities, breakage costs and other amounts accrued, paid and payable or reimbursable by the Issuer to the respective Secured Parties under the Finance Documents (including, if applicable, any make-whole premium accrued under the Notes); and (c) all amounts accrued, paid, payable or reimbursable by the Issuer pursuant to Sections 3.5 (Taxes) and 3.6 (Increased Costs) of the Common Terms Agreement for such period.

"Fitch" means Fitch Ratings, Inc. and any successor to its rating agency business.

"Global Note" has the meaning set forth in caption "Book-Entry; Settlement and Clearance" in this Offering Memorandum.

"Good Faith Contest" means with respect to any payment or any related claims or liabilities by any Person, the satisfaction of each of the following conditions: (a) the validity, timing or amount thereof is being diligently contested in good faith by such Person by appropriate proceedings timely instituted and such Person has established adequate cash and accounting reserves therefor in accordance with the Accounting Principles, (b) during the period of such contest, the enforcement of any contested item is effectively stayed, (c) neither such Person nor any of its officers nor any Secured Parties or their respective officers is or would reasonably be expected to become subject to any criminal liability or sanction and (d) such contest or proceedings and any resultant failure to pay or discharge the claimed or assessed amount during the period of such contest do not and would not reasonably be expected to involve or present a material danger of the sale, forfeiture or loss of the Project or any material part thereof and do not and would not reasonably be expected to interfere in any material respect with the use or Disposition of any of the Projects and do not and would not otherwise reasonably be expected to result in a Material Adverse Effect.

"Governmental Approvals" means any agreement (including any interconnection agreement or market participant agreement), assessment (including any social or environmental impact assessment), study (including any interconnection studies), franchise, authorization, lease, consent, concession, determination, approval, license, assessment, sanction, order, ruling, permit, tariff, identification number, waiver, rate, certification, exemption, notice, qualification, easement, right of way (including any agreement for the superficial use or occupancy), Lien, filing, variance, claim, order, judgment, decree, publication, notice to, declaration of or with, or registration by or with, or undertaking by or with, or to be obtained from, any Governmental Authority pursuant to Applicable Law, including the power generation and natural gas transportation permits and any other Governmental Approval required pursuant to Environmental Laws and energy regulation in Mexico.

"Governmental Authority" means unless otherwise specified, the government of the United States, Mexico or of any other nation, or any political subdivision thereof, whether federal, state, regional, municipal or local, and any agency, department, board, bureau, ministry, commission, authority, registry (including, without limitation, any public registry of commerce, any public registry of property, the National Agrarian Registry (*Registro Agrario Nacional*) of Mexico and the Sole Security Registry), authority, instrumentality, judicial or administrative, regulatory body, court, central bank or other entity (including any federal or other association of or with which any such nation may be a member or associated) of such government exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to such government

(including any supra-national body exercising such powers or functions, such as the European Union or the European Central Bank), any securities exchange, and any self-regulatory organization (including the NAIC).

"GPE" means Green Park Energy, S.A. de C.V.

(14) **"**Grandfathered Material Revenue Generating Contract**"** means any Material Revenue Generating Contract for the sale of Energy Products under the framework established by the Ley del Servicio Público de Energia Electrica or the Ley de la Industria Electrica.

"Gross Debt" means, as of any date of determination, the aggregate stated balance sheet amount of Indebtedness (other than subordinated indebtedness) for the Group Companies on a consolidated basis as of such date in accordance with the Accounting Principles.

"Group Companies" means, collectively, the Issuer, the Guarantors and their Subsidiaries.

"Guarantee Obligations" means as to any Person (the "guaranteeing person"), any obligation, including a reimbursement, counterindemnity or similar obligation, of the guaranteeing person that guarantees or in effect guarantees, or which is given to induce the creation of a separate obligation by another Person (including any bank under any letter of credit) that guarantees or in effect guarantees, any Indebtedness, leases, dividends or other obligations (the "primary obligations") of any other third Person (the "primary obligor") in any manner, whether directly or indirectly, including any obligation of the guaranteeing person, whether or not contingent, (a) to purchase any such primary obligation or any Property constituting direct or indirect security therefor, (b) to advance or supply funds (i) for the purchase or payment of any such primary obligation or (ii) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, (c) to purchase Property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation or (d) otherwise to assure or hold harmless the owner of any such primary obligation against loss in respect thereof; provided that the term "Guarantee Obligation" shall not include (A) endorsements of instruments for deposit or collection in the ordinary course of business or (B) performance guarantees issued in the ordinary course of business. The amount of any Guarantee Obligation of any guaranteeing person shall be deemed to be the lower of (1) an amount equal to the stated or determinable amount of the primary obligation in respect of which such Guarantee Obligation is made and (2) the maximum amount for which such guaranteeing person may be liable pursuant to the terms of the instrument embodying such Guarantee Obligation, unless such primary obligation and the maximum amount for which such guaranteeing person may be liable are not stated or determinable, in which case the amount of such Guarantee Obligation shall be such guaranteeing person's maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing person in good faith. "Guarantee" and "Guaranteed" shall have a meaning correlative to the above.

"Guarantors" means:

(1) Iberdrola México, IGEN, SGE, ENCO, ICB, ICR, ICA, ICL, IRB, EDA, IRC, IRN, GPE, BNS and PEM;

(2) any other direct or indirect, Subsidiary of the Issuer, the Guarantors or the Restricted Subsidiaries which is a Restricted Subsidiary and executes a Note Guarantee in accordance with the provisions of the Indenture;

and their respective successors and assigns until released from their obligations under their Note Guarantees and the Indenture in accordance with the terms of the Indenture.

"Hedge Counterparties" has the meaning given to it in the Common Terms Agreement.

"Hedge Documents" means (i) each Permitted Hedging Agreements, and (ii) each ICA Accession Agreement (as defined in the Intercreditor Agreement) executed and delivered by a Hedge Counterparty.

"Iberdrola Mexico" means Iberdrola México, S.A. de C.V.

"IEA" means Iberdrola Energía Altamira de Servicios, S.A. de C.V.

"ICA" means Iberdrola Cogeneración Altamira, S.A. de C.V.

"ICB" means Iberdrola Cogeneración Bajío, S.A. de C.V.

"ICL" means Iberdrola Clientes, S.A. de C.V.

"ICR" means Iberdrola Cogeneración Ramos, S.A. de C.V.

"IFRS" means the international financial reporting standards published from time to time by the International Accounting Standards Board (IASB).

"IGEN" means Iberdrola Generación, S.A. de C.V.

"Incur" means, with respect to any Indebtedness or other obligation of any Person, to create, issue, incur (including by conversion, exchange or otherwise), assume, Guarantee or otherwise become liable in respect of such Indebtedness or other obligation on the balance sheet of such Person (and "Incurrence," "Incurred" and "Incurring" will have meanings correlative to the preceding). For the avoidance of doubt, any completion guarantee entered into by a Person that qualifies as Indebtedness of such Person shall be Incurred on the date the Guarantee Obligations in respect of such completion guarantee become legal, valid and binding obligations of such Person.

"Indebtedness" means of any Person at any date, without duplication, all of the following, whether or not included as indebtedness or liabilities in accordance with the Accounting Principles,

(a) all Indebtedness for Borrowed Money of such Person,

(b) all obligations of such Person for the deferred purchase price of Property or services,

(c) all obligations of such Person evidenced by notes, bonds, debentures or other similar instruments,

(d) all indebtedness created or arising under any conditional sale or other title retention agreement with respect to Property acquired by such Person (even though the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such Property),

(e) all capital lease obligations of such Person,

(f) all obligations of such Person, contingent or otherwise, as an account party or applicant under or in respect of acceptances, letters of credit, surety bonds or similar arrangements,

(g) the liquidation value of all mandatorily redeemable preferred Equity Interests of such Person,

(h) all Guarantee Obligations of such Person in respect of obligations of the kind referred to in clauses (a) through (g) above and (k) below,

(i) all obligations of the kind referred to in clauses (a) through (h) above secured by (or for which the holder of such obligation has an existing right, contingent or otherwise, to be secured by) any Lien on Property (including accounts and contract rights) owned by such Person, whether or not such Person has assumed or become liable for the payment of such obligation (limited to the lesser of (x) the amount of obligations secured and (y) the Fair Market Value of such Property),

(j) net obligations of such Person under any Derivative Agreement (which obligations shall be deemed to be the net termination value of all Derivatives Transactions thereunder for which such Person would be liable thereunder as of such date), and

(k) all Disqualified Capital Stock issued by such Person with the amount of Indebtedness represented by such Disqualified Capital Stock being equal to the greater of its voluntary or involuntary liquidation preference and its maximum fixed repurchase price, but excluding accrued dividends, if any; provided, that (i) if the Disqualified Capital Stock does not have a fixed repurchase price, such maximum fixed repurchase price will be calculated in accordance with the terms of the Disqualified Capital Stock as if the Disqualified Capital Stock were purchased on any date on which Indebtedness will be required to be determined pursuant to the Indenture; and (ii)

if the maximum fixed repurchase price is based upon, or measured by, the fair market value of the Disqualified Capital Stock, the fair market value will be the Fair Market Value thereof;

provided that, the Indebtedness of any Person shall include the Indebtedness of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person's ownership interest in or other relationship with such entity, except to the extent the terms of such Indebtedness expressly provide that such Person is not liable therefor.

"Indebtedness for Borrowed Money" means of any Person, at any date of determination, the sum, without duplication, of (a) all items that, in accordance with the Accounting Principles, would be classified as indebtedness on a consolidated balance sheet of such Person at such date, and (b) all obligations of such Person under acceptance, letter of credit or similar facilities at such date.

"Indenture Trustee" means UMB Bank, N.A., as trustee under the Indenture.

"Independent Facility Default" means each event of default under any Facility Agreement (other than the Indenture and the Notes) that (a) is set forth in such applicable Facility Agreement, (b) is not separately set forth as an Event of Default under the caption "*—Events of Default*"), (c) does not substantially restate or incorporate by reference any Event of Default set forth in caption "*—Events of Default*" and (d) that has not been waived in accordance with the terms of the applicable Facility Agreement.

"Initial Disbursement Date" means April 24, 2026, the first date on which the disbursements were made under the Bridge Facility Agreement.

"Insolvency Proceeding" with respect to any Person, means (a) the commencement of an involuntary proceeding, or the adoption of a plan or proposal, against the Issuer, any Guarantor or any Restricted Subsidiary, Cox ABG (each, an "Affected Party"), seeking that such Person be wound up or liquidated, adjudging such Person bankrupt or insolvent subject to a concurso mercantil or quiebra seeking reorganization, arrangement, adjustment or composition of or in respect of such Person under the Bankruptcy Code or any Applicable Law or seeking the appointment of a receiver, liquidator, administrator, assignee, trustee, sequestrator, visitador, conciliador, interventor, síndico (or other similar official) of such Person or the winding up or liquidation of its affairs, and the continuance of any such proceeding undismissed, unstayed or unremedied for 60 days, or the entry of an order for relief against any Affected Party as an involuntary case under any Debtor Relief Law; or (b) the institution by any Affected Party of proceedings, or the adoption of any plans or proposals, to be adjudicated bankrupt or insolvent or a moratorium being declared or the consent by it to the institution of bankruptcy, insolvency or concurso mercantil proceedings against it or the filing by it of a petition or answer or consent seeking reorganization or debt relief under the Bankruptcy Code or any Applicable Law or to the appointment of a receiver, liquidator, administrator, assignee, trustee, sequestrator, visitor or conciliator (or other similar official) of any such Person, or the making by it of an assignment for the benefit of creditors, or the general failure by such Person to pay its debts as they fall due, or admission in writing by such Person of its inability or unwillingness to pay its debts generally as they become due, or the occurrence of any other event which under any Applicable Law would have an effect analogous to any of those events listed above in this clause (b) with respect to any such Person or any action is taken by any such Person for the purpose of effecting any of the foregoing.

"Insurance Policies" has the meaning given to it in Schedule 6.3 (Insurance) of the Common Terms Agreement.

"Intercompany Debt" means any loan or other form of Indebtedness made by the Issuer or any Restricted Subsidiary to the Issuer or another Restricted Subsidiary, as applicable.

"Intercreditor Agent" means Citibank, N.A., as intercreditor agent for the Secured Parties appointed pursuant to the Intercreditor Agreement.

"Intercreditor Agreement" means the Collateral Agency and Intercreditor Agreement, dated as of April 21, 2026, (as amended, supplemented or otherwise modified from time to time), among the Intercreditor Agent, the Collateral Agent, the Facility Agents, the Senior Lenders and other financial institutions as hedge counterparties and other Person that may become party hereto from time to time subsequent to the date hereof.

"Intercreditor Vote" has the meaning given to it in the Intercreditor Agreement.

"Interest Coverage Ratio" means, as of any Measurement Date, for any Measurement Period ending on Measurement Date, the ratio (expressed as a decimal) of (a) Consolidated EBITDA for such Measurement Period to (b) the actual consolidated interest expense incurred by the Issuer during such Measurement Period.

"Investment Grade Rating" means an international long-term unsecured debt rating equal to or higher than "Baa3" (or the equivalent) by Moody's, "BBB-" (or the equivalent) by S&P and "BBB-" (or the equivalent) by Fitch.

"Investments" means for any Person: (a) the acquisition (whether for cash, Property of such Person, services or securities or otherwise) of capital stock, bonds, notes, debentures, partnership or other ownership interests or other securities of any other Person or any agreement to make any such acquisition (including any "short sale" or any other sale of any securities at a time when such securities are not owned by the Person entering into such sale) and (b) the making of any deposit with or advance, loan, Guarantee Obligation or other extension of credit or financial accommodation to, any other Person (including the purchase of Property from another Person subject to an understanding or agreement, contingent or otherwise, to resell such Property to such Person, but excluding any such advance, loan or extension of credit having a term not exceeding ninety (90) days representing the purchase price of inventory or supplies sold in the ordinary course of business).

The Issuer will be deemed to have made an "Investment" in an Unrestricted Subsidiary at the time of its Designation, which will be valued at the Fair Market Value of the sum of the net assets of such Unrestricted Subsidiary at the time of its Designation and the amount of any Indebtedness of such Unrestricted Subsidiary owed to the Issuer or any Restricted Subsidiary immediately following such Designation. Any property transferred to or from an Unrestricted Subsidiary will be valued at its Fair Market Value at the time of such transfer. If the Issuer or any Restricted Subsidiary sells or otherwise disposes of any Equity Interests of a Restricted Subsidiary (including any issuance and sale of Equity Interests by a Restricted Subsidiary) such that, after giving effect to any such sale or disposition, such Restricted Subsidiary would cease to be a Subsidiary, the Issuer will be deemed to have made an Investment on the date of any such sale or disposition equal to sum of the Fair Market Value of the Equity Interests of such former Restricted Subsidiary held by the Issuer or any Restricted Subsidiary immediately following such sale or other disposition and the amount of any Indebtedness of such former Restricted Subsidiary Guaranteed by the Issuer or any Restricted Subsidiary or owed to the Issuer or any other Restricted Subsidiary immediately following such sale or other disposition.

"IRB" means Iberdrola Renovables del Bajío, S.A. de C.V.

"IRC" means Iberdrola Renovables Centro, S.A. de C.V.

"IRN" means Iberdrola Renovables Noreste, S.A. de C.V.

"Issue Date" means the first date of issuance of Notes under the Indenture.

"Joinder Agreement" means a joinder agreement substantially in the form of Exhibit B (Form of Joinder Agreement) to the Common Terms Agreement.

"Lien" means any mortgage (including a Mexican law governed mortgage (*hipoteca*), pledge (including a Mexican law governed pledge (*prenda*)), hypothecation, trust (including a Mexican law governed trust (*fideicomiso*)), assignment, deposit arrangement, encumbrance, lien (statutory or other), charge or other security interest or any preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including any conditional sale or other title retention agreement and any capital lease having substantially the same economic effect as any of the foregoing).

"Loan Repayment Event" means the repayment in full of any Senior Debt outstanding under the Finance Documents, other than the Notes.

"Loss Proceeds" means Net Cash Proceeds constituting insurance proceeds, condemnation awards or other compensation, awards, damages and other payments or relief (exclusive, in each case, of the proceeds of liability insurance, marine cargo insurance, and any payments for interruption of operations) with respect to any Event of Loss.

"Material Adverse Effect" means any change, event, condition, development or circumstance that, individually or in the aggregate, has had, or would reasonably be expected to have a material adverse effect on:

(a) the business, operations, Property or financial condition of the Issuer and the Guarantors taken as a whole;

(b) the validity or enforceability of the Finance Documents or the rights and remedies of the Agents, the Senior Creditors, or the other Secured Parties thereunder, including the ability of any Secured Party to exercise its rights and remedies in respect of the Collateral; or

(c) the ability of the Issuer and the Guarantors (taken as a whole) to perform their obligations under the Finance Documents.

"Material Project Documents" has the meaning given to it in the Common Terms Agreement.

"Material Revenue Generating Contracts" means each of the Revenue Generating Contracts outlined in Schedule 7.5 (Material Project Documents) to the Common Terms Agreement and any Revenue Generating Contract entered into by any of the Issuer or the Guarantors after the Initial Disbursement Date (a) which replaces a Material Revenue Generating Contract, in whole or in part, (b) pursuant to which such Issuer or Guarantor is required to make or receive payments, in any calendar year, in excess of (i) U.S.$5.0 million individually, or (ii) U.S.$15.0 million in the aggregate, or (c) any contract or agreement that replaces any of the contracts or agreements mentioned in clauses (a) and (b) above.

"Measurement Date" means the last Business Day of each fiscal quarter.

"Measurement Period" means with respect to any Measurement Date, the consecutive twelve (12)-month period ending on such Measurement Date.

"Mexican GAAP" means (i) the Mexican Financial Reporting Standards (Normas de Información Financiera) as in effect from time to time issued by the Mexican Financial Reporting Standards Board (Consejo Mexicano para la Investigación y Desarrollo de Normas de Información Financiera, A.C.), (ii) accounting standards and rules as in effect from time to time provided in the General Law of Governmental Accounting (Ley General de Contabilidad Gubernamental), or (iii) General Financial Reporting Standards applicable to State-Owned Entities (Normas de Información Financiera Gubernamental Generales para el Sector Paraestatal) and the Specific Financial Reporting Standards applicable to State-Owned Entities (Normas de Información Financiera Gubernamental Específicas para el Sector Paraestatal).

"Mexican Income Tax Law" means the Ley del Impuesto sobre la Renta.

(15) "Mexican Security Trust Agreement" means that certain irrevocable security trust agreement (*contrato de fideicomiso irrevocable de garantía*), governed by Mexican law dated April 24, 2026, entered into by and among the Mexican Trustee, as trustee (*fiduciario*), the Issuer and Cox Mexico, as settlors, (*fideicomitentes*) and second place beneficiaries (*fideicomisarios en segundo lugar*), and the Collateral Agent, as first place beneficiary (*fideicomisario en primer lugar*), with the appearance of the Iberdrola Mexico, Cox Energy and the Minority Shareholder, as minority shareholders.

(16) "Mexican Trustee" means Banco Invex, S.A., Institución de Banca Múltiple, INVEX Grupo Financiero, as trustee (*fiduciario*) under the Mexican Security Trust Agreement and any assignee, successor or replacement trustee (*fiduciario*) thereof pursuant to the terms of the Mexican Security Trust Agreement or Applicable Law.

"Mexico" means the United Mexican States.

"Minimum Equity Contribution" means U.S. $850 million.

"Minority Shareholder" means IEA.

"Minority Shareholder Equity Pledge Agreement" means the pledge agreement (*contrato de prenda sobre acciones*), governed by Mexican law dated April 24, 2026, entered into by and between the Minority Shareholder, as pledgor (*deudor prendario*), and the Collateral Agent, as pledgee (*acreedor prendario*), pursuant to which the Minority Shareholder will pledge in favor of the Collateral Agent the Equity Interest it holds in Iberdrola Mexico, with a value of Ps 1.00.

"Moody's" means Moody's Investors Service, Inc. and any successor to its rating agency business.

"NAIC" means the National Association of Insurance Commissioners.

"Net Cash Proceeds" means with respect to (a) any Disposition or any Condemnation Event, the aggregate amount of cash payments actually received and to the extent that consideration for the asset disposed includes non-cash consideration, the Fair Market Value of any such non cash consideration less the Fair Market Value of the asset received as consideration (except a negative result of such calculation shall be ignored) (b) any Event of Loss, the aggregate amount of Loss Proceeds actually received in respect of such Event of Loss, and (c) the incurrence of any Indebtedness, the aggregate amount of Indebtedness incurred at any one time, in the case of each of clauses (a) to (c), such amounts net of (i) the amount of any reasonable and documented costs, expenses, commissions and fees paid or payable by or on behalf of the Issuer, the Guarantors or the Restricted Subsidiaries in connection with such Disposition, Condemnation Event, Event of Loss or incurrence of Indebtedness, (ii) the amount that may be required to fund any reserve pursuant to the terms of any Replacement Debt, (iii) any Taxes imposed on and payable or reasonably estimated to be payable by the Issuer, the Guarantors or the Restricted Subsidiaries as a result of such Disposition, Condemnation Event, Event of Loss or incurrence of Indebtedness, (iv) any repayments by the Issuer, any Guarantor or any Restricted Subsidiary of Permitted Debt to the extent such Permitted Debt is secured by a Lien (other than any Lien pursuant to a Security Document) on the Property that is the subject of such disposition and the transferee requires that such Permitted Debt be repaid as a condition to the purchase of such Property, and (v) solely with respect to any Permitted Disposition, any reserve for adjustment in respect of the sale price of such asset or assets established in accordance with the Accounting Principles; provided, that, following the termination of such reserves, proceeds equal to any unused reserves shall be applied in accordance the covenants described under "—Mandatory Ratable Offers to Purchase Notes for Prepayments under the Common Terms Agreement."

"Non-Guarantor Designation" has the meaning set forth under the caption "—Note Guarantees—Release of the Note Guarantees and Guarantors".

"Non-Guarantor Subsidiary" means any Subsidiary of the Issuer or any Subsidiary thereof that is not a Guarantor.

"Note Guarantee" means a Guarantee of the Notes pursuant to the Indenture.

"Obligations" means each obligation of the Issuer, the Guarantors and any Restricted Subsidiary to any Secured Party now existing or hereinafter arising from time to time, direct or indirect, absolute or contingent, due or to become due (by Acceleration or otherwise), under the Indenture or any other Finance Document, including (and without duplication): (a) the principal of and interest on the Senior Debt and all other obligations, advances, Indebtedness and liabilities of the Issuer and each other Guarantor, including Financing Costs, indemnities, fees, charges, taxes, expenses and interest incurred under, arising out of or in connection with the Senior Debt, the Indenture, the Notes, the Common Terms Agreement, any Facility Document or any other Finance Document (whether or not for the payment of money), including any interest, fees or other amounts accruing during the pendency of any bankruptcy or insolvency proceedings, regardless of whether allowed or allowable in such proceeding; (b) any and all sums advanced or expenses incurred by the Common Agents or any other Secured Party under the terms of the Intercreditor Agreement or the Security Documents, including in order to preserve the Collateral or preserve the Collateral Agent's Lien on the Collateral (it being understood that neither the Collateral Agent nor any other Secured Party shall have any affirmative obligation to advance any such sums or incur any such expenses, unless otherwise required pursuant to the Finance Documents); and (c) in the event of any proceeding for the collection or enforcement of the Obligations or the Collateral, any and all sums advanced or expenses incurred for retaking, holding, preparing for sale or lease, selling or otherwise disposing of or realizing on the Collateral, or of any exercise by the Collateral Agent or any other Secured Party of its rights under the Security Documents, together with any attorneys', public notaries', valuation agents' and consultants' fees and costs and the fees and costs of the Mexican Trustee and the Common Agents, provided that "Obligations" shall not include any Excluded Swap Obligation.

"Officer's Certificate" means a certificate signed by an Authorized Officer of the Issuer.

"Operating Budget" means an annual consolidated operating budget prepared by the Issuer in connection with all Group Companies prepared by the Issuer pursuant to the Common Terms Agreement.

"Opinion of Counsel" means a written opinion from legal counsel who is reasonably acceptable to the Indenture Trustee that meets the requirements of the Indenture. Except as otherwise specified in the Indenture, the counsel may be counsel to the Issuer, any Guarantor and any Restricted Subsidiary.

"PEM" means Parques Ecológicos de México, S.A. de C.V.

"Permits" means the Governmental Approvals required by each Group Company under Applicable Law, including Environmental Laws, for (i) the possession, occupation, financing, ownership, construction, operation, maintenance and, if applicable, decommissioning of a Project, depending on the stage of the relevant Project, and (ii) to comply with Applicable Law.

"Permitted Assets" means (1) non-current assets that will be used or useful in a Permitted Business, (2) substantially all the assets of a Permitted Business, or (3) a majority of the Voting Interests of any Person engaged in a Permitted Business that will become on the date of acquisition thereof a Restricted Subsidiary.

"Permitted Business" means the business of electricity generation (including sale of associated Energy Products) and other activities reasonably related or ancillary thereto.

"Permitted Capital Expenditure" means Capital Expenditures: (a) that are expressly contemplated in the then-current Operating Budget and are not expansion Capital Expenditures; (b) that are funded in their entirety through, (i) Loss Proceeds pursuant to a Restoration, or (ii) Net Cash Proceeds through the application of the mandatory prepayment provisions described under "*—Mandatory Ratable Offer to Purchase Notes in Connection with Dispositions*," "*—Mandatory Ratable Offer to Purchase Notes in Connection with Events of Loss*," "*—Mandatory Ratable Offer to Purchase Notes in Connection with Insurance Vitiating Acts*," and "*—Mandatory Ratable Offer to Purchase Notes in Connection with Material Project Documents*"; (c) that are funded with Restricted Payments, (i) to the extent that, at the time applied to pay such Capital Expenditures, such amounts could otherwise have been used to fund a Restricted Payment, and (ii) the Restricted Payment Conditions are satisfied at the time such Capital Expenditures are paid; (d) that are funded with proceeds of Equity Contributions in excess of the Minimum Equity Contribution, which are provided to the Issuer, the Guarantors or the Restricted Subsidiaries for the sole purposes of funding such Capital Expenditures; (e) that are reimbursed or funded by any Governmental Authority or Acceptable Counterparty under a Material Project Document; (f) that are (i) reimbursed by any insurance provider so long as such provider has confirmed coverage of the related Event of Loss and has completed such reimbursement within two hundred and seventy (270) days after such Event of Loss, or (ii) funded by third parties (including any Governmental Authority, offtaker, or counterparty to any agreement with any Group Company); or (g) that are approved by the Intercreditor Agent.

"Permitted Cash Equivalents" means any of the following: (a) marketable direct obligations of the government of the United States; (b) marketable obligations directly and fully guaranteed as to interest and principal by the United States; (c) demand deposits with the Collateral Agent; (d) commercial paper or tax exempt obligations given one of the three highest ratings by S&P, Fitch or Moody's; (e) obligations of any of the Collateral Agent meeting the requirements of clause (c) above or any other bank meeting the requirements of clause (c) above, in respect of the repurchase of obligations of the type as described in clauses (a) and (b) above; provided, that such repurchase obligations shall be fully secured by obligations of the type described in clauses (a) and (b) above, and the possession of such obligations shall be transferred to, and segregated from other obligations owned by any of the Collateral Agent or such other bank; (f) a money market fund or a qualified investment fund (including any such fund for which any of the Collateral Agent or any Affiliate thereof acts as an advisor or a manager) given one of the two highest long-term ratings by S&P, Fitch or Moody's; (g) shares of mutual funds whose investment guidelines restrict ninety-five percent (95%) of such funds' investments to those satisfying the provisions of clauses (a) through (g) above; (h) Permitted Hedging Agreements (and any Derivative Transactions thereunder); (i) Cash; and (j) unsecured loans or advances which are classified as Intercompany Debt that are permitted by the Finance Documents. In no event shall any cash be invested in any obligation, certificate of deposit, acceptance, commercial paper or instrument which by its terms matures more than 180 days after the date of investment, unless any of the Collateral Agent shall have agreed to repurchase such obligation, certificate of deposit, acceptance, commercial paper or instrument at its purchase price plus earned interest within no more than 180 days after its purchase hereunder, and (ii) with respect to any rating requirement set forth above, if the relevant issuer is rated by only one Rating Agency, then only the rating of such Rating Agency shall be utilized for the purpose of this definition.

"Permitted Disposition" has the meaning given to it in the definition of "Asset Sale."

"Permitted Hedging Agreement" has the meaning given to it in the Common Terms Agreement .

"Permitted Holders" means (i) Cox ABG, (ii) any fund managed by Cox ABG, and (iii) any Person Controlled, directly or indirectly, by Cox ABG.

"Permitted Investments" means, investments in Permitted Cash Equivalents and:

(1) Investments by the Issuer or any Restricted Subsidiary in any Person that is, or that result in any Person becoming, immediately after such Investment, a Restricted Subsidiary or constituting a merger or consolidation of such Person into the Issuer or with or into a Restricted Subsidiary;

(2) Investments in the Issuer (including purchases by the Issuer or any Restricted Subsidiary of the Notes or any other Indebtedness of the Issuer or any wholly-owned Restricted Subsidiary);

(3) any Investment existing on, or made pursuant to written agreements existing on, the Issue Date and any extension, modification or renewal of such Investments (but not Investments involving additional advances, contributions or other investments of cash or property or other increases thereof (unless a binding commitment therefore has been entered into on or prior to the Issue Date), other than as a result of the accrual or accretion of interest or original issue discount or payment-in- kind pursuant to the terms of such Investment as of the Issue Date);

(4) any Investments received in compromise or resolution of (a) obligations of Persons that were incurred in the ordinary course of business of the Issuer or any of the Restricted Subsidiaries, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any Persons; or (b) litigation, arbitration or other disputes;

(5) Investments by the Issuer or the Restricted Subsidiaries as a result of non-cash consideration permitted to be received in connection with an Asset Sale made in compliance with the covenant described under "*Negative Covenants of the Issuer, Guarantors and Restricted Subsidiaries—Limitation on Asset Sales*";

(6) Investments permitted under clause 2(k) of "*—Negative Covenants of the Issuer, Guarantors and Restricted Subsidiaries—Limitation on Incurrence of Additional Indebtedness*";

(7) loans and advances to officers, directors and employees made in the ordinary course of business of the Issuer or any Restricted Subsidiary of the Issuer in an aggregate principal amount not to exceed U.S.$2.0 million at any one time outstanding;

(8) any Investment acquired from a Person which is merged with or into the Issuer or any Restricted Subsidiary, or any Investment of any Person existing at the time such Person becomes a Restricted Subsidiary and, in either such case, is not created as a result of or in connection with or in anticipation of any such transaction;

(9) any acquisition of assets or Equity Interests solely in exchange for the issuance of Equity Interests (other than Disqualified Capital Stock) of the Issuer;

(10) Investments by the Issuer or any Restricted Subsidiary consisting of deposits, prepayment and other credits to suppliers or lessors in the ordinary course of business;

(11) Investments by the Issuer or any Restricted Subsidiary in customers and suppliers in the ordinary course of business which either (a) generate accounts receivable, or (b) are accepted in settlement of bona fide disputes;

(12) advances, loans or extensions of trade credit in the ordinary course of business by the Issuer or any Restricted Subsidiary;

(13) any Investment having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value) not to exceed 3% of the Issuer's Consolidated Total Assets;

"Permitted LC Facility" means Indebtedness provided by an Eligible Senior Lender that satisfies all of the conditions set forth in Schedule 3.4 (Conditions Precedent to the Incurrence of Additional Senior Debt) of the Common Terms Agreement as certified by the Issuer and is otherwise incurred in accordance with the Common Terms Agreement.

"Permitted LC Facility Lender" means each of the financial institutions party to a Permitted LC Facility as lenders and/or issuing banks.

"Permitted Liens" means such of the following as to which no enforcement, collection, execution, levy or foreclosure proceeding shall have been commenced:

(1) Liens imposed by law, such as statutory Liens of landlords and Liens of carriers, warehousemen, mechanics, suppliers, material-men, repairmen and other Liens imposed by law (including tax Liens) incurred in the ordinary course of business or Liens arising solely by virtue of any statutory or common law (but not contractual) provisions relating to bankers' liens, rights of set-off or similar rights and remedies as to deposit accounts or other funds maintained with a creditor depositary institution;

(2) Liens Incurred or deposits made in the ordinary course of business (a) in connection with workers' compensation, unemployment insurance and other types of social security (including any Lien securing letters of credit issued in the ordinary course of business consistent with past practice in connection therewith) or (b) to secure the performance of tenders, statutory obligations, surety and appeal bonds, bids, leases, government performance and return-of-money bonds and other similar obligations (exclusive of obligations for the payment of borrowed money);

(3) Liens securing reimbursement obligations with respect to commercial letters of credit which encumber documents and other Property relating to such letters of credit and products and proceeds thereof;

(4) Liens encumbering deposits made to secure obligations arising from statutory, regulatory, contractual, or warranty requirements of the Issuer, including rights of offset and set-off;

(5) Liens securing Indebtedness in respect of any Permitted Hedging Agreements (and any Derivative Transactions thereunder) that is Incurred in accordance with "*Negative Covenants of the Issuer, Guarantors and Restricted Subsidiaries — Limitation on Incurrence of Additional Indebtedness*";

(6) Liens existing on the Issue Date securing Indebtedness permitted to be incurred under in accordance with "*Negative Covenants of the Issuer, Guarantors and Restricted Subsidiaries — Limitation on Incurrence of Additional Indebtedness*", including Liens under the Security Documents and Liens securing the Required Revolving Credit Facility, and any extension, renewal or replacement thereof or of any Lien in clauses (7) or (8) below; provided, however, that the total amount of Indebtedness so secured is not increased plus any premiums, fees and expenses in connection with such extension, renewal or replacement;

(7) Liens on any Property or assets (including Equity Interest of any person) securing Indebtedness Incurred solely for purposes of financing the acquisition, construction or improvement of such Property or assets after the Issue Date; provided that (a) the aggregate principal amount of Indebtedness secured by the Liens will not exceed (but may be less than) the cost (i.e., purchase price) of the Property or assets so acquired, constructed or improved and (b) the Lien is incurred before, or within 365 days after the completion of, such acquisition, construction or improvement and does not encumber any other Property or assets of the Issuer or any Restricted Subsidiary; and provided, further, that to the extent that the Property or asset acquired is Equity Interest, the Lien also may encumber other Property or assets of the person so acquired;

(8) any Lien existing on any Property or assets of any person before that person's acquisition (in whole or in part) by, merger into or consolidation with the Issuer or any Restricted Subsidiary after the Issue Date; provided that the Lien is not created in contemplation of or in connection with such acquisition, merger or consolidation;

(9) Liens for taxes, assessments or other governmental charges not yet subject to penalties for nonpayment or which are being contested in good faith by appropriate proceedings, provided that appropriate reserves required pursuant to the applicable Accounting Principles have been made in respect thereof;

(10) Liens arising by means of judgment, decree or order of any court, not giving rise to an Event of Default so long as such Lien is adequately bonded and any appropriate legal proceedings which may have been duly initiated for the review of such judgment, decree or order have not been finally terminated or the period within which such proceeding may be initiated has not expired and any Liens that are required to protect or enforce rights in any administrative, arbitration or other court proceeding in the ordinary course of business;

(11) Liens constituting any interest of title of a lessor, a licensor or either's creditors in the Property subject to any lease;

(12) Liens securing an amount of Indebtedness outstanding at any one time not to exceed 15% of the Issuer's Consolidated Total Assets;

(13) Liens on Property of the Issuer or any Restricted Subsidiary securing unsecured letters of credit issued to support obligations under Revenue Generating Contracts, in each case in the ordinary course of business;

(14) easements, rights-of-way, restrictions and other similar encumbrances affecting real property which do not in the aggregate materially detract from the value of the Property subject thereto or interfere with the ordinary conduct of the business of the Issuer or any Restricted Subsidiary; and

(15) Liens in favor of the Issuer or any Restricted Subsidiary so long as they are of a lesser priority than the Liens under the Security Documents;

provided that, notwithstanding anything herein to the contrary, neither the Issuer nor any Guarantor shall, nor shall it agree to, and each of the Issuer and each Guarantor shall cause each of its respective Subsidiaries not to and not to agree to create, incur, assume, suffer to occur or permit to subsist any Lien upon or with respect to the Collateral.

"Permitted Transaction" has the meaning set forth under the caption "*—Negative Covenants of the Issuer, Guarantors and Restricted Subsidiaries— Limitation on Merger, Consolidation, Liquidation, Dissolution*".

"Person" means any individual, corporation, limited liability company, partnership (including association), joint stock company, venture, business, trust (including a Mexican law governed trust (fideicomiso)), unincorporated organization or association, Governmental Authority or other entity of whatever nature.

"Project" means each power generation facility, plant, and related infrastructure owned, operated, or under development by any Group Company, including: (i) (1) the "El Carmen" combined-cycle 866 MW installed capacity power plant, located in El Carmen, Nuevo León, Mexico, owned by SGE; (2) the "Dulces Nombres II" combined-cycle 300 MW installed capacity power plant, located in Pesquería, Nuevo León, Mexico, owned by ENCO; (3) the "Cogeneration Ramos" cogeneration 52 MW installed capacity power plant, located in Ramos Arizpe, Coahuila, Mexico, owned by ICR; (4) the "Cogeneration Bajío" cogeneration 52 MW installed capacity power plant, located in San Juan del Río, Querétaro, Mexico, owned by ICB; (5) the "Cogeneration Altamira" cogeneration 57 MW installed capacity power plant, located in Altamira, Tamaulipas, Mexico, owned by ICA; (6) the "Cogeneration Monterrey" cogeneration 41 MW installed capacity power plant, located in Monterrey, Nuevo León, Mexico, owned by ENCO; (7) the "PIER" wind-powered 86.5 MW installed capacity power plant, located in Palmar de Bravo, Cañada Morelos and Esperanza, Puebla, Mexico, owned by PIER; (8) the "PIER IV" wind-powered 133.5 MW installed capacity power plant, located in Nicolas Bravo, Cañada Morelos, and Chapulco, Puebla, Mexico, owned by PIER IV; (9) the "PIER II" wind-powered 66 MW installed capacity power plant, located in Esperanza, Puebla, Mexico, owned by PIER II; (10) the "Wind Santiago" wind-powered 105 MW installed capacity power plant, located in San Felipe, Guanajuato, Mexico, owned by IRB; (11) the "Bii Nee Stipa" wind-powered 26 MW installed capacity power plant, located in Espinal, Oaxaca, Mexico, owned by BNS; (12) the "PEM/Ventosa" wind-powered 102 MW installed capacity power plant, located in Juchitán, Oaxaca, Mexico, owned by PEM; (13) the "Dos Arbolitos" wind-powered 70 MW installed capacity power plant, located in Juchitán, Oaxaca, Mexico, owned by EDA; (14) the "Cuyoaco" solar 274 MW installed capacity power plant, located in Cuyoaco, Puebla, Mexico, owned by GPE; (15) the "Hermosillo" solar 137 MW installed capacity power plant, located in Hermosillo, Sonora, Mexico, owned by IRNO; and (16) the "Solar Santiago" solar 232 MW installed capacity power plant, located in Villa de Arriaga, San Luis Potosí, Mexico, owned by IRC; each further identified in Sections (A) and (B) of Schedule 4.32 (Projects) of the Common Terms Agreement; and (ii) each other power generation facility or plant at any time developed by any Group Company.

"Property" means any right or interest in, to or under any property of any kind whatsoever, whether real, personal or mixed and whether tangible or intangible. For the avoidance of doubt, the words "asset" and "Property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and Properties, including cash, Equity Interests, securities, revenues, accounts, leasehold interests and contract rights.

"Prudent Industry Practices" means those practices, methods, techniques and standards that are generally accepted, as they may change from time to time, for use in the international electric energy industry and commonly used in safe and prudent electric energy engineering and operations to design, engineer, construct, test, operate and maintain equipment similar to the Projects.

"Qualified Capital Stock" means any Equity Interest that is not Disqualified Capital Stock and any warrants, rights or options to purchase or acquire Equity Interest that is not Disqualified Capital Stock or that are not convertible into or exchangeable into Disqualified Capital Stock.

"Rating" means the then current credit rating of the Notes of any series by a Rating Agency.

"Rating Agency" means (a) any of Fitch, S&P or Moody's, and (b) if none of Moody's, S&P or Fitch issues a senior unsecured long-term debt rating, corporate credit rating or issuer rating for the applicable Person or fails to make such rating publicly available, a "nationally recognized statistical rating organization" registered under the Exchange Act that is reasonably acceptable to the Intercreditor Agent.

"Rating Date" means in connection with a Change of Control Repurchase Event, the date that is 90 days prior to the earlier of (a) the occurrence of a Change of Control or (b) public notice of the occurrence of a Change of Control or of the intention of the Issuer or any other Person or Persons to effect a Change of Control.

"Ratings Affirmation" means, in the case of any event or proposed event, an affirmation by two of the Rating Agencies then rating any series of, that its Rating of such Notes will not be lower immediately after giving effect to the event or proposed event.

"Ratings Decline" means in connection with a Change of Control Repurchase Event, the occurrence, on or within 90 days after the earlier to occur of public notice of (a) the occurrence of a Change of Control and (b) the intention by the Issuer or any other Person or Persons to effect a Change of Control (which period will be extended for so long as any of the Rating Agencies has publicly announced that it is considering a possible ratings change as a result of a Change of Control), of any of the events listed below with respect to any series of Notes:

(1) in the event any series of Notes have an Investment Grade Rating by each Rating Agency on the Rating Date, the rating of such series of Notes by any Rating Agency will be changed to below an Investment Grade Rating;

(2) in the event any series of Notes have an Investment Grade Rating by any, but not all, of the Rating Agencies on the Rating Date, the rating of such series of Notes by any Rating Agency which gave the Notes of such series an Investment Grade Rating on the Rating Date will be changed to below an Investment Grade Rating; or

(3) in the event any series of Notes are rated below an Investment Grade Rating by each Rating Agencies on the Rating Date, the rating of such series of Notes by any such Rating Agency will be decreased by one or more gradations (including gradations within rating categories as well as between rating categories),

"Refinance" means, in respect of any Indebtedness, to issue any Indebtedness in exchange for or to refinance, replace, defease or refund such Indebtedness in whole or in part or, in the case of a revolving credit facility, any reborrowing of amounts previously advanced and repaid thereunder. "Refinanced" and "Refinancing" will have correlative meanings.

"Refinancing Indebtedness" means Indebtedness of the Issuer or any Restricted Subsidiary issued to Refinance any other Indebtedness of the Issuer or a Restricted Subsidiary so long as:

(1) the aggregate principal amount (or initial accreted value, if applicable) of such new Indebtedness as of the date of such proposed Refinancing does not exceed the aggregate principal amount (or

initial accreted value, if applicable) of the Indebtedness being Refinanced (plus the amount of any premium required to be paid under the terms of the instrument governing such Indebtedness and the amount of reasonable fees, expenses and defeasance costs, if any, incurred by the Issuer in connection with such Refinancing);

(2) such new Indebtedness has:

(a) a Weighted Average Life to Maturity that is equal to or greater than the Weighted Average Life to Maturity of the Indebtedness being Refinanced; and

(b) a final maturity that is equal to or later than the final maturity of the Indebtedness being Refinanced;

(3) if the Indebtedness being Refinanced is:

(a) Indebtedness of the Issuer, then such Refinancing Indebtedness will be Indebtedness of the Issuer;

(b) Indebtedness of a Restricted Subsidiary, then such Refinancing Indebtedness will be Indebtedness of the Issuer and/or such Restricted Subsidiary; and

(c) Subordinated Indebtedness, then such Refinancing Indebtedness shall be subordinate to the Notes at least to the same extent and in the same manner as the Indebtedness being Refinanced.

"Regulation S Global Notes" has the meaning set forth in caption "Book-Entry; Settlement and Clearance" in this Offering Memorandum.

"Release" means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, disposing or migration of any hazardous substances (including the abandonment or discarding of barrels, containers and other closed receptacles containing any hazardous substance).

"Required Revolving Credit Facility" has the meaning ascribed to the term "Permitted Revolving Facility" in the Common Terms Agreement.

"Replaced Revenue Generating Contract" means any existing Revenue Generating Contract that is terminated and subsequently replaced by a Replacement Revenue Generating Contract.

"Replacement Conditions" means with respect to any Revenue Generating Contract, that (a) such Replacement Revenue Generating Contract (i) is entered into with an Acceptable Counterparty; (ii) includes terms and conditions that are market standard at the time such Group Company enters into it; (b) the projected revenues to be received under such Replacement Revenue Generating Contract by such Group Company are the same or greater than the cash revenues projected to be received by such Group Company in the corresponding Replaced Revenue Generating Contract; and (d) the contractual term under such Replacement Revenue Generating Contract is the same or greater than the contractual term of the corresponding Replaced Revenue Generating Contract.

"Replacement Debt" means Indebtedness provided by an Eligible Senior Lender or one or more Senior Bondholders to the Issuer for the purpose of replacing one or more of the Facilities incurred pursuant to the Common Terms Agreement.

"Replacement Creditor" means any Eligible Senior Lender or Senior Bondholder that has extended Replacement Debt to the Issuer in accordance with the Common Terms Agreement.

"Replacement Revenue Generating Contract" means any Revenue Generating Contract entered into from time to time by any Group Company following the Issue Date that meets the Replacement Conditions, including any such agreement that replaces or substitutes an existing Revenue Generating Contract.

"Responsible Officer" means (a) with respect to any agent or the Indenture Trustee, any officer within the corporate trust or agency department of such agent including any vice president, assistant vice president, treasurer, assistant treasurer, trust officer or any other officer of such agent who (i) customarily performs functions similar to those performed by the persons who at the time shall be such officers, respectively, or to whom any

corporate trust matter is referred because of such person's knowledge of and familiarity with the particular subject and (ii) shall have direct responsibility for the administration of the Finance Documents to which such agent or the Indenture Trustee is a party, and (b) with respect to any other Person, the chief executive officer, the president, chief financial officer, general counsel, treasurer or assistant treasurer of a Person. Any document delivered hereunder that is signed by a Responsible Officer of any Person shall be conclusively presumed to have been authorized by all necessary corporate, trust, partnership and/or other action on the part of such Person and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Person.

"Restoration" means with respect to any of the Projects or any portion of such Project that was subject to an Event of Loss, to rebuild, repair, restore or replace.

"Restricted Investment" means any Investment other than a Permitted Investment.

"Restricted Payment" has the meaning given to it under the caption "*—Negative Covenants of the Issuer, Guarantors and Restricted Subsidiaries—Limitation on Restricted Payments*."

"Restricted Subsidiary" mean any Subsidiary of the Issuer other than an Unrestricted Subsidiary.

"Revenue Generating Contract" shall mean any agreement, contract or document (including any agreement, contract or document entered into with a Governmental Authority), to which any Group Company is a party and pursuant to which such Group Company receives or is entitled to receive revenues from Energy Products.

"Revocation" has the meaning set forth under "*—Limitation on Designation of Unrestricted Subsidiaries*."

"Rule 144A Global Notes" has the meaning set forth in caption "—Book-Entry; Settlement and Clearance" in this Offering Memorandum.

"S&P" means S&P Global Ratings and any successor to its rating agency business.

"Scheduled Payment Date" means the 8th day of each January and the 8th day of each July for the 2032 Notes, and the 8th day of each May and the 8th day of each November for the 2036 Notes, in each case following the Issue Date; provided that if any such date is not a Business Day, then such day will not be a payment date and such Scheduled Payment Date will be the first preceding Business Day.

"Secured Obligations" means the Obligations secured by the Collateral.

"Secured Parties" means each of the Finance Parties, the Senior Creditors, the Common Agents and the Hedge Counterparties.

"Security Documents" has the meaning ascribed to such term in the Common Terms Agreement.

"Security Providers" means collectively, Cox Mexico, the Issuer, Cox Energy, the Minority Shareholder or any other Person, solely in their capacity as parties to the Security Documents and grantors of the security interests created thereunder.

"Senior Bond" means any Additional Senior Debt taking the form of bonds (or other equivalent debt capital market instruments) and issued pursuant to an indenture, a note purchase agreement, a fiscal agency agreement or similar agreement or instrument providing for the issuance of one (1) or more series of debt securities.

"Senior Bond Documents" means (a) the indenture, a note purchase agreement, a fiscal agency agreement or similar agreement or instrument providing for the issuance of the Senior Bonds, (b) the Security Documents, and (c) all other documents relating to the Senior Bonds and evidencing or securing the Issuer's and the Guarantors' Obligations in respect thereof or any Guarantee or other form of security, credit or equity support provided in respect thereof.

"Senior Bondholders" means collectively, the holders from time to time of Senior Bonds.

"Senior Creditor" means each Senior Lender and, following their accession (directly or through an Additional Senior Facility Representative) to the Common Terms Agreement and the Intercreditor Agreement, each Additional Senior Creditor.

"Senior Debt" means collectively, the Bridge Facility and the Additional Senior Debt.

"Senior Lender" means each initial lender party to the Bridge Facility Agreement and following their accession (directly or through a Facility Agent) to the Common Terms Agreement and the Intercreditor Agreement, each Additional Senior Lender.

"Senior Loan" means the Bridge Facility and each Additional Senior Loan.

"SGE" means Soporte de Generación Eficiente, S.A. de C.V.

"Sole Security Registry" means the Registro Único de Garantías Mobiliarias of the Public Registry of Commerce (Registro Público de Comercio) contemplated in the Mexican Commerce Code (Código de Comercio).

"Stated Maturity" means, with respect to any security, the date specified in such security as the fixed date on which any amount of principal of such security is due and payable, including pursuant to any mandatory redemption provision (but excluding any provision providing for the repurchase of such security at the option of the holder thereof upon the happening of any contingency unless such contingency has occurred).

"Subordinated Indebtedness" means any unsecured, subordinated Indebtedness of the Issuer, a Guarantor or a Restricted Subsidiary provided or extended by a Subordinated Lender pursuant to a Subordinated Loan Agreement; that is fully subordinated to the Obligations in accordance with the provisions set out under Schedule 1.1 (Subordination Provisions) of the Common Terms Agreement.

"Subordinated Lender" means Cox ABG or an Affiliate of the Issuer that (i) provides Subordinated Indebtedness, (ii) satisfies the Senior Creditors' and Agents' internal "know-your-customer" and similar requirements, (iii) provides such other documents and legal opinions as may be required by the Intercreditor Agent or any other Secured Party and (iv) is fully subordinated to the Obligations in accordance with the subordination provisions set out in the Common Terms Agreement.

"Subordinated Loan Agreement" means any loan agreement for the provision or extension of Subordinated Indebtedness which is governed by the laws of New York and compliant with the provisions set out under Schedule 1.1 (Subordination Provisions) of the Common Terms Agreement, and by which a Subordinated Lender issuing or extending Subordinated Indebtedness subordinates such Subordinated Indebtedness to the complete and irrevocable satisfaction of the Obligations, and the repayment of which (including any applicable interest or fee) shall solely be made (x) after all Obligations have been unconditionally and indefeasibly discharged and paid in full, or (y) upon prior satisfaction of the Restricted Payment Conditions, from Restricted Payments.

"Subsidiary" means as to any Person, a corporation, partnership, limited liability company or other entity of which shares of stock or other ownership interests having ordinary voting power (other than stock or such other ownership interests having such power only by reason of the happening of a contingency) to elect a majority of the board of directors or other managers, or similar governing body, of such corporation, partnership, limited liability company or other entity are at the time owned, or the management of which is otherwise controlled, directly or indirectly through one or more intermediaries, or both, by such Person.

"Swap Obligation" means, with respect to any Guarantor, any obligation to pay or perform under any agreement, contract or transaction that constitutes a "swap" within the meaning of section 1a(47) of the Commodity Exchange Act.

"Term Loan" means a loan made by any of the Term Loan Facility Lenders to the Issuer, as borrower, pursuant to the Term Loan Facility Agreement.

"Term Loan Facility" means the senior secured term loan credit facility established pursuant to the Term Loan Facility Agreement.

"Term Loan Facility Agreement" means the Term Loan Facility Agreement to be entered into by and among the Issuer, as borrower, each of its Subsidiaries party thereto, as subsidiary guarantors, the Senior Lenders, the Collateral Agent and the Intercreditor Agent.

"Term Loan Facility Lenders" means each of the financial institutions party to the Term Loan Facility Agreement from time to time as lenders.

"Total Loss" means a total loss or "constructive total loss," destruction or damage with respect to all or substantially all of the Property of the Issuer, the Guarantors or any Restricted Subsidiary.

"Treasury Rate" means, as of any redemption date, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days prior to the redemption date (or in connection with a satisfaction and discharge, two Business Days prior to the deposit of any redemption funds with the relevant paying agent) (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to (a) December 8, 2031 in the case of the 2032 Notes and (b) February 8, 2036 in the case of the 2036 Notes; provided that, if the period from the redemption date to such applicable date is less than one year, the weekly average yield on actively traded United States Treasury securities adjusted to a constant maturity of one year will be used. The Treasury Rate will be determined by the Issuer or its agent. The Indenture Trustee shall have no obligation to determine the Treasury Rate.

"Unanimous Voting Parties" has the meaning given to it in the Intercreditor Agreement.

"Unrestricted Subsidiary" means any Subsidiary of the Issuer or a Restricted Subsidiary Designated as such pursuant to "*—Limitation on Designation of Unrestricted Subsidiaries*"; any such Designation may be revoked by a Board Resolution of the Issuer, subject to the provisions of such covenant.

"Voting Interests" means shares of capital stock issued by a corporation, or equivalent Equity Interests in any other Person, the holders of which are ordinarily, in the absence of contingencies, entitled to vote for the election of directors (or persons performing similar functions) of such Person, even if the right so to vote has been suspended by the happening of such a contingency.

"Weighted Average Life to Maturity" means, when applied to any Indebtedness at any date, the number of years (calculated to the nearest one-twelfth) obtained by dividing:

(1) the then outstanding aggregate principal amount or liquidation preference, as the case may be, of such Indebtedness into;

(2) the sum of the products obtained by multiplying:

(a) the amount of each then remaining installment, sinking fund, serial maturity or other required payment of principal or liquidation preference, as the case may be, including payment at final maturity, in respect thereof, by

(b) the number of years (calculated to the nearest one-twelfth) which will elapse between such date and the making of such payment.

"Wholly-Owned" means, as to a Subsidiary of a Person, a Subsidiary of such Person all of the outstanding Equity Interests of which (other than (a) director's qualifying shares and (b) shares issued to foreign nationals to the extent required by Applicable Law) are owned by such Person or by one or more Wholly-Owned Subsidiaries of such Person.

"Year" means, as of any date of determination, the period commencing on such date and ending on the next succeeding December 31 and, thereafter, each period commencing on January 1 in any calendar year and ending on the next succeeding December 31.

BOOK-ENTRY; SETTLEMENT AND CLEARANCE

The Notes are being offered and sold to qualified institutional buyers in reliance on Rule 144A ("Rule 144A Notes"). Notes also may be offered and sold to non-U.S. persons outside of the United States in offshore transactions in reliance on Regulation S ("Regulation S Notes"). Notes will be issued at the closing of this offering only against payment in immediately available funds.

Rule 144A Notes initially will be represented by one or more Notes in registered, global form without interest coupons (collectively, the "Rule 144A Global Notes"). Regulation S Notes initially will be represented by one or more Notes in registered, global form without interest coupons (collectively, the "Regulation S Global Notes" and, together with Rule 144A Global Notes, the "Global Notes").

The Global Notes will be deposited upon issuance with the Indenture Trustee as custodian for DTC, in New York, New York, and registered in the name of DTC or its nominee, in each case, for credit to an account of a direct or indirect participant in DTC as described below. Through and including the 40th day after the later of the commencement of this offering and the closing of this offering (such period through and including such 40th day, the "restricted period"), beneficial interests in the Regulation S Global Notes may be held only through Euroclear and Clearstream (as indirect participants in DTC), unless transferred to a person that takes delivery through the Rule 144A Global Notes in accordance with the certification requirements described below.

Beneficial interests in Rule 144A Global Notes may not be exchanged for beneficial interests in Regulation S Global Notes at any time except in the limited circumstances described below. See "*—Exchanges Between Regulation S Notes and Rule 144A Notes*."

Except as set forth below, the Global Notes may be transferred, in whole and not in part, only to another nominee of DTC or to a successor of DTC or its nominee. Beneficial interests in the Global Notes may not be exchanged for Notes in certificated form except in the limited circumstances described below. See "*—Exchange of Global Notes for Certificated Notes*." Except in the limited circumstances described below, owners of beneficial interests in the Global Notes will not be entitled to receive physical delivery of Notes in certificated form.

Rule 144A Notes (including beneficial interests in Rule 144A Global Notes) will be subject to certain restrictions on transfer and will bear a restrictive legend as described under "*Transfer Restrictions*." Regulation S Notes will also bear the legend as described under "*Transfer Restrictions*." In addition, transfers of beneficial interests in the Global Notes will be subject to the applicable rules and procedures of DTC and its direct or indirect participants (including, if applicable, those of Euroclear and Clearstream), which may change from time to time.

Depository Procedures

The following description of the operations and procedures of DTC, Euroclear and Clearstream is provided solely as a matter of convenience. These operations and procedures are solely within the control of the respective settlement systems and are subject to changes by them. We take no responsibility for these operations and procedures and urge investors to contact the system or their participants directly to discuss these matters. DTC has advised us that DTC is a limited purpose trust company created to hold securities for its participating organizations (collectively, the "participants") and to facilitate the clearance and settlement of transactions in those securities between participants through electronic book entry changes in accounts of its participants. The participants include securities brokers and dealers (including the Initial Purchasers), banks, trust companies, clearing corporations and certain other organizations. Access to DTC's system is also available to other entities such as banks, brokers, dealers and trust companies that clear through or maintain custodial relationship with a participant, either directly or indirectly (collectively, the "indirect participants"). Persons who are not participants may beneficially own securities held by or on behalf of DTC only through the participants or the indirect participants. The ownership interests in, and transfers of ownership interests in, each security held by or on behalf of DTC are recorded on the records of the participants and indirect participants.

DTC has also advised us that, pursuant to procedures established by it:

(1) upon deposit of the Global Notes, DTC will credit the accounts of participants designated by the Initial Purchasers with portions of the principal amount of the Global Notes; and

(2) ownership of these interests in the Global Notes will be shown on, and the transfer of ownership of these interests will be effected only through, records maintained by DTC (with respect to

the participants) or by the participants and the indirect participants (with respect to other owners of beneficial interests in the Global Notes).

Investors in the Global Notes may hold their interests therein directly through DTC or through organizations (including Euroclear and Clearstream) which are participants in such system. Euroclear and Clearstream will hold interests in the Global Notes on behalf of their participants through customers' securities accounts in their respective names on the books of their respective depositories. All interests in a Global Note, including those held through Euroclear or Clearstream, may be subject to the procedures and requirements of DTC. Those interests held through Euroclear or Clearstream may also be subject to the procedures and requirements of such systems. The laws of some states require that certain persons take physical delivery in definitive form of securities that they own. Consequently, the ability to transfer beneficial interests in a Global Note to such persons will be limited to that extent. Because DTC can act only on behalf of participants, which in turn act on behalf of indirect participants, the ability of a person having beneficial interests in a Global Note to pledge such interests to persons that do not participate in the DTC system, or otherwise take actions in respect of such interests may be affected by the lack of a physical certificate evidencing such interests.

Except as described below, owners of interests in the Global Notes will not have Notes registered in their names, will not receive physical delivery of Notes in certificated form and will not be considered the registered owners or "holders" thereof under the Indenture for any purpose.

Payments in respect of the principal of, and interest and premium and Additional Amounts, if any, on a Global Note registered in the name of DTC or its nominee will be payable to DTC in its capacity as the registered holder under the Indenture. Under the terms of the Indenture, the Issuer and the Trustee will treat the persons in whose names the notes, including the global Notes, are registered as the owners of the Notes for the purpose of receiving payments and for all other purposes. Consequently, neither the Issuer, the Trustee, the transfer agent, registrar, the paying agent nor any agent of the Issuer, nor the Trustee has or will have any responsibility or liability for:

(1) any aspect of DTC's records or any participant's or indirect participant's records relating to or payments made on account of beneficial ownership interest in the Global Notes or for maintaining, supervising or reviewing any of DTC's records or any participant's or indirect participant's records relating to the beneficial ownership interests in the Global Notes; or

(2) any other matter relating to the actions and practices of DTC or any of its participants or indirect participants.

DTC has advised us that its current practice, upon receipt of any payment in respect of securities such as the Notes (including principal and interest), is to credit the accounts of the relevant participants with the payment on the payment date unless DTC has reason to believe it will not receive payment on such payment date. Each relevant participant is credited with an amount proportionate to its beneficial ownership of an interest in the principal amount of the relevant security as shown on the records of DTC. Payments by the participants and the indirect participants to the beneficial owners of Notes will be governed by standing instructions and customary practices and will be the responsibility of the participants or the indirect participants and will not be our responsibility or that of DTC or the Trustee. Neither the Issuer nor the Trustee will be liable for any delay by DTC or any of its participants in identifying the beneficial owners of the Notes, and the Issuer and the Trustee may conclusively rely on and will be protected in relying on instructions from DTC or its nominee for all purposes.

Subject to the transfer restrictions set forth under "*Transfer Restrictions*," transfers between participants in DTC will be effected in accordance with DTC's procedures, and will be settled in same-day funds, and transfers between participants in Euroclear and Clearstream will be effected in accordance with their respective rules and operating procedures.

Subject to compliance with the transfer restrictions applicable to the Notes described herein, cross-market transfers between the participants in DTC, on the one hand, and Euroclear or Clearstream participants, on the other hand, will be effected through DTC in accordance with DTC's rules on behalf of Euroclear or Clearstream, as the case may be, by its respective depositary; however, such cross market transactions will require delivery of instructions to Euroclear or Clearstream, as the case may be, by the counter-party in such system in accordance with the rules and procedures and within the established deadlines (Brussels time) of such system. Euroclear or Clearstream, as the case may be, will, if the transaction meets its settlement requirements, deliver instructions to its respective depositary to take action to effect final settlement on its behalf of delivering or receiving interests in the relevant Global Note in DTC, and making or receiving payment in accordance with normal procedures for

same-day funds settlement applicable to DTC. Euroclear participants and Clearstream participants may not deliver instructions directly to the depositories for Euroclear or Clearstream. DTC has advised us that it will take any action permitted to be taken by a holder of Notes only at the direction of one or more participants to whose account DTC has credited the interests in the Global Notes and only in respect of such portion of the aggregate principal amount of the Notes as to which such participant or participants has or have given such direction. However, if there is an event of default under the Notes, DTC reserves the right to exchange the Global Notes for legended Notes in certificated form, and to distribute such Notes to its participants.

Although DTC, Euroclear and Clearstream have agreed to the foregoing procedures to facilitate transfers of interests in Rule 144A Global Notes and Regulation S Global Notes among participants in DTC, Euroclear and Clearstream, they are under no obligation to perform or to continue to perform such procedures, and may discontinue such procedures at any time. Neither the Issuer nor the Trustee nor any of their respective agents will have any responsibility for the performance by DTC, Euroclear or Clearstream or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

Exchange of Global Notes for Certificated Notes

A Global Note is exchangeable for definitive Notes in registered certificated form ("certificated notes") if:

(1) DTC (a) notifies the Issuer that it is unwilling or unable to continue as depositary for the Global Notes and DTC fails to appoint a successor depositary or (b) has ceased to be a clearing agency registered under the Exchange Act;

(2) the Issuer, at its option, notifies the Trustee in writing that it has elected to cause the issuance of the certificated notes; or

(3) a Default or Event of Default with respect to the Notes has occurred and is continuing.

In addition, beneficial interests in a Global Note may be exchanged for certificated Notes upon prior written notice given to the Trustee by or on behalf of DTC in accordance with the Indenture. In all cases, certificated Notes delivered in exchange for any Global Note or beneficial interests in Global Notes will be registered in the names, and issued in any approved denominations, requested by or on behalf of the depositary (in accordance with its customary procedures) and will bear the applicable restrictive legend referred to in "*Transfer Restrictions*," unless that legend is not required by applicable law.

Exchanges Between Regulation S Notes and Rule 144A Notes

Beneficial interests in Regulation S Global Notes may be exchanged for beneficial interests in Rule 144A Global Notes only if:

(1) such exchange occurs in connection with a transfer of the Notes pursuant to Rule 144A; and

(2) the transferor first delivers to the Trustee a written certificate (in the form provided in the Indenture) to the effect that the Notes are being transferred to a person:

(A) who the transferor reasonably believes to be a qualified institutional buyer within the meaning of Rule 144A purchasing for its own account or the account of a qualified institutional buyer in a transaction meeting the requirements of Rule 144A; and

(B) in accordance with all applicable securities laws of the states of the United States and other jurisdictions.

Beneficial interests in Rule 144A Global Notes may be transferred to a person who takes delivery in the form of an interest in Regulation S Global Notes, whether before or after the expiration of the restricted period, only if the transferor first delivers to the Trustee a written certificate (in the form provided in the Indenture) to the effect that such transfer is being made in accordance with Rule 903 or 904 of Regulation S.

Transfers involving exchanges of beneficial interests between Regulation S Global Notes and Rule 144A Global Notes will be effected in DTC by means of an instruction originated by the DTC participant and approved by the Trustee through the DTC Deposit/ Withdraw at Custodian system. Accordingly, in connection with any such transfer, appropriate adjustments will be made to reflect a decrease in the principal amount of Regulation S Global Note and a corresponding increase in the principal amount of Rule 144A Global Notes or vice versa, as applicable. Any beneficial interest in one of the Global Notes that is transferred to a person who takes delivery in the form of an interest in the other Global Note will, upon transfer, cease to be an interest in such Global Note and will become an interest in the other Global Note and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interest in such other Global Note for so long as it remains such an interest. Transfers between Regulation S Notes and Rule 144A Notes will need to be done on a delivery free of payment basis and separate arrangements will need to be made outside of DTC for payment.

TAXATION

Certain Mexican Tax Considerations

Certain Mexican Income Tax Considerations

The following is a general summary of the principal Mexican federal income tax consequences of the purchase, ownership and disposition of the Notes by holders that are not residents of Mexico for tax purposes and that do not hold the Notes through a permanent establishment in Mexico to which the income under the notes is attributable for tax purposes. For purposes of this summary, each such holder is a "foreign holder." This summary is based upon the Mexican Tax provisions including the *Ley del Impuesto Sobre la Renta*, or the Mexican Income Tax Law, and the *Código Fiscal de la Federación*, or the Mexican Federal Tax Code, in effect on the date of this Offering Memorandum, which are subject to change or to new or different interpretations, which could affect the continued validity of this summary. This summary does not constitute tax advice and does not address all of the Mexican tax consequences that may be applicable to specific holders of the Notes and does not purport to be a comprehensive description of all of the Mexican tax considerations that may be relevant to a decision to purchase, own or dispose of the notes. This summary does not describe any tax consequences (1) arising under any laws other than the federal tax laws of Mexico (including the laws of any state or municipality within Mexico that are not discussed herein) or under any treaty for the avoidance of double taxation entered into by Mexico, or (2) that are applicable to a resident of Mexico for tax purposes.

Potential investors should consult with their own tax advisors regarding the particular consequences of the purchase, ownership or disposition of the Notes under the federal laws of Mexico (and the laws of any state or municipality of Mexico) or any other jurisdiction or under any applicable double taxation treaty to which Mexico is a party.

For purposes of Mexican taxation, residence is a highly technical and fact-oriented definition.

An individual is a resident of Mexico for tax purposes if such person has established his or her home in Mexico. When such person has a home in another country, the individual will be considered a resident of Mexico for tax purposes if his/her center of vital interests is located in Mexico, which is deemed to occur if, among other things, (i) more than 50.0% of such individual's total income, in any calendar year, is deemed as Mexican sourced income, or (ii) such individual's principal center of professional activities is located in Mexico. Mexican residents for tax purposes who (i) do not prove their change of tax residency, or (ii) file a change of tax residence to a country or jurisdiction that does not have a comprehensive tax information exchange agreement and a tax treaty that provides for the assistance in to facilitate cooperation in the assessment and collection of taxes with Mexico and in which his/her income is subject to a preferred tax regime pursuant to the provisions of the Mexican Income Tax Law, will remain to be considered as Mexican residents for tax purposes during the year of filing the notice of change of tax residency and during the following five fiscal years. Mexican nationals are deemed Mexican residents for tax purposes, unless such nationals can demonstrate otherwise.

A legal entity (including foreign legal arrangements treated as legal entities for Mexico tax purposes) is a resident of Mexico for tax purposes if it maintains the principal administration of its business or the effective location of its management in Mexico.

If a legal entity or an individual is deemed a resident of Mexico for tax purposes or is a foreign person with a permanent establishment in Mexico, all worldwide income earned by such Mexican resident, or any and all income attributable to that permanent establishment of such foreign person, as the case may be, will be required to pay taxes in Mexico in accordance with applicable tax provisions.

Furthermore, foreign persons without a permanent establishment in Mexico (or whose income is not attributable to a permanent establishment) will be subject to income tax in Mexico only on their Mexican sourced income. Specifically, interest payments are deemed as Mexican sourced income when the capital is placed or invested in Mexico, and/or when interest payments are made by a resident of Mexico for tax purposes or by a foreign person with a permanent establishment in Mexico.

Accordingly, interest paid by residents of Mexico for tax purposes to foreign persons will generally be subject to an income tax withholding, at rates that vary depending on the nature of the payor, the beneficial owner of the interest and/or the characteristics of the transactions that give rise to the interest. The applicable withholding

tax rates contemplated under the Mexican Income Tax Law range from 4.9% to 40% (the latter applicable in specific cases to recipient entities who are residents in preferential tax regimes).

Taxation of Payments of Interest

Under the Mexican Income Tax Law, payments of interest (including original issue discount and premiums, which are deemed interest under the Mexican Income Tax Law) made by us or the subsidiary guarantors in respect of the Notes to a foreign holder will generally be subject to a Mexican withholding tax assessed at a rate of 4.9%, if, as expected, the following requirements are met:

- the Notes are placed outside Mexico through banks or broker-dealers, in a country with which Mexico has a treaty for the avoidance of double taxation in effect (which currently includes the United States of America);

- after the consummation of the offering of the Notes, a notice is filed before the CNBV describing the main characteristics of the Notes and the Notes offering pursuant to Article 7, second paragraph, of the Mexican Securities Market Law and Articles 24 Bis, 24 Bis 1 and other applicable provisions of the General Regulations Applicable to Co-Issuers and Other Market Participants (*Disposiciones de Carácter General Aplicables a las Emisoras de Valores y a Otros Participantes del Mercado de Valores*); and

- the information requirements specified from time to time by the Mexican Tax Administration Service (*Servicio de Administración Tributaria*) under its general rules, including, after completion of the offering of the Notes, the filing before the Mexican Tax Administration Service of certain information related to the Notes offering and this Offering Memorandum, are duly and timely complied with.

If any of such requirements is not met, the withholding tax rate applicable to interest payments under the notes made by us or the subsidiary guarantor to foreign holders will be imposed at a rate of 10.0% or higher.

In addition, if beneficial owners, whether acting directly or indirectly, individually, severally or jointly with related parties, receiving more than 5.0% of the aggregate amount of each interest payment under the Notes are (i) shareholders holding more than 10.0% of our voting stock, directly or indirectly, severally or jointly with related parties, or (ii) corporations or other entities having more than 20.0% of their stock owned, directly or indirectly, jointly or severally, by persons related to us, the Mexican withholding tax will be determined by applying the maximum applicable rate under the Mexican Income Tax Law, which is currently 35%. For these purposes, persons will be related if:

- one person holds an interest in the business of the other person;
- both persons have common interests; or
- a third party has an interest in the business or assets of both persons.

Payments of interest in respect of the Notes made by us to a non-Mexican pension or retirement fund will be generally exempt from Mexican withholding taxes if:

- such fund is organized pursuant to the laws of its country of residence and is the beneficial owner of the interest payment; and

- such income is exempt from income taxes in such country.

Holders or beneficial owners of the Notes may be requested, subject to specified exemptions and limitations, to provide certain information or documentation necessary to enable us to apply the appropriate Mexican withholding tax rate on interest payments that we make to such holders or beneficial owners. Additionally, the Mexican Income Tax Law provides that, in order for a foreign holder to be entitled to the benefits under any treaty for the avoidance of double taxation entered into by Mexico, it is necessary for the foreign holder to meet the procedural requirements established in such law. In the event that the specified information or documentation concerning the holder or beneficial owner, if requested, is not timely or completely provided, we may withhold Mexican tax from that interest payment on the Notes to that holder or beneficial owner at the maximum applicable rate, and our obligation to pay Additional Amounts relating to those withholding taxes would be limited as described under "Description of the Notes—Additional Amounts."

Taxation of Principal Payments

Under the Mexican Income Tax Law, payments of principal made by us or the Guarantors in respect of the notes to a foreign holder will not be subject to Mexican withholding taxes.

Taxation of Dispositions and Acquisitions of the Notes

Under the Mexican Income Tax Law, gains resulting from the sale or disposition of the notes by a foreign holder to another foreign holder are not subject to income or other tax in Mexico, if certain specific requirements are met. Gains resulting from the sale or disposition of the Notes by a foreign holder to a purchaser who is a Mexican resident for tax purposes or to a foreign holder with a permanent establishment in Mexico for tax purposes, will be subject to Mexican federal income or other taxes pursuant to the rules described above in respect of interest payments, unless an applicable income tax treaty provides otherwise. The acquisition of the notes at a discount by a foreign holder will be deemed interest income and subject to Mexican withholding taxes, if the seller is a Mexican resident or a foreign resident with a permanent establishment in Mexico and any such withholding taxes will not benefit from our obligations to pay Additional Amounts.

Taxation of Make-Whole Amounts

Under the Mexican Income Tax Law, the payment of make-whole amounts as a result of the optional redemption of the notes, as provided in "Description of the Notes—Optional Redemption," will be subject to the Mexican taxes pursuant to the rules described above with respect to interest payments.

Mexican Value Added Tax

There is no Mexican Value Added Tax, issue, registration or similar taxes payable by a foreign holder with respect to the notes.

Other Mexican Taxes

Under current Mexican tax laws, there are no Mexican estate, inheritance, succession, gift or similar taxes generally applicable with respect to the acquisition, ownership or disposition of the notes by a foreign holder. Gratuitous transfers of the notes in certain circumstances may result in the imposition of Mexican income taxes upon the recipient. There are no Mexican stamp or value added tax, issuer registration or similar taxes or duties payable by foreign holders with respect to the notes.

Foreign Tax Credit

Any Mexican withholding tax paid under the terms described herein may be subject to foreign tax credits or exemptions under the tax laws applicable on the country of residence of the relevant foreign holder. Foreign holders should consult their tax advisors regarding any double taxation relief available to them under the tax laws of their countries of residence.

Certain U.S. Federal Income Tax Considerations

United States Federal Income Taxation

The following is a summary of certain U.S. federal income tax considerations that may be relevant to a holder of a Note. This summary is based on provisions of the Internal Revenue Code of 1986, as amended (the "Code"), applicable Treasury regulations, laws, rulings and decisions now in effect, all of which are subject to change, possibly with retroactive effect. This summary deals only with beneficial owners of Notes that will hold Notes as capital assets and acquired Notes upon original issuance at their original issue price. This summary does not address particular tax considerations that may be applicable to investors that are subject to special tax rules, such as banks, tax-exempt entities, insurance companies, regulated investment companies, dealers in securities or currencies, traders in securities electing to mark to market, persons that will hold Notes as a position in a "straddle" or conversion transaction, or as part of a "synthetic security" or other integrated financial transaction, entities taxed as partnerships or the partners therein, U.S. expatriates, nonresident alien individuals present in the United States for more than 182 days in a taxable year, or U.S. persons that have a "functional currency" other than the U.S. dollar.

This summary addresses only U.S. federal income tax consequences, and does not address consequences arising under state, local, foreign tax laws, the alternative minimum tax or the Medicare tax on net investment income or under special timing rules prescribed under section 451(b) of the Code. Investors should consult their own tax advisors in determining the tax consequences to them of holding Notes under such tax laws, as well as the application to their particular situation of the U.S. federal income tax considerations discussed below.

As used herein, a "U.S. holder" is a beneficial owner of a Note that is a citizen or resident of the United States, a U.S. domestic corporation, an estate that income of which is subject to U.S. federal income taxation regardless of its source, or a trust (i) if a court within the United States is able to exercise primary supervision over its administration and one or more U.S. persons have the authority to control all of its substantial decisions or (ii) that has made a valid election under applicable U.S. Treasury regulations to be treated as a United States person.

U.S. Holders

Payments of Interest and Additional Amounts. The gross amount of stated interest and Additional Amounts (*i.e.*, without reduction for Mexican withholding tax at the appropriate Mexican withholding tax rate applicable to the U.S. holder) will be taxable to a U.S. holder as ordinary interest income at the time it accrues or is actually or constructively received, in accordance with the holder's method of accounting for U.S. federal income tax purposes. It is expected, and this discussion assumes, that the Notes will be issued without original issue discount ("OID") for U.S. federal income tax purposes. In general, however, if the Notes are issued with OID at or above a *de minimis* threshold, a U.S. holder will be required to include OID in gross income, as ordinary income, under a "constant-yield method" before the receipt of cash attributable to such income, regardless of the U.S. holder's regular method of accounting for U.S. federal income tax purposes.

Subject to generally applicable limitations and conditions, Mexican interest withholding tax paid at the appropriate rate applicable to the U.S. holder may be eligible for credit against such U.S. holder's U.S. federal income tax liability. These generally applicable limitations and conditions include requirements adopted by the Internal Revenue Service (the "IRS") in regulations and any Mexican tax will need to satisfy these requirements in order to be eligible to be a creditable tax for a U.S. holder. In the case of a U.S. holder that consistently elects to apply a modified version of these rules under temporary guidance and complies with specific requirements set forth in such guidance, the Mexican tax on interest generally will be treated as meeting the new requirements and therefore as a creditable tax. In the case of all other U.S. holders, the application of these requirements to the Mexican tax on interest is uncertain and we have not determined whether these requirements have been met. If the Mexican interest tax is not a creditable tax for a U.S. holder or the U.S. holder does not elect to claim a foreign tax credit for any foreign income taxes paid or accrued in the same taxable year, the U.S. holder may be able to deduct the Mexican tax in computing such U.S. holder's taxable income for U.S. federal income tax purposes. Interest and Additional Amounts will constitute income from sources without the United States and, for U.S. holders that elect to claim foreign tax credits, generally will constitute "passive category income" for foreign tax credit purposes.

The availability and calculation of foreign tax credits and deductions for foreign taxes depend on a U.S. holder's particular circumstances and involve the application of complex rules to those circumstances. The temporary guidance discussed above also indicates that the Treasury and the IRS are considering proposing amendments to the regulations and that the temporary guidance can be relied upon until additional guidance is issued that withdraws or modifies the temporary guidance. U.S. holders should consult their own tax advisors regarding the application of the foreign tax credit rules including their eligibility for the benefits of, and the application of, the tax treaty between the United States and Mexico to their particular situations.

Sale, Exchange and Retirement of Notes. Upon the sale, exchange, retirement or other taxable redemption of a Note, a U.S. holder generally will recognize gain or loss equal to the difference between the amount realized on the sale, exchange, retirement or other taxable disposition (less any accrued and unpaid interest, which will be taxable as such) and the U.S. holder's tax basis in such Note. A U.S. holder's tax basis in a note generally will equal the cost of the Note to such holder. Gain or loss recognized by a U.S. holder generally will be long-term capital gain or loss if the U.S. holder has held the Note for more than one year at the time of disposition. Long-term capital gains recognized by a non-corporate holder generally are subject to tax at a lower rate than short-term capital gains or ordinary income. The deduction of capital losses is subject to limitations.

A U.S. holder generally will not be entitled to credit any Mexican tax imposed on the sale or other disposition of the Notes against such U.S. holder's U.S. federal income tax liability, except in the case of a U.S. holder that consistently elects to apply a modified version of the U.S. foreign tax credit rules that is permitted

under temporary guidance and complies with the specific requirements set forth in such guidance. Additionally, capital gain or loss recognized by a U.S. holder on the sale or other disposition of the Notes generally will be U.S. source gain or loss for U.S. foreign tax credit purposes, unless applicable provisions in the tax treaty between the United States and Mexico provide otherwise. Consequently, even if the Mexican tax qualifies as a creditable tax, a U.S. holder may not be able to credit the tax against its U.S. federal income tax liability unless such credit can be applied (subject to generally applicable conditions and limitations) against tax due on other income treated as derived from foreign sources. Alternatively, the U.S. Holder may take a deduction for an otherwise creditable foreign income tax, provided that the U.S. Holder does not elect to claim a foreign tax credit with respect to any creditable foreign income taxes paid or accrued during the relevant taxable year. If the Mexican tax is not a creditable tax, the tax would reduce the amount realized on the sale or other disposition of the Notes even if the U.S. holder has elected to claim a foreign tax credit for other taxes in the same year. The temporary guidance discussed above also indicates that the Treasury and the IRS are considering proposing amendments to the regulations and that the temporary guidance can be relied upon until additional guidance is issued that withdraws or modifies the temporary guidance. U.S. holders should consult their own tax advisors regarding the application of the foreign tax credit rules including their eligibility for the benefits of, and the application of, the tax treaty between the United States and Mexico to a sale or other disposition of the Notes and any Mexican tax imposed on such sale or disposition.

Specified Foreign Financial Assets. Individual U.S. holders that own "specified foreign financial assets" with an aggregate value in excess of U.S.$50,000 on the last day of the taxable year or U.S.$75,000 at any time during the taxable year are generally required to file an information statement along with their tax returns, currently on IRS Form 8938, with respect to such assets. "Specified foreign financial assets" include any financial accounts held at a non-U.S. financial institution, as well as securities issued by a non-U.S. issuer (which may include Notes issued in certificated form) that are not held in accounts maintained by financial institutions. Higher reporting thresholds apply to certain individuals living abroad and to certain married individuals. Regulations extend this reporting requirement to certain entities that are treated as formed or availed of to hold direct or indirect interests in specified foreign financial assets based on certain objective criteria. U.S. holders who fail to report the required information could be subject to substantial penalties. In addition, the statute of limitations for assessment of tax would be suspended, in whole or part. Prospective investors should consult their own tax advisors concerning the application of these rules to their investment in the Notes, including the application of the rules to their particular circumstances.

Information Reporting and Backup Withholding

Information returns will be filed with the IRS in connection with payments on the Notes made to, and the proceeds of dispositions of Notes effected by, certain United States persons (as defined in the Code). In addition, certain United States persons may be subject to backup withholding in respect of such amounts if they do not provide their taxpayer identification numbers to the person from whom they receive payments or otherwise fail to comply with, or establish an exemption from, information reporting and backup withholding. Backup withholding is not an additional tax. The amount of any backup withholding from a payment to a holder will be allowed as a credit against the holder's U.S. federal income tax liability and may entitle the holder to a refund, provided that the required information is timely furnished to the IRS.

CERTAIN ERISA CONSIDERATIONS

The following is a summary of certain considerations associated with the purchase and holding of the Notes by (i) "employee benefit plans" within the meaning of Section 3(3) of the U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA") that are subject to Title I of ERISA, (ii) plans, individual retirement accounts and other arrangements that are subject to Section 4975 of the Code or provisions under any federal, state, local, non-U.S. or other laws or regulations that are similar to the fiduciary responsibility or prohibited transaction provisions of ERISA or Section 4975 of the Code (collectively, "Similar Laws"), and (iii) entities whose underlying assets are considered to include the assets of any of the foregoing described in clauses (i) or (ii) pursuant to ERISA or other applicable law (each of the foregoing described in clauses (i), (ii) and (iii) referred to herein as a "Plan").

General Fiduciary Matters

ERISA and the Code impose certain duties on persons who are fiduciaries of a Plan subject to Title I of ERISA or Section 4975 of the Code (a "Covered Plan") and prohibit certain transactions involving the assets of a Covered Plan and its fiduciaries or other interested parties. Under ERISA and the Code, any person who exercises any discretionary authority or control over the administration of such a Covered Plan or the management or disposition of the assets of a Covered Plan, or who renders investment advice for a fee or other compensation to a Covered Plan, is generally considered to be a fiduciary of the Covered Plan.

In considering an investment in the Notes of a portion of the assets of any Plan, a fiduciary should determine whether the investment is in accordance with the documents and instruments governing the Plan and the applicable provisions of ERISA, the Code or any Similar Law relating to a fiduciary's duties to the Plan including, without limitation, the prudence, diversification, delegation of control and prohibited transaction provisions of ERISA, the Code and any other applicable Similar Laws.

Prohibited Transaction Issues

Section 406 of ERISA and Section 4975 of the Code prohibit Covered Plans from engaging in specified transactions involving plan assets with persons or entities who are "parties in interest," within the meaning of ERISA, or "disqualified persons," within the meaning of Section 4975 of the Code, unless an exemption is available. A party in interest or disqualified person who engaged in a non-exempt prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code. In addition, the fiduciary of the Covered Plan that engaged in such a non-exempt prohibited transaction may be subject to penalties and liabilities under ERISA and the Code. The acquisition and/or holding of Notes by a Covered Plan with respect to which we, an initial purchaser or our or any of their respective affiliates is considered a party in interest or a disqualified person may constitute or result in a direct or indirect prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code, unless the investment is acquired and is held in accordance with an applicable statutory, class or individual prohibited transaction exemption. In this regard, the U.S. Department of Labor (the "DOL") has issued prohibited transaction class exemptions ("PTCEs") that may apply to the acquisition and holding of the Notes. These class exemptions include, without limitation, PTCE 84-14 respecting transactions determined by independent qualified professional asset managers, PTCE 90-1 respecting insurance company pooled separate accounts, PTCE 91-38 respecting bank collective investment funds, PTCE 95-60 respecting life insurance company general accounts and PTCE 96-23 respecting transactions determined by in-house asset managers. Each of the above-noted exemptions contains conditions and limitations on its application. Fiduciaries of Covered Plans considering acquiring the Notes in reliance on these or any other exemption should carefully review the exemption in consultation with their legal advisors to ensure it is applicable to their particular circumstances. There can be no assurance that any of the foregoing exemptions or any other exemption will be available, or that any or all of the conditions of any such exemptions will be satisfied, with respect to any or all otherwise prohibited transactions that may occur in connection with an investment in the Notes.

Other Plans

Certain Plans such as government plans, non-U.S. plans and non-electing church plans, while not subject to the fiduciary responsibility or prohibited transaction provisions of Title I of ERISA or Section 4975 of the Code, may nevertheless be subject to Similar Laws. Fiduciaries of such Plans should consult with their legal advisors regarding the potential consequences of an investment in the Notes under any applicable Similar Laws before investing in the Notes.

By acquiring a Note (or an interest therein), each purchaser and transferee (and if the purchaser or transferee is a Plan, its fiduciary) is deemed to represent, warrant and covenant that either (a) it is not acquiring the Note (or an interest therein) with the assets of a Benefit Plan Investor or any other employee benefit plan that is subject to a Similar Law; or (b) the acquisition and holding of the Note (or an interest therein) will not give rise to a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code because such purchaser or transferee relied on an available prohibited transaction exemption, all of the conditions of which are satisfied, or a violation of any applicable Similar Law.

In addition, by acquiring a Note (or an interest therein), each purchaser and transferee that is a Benefit Plan Investor is deemed to represent, warrant and covenant that (i) none of the Transaction Parties has provided any investment recommendation or investment advice to the Benefit Plan Investor, or any fiduciary or other person investing on behalf of the Benefit Plan Investor or Plan Fiduciary, on which either the Benefit Plan Investor or Plan Fiduciary has relied in connection with the decision to invest in the Note (or an interest therein), (ii) the Transaction Parties are not otherwise acting as a "fiduciary", as that term is defined in Section 3(21) of ERISA or Section 4975(e)(3) of the Code, to the Benefit Plan Investor or Plan Fiduciary in connection with the Benefit Plan Investor's investment in the Note (or an interest therein) and (c) the Plan Fiduciary is exercising its own independent judgment in evaluating the transaction.

The foregoing discussion is general in nature and is not intended to be all inclusive. Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is particularly important that fiduciaries, or other persons considering purchasing the Notes on behalf of, or with the assets of, any Plan, consult with their legal advisors regarding the potential applicability of ERISA, Section 4975 of the Code and any Similar Laws to such investment and whether an exemption would be applicable to the purchase and holding of the Notes. Prospective investors should not construe the contents of this offering memorandum as, nor do the contents of this offering memorandum constitute, a recommendation or representation with respect to the notes (i) that is based on any prospective investor's particular needs or individual circumstances or (ii) that the investment satisfies a particular prospective investor's specific legal or other requirements for investment. Each Plan fiduciary should consult with its own legal advisors concerning the potential consequences under ERISA, Section 4975 of the Code and any applicable Similar Law before making an investment in the Notes.

PLAN OF DISTRIBUTION

Subject to the terms and conditions stated in the purchase agreement between us and the Initial Purchasers, each Initial Purchaser named below has severally, and not jointly, agreed to purchase, and we have agreed to sell to each Initial Purchaser, the principal amount of the Notes set forth below opposite such Initial Purchaser's name.

Initial Purchasers	Principal Amount of 2032 Notes to be Purchased	Principal Amount of 2032 Notes to be Purchased
Barclays Capital Inc.	U.S.$142,857,000	U.S.$142,857,000
BBVA Securities Inc.	U.S.$142,857,000	U.S.$142,857,000
Citigroup Global Markets Inc.	U.S.$142,858,000	U.S.$142,858,000
Deutsche Bank Securities Inc.	U.S.$142,857,000	U.S.$142,857,000
Goldman Sachs & Co. LLC	U.S.$142,857,000	U.S.$142,857,000
Santander US Capital Markets LLC	U.S.$142,857,000	U.S.$142,857,000
Scotia Capital (USA) Inc.	U.S.$142,857,000	U.S.$142,857,000
Total	**U.S.$1,000,000,000**	**U.S.$1,000,000,000**

The obligations of the Initial Purchasers under the purchase agreement, including their agreement to purchase Notes from us, are several and not joint. The purchase agreement provides that the obligations of the initial purchasers are subject to certain conditions precedent, including approval of legal matters by counsel and to other conditions. The purchase agreement provides that the Initial Purchasers will purchase all the Notes if any of them are purchased.

The Initial Purchasers initially propose to offer the Notes for resale at the issue price that appears on the cover of this Offering Memorandum. After the initial offering, the Initial Purchasers may change the offering price and any other selling terms. The Initial Purchasers may offer and sell Notes through certain of their affiliates.

We have agreed to indemnify the Initial Purchasers and their controlling persons against certain liabilities in connection with this offering, including liabilities under the Securities Act, or to contribute to payments that the Initial Purchasers may be required to make in respect of those liabilities.

No Sales of Similar Securities

In the purchase agreement, we have agreed that, for a period of 120 days from the date of this Offering Memorandum, the Issuer and each of the Guarantors will not (and will cause each of its respective subsidiaries not to), without the prior written consent of the Initial Purchasers, offer, sell, contract to sell or otherwise dispose in the international or local market of any debt securities issued or guaranteed by the Issuer, any of the Guarantors or any of their respective subsidiaries.

Notes Are Not Being Registered

The Notes have not been registered under the Securities Act or the securities laws of any other place. In the purchase agreement, each Initial Purchaser has agreed that:

- The Notes may not be offered or sold within the United States or to U.S. persons except pursuant to an exemption from the registration requirements of the Securities Act or in transactions not subject to those registration requirements.

- During the initial distribution of the Notes, it will offer or sell Notes only to qualified institutional buyers in compliance with Rule 144A and outside the United States in compliance with Regulation S.

In addition, until 40 days following the commencement of this offering, an offer or sale of Notes within the United States by a dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act unless the dealer makes the offer or sale in compliance with Rule 144A or another exemption from registration under the Securities Act.

New Issue of Notes

The Notes are a new issue of securities, and there is currently no established trading market for the Notes. In addition, the Notes are subject to certain restrictions on resale and transfer as described under "*Transfer Restrictions*." Application will be made for the listing of and quotation for the Notes on the SGX-ST, in accordance with its rules and regulations. The Initial Purchasers have advised us that they intend to make a market in the Notes, but they are not obligated to do so. The Initial Purchasers may discontinue any market making in the Notes, without notice, at any time in their sole discretion. Accordingly, we cannot assure you that a liquid trading market will develop for the Notes, that you will be able to sell your Notes at a particular time, or that the prices that you receive when you sell will be favorable.

You should be aware that the laws and practices of certain countries require investors to pay stamp taxes and other charges in connection with purchases of securities.

Settlement

We expect that delivery of the Notes will be made to investors on or about May 8, 2026, which will be the third business day following the date of this Offering Memorandum (such settlement being referred to as "T + 3"). Under Rule 15c6-1 of the Exchange Act, trades in the secondary market generally are required to settle in one business day, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Notes prior to the business day prior to delivery of the Notes hereunder will be required, by virtue of the fact that the Notes initially may settle in T+3, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of the Notes who wish to trade Notes prior to the business day before their date of delivery hereunder should consult their own advisor.

Price Stabilization and Short Positions

In connection with the offering of the Notes, the Initial Purchasers may engage in overallotment, stabilizing transactions and syndicate covering transactions. Overallotment involves sales in excess of the offering size, which creates a short position for the Initial Purchasers. Stabilizing transactions involve bids to purchase the Notes in the open market for the purpose of pegging, fixing or maintaining the price of the Notes. Syndicate covering transactions involve purchases of the Notes in the open market after the distribution has been completed in order to cover short positions. Stabilizing transactions and syndicate covering transactions may cause the price of the Notes to be higher than it would otherwise be in the absence of those transactions. If the Initial Purchasers engage in stabilizing or syndicate covering transactions, they may discontinue them at any time.

Other Relationships

The initial purchasers have performed commercial banking, investment banking and advisory services for us and our affiliates from time to time for which they have received customary fees and reimbursement of expenses. The initial purchasers may, from time to time, engage in transactions with and perform services for us and our affiliates in the ordinary course of their business for which they may receive customary fees and reimbursement of expenses.

In addition, the Initial Purchasers or their respective affiliates have provided interim financing to the Issuer with respect to the Bridge Facility to finance a portion of the Acquisition, for which these Initial Purchasers have and will be paid customary fees and interests. These bridge loans will be reduced by an amount equal to the net gross proceeds of this offering. In addition, the Initial Purchasers or their respective affiliates have agreed to provide financing to the Issuer under the New Revolving Credit Facility, for which these Initial Purchasers have and will be paid customary fees. See "*Description of Existing Financing and Collateral Structure*." Lastly, the initial purchasers or their respective affiliates have committed to become agents, arrangers, bookrunners, managers or lenders under the New Term Loan Facility and will receive customary fees and expenses in connection therewith.

In addition, in the ordinary course of their business activities, the Initial Purchasers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. If any of the Initial Purchasers or their affiliates has a lending relationship with us, certain of those Initial Purchasers or their affiliates routinely hedge, and certain other of those Initial Purchasers or their affiliates may hedge, their credit exposure to us consistent with their customary risk management policies. Typically, these Initial

Purchasers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the Notes offered hereby. Any such short positions could adversely affect future trading prices of the Notes offered hereby. The Initial Purchasers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

All of the Initial Purchasers and/or their affiliates are lenders under the Bridge Facility and therefore will receive a portion of the net proceeds from this offering that will be used to repay a part of the outstanding principal amount and accrued interest of the loans thereunder. See "*Description of Existing Financing and Collateral Structure*" and "*Use of Proceeds.*"

Sales Outside the United States

Neither we nor the Initial Purchasers are making an offer to sell, or seeking offers to buy, the Notes in any jurisdiction where the offer and sale is not permitted. You must comply with all applicable laws and regulations in force in any jurisdiction in which you purchase, offer or sell the Notes or possess or distribute this Offering Memorandum, and you must obtain any consent, approval or permission required for your purchase, offer or sale of the Notes under the laws and regulations in force in any jurisdiction to which you are subject or in which you make such purchases, offers or sales. Neither we nor the Initial Purchasers will have any responsibility therefor.

Following is a brief overview of certain selling restrictions in the jurisdictions listed:

European Economic Area

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the Insurance Distribution Directive), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "EU PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.

United Kingdom

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the U.K. For these purposes, a "retail investor" means a person who is one (or more) of:

(A) not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA 2018; or

(B) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024; and the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the notes to be offered so as to enable an investor to decide to buy or subscribe for the notes. Consequently, no key information document required by the FCA Product Disclosure Sourcebook "DISC") for offering or selling the Notes or otherwise making them available to retail investors in the U.K. has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the U.K. may be unlawful under the DISC and Consumer Composite Investments (Designated Activities) Regulations 2024.

This document is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Financial Promotion Order"), (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations, etc.") of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue

or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). This document is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons. Relevant persons should note that all, or most, of the protections offered by the United Kingdom regulatory system will not apply to an investment in the notes and that compensation will not be available under the United Kingdom Financial Services Compensation Scheme.

United Arab Emirates

The Notes have not been, and are not being, publicly offered, sold, promoted or advertised in the United Arab Emirates other than in compliance with the laws of the United Arab Emirates governing the issue, offering and sale of securities. Further, this Offering Memorandum does not constitute a public offer of securities in the United Arab Emirates and is not intended to be a public offer. This Offering Memorandum has not been approved by or filed with the Central Bank of the United Arab Emirates or the Securities and Commodities Authority.

Abu Dhabi Global Market

This Offering Memorandum is for distribution only to persons who (a) are outside the Abu Dhabi Global Market, or (b) are Authorised Persons or Recognised Bodies (as such terms are defined in the Financial Services and Markets Regulations 2015 ("FSMR")), or (c) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 18 of FSMR) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons" for the purposes of this paragraph). This Offering Memorandum is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons.

This offer document is an Exempt Offer in accordance with the Market Rules of the ADGM Financial Services Regulatory Authority. This Exempt Offer document is intended for distribution only to Persons of a type specified in the Market Rules. It must not be delivered to, or relied on by, any other Person. The ADGM Financial Services Regulatory Authority has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The ADGM Financial Services Regulatory Authority has not approved this Exempt Offer document nor taken steps to verify the information set out in it, and has no responsibility for it. The Notes to which this Exempt Offer relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Notes offered should conduct their own due diligence on the Notes. If you do not understand the contents of this Exempt Offer document you should consult an authorised financial advisor.

Dubai International Financial Centre

This Offering Memorandum relates to an Exempt Offer in accordance with the Market Rules of the Dubai Financial Services Authority ("DFSA"). This Offering Memorandum is intended for distribution only to persons of a type specified in the Market Rules of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this Offering Memorandum nor taken steps to verify the information set forth herein and has no responsibility for the Offering Memorandum. The Notes to which this Offering Memorandum relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Notes offered should conduct their own due diligence on the Notes. If you do not understand the contents of this Offering Memorandum, you should consult an authorized financial advisor.

This Offering Memorandum is for distribution only to persons who (a) are outside the Dubai International Financial Centre, (b) are persons who meet the "Professional Client" criteria set out in Rule 2.3.4 of the DFSA Conduct of Business Module or (c) are persons to whom an invitation or inducement in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons" for the purposes of this paragraph). This Offering Memorandum is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons.

Mexico

The information contained in this Offering Memorandum is exclusively our responsibility and has not been reviewed or authorized by the CNBV. This Offering Memorandum may not be publicly distributed in

Mexico. The Notes have not been and will not be registered with the Mexican National Securities Registry (*Registro Nacional de Valores*) maintained by the CNBV and therefore, may not be offered or publicly sold in Mexico. However, the Notes may be offered to investors domiciled in Mexico that qualify as institutional or qualified investors under Mexican law, pursuant to the private placement exemption set forth in Article 8 of the Mexican Securities Market Law (Ley del Mercado de Valores) and regulations thereunder. The Issuer will notify the CNBV of the terms and conditions of this offering of the Notes outside of Mexico. Such notice will be submitted to the CNBV to comply with the Mexican Securities Market Law and for statistical and informational purposes only. The delivery to, and receipt by, the CNBV of such notice does not and will not constitute or imply a certification as to the investment quality of the Notes, the Issuer's solvency, liquidity or credit quality or the accuracy or completeness of the information set forth in this Offering Memorandum and does not ratify or validate any actions or omissions, if any, in contravention of applicable law. The acquisition of the Notes by an investor who is a resident of Mexico will be made under such investor's own responsibility.

Argentina

The Notes have not been registered with the *Comisión Nacional de Valores* and may not be offered publicly in Argentina. The Notes may not be publicly distributed in Argentina. Neither we nor the Initial Purchasers will solicit the public in Argentina in connection with this Offering Memorandum.

Brazil

The Notes have not been and will not be issued nor publicly placed, distributed, offered or negotiated in Brazilian capital markets. The issuance of the Notes has not been or will be registered with the Securities Commission of Brazil (*Comissão de Valores Mobiliários*, or "CVM"). Any public offering or distribution, as defined under Brazilian laws and regulations, of the Notes in Brazil is not legal without prior registration under Law No. 6,385/76, as amended, and CMV Resolution No 160, dated 13 July, as amended.

Documents relating to the offering of the Notes, as well as information contained therein, may not be supplied to the public in Brazil (as the offering of the Notes is not a public offering of securities in Brazil), nor be used in connection with any offer for subscription or sale of the Notes to the public in Brazil. Therefore, the Notes are not being offered or sold in Brazil, except in circumstances which do not constitute a public offering, placement, distribution or negotiation of securities in the Brazilian capital markets regulated by Brazilian laws and regulations. Persons wishing to offer or acquire the Notes within Brazil should consult with their own counsel as to the applicability of registration requirements or any exemption therefrom.

Canada

No prospectus has been filed with any securities commission or similar regulatory authority in Canada in connection with the offer and sale of the Notes described herein. The Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations, and not be an individual.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Offering Memorandum (including any amendment hereto) contains a misrepresentation, *provided* that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts ("NI 33-105"), this offering is conducted pursuant to an exemption from the requirement that Canadian investors be provided with certain underwriter conflicts of interest disclosure that would otherwise be required pursuant to subsection 2.1(1) of NI 33- 105.

No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon this document or on the merits of the Notes described herein and any representation to the contrary is an offence. Any resale of the Notes acquired by a Canadian investor must be made in accordance with applicable Canadian securities laws, which may require resales to be made in accordance with Canadian prospectus

requirements or pursuant to exemptions therefrom. These resale restrictions may under certain circumstances apply to resales of the Notes outside of Canada.

Chile

Pursuant to Chilean Securities Market Law and the Chilean Financial Markets Commission (*Comisión para el Mercado Financiero*, the "CMF") Rule 336, the Notes may be privately offered in Chile to certain "qualified investors" identified as such by SVS Rule 336 (which in turn are further described in General Rule N°. 216, dated June 12, 2008, issued by the CMF as amended, and Rule No. 410, dated July 27, 2016, both of the CMF). CMF Rule 336 requires the following information to be provided to prospective investors in Chile:

(i) Date of commencement of the offer: April 13, 2026. The offer of the Notes is subject to CMF Rule 336, as amended (*Norma de Carácter General*).

(ii) The subject matter of this offer are securities not registered with the Securities Registry (*Registro de Valores*) or the Foreign Securities Registry (*Registro de Valores Extranjeros*) both kept by the CMF. As a consequence, the Notes are not subject to the oversight of the CMF.

(iii) Since the Notes are not registered in Chile there is no obligation by the issuer to make publicly available information about the Notes in Chile.

(iv) The Notes shall not be subject to public offering in Chile unless registered with the relevant Securities Registry of the CMF.

Colombia

The Notes have not been and will not be offered in Colombia through a public offering of securities pursuant to Colombian laws and regulations, nor will the Notes be registered in the Colombian National Registry of Securities and Issuers (*Registro Nacional de Valores y Emisores*) maintained by the Colombian Superintendence of Finance (*Superintendencia Financiera de Colombia*) or listed on a regulated securities trading system such as the Colombian Stock Exchange (*Bolsa de Valores de Colombia*). Therefore, the Notes may not be offered, sold or negotiated in Colombia, except under circumstances which do not constitute a public offering of securities under applicable Colombian securities laws and regulations. The Offering Memorandum does not constitute and may not be used for, or in connection with, a public offering as defined under Colombian law and shall be valid in Colombia only to the extent permitted by Colombian law. This Offering Memorandum is for the sole and exclusive use of the addressee as a designated individual/investor, and cannot be considered as being addressed to or intended for the use of any third party, including any of such party's shareholders, administrators or employees, or by any other third party resident in Colombia. The information contained in this Offering Memorandum is provided for assistance purposes only, and no representation or warranty is made as to the accuracy or completeness of the information contained herein.

Hong Kong

The Notes may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong), or (ii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571), Laws of Hong Kong (the "SFO") and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32), Laws of Hong Kong and no advertisement, invitation or document relating to the Notes may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

Italy

The offering of the Notes has not been registered pursuant to Italian securities legislation. Any offer, sale or delivery of the Notes in the Republic of Italy or distribution of copies of this Offering Memorandum or any other document relating to the Notes in the Republic of Italy must be:

(i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 20307 of 15 February 2018 and Legislative Decree No. 385 of 1 September 1993, as amended (the Banking Act); and

(ii) in compliance with any other applicable laws and regulations imposed by CONSOB, the Bank of Italy (including reporting requirements, where applicable, pursuant to Article 129 of the Banking Act, as amended, and the implementing guidelines of the Bank of Italy, as amended from time to time) and/or any other Italian authority.

Please note that, in accordance with Article 100-bis of the Financial Services Act, the subsequent distribution of the Notes on the secondary market in Italy must be made in compliance with the rules on offers of securities to be made to the public provided under the Financial Services Act and the Regulation 11971/1999. Failure to comply with such rules may result, inter alia, in the sale of such Notes being declared null and void and in the liability of the intermediary transferring the Notes for any damages suffered by the investors.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (the "Financial Instruments and Exchange Law") and each Initial Purchaser has agreed that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

Luxembourg

The Notes may not be offered or sold to the public in the Grand Duchy of Luxembourg, directly or indirectly, and, neither this Offering Memorandum nor any other circular, prospectus, form of application, advertisement, communication or other material may be distributed, or otherwise made available in, or from or published in, the Grand Duchy of Luxembourg, except in circumstances which do not constitute a public offer of securities to the public.

Peru

The Notes and the information contained in this Offering Memorandum are not being publicly marketed or offered in Peru and will not be distributed or caused to be distributed to the general public in Peru. Peruvian securities laws and regulations on public offerings will not be applicable to this offering of the Notes and therefore, the disclosure obligations set forth therein will not be applicable to the Issuer or the sellers of the Notes before or after their acquisition by prospective investors. The Notes and the information contained in this Offering Memorandum have not been and will not be reviewed, confirmed, approved or in any way submitted to the Superintendency of Capital Markets (*Superintendencia del Mercado de Valores*) nor have they been registered under the Securities Market Law (*Ley del Mercado de Valores*) or any other Peruvian regulations. Accordingly, the Notes cannot be offered or sold within Peruvian territory except to the extent any such offering or sale qualifies as a private offering under Peruvian regulations and complies with the provisions on private offerings set forth therein.

The Notes may not be offered or sold in Peru except in compliance with the securities law thereof.

Singapore

This offering memorandum has not been, and will not be, registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this offering memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined in Section 4A

of the Securities and Futures Act 2001, as modified or amended from time to time (the "SFA")) pursuant to Section 274 of the SFA, or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

Switzerland

This Offering Memorandum does not constitute an offer to the public or a solicitation to purchase or invest in any Notes. No Notes have been offered or will be offered to the public in Switzerland, except that offers of Notes may be made to the public in Switzerland at any time under the following exemptions under the Swiss Financial Services Act ("FinSA"):

(a) to any person which is a professional client as defined under the FinSA; or

(b) in any other circumstances falling within Article 36 FinSA in connection with Article 44 of the Swiss Financial Services Ordinance,

provided that no such offer of Notes shall require the Issuer or any Initial Purchaser to publish a prospectus pursuant to Article 35 FinSA.

The Notes have not been and will not be listed or admitted to trading on a trading venue in Switzerland.

Neither this Offering Memorandum nor any other offering or marketing material relating to the Notes constitutes a prospectus as such term is understood pursuant to the FinSA and neither this Offering Memorandum nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

TRANSFER RESTRICTIONS

General

The Notes have not been registered, and will not be registered, under the Securities Act or any state securities laws, or other securities laws of any other jurisdiction, and the Notes may not be offered or sold except pursuant to an effective registration statement or pursuant to transactions exempt from, or not subject to, registration under the Securities Act. Accordingly, the Notes are being offered and sold only:

- to qualified institutional buyers (as defined in Rule 144A) pursuant to Rule 144A under the Securities Act; and

- outside of the United States, to certain persons, other than U.S. persons, in offshore transactions meeting the requirements of Regulation S under the Securities Act.

Purchasers' Representations and Restrictions on Resale and Transfer

Each purchaser of Notes (other than the Initial Purchasers in connection with the initial issuance and sale of Notes) and each owner of any beneficial interest therein will be deemed, by its acceptance or purchase thereof, to have represented and agreed as follows:

(1) it is purchasing the Notes for its own account or an account with respect to which it exercises sole investment discretion and it and any such account is either (a) a qualified institutional buyer and is aware that the sale to it is being made pursuant to Rule 144A or (b) a non-U.S. person that is outside the United States;

(2) it acknowledges that the Notes have not been registered under the Securities Act or with any securities regulatory authority of any state and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except as set forth below;

(3) it understands and agrees that Notes initially offered to qualified institutional buyers will be represented by a Global Note and that Notes offered outside the United States pursuant to Regulation S will also be represented by a Global Note;

(4) it will not resell or otherwise transfer any of such Notes except (a) to us or any of our Subsidiaries, (b) within the United States to a qualified institutional buyer in a transaction complying with Rule 144A under the Securities Act, (c) outside the United States in compliance with Rule 903 or Rule 904 of Regulation S under the Securities Act, (d) pursuant to an exemption from registration under the Securities Act (if available) or (e) pursuant to an effective registration statement under the Securities Act, in each case in accordance with all applicable securities laws of the states of the United States and other jurisdictions;

(5) it agrees that it will give to each person to whom it transfers the Notes notice of any restrictions on transfer of such Notes;

(6) it acknowledges that prior to any proposed transfer of Notes (other than pursuant to an effective registration statement) the holder of such Notes may be required to provide certifications relating to the manner of such transfer as provided in the Indenture, including with respect to Notes sold or transferred pursuant to Rule 144A or Regulation S;

(7) it acknowledges that the trustee, registrar or transfer agent for the Notes may not be required to accept for registration or transfer of any Notes acquired by it, except upon presentation of evidence satisfactory to us that the restrictions set forth herein have been complied with;

(8) The purchaser represents and warrants that either (a) it is not acquiring the Note (or an interest therein) with the assets of a Benefit Plan Investor or any other employee benefit plan that is subject to a Similar Law; or (b) the acquisition and holding of the Note (or an interest therein) will not give rise to a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code because such purchaser or transferee relied on an available prohibited transaction exemption, all of the conditions of which are satisfied, or a violation of any applicable Similar Law;

(9) If the purchaser is a Benefit Plan Investor, it represents and warrants that (a) none of the Transaction Parties has provided any investment recommendation or investment advice to the Benefit Plan Investor, or any fiduciary or other person investing on behalf of the Benefit Plan Investor or Plan Fiduciary, on which either the Benefit Plan Investor or Plan Fiduciary has relied in connection with the decision to invest in the Note (or an interest therein), (b) the Transaction Parties are not otherwise acting as a "fiduciary", as that term is defined in Section 3(21) of ERISA or Section 4975(e)(3) of the Code, to the Benefit Plan Investor or Plan Fiduciary in connection with the Benefit Plan Investor's investment in the Note (or an interest therein) and (c) the Plan Fiduciary is exercising its own independent judgment in evaluating the transaction;

(10) it acknowledges that we, the Initial Purchasers and other persons will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of the acknowledgements, representations and agreements deemed to have been made by its purchase of the Notes are no longer accurate, it will promptly notify us and the Initial Purchasers; and

(11) if it is acquiring the Notes as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such account and it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each account.

Legends

The following is the form of restrictive legend which will appear on the face of the Restricted Global Note and which will be used to notify transferees of the foregoing restrictions on transfer. This legend will only be removed with the Issuer's consent. If we so consent, it will be deemed to be removed.

THE NOTES EVIDENCED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OR ANY STATE OR OTHER SECURITIES LAWS, AND MAY NOT BE OFFERED, SOLD, PLEDGED, OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE WITH THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE HOLDER OF THIS SECURITY BY ITS ACCEPTANCE HEREOF (1) REPRESENTS THAT IT, AND ANY ACCOUNT FOR WHICH IT IS ACTING, (A) IS A QUALIFIED INSTITUTIONAL BUYER (WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT ("RULE 144A")) OR (B) IS NOT A U.S. PERSON AND IS ACQUIRING THIS SECURITY IN AN OFFSHORE TRANSACTION PURSUANT TO RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT ("REGULATION S") AND, WITH RESPECT TO (A) AND (B), EXERCISES SOLE INVESTMENT DISCRETION WITH RESPECT TO SUCH ACCOUNT, (2) AGREES FOR THE BENEFIT OF THE ISSUER THAT IT WILL NOT OFFER, SELL, PLEDGE OR OTHERWISE TRANSFER THIS SECURITY OR ANY BENEFICIAL INTEREST HEREIN, EXCEPT (A)(I) TO THE ISSUER OR ANY OF ITS SUBSIDIARIES, (II) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BECOME EFFECTIVE UNDER THE SECURITIES ACT, (III) TO A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A, (IV) IN AN OFFSHORE TRANSACTION COMPLYING WITH THE REQUIREMENTS OF RULE 903 OR RULE 904 OF REGULATION S, OR (V) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT (IF AVAILABLE), AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND OTHER JURISDICTIONS, AND (3) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. THE TERMS "OFFSHORE TRANSACTION," "UNITED STATES" AND "U.S. PERSON" HAVE THE RESPECTIVE MEANINGS GIVEN TO THEM BY REGULATION S.

THE NOTES EVIDENCED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED WITH THE MEXICAN NATIONAL SECURITIES REGISTRY (*REGISTRO NACIONAL DE VALORES*) MAINTAINED BY THE MEXICAN NATIONAL BANKING AND SECURITIES COMMISSION (*COMISIÓN NACIONAL BANCARIA Y DE VALORES*), AND MAY NOT BE OFFERED OR SOLD PUBLICLY IN MEXICO OR OTHERWISE BE SUBJECT TO INTERMEDIATION ACTIVITIES IN MEXICO, EXCEPT THAT THE NOTES EVIDENCED HEREBY MAY BE OFFERED AND SOLD TO INVESTORS IN MEXICO QUALIFYING AS INSTITUTIONAL OR ACCREDITED INVESTORS UNDER MEXICAN LAW PURSUANT TO THE PRIVATE PLACEMENT EXEMPTIONS PROVIDED IN ARTICLE 8 OF THE MEXICAN SECURITIES MARKET LAW (*LEY DEL MERCADO DE VALORES*).

THIS LEGEND MAY ONLY BE REMOVED AT THE OPTION OF THE ISSUER.

PRIOR TO THE REGISTRATION OF ANY TRANSFER IN ACCORDANCE WITH CLAUSE (2)(A)(V) ABOVE, THE ISSUER RESERVES THE RIGHT TO REQUIRE THE DELIVERY OF SUCH LEGAL OPINIONS, CERTIFICATIONS, OR OTHER EVIDENCE AS MAY REASONABLY BE REQUIRED IN ORDER TO DETERMINE THAT THE PROPOSED TRANSFER IS BEING MADE IN COMPLIANCE WITH THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. NO REPRESENTATION IS MADE AS TO THE AVAILABILITY OF ANY EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

Each Note that is issued with original issue discount for U.S. federal income tax purposes shall also bear a legend substantially to the following effect:

THIS NOTE WAS ISSUED WITH ORIGINAL ISSUE DISCOUNT ("OID") WITHIN THE MEANING OF SECTION 1273 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED. HOLDERS MAY OBTAIN INFORMATION REGARDING THE ISSUE PRICE, THE AMOUNT OF OID, THE ISSUE DATE, AND THE YIELD TO MATURITY RELATING TO THE NOTES BY CONTACTING THE ISSUER AT ITS REGISTERED OFFICE.

The following is the form of restrictive legend which will appear on the face of the Regulation S Global Note and which will be used to notify transferees of the foregoing restrictions on transfer:

THE NOTES EVIDENCED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OR ANY STATE OR OTHER SECURITIES LAWS. PRIOR TO EXPIRATION OF THE 40-DAY DISTRIBUTION COMPLIANCE PERIOD (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("REGULATION S")), THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, A U.S. PERSON, EXCEPT TO A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT IN A TRANSACTION MEETING THE REQUIREMENTS OF THE INDENTURE. THE TERMS "UNITED STATES" AND "U.S. PERSON" HAVE THE RESPECTIVE MEANINGS GIVEN TO THEM BY REGULATION S.

LEGAL MATTERS

Certain legal matters in connection with the offering will be passed upon for us by DLA Piper LLP (US) as to matters of U.S. federal and New York State law, and by DLA Piper Mexico, S.C., as to matters of Mexican law. Certain legal matters will be passed upon for the Initial Purchasers by Milbank LLP, as to matters of U.S. federal and New York State law, and by Galicia Abogados, S.C., as to matters of Mexican law. DLA Piper LLP (US) and Milbank LLP will rely, as to all matters of Mexican law, on the opinions of DLA Piper Mexico, S.C., our Mexican counsel, and Galicia Abogados, S.C., Mexican counsel to the Initial Purchasers.

INDEPENDENT AUDITOR

The consolidated financial statements of Iberdrola México, S. A. de C. V. as of December 31, 2025 and 2024 and for each of the years then ended have been audited by KPMG Cárdenas Dosal, S.C., independent auditor, as stated in their report included elsewhere in this Offering Memorandum. KPMG issued an unqualified opinion on the consolidated financial statements. As stated in their report, which includes emphasis of matter paragraphs related to (a) notes 1.iii and 35, describing the execution of the share purchase agreement between Hidrola I, S.L. and COX ABG Group, S.A. for all the share capital of Iberdrola México, S.A. de C.V., (b) notes 1.i and 9, describing the share purchase agreement for certain entities and the recognition of discontinued operations upon completion of the sale on February 26, 2024, (c) notes 1 and 5, noting significant transactions with CENACE during 2025 and 2024, (d) note 32, describing significant related party transactions during 2025 and 2024, and (e) notes 30 and 33, regarding relevant legal matters, included elsewhere in this Offering Memorandum.

LISTING AND GENERAL INFORMATION

Clearing Systems

We expect that each series of Notes will be delivered in book-entry form through DTC, and its direct and indirect participants, including Euroclear and Clearstream. In addition, the Notes have been accepted for clearance through DTC. The CUSIP and ISIN numbers for each series of Notes are as follows:

Notes	Rule 144A Global Notes	Regulation S Global Notes
2032 Notes CUSIP	22389A AA0	P3172A AA4
2036 Notes CUSIP	22389A AB8	P3172A AB2
2032 Notes ISIN	US22389AAA07	USP3172AAA45
2036 Notes ISIN	US22389AAB89	USP3172AAB28

Listing

Application will be made for the listing of and quotation for each series of Notes on the SGX-ST. We cannot assure you that the Notes will receive final approval or will remain listed.

The SGX-ST takes no responsibility for the accuracy of any of the statements made or opinions or reports contained in this Offering Memorandum. Each series of Notes will be traded on the SGX-ST in a minimum board lot size of U.S.$200,000 for so long as any of the Notes are listed on the SGX-ST and the rules of the SGX-ST so require. The application to the SGX-ST is not to be taken as an indication of the merits of the Issuer or the Notes. There is currently no public market for the Notes.

For so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, in the event that the Notes that are issued in global certificated form are exchanged for Notes in definitive registered form or definitive registered Notes, the Issuer will appoint and maintain a paying agent in Singapore, where the Notes may be presented or surrendered for payment or redemption. In addition, in the event that the Notes that are issued in global certificated form are exchanged for Notes in definitive registered form or definitive registered Notes, an announcement of such exchange will be made by or on behalf of the Issuer through the SGX-ST and such announcement will include all material information with respect to the delivery of the certificates in definitive form, including details of the paying agent in Singapore.

As required under the Mexican Securities Market Law, the Issuer will notify the CNBV of the terms and conditions of this offering of the Notes outside Mexico. Such notice will be submitted to the CNBV to comply with Article 7, second paragraph, of the Mexican Securities Market Law and for statistical and informational purposes only. The delivery to, or receipt by, the CNBV of such notice does not constitute or imply a certification as to the investment quality of the Notes, the solvency, liquidity or credit quality of the Issuer or the accuracy or completeness of the information set forth herein. This Offering Memorandum is solely our responsibility and has not been reviewed or authorized by the CNBV. In making an investment decision, all investors, including any Mexican investor who may acquire any series of Notes from time to time, must rely on their own examination of the terms of this Offering and the Notes, including the merits and risks involved.

Authorization

We have obtained all necessary consents, approvals and authorizations in connection with the issuance and performance of each series of Notes.

No Material Adverse Change

Except as disclosed in this Offering Memorandum, there has been no material adverse change in our and the Issuer's financial position and/or prospects since December 31, 2025, which is the date of the latest audited consolidated financial statements included in this Offering Memorandum.

Litigation

Except as disclosed in this Offering Memorandum, we are not involved in any litigation or arbitration proceedings relating to claims or amounts that are material in the context of this offering, nor so far as we are aware is any such litigation or arbitration threatened. See "*Business—Legal, Administrative and Arbitration Proceedings*."

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IBERDROLA MEXICO,
S.A. DE C.V. AND SUBSIDIARIES
(Subsidiary of Hidrola I, S.L.)

Consolidated Financial Statements

As of December 31, 2025 and 2024

With Independent Auditor's Report

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To the Board of Directors and the Shareholders of
Iberdrola México, S. A. de C. V.:

Opinion

We have audited the consolidated financial statements of Iberdrola México, S. A. de C. V. and its subsidiaries (the Group), which comprise the consolidated statements of financial position as at December 31, 2025 and 2024, and the consolidated statements of income and comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Iberdrola México, S. A. de C. V. and subsidiaries as at December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

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 Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements, and we have fulfilled our other ethical responsibilities in accordance with these standards. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matters

(a) We draw attention to notes 1.iii and 35 to the consolidated financial statements, which describes the execution of a purchase agreement by Hidrola I, S.L., a wholly owned subsidiary of Iberdrola, S.A., with COX ABG Group, S.A. (the "Buyer") for all the share capital of its subsidiary Iberdrola México, S.A. de C.V. Our opinion has not been modified in relation to this matter.

(b) We draw attention to notes 1.i and 9 to the consolidated financial statements as of December 31, 2024, which describe the execution of a share purchase agreement for entities owned by the Group, as well as the recognition of its discontinued operation upon completion of the share sale on February 26, 2024. Our opinion has not been modified in relation to this matter.

(c) We draw attention to notes 1 and 5 to the consolidated financial statements, which describe that the Group carried out significant transactions with the National Energy Control Center (Centro Nacional de Control de Energía "CENACE") during 2025 and 2024, representing approximately 31% and 52%, respectively, of total business revenue. Our opinion has not been modified in relation to this matter.

(d) We draw attention to note 32 to the consolidated financial statements, which describes that the Group carried out significant transactions with related parties during 2025 and 2024. Our opinion has not been modified in relation to this matter.

(e) We draw attention to notes 30 and 33 regarding relevant legal matters. Our opinion has not been modified in relation to this matter.

(Continued)

Management's Responsibilities and Those Charged with Governance for the consolidated financial statements

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

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

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

Auditors' Responsibilities for the Audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(Continued)

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG CARDENAS DOSAL, S. C.

José Luis Mendoza Venegas

Mexico City, February 26, 2026.

IBERDROLA MÉXICO, S.A. DE C.V. AND SUBSIDIARIES
(Subsidiary of Hidrola I, S.L.)
Consolidated statements of financial position at December 31, 2025 and 2024

Thousands of U.S. dollars	Note	31.12.2025	31.12.2024
ASSETS			
Intangible asset	**7**	**10,755**	**13,422**
Property, plant & equipment	**8**	**2,471,851**	**2,460,485**
Property, plant and equipment in use		2,376,937	2,344,864
Property, plant & equipment under construction		94,914	115,621
Right-of-use asset	**10**	**53,969**	**55,680**
Non-current financial investments		**79,823**	**85,224**
Derivative financial instruments with related parties	**19**	**5,114**	**5,620**
Other tax receivable	**23**	**13,803**	**17,266**
Other non-current assets		**10,722**	**10,577**
Deferred tax assets	**22**	**214,575**	**204,806**
Restricted cash	**14**	**-**	**5,433**
TOTAL NON-CURRENT ASSETS		**2,860,612**	**2,858,513**
Current trade and other receivables		**283,100**	**264,833**
Current tax assets		41,129	-
Other tax receivable	**23**	56,544	61,873
Current trade and other receivables	**12**	185,427	202,960
Current financial assets		**3,406**	**56,419**
Derivative financial instruments	**19**	379	38,932
Derivative financial instruments with related parties	**19**	3,027	17,487
Cash and cash equivalents	**14**	**147,280**	**2,016,983**
TOTAL CURRENT ASSETS		**433,786**	**2,338,235**
TOTAL ASSETS		**3,294,398**	**5,196,748**
EQUITY AND LIABILITIES			
Parent		**2,336,754**	**3,766,858**
Share capital	**15**	1,116,777	1,116,777
Other reserves		918,127	1,107,035
Net profit for the year		301,850	1,543,046
Non-controlling interests		**137,148**	**121,694**
TOTAL EQUITY		**2,473,902**	**3,888,552**
Non-current provisions		**183,595**	**171,906**
Employee benefits	**16**	7,332	7,311
Other provisions	**17**	176,263	164,595
Bank borrowings and other obligations	**18**	**93,097**	**130,753**
Derivative financial instruments	**19**	**76**	**-**
Derivative financial instruments with related parties	**19**	**3,733**	**1,872**
Leases	**20**	**54,958**	**50,563**
Other non-current financial liabilities		**-**	**394**
Deferred tax liabilities	**22**	**49,119**	**137,670**
Other non-current liabilities		**482**	**1,046**
TOTAL NON-CURRENT LIABILITIES		**385,060**	**494,204**
Bank borrowings and other obligations	**18**	**14,382**	**17,223**
Derivative financial instruments	**19**	**150,681**	**233**
Derivative financial instruments with related parties	**19**	**38,381**	**19,759**
Leases	**20**	**6,347**	**5,825**
Trade payables and other current liabilities		**225,645**	**770,952**
Trade payables		110,057	219,809
Current tax liabilities		-	479,784
Other tax payable	**23**	24,787	23,496
Other current liabilities	**21**	90,801	47,863
TOTAL CURRENT LIABILITIES		**435,436**	**813,992**
TOTAL EQUITY AND LIABILITIES		**3,294,398**	**5,196,748**

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

IBERDROLA MÉXICO, S.A. DE C.V. AND SUBSIDIARIES
(Subsidiary of Hidrola I, S.L.)
Consolidated income statements
for the years ended December 31, 2025 and 2024

Thousands of U.S. dollars	Note	31.12.2025	31.12.2024
Revenue	**24**	2,351,863	1,831,716
Supplies	**25**	(1,566,088)	(1,261,591)
GROSS INCOME		**785,775**	**570,125**
Personnel expenses	**27**	(71,695)	(74,638)
External services		(134,012)	(124,017)
Gain on sale of subsidiaries	**1.i**	-	1,882,938
Other operating income		42,927	29,957
Net operating (expense)/income		(162,780)	1,714,240
Taxes		(9,119)	(5,985)
GROSS OPERATING PROFIT – EBITDA	**4.t**	**613,876**	**2,278,380**
Depreciation and amortization	**8 y 28**	(135,463)	(123,478)
OPERATING PROFIT – EBIT	**4.t**	**478,413**	**2,154,902**
Finance income	**29**	271,720	763,319
Finance expense	**26**	(405,336)	(525,682)
Net finance (expense)/income		**(133,616)**	**237,637**
PROFIT BEFORE TAX		**344,797**	**2,392,539**
Income tax	**22**	(25,176)	(874,470)
NET PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS		**319,621**	**1,518,069**
NET PROFIT FOR THE YEAR FROM DISCONTINUED OPERATIONS, NET OF TAXES	**9**	**-**	**29,022**
Non-controlling interests		(17,771)	(4,045)
NET PROFIT FOR THE PERIOD ATTRIBUTABLE TO THE PARENT		**301,850**	**1,543,046**

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

IBERDROLA MÉXICO, S.A. DE C.V. AND SUBSIDIARIES
(Subsidiary of Hidrola I, S.L.)
Consolidated statements of comprehensive income
for the years ended December 31, 2025 and 2024

	31.12.2025			31.12.2024		
Thousands of U.S. dollars	**Parent**	**Non-controlling interests**	**Total**	**Parent**	**Non-controlling interests**	**Total**
NET PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS	**301,850**	**17,771**	**319,621**	**1,514,024**	**4,045**	**1,518,069**
NET PROFIT FOR THE YEAR FROM DISCONTINUED OPERATIONS	**-**	**-**	**-**	**29,022**	**-**	**29,022**
OTHER COMPREHENSIVE RESULTS TO BE RECLASSIFIED TO THE CONSOLIDATED INCOME STATEMENTS IN THE SUBSEQUENT YEARS						
In valuation adjustments of unrealized assets and liabilities						
Change in the valuation of cash flow hedging derivatives	(44,806)	-	(44,806)	72,946	-	72,946
Tax effect	13,442	-	13,442	(21,884)	-	(21,884)
TOTAL	**(31,364)**	**-**	**(31,364)**	**51,062**	**-**	**51,062**
OTHER COMPREHENSIVE INCOME NOT TO BE RECLASSIFIED TO THE CONSOLIDATED INCOME STATEMENTS IN THE SUBSEQUENT YEARS						
In other reserves						
Actuarial gains and losses on retirement provisions and similar obligations (Note 16)	(624)	-	(624)	(1,479)	-	(1,479)
Tax effect	187	-	187	444	-	444
TOTAL	**(437)**	**-**	**(437)**	**(1,035)**	**-**	**(1,035)**
TOTAL NET PROFIT RECOGNISED DIRECTLY IN EQUITY	**(31,801)**	**-**	**(31,801)**	**50,027**	**-**	**50,027**
TOTAL COMPRENHENSIVE INCOME FOR THE PERIOD FROM CONTINUING OPERATIONS	**270,049**	**17,771**	**287,820**	**1,564,051**	**4,045**	**1,568,096**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD FROM DISCONTINUED OPERATIONS	**-**	**-**	**-**	**29,022**	**-**	**29,022**

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

IBERDROLA MÉXICO, S.A. DE C.V. AND SUBSIDIARIES
(Subsidiary of Hidrola I, S.L.)
Consolidated statements of changes in equity
for the years ended December 31, 2025 and 2024

		Other reserves						
Thousands of U.S. dollars	**Share capital**	**Legal reserve**	**Actuarial gains /losses**	**Reserve for revaluation of unrealized assets and liabilities**	**Retained earnings**	**Net profit for the year**	**Non-controlling interests**	**Total**
Balance at 01.01.2024	**1,116,777**	**232,367**	**(1,678)**	**(39,583)**	**1,601,471**	**189,407**	**122,424**	**3,221,185**
Comprehensive income for the period from continuing operations			**(1,035)**	**51,062**		**1,514,024**	**4,045**	**1,568,096**
Comprehensive income the period from discontinued operations (Note 9)						**29,022**		**29,022**
Transactions with shareholders or owners								
Dividends declared (Note 15)					(930,643)		(3,327)	(933,970)
Transactions with non-controlling interests, PIER and PIER II							318	318
Equity-settled share-based payment (Strategic bonus)					(412)			(412)
Others					6,079		(1,766)	4,313
Application of the profit for the period 2023					189,407	(189,407)		-
Balance at 31.12.2024	**1,116,777**	**232,367**	**(2,713)**	**11,479**	**865,902**	**1,543,046**	**121,694**	**3,888,552**
Comprehensive income for the period			**(437)**	**(31,364)**		**301,850**	**17,771**	**287,820**
Transactions with shareholders or owners								
Dividend declared (Note 15)					(1,700,000)		(2,097)	(1,702,097)
Transactions with non-controlling interests, PIER and PIER II							(220)	(220)
Actuarial effects on remeasurement of retirement plans			2,398		(2,398)			-
Equity-settled share-based payment (Strategic bonus)					(153)			(153)
Application of the profit for the period 2024					1,543,046	(1,543,046)		-
Balance at 31.12.2025	**1,116,777**	**232,367**	**(752)**	**(19,885)**	**706,397**	**301,850**	**137,148**	**2,473,902**

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

IBERDROLA MÉXICO, S.A. DE C.V. AND SUBSIDIARIES
(Subsidiary of Hidrola I, S.L.)
Consolidated statements of cash flows
for the years ended December 31, 2025 and 2024

Thousands of U.S. dollars	Note	2025	2024
Profit before tax from continuing operation activities		344,797	2,392,539
Profit before tax from discontinued operation activities		-	51,145
Adjustments for:			
Gain on the sale of subsidiaries		-	(1,882,938)
Depreciation	**28**	135,463	123,478
Finance income	**29**	(271,720)	(763,319)
Finance expense	**26**	405,336	525,682
		613,876	**446,587**
Trade and other current receivables		21,072	(3,540)
Trade and other non-current receivables		30,831	5,788
Trade payables and other current liabilities		(64,939)	(1,040,707)
Other non-current payables		(26,533)	(3,255)
Derivative financial instruments		38,192	(95,387)
Income tax paid		(625,788)	(569,846)
Net cash flows used in operating activities		**(13,289)**	**(1,260,360)**
Proceeds from disposal of subsidiaries' discontinued operations		-	5,895,002
Acquisition of property, plant and equipment and intangible assets		(108,246)	(91,275)
Interest received		18,402	121,646
Net cash flows from (used in) investing activities		**(89,844)**	**5,925,373**
Repayment of financial debt	**18**	(35,459)	(941,663)
Interest paid on financial debt	**18**	(13,847)	(27,638)
Repayment of financial debt to related parties		-	(750,000)
Payment of leases (principal)	**20**	(3,102)	(2,948)
Interest paid leases	**20**	(6,489)	(6,601)
Interest paid		(11,009)	(41,858)
Dividends paid to non-controlling interests		(2,097)	(3,327)
Dividends paid		(1,700,000)	(930,643)
Net cash flows used in financing activities		**(1,772,003)**	**(2,704,678)**
Net decrease in cash and cash equivalents		**(1,875,136)**	**1,960,335**
Cash and cash equivalents (including restricted cash) at beginning of year		**2,022,416**	**62,081**
Cash and cash equivalents (including restricted cash) at end of the year		**147,280**	**2,022,416**

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

1. GROUP ACTIVITY

Iberdrola México, S.A. de C.V. ("Iberdrola México") was incorporated under Mexican laws on December 12, 2011. The address of the Iberdrola México Group is Montes Urales No. 540, colonia Lomas de Chapultepec, Mexico City, zip code 11000. Iberdrola México is a subsidiary owned by Hidrola I, S.L. ("Hidrola", direct controller) which is a subsidiary of Iberdrola, S.A. ("Iberdrola España", the ultimate controller).

As an economic entity, the main activities of Iberdrola México and subsidiaries ("Iberdrola México Group") is, among others, the following:

I. Production and sale of electric power and related products including but not limited to power, related services, clean energy certificates (CEL's) and financial transmission rights.

II. Be the owner of one or more permits to produce electricity in power plants, as well as of permits for hydrocarbon-related activities and develop these activities, in accordance with applicable legislation.

III. Participate in the Wholesale Electricity Market (“MEM”) in México by itself or through third parties.

IV. Produce and sale of hydrogen and heat, as well as providing the transformation and delivery service of these products, in any modality.

Iberdrola México Group was granted of permission from the Energy Regulatory Commission (Comisión Reguladora de Energía “CRE”) for rendering the electricity supply service in the modality of qualified supplier “Suministrador Calificado”. For this activity Iberdrola Mexico Group represents to qualified users in the MEM for the acquisition of the products described above, from producer and traders who are participating in the market, which is operated by the National Energy Control Center (Centro Nacional de Control de Energía “CENACE”).

Iberdrola México Group owns the required permits and authorizations issued by the CRE (“Mexican Regulator”) to produce electricity under the self-supply modality (“Autoabastecimiento”).

Iberdrola México Group entered into agreements with (Comisión Federal de Electricidad “CFE”) for the commitment of electricity generation capacity and purchase and sale of electricity associated “Contratos de Compromiso de Capacidad de Generación Eléctrica y Compraventa de Energía Asociada”, for the extent period of time of 25 years, starting the date of commencement of commercial operation of each of its electric power generation plants. Iberdrola México Group obtained the permits issued by the CRE, which authorized it to produce electricity under the Independent Power Producer (PIE) modality for an average period of 25 years. On February 26, 2024, Iberdrola México Group sold its PIE plants (see Note 9).

Particular events affecting Iberdrola México Group:

i) On February 26, 2024, Iberdrola Energía Tamazunchale sold the shares of Tamazunchale Energía to México Infrastructure Partners FF, S.A.P.I. de C.V. (MIP), through the Banco Actinver, S.A., Institución de Banca Múltiple, Grupo Financiero Actinver, exclusively in its capacity as trustee in accordance with the irrevocable management trust agreement identified with number 5561, for $489,531. Iberdrola Renovables México sold the shares of Energías Renovables Venta III to MIP for $110,000. Iberdrola Generación México sold the shares of Iberdrola Energía Monterrey, Iberdrola Energía Altamira, Iberdrola Energía del Golfo, Iberdrola Energía Escobedo, Iberdrola Energía La Laguna, Iberdrola Energía Tamazunchale, Iberdrola Energía Baja California, Iberdrola Energía Noroeste, Iberdrola Energía Topolobampo, Enertek, Servicios de Operación La Laguna, Servicios Administrativos Tamazunchale and Cinergy to MIP for $5,557,041.

Iberdrola México Group recognized a gain from the sale of these assets of $1,882,938, which was determined as the difference of the sale price and the book value of the assets and liabilities held for disposal at February 26, 2024.

In addition, Iberdrola México Group recognized an income tax expense for this transaction of $794,285 (equivalent to $13,598,951 thousand Mexican pesos).

ii) On February 26, 2024, Iberdrola Energía Altamira de Servicios, Iberdrola Servicios Corporativos, Corporativo Iberdrola Renovables México and Servicios de Operación Eoloeléctrica de México (the Service Provider) entered into an agreement for providing transition services to MIP. The companies who are receiving the services are those included in the Sale-Purchase Agreement described in this section. The render of transition services started at the closing date of the transaction and concluded on June 30, 2024.

On July 1, 2024, Iberdrola Mexico Group, throughout its subsidiaries, entered into a service agreement for rendering specific transition services to MIP. On January 1, 2025, this agreement was amended to specify the conclusion period of each specific transition services with expiration date no later than May 15, 2025.

iii) On July 31, 2025, Hidrola I, S.L., a subsidiary company wholly owned by Iberdrola, S.A., has signed with COX ABG Group, S.A. (the “Buyer”) a purchase and sale contract of the entire share capital of its subsidiary Iberdrola México S.A. of C.V. The operation is subject to suspensive conditions, including authorizations from the National Energy Commission (Comisión Nacional de Energía “CNE”), the National Antimonopoly Commission (Comisión Nacional de Antimonopolio “CNA”) and approval by the General Meeting of Shareholders of the Buyer.

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

a) Accounting legislation applied

The Consolidated Financial Statements for the years ended December 31, 2025 and 2024 have been prepared by the management of the Iberdrola Mexico Group, in thousands of United States dollars (U.S.) dollars. (functional currency), see Note 4.p), and in accordance with International Financial Reporting Standards (IFRS) Accounting Standard, issued by the International Accounting Standards Board (IASB).

The Consolidated Financial Statements have been prepared on the historical cost basis, except for the derivative financial instruments, which have been measured at fair value. Amounts of assets and liabilities designated at fair value are adjusted to reflect changes in their fair value arising from the hedged risk.

The Consolidated Financial Statements for the years ended December 31, 2025 and 2024 were authorized for issuance on February 26, 2026 by L.C.P. Fabiola Hormigo Martínez, Director of Administration and Control Mexico, and are subject to subsequent approval by the Board of Directors, which has the authority to amend them.

The accounting policies used to prepare these consolidated financial statements are consistent with those used in the consolidated financial statements for the year ended 31 December 2024.

Impact of new International Financial Reporting Standards New and amended standards and interpretations already effective

Iberdrola Mexico Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after January 1, 2024 and the must be applied retrospectively. Iberdrola Mexico Group has not early adopted any other standard interpretation or amendment that has been issued but is not yet effective.

The nature and the effect of these changes are disclosed below:

Lack of exchangeability- Amendments to IAS 21

In August 2023, the IASB issued amendments to IAS 21 “The Effects of Changes in Foreign Exchange Rates” to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity’s financial performance, financial position and cash flows.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

As of January 1, 2025 and December 31, 2025, these amendments did not have an impact on the consolidated financial statements of the Iberdrola Mexico Group since it only enters into transactions in foreign currencies that are exchangeable in the preparation of its consolidated financial statements. Consequently, Iberdrola Mexico Group does not need to prepare any additional disclosures due to the adoption of these amendments.

Standards, amendments issued but not yet effective

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

On 30 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, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:

a) clarify the date of recognition and derecognition of 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) criteria;

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 in (b) are most relevant to financial institutions, but the amendments in (a), (c) and (d) are relevant to all entities.

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

Iberdrola Mexico Group is currently assessing the amendments which expects won’t have any material impact in the consolidated financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, where of the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 "Statement of Cash Flows", which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

Iberdrola Mexico Group is currently assessing and identifying all the potential impacts that the adoptions of the new standard will have on the consolidated financial statements and notes.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards.

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

Iberdrola Mexico Group is currently assessing the amendments which expects won't have any material impact in the consolidated financial statements.

Amendments to IFRS 7 and IFRS 9 – Nature-Dependent Electricity Contracts

IFRS 7 and IFRS 9 have been amended to introduce disclosure requirements related to nature-dependent electricity supply contracts that meet specific characteristics.

The amendments are effective for annual periods beginning on or after 1 January 2026, with early application permitted.

The amendment related to the own-use exemption must be applied retrospectively in accordance with IAS 8, using the facts and circumstances existing at the date of initial application. In contrast, the amendments to hedge accounting requirements must be applied prospectively to new hedging relationships designated from that date onwards.

Iberdrola Mexico Group is currently assessing the amendments and expects that they won't have any material impact in the consolidated financial statements.

Annual Improvements to IFRS Standards – Volume 11 – Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial Instruments: Disclosures and its Implementation Guidance, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements, and IAS 7 Statement of Cash Flows

These amendments affect the following standards: IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial Instruments: Disclosures (including its Implementation Guidance), IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements, and IAS 7 Statement of Cash Flows.

The modifications aim to improve clarity, consistency, and applicability of the standards without introducing significant changes to the underlying accounting principles.

Iberdrola Mexico Group is currently assessing the improvements and expects that they won't have any material impact in the consolidated financial statements.

b) Basis of consolidation

The subsidiaries over which the Iberdrola Mexico has control have been included in the consolidated financial statements from the date on which the control was achieved.

The Iberdrola Mexico Group considers that it has control in a company when it is exposed, or has rights to, to variable returns from its involvement in the investee and it has the ability to use its power over the investee to affect the amount of the investor's returns. All intra-company balances and transactions are eliminated up on consolidation.

The Consolidated Financial Statements include the accounts of Iberdrola México and its subsidiaries. The equity interest in those subsidiaries as of December 31, 2025 and 2024 is as follow:

	Equity interest		
Company	***2025***	***2024***	***Activity***
Iberdrola Generación México, S.A. de C.V. (c)	100%	100%	Participate in share capital or assets of all types of commercial or civil companies, associations or companies.
Iberdrola Renovables México, S.A. de C.V. (c)	100%	100%	Participate in the share capital or assets of all types of commercial or civil companies, associations or companies.
Iberdrola Servicios Corporativos, S.A. de C.V.(c)	100%	100%	Administrative services. From September 27, 2021, the activity is to provide specialized services.
Iberdrola Cogeneración Ramos, S.A. de C.V. (a)	100%	100%	Produce and sale of electricity and associated products. Commercial operation began on September 1, 2016.
Iberdrola Cogeneración Altamira, S.A. de C.V. (a)	100%	100%	Produce and sale electricity and associated products. Commercial operation began on January 4, 2018.
Iberdrola Cogeneración Bajío, S.A. de C.V. (a)	100%	100%	Produce and sale electricity and associated products. Commercial operation began on February 1, 2018.
Iberdrola Clientes, S.A. de C.V. (a)	100%	100%	To provide marketing and electricity supply services in any of their modalities.
Iberdrola Generación, S.A. de C.V. (a)	100%	100%	Be a participant in the Wholesale Electricity Market, as electricity producer.
Iberdrola Energía Altamira de Servicios, S.A. de C.V. (a)	100%	100%	Administrative services. From September 27, 2021, the activity is to provide specialized services.
Iberdrola Soporte a Proyectos Liberalizado, S.A. de C.V. (a)	100%	100%	Administrative services. From September 27, 2021, the activity is to provide specialized services.
Parques Ecológicos de México, S.A. de C.V.(b)	100%	100%	Produce and sale electricity and associated products. Commercial operation began on July 1, 2009.
Bii Nee Stipa Energía Eólica, S.A. de C.V. (b)	100%	100%	Produce and sale electricity and associated products. Commercial operation began on April 1, 2010.
Eólica Dos Arbolitos, S.A. de C.V.(b)	100%	100%	Produce and sale electricity and associated products. Commercial operation began in November 2015.
Pier II Quecholac Felipe Ángeles, S.A. de C.V. (b)	51%	51%	Produce and sale of electricity from renewable sources (wind, solar, cogeneration, combined cycle) to consumer partners under the self-supply regime. Commercial operation began on November 25, 2015.
Iberdrola Renovables Centro, S.A. de C.V. (b)	100%	100%	Produce and sale electricity and associated products. Commercial operation began on December 20, 2018.
Iberdrola Renovables Noroeste, S.A. de C.V. (b)	100%	100%	Produce and sale electricity and associated products. Commercial operation began on December 21, 2018.

Company	Participation 2025	Participation 2024	Activity
Parque Industrial de Energía Renovable, S.A. de C.V. (b)	51%	51%	Produce and sale of electricity from renewable sources (wind, solar, cogeneration, combined cycle) to consumer partners under the self-supply regime. Commercial operation began on August 1, 2021.
Iberdrola Renovables del Bajío, S.A. de C.V. (b)	100%	100%	Produce and sale electricity and associated products. Commercial operation began on January 30, 2021. Subsequently, a new permit was obtained and on September 15, 2023, began commercial operation.
Corporativo Iberdrola Renovables México, S.A. de C.V. (b)	100%	100%	Administrative services. From September 27, 2021, the activity is to provide specialized services.
Iberdrola Soporte a Proyectos Renovables, S.A. de C.V. (b)	100%	100%	Administrative services. From September 27, 2021, the activity is to provide specialized services.
Servicios de Operación Eoloeléctrica de México, S.A. de C.V. (b)	100%	100%	Administrative services. From September 27, 2021, the activity is to provide specialized services.
Parque de Generación Renovable, S.A. de C.V. (b)	100%	100%	Produce and sale electricity and associated products (in the pre-operational period).
Encon Monterrey, S.A. de C.V. (a)	100%	100%	Produce and sale electricity and associated products, without limiting power, including related services, CEL's and financial transmission rights. Commercial operation began, for CDU II on November 17, 2023, and for PCM on November 30, 2023.
Green Park Energy, S.A. de C.V. (b)	100%	100%	Produce and sale electricity and associated products, without limiting power, including related services, CEL's and financial transmission rights. Commercial operation began, for Cuyoaco, on November 17, 2023.
Soporte de Generación Eficiente, S.A. de C.V. (a)	100%	100%	Produce and sale electricity and associated products, without limiting power, including related services, CEL's and financial transmission rights. Commercial operation began, for El Carmen, on November 17, 2023.
Generación de Energía de Base, S.A. de C.V. (a)	100%	100%	Produce and sale electricity and associated products, without limiting power, including related services, CEL's and financial transmission rights.
Soluciones Inteligentes de Descarbonización, S.A. de C.V. (a)	100%	100%	Produce and sale electricity and associated products, without limiting power, including related services, CEL's and financial transmission rights.
Infraestructura de Energía Limpia, S.A. de C.V. (b)	100%	100%	Produce and sale electricity and associated products, without limiting power, including related services, CEL's and financial transmission rights.

(a) Iberdrola Generación México, S.A. de C.V., is the direct holder of these companies.

(b) Iberdrola Renovables México, S.A. de C.V., is the direct holder of these companies.

(c) Iberdrola México, S.A. de C.V., is the direct holder of these companies.

In the Consolidated Financial Statements at December 31, 2024 includes those subsidiaries in which Iberdrola México exercised control until February 26, 2024, and are listed below:

	Participation	
Company	***2024***	***Activity***
Enertek, S.A. de C.V. (a)	100%	Produce and sale electricity and associated products. Commercial operation began on March 1998. Enertek had no operations starting on September 1, 2022. Subsequently. it was obtained a renewal of permit and on December 15, 2023, Enertek started again with its commercial operation.
Iberdrola Energía Monterrey, S.A. de C.V. (a)	100%	Produce and sale electricity and associated products. Produce and sale hydrogen and heat, as well as provide transformation service, in any modality, and delivery of these products. Commercial operation began on April 1, 2002. Units III and IV with no operations from February 1, 2022; and with commercial operation began on November 17, 2023.
Iberdrola Energía Altamira, S.A. de C.V. (a)	100%	Produce and sale electricity and associated products. Commercial operation began on December 24, 2003.
Iberdrola Energía La Laguna, S.A. de C.V. (a)	100%	Produce and sale electricity and associated products. Commercial operation began on March 15, 2005.
Iberdrola Energía del Golfo, S.A. de C.V. (a)	100%	Produce and sale electricity and associated products. Produce hydrogen and heat, for sale, as well as provide the transformation service, in any modality, and delivery of these products. Commercial operation began on October 22, 2006.
Iberdrola Energía Tamazunchale, S.A. de C.V. (a)	100%	Produce and sale electricity and associated products. Commercial operation began on June 21, 2007.
Iberdrola Energía Baja California, S.A. de C.V. (a)	100%	Produce and sale electricity and associated products. Commercial operation began on January 31, 2017.
Iberdrola Energía Escobedo, S.A. de C.V. (a)	100%	Produce and sale electricity and associated products. Commercial operation began on January 11, 2019.
Iberdrola Energía Noroeste, S.A. de C.V. (a)	100%	Produce and sale electricity and associated products. Commercial operation began on October 15, 2019.
Servicios Industriales y Administrativos del Noreste, S. de R. L. de C.V. (a)	51%	Transportation and administration of natural gas for industrial use, as well as the management of a gas pipeline for the consumption of power plants by related parties.
Cinergy, S. A. de C.V. (a)	100%	Administrative services. From September 27, 2021, the activity is to provide specialized services.
Servicios Administrativos Tamazunchale, S.A. de C.V. (a)	100%	Administrative services. From September 27, 2021, the activity is to provide specialized services.
Servicios de Operación la Laguna, S.A. de C.V. (a)	100%	Administrative services. From September 27, 2021, the activity is to provide specialized services.
Iberdrola Energía Topolobampo, S.A. de C.V. (a)	100%	Produce and sale electricity and associated products. Commercial operation began on December 1, 2023.
Tamazunchale Energía, S.A.P.I. de C.V. (a)	100%	Generation, production, transfer and conduction of electrical energy. Commercial operation began on May 7, 2021.
Energías Renovables Venta III, S.A. de C.V. (a)	100%	Produce and sale electricity and associated products. Commercial operation began on October 3, 2012.

(a) These subsidiaries are part of the sale perimeter described in Notes 1.i and 9.

Non-controlling interests represent the portion of profits or losses and net assets not held by the Company. Non-controlling interests are presented separately in the consolidated income statements, consolidated statement of comprehensive income and in equity in the consolidated statements of financial position separately from Company's own equity.

The accounting policies of these companies are the same as those used by Iberdrola México for the preparation of its consolidated financial statements, except for in the consolidated financial statements at December 31, 2024 at consolidated level, the provisions of IFRS 5 "Non-current assets held for sale and discontinued operations" (see Note 9) were applied.

3. REGULATION AND OPERATION OF THE MEXICAN ELECTRICITY SYSTEM

I. Energy reform and its implementation

In October 2024, constitutional reforms were approved modifying articles 25, 27 and 28 of the Political Constitution of the United Mexican States (CPEUM) regarding strategic industries of the State. These reforms determined to Petróleos Mexicanos (PEMEX) and Federal Electricity Commission (CFE) as strategic companies, given to Government the governance of the planning of the National Electric System (SEN) and guaranteed its prevalence in the electricity sector.

Among the most relevant backgrounds are:

- **Administrative simplification reform:** published on December 20, 2024, which integrated some autonomous entities into the centralized public administration.

- **Constitutional reform on strategic areas and companies:** issued on October 31, 2024, it amended articles 25, 27 and 28 of the CPEUM to redefine the role of the State in the energy sector, through CFE and PEMEX, modifying its nature to state-owned public companies.

  Establishing that the Government must participate at least in 54% of the national electricity generation, ensuring its dominant role in the electricity system. Private participation is maintained, but under regulated schemes subordinated to Government planning.

a) Secondary legislation and regulations

In March 2025, secondary laws were issued, allowing the implementation of the constitutional reforms approved in the last quarter of 2024. With the issuance of the secondary laws, the conditions of the private sector participation in energy generation, commercialization and planning are redefined.

The following secondary laws were published:

- Law of the Government Public Company – PEMEX.
- Law of the Government Public Company – CFE.
- Electricity Sector Law (LSE).
- Hydrocarbons Sector Law.
- Energy Planning and Transition Law (LPTE).
- Bio-fuels Law.
- Geo-thermal Law.
- National Energy Commission Law (CNE).

For harmonizing different laws impacted by those amendments, the following laws and regulations were also amended:

- Law of the Mexican Petroleum Fund for Stabilization and Development.
- Organic Law of the Federal Public Administration.

Through these new provisions, the following objectives are pursued:

- Vertical reintegration of PEMEX and CFE to improve their operational efficiency.
- The consolidation of Government control over strategic activities in the energy sector.
- Establish the required planning for national energy development, led by the Ministry of Energy (SENER).
- Establish as 46% for the participation of the private sector in the electricity production.
- Promote energy transition, with an emphasis on energy justice and sustainability.

(i) LSE

The law aims to regulate the planning, operation and control of the National Electric System (SEN), as well as the activities of generation, transmission, distribution and commercialization of electric energy.

Key considerations:

- Government prevalence: CFE must contribute at least 54% of the energy injected into the grid each year.
- Required planning: SENER leads the planning of the sector, with powers to define the development of infrastructure and permits.
- Exclusive basic supply: CFE maintains exclusivity in the basic supply, eliminating mandatory auctions.
- Self-consumption: The threshold for distributed generation rose from 0.7 MW to 20 MW.
- Sustainable development: Energy justice, efficiency, accessibility and sustainability of the electricity system are promoted.

Impact on the sector:

- It reconfigures the role of the private sector, which must be aligned with Government planning.
- It reinforces the role of CFE.
- It opens up opportunities in the figure of self-consumption and energy storage.

(ii) LPTE

The law is intended to establish a mandatory planning framework for national energy development, promoting the energy transition, the use of clean energies and the reduction of pollutant emissions.

Key features:

- Strategic planning: SENER makes plans such as the PLADESE (Electricity Sector Development Plan) and the PLATEASE (Plan for the Energy Transition and Sustainable Use of Energy).
- Energy justice: A social approach is incorporated to reduce energy poverty and ensure universal access to basic services such as lighting, refrigeration and cooking.
- Inter-institutional coordination: SEMARNAT (Ministry of Environment and Natural Resources), CONUEE (National Commission for the Efficient Use of Energy) and other entities participate in environmental assessment, efficiency regulations and emission control.
- Monitoring instruments: Creation of indicators and traceability mechanisms to measure progress in the energy transition is expected.

Impact on the sector:

- Establishes a roadmap for the decarbonization of the energy system.
- Integrates energy policy with social and environmental goals.
- Private projects must be aligned with official plans.

(iii) Federal Electricity Commission Law

Through the Law of the Government Public Enterprise, CFE transition from a estate productive enterprise to a public enterprise sectorized under SENER. This reform involves operational and administrative reorganization, eliminating the subsidiary structure and consolidating their functions under a centralized model. CFE will operate under principles of public service, non-profit, with prevalence in the SEN.

(iv) Energy regulatory authorities

The CNE is created as a new regulatory entity and technical body, sectored to SENER, with technical, operational and decision-making powers to supervise, authorize and regulate the activities of the energy sector.

The CNE replaces the CRE and the CNH, assuming key functions such as issuing regulations, granting permits, supervising tariffs, imposing and enforcing sanctions in the electricity and hydrocarbons sectors.

CNE structure includes a collegiate technical committee, integrated with experts and officials from the sector, which guarantees strategic decisions aligned with the national energy policy.

(v) Energy sector regulations

On October 3rd, 2025, the Government of Mexico issued in the Official Gazette of the Federation (DOF) the regulation implementing six secondary laws on energy, representing a decisive step in consolidating the new regulatory framework. The regulations set forth a legal framework that enhances strategic planning, ensures energy security, and advances sustainability.

Issued regulations allow to order regulated activities through the definition of procedures, permits, participation mechanisms, requirements and deadlines, providing legal certainty to public and private actors.

However, to achieve an effective implementation of the new regulatory framework, the issuance of administrative provisions, technical rules and operational manuals is still pending. These instruments are key for establishing regulatory principles in specific processes, ensuring traceability in value chains, and enabling the harmonious operation of the national energy system.

b) Supplementary administrative provisions

Pursuant to the powers conferred upon SENER to establish, direct, and coordinate national energy policy, the following administrative provisions were issued:

(i) General administrative provisions on Binding Planning for Electricity Generation

Published in the DOF on October 17, 2025, these provisions introduce a mandatory binding planning framework prior to the granting of permits for generation projects in the MEM, applicable to public and private projects, excluding self-supply and cogeneration.

The CNE will evaluate compliance with the seven mandatory criteria; failure by any of them will be sufficient reason for refusing the permit:

1. Satisfaction of demand.
2. Reliability, continuity, quality and safety of the NSS.
3. Efficiency in the electricity sector.
4. Energy transition and sustainability.
5. Non-prevalence of the private sector (minimum State participation of 54%).
6. Energy justice (introduction of additional costs into the project's financial structure).
7. Innovation and technological development.

Binding planning serves as a gatekeeping mechanism, requiring strategic alignment, technical soundness, and financial planning to ensure the viability of project.

(ii) Call for priority attention to applications for electricity generation and interconnection permits to the SEN, aligned with binding planning (Call)

The Call published on October 17, 2025, establishes a mechanism to prioritize the attention of applications for electricity generation permits files with the CNE and interconnection to the SEN filed CENACE, aimed at private plants of 0.7 MW or more that will participate in the MEM, the Call will not be applicable for self-consumption, distributed generation and mixed schemes with CFE.

Projects must be located in strategic regions, comply with technical requirements and operation dates and demonstrate the completion of technical, social, and environmental feasibility procedures. The process includes specific deadlines for the submission of expressions of interest, publication of results and acceptance of works, issuance of permits, and delivery of guarantees. Permits will be granted based on criteria of reliability, continuity, quality, security, energy justice, and technological innovation, reinforcing alignment with energy transition and sustainability national objectives.

CNE, in the exercise of its regulatory faculties, issued key administrative provisions that strengthen the regulatory framework governing the electricity sector.

(iii) General administrative provisions that establish the legal, technical and financial terms for requesting the granting and modification of permits for the generation and storage of electricity, as well as their validity (Provisions for application and modification of permits)

On October 23, 2025, CNE published in the DOF the provisions governing the application and modification of permits, which regulate (i) the application for permits, (ii) the modification of permits granted under the Public Electric Energy Service Law (LSPEE) and the LIE and the generation permits of the LSE, (iii) the assignment of generation and storage permits, (iv) the merger or spin-off of generation or storage permits, (v) the migration of LSPEE and LIE permits to the LSE regime, and (vi) the validity term of permits.

These Permit Application and Modification Provisions replace the previous permitting regulations governing the granting and permit modification.

(iv) General Administrative Provisions to regulate the figure of Self-consumption of Electricity (Self-consumption Provisions)

CNE issued the Self-Consumption Provisions, consolidating a regulatory framework that defines modalities (isolated and interconnected), technical requirements, sale of surpluses and annual registration. This agreement is aligned with prior publications: August 6, 2025, which establishes the requirements to obtain permits under the interconnected self-consumption modality (0.7–20 MW), and October 7, 2025, which set forth the official application format. These provisions seek to promote self-consumption projects as part of the national strategy for reliability, sustainability and energy transition.

(v) General administrative provisions for the integration of electricity storage systems into the National Electricity System (Storage Provisions)

On March 7, 2025, CRE published the Storage Provisions that regulate the incorporation of storage systems into the SEN, establishing legal, technical, and financial requirement for obtaining, modifying, and validation of permits. This framework defines clear parameters on capacity, discharge duration, operation and modalities of participation, including complementary services. In addition, it mandates the incorporation of storage systems in generation or self-consumption projects with a capacity of 0.7 MW or greater, consolidating storage as a strategic role to enhance system reliability, operational flexibility, and efficiency in the country’s energy transition.

II. International treaties and agreements

Several relevant treaties and agreements have been executed, establishing specific conditions for the development of Mexico's energy sector:

a) United States-Mexico-Canada Agreement (USMCA)

On July 1, 2020, the Agreement between the United Mexican States, the United States of America and Canada (USMCA) entered into force, replacing the North American Free Trade Agreement. The USMCA comprises 34 chapters, with modifications related to topics as investment protection, supply chain, anti-corruption measures, the environment, good regulatory practices and economic competition.

Chapter 14 "Investment" provides the conditions of treatment of foreign investment from the United States of America and Canada in Mexico in terms of protection, rule of law and compensation for Government actions.

On July 15, 2020, the Agreement on Environmental Cooperation between Mexico, the United States of America and Canada, an instrument derived from the USMCA, was published. This Agreement has the purpose to harmonize and promote trade policies, legislation, and regulation that conserve, protect and enhance the environment.

The six-year review of the USMCA, scheduled to take place between January and July 2026, was initiated with the launch of public consultation processes in September 2025by both the United States of America and the United Mexican States, with Canada expected to do so shortly thereafeter. In the United States of America, the *Office of the United States Trade Representative* (*USTR)* opened consultations on September 17, 2025, held the required public hearing and will submit its report before January 2026. In Mexico, the Ministry of Economy published its rules in the DOF on September 17, enabling the submission of comments from private sector, civil society through the end of the year.

The process concludes with the first joint meeting of the USMCA Council on July 1, 2026, at which the three countries will decide whether to extend the treaty for an additional 16 years or transition to annual reviews. This mechanism ensures a comprehensive assessment of the agreement´s performance and allows for specific adjustments without affecting the continuity of the regional integration framework.

b) Agreement for the Promotion and Reciprocal Protection of Investments (APPRI) and Free Trade Agreement between the United Mexican States and the European Union (FTA)

(i) APPRI

This is an agreement celebrated between the United Mexican States and the Kingdom of Spain in 2006 establishes similar conditions of treatment, as well as compensation measures for cases of expropriation or equivalent measures.

(ii) TLCUEM

Negotiations to update the Free Trade Agreement, now referred to as the Modernized Global Agreement, were concluded in 2025 and are expected to be formally signed in 2026. The new framework expands market access, eliminates tariffs on most agricultural and manufactured products, introduces chapters on digital trade, investment, sustainability, and SME support, and strengthens regulatory cooperation. This modernization aims to enhance Mexico's export competitiveness, diversify value chains, and solidify a strategic partnership with the European Union based on principles of transparency and sustainable development.

III. Energy planning and policy

a) National Development Plan

The National Development Plan 2025–2030, released in April 2025, sets out the Mexican government's roadmap for the six-year term, emphasizing democratic governance, development with well-being, a moral economy, and sustainability.

Organized in four overarching pillars I and three cross-cutting axes, the plan guides budget allocation, defines monitoring indicators and aligns sectoral programs with a long-term vision.

The inclusion of "Plan Mexico" stands out, a national industrialization strategy that seeks to strengthen strategic sectors, increase national content in exports and position Mexico as a key player in the economic integration of North America. Plan Mexico contemplates the creation of Economic Development Poles for Well-Being (PODECOBI), as strategic areas with specialized infrastructure, tax incentives and administrative facilities, designed to attract investment, boost key sectors and strengthen economic integration.

b) Electricity Sector Development Plan (PLADESE)

The PLADESE was issued on October 17, 2025, and sets the roadmap to ensure the safety, sovereignty and sustainability of the national electricity system in the 2025- 2039 period. It contemplates a net expansion of 73,754 MW of installed capacity, reaching 162,375 MW at the end of the period, with an estimated annual electricity demand growth of 2.5%.

The plan includes the modernization and expansion of transmission and distribution networks.

The PLADESE ensures that the Government will maintain at least a 54% share in electricity generation, encourages private investments in renewable projects and infrastructure. It foresees that in the period between 2025-2030 the installation will add 28,004 MW, (17,009 MW will be for Government and 10,995 MW for private sector). The document also contemplates the Binding Program for the Installation and Retirement of Power Plants (PVIRCE) and regional plans for networks, with criteria of social justice and competitiveness. This comprehensive strategy seeks to strengthen the reliability of the system, promote the energy transition and guarantee the fulfillment of clean energy goals in Mexico.

c) Energy Sector Program 2025-2030 (PROSENER)

On December 22, 2025, PROSENER 2025–2030 was published in the DOF, establishing a binding instrument that guides national energy policy in alignment with the National Development Plan.

The program establishes three principal objectives: 1) to strengthening self-sufficiency, sovereignty and energy security through the stewardship of the State and the prevalence of public companies such as CFE and PEMEX; 2) promoting renewable energies, energy efficiency, technological innovation and greenhouse gas emissions; and 3) ensuring energy justice, universal access, and bridging gaps, especially in marginalized communities. Complemented by strategies, lines of action and specific indicators, this program guarantees institutional coherence, administrative simplification and regular monitoring to support the consolidation of a sustainable and competitive energy system.

d) Sectoral Program for the Economy 2025-2030

Published in the DOF on December 22, 2025, the Sectoral Program of Economy sets fothr the roadmap to strengthen competitiveness, innovation, and productive inclusion in Mexico. Its strategic objectives focus on driving sustainable economic growth, promoting digitalization and the transition toward resilient value chains, encouraging both domestic and foreign investment, and ensuring a level playing field for micro, small and medium-sized enterprises.

The program incorporates lines of action aimed at trade diversification, regional development, sustainability and regulatory improvement, consolidating a framework that seeks to position Mexico as a key player in the global economy under principles of efficiency, transparency and economic justice.

e) Program for the Expansion and Modernization of the National Transmission Network (RNT) and the elements of the General Distribution Networks (RGD) that correspond to the MEM 2025 – 2039 and the Program for the Expansion and Modernization of the General Distribution Networks that do not correspond to the MEM 2025-2039

SENER presented the programs for the expansion and modernization of the RNT and the elements of the RGD linked to the MEM, with a horizon of 2025–2039. These programs define strategic projects to increase transmission capacity, reduce congestion, improve reliability, and facilitate the integration of clean energy and storage systems. These include investments in critical infrastructure, digitalization and advanced technologies to optimize the operation of the SEN, guaranteeing safety, efficiency and sustainability in the electricity supply in the long term.

f) Electricity sector regulators

- SENER: Its primay role is to guide national energy policy by conducting medium- and long-term energy supply planning, establishing the sector´s economic and social guidelines policy guidelines.

- CFE: a State-owned enterprise whose mandate is to carry out electricity industry activities such as generation, transmission, distribution and supply.

- CNE: A technical body sectorized under SENER, vested with supervision, authorization and regulation faculties over electricity- related activities.

- CENACE: A decentralized federal government entity responsible for the planning and operational control of the SEN, as well as the operation of the MEM.

g) Bases, MEM operation and CEL auctions (issued in the DOF on September 8, 2015)

They establish the principles governing the design and operation of the MEM and define the rules and procedures for the commercialization of energy, power, CEL's, related services, financial transmission rights, among others in the different modalities.

The MEM began operating in 2016, enabling the generation and sale of electricity between private parties.

The Clean Energy Certificates (CEL) auctions are mechanisms designed to encourage investment in renewable energygeneration. Developers compete to obtain contracts that allow them to secure the price of the energy they generate, enable long-term planning, reduce costs and promote technological innovation.

CELs are instruments issued by the CRE that certify the production of a specific amount of electricity from clean energy sources and serve to meet the requirements associated with the consumption of load centers.

In Mexico, three CEL auctions have been held until their cancellation in early 2019.

The LSE, in its transitory articles, establishes that the operation of the MEM will continue to be governed by the regulations currently in force until new provisions are issued. Accordingly, the Market Rules, the General Administrative Provisions that contain the criteria of efficiency, Quality, Reliability, Continuity, safety and sustainability of the SEN, Network Code, and other provisions remain binding on market participants.

h) Operating Manuals

Between 2016 and 2018, SENER issued the MEM Operation Manuals in the DOF which form part of the Market Rules and provide detailed development of the elements set out in the Market Bases.

As a result of the reforms to the regulatory framework, it will be necessary to review, amend and update the MEM Operation Manuals. It is important to note that, until such updates are issued, the operation will continue to be governed by the provisions contained in the current Manuals, thereby ensuring operational continuity under the current regulatory framework.

IV. Regulatory environment

a) Reform of the Judicial Supremacy

On September 15, 2024, an amendment to various articles of the CPEUM was published in the DOF, significantly modifying the structure and functions of the Federal Judiciary and the Supreme Court of Justice of the Nation (SCJN). The reform provides for the popular election of judges, magistrates and Supreme Court justices, and creates new bodies such as the Judicial Disciplinary Tribunal and the Judicial Administration Body.

The first election was held on June 1, 2025, and the elected members took the position on September 1, 2025.

b) Market for Power Balance (MBP)[1]

The MBP is carried out annually, each February, ex post, so that the Entities Responsible for Load are able to acquire the necessary power to comply with regulatory requirements.

4. ACCOUNTING POLICIES

The material accounting policies and practices used for the preparation of the accompanying consolidated financial statements are as follows:

a) Intangible Assets

The amounts recorded as intangible assets by Iberdrola Mexico Group correspond to:

Transferred rights of use

The amount presented in this caption of the consolidated statements of financial position corresponds to the right to use of an electrical power substation and electricity meters used for this activity and are recognized at the cost incurred on the acquisition date.

Computer software

Acquisition and development costs incurred in connection with software applications are recognized in the caption "Intangible assets" in the consolidated statements of financial position. The maintenance costs of computer software are recognized in the consolidated income statements during the period in which they are incurred.

Customer Acquisition Costs

Iberdrola Mexico Group recognizes the incremental costs of obtaining contracts with customers mainly related to commissions for the implementation of purchase agreements as intangible assets which are amortized on a systematic basis according to the average expected life of contracts with customers that are associated with such costs.

[1] The MBP is part of the MEM. It is an annual and ex post market that facilitates transactions between Market Participants whose Electricity Coverage Contracts were insufficient to comply with the registrations to obtain Power established by the CRE and Market Principals who have uncommitted Power through Electricity Coverage Contracts (see Note 3.IV.b).

Cloud Licensing

Acquisition and development costs incurred in connection with cloud licenses are recognized in the caption "Intangible assets" in the consolidated statements of financial position. The maintenance costs of cloud licenses are recognized in the consolidated income statements during the period in which they are incurred.

The amortization of intangible assets is carried out on a straight-line basis based on their estimated useful life, as follows:

	Estimated average years of useful life
Transferred rights of use	10
Computer applications	10
Customer acquisition costs	10
Cloud Licensing	3 - 4

b) Property, Plant & Equipment

Items of property, plant and equipment are measured at acquisition or production cost less accumulated depreciation and valuation adjustments.

Acquisition cost includes, where applicable, the following:

1. Borrowing expenses related to external funding accrued exclusively during the construction period and it is calculated as follows:

   - The interest expense directly related to financing used for the construction of specific assets is capitalized as part of the cost of the asset during the construction period.

   - The interest expense from generic third-party financing is capitalized applying the average effective interest rate to the cumulative average investment to be activated, after deducting the investment financed with specific external resources, considering it does not exceed the total borrowing costs accrued in the year. As of December 31, 2025 and 2024, the Iberdrola Mexico Group had no assets under construction.

2. Personnel expenses related directly or indirectly to construction in progress.

   As of December 31, 2025 and 2024, Iberdrola Mexico Group capitalized $4,974 and $10,156, respectively.

3. If the Iberdrola Mexico Group is required to decommission its facilities or renovate the place where they are located, the current value of said costs is included in the carrying amount of assets for their present value, with a credit to the caption "Other non-current provisions" of the consolidated statements of financial position (see Note 4.j).

   Iberdrola Mexico Group periodically assesses the present value of this estimation affecting the property, plant & equipment value, as a result of any changes in the estimate.

Iberdrola Mexico Group transfers property, plant and equipment in progress to property, plant and equipment in use at the end of the related trial period.

Expansion or improvement costs that result in increased productivity, capacity, or extension of useful life are recognized as an increase in the asset's carrying amount. Replacements or renewals of complete components are recorded as an increase in property, plant and equipment, with the corresponding derecognition of the replaced items.

Any gains or losses on the sale of property, plant and equipment represent the difference between net proceeds of the sale and the net book value of the item at the time of sale.

c) Depreciation of property, plant and equipment in use

Iberdrola México Group follows the policy of depreciating its assets when they are available for use, that is, when they are in the location and in the conditions necessary to operate in the manner intended by management and their depreciation must continue even when the asset is idle; however, depending on usage, the depreciation charge may be void when no production activity takes place.

Property, plant and equipment in operation are depreciated on a straight-line basis, allocating the cost of the different components of such assets, reduced by their residual value, over their estimated useful lives. Nevertheless, when no production activity occurs and the property, plant and equipment in operation remain in a preservation state, depreciation must be equal to zero.

Maintenance costs incurred are recognized in the caption "External services".

The estimated useful life of property, plant and equipment is as follows:

	Estimated average years of useful life
Combined cycle power plant	40
Cogeneration plant	20-30
Wind power plant	30-40
Photovoltaic power plant	30
Transport facilities	40
Other elements in operation*	3 – 20

(*) During the year 2025, Iberdrola Mexico Group carried out a review of the estimated useful life of the "measuring equipment" and as a result the estimated useful life was updated to 7 years; as of December 31, 2024 the estimated useful life was 10 years. This change in useful life represented a higher amortization cost in 2025 by $4,667.

Iberdrola Mexico Group periodically assesses the residual values, useful life and depreciation methods associated with its property, plant and equipment.

d) Lease contrats

The right-of-use asset is initially recognized at cost, which includes:

- The amount of the initial valuation of the lease liability;
- Any lease payments made on or before the lease commencement date, less any incentives received;
- The direct upfront costs incurred by leasing; and
- An estimate of the costs to be incurred by the lessee for the dismantling and restoration of the leased asset.

Subsequent initial recognition, the right-of-use asset is recognized at cost less accumulated depreciation and impairment losses. The depreciation of the right-of-use asset is recognized in the caption "Depreciation" of the consolidated income statement. Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If Iberdrola Mexico Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

The right-of-use asset might be subsequently adjusted for the effect of any changes in initial estimates that affect the lease liability.

The initial value of the lease liability is calculated as the present value of future lease payments discounted at the lessor's implied interest rate if it can be reliably determined or, otherwise, using the incremental interest rate.

Lease payments include:

- The fixed or substantially fixed lease fees specified in the contract less incentives to be received by the lessee;

- Variable fees that depend on an index or a rate initially valued by applying the indices or rates existing at the beginning of the lease;

- The amounts that the lessee expects to pay for guarantees on the residual value of the underlying asset;

- The exercise price of the purchase option if it is reasonably certain that the lessee is going to exercise it; and

- Payments for extension options that are reasonably certain to exercise or penalties for early termination of the lease if the lease period includes early termination.

Contingent rents subject to the occurrence of a specific event and variable fees dependent of revenues or use of the underlying asset are recorded at the time when they are incurred under the "External services" caption in the consolidated income statement rather than forming part of the lease liability.

Subsequently, increases in the lease liability are to reflect the finance expense and decreases are for the amount of payments made. The finance expense is recorded in the caption "Financial expense" of the consolidated income statement (see Note 26).

The lease liability is remeasured when there is a significant change in the index or rates, in the estimated payable amounts payable for residual value guarantees, in those cases where the exercise option for extension is considered certain, or in those cases in which the cancellation options, with reasonable certainty, will not be exercised.

The Iberdrola Mexico Group opted to apply the exemption when recognizing short-term leases (lease term equal to or less than 12 months). Contracts may contain lease elements and non-lease elements. The Iberdrola Mexico Group chooses, as a general criterion, not to separate such elements for the accounting purposes and to recognize them as a single lease element.

e) Impairment of non-financial assets

The Iberdrola Mexico Group reviews, at least at the end of each financial year, the value of its non-current assets to determine whether there is any indicator that those assets have suffered an impairment loss. If there is any impairment indicator, the recoverable amount of the asset is calculated to determine the amount of impairment, if necessary, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. the Iberdrola Mexico Group estimates the recoverability of the cash-generating unit ("CGU"[2]) to which the asset belong.

The criteria used to identify a CGUs are basically based on the specific characteristics of the business, the operating rules and regulations, business strategies and operational considerations.

The recoverable amount is the higher of an asset's fair value, less costs of disposal and value in use. Assumptions used in value in use calculation include discount rates, growth rates, and expected changes in sales prices and direct costs. Discount rates reflect the value of money over time and the risks associated with each cash-generating unit. Growth rates and the variations in prices and direct costs are based on contractual commitments already in place, publicly available information, as well as industry forecasts and the Iberdrola Mexico Group's experience.

If the recoverable amount of an asset is less than its carrying amount, the difference is recognized as an impairment loss and charged to the "Depreciation" caption of the consolidated income statement. (see Notes 8 and 28).

A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized.

As of December 31, 2025 and 2024, no impairment indicators were identified in the value of non-current assets.

f) Financial Instruments

Classification and measurement of financial assets

The Iberdrola Mexico Group classifies and measures its financial assets as current and non-current in accordance with the criteria described below (see Note 13).

1. Assets at amortized cost

Financial assets that meet the following conditions are classified in this category:

- The assets are held within a business model whose objective is to hold the assets to obtain contractual cash flows, and

- The contractual terms give rise, on specified dates, to cash flows that are only payments of principal and interest on the principal amount outstanding.

These assets are initially recognized at fair value plus transaction costs and are subsequently measured at amortized cost. Accrued interest is recognized in the consolidated income statement, using the effective interest rate method. However, financial assets with a maturity date less than a year which do not have a contractual interest rate are measured. initially and subsequently at their nominal amount, when the effect of not discounting cash flows is immaterial.

[2] It is the minimum identifiable grouping of assets minus liabilities (it could be just one asset) that together generates cash flows that are independent of cash flows derived from other assets or group of assets.

2. Financial assets at fair value through profit or loss

This category includes all other financial assets, including derivative financial instruments that do not meet the conditions necessary for the accounting of hedges in accordance with the requirements established for this purpose in IFRS 9: "Financial instruments" (see Note 19).

Assets at fair value through profit or loss are initially recognized at fair value. Transaction costs directly attributable to purchase or issuing are recognized as an expense in the consolidated income statement as they are incurred. The changes in fair value are allocated to the consolidated income for the period in the caption "Finance expense" and "Finance income" of the consolidated income statement, as applicable.

The Iberdrola Mexico Group determines the most appropriate classification for each asset on acquisition and reviews at the classification at each year end date.

Impairment of financial assets at amortized cost and contract assets

The Iberdrola Mexico Group recognizes the valuation adjustments resulting from expected credit losses on financial assets and the contract assets at amortized cost.

The Iberdrola Mexico Group applies the general model for calculating the expected loss on financial assets other than contract assets and trade receivables without a significant financial component, for which the simplified approach will be applied.

Under the general model, expected credit losses in the next twelve months are considered, unless the credit risk of financial instruments has significantly increased from the initial recognition, in that case, the expected credit losses over the life of the asset will be considered. Iberdrola México Group recognizes that the credit risk of a financial instrument has not significantly increased since its initial recognition if it is determined that at the reporting date financial instrument has a low credit risk.

Under the simplified approach, they qualify as expected credit losses over the life of the asset. Iberdrola México Group has adopted the practical expedient, whereby it calculates the expected credit loss on trade receivables using a matrix of provisions based on its experience of historical credit losses adjusted for available forward-looking information.

Provisions and reversals of impairment allowances for other financial assets at amortized cost are recognized in the caption "Finance expense" in the consolidated income statement (see Note 26).

Derecognition of financial assets

Financial assets are derecognized when the rights to receive cash flows in relation thereto have expired or when Iberdrola Mexico Group has transferred and its rights to receive cash flows from the assets.

The derecognition of a financial asset implies the recognition in the consolidated income statement of the difference between its carrying amount and the sum of the consideration received, less directly attributable transaction costs, including the assets obtained or liabilities assumed and any deferred loss or gain recorded in other comprehensive income.

Classification and Valuation of Financial Liabilities

The Iberdrola Mexico Group classifies all financial liabilities measured at amortized cost using the effective interest method, except for derivative financial instruments which are recognized at fair value.

Derecognition of financial liabilities

Financial liabilities are derecognized when they are extinguished, i.e., when the obligation under the liability has been discharged or canceled or expires. Moreover, when a debt between Iberdrola Mexico Group and the counterparty is replaced by another, on substantially different terms, the original financial liability is derecognized, and the new financial liability is recognized.

Iberdrola México Group considers that the terms are substantially different if the present value of the discounted cash flows under the new terms, including any fees paid net of any fees received from the lender, and discounted using the original effective interest rate, differs at least 10 percent from the discounted present value of the remaining cash flows of the original financial liability.

The difference between the carrying amount of financial liability or of the part of it has been derecognized and the paid consideration, including attributable transaction costs, and in which every transferred assets other than the assumed cash or liability is also included, is recognized in the consolidated income statement of the year in which it occurs.

When there is an exchange of debt instruments that do not have substantially different terms, changed flows are discounted at the original effective interest rate, and every difference with the previous carrying amount is recognized in the consolidated income statement. In addition, costs or fees adjust the carrying amount of the financial liabilities and are amortized by using the amortized cost method during the remaining life of the modified liability.

Interest and dividends

Interest income are recognized in the income statement and computed in the same manner as for financial assets measured at amortized cost.

Dividends are recognized when Iberdrola Mexico Group has the right to receive them.

Contracts to buy or sell non-financial items

The Iberdrola Mexico Group performs detailed analyses of all its contracts to buy or sell non-financial items to ensure they are classified appropriately for accounting purposes.

As a general rule, those contracts that are settled for the net amount in cash or in another financial instrument are classified as derivative financial instruments and are recognized and measured as described in this note, except for contracts entered into and held for the purpose of the receipt or delivery of a non-financial item. in accordance with the Iberdrola Mexico Group purchase, sale or usage requirements.

Contracts for the sale and purchase of non-financial items to which IFRS 9: "Financial Instruments" does not apply qualify as own-use contracts and are recognized as the Iberdrola Mexico Group receives or transfers the rights or obligations arising therefrom.

Derivative financial instruments and hedge accounting

Financial derivatives are initially recognized at acquisition cost in the consolidated statement of financial position and the required value adjustments are subsequently made to reflect their fair value at all times. Gains or losses arising from these changes are recognized in the consolidated income statement, unless the derivative has been designated as a cash hedge instrument or a hedge of a net investment in foreign countries.

At the inception of the hedge, the hedging relationships are designated and formally documented, together with the risk management objective and strategy. It is also assessed at the beginning of the hedging relationship and on an ongoing basis, whether the relationship meets the effectiveness requirements prospectively.

The accounting treatment for hedging transactions is as follows:

1. Fair value hedges:

   Changes in the fair value of derivative financial instruments designated as hedges and changes in the fair value of the hedged item arising from the hedged risk are recognized with a charge or credit to the same hedging in the consolidated income statement.

2. Cash flow hedges:

   Iberdrola México Group recognizes in the caption "Reserve for revaluation of unrealized assets and liabilities" in the consolidated statement of financial position, gains or losses arising from the fair value measurement of the hedging instrument corresponding to the portion considered ineffective hedge. The part of the hedge that is considered ineffective is recognized in the caption "Finance income" and "Finance expense" of the consolidated income statement.

   Accumulated gains or losses in "Reserve for revaluation of unrealized assets and liabilities" are taken to the line of the consolidated income statement that is affected by the hedged item to the extent that it has an impact on the consolidated income statement. If a hedge of a future transaction results in a non-financial asset or liability, this balance is taken into account when determining the initial value of the asset or liability generating the hedging transaction.

3. Hedging of net investment abroad:

   Iberdrola Mexico Group recognizes the gains or losses arising from the measurement at fair value of the hedging instrument that corresponds to the part identified as an effective hedge. As of December 31, 2025 and 2024, the Iberdrola Mexico Group does not have any instruments in this category.

Discontinuation of hedge accounting

Iberdrola Mexico Group prospectively discontinues the fair value hedge accounting in the cases in which the hedging instrument matures, is sold, terminated or exercised, the objective of the risk management has changed, there is no financial relation between the hedge element and the hedged item; the credit risk effect prevails over value changes, the hedge instrument matures or is liquidated, or the underlying hedge ceases to exist.

When hedge accounting is discontinued, the cumulative amount at that date is recognized in the caption "Reserve for revaluation of unrealized assets and liabilities" in cash flow hedges is retained in this caption until the hedged transaction is carried out, at which time the gain or loss on the transaction will be adjusted. If a hedged transaction is no longer expected to occur, the gain or loss recognized in the aforementioned caption is transferred to the consolidated income statement.

Embedded derivatives

Derivatives embedded in financial liabilities and transactions whose host contract falls outside the scope of IFRS 9: "Financial instruments" are recognized separately when Iberdrola México Group considers that their risks and characteristics are not closely related to the host contract in which they are embedded, providing the entire contract is not measured at fair value recording changes in that value through the consolidated income statement.

Fair value of derivative financial instruments

The fair value of the different derivative financial instruments is calculated as follows:

- The fair value of derivatives quoted on an organized market corresponds to their quoted price at year end.

- To measure derivatives not traded on an organized market, the Iberdrola Mexico Group uses assumptions based on market conditions at the year-end. In particular:

  - currency futures are measured by discounting the future flows calculated using the forward exchange rates at year end; and

  - the fair value of contracts to trade non-financial items falling under the scope of IFRS 9 is calculated on the basis of the best estimate of future price curves for the underlying non-financial items at year end of the Consolidated Financial Statements, using, to the extent possible, the prices established on futures markets.

These measurement models take into account the risks of the asset or liability, including the credit risk of both the counterparty (Credit Value Adjustment) and the entity itself (Debit Value Adjustment). The credit risk is calculated according to the following parameters:

- Exposure *at default*: the amount of risk arising at the time of non-payment by a counterparty, taking into account any collateral or compensation arrangements connected to the transaction.

- Probability of default: the probability that a counterparty will breach its obligations to pay the principal and/or interest, depending mainly on the features of the counterparty and its credit rating.

- Loss *given default*: the estimated loss in the event of a default.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

g) Post-employment and other employee benefits

Contributions to defined contribution post-employment benefit plans are recognized as an expense in the caption "Personnel costs" in the consolidated income statements on an accrual basis.

In the case of defined benefit plans, the Iberdrola Mexico Group recognizes the expenses related to these obligations, on an accrual basis over the working life of the employees by commissioning the appropriate independent actuarial studies using the projected unit credit method to measure the obligation accrued at the year end. The provision recognized for this item represents the present value of the defined benefit obligation reduced by the fair value of the plan assets.

Net remeasurements of net liabilities corresponding to defined benefit commitments including positive or negative actuarial differences, the performance of the plan assets, excluding amounts included in the net interest on assets or liabilities and any changes impacting the limit of assets, are recognized in the caption "Other reserves" in the consolidated statements of financial position.

In the fair value of the assets exceeds the present value of the obligation, the net asset is recognized in the consolidated statement of financial position up to the limit of the present value of future economic benefits to be received in the form of refunds from the plan or reductions in future contributions to the plan.

The Iberdrola Mexico Group determines the net financial expense (income) related to its pension obligations applying the discount rate used in its measurement on their value at the beginning of the period, once considering the changes in the net pension obligations made during the period in terms of contributions and repayments made. Net interest and the amount corresponding to other expenses related to the commitments assumed are recognized in the consolidated income statements.

The Iberdrola Mexico Group determines the discount rate based on government bonds as a reference because there is no deep market for corporate bonds that meet the credit rating criteria indicated.

h) Termination benefits and restructuring costs

The Iberdrola Mexico Group recognizes termination benefits when the Group can no longer withdraw the offer or when the expenses of restructuring are recognized from which the payment of severance accruals arises, in the case that such recognition is made previously.

The payments related to restructuring processes are recognized when the Iberdrola Mexico Group has an implicit obligation, i.e. at the time when there is a detailed formal plan to perform the restructuring (identifying, at least, the company activities involved, or part them, the main locations affected, the location, function and approximate number of employees that will be paid for the termination of their contracts, the disbursements that will be made, and the dates on which the plan will be implemented), and a valid expectation has been generated amongst the affected personnel that the restructuring will be carried out, either because the plan has begun to be executed or because its main characteristics have been announced.

The Iberdrola Mexico Group recognizes the full amount of the expenditure relating to these plans when the obligation is incurred by performing the appropriate actuarial studies to calculate the present value of the actuarial obligation at year end. The resulting actuarial gains and losses in termination benefits are recognized in the consolidated income statement.

As of December 31, 2025, there are no termination provisions related to restructuring processes. As of December 31, 2024, a restructuring provision of $709 was recorded.

i) Employee Profit Sharing (EPS)

EPS is determined based on the tax profit established by the Income Tax Law (Ley del Impuesto Sobre la Renta “LISR”), is recorded in the results of the period in which it is caused, and EPS is presented as an operating expense under the caption "Personnel expenses" in the consolidated income statement.

j) Production facility closure costs

The Iberdrola Mexico Group must meet the corresponding decommissioning costs for its production plants, including those arising from necessary tasks to prepare the land where they are located.

The estimated present value of these costs is capitalized as part of property, plant and equipment and credited in the caption "Other non-current provisions" at the beginning of the useful life of the asset (see Note 17).

The provision for closure costs of production facilities is depreciated since the assets is ready for operation, according to the useful lives of the related fixed asset (see Note 4.c). This estimate is revised annually ensuring the provision reflects the present value of all estimated future costs. The value of the asset is adjusted only for deviations from the initial estimate.

Iberdrola México Group applies a risk-free rate to financially update the provision because the estimated future cash flows to satisfy the obligation reflect the specific risks of the corresponding liability. The risk-free rate used corresponds to the yield, at the end of the reporting year which is being reported, government bonds with enough depth and solvency, in the same currency and similar due date to the obligation.

Any change in the provision as a result of it discount is recognized as a expense in the caption "Finance expense" in the consolidated income statements.

k) Other provisions

Iberdrola Mexico Group recognizes provisions to cover present obligations, whether these are legal or implied, which arise as a result of past events, provided that it is probable that an outflow of resources will be required to settle obligation and a reliable estimate can be made of the amount of the obligation (see Note 17).

A provision is recognized when the liability or obligation arises, with a charge to the corresponding line in the income statement in accordance with the nature of the obligation, for the present value of the provision when the effect of discounting the value of the obligation to present value is material. The change in the provision due to its discounting each year is recognized in the caption “Finance expense” of the consolidated income statement.

l) Debt classification between short and long term

In the accompanying consolidated statements of financial position, debts are classified according to the maturity at the end of the financial year. Current debts are considered to be those with a maturity of less than twelve months, and non-current debts are those with a maturity of more than that period.

m) Recognition of revenue

The following table shows the details of how Iberdrola México Group recognizes its revenues.

Revenue	Description	Admission Recognition Policy
Revenue from the sale of electricity to private customers	Iberdrola Mexico Group entered into electricity purchase and sale agreements with private customers with an average duration period of three years. Private customers are billed during the following month after the supply of electricity occurs and the collection is made in accordance with the considerations of each contract.	According to the Iberdrola México Group's policy, revenues are recognized when the energy is delivered. The net revenue for the periods ended at December 31, 2025 and 2024 includes an estimate of the energy supplied to private customers, which is pending of billing (see Note 6.a).
Revenue from the delivery of electricity to consumer partners	Iberdrola Mexico Group entered into long-term electricity supply contracts with its consumer partners. These contracts establish that for delivering electricity a referenced tariff to the CFE prices applies. Billing to consumer partners is made during the month following the supply of electricity occurs and the collection is made in accordance with the considerations of each contract.	Revenues from contracts with their consumer partners on a self-supply basis, the fixed income from the energy supply capacity commitment are recognized according to the actual consumption. Variable income from operating and maintenance expenses, fuels and start-up of the plants, are recognized as expenses when they are incurred.
Other operating income	In accordance with the maintenance contracts entered into with General Electric (Note 4.o), General Electric issues credit notes in the event that the actual efficiency of the plants turns out to be lower than the guaranteed efficiency. Iberdrola México Group recognizes these credit notes as other operating income. Iberdrola México Group has a policy to recognize as other operating income payments that are considered reimbursed by third parties necessary to comply with an obligation (insurance collection, indemnity clauses or supplier guarantees).	Credit notes issued by General Electric are recognized on the date they are received. To the extent that compensation from the insurance company or a third party is due and reimbursement is considered practically certain, a credit is recognized under the heading "Other operating income" in the income statement.

Given the nature of the Iberdrola Mexico Group's electricity and gas marketing activities, the recognition of revenue is subject to a certain degree of estimation, which corresponds to the units supplied to customers between the date of the last meter reading and the end of the period (Note 6).

In the case of contracts with customers with several performance obligations, revenue is assigned to each performance obligation based on its individual sale price at the beginning of the contract. The individual sale price is estimated based on the observable price of sale of goods of services transactions when they are sold separately under similar circumstances to similar customers. If there are no observable prices in the market, the price is estimated using the most adequate method based on the information available.

n) Supplies

Procurement costs correspond mainly to the supply costs of energy, such as natural gas, tolls, transportation and distribution, water, etc., which are recognized as being incurred (see Note 25).

Iberdrola México Group has two models of PPA (Power Purchase Agreement) contracts for the purchase and sale of electricity and power with third-party power plants. These contracts establish supply conditions under a certain period. The energy and power acquired is settled at a price agreed in the contract.

o) Maintenance costs

Iberdrola Mexico Group has specialized maintenance contracts with technology companies: Power Servicios de Energía, GE Gas Power International, General Electric Vernova Operations, General Electric International Operations Company, General Electric Global Parts & Products GMBH; General Electric Vernova International; General Electric Global Services GMBH, Mitsubishi Power de Mexico and Mitsubishi Power Americas, Inc., in which fixed payments are established for the contract period to keep the plants available for use. These contracts generally have a duration period of between 15 to 30 years, since the date of commercial operation began.

Iberdrola México Group recognize these maintenance expenses on a straight-line basis based on the life of contracts, Maintenance services are paid on a fixed and variable basis as per contract applies and based on the work carried out by the technology companies.

p) Transactions in foreign currency

The consolidated financial statements are presented in U.S. dollars, the currency of the economic environment in which the entity operates and in which it generates and uses cash (functional currency), as well is the presentation currency for the Consolidated Financial Statements of the Iberdrola Mexico Group.

Transactions carried out in currencies other than the functional currency are recorded at the exchange rates applicable at the time of the transaction. As of the date of consolidated statement of financial position, the balances of monetary assets and liabilities denominated in foreign currency have been revalued at prevailing exchange rates. Non-monetary items measured at historical cost are converted applying the exchange rates applied on the date on which the transaction took place.

Exchange rate fluctuations resulting from the settlement of non-cash items and the revaluation of currency items are included in the consolidated income statements.

As of December 31, 2025 and 2024, the exchange rate was $17.9667 and $20.2683 Mexican pesos per U.S. dollar, respectively.

q) Income tax

Income taxes are the sum of the current and deferred income tax (ISR).

The expense or income tax includes both current tax and deferred tax. Current or deferred income tax is recognized in the consolidated income statements, unless income tax arises from a transaction or economic event that has been recognized, in the same or a different period, against equity or arises from a business combination.

Deferred income tax is determined using the liability method based on the temporary differences between the tax values of the assets and liabilities and their book values at the consolidated financial statements reporting date, using tax rates that are objectively expected to be in effect when the assets and liabilities are realized.

Iberdrola Mexico Group recognizes deferred tax liabilities in all cases except that:

- arise from the initial recognition of an asset or liability in a transaction that is not a business combination and at the date of the transaction does not affect either the accounting result or the tax base;

- correspond to temporary differences related to investments in subsidiaries, associates and joint ventures over which the Iberdrola Mexico Group has the ability to control the timing of their reversal and are not likely to revert in the foreseeable future.

The Iberdrola Mexico Group recognizes deferred tax assets if:

- it is probable that Iberdrola Mexico Group will have sufficient future tax profits to allow for the realization of all or part of its deferred tax assets or where tax legislation provides for the possibility of future conversion of deferred tax assets into a claim payable against the government. Deferred tax assets arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and at the date of the transaction does not affect either the accounting result or the tax base are not recognized;

- it corresponds to temporary differences related to investments in subsidiaries, associates and joint ventures to the extent that the temporary differences will not be reversed in the foreseeable future and positive future tax profits are not expected to be generated to offset the differences.

r) Non-current assets held for sale and discontinued operations

Iberdrola Mexico Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered primarily through a sale transaction, rather than through its continuing use. the Iberdrola Mexico Group classifies it as held for disposal and values it at the lower of its carrying amount and fair value less the costs necessary for its sale.

Non-current assets and disposal groups classified as held for sale are measured at the lower than their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

Property, plant and equipment and intangible assets are not depreciated or amortized once classified as held for sale.

Discontinued operations are a component of the entity that has been disposed of or otherwise disposed of, or that has been classified as held for sale, and:

- represents a line of business or a geographical area, which is significant and can be considered separated from the rest;

- is part of an individual and coordinated plan to dispose of, or a disposal of a line of business or a geographical area of the operation that is significant and can be considered separate from the rest; or

- It is a dependent entity acquired exclusively for the purpose of reselling it.

s) Consolidated statements of cash flows

Consolidated statements of cash flows are prepared in accordance with the indirect method, considering the following:

- Operating activities: regular business operation activities of the entities which are part of the Group, as well as other activities that cannot be classified as investment or financing.

- Investment activities: include acquisition, sale or disposal of long-term assets and other investments not classified as cash and its equivalents.

- Financing activities: activities that result in a change in the size and composition of equity and liabilities and they are not part of the operating activities.

- Interest earned: are classified as proceeding from investment activities, since they represent collections from activities other than the Group's operating activities.

- Interest and dividends paid: these are presented as part of financing activities since they represents costs for obtaining financial resources.

t) Income Statement Presentation

Costs and expenses included in the Consolidated Income Statement are presented according to their nature, this presentation has the fundamental characteristic of breaking down the costs and expenses into their main components.

The presentation of EBITDA and EBIT is not required by IAS 1 "Presentation of Financial Statements"; however, they are presented since it represents an important indicator for understanding the financial performance of Iberdrola México Group.

EBITDA is a financial indicator used to measure the ability of Iberdrola Mexico Group to generate profits from a productive activity without taking into account all expenses in its calculations.

EBIT is an indicator of the results of Iberdrola Mexico Group production levels. EBIT acronym is used for Earnings Before Interest and Taxes, that is, it is the operating profit of a company without taking into account the net financial result and taxes.

5. FINANCING AND FINANCIAL RISK POLICY

Iberdrola Mexico Group is exposed to various risks financial inherent to the different markets in which it operates and to the business activities it carries out that may prevent it from achieving its objectives and executing its strategies successfully.

In particular, the Financing and Financial Risk Policy, the Corporate Market Risk Policy and the Corporate Credit Risk Policy of the Iberdrola Mexico Group, approved by the Board of Directors, identify the risk factors described below. The Iberdrola Mexico Group has an organization and systems in place to identify, measure, control and manage the financial risks to which it is exposed.

The risk management area has identified the following risks to which the Iberdrola México Group is exposed:

Interest rate risk

Iberdrola Mexico Group is exposed with regards to its financial liabilities to the risk of fluctuations in interest rates affecting cash flows and fair value.

To effectively manage and limit these risks, Iberdrola Mexico Group annually sets a target debt structure between fixed and variable interest rates. After defining the target structure Iberdrola Mexico Group employs dynamic management to decide on actions to be carried out throughout the year. This may involve taking on new financing at fixed or variable rate and/or using interest rate derivatives. These derivatives can help stabilize the interest rate of the variable rate debt, limit its variability, or convert fixed rate to a variable rate.

Exchange rate risk

Iberdrola Mexico Group is exposed to fluctuations in the exchange rate of the currencies in which financing transactions and business operations are used against the functional currency in which the Iberdrola Mexico Group operates. Fluctuations in the exchange rate of currencies imply a risk affecting the valuation of net assets and the translation of results and may impact the equity position of Iberdrola México Group.

Iberdrola Mexico Group mitigates exchange rate risk by ensuring that all economic flows are carried out in the functional currency corresponding to each company in the Group, maintaining an adequate percentage of debt in foreign currency and/or through derivatives.

Commodity price risk

The thermal generation activities of the Iberdrola Mexico Group require the acquisition and sale of commodities (i.e. natural gas) for the generation of electricity, whose price is subject to the volatility of international markets (global and regional) where those commodities are traded.

In the contracts with consumer partners and customers with reference to the CFE tariff, the tariff is exposed to fluctuations in the energy prices and its related process materials (mainly natural gas, oil and coal).

To reduce uncertainty, mainly linked to expected margin of scheduled Iberdrola Mexico Group transactions, as a result of the volatility of these markets, Iberdrola Mexico Group subscribes financial derivatives to establish the cost of own generation and purchase of energy associated with the expected sales of gas and electricity to customers.

Derivatives for risk management purposes

Generally, the derivatives contracted are intended solely for hedging and not for speculative purposes.

In accordance with the risk management policies drawn up by Iberdrola Mexico Group, the critical terms of the hedging instruments, i.e. derivatives contracted to mitigate the aforementioned interest rate, exchange rate risk and commodity price risks, established in terms equivalent to those of the hedged element, among others*:*

- The notional value of the hedging instrument is equal to or less that of the hedged item.

- The underlying currency of the hedging instrument is the same as that of the hedged item.

- The term of the hedging instrument is equal to or less than that of the hedged item.

- The variable reference interest rate applicable to the hedging instrument is the same as that of the hedged transaction, if appropriate.

- The interest frequency of the hedging instrument is the same as that of the hedged item.

Derivatives contracted for hedge exchange rates and commodity risks are described in Note 19.

Business risks

The activities carried out by Iberdrola Mexico Group are subject to various business risks arising from the uncertainty of the main variables affecting the business activities, among which the most relevant are the regulation of the Electricity Sector and the Natural Gas Sector, the increase in consumption demand for electricity and gas, the availability of wind resources for the production of electricity (both its own and other competitors operating in the same region as the Iberdrola Mexico Group) and the availability of the plants for electricity production.

Liquidity risk

Exposure to adverse situations in the debt or capital markets or Iberdrola Mexico Group's economic and financial situation can hinder or prevent the Iberdrola Mexico Group from obtaining the financing required to properly carry out its business activities.

The Iberdrola Mexico Group's liquidity policy is designed to ensure that it can meet its payment obligations without having to rely on financing under unfavorable conditions. To achieve this, various management strategies are used, including maintaining a strong cash position and ensuring access to adequate committed credit lines in terms of amount, duration, and flexibility. Iberdrola Mexico Group also, diversifies its financing sources by accessing different markets and geographical areas, and it spreads out maturities of its issued debt (see Note 18).

The Iberdrola Mexico Group expects to cover its planned ordinary investments with cash flow generated by its operations and access to bank financing markets; Iberdrola Mexico Group has sufficient cash and loans available to meet these investments.

As of December 31, 2025 and 2024, Iberdrola México Group had undrawn loans and credits facilities amounting to $55,659 and $70,814, respectively. Additionally, as of December 31, 2025, there are short-term cash deposits that, due to its contractual conditions, the Iberdrola Mexico Group incorporates into its liquidity position as of that date.

The following table provides a breakdown by maturity of the liquidity position at December 31, 2025 and 2024, based on the balance of the "Cash and cash equivalents" caption of the consolidated statement of financial position:

Thousands of U.S. dollars	**2025**	**2024**
Maturity		
2025	-	49,338
2026	55,659	21,476
Total loans and credits facilities	**55,659**	**70,814**
Cash and cash equivalents (Note 14)	147,280	2,016,983
Liquidity position	**202,939**	**2,087,797**

Table below provides the remaining contractual maturities of financial liabilities at December 31, 2025 and 2024. The amounts are not discounted and include contractual interest payments and exclude the impact of any compensation.

Thousands of U.S. dollars	**1 year**	**2 – 4 years**	**More than 4 years**	**Total**
As of 31.12.2025				
Lease liabilities	11,838	31,353	89,311	132,502
Trade creditors	110,057	-	-	110,057
Bank borrowings	19,735	56,041	63,093	138,869
Derivative financial instruments	189,062	3,809	-	192,871
Other current liability	90,801	-	-	90,801
	421,493	**91,203**	**152,404**	**665,100**

Thousands of U.S. dollars	1 year	2 – 4 years	More than 4 years	Total
As of 31.12.2024				
Lease liabilities	10,845	31,547	75,755	118,147
Trade creditors	219,809	-	-	219,809
Bank borrowings	25,123	60,502	82,227	167,852
Derivative financial instruments	19,992	1,872	-	21,864
Other current liability	47,863	-	-	47,863
	323,632	**93,921**	**157,982**	**575,535**

Credit risk

Iberdrola Mexico Group is exposed to credit risk arising from the possibility counterparties (customers, suppliers, financial institutions, partners, etc.) might fail to comply with contractual obligations.

Risk is appropriately managed and limited, depending on the type of transaction and the creditworthiness of counterparties. In particular, there is a corporate credit risk policy setting the framework and action principles for proper risk management, which are further developed at business level through procedures of admission criteria, approval flows, authority level, rating tools, exposure measurement methodologies, etc.

The breakdown of financial asset and contract assets balances at December 31, 2025 and 2024 is shown below:

Thousands of U.S. dollars	31.12.2025	31.12.2024
Non-current trade receivables	60	135
Other trade receivables and other current receivables	189,447	211,156
Expected credit losses	(4,080)	(8,331)
Total	**185,427**	**202,960**

Thousands of U.S. dollars	31.12.2025	31.12.2024
Customers and consumer partners	134,906	164,539
CENACE	42,672	28,049
CFE Calificados	1,547	5,180
Others	6,302	5,192
Total	**185,427**	**202,960**

With regard to the credit risk corresponding to commercial debtors, the cost of non-performing loans has remained at moderate levels, close to 1% of the total turnover of this activity.

Regarding other exposures (i.e., counterparties in transactions with financial derivatives, placement of cash surpluses, energy purchase and sale transactions and guarantees received from third parties), in 2025 and 2024 there have been no significant defaults or losses.

With regard to the "Cash and cash equivalents" caption of the consolidated statement of financial position, the average credit rating of the counterparties is AAA (mex) according to the scale used by the agency Fitch Ratings.

Iberdrola Mexico Group's operations carried out with CENACE during 2025 and 2024 were approximately 31% and 52%, respectively, of the total turnover.

As of December 31, 2025 and 2024, there is no concentration of credit risk or significant non-performing financial assets.

Regulatory and political risks

Changes in regulations might impact on the functioning of the market in both the short and long term. In particular, the uncertainty related to the changes in the energy reform recently implemented in Mexico, including, among others, the risks associated with:

- Changes in the methodology for CFE rate calculation and the corresponding effect on the commodity hedging strategy.

- Changes in the methodology for determining “Local Marginal Prices”, as well as in related services and “Income Sufficiency Guarantee”.

- Definition of new fees or taxes as long as they are not transferable to customers.

- Addition of new regulated costs, or an increase in existing ones, that operators had to face, such as network access tolls, etc.

- Addition of new standards in both conventional plants and renewable or efficient cogeneration plants might restrict or modify the operations currently in force.

- Rules, and application thereof, regarding the registration of customers as “Qualified Users”.

- Rules, and application thereof, with respect to the registrations and cancellations of consumer members in self-supply permits, and the incorporation or cancellation of those with regard to measurement and portage studies.

- Rules, and application thereof, regarding the registration of plants under the Market regime, or for transferring a plant from the self-supply regime to the Market regime.

- On March 18, 2025, the LSE was published in the DOF. Most relevant changes includes the prevalence of the Mexican Government, which must maintain 54% of the energy injected into the grid for each calendar year, an increase in the Distribution of Energy carried out by an Exempt Energy Producer, schemes for self-consumption (Interconnected to the SEN with expedited and isolated permission), new modalities of Combined Developments and new regulated activities (such as storage, cogeneration and electromobility). According to the new Law, permits granted under previous laws will continue to take effect until their termination date (see Note 3.l.i). Iberdrola Mexico Group is still evaluating the implications these changes might have on its operations and investments in the country, since, although some laws and regulations have already in force, there are still provisions to be defined.

Market risks

Risks from the potential adverse effect in market fluctuations, includes:

- Variations in the exchange rate of different currencies in which the business operates.

- Uncertainty caused by the fact that the gas price references in the contracts relating to revenues and costs are different.

- Associated risk with the price of electricity in the MEM.

- Associated risk with the price of CEL's derived from current regulation.

- Associated risk with the price of power in the MEM.

- Differences in electricity prices among the nodes in which the generation plants are located, hedging contracts and the nodes in which customers are connected under the Market regime, according to the framework defined in the Electricity Industry Law (LIE).

In the particular case of the delivery of energy to consumer partners and private customers with a referenced price to the discounted CFE tariff, risk associated is in:

- Variations in prices of commodities that impact the supply cost supported with CFE Supplier of Basic Services ("Suministros Básicos Calificados") and, therefore, in the applicable CFE tariff, including the associated exchange rate risk (USD/MXN) from the exchange rate setting date for purchase cost considered in the tariff and the exchange rates applicable in collection date for the energy delivered and in payments for fuel purchases.

Sensitivity analysis

The following sensitivity analyses show, for each type of risk (without reflecting the interdependence among risk variables) how income or loss for the year and equity might be affected by reasonably possible changes in the risk variable at December 31, 2025 and 2024.

Values included in the sensitivity analyses are approximate and, actuals will depend on the existing amounts of debt, real gas consumption, tariff calculation methodology, etc.

- Interest rates

To calculate the sensitivity of the consolidated profit or loss to changes in interest rates, an increase or decrease of 25 basis points (equally in all currencies) is applied to the average balance of net floating interest rate debt, after considering hedges with derivatives.

To calculate the sensitivity of equity, an increase or decrease of 25 basis points (equally in all currencies) is applied to the fair value of the outstanding cash flow hedges at year end, the change in fair value of which is recognized in equity.

The sensitivity of consolidated profit or loss and equity to interest rate fluctuations is as follows:

		Thousands of U.S. dollars		
	Interest rate increase/decrease (basis points	**Impact on profit or loss before tax Income/(Expense**	**Direct impact on equity before tax**	**Impact on Equity before tax**
2025	+25	(233)	N/A	(233)
	-25	233	N/A	233
2024	+25	(866)	N/A	(866)
	-25	866	N/A	866

- Exchange rates

To calculate the sensitivity of consolidated profit or loss to variations in exchange rates, a depreciation or appreciation or appreciation of 5% is applied, mainly on debt whose functional currency is different to the dollar (net of the economic hedging contracted), given that the risk arising from other transactions in foreign currency, either due to financing or business operations, is covered by exchange rate hedges. The sensitivity of equity to the exchange rate is calculated by applying an appreciation or depreciation of 5% on net translation differences and on cash flow derivative hedges whose variation in fair value is recognized in equity.

The sensitivity of consolidated profit or loss and equity changes in the peso/dollar exchange rate is as follows:

		Thousands of U.S. dollars		
	Change in the Mexican peso/dollar exchange rate	Impact on profit or loss before tax Income/(Expense)	Direct impact on equity before taxes	Impact on equity before Tax
2025	+5%	(44,997)	(10,333)	(55,330)
	-5%	44,997	10,333	55,330
2024	+5%	(6,863)	(1,300)	(8,163)
	-5%	6,863	1,300	8,163

- Commodities

The sensitivity of consolidated profit and equity to changes in the market prices of the main commodities is as follows:

		Thousands of U.S. dollars		
Gas	Change in price	Impact on profit or loss before tax Income/(Expense)	Direct impact on equity before taxes	Impact on equity before Tax
2025	+5%	-	10,408	10,408
	-5%	-	(10,408)	(10,408)
2024	+5%	-	8,127	8,127
	-5%	-	(8,127)	(8,127)

6. USE OF ACCOUNTING ESTIMATES

The preparation of these Consolidated Financial Statements has required the Iberdrola Mexico Group to make assumptions and make estimates. The most significant estimates in the accompanying Consolidated Financial Statements are as follows.

a) Unbilled energy supplied

The net revenue for each year includes an estimate of the energy supplied to customers that is pending of bill. The estimate of the energy pending of bill as of December 31, 2025 and 2024, amounted to $143,368 and $123,316, respectively. This amount is included under the heading "Trade receivables and other current assets" in the consolidated statements of financial position (Note 12).

As of December 31, 2025 and 2024, Iberdrola Mexico Group recognized revenues of $14,285 and $5,398, respectively, corresponding to the energy produced and recognized by CFE as “banked energy”, which was determined in accordance with the procedure established in the interconnection contracts.

b) Estimation of the MBP

The gross margin amount for each year includes an estimate of the MBP, as of December 31, 2025 and 2024, amounted to $7,421 as receivable and $101,132 as payable, respectively. A breakdown of these amounts is as follows:

As of December 31, 2025 and 2024, the payable amount to CENACE amounted to $49,809 and $101,132, respectively, and it is included in the caption "Trade creditors and other current liabilities" of the consolidated statements of financial position. Additionally, as of December 31, 2025, Iberdrola Mexico Group recognized an estimation based on the credit notes to be received from a supplier in regards with the non-accredited power amounted to $38,231 and it is included in the caption "Trade creditors and other current liabilities" of the consolidated statements of financial position. Lastly, as of December 31, 2025, it was recognized as an estimation for the unbilled sale of power amounted to $18,999 and it is included in the caption "Commercial receivables and other current assets" of the consolidated statements of financial position.

c) Unbilled energy costs

Supply costs for the sale of electricity include an estimate of the purchases of electricity that are pending billing by suppliers. The estimated energy purchases pending of bill by the supplier as of December 31, 2025 and 2024, amounted to $25,474 and $8,632, respectively, and are included in the caption "Trade creditors and other current liabilities" in the consolidated statements of financial position.

d) Unbilled gas costs

The supplies figures include an estimate of gas purchases that are pending billing by Petróleos Mexicanos, CFEnergía, Engelhart CTP Energy Marketing de México, S. de R.L. de C.V., Kinder Morgan Gas Natural de México, S. de R.L. de C.V., Kinder Morgan Texas Pipeline, LLC, GDF Suez México Comercializadora, S. de R.L. de C.V., Naturgy México, S.A. de C.V. and Gas Natural del Noroeste, S.A. de C.V. The estimate of gas pending invoicing by the suppliers as of December 31, 2025 and 2024, amounted to $24,116 and $18,946, respectively, and is included in the caption "Trade payable and other current liabilities" in the consolidated statements of financial position.

e) Useful lives

The tangible assets owned by the Iberdrola Mexico Group generally operate for very long periods of time. The Iberdrola Mexico Group estimates its useful lives for accounting purposes (Note 4.c) based on each asset's technical characteristics, the period over which it is expected to generate economic benefits and the applicable legislation in each case.

f) Costs of closing and dismantling production facilities

The Iberdrola Mexico Group periodically revises the estimates made concerning the costs to be incurred in the dismantling of its facilities (Note 4.j).

g) Provision for retirement and similar obligations

At the end of each year, Iberdrola México Group estimates the current actuarial provision required to cover retirement obligations and similar obligations to its employees. This process involves an independent valuation of the obligations and assets (Note 4.g).

h) Impairment of assets

As described in Note 4.e, the Iberdrola Mexico Group, in accordance with applicable accounting regulations, tests CGUs that require testing for impairment each year. Specific test are also conducted if indicators of impairment are identified. These impairment tests require estimating the future cash flows of the business and the most appropriate discount rate in each case. Iberdrola México Group believes its estimates in this regard are appropriate and consistent with the current economic situation and reflect its investment plans and the best available estimate of its future expenses and income, it is also confident that its discount rates adequately reflect the risks to which CGU is exposed.

As of December 31, 2025 and 2024, Iberdrola México Group did not identify any indicators of impairment in the value of non-current assets.

i) Determining the term of a lease

In determining the term of a lease, Iberdrola México Group considers all relevant facts and circumstances that create a significant economic incentive for the lessee to exercise the renewal option or not to exercise the cancellation option. In the case that a significant event or a significant change in circumstances occurs that may affect the term Iberdrola México Group reviews the valuations made in the determination of the lease term. Renewal or termination options are only included in determination of the lease term if it is reasonably certain that the contract will be extended or will not be cancelled. In the case of a significant event or a significant change in circumstances that may affect the determination of the term, the Iberdrola México Group reviews the valuations made in the determination of the lease term.

7. INTANGIBLE ASSET

Changes in intangible assets and the corresponding accumulated amortization during 2025 and 2024 were as follows:

Thousands of U.S. dollars	Balance at 31.12.2024	Additions	Disposals	Write-offs credited to earnings	Amortization (Note 28)	Balance at 31.12.2025
Cost:						
Transfered rights of use	15,144	453	-	(4,555)	-	11,042
Computer applications	15,500	1,799	(2,636)	-	-	14,663
Customer acquisition cost	7,749	-	-	-	-	7,749
Cloud licensing	2,334	449	-	-	-	2,783
Total cost	**40,727**	**2,701**	**(2,636)**	**(4,555)**	**-**	**36,237**
Accumulated amortization:						
Transfered rights of use	(10,350)	-	-	3,265	(969)	(8,054)
Computer applications	(11,915)	-	2,636	-	(1,583)	(10,862)
Customer acquisition cost	(3,626)	-	-	-	(688)	(4,314)
Cloud licensing	(1,414)	-	-	-	(838)	(2,252)
Total accumulated amortization	**(27,305)**	**-**	**2,636**	**3,265**	**(4,078)**	**(25,482)**
Total	**13,422**	**2,701**	**-**	**(1,290)**	**(4,078)**	**10,755**

Thousands of U.S. dollars	Balance at 31.12.2023	Additions	Disposals	Amortization (Note 28)	Balance at 31.12.2024
Cost:					
Transfered rights of use	14,734	709	(299)	-	15,144
Computer applications	14,251	1,249	-	-	15,500
Customer acquisition cost	7,749	-	-	-	7,749
Cloud licensing	2,122	212	-	-	2,334
Total cost	**38,856**	**2,170**	**(299)**	**-**	**40,727**
Accumulated amortization:					
Transfered rights of use	(9,627)	-	209	(932)	(10,350)
Computer applications	(10,085)	-	-	(1,830)	(11,915)
Customer acquisition cost	(2,938)	-	-	(688)	(3,626)
Cloud licensing	(662)	-	-	(752)	(1,414)
Total accumulated amortization	**(23,312)**	**-**	**209**	**(4,202)**	**(27,305)**
Total	**15,544**	**2,170**	**(90)**	**(4,202)**	**13,422**

8. PROPERTY, PLANT AND EQUIPMENT

Changes in 2025 and 2024 in Property, plant and equipment and their corresponding accumulated depreciation were as follows:

Thousands of U.S. dollars	Balance at 31.12.2023	Additions	Disposals	Transfers	Depreciation (Note 28)	Balance at 31.12.2024	Additions	Disposals	Transfers	Write offs credited to earnings	Depreciation (Note 28)	Balance at 31.12.2025
Cost:												
Land	29,214	2,843	-	-	-	32,057	-	-	-	-	-	32,057
Technical installations in operation:												
Combined cycle power plant	774,920	-	(2,193)	3,790	-	776,517	-	-	60,644	-	-	837,161
Cogeneration plant	432,349	6,380	(756)	9,293	-	447,266	13,871	-	-	-	-	461,137
Wind power plant	1,069,800	-	(6,550)	3,492	-	1,066,742	2,912	(246)	3,347	-	-	1,072,755
Photovoltaic power plant	512,691	2,336	(3,315)	10,067	-	521,779	48	(3,123)	14,554	-	-	533,258
Transport facilities	152,803	-	(189)	-	-	152,614	-	-	(224)	-	-	152,390
Meters and measuring devices	44,108	6,119	(1)	-	-	50,226	9,537	-	-	-	-	59,763
Total technical installations in operation	**2,986,671**	**14,835**	**(13,004)**	**26,642**	**-**	**3,015,144**	**26,368**	**(3,369)**	**78,321**	**-**	**-**	**3,116,464**
Other elements in operation	55,915	8,902	(167)	23,580	-	88,230	6,397	(160)	47,863	-	-	142,330
Technical installations in progress	73,148	83,502	(877)	(42,674)	-	113,099	83,827	-	(113,021)	(913)	-	82,992
Other fixed assets in progress	15,288	15,574	(1,981)	(7,548)	-	21,333	27,585	(5,022)	(13,163)	-	-	30,733
Down payments for property, plant and equipment	1,886	-	(81)	-	-	1,805	-	-	-	-	-	1,805
Total cost	**3,162,122**	**125,656**	**(16,110)**	**-**	**-**	**3,271,668**	**144,177**	**(8,551)**	**-**	**(913)**	**-**	**3,406,381**
Accumulated depreciation:												
Technical installations in operation:												
Combined cycle power plant	(98,531)	-	28	-	(23,184)	(121,687)	-	-	-	-	(26,976)	(148,663)
Cogeneration plants	(159,615)	-	-	-	(21,661)	(181,276)	-	-	-	-	(19,519)	(200,795)
Wind power plant	(275,765)	-	1,154	-	(37,110)	(311,721)	-	131	-	-	(36,967)	(348,557)
Photovoltaic Plant	(77,520)	-	40	-	(16,659)	(94,139)	-	-	-	-	(17,311)	(111,450)
Transport facilities	(25,764)	-	189	-	(4,575)	(30,150)	-	-	34	-	(4,574)	(34,690)
Meters and measuring devices	(13,913)	-	-	-	(4,487)	(18,400)	-	-	-	-	(9,883)	(28,283)
Total accumulated depreciation of technical installations in operation	**(651,108)**	**-**	**1,411**	**-**	**(107,676)**	**(757,373)**	**-**	**131**	**34**	**-**	**(115,230)**	**(872,438)**
Depreciation of other items in operation	(26,782)	-	32	-	(6,444)	(33,194)	-	160	(34)	-	(8,408)	(41,476)
Total accumulated amortization	**(677,890)**	**-**	**1,443**	**-**	**(114,120)**	**(790,567)**	**-**	**291**	**-**	**-**	**(123,638)**	**(913,914)**
Impairment provision (Note 28)	(20,254)	(362)	-	-	-	(20,616)	-	-	-	-	-	(20,616)
Total accumulated amortization	**(698,144)**	**(362)**	**1,443**	**-**	**(114,120)**	**(811,183)**	**-**	**291**	**-**	**-**	**(123,638)**	**(934,530)**
Total net cost	**2,463,978**	**125,294**	**(14,667)**	**-**	**(114,120)**	**2,460,485**	**144,177**	**(8,260)**	**-**	**(913)**	**(123,638)**	**2,471,851**

Capitalized expenses recorded in “Property, plant and equipment in progress” amounted to $111,412 in 2025 and $99,976 in 2024. These amounts correspond to major maintenance, recurring maintenance, and expenses related to the separation of civil works to delimit the power plants of the companies sold to MIP (Note 1.i).

As of December 31, 2025 and 2024, Iberdrola México Group has no restrictions on ownership of its property, plant and equipment, nor components that are collateral for the fulfillment of obligations, covenants or restrictions of any nature. As of December 31, 2025 and 2024, Iberdrola México Group has commitments to acquire property, plant and equipment in the amount of $261,034 (corresponding to the construction of two photovoltaic parks for Green Park Energy) and $4,982, respectively.

9. DISCONTINUED OPERATIONS

As of December 31, 2024, the following transactions meet the requirements set forth in IFRS 5 "Non-current assets held for sale and discontinued operations" for classification as such in the consolidated income statement.

On June 11, 2023, Iberdrola México Group signed the Stock Purchase Agreement (SPA) by which the shares of the companies described in Note 1.i were sold on February 26, 2024.

As a result of the sale of companies and in accordance with IFRS 5 "Non-current assets held for sale and discontinued operations", Iberdrola México Group classified the business as discontinued operations under the PIE regime corresponding to a CGU. The results for the year 2024 (from January 1 through February 26) from discontinued operations (net of taxes) are as follows:

	Thousands of U.S. dollars
	2024
Net revenues	334,625
Supplies	(212,003)
GROSS INCOME	**122,622**
Personnel expenses	(5,470)
External services	(38,984)
Other operating income	2,395
Net operating expense	**(42,059)**
Taxes	(2,509)
GROSS OPERATING PROFIT – EBITDA	**78,054**
Depreciation	-
OPERATING PROFIT – EBIT	**78,054**
Finance income	26,588
Finance expense	(53,497)
Net finance result	**(26,909)**
PROFIT BEFORE TAX	**51,145**
Income tax	(22,123)
NET PROFIT FOR THE YEAR FROM DISCONTINUED OPERATIONS (NET OF TAXES)	**29,022**

10. RIGHT-OF-USE ASSETS

Changes in the right-of-use assets resulting from contracts in which the Iberdrola Mexico Group is the lessee during 2025 and 2024 are as follows:

Thousands of U.S. dollars	Balance at 01.01.2024	Additions	Amortization for the year	Balance at 31.12.2024	Additions	Amortization for the year	Balance at 31.12.2025
Cost:							
Land	55,069	1,856	-	56,925	3,775	-	60,700
Buildings	20,652	915	-	21,567	310	-	21,877
Equipment	890	235	-	1,125	15	-	1,140
Fleet	2,743	1,412	-	4,155	1,625	-	5,780
Total cost	**79,354**	**4,418**	**-**	**83,772**	**5,725**	**-**	**89,497**
Accumulated amortization:							
Land	(10,393)	-	(1,759)	(12,152)	-	(2,742)	(14,894)
Buildings	(10,665)	-	(1,901)	(12,566)	-	(2,106)	(14,672)
Equipment	(890)	-	(540)	(1,430)	-	290	(1,140)
Fleet	(1,528)	-	(416)	(1,944)	-	(986)	(2,930)
Total accumulated amortization	**(23,476)**	**-**	**(4,616)**	**(28,092)**	**-**	**(5,544)**	**(33,636)**
Impairment provision	**-**	**-**	**-**	**-**	**(1,892)**	**-**	**(1,892)**
Total net cost	**55,878**	**4,418**	**(4,616)**	**55,680**	**3,833**	**(5,544)**	**53,969**

Iberdrola Mexico Group has lease agreements for the land used for the installation of wind farms, solar plants and other renewable facilities. These are long-term agreements and/or include extension options which may adjust the lease term to the useful life of property, plant and equipment installed there.

Moreover, Iberdrola Mexico Group maintains long-term contracts with options to be extended on certain office buildings.

Many of the lease contracts for land and building lease are indexed to consumer price index or equivalent indices.

11. IMPAIRMENT OF NON-FINANCIAL ASSETS

Methodology for designing impairment tests

Iberdrola Mexico Group analyzes, at least annually, its assets for impairment indicators, if such indicators are found an impairment test is performed (Note 4.e).

The projections used in the impairment tests are based on the best forecast information held by Iberdrola Mexico Group and include the investment plans prevailing at that time.

a) Assumptions used in the business:

- Facilities production: the operating hours of each plant were consistent with their historical output and in accordance with the expected future evolution.

- Electricity and gas sales prices: the prices stipulated in the sales agreements have been used, where appropriate. For unsold production, futures prices of the markets where it is traded have been used.

- Electricity and gas marketing margin: expectations of evolution of the number of customers and unit margins have been used based on knowledge of the markets where they operate and its relative position in each of them.

- Investment in existing facilities: the projections are based on the best available information about the cost of the investments to be made in coming years.

- Operation and maintenance costs: the best available estimation of the maintenance contracts for existing facilities was used. The rest of the operating costs have been projected in a manner consistent with the expected growth.

- Lease contracts: land lease contracts in force have been considered.

As of December 31, 2025 and 2024, Iberdrola México Group does not identify any impairment indicator in the value of non-current assets.

12. TRADE AND OTHER RECEIVABLES

The composition of this heading of the consolidated statement of financial position is as follows:

Thousands of U.S. dollars	**31.12.2025**	**31.12.2024**
Customers and Consumer Partners*	179,125	197,768
Related parties (Note 32)	299	-
Other accounts receivable	6,003	5,192
Total	**185,427**	**202,960**

(*) Includes the estimate of energy pending of billing, as well as an estimate for expected credit losses.

Iberdrola Mexico Group estimates that the carrying amount of trade receivable from customers and other receivable is close to their fair value. Aging of trade receivable for customers and consumer partners is less than 30 days in 2025 and 2024.

In December 2025 and 2024, the Iberdrola Mexico Group carried out a non-recourse factoring transaction with the bank Santander S.A. for the estimated energy pending of billing to clients related to the energy sold in December 2025 and 2024, for $100,000 and $70,000, respectively; therefore, trade receivable are presented net of the aforementioned amounts. The discount amount for this operation amounted to $431 and $301, respectively, which was recognized in the caption "Finance expense" in the consolidated income statements.

13. MEASUREMENT OF FINANCIAL INSTRUMENTS

Excluding cash and cash equivalents, the comparison of the carrying amount and fair value of the financial instruments of the Iberdrola Mexico Group is as follows:

Thousands of U.S. dollars	31.12.2025		31.12.2024	
	Book value	Fair value	Book value	Fair value
Financial assets				
Trade receivables and other current assets*	185,427	185,427	202,960	202,960
Derivative financial instruments*	8,520	8,520	62,039	62,039
Other non-current assets*	10,722	10,722	10,577	10,577
Financial liabilities				
Trade payables and other current liabilities*	200,857	200,857	267,671	267,671
Debts with bank institutions and other obligations**	107,479	107,906	147,976	143,453
Other non-current payables*	-	-	394	394
Derivative financial instruments*	192,871	192,871	21,864	21,864
Leases*	61,305	61,305	56,388	56,388
Other non-current liabilities*	482	482	1,046	1,046

(*) The level in the fair value hierarchy is 2: assets and liabilities whose fair value has been determined by valuation techniques that use market-observable assumptions.

(**) The level in the fair value hierarchy is 2: Financial instruments classified at amortized cost.

The Iberdrola Mexico Group measures derivative financial instruments at fair value, considering they can be reliably measured, classifying them into three levels:

- Level 1: assets and liabilities listed in liquid markets.

- Level 2: assets and liabilities whose fair value has been determined applying valuation techniques that use assumptions observable in the market.

- Level 3: assets and liabilities whose fair value has been determined by applying valuation techniques that do not use assumptions observable in the market.

14. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

The breakdown of the non-current restricted cash in the consolidated statements of financial position as of December 31, 2025 and 2024, is as follows:

Thousands of U.S. dollars	31.12.2025	31.12.2024
Restricted Cash	-	5,433
	-	**5,433**

As of December 31, 2024, subsidiary Pier II Quecholac Felipe Ángeles has restricted cash, in accordance with the funding requirement in terms of the Trust Agreement entered into with Banco del Bajío, S.A. Institución de Banca Múltiple (Note 18).

The breakdown of current cash and cash equivalents in the consolidated statements of financial position as of December 31, 2025 and 2024, is as follows:

Thousands of U.S. dollars	31.12.2025	31.12.2024
Cash in banks	133,187	1,411,602
Restricted cash	11,816	11,586
Other equivalent liquid investments	2,277	593,795
	147,280	**2,016,983**

As of December 31, 2025 and 2024, subsidiary Parque Industrial de Energía Renovable (PIER) maintained current restricted cash, which is managed for the administration of PIER revenues and payments, through the Trust entered into with Banco del Bajío, S.A. Institución de Banca Múltiple (see Note 18).

The other equivalent liquid investments are contracted for a term of less than three months and bear market interest rates.

15. EQUITY

Subscribed capital

Share capital as of December 31, 2025 and 2024, is as follows:

	Number of shares	Amount (thousands of U.S. dollars)
Fixed capital		
Class I	50,000	4
Variable capital		
Class II	12,691,942,012	1,116,773
Total	**12,691,992,012**	**1,116,777**

Share capital is composed of registered common shares with a par value of $1 Mexican peso, fully subscribed and paid up and are freely subscribed.

By provisions of the Public Electric Energy Service Law and its regulations for energy supply under a self-supply regime, consumer partners must be shareholder in the subsidiary of the Iberdrola Mexico Group that supply to them.

Capital Structure

Iberdrola Mexico Group' is committed to maintaining a policy of financial prudence, ensuring a financial structure, that optimizes the cost of capital.

Leverage ratios at December 31, 2025 and 2024 are as follows:

Thousands of U.S. dollars	31.12.2025	31.12.2024
Parent	2,336,754	3,766,858
Non-controlling interests	137,148	121,694
Equity	**2,473,902**	**3,888,552**
Debts with bank institutions and other obligations	107,479	147,976
Derivative financial liabilities	150,757	233
Leases	61,305	56,388
Gross financial debt	**319,541**	**204,597**
Derivative financial assets	379	38,932
Cash and equivalents and restricted cash	147,280	2,022,416
Total cash assets	**147,659**	**2,061,348**
Net financial debt	**171,882**	**(1,856,751)**
Net leverage	**6%**	**-%**

Legal reserve

In accordance with the General Law of Commercial Companies, 5% of profits for the year must be transferred to legal reserve, until the balance of this reserve reaches at least 20% of the share capital at nominal value. The legal reserve can be capitalized, but it is not subject to distribution unless the company is dissolved and must be reconstituted when it decreases for any reason. As of December 31, 2025 and 2024, its amount amounts to $232,367.

Dividends

On February 27, 2025, the Shareholders' Meeting of Iberdrola Mexico approved the payment of dividends of $1,700,000 equivalent to $0.1339 per share.

On May 5, 2025, the Shareholders' Meeting of Pier II Quecholac Felipe Ángeles approved the payment of dividends to its consumer partners for $2,097 equivalent to $0.0158 per share.

On September 30, 2024, the Shareholders' Meeting of Iberdrola Mexico approved the payment of dividends of $930,643 equivalent to $0.0733 per share.

On October 29, 2024, the Shareholders' Meeting of Iberdrola Cogeneración Ramos approved the payment of dividends to its consumer partners for $107 equivalent to $1.0753 per share. On September 30, 2024, the Shareholders' Meeting of Pier II Quecholac Felipe Ángeles approved the payment of dividends to its consumer partners for $3,220 equivalent to $0.0119 per share.

16. EMPLOYEE BENEFITS

The breakdown of this caption of the consolidated statements of financial position as of December 31, 2025 and 2024 is as follows:

Thousands of U.S. dollars	31.12.2025	31.12.2024
Defined benefit plans	7,332	7,311

The Iberdrola Mexico Group estimates annually through actuarial studies carried out by independent experts the amount of the obligation and the retirement payments and similar benefits that it will have to meet.

Defined benefit plans

The main obligations maintained by the Iberdrola Mexico Group in relation to defined benefits for its employees, complementary to those of Social Security, are those stipulated in the collective bargaining agreements (CBAs) and the seniority bonus contained in the Federal Labor Law (Ley Federal del Trabajo "LFT").

The movement during the years 2025 and 2024 of the provision for the commitments indicated above is as follows.

Thousands of U.S. dollars	Collective bargaining agreement	Seniority bonus	Retirement compensation	Total
Balance as of 01.01.2024	**1,543**	**1,514**	**6,826**	**9,883**
Current service cost	96	161	380	637
Finance expense (Note 26)	111	115	546	772
Cost of past services	-	2	(579)	(577)
Payments	(8)	(99)	(73)	(180)
Actuarial gain and losses	(600)	19	(898)	(1,479)
Translation differences	(279)	(263)	(1,203)	(1,745)
Balance as of 01.01.2025	**863**	**1,449**	**4,999**	**7,311**
Current service cost	79	147	288	514
Financial cost (Note 26)	95	159	535	789
Cost of past services	(918)	12	567	(339)
Payments	(6)	(94)	(9)	(109)
Gain due to anticipated settlement of obligations	-	(290)	(2,317)	(2,607)
Actuarial gain and losses	7	296	321	624
Translation differences	102	279	768	1,149
Balance as of 31.12.2025	**222**	**1,958**	**5,152**	**7,332**

The main assumptions applied in the actuarial reports that determined the provisions needed to meet aforementioned commitments at December 31, 2025 and 2024 are as follows.

	2025			2024		
	Discount rate	**INPC/ Wage growth**	**Mortality tables**	**Discount rate**	**INPC/ Wage growth**	**Mortality tables**
CBAs and LFT	9.05%-10.44%	6.50%, 4.25%	Mexican Social Security Experience 2009	10.02%-11.26%	6.50%, 4.25%	Mexican Social Security Experience 2009

Iberdrola Mexico Group has a report in which the actuarial assumptions and corresponding accounting implications were reviewed. The sensitivity of the present value of each obligation to the change in the discount rate is as follows:

Thousands of U.S. dollars	2025	
	Increase/decrease in discount rate (basis points)	Impact in the present value of the obligation
Collective bargaining agreement	+0.5	(7)
	-0.5	8
Seniority bonus	+0.5	(76)
	-0.5	79
Retirement compensation	+0.5	(204)
	-0.5	212

Thousands of U.S. dollars	2024	
	Increase/decrease in discount rate (basis points)	Impact in the present value of the obligation
Collective bargaining agreement	+0.5	(80)
	-0.5	95
Seniority bonus	+0.5	(60)
	-0.5	64
Retirement compensation	+0.5	(249)
	-0.5	277

17. OTHER PROVISIONS

The movements and breakdown in the caption "Other provisions" in the consolidated statements of financial position in 2025 and 2024 are as follows:

	Non-current liabilities			
Thousands of U.S. dollars	Provision for facility closure costs (Note 4.j)	Provision for asset purchase options	Provisions for equity-settled share-based payment and litigation	Total
Balances as of 01.01.2024	**84,914**	**69,004**	**434**	**154,352**
Reversals to property, plant and equipment	(6,342)	-	-	(6,342)
Charged to profit or loss for the year	3,419	-	136	3,555
Provisions charges to non-current assets	-	13,030	-	13,030
Balances as of 31.12.2024	**81,991**	**82,034**	**570**	**164,595**
Charge to property, plant and equipment	13,476	-	-	13,476
Charges/(reversals) to profit or loss for the year	3,596	-	(83)	3,513
Reversal to non-current assets	-	(5,321)	-	(5,321)
Balances as of 31.12.2025	**99,063**	**76,713**	**487**	**176,263**

The Iberdrola Mexico Group also maintains provisions to meet a series of costs needed for decommissioning at its combined cycle and cogeneration plants, and its wind and photovoltaic farms (see Note 8).

The cost arising from decommissioning obligations is recalculated on a regular basis to incorporate the experience of the decommissioning carried out into future cost estimates or to include new bylaw or regulatory requirements.

The breakdown of the provision for facility closures is as follows:

Thousands of U.S. dollars	31.12.2025	31.12.2024
Combined cycle power plant	7,092	7,819
Cogeneration plant	24,216	9,029
Wind farms	41,514	37,597
Photovoltaic parks	25,372	27,234
Smart solar	869	312
Total	**99,063**	**81,991**

The discount rates (minimum and maximum range) before taxes of the Iberdrola Mexico Group used in the present value of the operating provisions are as follows:

Discount rate 2025		Discount rate 2024	
From 1 year	50 years old	From 1 year	50 years old
3.48%	4.97%	4.20%	4.56%

The breakdown of the provision for asset purchase options is as follows:

Thousands of U.S. dollars	31.12.2025	31.12.2024
Las Garzas Energía Dos, S.A. de C.V. (13)	18,000	18,000
Complejo Centella, S.A. de C.V. (10)	14,400	14,400
EPI FMAS Tres, S.A. de C.V. (1)	10,530	10,530
Bluemex Power 10, S.A. de C.V. (3)	6,000	6,000
Proyecto Solar Brazo Fuerte, S. de R.L. de C.V. (7)	5,213	5,213
Mexsun Solar, S.A. de C.V. (5)	5,000	5,000
EPI FMAS Dos, S.A. de C.V. (4)	4,600	4,600
EPI FMAS, S.A. de C.V. (6)	4,000	4,000
BLUEMEX Power San Miguel, S.A. de C.V. (2)	2,500	2,500
Las Garzas Solar Energy, S.A. de C.V. (14)	2,400	2,400
Proyecto Solar Jalisco, S. de R.L. de C.V. (8)	2,070	2,070
Complejo Aguanaval, S.A. de C.V. (11)	2,000	2,000
Energía Limpia de Rojito, S. de R.L. de C.V. (9)	-	4,190
Mexsun Bajío, S.A de C.V. (12)	-	1,131
Total	**76,713**	**82,034**

As of December 31, 2025 and 2024, Iberdrola México Group recorded a provision to meet purchase promises for $76,713 and $82,034, respectively, in the caption "Non-current financial investments".

(1) On December 2, 2024, Iberdrola Renovables México and Green Park Energy entered into a conditional purchase option agreement for the shares of the company EPI FMAS Tres, S.A. de C.V with MRS Sustentable, S. de R.L. de C.V. Additionally, on December 2, 2024, both parties signed a mutual agreement and a pledge agreement on shares. As of December 31, 2025, Iberdrola Mexico Group maintains a long-term provision to meet the purchase option for $10,530.

(2) On April 30, 2024, Iberdrola Renovables México and Green Park Energy entered into a conditional purchase option agreement for shares of the company BLUEMEX Power San Miguel, S.A. de C.V. with Internovum Solar, S.A. de C.V and Isolarmex, S.A. de C.V. Additionally, on June 18, 2024, both parties signed a mutual agreement and a pledge agreement on shares. As of December 31, 2025, Iberdrola Mexico Group maintains a long-term provision to meet the purchase option for $2,500.

(3) On July 31, 2023, Iberdrola Renovables México and Parques Ecológicos de México entered into a conditional purchase option agreement for the shares of the company Bluemex Power 10, S.A. de C.V. with Isolarmex, S.A. de C.V. Additionally, on October 24, 2023, parties signed a mutual agreement and a pledge agreement on shares. Finally, on December 15, 2024, the parties agreed to modify the capacity from 250 MW to 300 MW, increasing the long-term provision to meet the purchase option for a total of $6,000.

(4) On July 31, 2023, Iberdrola Renovables México and Parques Ecológicos de México, entered into a conditional purchase option agreement for shares of the company EPI FMAS Dos, S.A. de C.V. with MRS Sustentable, S. de R.L. de C.V. Additionally, on October 24, 2023, parties signed a mutual agreement and a pledge agreement on shares. Finally, on October 24, 2023, the parties agreed to modify the capacity from 150 MW to 230 MW, increasing the provision to meet the purchase option for a total of $4,600.

(5) On 15 March 2023, Iberdrola Renovables México and Green Park Energy[3] entered into a conditional purchase option agreement for shares of the company Mexsun Solar, S.A. de C.V. with Green Power Renovables 2013, S.L. In addition, on 15 March 2023, both parties signed a mutual agreement and a pledge agreement on shares. As of December 31, 2025, Iberdrola México Group maintains a long-term provision to meet the purchase option for $5,000.

(6) On 6 March 2023, Iberdrola Renovables México and Green Park Energy[3] entered into a conditional purchase option agreement for shares of the company EPI FMAS, S. de R.L. de C.V. with MRS Sustentable, S. de R.L. de C.V., and Alejandro Federico Robles Hue. Additionally, on March 6, 2023, both parties signed a mutual agreement and a pledge agreement on shares. As of December 31, 2025, Iberdrola México Group maintains a long-term provision to meet the purchase option for $4,000.

(7) On 23 December 2022, Iberdrola Renovables México and Green Park Energy[3] entered into a conditional purchase option agreement for shares in the company Proyecto Solar Brazo Fuerte, S. de R.L. de C.V. with Sowitec de México Energías Renovables, S. de R.L. de C.V. and Sowitec Netherlands, B.V. In addition, on 23 December 2022, both parties signed a mutual agreement and a pledge agreement on shares. As of December 31, 2025, Iberdrola México Group maintains a long-term provision to meet the purchase option for $5,213.

(8) On 20 December 2022, Iberdrola Renovables México and Green Park Energy[3] entered into a conditional purchase option agreement for shares of the company Proyecto Solar Jalisco, S. de R.L. de C.V. with Sowitec de México Energías Renovables, S. de R.L. de C.V. and Sowitec Netherlands, B.V. In addition, on 11 July 2023, both parties signed a mutual agreement and a pledge agreement on shares. As of December 31, 2025, Iberdrola México Group maintains a long-term provision to meet the purchase option for $2,070.

(9) On 16 December 2022, Iberdrola Renovables México and Green Park Energy[3] entered into a conditional purchase option agreement for shares of Energía Limpia de Rojito, S. de R.L. de C.V. with Sowitec de México Energías Renovables, S. de R.L. de C.V. and Sowitec Netherlands, B.V. In addition, on 12 May 2023, both parties signed a mutual agreement and a pledge agreement on shares. On March 19, 2025, parties signed the termination and settlement agreement of the purchase option contract, the mutual agreement and the share pledge agreement.

(10) On 4 November 2022, Iberdrola Renovables México and Green Park Energy[3] entered into a conditional purchase option agreement for shares of the company Complejo Centella, S.A. de C.V. with Ecoiberica México, S.A. de C.V. In addition, on 4 November 2022, both parties signed a mutual agreement and a pledge agreement on shares. As of December 31, 2022, Iberdrola México Group maintained a long-term provision to meet the purchase option for $7,000. On October 10, 2023, the parties agreed to modify the capacity from 350 MW to 720 MW, increasing the recognized long-term provision to meet the purchase option in the amount of $14,400.

[3] The shareholders of Energías Renovables Venta III agreed to spin-off on July 24, 2023, transferring, among others, all the rights and obligations arising from these contracts to the company Green Park Energy.

(11) On 3 November 2022, Iberdrola Renovables México and Green Park Energy[3] entered into a conditional purchase option agreement for shares of the company Complejo Aguanaval, S.A. de C.V., with Ecoiberica México, S.A. de C.V. In addition, on 3 November 2022, parties signed a mutual agreement and a pledge agreement on shares. As of December 31, 2025, Iberdrola México Group maintains a long-term provision to meet the purchase option for $2,000.

(12) On 11 February 2020, Iberdrola Renovables México and Green Park Energy[3] entered into a conditional purchase option agreement for shares of the company Mexsun Bajío, S.A. de C.V. with Coliaenergía España, S.L. and Zaragoza Medienerco, S.L. Additionally, on March 26, 2022, parties signed a mutual agreement and a pledge agreement on shares. As of December 31, 2025, Iberdrola México Group maintains a provision to meet the purchase option for $1,131. On April 2, 2025, parties signed the termination and settlement agreement of the purchase option contract, the mutual agreement and the share pledge agreement.

(13) On 1 November 2019, Iberdrola Renovables México and Iberdrola Generación México entered into a conditional purchase option agreement for shares in two companies with Alejandro Valles Barajas, Aldo Christian Álvarez Torres and Raquel Márquez Peña ("Freeman"). On June 19, 2020, Las Garzas Energía Dos, S.A. de C.V. was established for the development of the two projects. On November 22, 2023, parties signed a first agreement amending the purchase option contract. As of December 31, 2025, Iberdrola México Group maintains a provision to meet the purchase option for $18,000.

(14) On 1 November 2019, Iberdrola Renovables México and Green Park Energy[3] entered into a conditional purchase option agreement for shares of Las Garzas Solar Energy, S.A. de C.V. with Freeman. On October 22, 2023, parties signed a first amendment to the purchase option contract. As of December 31, 2025, Iberdrola México Group maintains a provision to meet the purchase option for $2,400.

18. BANK BORROWINGS AND OTHER OBLIGATIONS

Detail of bank borrowings and other obligations outstanding at December 31, 2025 and 2024 and the repayment schedule are as follows:

		Bank borrowings at December 31, 2025 maturing in	
		Current	Non-current
Thousands of U.S. dollars	Balance as of 31.12.2025	2026	2027 and beyond
In thousands of U.S. dollars			
Term credit $177,050	104,977	11,880	93,097
Unpaid accrued interest	2,502	2,502	-
	107,479	**14,382**	**93,097**

		Bank borrowings at December 31, 2024 maturing in	
		Current	Non-current
Thousands of U.S. dollars	Balance as of 31.12.2024	2025	2026 and beyond
In thousands of U.S. dollars			
Term credit $34,942	13,412	-	13,412
Term credit $177,050	116,137	11,159	104,978
Unpaid accrued interest	7,263	2,953	4,310
	136,812	**14,112**	**122,700**
In thousands of Mexican pesos			
Term credit $1,121,000	10,620	2,567	8,053
Unpaid accrued interest	544	544	-
	11,164	**3,111**	**8,053**
Total	**147,976**	**17,223**	**130,753**

The balances of the loans credits above indicated correspond to the amounts outstanding and pending of repayment as of December 31, 2025 and 2024.

The breakdown of bank borrowings at December 31, 2025 and 2024, once foreign exchange and rate and interest rate hedges are considered and repayment schedule are as follows:

31.12.2025 Thousands of U.S. dollars	2026	2027	2028	2029	2030	2031 and beyond	Total
U.S. Dollar	6,339	5,572	4,774	3,905	2,999	3,773	27,362
Total	**6,339**	**5,572**	**4,774**	**3,905**	**2,999**	**3,773**	**27,362**

31.12.2024 Thousands of U.S. dollars	2025	2026	2027	2028	2029	2030 and beyond	Total
U.S. Dollar	6,437	4,865	4,277	3,664	2,997	5,198	27,438
Mexican Peso	1,281	921	530	198	20	-	2,950
Total	**7,718**	**5,786**	**4,807**	**3,862**	**3,017**	**5,198**	**30,388**

Credit agreement for $177,050
Loan subscribed by PIER on November 29, 2018 with Nacional Financiera, S.N.C., Development Bank Institution (NAFIN). Loan amounted to $177,050 and consists of two tranches, the first amounted to $61,968 and interest rate is TERMSOFR6 plus 3.1283% and the maturity date is August 2033; and the second tranche amounted to $115,082, interest rate is 5.50% and the maturity date is August 2033. As of December 31, 2025, both tranches were fully disposed of, and amortizable expenses recognized amounted to $1,543. During 2025, payments made to the principal amounted to $11,574.

The loan signed with NAFIN incorporates standard clauses in the financing of projects such as compliance with certain financial ratios and the obligation to pledge the shares of the project company for the benefit of the creditor (see Note 31). Additionally, to guarantee loan payments, PIER and NAFIN (trustors) constituted an irrevocable trust with Banco del Bajío, S.A. Institución de Banca Múltiple (Trustee), with purpose of guarantee, administration and source of payment.

Credit line $34,942
Credit facility subscribed by PIER and Impulsora Latinoamericana de Energía Renovable, S.A. de C.V. on June 28, 2018. As of December 31, 2024, this credit line amounted to $34,942 and the available amount is $13,412. Interest rate is TERMSOFR6 plus 2.7283%, with a maturity date in December 28, 2033. On 18 December 2025, this loan was paid in full.

Credit agreement for $1,121,000 thousand Mexican pesos equivalent to $62,393
Loan subscribed by Pier II Quecholac Felipe Ángeles, on August 4, 2016 with NAFIN. As of December 31, 2024, the credit amounted to $10,620 ($215,249 thousand Mexican pesos). The interest rate is TIIE plus 2.50% with a maturity date in August 2029. As of December 31, 2024, both tranches were fully disposed of, and amortizable expenses of $20 ($395 thousand Mexican pesos) were recognized. During 2024, payments made to capital amounted to $18,466 ($345,654 thousand Mexican pesos). On February 28, 2025, this credit was paid in full.

The subscribed loan with NAFIN incorporates standard clauses in the financing of projects such as compliance with certain financial ratios and the obligation to pledge the shares of the project company for the benefit of the creditor (see Note 31).

At the date of these Consolidated Financial Statements, neither Iberdrola México nor any of its subsidiaries are in default of these financial obligations or of any type of obligation that could give rise to a situation of early maturity of its financial commitments.

For borrowing funds in dollars as of December 31, 2025 and 2024, the weighted average interest cost was approximately 5.98% and 6.06%, respectively.

For borrowing funds in Mexican pesos as of December 31, 2025 and 2024, the weighted average interest cost was approximately 10.54% and 10.64%, respectively.

On November 5, 2007, Iberdrola Mexico Group entered into credit line agreement with BBVA México, S.A., with the purpose to support any operation needs. Credit line was renovated on October 30, 2024, considering in the credit line by $55,659 ($1,000,000 thousand Mexican pesos), with the purpose to meet payment commitments acquired. The interest rate is TIIE plus 0.5% over unpaid for funds borrowed extendable annually.

A reconciliation between the relevant movements in financial debt and cash flows is as follow:

Thousands of U.S. dollars	Balance at 01.01.2025	Transfers	Provisions	Repayments	Interest paid	Interest accrued	Foreign currency exchange	Accrual of transaction costs	Balance at 31.12.2025
Short-term financial debt	17,223	12,298	-	(13,994)	(9,537)	8,542	(218)	68	14,382
Long-term financial debt	130,753	(12,298)	-	(21,465)	(4,310)	-	90	327	93,097
Total	**147,976**	**-**	**-**	**(35,459)**	**(13,847)**	**8,542**	**(128)**	**395**	**107,479**

Thousands of U.S. dollars	Balance at 01.01.2024	Transfers	Provisions	Repayments	Interest paid	Interest accrued	Foreign currency exchange	Accrual of transaction cost	Balance at 31.12.2024
Short-term financial debt	411,322	16,299	-	(407,809)	(27,146)	23,300	4	1,253	17,223
Long-term financial debt	677,293	(16,299)	-	(533,854)	-	-	2,291	1,322	130,753
Total	**1,088,615**	**-**	**-**	**(941,663)**	**(27,146)**	**23,300**	**2,295**	**2,575**	**147,976**

19. DERIVATIVE FINANCIAL INSTRUMENTS

The breakdown at December 31, 2025 and 2024, of the fair value of derivative financial instruments at those dates is as follows:

Thousands of U.S. dollars	31.12.2025				31.12.2024			
	Current		*Non-current*		*Current*		*Non-current*	
	Asset	*Liability*	*Asset*	*Liability*	*Asset*	*Liability*	*Asset*	*Liability*
Third party								
Exchange rate hedges	379	150,681	-	76	38,932	233	-	-
Related Parties								
Commodity hedges	3,027	38,381	5,114	3,733	17,487	19,759	5,620	1,872
Total	**3,406**	**189,062**	**5,114**	**3,809**	**56,419**	**19,992**	**5,620**	**1,872**

In accordance with the risk management policy, Iberdrola México entered into foreign exchange hedges (see Note 32). These operations are intended to hedge the impact of changes in exchange rates might have on future cash flows referenced in foreign currency.

The breakdown of the balances as of December 31, 2025 and 2024, including the valuation of derivative financial instruments as of those dates, is as follows:

Thousands of U.S. dollars						2025			
EXCHANGE RATE HEDGE	Contract Date	Company	Counterparty	Covered amount	Currency	Asset	Liability	Asset	Liability
						Current (*)		Non-Current (**)	
Cash flow hedges									
With external									
Non Delivery Forward (NDF)	22.12.2025	Iberdrola Mexico	Barclays Bank Ireland PLC	570,000	Mexican Peso	-	4,495	-	-
Non Delivery Forward (NDF)	22.04.2025	Iberdrola Mexico	Bilbao Vizcaya Argentaria, S.A.	3,680,983	Mexican Peso	-	5,930	-	76
Non Delivery Forward (NDF)	23.12.2025	Iberdrola Mexico	Banco Santander, S.A.	712,869	Mexican Peso	-	5,910	-	-
Non Delivery Forward (NDF)	27.01.2025	Iberdrola Mexico	JP Morgan, AG	130,000	Mexican Peso	-	1,208	-	-
Non Delivery Forward (NDF)	18.12.2025	Iberdrola Mexico	Scotiabank Inverlat, S.A.	1,717,568	Mexican Peso	-	451	-	-
Non Delivery Forward (NDF)	22.12.2025	Iberdrola Mexico	Barclays Bank Ireland PLC	4,620,000	Mexican Peso	-	34,983	-	-
Non Delivery Forward (NDF)	22.12.2025	Iberdrola Mexico	Bilbao Vizcaya Argentaria, S.A.	2,905,400	Mexican Peso	-	22,505	-	-
Non Delivery Forward (NDF)	23.12.2025	Iberdrola Mexico	BNP Paribas Corporate & Institutional Banking	5,178,000	Mexican Peso	-	40,109	-	-
Non Delivery Forward (NDF)	23.12.2025	Iberdrola Mexico	Banco Santander, S.A.	400,000	Mexican Peso	-	3,098	-	-
Non Delivery Forward (NDF)	23.12.2025	Iberdrola Mexico	Credit Agricole Corporate and Investment Bank	500,000	Mexican Peso	-	3,873	-	-
Non Delivery Forward (NDF)	23.12.2025	Iberdrola Mexico	JP Morgan, AG	3,030,000	Mexican Peso	-	23,471	-	-
Non Delivery Forward (NDF)	22.12.2025	Iberdrola Mexico	Natixis, S.A.	600,000	Mexican Peso	-	4,648	-	-
Exchange insurance	29.07.2025	Iberdrola Mexico	Bilbao Vizcaya Argentaria, S.A.	76,140	Mexican Peso	249	-	-	-
Exchange insurance	18.12.2025	Iberdrola Mexico	BNP Paribas Corporate & Institutional Banking	363	Euro	38	-	-	-
Exchange insurance	18.12.2025	Iberdrola Mexico	Banco Santander, S.A.	1,680	Euro	92	-	-	-
Total						**379**	**150,681**	**-**	**76**

(*) With maturity no later than December 31, 2026.

(**) With maturity no later than December 31, 2027.

Thousands of U.S. dollars						2024			
EXCHANGE RATE HEDES	Contract Date	Company	Counterparty	Covered amount	Currency	Asset	Liability	Asset	Liability
						Current (*)		Non-current (**)	
Cash flow hedges									
With external									
Non Delivery Forward (NDF)	15.04.2024	Iberdrola Mexico	Santander, S.A.	540,000	Mexican Peso	4,478	-	-	-
Non Delivery Forward (NDF)	20.12.2024	Iberdrola Mexico	Santander, S.A.	600,000	Mexican Peso	4,082	-	-	-
Non Delivery Forward (NDF)	28.12.2023	Iberdrola Mexico	Bilbao Vizcaya Argentaria, S.A.	86,020	Mexican Peso	542	-	-	-
Non Delivery Forward (NDF)	12.12.2024	Iberdrola Mexico	Bilbao Vizcaya Argentaria, S.A.	267,000	Mexican Peso	-	11	-	-
Non Delivery Forward (NDF)	19.12.2024	Iberdrola Mexico	Bilbao Vizcaya Argentaria, S.A.	311,417	Mexican Peso	2,436	-	-	-
Non Delivery Forward (NDF)	15.04.2024	Iberdrola Mexico	BNP Paribas Corporate & Institutional Banking	1,200,000	Mexican Peso	9,754	-	-	-
Non Delivery Forward (NDF)	24.11.2023	Iberdrola Mexico	HSBC Continental Europe	215,050	Mexican Peso	1,138	-	-	-
Non Delivery Forward (NDF)	19.12.2024	Iberdrola Mexico	HSBC Continental Europe	55,800	Mexican Peso	455	-	-	-
Non Delivery Forward (NDF)	20.12.2024	Iberdrola Mexico	HSBC Continental Europe	1,086,549	Mexican Peso	85	-	-	-
Non Delivery Forward (NDF)	22.12.2023	Iberdrola Mexico	CA-CIB London	129,030	Mexican Peso	777	-	-	-
Non Delivery Forward (NDF)	20.12.2024	Iberdrola Mexico	CA-CIB London	330,000	Mexican Peso	2,643	-	-	-
Non Delivery Forward (NDF)	15.04.2024	Iberdrola Mexico	JP Morgan, AG	1,200,000	Mexican Peso	9,996	-	-	-
Non Delivery Forward (NDF)	23.12.2024	Iberdrola Mexico	JP Morgan, AG	330,000	Mexican Peso	2,546	-	-	-
Non Delivery Forward (NDF)	18.12.2024	Iberdrola Mexico	JP Morgan, AG	363	Euro	-	3	-	-
Non Delivery Forward (NDF)	18.12.2024	Iberdrola Mexico	HSBC Continental Europe	2,373	Euro	-	131	-	-
Non Delivery Forward (NDF)	18.12.2024	Iberdrola Mexico	HSBC Continental Europe	1,199	Euro	-	66	-	-
Non Delivery Forward (NDF)	18.12.2024	Iberdrola Mexico	HSBC Continental Europe	31	Euro	-	2	-	-
Non Delivery Forward (NDF)	27.12.2024	Iberdrola Mexico	HSBC Continental Europe	369	Euro	-	20	-	-
Total						**38,932**	**233**	**-**	**-**

(*) With maturity no later than December 31, 2025.

(**) With maturity no later than December 31, 2026.

The (loss) income come from these operations amounted to $172,472 and $171,814, before taxes, and was recorded in the consolidated income statements of its respective year.

The breakdown of the composition of the balances as of December 31, 2025 and 2024, including the valuation of commodities, is as follows:

Thousands of dollars						2025			
COMMODITIES HEDGES	Contract date	Company	Counterparty	Covered amount	Units	Asset	Liability	Asset	Liability
						Current term (*)		Non-current (**)	
Cash flow hedges									
With Group companies									
Gas	13.07.2022	Iberdrola Generación México	Iberdrola Energía España, S.A.	80	MMBTU	-	158	-	-
Gas	17.08.2022	Iberdrola Generación México	Iberdrola Energía España, S.A.	287	MMBTU	-	914	-	-
Gas	19.10.2022	Iberdrola Generación México	Iberdrola Energía España, S.A.	42	MMBTU	-	88	-	-
Gas	16.01.2023	Iberdrola Generación México	Iberdrola Energía España, S.A.	26	MMBTU	-	23	-	-
Gas	17.03.2023	Iberdrola Generación México	Iberdrola Energía España, S.A.	13	MMBTU	-	5	-	-
Gas	17.05.2024	Iberdrola Generación México	Iberdrola Energía España, S.A.	65	MMBTU	-	22	-	-
Gas	29.05.2024	Iberdrola Generación México	Iberdrola Energía España, S.A.	59	MMBTU	15	1	-	-
Gas	17.06.2024	Iberdrola Generación México	Iberdrola Energía España, S.A.	389	MMBTU	14	129	41	13
Gas	03.07.2024	Iberdrola Generación México	Iberdrola Energía España, S.A.	744	MMBTU	16	189	72	83
Gas	26.08.2024	Iberdrola Generación México	Iberdrola Energía España, S.A.	705	MMBTU	68	63	115	6
Gas	26.09.2024	Iberdrola Generación México	Iberdrola Energía España, S.A.	1,062	MMBTU	125	36	314	1
Gas	15.10.2024	Iberdrola Generación México	Iberdrola Energía España, S.A.	5,603	MMBTU	-	-	1,603	286
Gas	04.11.2024	Iberdrola Generación México	Iberdrola Energía España, S.A.	1,491	MMBTU	217	89	211	-
Gas	22.11.2024	Iberdrola Generación México	Iberdrola Energía España, S.A.	349	MMBTU	54	30	8	-
Gas	18.12.2024	Iberdrola Generación México	Iberdrola Energía España, S.A.	3,490	MMBTU	256	349	608	38
Gas	14.03.2025	Iberdrola Generación México	Iberdrola Energía España, S.A.	193	MMBTU	1	176	-	-
Gas	25.03.2025	Iberdrola Generación México	Iberdrola Energía España, S.A.	77	MMBTU	-	80	-	-
Gas	02.04.2025	Iberdrola Generación México	Iberdrola Energía España, S.A.	710	MMBTU	19	274	46	-
Gas	10.04.2025	Iberdrola Generación México	Iberdrola Energía España, S.A.	884	MMBTU	26	427	8	4
Gas	29.05.2025	Iberdrola Generación México	Iberdrola Energía España, S.A.	2,004	MMBTU	21	626	204	378
Gas	06.06.2025	Iberdrola Generación México	Iberdrola Energía España, S.A.	1,152	MMBTU	9	457	85	253
Gas	11.06.2025	Iberdrola Generación México	Iberdrola Energía España, S.A.	6,641	MMBTU	169	6,882	-	-
Gas	08.07.2025	Iberdrola Generación México	Iberdrola Energía España, S.A.	6,641	MMBTU	233	6,138	-	-
Gas	11.07.2025	Iberdrola Generación México	Iberdrola Energía España, S.A.	3,323	MMBTU	32	1,462	177	562
Gas	23.07.2025	Iberdrola Generación México	Iberdrola Energía España, S.A.	3,690	MMBTU	149	3,192	-	-
Gas	04.08.2025	Iberdrola Generación México	Iberdrola Energía España, S.A.	4,558	MMBTU	71	1,128	506	647
Gas	05.08.2025	Iberdrola Generación México	Iberdrola Energía España, S.A.	1,697	MMBTU	213	2,131	-	-
Gas	06.08.2025	Iberdrola Generación México	Iberdrola Energía España, S.A.	4,944	MMBTU	182	2,441	-	-
Gas	25.08.2025	Iberdrola Generación México	Iberdrola Energía España, S.A.	3,690	MMBTU	270	2,079	-	-
Gas	23.09.2025	Iberdrola Generación México	Iberdrola Energía España, S.A.	2,575	MMBTU	70	710	201	238
Gas	26.09.2025	Iberdrola Generación México	Iberdrola Energía España, S.A.	2,884	MMBTU	43	572	294	479
Gas	09.10.2025	Iberdrola Generación México	Iberdrola Energía España, S.A.	993	MMBTU	99	1,289	-	-
Gas	16.10.2025	Iberdrola Generación México	Iberdrola Energía España, S.A.	3,300	MMBTU	193	1,672	-	-
Gas	03.11.2025	Iberdrola Generación México	Iberdrola Energía España, S.A.	1,231	MMBTU	12	389	123	181
Gas	07.11.2025	Iberdrola Generación México	Iberdrola Energía España, S.A.	4,292	MMBTU	289	3,051	-	-
Gas	18.11.2025	Iberdrola Generación México	Iberdrola Energía España, S.A.	457	MMBTU	102	22	-	-
Gas	21.11.2025	Iberdrola Generación México	Iberdrola Energía España, S.A.	88	MMBTU	-	49	3	20
Gas	04.12.2025	Iberdrola Generación México	Iberdrola Energía España, S.A.	1,202	MMBTU	6	601	66	206
Gas	17.12.2025	Iberdrola Generación México	Iberdrola Energía España, S.A.	3,167	MMBTU	53	437	429	338
Total						**3,027**	**38,381**	**5,114**	**3,733**

(*) With maturity no later than December 31, 2026.

(**) With maturity no later than December 31, 2027.

Thousands of dollars						2024			
COMMODITIES HEDGES	**Contract date**	**Company**	**Counterparty**	**Covered amount**	**Units**	**Asset**	**Liability**	**Asset**	**Liability**
						Current (*)		**Non-current (**)**	
With Group companies									
Gas	04.10.2021	Iberdrola Generación México	Iberdrola Energía España, S.A.	82	MMBTU	12	35	-	-
Gas	18.03.2022	Iberdrola Generación México	Iberdrola Energía España, S.A.	48	MMBTU	1	23	-	-
Gas	13.07.2022	Iberdrola Generación México	Iberdrola Energía España, S.A.	841	MMBTU	-	1,229	-	72
Gas	17.08.2022	Iberdrola Generación México	Iberdrola Energía España, S.A.	1,914	MMBTU	-	4,627	-	590
Gas	19.10.2022	Iberdrola Generación México	Iberdrola Energía España, S.A.	552	MMBTU	-	898	-	48
Gas	16.01.2023	Iberdrola Generación México	Iberdrola Energía España, S.A.	239	MMBTU	9	120	8	8
Gas	17.03.2023	Iberdrola Generación México	Iberdrola Energía España, S.A.	169	MMBTU	19	53	14	-
Gas	19.01.2024	Iberdrola Generación México	Iberdrola Energía España, S.A.	12	MMBTU	13	-	-	-
Gas	25.01.2024	Iberdrola Generación México	Iberdrola Energía España, S.A.	42	MMBTU	54	-	-	-
Gas	17.05.2024	Iberdrola Generación México	Iberdrola Energía España, S.A.	287	MMBTU	41	49	26	3
Gas	29.05.2024	Iberdrola Generación México	Iberdrola Energía España, S.A.	1,306	MMBTU	302	175	68	-
Gas	17.06.2024	Iberdrola Generación México	Iberdrola Energía España, S.A.	1,244	MMBTU	92	332	160	48
Gas	03.07.2024	Iberdrola Generación México	Iberdrola Energía España, S.A.	1,176	MMBTU	35	187	170	145
Gas	31.07.2024	Iberdrola Generación México	Iberdrola Energía España, S.A.	2,163	MMBTU	297	1,443	-	-
Gas	21.08.2024	Iberdrola Generación México	Iberdrola Energía España, S.A.	10,330	MMBTU	2,726	3,154	-	-
Gas	26.08.2024	Iberdrola Generación México	Iberdrola Energía España, S.A.	1,331	MMBTU	135	89	351	3
Gas	30.08.2024	Iberdrola Generación México	Iberdrola Energía España, S.A.	8,076	MMBTU	2,450	1,693	-	-
Gas	02.09.2024	Iberdrola Generación México	Iberdrola Energía España, S.A.	5,960	MMBTU	2,688	118	-	-
Gas	09.09.2024	Iberdrola Generación México	Iberdrola Energía España, S.A.	1,442	MMBTU	229	859	-	-
Gas	26.09.2024	Iberdrola Generación México	Iberdrola Energía España, S.A.	1,997	MMBTU	290	82	629	-
Gas	15.10.2024	Iberdrola Generación México	Iberdrola Energía España, S.A.	5,603	MMBTU	-	-	1,166	896
Gas	18.10.2024	Iberdrola Generación México	Iberdrola Energía España, S.A.	1,247	MMBTU	366	27	323	-
Gas	22.10.2024	Iberdrola Generación México	Iberdrola Energía España, S.A.	5,960	MMBTU	3,276	7	-	-
Gas	04.11.2024	Iberdrola Generación México	Iberdrola Energía España, S.A.	3,309	MMBTU	595	146	900	-
Gas	22.11.2024	Iberdrola Generación México	Iberdrola Energía España, S.A.	1,044	MMBTU	241	45	265	-
Gas	18.12.2024	Iberdrola Generación México	Iberdrola Energía España, S.A.	6,520	MMBTU	634	502	1,540	59
Gas	20.12.2024	Iberdrola Generación México	Iberdrola Energía España, S.A.	10,336	MMBTU	2,982	786	-	-
Gas	31.12.2024	Iberdrola Generación México	Iberdrola Energía España, S.A.	4,155	MMBTU	-	3,080	-	-
Total						**17,487**	**19,759**	**5,620**	**1,872**

(*) With maturity no later than December 31, 2025.

(**) With maturity no later than December 31, 2026.

The loss from these operations amounted to $69,365 and $32,095, respectively, before taxes, and was recorded in the consolidated income statements.

20. LEASES

Changes in lease liabilities during 2025 and 2024 are as follows:

Thousands of U.S. dollars	31.12.2025	31.12.2024
Opening balance	**56,388**	**59,772**
New lease contracts	5,735	2,124
Discount to present value	4,636	4,696
Payments to principal	(3,102)	(2,948)
Interest paid	(6,489)	(6,601)
Translation differences	4,137	(655)
Closing balance	**61,305**	**56,388**

The breakdown of undiscounted lease liabilities as of December 31, 2025 and 2024 is as follows:

Thousands of U.S. dollars	31.12.2025
2026	11,838
2027	10,653
2028	10,485
2029	10,215
2030	9,999
2031 and beyond	79,312
Total	**132,502**
Financial cost	71,197
Present value of the payments	61,305
Total	**132,502**

Thousands of U.S. dollars	31.12.2024
2025	10,845
2026	10,811
2027	10,810
2028	9,926
2029	9,508
2030 and beyond	66,247
Total	**118,147**
Financial cost	61,759
Present value of the payments	56,388
Total	**118,147**

The amount of lease liability as of December 31, 2025 and 2024, includes short-term leases amounted to $395 and $394, respectively, which were excluded in accordance with the scope exemption of IFRS 16.

The expense for 2025 and 2024 periods related to short-term leases, excluded from the scope of IFRS 16, amounted to $20 and $125, respectively, and was recognized in the caption "External services" of the consolidated income statement.

21. OTHER CURRENT LIABILITIES

The breakdown of the liability heading "Other current liabilities" in the consolidated statements of financial position is as follows.

Thousands of U.S. dollars	31.12.2025	31.12.2024
Related parties (Note 32)	1,961	430
Other current liabilities	88,840	47,433
Total	**90,801**	**47,863**

22. DEFERRED TAXES AND INCOME TAX

Iberdrola Mexico Group is subject to the payment of income tax applying a rate of 30%.

The difference between the current income tax charged in the years 2025 and 2024 and income tax to be paid in those respective years is recognized in the caption "Deferred tax assets" and/or "Deferred tax liabilities" of the assets and liabilities, as applicable, in the consolidated statements of financial position as of December 31, 2025 and 2024, and arises from the temporary differences determined by the comparison between the carrying amount of certain assets and liabilities and its tax value. The most significant differences are as follows:

- Temporary difference arising from the measurement of liability derivatives whose fair value is not deductible for tax purposes until they are realized.

- Temporary difference arising from criteria differences in the accounting and tax regulation treatment, i.e., in recognition of initial cost in property, plant and equipment and intangible assets, as well as in depreciation and amortization rates.

- Temporary differences arising from the non-deductibility of certain liabilities, including those recorded for the provision for dismantling, labor obligations and other provisions (see Notes 8, 16 and 17).

The composition of income tax between expense for the years ended December 31, 2025 and 2024 is as follows:

Thousands of U.S. dollars	**31.12.2025**	**31.12.2024**
Current tax	110,895	1,036,519
Deferred tax	(85,719)	(139,926)
Income tax discontinued operations (Note 9)	-	(22,123)
Total	**25,176**	**874,470**

The breakdown of the captions "Deferred tax assets" and "Deferred tax liabilities" in the accompanying consolidated statements of financial position is as follows:

Thousands of U.S. dollars	01.01.2024	(Charge) /credit to the income statement	(Charge)/ credit on "Other reserves"	31.12.2024	(Charge) /credit to the income statement	(Charge) /credit on "Other reserves"	31.12.2025
Deferred tax asset:							
Right-of-use asset	22,226	(862)	-	21,364	825	-	22,189
Decommissioning provision	22,532	2,065	-	24,597	5,710	-	30,307
Other provisions	980	(13)	-	967	(13)	-	954
Tax losses carry forward	48,373	44,754	-	93,127	(246)	-	92,881
Allowance for tax losses	-	-	-	-	(5,843)	-	(5,843)
Labor obligations, net	2,997	(1,268)	444	2,173	907	(841)	2,239
Trade payables	140,081	(87,186)	-	52,895	(12,926)	-	39,969
Direct employee benefits	3,204	(917)	-	2,287	1,685	-	3,972
Derivative financial instruments	39,173	(17,083)	(21,969)	121	14,344	13,442	27,907
Deferred revenue	(4)	4	-	-	-	-	-
Spin off break	-	7,275	-	7,275	(7,275)	-	-
Total	**279,562**	**(53,231)**	**(21,525)**	**204,806**	**(2,832)**	**12,601**	**214,575**
Deferred tax liability:							
Property, plant & equipment	10,637	61,429	-	72,066	(112,221)	-	(40,155)
Decommissioning asset	-	12,892	-	12,892	3,490	-	16,382
Other intangible assets	(653)	674	-	21	(370)	-	(349)
Right-of-use assets	21,721	(1,197)	-	20,524	(605)	-	19,919
Unbilled revenues	131,745	(100,548)	-	31,197	20,467	-	51,664
Prepaid insurance	645	325	-	970	688	-	1,658
Non-current trade receivables	(1,373)	1,373	-	-	-	-	-
Tax value of shares	168,105	(168,105)	-	-	-	-	-
Total	**330,827**	**(193,157)**	**-**	**137,670**	**(88,551)**	**-**	**49,119**

As of December 31, 2025 and 2024, there are no deferred taxes, assets or significant tax credits to be recognized by the companies of the Iberdrola Mexico Group.

Based on the information available at year end, including historical levels of tax profits and projections of results, Iberdrola Mexico Group for the coming years, it is considered that sufficient profit taxes bases will be generated for the recovery of the deferred tax assets recorded as of December 31, 2025.

A reconciliation of the statutory income tax rate to the consolidated effective income tax rate recognized by Iberdrola Mexico Group is as follows:

Thousands of U.S. dollars	**31.12.2025**	**31.12.2024**
Profit before tax from continuing operations	**344,797**	**2,392,539**
Profit before tax from discontinued operations	**-**	**51,145**
Profit before tax	**344,797**	**2,443,684**
Non-deductible expenses and non-computable income items:		
- Recognition of inflation effects in the tax base	(91,463)	(515,251)
- Non-cumulative profit	(221,396)	(388,420)
- Non-deductible expenses	238,321	559,624
- Exchange differences between functional currency and local currency, net	(242,438)	1,449,357
Adjusted profit	**27,821**	**3,548,994**
Current tax rate	30%	30%
Gross tax base calculated at the prevailing tax rate	**8,346**	**1,064,698**
True-up of income tax expense from previous years	10,987	-
Tax loss carry forward expired	5,843	-
Deferred tax on sale of shares	-	(168,105)
Income tax expense	**25,176**	**896,593**
Income tax reported in the consolidated income statement	**25,176**	**874,470**
Income tax expense from discontinued operations	**-**	**22,123**
Effective tax rate	**7%**	**37%**

Profits that are distributed in excess of the Net Tax Profit Account (Cuenta de Utilidad Fiscal Neta “CUFIN”) balance will be subject to the payment of corporate income tax at the rate in force at the time of their distribution.

As of December 31, 2025, the tax balances are as follows:

Thousands of U.S. dollars	
Contributed Capital Account (CUCA)	4,674,188
CUFIN	971,458

As of December 31, 2025, Iberdrola México Group does not have ongoing tax inspections with the Tax Administration Service (Servicio de Administración Tributaria “SAT”).

At December 31, 2025, the available tax loss carryforwards recorded in deferred tax assets are as follows:

Expiration year	Amount
2026	19,477
2029	2
2030	33,779
2031	861
2032	31,407
2033	15,843
2034	118,464
2035	89,769
Total	**309,602**

23. PUBLIC ENTITIES

The breakdown of the caption “Other non-current and current tax receivable” and “Other tax payable" of the assets and liabilities, respectively, in the consolidated statements of financial position is as follows:

Thousands of U.S. dollars	31.12.2025	31.12.2024
Other Non-current tax receivable		
Public Treasury, debtor for Value Added Tax	13,803	17,266
Total	**13,803**	**17,266**
Other current tax receivable		
Public Treasury, debtor for Value Added Tax	51,918	56,750
Public Treasury, withholdings and payments on account	4,626	5,123
Total	**56,544**	**61,873**
Other current tax payable		
Public Treasury, creditor for Value Added Tax	21,237	20,407
Public Treasury, creditor for withholdings made	2,028	1,736
Public Treasury, creditor for other concepts	366	234
Social Security, creditors	1,156	1,119
Total	**24,787**	**23,496**

24. REVENUES

The breakdown of this caption in the consolidated income statements:

Thousands of U.S. dollars	31.12.2025			31.12.2024		
	Generation	Renewable	Total	Generation	Renewable	Total
Electric power	2,139,187	195,675	2,334,862	2,027,788	127,691	2,155,479
Steam	17,001	-	17,001	10,862	-	10,862
Discontinued operations (Note 9)	-	-	-	(328,775)	(5,850)	(334,625)
Total	**2,156,188**	**195,675**	**2,351,863**	**1,709,875**	**121,841**	**1,831,716**

Thousands of U.S. dollars	31.12.2025			31.12.2024		
	Generation	Renewable	Total	Generation	Renewable	Total
Customers and consumer partners	1,353,688	195,675	1,549,363	701,290	121,841	823,131
CENACE	732,362	-	732,362	948,722	-	948,722
CFE y CFE Calificados	70,138	-	70,138	388,638	5,850	394,488
Discontinued operations (Note 9)	-	-	-	(328,775)	(5,850)	(334,625)
Total	**2,156,188**	**195,675**	**2,351,863**	**1,709,875**	**121,841**	**1,831,716**

25. SUPPLIES

The breakdown of this caption in the consolidated income statements is as follows:

Thousands of U.S. dollars	31.12.2025	31.12.2024
Natural gas	246,190	385,302
Electricity	1,100,226	872,006
Tolls for the use of electricity transmission and distribution networks	217,370	209,727
Water	2,302	6,559
Discontinued operations (Note 9)	-	(212,003)
Total	**1,566,088**	**1,261,591**

To guarantee the supply of needed natural gas for the electricity generation, Iberdrola México Group has agreements to receive required supply of natural gas from PEMEX and CFE.

26. FINANCE EXPENSE

The breakdown of the caption "Finance expense" in the consolidated income statements is as follows:

Thousands of U.S. dollars	31.12.2025	31.12.2024
Finance costs and similar financing costs	19,756	43,986
Foreign currency losses	21,431	214,937
Discount to present value of provisions for retirement and similar obligations (Note 16)	789	772
Discount to present value of other provisions (Note 17)	3,657	3,419
Non-hedge derivatives and inefficiencies	346,682	310,180
Others	13,021	5,885
Discontinued operations (Note 9)	-	(53,497)
Total	**405,336**	**525,682**

27. PERSONNEL EXPENSES

The breakdown of this caption in the consolidated income statements is as follows:

Thousands of U.S. dollars	31.12.2025	31.12.2024
Wages and salaries	53,834	56,558
Social security payable by the company	6,927	8,207
Additional provisions for retirement and similar obligations (Notes 4.g and 16)	786	2,861
Other employee expenses	10,148	12,482
Discontinued operations (Note 9)	-	(5,470)
Total	**71,695**	**74,638**

The average number of employees in 2025 and 2024 was 725 and 843, respectively, of which 205 and 239 are women, respectively.

28. DEPRECIATION AND AMORTIZATION

The breakdown of this caption in the consolidated income statements is as follows:

Thousands of U.S. dollars	31.12.2025	31.12.2024
Depreciation charges for intangible assets (Note 7)	4,078	4,202
Depreciation charges for property, plant and equipment (Note 8)	123,638	114,120
Amortization charges for rights-of-use-of assets (Note 10)	5,544	4,616
Provisions for write-off of non-current assets:		
Sanitation project	2,203	540
Total	**135,463**	**123,478**

29. FINANCIAL INCOME

The breakdown of the caption of "Financial income" in the consolidated income statements is as follows:

Thousands of U.S. dollars	31.12.2025	31.12.2024
Foreign currency gains	36,782	295,374
Non-hedge derivatives and inefficiencies	205,154	375,773
Others	29,784	118,760
Discontinued operations (Note 9)	-	(26,588)
Total	**271,720**	**763,319**

30. CONTINGENT LIABILITIES

Iberdrola Mexico Group companies are party to court and out-of-court disputes arising as part of the ordinary course of their business (disputes may be with suppliers, consumer partners, administrative or tax authorities, individuals, environmental activists or employees). The Iberdrola Mexico Group's legal advisers believe that the outcome of these disputes will have no significant impact on its asset-financial position.

The disputes, which are Iberdrola México Group’s main contingent liabilities and have not been recorded in these consolidated financial statements because the pertinent accounting criteria are not met, are described hereunder:

a) Arbitration initiated by Encon Monterrey, S.A. de C.V. (Encon) against (i) Power Servicios de Energía, S.A. de C.V.; (ii) GE Gas Power International LLC; and, (iii) General Electric Global Services GbmH (indistinctly "GE") and which is being pursued before the International Court of Arbitration at the International Chamber of Commerce under number 28312/PDP. Encon claims from GE the late and defective installation of blades in the Dulces Nombres II turbine, as well as damages generated by the shutdowns, through the lawsuit brief for $28,437. On February 29, 2024, GE filed counterclaims claiming work performed during the shutdown for approximately $16,476. Encon opposed all counterclaims on April 1st 2024. Encon filed its Statement of Claim on November 6, 2024. On February 17, 2025, GE filed its Response to the Complaint along with a counterclaim in the amount of $17,600. On May May 12, 2025, Encon replied to the counterclaim. On May 27, 2025, the production stage of documents began and on August 4, 2025, they were presented to the Court. On November 3rd 2025, Encon filed the Reply to the Statement of Defense and GE presented the Reply to the Statement of Defense to the Counterclaim. On December 19, 2025, the parties' rejoinders were filed where GE incorporated additional claimed concepts, raising the amount claimed to $20,496. However, Encon Monterrey considers that these concepts are not applicable, since they correspond to items and periods that are not part of the litigation. As of December 31, 2025, contingent liabilities amount to $20,496. The hearing has been scheduled for the week of March 23, 2026.

b) In relation to the divestment in Iberdrola Mexico Group, the acquiring entity México Infrastructure Partners (MIP), on February 24, 2025, has made a series of claims for alleged breaches of the sales contract (SPA), related to alleged damages in the power plants subject of the sale. MIP has quantified the damages at $357,000, from which $116,000 correspond to alleged loss of profits. Iberdrola México Group has responded to the claims by denying its responsibility and pointing out that it has fulfilled all its obligations under the SPA, that within the contractual liabilities those derived from loss of profit are excluded, and that all the information of the power plants sold was transferred to MIP prior to the sale and that it carried out its due diligence and visited all the power plants checking their physical situation as well as that relating to the permits and its general situation at the time of sale. In accordance with the above, Iberdrola México Group is not considered to be responsible for the subject matter of the claim.

c) On August 6, 2025, Iberdrola Cogeneración Bajío filed an indirect amparo lawsuit before the District Courts for Civil, Administrative and Labor Amparo in the State of Querétaro (Juzgados de Distrito en Materia de Amparo Civil, Administrativo y de Trabajo en el Estado de Querétaro), against the tax on the emission of polluting gases into the atmosphere in force in 2024. By means of a judgment issued on October 28, 2025, the District Judge granted the amparo and protection of the Federal justice to the company, to the effect that the articles containing the tax are not applied to it and the amounts paid as the first act of application are returned. Given that various arguments were declared unfounded, on November 12, 2025 Iberdrola Cogeneración Bajío filed an appeal for review and subsequently the responsible authority filed its appeal as well. The appeals for review filed will be resolved by the Second Collegiate Court in Administrative and Civil Matters of the Twenty-Second Circuit of the State of Querétaro (Segundo Tribunal Colegiado en Materias Administrativa y Civil del Vigésimo Segundo Circuito del Estado de Querétaro). As of December 31, 2025, contingent liabilities amounted to approximately $13,606 ($244,455 thousand Mexican pesos).

d) On August 9, 2024, Iberdrola Cogeneración Bajío filed an indirect amparo lawsuit before the District Courts for Civil, Administrative and Labor Amparo in the State of Querétaro (Juzgados de Distrito en Materia de Amparo Civil, Administrativo y de Trabajo en el Estado de Querétaro), in relation to the r approval regulations of a Gas Emission Tax in that state in 2023. On April 15, 2025, the company has been granted this amparo and protection by the Federal Justice to the company, so that the law is not applied to it and even that the amounts paid are returned. Against this ruling, the responsible authorities filed an appeal for review, which will be definitively resolved by the Second Collegiate Court in Administrative and Civil Matters of the Twenty-Second Circuit (Segundo Tribunal Colegiado en Materias Administrativa y Civil del Vigésimo Segundo Circuito). As of December 31, 2025, contingent liabilities amounted to approximately $14,185 ($254,861 thousand Mexican pesos).

In accordance with current tax legislation, the authorities have the power to review up to the five fiscal years prior to the last income tax return filed (see Note 22).

The transfer pricing study used to support transactions carried out with related parties indicates that these are comparable to those used with or between independent parties in transactions comparable as of December 31, 2024. The study is carried out annually and the one corresponding as of December 31, 2025 is in the process of being prepared. In the event that the tax authorities review the prices and amounts of transactions with related parties and reject them, they could demand, in addition to the collection of the tax and accessories (update and surcharges), fines on the omitted contributions, which could be up to 100% of the updated amount of the contributions. The Iberdrola Mexico Group believes that the results of the 2025 transfer pricing study will indicate that the prices of transactions with related parties are comparable to those used with or between independent parties.

31. GUARANTEES COMMITMENTS TO THIRD PARTIES AND OTHER COMMITMENTS ACQUIRED

Guarantees committed to third parties

Iberdrola Mexico and its subsidiaries are obliged to provide guarantees associated with the normal management of the Iberdrola Mexico Group's activities.

a) Guarantees operations

Guarantees for ensuring compliance with different obligations which arise from the ordinary business activity as of December 31, 2025. The most significant are:

- CENACE as a guarantee for the participation of Iberdrola Clientes and Iberdrola Generación in the Wholesale Electricity Market for an amount of $117,996 ($2,120,000 thousand Mexican pesos).

- CENACE as a guarantee of compliance required in the accreditation as a participant of Supplier of Last Resort for Iberdrola Clients for an amount of $56 ($1,000 thousand Mexican pesos).

- Banco Multiva, S.A., as a guarantee of compliance with Iberdrola Clientes for the 2017 Long-Term Auction, it covers the proportional part of the plants in commercial operation for an amount of $2,393 ($43,000 thousand Mexican pesos).

- Banco Multiva S.A. for the tender of Iberdrola Clientes, guaranteeing the contribution to the Reserve Fund as a purchase bidder in the Long-Term Auction for an amount of $1,257 ($22,580 thousand Mexican pesos).

- Petróleos Mexicanos to guarantee compliance with the obligations of Iberdrola Cogeneración Bajío derived from its purchases on credit, products and/or services for an amount of $5,409 ($97,178 thousand Mexican pesos).

- Banco del Bajío, S.A. Institución de Banca Múltiple to guarantee compliance with the obligations in charge of PIER in order to constitute a Debt Service Reserve in the amount of $5,865.

- Iberdrola Generación México to PEMEX for the supply of gas from its Iberdrola Cogeneración Ramos, Iberdrola Cogeneración Bajío and Iberdrola Cogeneración Altamira plants for an amount of $12,013 ($215,836 thousand Mexican pesos).

- Iberdrola Generación México to Trailstone Energy Marketing de México, as a guarantee for the supply of natural gas at the CDU II plant of Encon Monterrey, for an amount of $15,000.

- Iberdrola Generación México to GDF Suez México Comercializadora (ENGIE), as a guarantee for the natural gas distribution contract of Iberdrola Cogeneración Bajío for an amount of $54 ($962 thousand Mexican pesos).

- Iberdrola Generación México to CFE Qualified in operational guarantee derived from the 100 MW and 150 MW power supply contract of Iberdrola Generación, for an amount of $20,000.

- Iberdrola Generación México to the plants of Baja California, Tamazunchale Energía, Energía Noroeste, Enertek, Escobedo and Monterrey, as a guarantee for the PPA contracts signed with Iberdrola Generación for an amount of $140,000.

- Iberdrola Generación México to the CFEnergía as a guarantee of the obligations of the natural gas supply contract on an interruptible basis of Efficient Generation Support for an amount of $55,070.

- Iberdrola México to Element Fleet Management Corporation in joint and several liability arising from the utility vehicle lease agreement for PIER II, Parques Ecológicos de México, Iberdrola Servicios Corporativos, Iberdrola Renovables Noroeste, Corporativo Iberdrola Renovables México, Iberdrola Cogeneración Altamira, Iberdrola Cogeneración Bajío and Iberdrola Altamira de Servicios for an amount of $597 ($10,722 thousand Mexican pesos).

- Iberdrola Servicios Corporativos to Urales Bienes Raíces, S.A. de C.V. of the obligations of the lease agreement of the corporate building for an amount of $924.

b) Sureties

Iberdrola México Group has the obligation to provide sureties associated with the normal management of activities as follows:

- Afianzadora Dorama, Institución de Garantías S.A., for the fulfillment of obligations of the prevention, mitigation and conditioning measures indicated in the Technical Economic Study before SEMARNAT, for $169, ($3,043 thousand Mexican pesos).

Guarantor Company	Beneficiary	Thousands of U.S. dollars
Iberdrola Renovables Bajío	Tesorería de la Federación in favor of SEMARNAT	169

- Afianzadora Chubb Fianzas Monterrey, Aseguradora de Caución, S.A., for compliance with mitigation measures during execution and the environmental impact statement of the Ramos Iberdrola Cogeneration Plant project for $547 ($9,828 thousand Mexican pesos).

Guarantor Company	Beneficiary	Thousands of U.S. dollars
Iberdrola Cogeneración Ramos	Tesorería de la Federación in favor of SEMARNAT	547

- Afianzadora Sofimex Institución de Garantías (Guarantee Institution). For complying with the obligations of the preventive and mitigation measures considered in the environmental impact statement and/or technical-economic study of the project, guarantee the gas supply contract and guarantee compliance with the contract for the use and exploitation of a high-voltage electric power aerial crossing for an amount of $11,312 ($203,236 thousand Mexican pesos).

Guarantor Company	Beneficiary	Thousands of U.S. dollars
Iberdrola Cogeneración Altamira Iberdrola Cogeneración Bajío Encon Monterrey	PEMEX	9,530
Iberdrola Cogeneración Bajío Soporte de Generación Eficiente Iberdrola Renovables del Bajío Parque Industrial de Energía Renovable	Tesorería de la Federación in favor of SEMARNAT	1,775
Parque Industrial de Energía Renovable	Federal Revenue Roads and Bridges (Caminos y Puentes Federales de Ingresos)	6

c) Pledge assets

Iberdrola Mexico Group, in compliance with the contractual obligations required for loans received from banks, pledged the shares of some of its companies, in accordance with the following:

As a result of the loan signed with NAFIN (Note 18), the shares of the company PIER II Quecholac Felipe Ángeles, in which Iberdrola Renovables México has an indirect 51% stake, and the company Parque Industrial de Energías Renovables, in which Iberdrola Renovables México has an indirect stake, were pledged. On February 28, 2025, this credit was liquidated in its entirety and on July 23, 2025, the Agreement for the termination, reversion and extinction of the trust agreement was signed, so the pledge of shares was reversed.

Other commitments

Iberdrola México Group, through Iberdrola Clientes, complies with the regulatory obligation to acquire CEL's equivalent to 13.9% of the total energy supplied, in accordance with the percentage established by the authority, since its last update in 2022. This obligation is met through the accreditation of CEL's generated by the Santiago, Hermosillo and Cuyoaco photovoltaic parks and the Santiago wind farm. This guarantees timely and efficient compliance with regulatory commitments in the field of clean energy.

32. RELATED PARTIES TRANSACTIONS AND BALANCES

The breakdown of transactions detailed below are typical of ordinary business or traffic and have been carried out under normal market conditions (see Note 30):

	2025				
Thousands of U.S. dollars	**Current accounts payable**	**Current accounts receivable**	**Goods and services provided**	**Goods and services received**	**Loss in derivative financial instruments**
Hidrola I, S.L.	-	63	63	-	-
Iberdrola, S.A.	-	207	-	8,804	-
Iberdrola Energía España, S.A.	1,941	-	-	225	69,365
Iberdrola Financiación, S.A.	-	-	-	9,819	-
Iberdrola Generación Térmica, S.A.U.	20	-	-	20	-
Iberdrola Ingeniería y Construcción México, S.A. de C.V.	-	29	103	-	-
Iberdrola Renovables Energía, S.A.U.	-	-	-	2,733	-
Carbon2Nature, S.A.U.	-	-	-	204	-
Total	**1,961**	**299**	**166**	**21,805**	**69,365**

	2024		
Thousands of U.S. dollars	**Current accounts payable**	**Goods and services received**	**Loss in derivative financial instruments**
Iberdrola, S.A.	164	*26,131	-
Iberdrola Clientes, S.A.U.	-	8	-
Iberdrola Energía España, S.A.	266	265	32,095
Iberdrola Financiación, S.A.	-	22,568	-
Iberdrola Renovables Energía, S.A.U.	-	3,342	-
Total	**430**	**52,314**	**32,095**

(*) Includes $37 from a transaction for the companies included in the purchase and sale transaction described in Note 1.i.

Balances payable and receivable from related parties generally have a maturity of 30 days for payment in cash.

The main transactions with related parties are as follows:

- Agreement for providing services entered into on March 1, 2025 with Iberdrola Ingeniería y Construcción México, S.A. de C.V., with expiring date on December 31, 2026, and object to provide various legal, accounting and tax services.

- Service provision agreement entered into on December 18, 2024 with Carbon2Nature, S.A.U. with a indefinite expiration date, and object to provide services such as carrying out all the necessary actions for the certification of the projects and certifying the projects with high quality international standards, as well as advising and developing the business with potential investors and preparing and negotiating voluntary purchase contracts for emission reductions, among others.

- Agreement for providing services, entered into on 1 January 2022 with Iberdrola Generación Térmica, S.A.U., which object is to receive services such as maintenance of steam and gas turbines and other technical support services.

- Loan with Iberdrola Financiación S.A.U., formalized on June 24, 2020 for an amount of $400,000 at a variable rate of LIBOR plus 1.825% maturing on June 24, 2023. On June 24, 2024, this loan was paid in full.

- Loan with Iberdrola Financiación S.A.U., formalized on April 26, 2018 for an amount of $350,000 at a variable rate LIBOR plus a margin of 1.015%, maturing on April 26, 2024. On March 5, 2024, this loan was paid in full.

- Loan with Iberdrola Financiación S.A.U., formalized on December 20, 2017 at a fixed rate of 4.09% for an amount of $350,000 maturing on December 20, 2024. On March 5, 2024, this loan was paid in full.

- Two loans with Iberdrola Financiación, S.A.U., formalized on December 1, 2016 for amounts of $450,000 at a fixed rate of 4% maturing on December 1, 2028 and $300,000 at a fixed rate of 3.9% maturing on December 1, 2026. On March 5, 2024, $300,000 was paid and on June 17, 2024, $450,000 was paid.

- Framework agreement entered into on 1 June 2016 for the regulation of the provision of corporate services between the Iberdrola Mexico Group and Iberdrola S.A. and other companies of the Iberdrola Group.

- Framework agreement for derivative financial transactions, entered into on 8 July 2015 with Iberdrola Energía España, S.A., PIER II and Eólica Dos Arbolitos, for an indefinite period, which aims to carry out transactions of derivative financial instruments in accordance with financial risk management policies.

- Revolving credit facility with Iberdrola Financiación S.A.U., signed on May 12, 2014 for an initial amount of $500,000, later expanded to $850,000 and then to $1,000,000; finally, reduced to $600,000 and then to $300,000 due May 31, 2023. It was renewed with expiration until June 26, 2024 and was extended to $700,000. As of December 31, 2024, this line of credit is available at $400,000. On March 5, 2024, this loan was paid in full.

- Service contract entered into on 31 December 2013 with Iberdrola Renovables Energía, S.A.U., which aims to receive wind power development services, legal services, support services in economic analysis, collaboration in the construction and operation of production facilities, occupational risk prevention services and computer support, human resources and management support, among others.

33. ONGOING COURT AND OUT-OF-COURT PROCEEDINGS

Iberdrola Mexico Group companies are party to certain court and out-of court disputes arising as part of the ordinary course of their business (disputes may be with suppliers, customers, administrative or tax authorities, individuals, environmental activists or employees). In relation to such disputes as of December 31, 2025, the main ongoing proceeding of Iberdrola México Group is as follows (except as mentioned in Note 30):

Arbitration initiated by Iberdrola Energía Escobedo against Midstream de México, S. de R.L. de C.V. (MDM) for breach of the Interconnection Agreement for the El Carmen Power Plant, and which is being pursued before the International Court of Arbitration at the International Chamber of Commerce. The controversy stems from the supply of gas contaminated with a black liquid in the Interconnection Facilities of the El Carmen Power Plant, which caused a forced shutdown of 26 days with damages of approximately $16,469. After the spin-off of Iberdrola Energía Escobedo, Soporte de Generación Eficiente acquired all the rights and obligations of the Interconnection Contract; however, MDM objected within the arbitration proceedings to the fact that Soporte de Generación Eficiente was declared the successor of Iberdrola Energía Escobedo and promoted a counterclaim against Iberdrola Energía Escobedo (who so far continues to be part of the arbitration), demanding that Soporte de Generación Eficiente is not recognized as part of the contract. The Arbitral Tribunal ordered to hear MDM's counterclaim in advance and on October 16, 2024, the arbitration hearing was held. On February 21, 2025, the award on MDM's counterclaim to the benefit of Iberdrola was notified, the Court determined to recognize the succession of Soporte de Generación Eficiente and order MDM to pay costs for the inadmissibility of its claims. On August 11, 2025, Soporte de Generación Eficiente presented its lawsuit brief. On November 27, 2025, MDM presented its response to the complaint.

On November 13, 2025, MDM filed a claim for annulment of the recognition of Soporte de Generación Eficiente as part of the arbitration procedure. On December 9, 2025, Iberdrola Energía Escobedo filed against MDM a counterclaim to the claim for annulment, requesting payment of the expenses and costs that were imposed on MDM in the partial award in the amount of $36,178.

34. REMUNERATION OF THE DIRECTORS

As December 31, 2025 and 2024, senior management consisted of 13 members and 12 members, respectively.

Senior management includes those people who have authority and responsibility to plan, direct and control the activities of the entity, either directly or indirectly, including any executive member of the Board of Directors.

Senior management costs were $5,329 in 2025 and $5,800 in 2024, recorded under “Personnel expenses” in the consolidated income statements.

Below is a breakdown of remuneration and other benefits for the financial years 2025 and 2024:

Thousands of U.S. dollars	**31.12.2025**	**31.12.2024**
Fixed remuneration	3,573	4,549
Variable remuneration	842	788
Other remunerations	151	54
Social security	117	111
Employer’s contribution to pension plan / employee benefits insurance	111	110
Risk policy (death and permanent disability)	137	116
Indemnification	398	72
Total	**5,329**	**5,800**

Thousands of U.S. dollars	**31.12.2025**	**31.12.2024**
Second instalment of the three annual settlements relating to the 2020-2022 Strategic Bonus (shares)	-	2,004
Third instalment of the three annual settlements relating to the 2020-2022 Strategic Bonus (shares)	1,878	-

Meanwhile, no transactions were concluded with the executive team in 2025 and 2024.

35. EVENTS SUBSEQUENT TO DECEMBER 31, 2025

After December 31, 2025 and up to the date of issuance of these consolidated financial statements, the main relevant events are described below:

- In the claim for annulment of the partial award of the recognition of Soporte de Generación Eficiente as part of the arbitration procedure mentioned in Note 33, on January 19, 2026, Iberdrola Energía Escobedo presented its response to the courts notice in relation to MDM's response to the counterclaim. On January 28, 2026, Soporte de Generación Eficiente was notified as an interested third party in the demand for annulment of the partial award.

- In January 2026 COX ABG Group, S.A. obtained authorizations from the CNE and CNA for the purchase of Iberdrola México mentioned in Note 1.iii.

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COX MEXICO
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U.S.$1,000,000,000 7.125% Senior Secured Notes due 2032

U.S.$1,000,000,000 7.750% Senior Secured Notes due 2036

OFFERING MEMORANDUM

Global Coordinators and Joint Bookrunners

Barclays **Citigroup** **Deutsche Bank Securities** **Goldman Sachs & Co. LLC**

Joint Bookrunners

BBVA **Santander** **Scotiabank**

May 5, 2026