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 SECURITIES ACT, AS AMENDED (THE "SECURITIES ACT")) OR (2) NON-U.S. PERSONS IN OFFSHORE TRANSACTIONS (WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT).

IMPORTANT: You must read the following before continuing. The following applies to this offering memorandum (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 OR A SOLICITATION OF AN OFFER TO BUY SECURITIES BY ANY PERSON 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 UNITED STATES OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES 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.

PROHIBITION OF SALES TO EEA AND UNITED KINGDOM RETAIL INVESTORS – 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 (THE "EEA") OR IN THE UNITED KINGDOM. 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; OR (III) NOT A QUALIFIED INVESTOR AS DEFINED IN REGULATION (EU) 2017/1129 (AS AMENDED THE "PROSPECTUS REGULATION"). CONSEQUENTLY NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 (AS AMENDED, THE "PRIIPS REGULATION") FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EEA OR IN THE UNITED KINGDOM HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA OR IN THE UNITED KINGDOM MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION.

THE OFFERING MEMORANDUM HAS NOT BEEN APPROVED BY ANY AUTHORIZED PERSON IN THE UNITED KINGDOM AND IS FOR DISTRIBUTION ONLY TO PERSONS WHO ARE: (I) OUTSIDE THE UNITED KINGDOM; (II) 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) HIGH NET WORTH COMPANIES, AND OTHER PERSONS TO WHOM IT MAY BE LAWFULLY COMMUNICATED, FALLING WITHIN ARTICLE 49(2)(A) TO (D) OF THE FINANCIAL PROMOTION ORDER; OR (IV) 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 NOTES MAY OTHERWISE LAWFULLY BE COMMUNICATED OR CAUSED TO BE COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "RELEVANT PERSONS"). THE 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 THE OFFERING MEMORANDUM RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT

PERSONS. THE NOTES ARE NOT BEING OFFERED OR SOLD TO ANY PERSON IN THE UNITED KINGDOM, EXCEPT IN CIRCUMSTANCES WHICH WILL NOT RESULT IN AN OFFER OF SECURITIES TO THE PUBLIC IN THE UNITED KINGDOM WITHIN THE MEANING OF PART VI OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (THE "FSMA"). NO PERSON MAY COMMUNICATE OR CAUSE TO BE COMMUNICATED ANY INVITATION OR INDUCEMENT TO ENGAGE IN INVESTMENT ACTIVITY (WITHIN THE MEANING OF SECTION 21 OF THE FSMA) RECEIVED BY IT IN CONNECTION WITH THE ISSUE OR SALE OF THE NOTES OTHER THAN IN CIRCUMSTANCES IN WHICH SECTION 21(1) OF THE FSMA DOES NOT APPLY TO THE ISSUER.

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 in offshore transactions (within the meaning of Regulation S under the Securities Act). This offering memorandum is being sent at your request and by accepting the e-mail 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 (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.

Orazul Energy Perú S.A.
(*a Peruvian corporation*)
U.S.$380,000,000
6.250% Senior Notes due 2032

We are offering U.S.$380,000,000 aggregate principal amount of 6.250% senior notes due 2032 (the "**notes**"). The notes will mature on September 17, 2032. Interest will accrue from September 17, 2025 and will be payable on March 17 and September 17 of each year, beginning on March 17, 2026.

We may redeem the notes, in whole or in part, at any time at the redemption prices set forth under "*Description of the Notes – Optional Redemption*." We may also redeem the notes, in whole but not in part, at par, plus accrued and unpaid interest and Additional Amounts, if any, to the redemption date, in the event of certain changes in tax laws.

The notes will be our senior unsecured obligations and will be *pari passu* in right of payment to all of our existing and future unsecured and unsubordinated indebtedness, except those obligations preferred by operation of Peruvian law. The notes are not guaranteed by any person or entity.

Issue Price: 99.720% plus accrued interest, if any, from September 17, 2025

See "Risk Factors" beginning on page 19 for a discussion of certain risks that you should consider in connection with an investment in the notes.

The notes have not been registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or the securities laws of any other jurisdiction. Unless they are registered, the notes may not be offered or sold within the United States or to U.S. persons, except to persons reasonably believed to be qualified institutional buyers in reliance on the exemption from registration provided by Rule 144A under the Securities Act ("**Rule 144A**") and to certain non-U.S. persons in offshore transactions in reliance on the exemption from registration provided by Regulation S of the Securities Act ("**Regulation S**"). Prospective purchasers that are qualified institutional buyers are hereby notified that the sellers of the notes may be relying on the exemption from Section 5 of the Securities Act pursuant to Rule 144A. For a description of certain restrictions on transfer of the notes, see "*Transfer Restrictions*."

The notes and the information contained in this offering memorandum have not been, and will not be, registered with or approved by the Peruvian Superintendency of Securities (*Superintendencia del Mercado de Valores*, or the "**SMV**") or the Lima Stock Exchange (*Bolsa de Valores de Lima*, or the "**BVL**"). Accordingly, the notes cannot be offered or sold in the Republic of Peru ("**Peru**"), unless such offering is considered a private offering under the securities laws and regulations of Peru. The notes cannot be offered or sold in Peru or any other jurisdiction except in compliance with the securities laws thereof.

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 (the "**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**"); (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; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "**Prospectus Regulation**"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**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 PRIIPs Regulation. This offering memorandum has been prepared on the basis that any offer of notes in any member state of the EEA will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish

a prospectus for offers of notes. This offering memorandum is not a prospectus for the purposes of the Prospectus 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 United Kingdom (the "**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 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, the "**FSMA**") and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as 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 (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA (the "**UK Prospectus Regulation**"). Consequently, no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

In the UK, this offering memorandum and any other material in relation to the notes described herein are being distributed only to, and are directed only at, persons who are "qualified investors" (as defined in the UK Prospectus Regulation) who are (i) persons having 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 "Order"), or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order, or (iii) persons to whom it would otherwise be lawful to distribute them, all such persons together being referred to as "**Relevant Persons**." In the UK, the notes are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire the notes will be engaged in only with, Relevant Persons. This offering memorandum and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by any recipients to any other person in the UK. Any person in the UK that is not a Relevant Person should not act or rely on this offering memorandum or its contents.

There is currently no public market for the notes. We will apply to the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for permission for the listing and quotation of the notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this offering memorandum. Approval in-principle received for the listing and quotation of the notes on the SGX-ST is not to be taken as an indication of our merits or the merits of the notes.

None of the U.S. Securities and Exchange Commission (the "**Commission**"), any U.S. state securities commission or any securities regulatory authority has approved or disapproved of these securities or determined whether this offering memorandum is accurate or complete. Any representation to the contrary is a criminal offense.

We expect that delivery of the notes will be made to investors in book-entry form through The Depository Trust Company ("**DTC**") for the accounts of its participants, including Euroclear Bank S.A./N.V., as operator of the Euroclear System, and Clearstream Banking, *société anonyme*, on or about September 17, 2025.

Joint Book-Running Managers

Citigroup	**Deutsche Bank Securities**	**J.P. Morgan**	**Santander**

The date of this offering memorandum is September 11, 2025.

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Unless otherwise indicated or the context otherwise requires, all references in this offering memorandum to the "**Issuer**" or the "**Company**" refer to Orazul Energy Perú S.A., and references to "**Orazul**, "**we**," "**us**," "**our,**" and words of similar effect refer to Orazul Energy Perú S.A. together with its consolidated subsidiary Kondu S.A.C. ("**Kondu**").

For the sale of the notes in the United States, we are relying upon exemptions from registration under the Securities Act for an offer and sale of securities that does not involve a public offering. By purchasing the notes, you will be deemed to have made certain acknowledgments, representations and agreements as set forth under "*Transfer Restrictions*." We are not, and the initial purchasers are not, making an offer to sell, or a solicitation of an offer to buy, the notes in any jurisdiction except where such an offer or sale is permitted. The notes are subject to restrictions on transfer and resale and may not be transferred or resold except as permitted under the Securities Act, applicable state securities laws and applicable Peruvian law. You should understand that you will be required to bear the financial risks of your investment for an indefinite period of time. See "*Plan of Distribution*" and "*Transfer Restrictions*."

We have prepared this offering memorandum for use solely in connection with the proposed offering of the notes described in this offering memorandum. We have submitted this offering memorandum solely to a limited number of persons reasonably believed to be qualified institutional buyers in the United States and in offshore transactions to persons other than U.S. persons so they can consider a purchase of the notes. We have not authorized the use of this offering memorandum for any other purpose. This offering memorandum may not be copied or reproduced in whole or in part. This offering memorandum is personal to each offeree and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire the notes. Distribution of this offering memorandum to any person other than the offeree and any person retained to advise such offeree is unauthorized, and any disclosure of any of the contents hereof without our prior written consent is prohibited. By accepting delivery of this offering memorandum, you agree to these restrictions.

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 such information provided to us is accurate or complete. This offering memorandum is intended solely for the purpose of soliciting indications of interest in the notes from qualified investors and does not purport to summarize all of the terms, conditions, covenants and other provisions relating to the terms of the notes contained in the indenture being entered into in connection with the issuance of the notes as described herein and other transaction documents described herein. This offering memorandum summarizes certain documents (including the indenture that will govern the notes) and other information, and we refer you to them for a more complete understanding of what we discuss in this offering memorandum. In making an investment decision, you must rely on your own examination of us and the terms of the offering and the notes, including the merits and risks involved.

We are not, and the initial purchasers are not, making any representation to you regarding the legality of an investment in the notes under any legal investment or similar laws or regulations. You should not consider any information in this offering memorandum to be legal, business, tax or other advice. You should consult your own counsel, accountant, business advisor and tax advisor for legal, tax, business and financial advice regarding any investment in the notes.

We have not, and the initial purchasers have not, authorized any person to provide you with different information or to make any representation not contained in this offering memorandum. You should assume that the information contained in this offering memorandum is accurate only as of the date on the front cover of this offering memorandum. Our business, properties, financial condition, results of operations and prospects may have changed since that date. Neither the delivery of this offering memorandum nor any sale of notes made hereunder shall, under any circumstances, imply that the information herein is correct as of any date subsequent to the date on the cover of this offering memorandum.

By purchasing any notes, you will be deemed to have acknowledged that: (1) you have received a copy of and have reviewed this offering memorandum; (2) you have had an opportunity to review all financial and other information considered by you to be necessary to make your investment decision and to verify the accuracy of, or to supplement, the information contained in this offering memorandum and have been offered the opportunity to ask us questions,

and received answers, as you deemed necessary in connection with your investment decision; (3) you have not relied on the initial purchasers or any person or entity affiliated with the initial purchasers in connection with your investigation of the accuracy of such information or your investment decision; (4) the initial purchasers are not responsible for, and are not making any representation to you concerning, us, our future performance or the accuracy or completeness of this offering memorandum; and (5) no person has been authorized to give any information or to make any representation concerning us or the notes or the offer and sale of the notes, other than as contained in this offering memorandum. Any other information or representation provided should not be relied upon as having been authorized by us, the initial purchasers or their agents.

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. 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, present or future.

We reserve the right to withdraw this offering of the notes at any time, and we and the initial purchasers reserve the right to reject any commitment to subscribe for the notes in whole or in part and to allot to any prospective investor less than the full amount of notes sought by that investor. The initial purchasers and their respective affiliates may acquire for their own account a portion of the notes.

You must comply with all applicable laws and regulations in force in any jurisdiction in connection with the possession or distribution of this offering memorandum and the purchase, offer or sale of the notes 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 applicable to you in force in any jurisdiction to which you are subject or in which you make such purchase, offer or sale, and neither we nor the initial purchasers will have any responsibility therefor.

Any notes to which this offering memorandum relates 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 these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (11) of MiFID II; or (ii) a customer within the meaning of 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; or (iii) not a "qualified investor" as defined in the Prospectus Regulation. Consequently, no key information document required by the 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 PRIIPs Regulation. This offering memorandum has been prepared on the basis that any offer of notes in any Member State of the EEA will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of notes. This offering memorandum is not a prospectus for the purposes of the Prospectus Regulation.

Any notes to which this offering memorandum relates 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 United Kingdom. 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 2017/565 as it forms part of domestic law by virtue of the EUWA; (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as 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 (iii) not a "qualified investor" as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by UK PRIIPs Regulation for offering or selling the notes or otherwise making them available to any retail investor in the United Kingdom has been prepared and therefore offering or selling the notes or otherwise making them available to any retail investor in the United Kingdom may be unlawful under the UK PRIIPs Regulation. This offering memorandum has been prepared on the basis that any offer of notes in the United Kingdom will be made pursuant to an exemption from the requirement to publish a prospectus for offers of notes.

This offering memorandum contains some of our trademarks, trade names and service marks, including our logos. Each trademark, trade name or service mark of any company appearing in this offering memorandum belongs to its respective holder.

NOTICE TO RESIDENTS OF PERU

THE NOTES AND THE INFORMATION CONTAINED IN THIS OFFERING MEMORANDUM HAVE NOT BEEN AND WILL NOT BE REGISTERED WITH OR APPROVED BY THE SMV OR THE BVL. ACCORDINGLY, THIS OFFERING WILL NOT BE SUBJECT TO A PUBLIC OFFERING IN PERU.

PERUVIAN SECURITIES LAWS AND REGULATIONS ON PUBLIC OFFERINGS WILL NOT BE APPLICABLE TO THE OFFERING OF THE NOTES AND, THEREFORE, THE DISCLOSURE OBLIGATIONS SET FORTH THEREIN WILL NOT BE APPLICABLE TO THE ISSUER OR TO THE SELLERS OF THE NOTES BEFORE OR AFTER THEIR ACQUISITION BY PROSPECTIVE INVESTORS. THIS OFFERING MEMORANDUM AND OTHER OFFERING MATERIALS RELATING TO THE OFFERING OF THE NOTES ARE BEING SUPPLIED TO THOSE PERUVIAN INVESTORS WHO HAVE EXPRESSLY REQUESTED THEM. SUCH MATERIALS MAY NOT BE DISTRIBUTED TO ANY PERSON OR ENTITY OTHER THAN THE INTENDED RECIPIENTS. ACCORDINGLY, THE NOTES CANNOT BE OFFERED OR SOLD IN PERU, EXCEPT IF (I) SUCH NOTES WERE PREVIOUSLY REGISTERED WITH THE SMV, OR (II) SUCH OFFERING IS CONSIDERED A PRIVATE OFFERING UNDER THE PERUVIAN SECURITIES LAWS AND REGULATIONS. THE PERUVIAN SECURITIES LAWS ESTABLISH, AMONG OTHER THINGS, THAT AN OFFER DIRECTED EXCLUSIVELY TO INSTITUTIONAL INVESTORS (AS DEFINED BY PERUVIAN LAW) QUALIFIES AS A PRIVATE OFFERING. IN MAKING AN INVESTMENT DECISION, INSTITUTIONAL INVESTORS (AS DEFINED BY PERUVIAN LAW) MUST RELY ON THEIR OWN EXAMINATION OF THE TERMS OF THE OFFERING OF THE NOTES TO DETERMINE THEIR ABILITY TO INVEST IN THE NOTES.

NO OFFER OR INVITATION TO SUBSCRIBE FOR OR SELL THE NOTES OR BENEFICIAL INTERESTS THEREIN CAN BE MADE IN THE REPUBLIC OF PERU EXCEPT IN COMPLIANCE WITH THE PERUVIAN SECURITIES LAWS AND REGULATIONS.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Orazul presents financial statements in U.S. dollars in accordance with IFRS Accounting Standards ("**IFRS**"), as issued by the International Accounting Standards Board ("**IASB**"), for the annual financial statements and IAS 34 *Interim Financial Reporting* for the condensed consolidated interim financial statements, and all financial information included in this offering memorandum is derived from their respective consolidated financial statements, except as otherwise indicated.

The financial statements included in this offering memorandum consist of:

- audited consolidated financial statements of Orazul as of and for the years ended December 31, 2024, 2023 and 2022 (our "**audited annual consolidated financial statements**"); and
- unaudited condensed consolidated interim financial statements of Orazul as of June 30, 2025 and for the three and six month periods ended June 30, 2024 and 2025 (our "**unaudited condensed consolidated interim financial statements**").

We present these financial statements in U.S. dollars, which is also our functional currency. All references in this offering memorandum to (i) "**dollars**" or "**U.S.$**" are to U.S. dollars and (ii) "**Peruvian soles**" or "**S/**" are to the legal currency of Peru. Amounts in Peruvian soles were translated to U.S. dollars at the Peruvian sol/U.S. dollar exchange rate in effect on the applicable transaction date. Peruvian sol/U.S. dollar translations included in this offering memorandum are solely illustrative and reflect only the Peruvian sol/U.S. dollar exchange rate in effect on the date of such translation, and you should not expect that any amount in Peruvian soles actually represent a stated U.S. dollar amount or that it could have been or could be converted or translated into U.S. dollars at the rate suggested.

We have made rounding adjustments to some of the figures included in this offering memorandum for ease of presentation. Consequently, numerical figures shown as totals in some tables may not be arithmetic aggregations of the figures that precede them. Percentage figures included in this offering memorandum have not in all cases been calculated on the basis of such rounded figures but on the basis of such amounts prior to rounding. For this reason, percentage amounts in this offering memorandum may vary from those obtained by performing the same calculations using the figures in our financial statements.

Non-IFRS Financial Information

In this offering memorandum, we disclose EBITDA, interest coverage ratio, net debt, total debt to EBITDA ratio and net debt to EBITDA ratio, which are non-IFRS financial measures, each as defined in "*Summary—Summary Financial and Other Information*" Each of these measures is an important measure used by our management to assess our financial and operating performance. We believe that the disclosure of EBITDA, interest coverage ratio, net debt, total debt to EBITDA ratio and net debt to EBITDA ratio provides useful supplemental information to investors and financial analysts in their review of our operating performance and in the comparison of such operating performance to the operating performance of other companies in the same industry or in other industries that have different capital structures, debt levels and/or income tax rates. Other companies may calculate EBITDA, interest coverage ratio, net debt, total debt to EBITDA ratio and net debt to EBITDA ratio differently, and therefore our presentation of EBITDA, interest coverage ratio, net debt, total debt to EBITDA ratio and net debt to EBITDA ratio may not be comparable to other similarly titled measures used by other companies. The presentation of non-IFRS financial information is not meant to be considered in isolation or as a substitute for the directly comparable financial measures prepared in accordance with IFRS. We urge you to review the reconciliations of the non-IFRS financial measures presented herein to the comparable IFRS financial measures presented herein and not to rely on any single financial measure to evaluate our business.

Industry and Market Data

We obtained the market and industry data and other statistical information used throughout this offering memorandum from our own research, surveys or studies conducted by third parties, independent industry or general publications and other published independent sources. To the extent it relates to the Peruvian government or

Peruvian macroeconomic data, the information used throughout this offering memorandum has been extracted from official publications of the Peruvian government and has not been independently verified by us or the initial purchasers. While we believe that each of these sources is reliable, they are themselves subject to assumptions and involve judgments and estimates, and neither we nor the initial purchasers have independently verified such data, and neither we nor the initial purchasers make any representations as to the accuracy of such information. Similarly, we believe our internal research is reliable, but it has not been verified by any independent sources.

Capacity and Production Figures

Unless otherwise indicated, statistics provided throughout this offering memorandum with respect to power generation units are expressed in MW, in the case of the capacity of such power generation units, and in GWh, in the case of the electricity production of such power generation units.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This offering memorandum contains forward-looking statements reflecting our current views about future events including but not limited to our expectations for conditions in Peru and in our industry, as well as our future performance, financial condition and results of operations, capital expenditures, liquidity and capital structure. Words such as "**believe**," "**could**," "**may**," "**would**," "**will**," "**anticipate**," "**plan**," "**expect**," "**intend**," "**target**," "**estimate**," "**project**," "**potential**," "**predict**," "**forecast**," "**guideline**," "**should**" and similar expressions are intended to identify forward-looking statements, but are not the exclusive means of identifying these statements. Statements that are not historical facts, including statements about our strategy, plans, objectives, assumptions, prospects, beliefs and expectations are forward-looking statements. While we consider these expectations and assumptions to be reasonable, forward-looking statements are based on current plans, estimates and projections and, therefore, are not guarantees of future performance and are subject to various risks and uncertainties, most of which are difficult to predict and many of which are beyond our control. Actual results could differ materially and adversely from those expressed or implied by the forward-looking statements, including but not limited to:

- our ability to source, enter into and/or renew long-term power purchase agreements ("**PPAs**"), consumption of energy by our customers under PPAs and the terms of such agreements;
- the ability of our customers to meet their obligations under our PPAs;
- our ability to access resources for the operation of our hydroelectric and solar power plants;
- our ability to develop new renewable energy generation projects to benefit from energy transition trends;
- the performance and reliability of our generation plants and our ability to manage our operation and maintenance costs;
- business interruptions or impairment of our assets;
- expected trends in the Peruvian power market, including trends relating to the growth in the energy market, consumer energy use, supply and demand imbalances, and investments in competing power generation facilities;
- reduction of or volatility in our margins when selling energy to the spot market;
- the nature and extent of future competition in the Peruvian energy industry;
- the legal and regulatory framework of the Peruvian energy industry, including at the national, regional and/or municipal levels;
- our goals and strategies, including potential expansion projects;
- the sufficiency of our liquidity and capital resources;
- our ability to finance or refinance our operations;
- our compliance with the covenants contained in the instruments governing our indebtedness;
- climate conditions and changes in climate or other occurrences of natural phenomena;
- the impact of fuel price and foreign exchange fluctuations on our revenues, profit and EBITDA;
- the maintenance of relationships with customers;
- our ability to hire and retain qualified and competent management;
- the potential sale of us or our direct or indirect parent companies by our shareholders;

- interruption or failure of our information technology, communication and processing systems or external attacks and invasions of these systems;
- litigation, tax and/or regulatory proceedings or developments and our expectations with respect to such litigation, proceedings or developments, including the impact of our release of certain provisions;
- potential acts of terrorism, vandalism, weather, unforeseeable natural disaster or other similar events that may affect the integrity of our infrastructure or our capacity to generate or other generators in the system;
- the potential expropriation or nationalization of our generation plants including creeping expropriation, with or without adequate compensation;
- adequacy of our insurance coverage and our plans to seek coverage for the costs related to the repair and outage of our plants and our ability to recover such costs;
- the political and macroeconomic outlook for Peru, including exchange rate, inflation and interest rate fluctuations, and the impact on our business of such conditions;
- new types of taxes or increases or decreases in taxes applicable to us and/or our business;
- the effect of weather conditions on generation, consumer energy use, tariffs or our operating costs;
- potential changes in tariffs, which may impact our business, financial condition and results of operations;
- our ability to secure, or renew, appropriate licenses, including water rights for our existing operations or any acquisitions or greenfield projects;
- the effects on financial markets of current or anticipated military conflicts, including between Russia and Ukraine, the evolving events in the Middle East, terrorism, sanctions or other geopolitical events globally;
- expiration or termination of the concessions granted in connection with our plants;
- changes in our regulatory environment, including the costs of complying with environmental and renewable energy regulations; and
- other factors identified or discussed under "**Risk Factors**."

Some of these factors are discussed under "**Risk Factors**," but there may be other risks and uncertainties not discussed under "**Risk Factors**" or elsewhere in this offering memorandum that may cause actual results to differ materially from those in forward-looking statements. You should read this offering memorandum completely and with the understanding that our actual future results may be materially different from what we expect.

Additionally, new risks and uncertainties can emerge from time to time, and it is not possible for us to predict all future risks and uncertainties, nor can we assess their potential impact. Accordingly, you should not place undue reliance on forward-looking statements as a prediction of actual results.

In any event, these statements speak only as of the date of this offering memorandum, and we do not undertake any obligation to update or revise any of them as a result of new information, future events or otherwise.

All written, oral and electronic forward-looking statements attributable to us or to the persons acting on our behalf are expressly qualified in their entirety by this cautionary statement.

ENFORCEMENT OF CIVIL LIABILITIES

We are a corporation (*sociedad anónima*) existing under the laws of Peru. The majority of our shares are directly owned by Orazul Energia (UK) Holdings Ltd., a private limited company existing under the laws of England and Wales. The remaining shares are directly owned by Orazul Energia Partners LLC, a limited liability company existing under the laws of the Cayman Islands, and a number of minority investors.

Substantially all of our directors, officers and controlling persons named herein reside outside the United States, and all of our assets and a substantial portion of their assets are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon such persons, including with respect to matters arising under the federal securities laws of the United States, or to enforce against such persons or against us judgments of courts of the United States predicated upon the civil liability of the federal securities laws of the United States.

We have been advised by our Peruvian counsel, Miranda & Amado Abogados S. Civil de R.L., that any final and conclusive judgment for a fixed and definitive sum obtained against us in any foreign court having jurisdiction in respect of any suit, action or proceeding against us for the enforcement of any of our obligations under the notes, which are governed by New York law, will, upon request, be deemed valid and enforceable in Peru through an *exequatur* judiciary proceeding (which does not involve the reopening of the case), *provided that*: (i) there is a treaty in effect between the country where such foreign court sits and Peru regarding the recognition and enforcement of foreign judgments, or (ii) in the absence of such a treaty, the original judgment is recognized by the Peruvian courts (*Cortes de la República del Perú*), under such *exequatur* proceeding, subject to the provisions of the Peruvian Civil Code (*Código Civil*) and the Peruvian Civil Procedure Code (*Código Procesal Civil*), *provided, further, that* the following conditions and requirements are met:

(a) the foreign judgment does not resolve matters under the exclusive jurisdiction of Peruvian courts (and the matters contemplated by the notes or in respect to this offering memorandum are not matters under the exclusive jurisdiction of Peruvian courts);

(b) such foreign court had jurisdiction under its own private international conflict of law rules and under general principles of international procedural jurisdiction;

(c) the defendant was served with service of process in accordance with the applicable laws of the place where the proceeding took place, was granted a reasonable opportunity to appear before such foreign court and was guaranteed due process rights;

(d) the foreign judgment has the status of *res judicata* as defined in the jurisdiction of the court rendering such judgment;

(e) there is no pending litigation in Peru between the same parties with respect to the same dispute, which pending litigation was initiated before the commencement of the proceeding that concluded with the foreign judgment;

(f) the foreign judgment is not incompatible with another judgment that fulfills the requirements of recognition and enforceability established by Peruvian law, unless such foreign judgment was rendered first;

(g) such foreign judgment is not contrary to Peruvian public policy (*orden público*) or good morals (*buenas costumbres*);

(h) it is not proven that such foreign court denies enforcement of Peruvian judgments or engages in a review of the merits thereof;

(i) such judgment has been (x) duly apostilled by the competent authority of the jurisdiction of the issuing court, in the case of jurisdictions that are parties to the Hague Convention for Abolishing the Requirement of Legalization for Foreign Public Documents dated October 5, 1961 (the "**Hague Apostille Convention**"), or (y) legalized before a notary public of such country, certified by the competent Peruvian consular authorities and the Peruvian Ministry of Foreign Affairs (*Ministerio de Relaciones Exteriores*), in case of

jurisdictions that are not parties to the Hague Apostille Convention or then being a signatory country, opposed Peru's accession thereto, and is accompanied by a certified and officially translated copy of such judgment into Spanish by a Peruvian certified translator; and

(j) the applicable court fees have been paid.

We have no reason to believe that any of our obligations subject to New York law relating to the notes would be contrary to Peruvian public policy (*orden público*), good morals (*buenas costumbres*) and international treaties binding upon Peru or generally accepted principles of international law.

Our properties have no immunity from a court's jurisdiction, except, to the extent applicable, immunities set forth in Article 616 of the Peruvian Civil Procedure Code (*Código Procesal Civil*) (Legislative Decree No. 768, which sole unified text was approved through Ministerial Resolution No. 010-93-JUS, as amended), pursuant to which any private property designated for the rendering of indispensable public services may not be subject to preliminary attachments (*medidas cautelares*) that could affect the normal rendering of such services.

The United States does not currently have a treaty providing for reciprocal recognition and enforcement of judgments in civil and commercial matters with Peru. Therefore, unless the above-mentioned requirements are satisfied, a final judgment for payment of money rendered by a federal or state court in the United States based on civil liability, whether or not predicated solely upon U.S. federal securities laws, may not be enforceable, either in whole or in part, in Peru. However, if the party in whose favor such unenforced final judgment was rendered brings a new suit in a competent court in Peru, such party may submit to the Peruvian court the final judgment rendered in the United States. Under such circumstances, a judgment by a federal or state court of the United States against us may be regarded by a Peruvian court only as evidence of the outcome of the dispute to which such judgment relates, and a Peruvian court may choose to re-hear the dispute. In addition, awards of punitive damages in actions brought in the United States or elsewhere are unenforceable in Peru. In the past, Peruvian courts have enforced judgments rendered in the United States based on legal principles of reciprocity and comity.

We will appoint Cogency Global, Inc., with offices currently located at 122 East 42nd Street, 18th Floor, New York, NY 10168, as agent to receive service of process under the indenture governing the notes, including with respect to any action brought against us in the Courts of the State of New York in the County of New York or the United States District Court for the Southern District of New York under the federal securities laws of the United States. With respect to such actions, we have submitted to the exclusive jurisdiction of the courts of the State of New York in the County of New York or the United States District Court for the Southern District of New York.

AVAILABLE INFORMATION

For so long as any notes are "**restricted securities**" within the meaning of Rule 144(a)(3) under the Securities Act, we will, during any period in which we are neither subject to Section 13 or Section 15(d) of the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, provide to any holder or beneficial owner of such restricted securities or to any prospective purchaser or subscriber of such restricted securities designated by such holder or beneficial owner upon the request of such holder, beneficial owner or prospective purchaser or subscriber the information required to be delivered to such persons pursuant to Rule 144A(d)(4) under the Securities Act (or any successor provision thereto). Any such request should be directed to our Chief Financial Officer, at Calle Las Palmeras No. 435, Floor 7, district of San Isidro, province and department of Lima, Peru.

CERTAIN TERMS USED IN THIS OFFERING MEMORANDUM

We have prepared this offering memorandum using a number of conventions, which you should consider when reading the information contained herein. In this offering memorandum:

- "2027 Notes" refers to the U.S.$363.2 million aggregate principal amount of outstanding 5.625% Senior Notes due 2027 issued on April 28, 2017, by Orazul Energy Egenor S. en C. por A. (a predecessor entity to Orazul Energy Perú S.A.);

- "ANA" means the Peruvian National Water Authority (*Autoridad Nacional del Agua*);

- "availability factor" means the percentage of hours a power generation unit is available for generation of electricity in the relevant period, whether or not the unit is actually dispatched or used for generating electricity;

- "CAGR" means compound annual growth rate;

- "Caña Brava Generation Concession Agreement" means the definitive NCRE generation concession agreement dated February 10, 2009, entered into by and between the MINEM and Duke Energy Egenor S. en C. por A. (a predecessor entity to Orazul Energy Perú S.A.), which provides for the conditions, rights and obligations of each of the parties thereto;

- "Caña Brava NCRE Concession Agreement" means the NCRE concession agreement dated March 31, 2010, entered into by and between the MINEM and Duke Energy Perú Holdings S.R.L., and formalized by public deed dated April 20, 2010, as amended by the first amendment dated February 23, 2017, which provides for the conditions, rights and obligations of each of the parties thereto.

  Pursuant to an assignment agreement dated April 1, 2010, Duke Energy Peru Holdings S.R.L. assigned its contractual position under the Caña Brava NCRE Concession Agreement to Duke Energy Egenor S. en C. por A;

- "Cañón del Pato" or "CDP" means the 266 MW generation capacity hydroelectric power plant located in the region of Ancash, Peru;

- "Carhuaquero Complex" means Carhuaquero I, II and III, which consist of hydroelectric power plants with an aggregate generation capacity of 94 MW, and Carhuaquero IV and Caña Brava (Carhuaquero V), which consists of NCRE hydroelectric power plants with an aggregate generation capacity of 16 MW, all located in the Cajamarca region of Peru.

- "Carhuaquero Generation Concession" means the definitive generation concession granted by the MINEM to develop electricity generation activities for the Carhuaquero hydroelectric power plant, pursuant to Supreme Resolution No. 034-95-EM, as amended by Supreme Resolution No. 150-2001-EM.

  Pursuant to Supreme Resolution No. 028-96-EM, the MINEM approved the transfer of the Carhuaquero Generation Concession to Empresa de Generación Eléctrica Nor Perú S.A.. Subsequently, pursuant to Supreme Resolution No. 045-97-EM, the MINEM approved the transfer of the Carhuaquero Generation Concession to Egenor S.A. and by Supreme Resolution No. 020-2000-EM, Egenor S.A.A. (a predecessor entity to Orazul Energy Perú S.A.) was recognized as titleholder of the Carhuaquero Generation Concession;

- "Carhuaquero Generation Concession Agreement" means the definitive generation concession agreement dated May 12, 1995, and formalized by public deed dated July 11, 1995, entered into by and between the MINEM and Electroperú, as amended by the first amendment dated September 3, 2001, and formalized by

public deed dated January 9, 2002, which provides for the conditions, rights and obligations of each of the parties thereto under the Carhuaquero Generation Concession;

- "Carhuaquero Solar" means the 1 MW generation capacity solar power plant located within the Carhuaquero Complex in the region of Cajamarca, Peru;

- "Carhuaquero IV Generation Authorization" means the authorization to carry out electricity generation activities for the Carhuaquero IV hydroelectric power plant, granted by the MINEM by Ministerial Resolution No. 584-2006-MEM/DM;

- "Carhuaquero IV NCRE Concession Agreement" means the NCRE concession agreement dated March 31, 2010, and formalized by public deed dated April 20, 2010, entered into by and between the MINEM and Duke Energy Peru Holdings S.R.L., as amended by the first amendment dated February 23, 2017, which provides for the conditions, rights and obligations of each of the parties thereto.

  By assignment agreement dated April 1, 2010, Duke Energy Peru Holdings S.R.L. assigned its contractual position under the Carhuaquero IV NCRE Concession Agreement to Duke Energy Egenor S. en C. por A.;

- "CDP Generation Concession" means the definitive generation concession to carry out electricity generation activities for the CDP hydroelectric power plant, granted by the MINEM pursuant to Supreme Resolution No. 068-94-EM, as amended by Supreme Resolutions No 014-2002-EF and 014-2006-EM;

- "CDP Generation Concession Agreement" means the definitive generation concession agreement dated October 14, 1994, and formalized by public deed dated February 16, 1995, entered into by and between the MINEM and Electroperú, as amended by the first and second amendments dated April 30, 2002 and March 16, 2006, respectively, and formalized by public deeds dated May 31, 2002 and April 5, 2006, respectively, which provides for the conditions, rights and obligations of each of the parties thereto under the CDP Generation Concession;

  Pursuant to Supreme Resolution No. 025-96-EM, MINEM approved the transfer of the CDP Generation Concession to Empresa de Generación Eléctrica Nor Perú S.A.; pursuant to Supreme Resolution No. 043-97-EM, the MINEM approved the transfer of the CDP Generation Concession to Egenor S.A.; pursuant to Supreme Resolution No. 022-2000-EM, Egenor S.A.A. was recognized as the titleholder of the CDP Generation Concession; and pursuant to Supreme Resolution No. 014-2002-EM, Duke Energy Egenor S. en C. por A. was recognized as the titleholder of the CDP Generation Concession;

- "COD" means the commercial operation date of a development project;

- "COES" means the Committee for the Economic Operation of the Interconnected National System (*Comité de Operación Económica del Sistema Interconectado Nacional*), an independent Peruvian entity, created by law and composed of qualified participants undertaking activities in the SEIN which is responsible for planning and coordinating the operation of the generation, transmission and distribution systems that form the SEIN;

- "DGE" means the General Directorate of Electricity of the MINEM;

- "DIA" means the Environmental Impact Declaration (*Declaración de Impacto Ambiental*);

- "DREM Cajamarca" means the Regional Directorate of Energy and Mines of the Regional Government of Cajamarca;

- "distribution" refers to the transfer of electricity from the transmission lines at grid supply points and its delivery to consumers at lower voltages through a distribution system;

- "Electroperú" means Empresa de Electricidad del Perú S.A. – ElectroPerú S.A., a state-owned Peruvian corporation (*sociedad anónima*);

- "firm capacity" means the capacity available for production that, pursuant to applicable regulations, must be guaranteed to be available at a given time for energy injection to a certain power grid;

- "firm energy" means the maximum expected energy production of an energy unit in a year considering dry conditions for hydroelectric units, and scheduled and unscheduled unavailability for thermoelectric units. For solar and wind units, firm energy is determined according to the average energy production of the previous five years. Firm energy is the maximum amount of energy that can be sold by a generation unit;

- "GDP" means gross domestic product;

- "generation capacity" means the intended full-load sustained output of capacity that a generation unit is designed to produce;

- "GWh" means gigawatt hour (one GWh is equal to 1,000 MWh);

- "I Squared Capital" means ISQ Global Infrastructure Fund L.P., ISQ Global Infrastructure Fund II, or any one or more other investment funds or managed accounts with respect to which one or more Affiliates of I Squared Capital Advisors (US) LLC acts as the general partner or the investment manager with similar management and investment capabilities to those of I Squared Capital Advisors (US) LLC;

- "INDECOPI" means the National Institute for the Defense of Competition and Intellectual Property Protection (*Instituto Nacional de Defensa de la Competencia y de la Protección de la Propiedad Intelectual*), the Peruvian antitrust and intellectual property regulator;

- "INEI" means the Peruvian National Institute of Statistics and Information (*Instituto Nacional de Estadística e Informática)*;

- "Inkia" means Nautilus Energy Holdings LLC, a limited liability company organized under the laws of the Cayman Islands;

- "Kallpa Group" means the group of Peruvian companies in the electricity sector that are indirectly owned by Inkia. Orazul is a member of the Kallpa Group;

- "Kondu" means Kondu S.A.C., a subsidiary of Orazul Energy Perú S.A.;

- "Kondu Generation Concession" means the definitive generation concession agreement for the development of electricity generation activities for the Carhuaquero solar plant, granted by the MINEM pursuant to Sectorial Regional Directorial Resolution No. D1-2024-GR.CAJ/DREM, as integrated by Sectorial Regional Directorial Resolution No. D4-2024-GR.CAJ/DREM;

- "Kondu Generation Concession Agreement" means the generation concession agreement dated April 16, 2024, and formalized by public deed dated April 24, 2024, entered into by and between the MINEM and Kondu S.A.C., which provides for the conditions, rights and obligations of each of the parties thereto under the Kondu Generation Concession;

- "kW" means kilowatt(s), or one thousand watts, equivalent to one thousand joules per second or 1,000 volt-amperes;

- "KWh" means Kilowatts hour;

- "Luz del Sur" means Luz del Sur S.A.A., a Peruvian open stock corporation (*sociedad anónima abierta*);

- "MINEM" means the Ministry of Energy and Mines of Peru (*Ministerio de Energía y Minas*), which is responsible for, among other things, (a) setting national energy policy; (b) proposing and adopting laws and regulations to supervise the energy sector; (c) approving proposed transmission expansion plans by the

COES; (d) promoting scientific research and investment in energy; and (e) granting concessions and authorizations to entities who wish to operate in power generation, transmission or distribution in Peru;

- "MME" means the Wholesale Electricity Market (*Mercado Mayorista de Electricidad*);
- "MW" means megawatts (one MW is equal to 1,000 Kilowatts or KW);
- "MWh" means megawatt hour (one MWh is equal to 1,000 kilowatts hour);
- "NCRE" means non-conventional renewable energy, including energy generated with biomass, wind, solar, geothermic, water (not exceeding 20 MW) and tidal resources;
- "non-regulated customers" means customers not subject to price regulation in connection with their energy and capacity consumption. Under the current regulatory framework: (i) customers with a demand exceeding 2,500 kW are classified as non-regulated customers and may contract power directly with generation or distribution companies at freely negotiated prices; and (ii) customers with a demand between 200 kW and 2,500 kW may elect to be treated as non-regulated customers or remain as regulated customers, subject to regulated tariffs.
- "OSINERGMIN" means the Supervisory Body of Investment in Energy and Mining (*Organismo Supervisor de la Inversión en Energía y Minería*), a Peruvian governmental authority which is responsible for, among other things, ensuring that companies comply with the rules and regulations applicable to the energy industry in Peru and for setting the tariffs to be charged to regulated customers;
- "PCL" means the Power Concessions Law (*Ley de Concesiones Eléctricas*) approved by Law 25844, as amended;
- "PPA" means a power purchase agreement;
- "Pluz Energía Perú" means Pluz Energía Perú S.A.A., a Peruvian open stock corporation (*sociedad anónima abierta*) (formerly known as Enel Distribución Perú S.A.A.);
- "SEIN" means the national interconnected electrical system of Peru (*Sistema Eléctrico Interconectado Nacional*);
- "SUNAT" means the National Superintendency of Tax Administration of Peru (*Superintendencia Nacional de Aduanas y de Administración Tributaria*);
- "transmission" refers to the bulk transfer of electricity from generation facilities to the distribution system at load center station in which the electricity is stabilized by means of the transmission grid; and
- "weighted average availability" refers to the number of hours that a generation facility is available to produce electricity divided by the total number of hours in a year.

EXCHANGE RATE INFORMATION

The following tables set forth the historical period-end, average, high and low exchange rates calculated as the bid-ask midpoint as reported by the Banking, Insurance and Pension Funds Superintendency (*Superintendencia de Banca, Seguros y AFP – SBS*), expressed in Peruvian sol per one U.S. dollar for the periods indicated.

	Peruvian sol/U.S. dollar			
	Period End[(1)]	**Average[(2)]**	**High**	**Low**
Year				
2019	3.317	3.339	3.405	3.285
2020	3.624	3.498	3.662	3.305
2021	3.998	3.886	4.136	3.599
2022	3.820	3.839	4.003	3.634
2023	3.713	3.748	3.900	3.557
2024	3.770	3.758	3.883	3.671
2025 (through September 4, 2025)	3.539	3.541	3.546	3.534

(1) Represents the exchange rate on the last business day of the applicable period.
(2) Represents the simple average of the daily exchange rates.

	Peruvian sol/U.S. dollar			
	Period End[(1)]	**Average[(2)]**	**High**	**Low**
Month				
January 2025	3.728	3.751	3.785	3.716
February 2025	3.683	3.702	3.722	3.674
March 2025	3.677	3.657	3.693	3.626
April 2025	3.678	3.704	3.750	3.667
May 2025	3.632	3.665	3.697	3.632
June 2025	3.549	3.609	3.654	3.549
July 2025	3.588	3.561	3.588	3.547
August 2025	3.540	3.548	3.588	3.525
September 2025 (through September 4, 2025)	3.539	3.541	3.546	3.534

(1) Represents the exchange rate on the last business day of the applicable period.
(2) Represents the simple average of the daily exchange rates.

On September 4, 2025, the exchange rate was S/3.539 per U.S. dollar.

SUMMARY

This summary highlights information presented in greater detail elsewhere in this offering memorandum and does not contain all of the information that you should consider in making your investment decision. Before deciding whether to invest in our notes, you should carefully read this entire offering memorandum, especially the risks of investing in our notes discussed under the heading "Risk Factors."

Overview

We are a Peruvian power company focused on electric power generation. We own and operate two run-of-river hydroelectric power plants, CDP and the Carhuaquero Complex, and one solar power plant, Carhuaquero Solar, to generate and sell non-carbon, efficient and reliable electricity to regulated customers (distribution companies) and non-regulated customers under short-term and long-term PPAs, as well as in the spot market. As of June 30, 2025, the weighted average remaining life of our PPAs was approximately 5.5 years with a successful contracting history. We have committed to sell, on average, approximately 64% of our firm energy (in MWh) from 2025 to 2027, which is consistent with what we believe is our optimal contracting level. This structural contracting mix provides flexibility to accommodate potential volatility in hydroelectric generation.

For the year ended December 31, 2024, we generated 2,079 GWh of energy accounting for 3.5% of the Peruvian market share based on gross energy generation. Our generation is considered base load in the Peruvian system, prioritized within the dispatch order. Our hydroelectric power plants, located in different hydrological basins, have an aggregate generation capacity of 376 MW: (i) the CDP hydroelectric generation plant, which utilizes the Santa River ecological water flow in Huallanca comprises six generation units with an aggregate generation capacity of 266 MW; and (ii) the Carhuaquero Complex hydroelectric generation plants, which utilize the Chancay River ecological water flow in Cajamarca consists of three power plants, five generation units and a dam with an aggregate generation capacity of 110 MW. The COD of the CDP hydroelectric plant was granted in 1958, while the CODs of the Carhuaquero Complex were granted in 1991, 2008 and 2009.

Our 1 MW generation capacity solar power plant, Carhuaquero Solar, the Kallpa Group's first solar installation, is located within the Carhuaquero Complex in Cajamarca. It is operated by our subsidiary, Kondu, which was incorporated to carry out electricity generation, transmission and commercialization activities, as well as provide energy solutions to our customers. Carhuaquero Solar achieved COD in 2024. During the twelve-month period ended June 30, 2025 and years ended December 31, 2024, 2023 and 2022, Orazul generated 2,063 GWh, 2,079 GWh, 2,072 GWh and 2,021 GWh, respectively.

The following table sets forth certain of our financial data for the periods set forth below:

	Six Months Ended June 30,		Year Ended December 31,			Twelve Months Ended June 30,[1]
	2025	2024	2024	2023	2022	2025
	(U.S.$ millions, except as otherwise indicated)					
Revenues	62	59	104	115	107	107
Profit (Loss) for the period	24	10	(38)	33	29	(24)
EBITDA[2]	48	46	73	68	76	75

(1) Amounts for the twelve months ended June 30, 2025 are calculated as the corresponding amounts for the six months ended June 30, 2025 plus the corresponding amounts for the year ended December 31, 2024 less the corresponding amounts for the six months ended June 30, 2024.

(2) EBITDA is a non IFRS measure. For a reconciliation of our profit for the period to our EBITDA, see "*Summary—Summary Financial and Other Information*."

Our Subsidiary Kondu

Orazul Energy Perú S.A. and Orazul Energia (UK) Holdings Ltd. (the direct parent company of the Company) hold 99.9% and 0.01%, respectively, of Kondu's share capital. Kondu's legal domicile is located at Calle Las Palmeras No. 435, Floor 7, district of San Isidro, province and department of Lima, Peru.

Kondu creates value for customers by integrating tailored energy solutions with competitive electricity pricing, with a focus on maximizing cost savings, reducing carbon emissions, and enhancing supply security. Its primary target is the middle-market segment. Kondu's service portfolio includes electricity supply, self-consumption solutions, demand management, sustainable mobility strategies, strategic and technical support for achieving energy efficiency goals, and technical assistance related to electrical infrastructure.

Kondu entered into a 30–year agreement with Orazul Energy Perú S.A. for the right to operate and benefit from the 1 MW generation capacity Carhuaquero Solar plant. Pursuant to this agreement, Kondu acquired the definitive concession for the development of electricity generation activities using renewable energy resources.

Our Plants

The map below shows the location of our power generation units in Peru:

The following table sets forth certain summary operating information for our power generation units:

Plant	Energy Used to Operate Power Plant	Generation Capacity	Gross Energy Generated [1]	Weighted Average Availability Factor [2]	Weighted Average Capacity Factor [2]
		(MW)	**(GWh)**	**(%)**	**(%)**
Cañón del Pato	Hydroelectric	266	1,528	92	61
Carhuaquero Complex	Hydroelectric	110	550	94	69
Carhuaquero Solar	Solar	1	1	- [3]	- [3]
Total		**377**	**2,079**		

(1) Information presented is for the year ended December 31, 2024.
(2) Information presented is for the five-year period ended June 30, 2025.

(3) Not calculable. Carhuaquero Solar's COD was declared in 2024. Since COD, availability factor has been 99% and capacity factor has been 19%.

The following tables set forth certain other key operating information of our power generation business for the periods indicated:

	Years Ended December 31,		
	2024	**2023**	**2022**
Capacity at end of period (MW)	377	376	376
Weighted average availability during the period (%)	92%	91%	92%
Gross energy generated (GWh)	2,079	2,072	2,021
Own consumption of energy and losses (GWh)	15	14	14
Net energy generated (GWh)	2,064	2,058	2,007
Energy sold on the spot market (GWh)	763	392	229
Energy sold under PPAs (GWh)	1,301	1,666	1,778
Average energy price (U.S.$/MWh)[(1)]	45	45	43

(1) Average energy price is calculated by dividing the total amount of sales of energy in U.S. dollars by physical energy sales in MWh.

CDP Hydroelectric Power Plant

The CDP plant is located in the district of Huallanca, province of Huaylas, in the Ancash region of Peru. CDP has a generation capacity of 266 MW, making it one of the largest hydroelectric facilities in the country. The plant generates electricity throughout the year using the ecological flow of the Santa River. CDP achieved COD in 1958.

CDP comprises a 9-kilometer headrace tunnel, 415 meters of penstock, and six Pelton turbines. The San Diego water reservoirs contribute to a relatively stable hydrological profile by providing a constant flow of water to downstream plants, thereby supporting CDP's operational reliability. The plant was designed to utilize the ecological flow of the Santa River for power generation and the ecological flow of the Quitaracsa River for cooling purposes.

Type	Run-of-river
COD	1958
Concession	Perpetual
Turbine type	Pelton
Number of units	6
Manufacturer	Kvaerner
Design Flow (m^3/s)	76
Net Head (m)	382
Substation	SEIN / SS Huallanca

Carhuaquero Hydroelectric Power Complex

The Carhuaquero Complex is located in the district of Llama, within the province of Chota and region of Cajamarca, and has a total generation capacity of 110 MW. The Carhuaquero Complex consists of (i) Carhuaquero I, II and III, and the mini hydroelectric power plants, (ii) Carhuaquero IV and (iii) Carhuaquero V, the latter two developed

under the framework of the NCRE auctions conducted by the Peruvian State. The Carhuaquero Complex was built to utilize the ecological water flow of the Chancay River and includes the Cirato regulation dam, which supports water flow management and has a storage capacity of 0.38 million cubic meters.

Carhuaquero I, II and III's CODs were declared in 1991, with three vertical-axis Pelton turbines and with an aggregate generation capacity of 94 MW. Carhuaquero IV's COD was declared in 2008, with a horizontal-axis Pelton turbine with a generation capacity of 10 MW and Carhuaquero V's COD was declared in 2009, with a horizontal-axis Kaplan turbine with a generation capacity of 6 MW.

	I, II and III	IV	V
Type	Run-of-river	Run-of-river	Run-of-river
COD	1991	2008	2009
Concession	Perpetual	Perpetual	Perpetual
Turbine type	Pelton	Pelton	Kaplan
Number of units	3	1	1
Manufacturer	Kvaerner	Vatech	Vatech
Design Flow (m^3/s)	21	3	19
Net Head (m)	475	452	32
Substation		SEIN / SS Carhuaquero	

Carhuaquero Solar Power Plant

The Carhuaquero Solar power plant is located in the districts of Llama and Catache, within the provinces of Chota and Santa Cruz, and the region of Cajamarca, and has a generation capacity of 1 MW. Carhuaquero Solar's COD was declared in 2024. The plant consists of 950 photovoltaic modules, each with a nominal potential of 595 W. The Carhuaquero solar plant forms part of the operational area of the Carhuaquero Complex and is the Kallpa Group's first solar installation.

Type	Photovoltaic
COD	2024
Concession	Perpetual
Panels type	Mono-facial
Number of modules	950
Manufacturer	Trina Solar
Substation	SEIN / SS Carhuaquero

Competitive Strengths

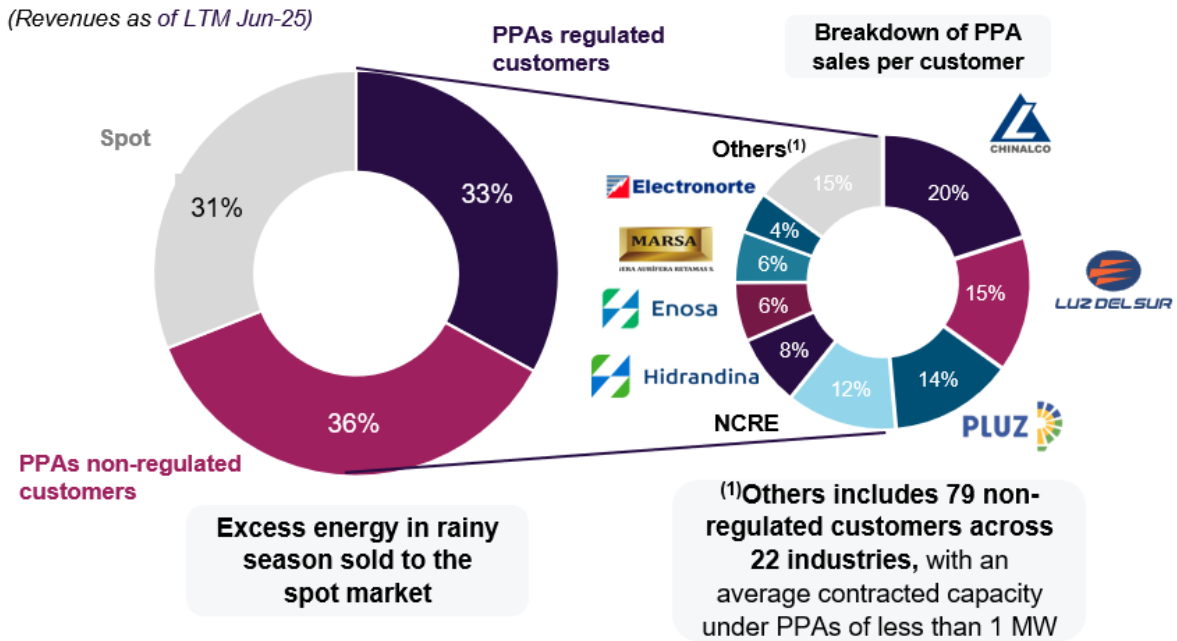
Long-term competitive energy renewable asset base— We own and operate significant renewable generation assets in Peru. As of December 31, 2024, our renewable assets contributed 3.5% of the system's total generation. We own two of the largest hydroelectric power plants in Peru, CDP and the Carhuaquero Complex, in two distinct basins, and both with perpetual operating concessions. In addition, our hydroelectric portfolio, with supply from different water sources, allows us to mitigate the effects of hydrology seasonality. CDP generates electricity consistently throughout the year using water from the Santa River, which is sourced from snowmelt during the spring and summer months, and rainfall during the winter season. The Santa River has one of the highest volumes of water in the Pacific basin throughout the Peruvian coast. The Carhuaquero Complex utilizes the ecological water flow of the Chancay River. During the rainy season, additional water becomes available through the Cirato regulation dam, which is also located within the Carhuaquero Complex and has a storage capacity of 0.38 million cubic meters.

Our hydroelectric power plants are long-life infrastructure assets characterized by durability and minimal maintenance requirements. The low maintenance and operational expenditure results from substantial upfront capital investment during the construction phase, ensuring robust infrastructure and long-term reliability. These assets maintain high availability and performance standards while delivering cost-effective and sustainable energy

over their operational lifespan. Characterized by exceptionally long operational lifespans, they provide a stable and predictable generation profile over time. This longevity, combined with low operating costs and limited reinvestment needs, positions our hydroelectric power assets as an efficient and resilient component within the energy matrix, supporting long-term operational continuity and cost-effective performance.

Diversified contracted customers' portfolio featuring high-quality off-takers— Orazul maintains a robust commercial positioning through a highly diversified customer mix, which enhances revenue stability and predictability. As of the last twelve months ended June 30, 2025, 69% of Orazul's revenues were contracted sales through PPAs with regulated and non-regulated creditworthy off-takers, including the main distribution companies, large mining and industrial customers and certain other atomized retail customers. The balance, 31%, related to the excess energy from the rainy season, was sold to the spot market.

During the last twelve months ended June 30, 2025, the top 8 customers represented 85% of the contracted sales (equivalent to 59% of total revenues). These customers primarily include the main distribution companies, large mining companies and NCRE contracts with a guaranteed annual revenue. The remaining 15% of the contracted sales (equivalent to 10% of total revenues) were sold to 79 non-regulated retail customers across 22 different industries with an average contracted capacity under PPAs of less than 1 MW, reflecting a broad and diversified portfolio. These retail customers are assessed individually and as a portfolio, with a maximum concentration per customer below 14%, reinforcing the strength of Orazul's commercial diversification strategy.



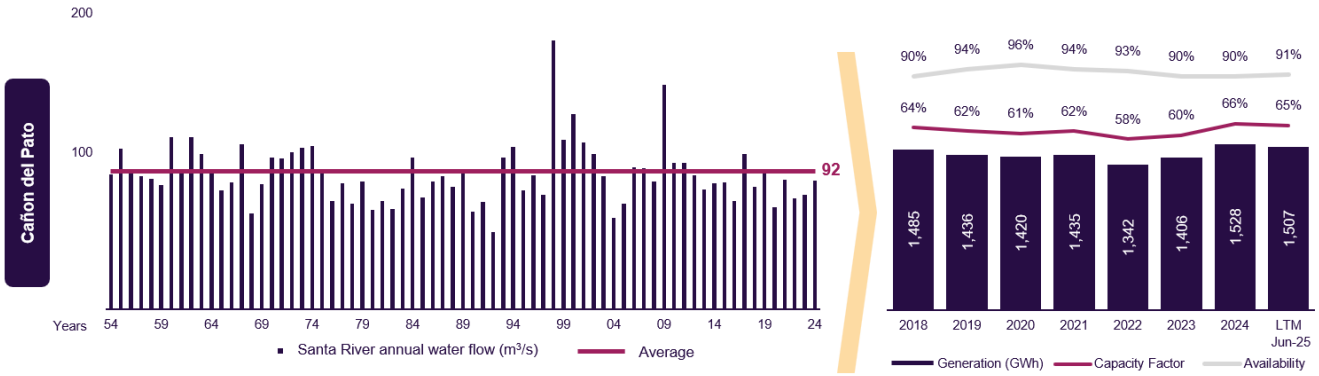
This atomized structure not only mitigates concentration risk but also provides commercial flexibility and maximizes profitability, as retail customers have higher prices than large customers.

Overall, the presence of high-quality off-takers across sectors such as mining, manufacturing, retail, and services further supports the diversification, predictability and long-term sustainability of Orazul's cash flows.

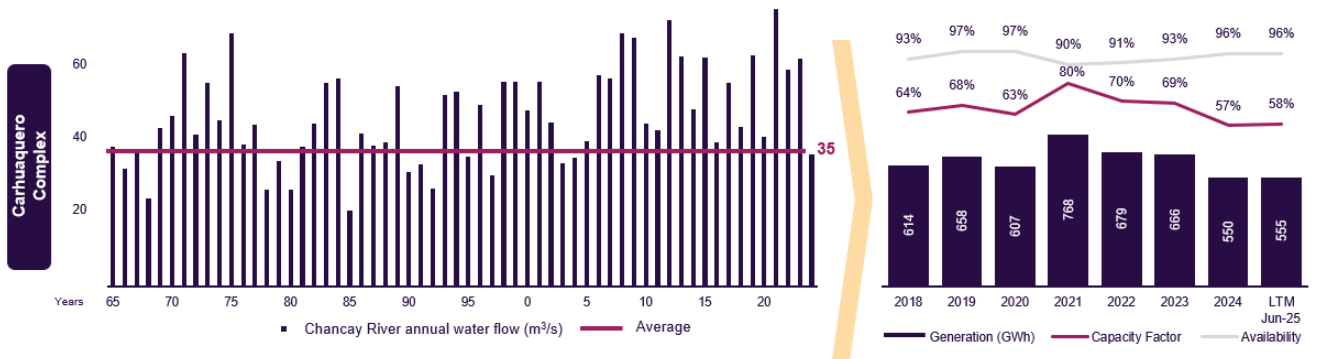
A Stable and Diversified Hydrological Framework— Operating hydroelectric power plants across two distinct river basins provides the Company with a structurally diversified generation platform that enhances its ability to manage hydrological variability. This geographic dispersion reduces exposure to localized weather anomalies and seasonal fluctuations, strengthening the operational resilience of the Company's asset base. As a result, it contributes to greater stability in energy production and supports the Company's ability to maintain a reliable and balanced supply profile within the electricity market.

Both the Santa and Chancay river basins, where our hydroelectric power plants are located, have proven sound hydrological stability, underpinning the Company's consistent generation performance. These basins provide reliable year-round water availability, enabling the Company to maintain capacity factors and operational continuity across its portfolio.

The following chart shows the Santa River annual water flow (m^3/s) and CDP generation, capacity factor and availability:

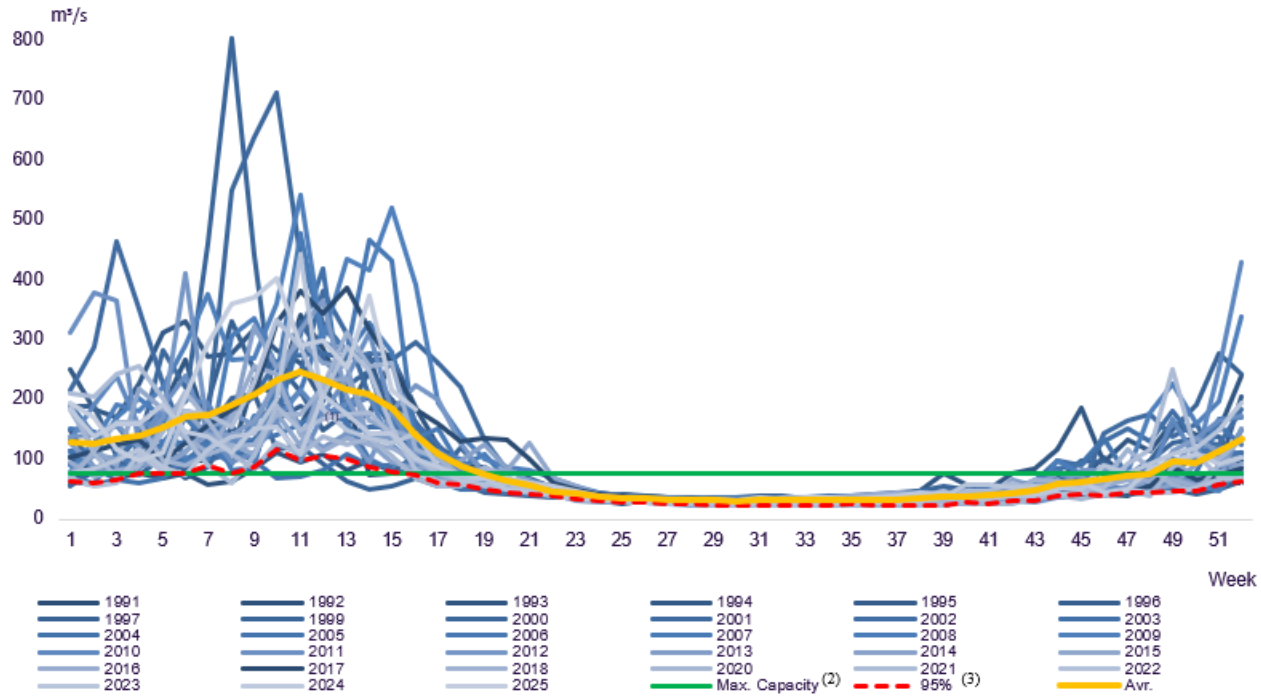


The following chart shows the Chancay River annual water flow (m^3/s) and Carhuaquero Complex generation, capacity factor and availability:



CDP, located on the Santa River, is one of the most reliable hydroelectric power plants in Peru, supported by over 60 years of hydrological and generation history that validate its consistent dispatch levels. The Santa River, one of the longest and most voluminous rivers on Peru's Pacific basin, ensures steady inflows throughout the year. During the rainy season, river flows significantly exceed the 76 m^3/s required for CDP to operate at full capacity.

The following chart sets forth the Santa River's historical weekly flow[(1)]:



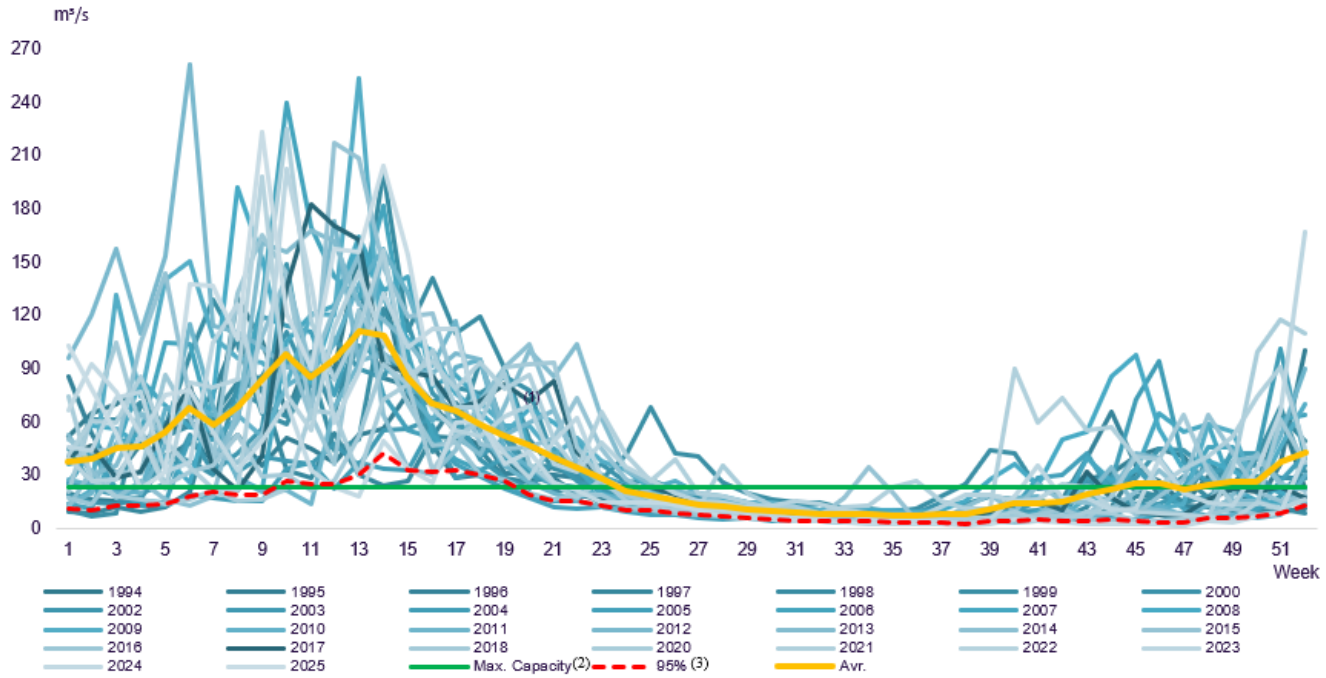
(1) The information presented in this chart is based on actual figures as of June 30, 2025.

(2) River flow required by CDP (76m3/s) to operate at full capacity.

(3) Percentile of a dry year using historical data from 1981 to 2025 (i.e., percentile 100 is driest on record). P95% is the reference curve to calculate Orazul's optimal contracting level.

Similarly, the Carhuaquero Complex benefits from stable hydrology in the Chancay River basin which is located in the Cajamarca region at approximately 375 meters above sea level. During the rainy season, available flows consistently surpass the 24 m³/s needed for full-capacity operation.

The following chart sets forth the Chancay River's historical weekly flow[(1)]:



(1) The information presented in this chart is based on actual figures as of June 30, 2025.

(2) River flow required by Carhuaquero Complex (24m3/s) to operate at full capacity.

(3) Percentile of a dry year using historical data from 1981 to 2025 (i.e., percentile 100 is driest on record). P95% is the reference curve to calculate Orazul's optimal contracting level.

Stable, diversified and predictable cash flows through an optimal contracted energy portfolio— Based on our stable hydropower generation, we hold an optimal contracted energy portfolio through diversified PPAs that limits our exposure to fluctuations in Peruvian energy spot market prices, generates stable and predictable margins, and helps maintain stability and predictability in our cash flows. We contract with highly creditworthy counterparties, diversified among regulated and non-regulated customers, which mitigates the risk of customer default. We have entered into contracts for, on average, 64% of our firm energy from 2025 to 2027, consistent with our optimal contracting level. This balanced contracting strategy, aligned with our hydropower plants' capacity factors, enhances cash flow stability. For the twelve months ended June 30, 2025, we made 61% of our aggregate energy sales (in GWh) pursuant to PPAs. As of June 30, 2025, the weighted average remaining life of our PPAs was approximately 5.5 years through a diversified portfolio comprising both regulated (52% of the revenues) and non-regulated customers (48% of the revenues). We have historically renewed and aim to continue renewing our PPAs before they approach their expiration date and/or to enter into new medium and long-term contracts. We place a strong focus on optimizing our contracted profile to mitigate cash flow volatility and maintain high profit margins.

Operational excellence and culture of safety and social responsibility— We strive to achieve operational excellence by delivering high-quality services in a safe and environmentally responsible manner. We have achieved weighted average availability rates of 92% in 2024, 91% in 2023 and 92% in 2022. Our operating performance is driven by our experienced, well-trained staff, adequate capital expenditure and consistent maintenance.

We have maintained a safety culture and remain strongly committed to social responsibility through a variety of successful sustainability initiatives focused on health, education, and economic development. In 2024 alone,

our health programs benefited 30,861 individuals, our education initiatives supported 5,011 people, and our business development efforts reached 2,051 beneficiaries.

Significant market position and strategic synergies as part of the Kallpa Group in an attractive energy market— We maintain an important market position in Peru as part of the Kallpa Group. As of December 31, 2024, the Kallpa Group had a generation capacity of 2,203MW and generates 13,750 MWh, representing 23% market share of Peru's total generation. As part of the Kallpa Group, Orazul benefits from integrated commercial and operational capabilities that enhance its performance across key value drivers. The Company's ability to execute re-contracting strategies with agility, negotiate improved procurement terms and rely on a management team with deep industry expertise collectively strengthens its negotiating position with both suppliers and customers. These advantages also support stronger financial discipline, operational efficiency, and long-term resilience in a dynamic energy market. This affiliation enables the Company to drive cost efficiencies, streamline supply chain management, and reinforce its competitive standing in the energy sector.

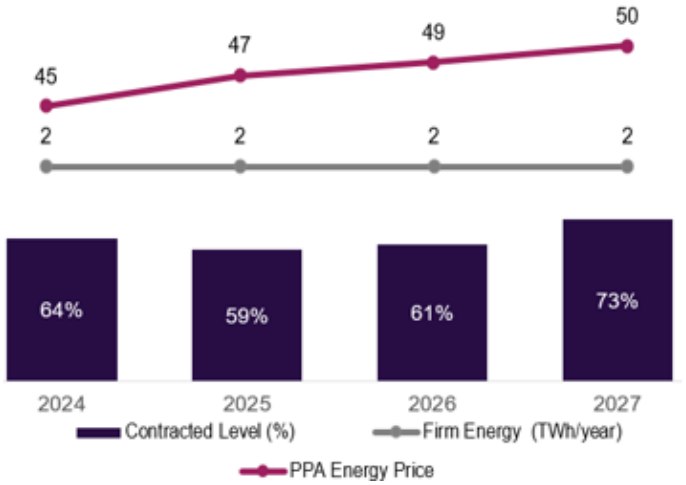
We expect Peruvian energy demand and spot prices to increase over the next 10 years as a result of Peru's growing middle class, the substantial investments made in connection with Peru's energy-intensive mining industry and expected growth in its manufacturing industry. According to MINEM, the total energy demand in Peru is expected to increase at a CAGR of 5.2% for the period 2024 to 2030. Peru has a stable regulatory framework, with a focus on minimizing electricity costs for end users while ensuring an adequate return on investment for sector participants. Driven by solid macroeconomic fundamentals and a stable regulatory environment, we expect Peru to remain an attractive power market in Latin America over the coming decade.

Experienced management team— Our management team has extensive experience in the power generation business, operating as a single team for the Kallpa Group. Our executive officers have an average of approximately 22 years of experience in the power generation industry and have previously held senior positions in leading power generation companies, financial institutions, and the Peruvian government. Our management team provides in-depth market knowledge and power industry experience, with considerable experience in the Peruvian energy industry and in working with government regulators. We believe that this overall level of experience allows our management team to lead us in the effective operation and maintenance of our facilities.

Business Strategy

Continue to optimize our commercial policies focusing on renewable energy, stable margins and optimal level of contracted capacity with diversified creditworthy counterparties— During the year ended December 31, 2024, our aggregate energy and capacity sales pursuant to PPAs were 69% of our total revenues. All of these PPAs are either in U.S. dollars or linked to the U.S. dollar, and most are indexed to the U.S. inflation index and to the price of natural gas in U.S. dollars and among diversified high-quality off-takers. We seek to enter into medium and long-term PPAs with 52% of our total revenues from regulated customers and 48% of our total revenues from non-regulated customers, including mining and industrial companies, that have strong credit profiles, thereby mitigating the risk of customer default. Given our portfolio composed of two hydroelectric generating assets in two distinct basins and a solar plant, we have a successful track record of contracting PPAs on favorable terms, with an average weighted life of 5.5 years of our PPAs as of June 30, 2025. We expect to be able to continue to recontract our energy and associated capacity as our current PPAs end and maintain an optimal contracting level aligned with our hydroelectric power plants' plant factors.

The following graph sets forth our contracted level from 2024 through 2027, based on signed PPAs as of June 30, 2025:



Conservative financial policies in line with our objectives of maintaining our credit ratings— We intend to use a portion of the proceeds of the offering of the notes to repay all of the 2027 Notes which will allow us to extend our debt maturity profile. Orazul currently has a "Ba2" credit rating by Moody's and a "BB" credit rating by Fitch. Our credit ratings are an important part of our financial strategy, and we aim to maintain healthy financial policies, appropriate levels of indebtedness, and liquidity, consistent with such ratings. This will allow us to maintain an optimal cost of capital which will enhance our profitability. In addition, as of June 30, 2025, we maintain an undrawn U.S.$25 million committed short-term credit line with an international financial institution.

Maintain our facilities to achieve long-term availability, reliability and asset integrity— We will continue to focus on ensuring long-term availability, reliability and asset integrity through preventive maintenance activities supported by a number of predictive techniques. We will consider critical equipment and economics in defining the best maintenance strategy for all of our equipment in an effort to maintain stable and reliable operations. We have implemented a computerized management system to control our maintenance strategy and keep a maintenance matrix for all equipment in accordance with manufacturer recommendations. Several levels of managers, supervisors, and technicians conduct continuous evaluations to carry out our maintenance strategy. We expect to continue to follow a rigorous maintenance strategy and schedule in order to maintain stable and reliable operations.

Integrate corporate social responsibility with our business—We consider local communities as important stakeholders and seek to be good corporate citizens. We take action on our corporate social responsibility by performing studies to identify needs and opportunities in education, health and economic development in our communities, forming government alliances to co-finance development projects, and maintaining open communications with the local governments and communities. We will continue to seek to develop our business in a manner which complies with applicable legal and environmental regulations, minimizes negative environmental impacts and makes positive contributions to the communities in which we operate.

Operate our facilities safely and efficiently— We strive to provide world-class quality of service while operating our facilities safely and efficiently. Our business adheres to global benchmarks for safety, environmental and operating standards in the industry, and we promote a culture of health, safety, accident prevention, security and environmental excellence by our employees, contractors, and local communities. Furthermore, we provide appropriate safety training and make written operating procedures available to all our employees and contractors. Inspections and audits are routinely conducted, and after any significant events we conduct a root-cause analysis to incorporate lessons learned into operating practices. We will continue to rigorously implement and follow the

strictest industry safety standards to safeguard our employees, contractors, and the communities where our operations are located.

Recent Developments

Dividend Distribution

On August 28, 2025, we distributed a cash dividend of U.S.$20 million.

Tender Offer

Concurrently with this offering, we commenced an offer (the "**Tender Offer**") to purchase any and all of our outstanding 2027 Notes. As of June 30, 2025, there was U.S.$363.2 million in aggregate principal amount of the 2027 Notes outstanding.

We intend to use the net proceeds from this offering to fund the purchase of the 2027 Notes validly tendered and accepted for payment in the Tender Offer. We cannot assure you that the Tender Offer will be completed on the terms described in this offering memorandum, or at all. Nothing in this offering memorandum should be construed as an offer to purchase any of our outstanding notes. The Tender Offer is being made only upon the terms and conditions set forth in a separate offer to purchase that is being directed at the holders of the 2027 Notes. See "*Use of Proceeds*" and "*Capitalization.*"

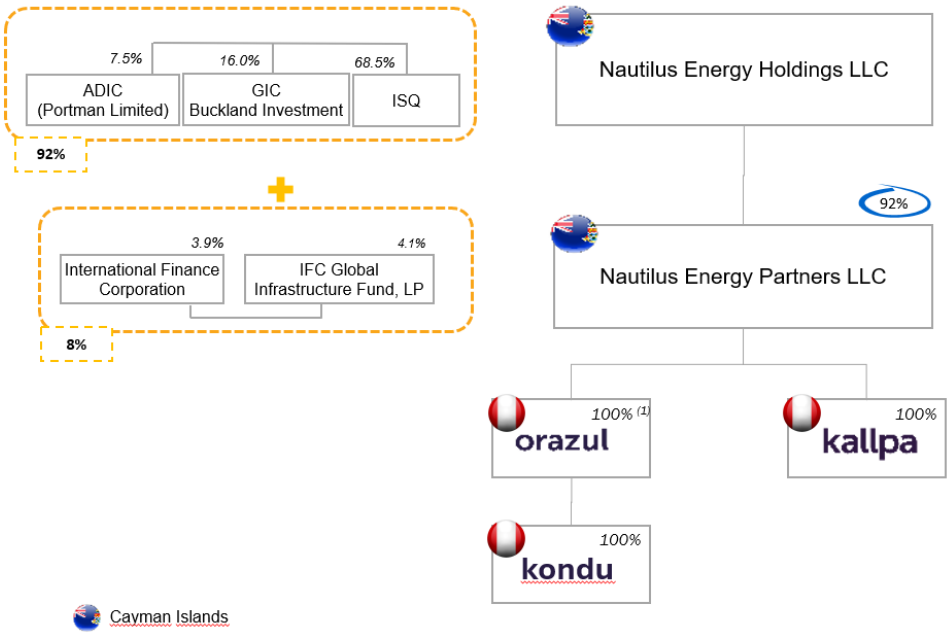
The Tender Offer is subject to the satisfaction of certain conditions, including, but not limited to, the consummation of this offering. This offering is not contingent on the consummation of the Tender Offer. The initial purchasers will also concurrently be acting as dealer managers in connection with the Tender Offer.

Redemption

In connection with this offering and the Tender Offer, on the settlement date of the notes, we intend to issue a notice of redemption to holders of the outstanding 2027 Notes to redeem any 2027 Notes that remain outstanding following the Tender Offer (the "**Redemption**"). We intend to use the remaining net proceeds from this offering to fund the Redemption. This offering memorandum is not intended to be deemed a notice of redemption with respect to the 2027 Notes.

Corporate Structure

The following chart presents our simplified corporate structure and principal affiliates as of the date of this offering memorandum:



(1) 0.01% of the shares of Orazul are held by a number of minority investors.

Corporate Information

Our principal executive offices are located at, and the address of our Board of Directors and principal executive officers is, Calle Las Palmeras No. 435, Floor 7, district of San Isidro, province and department of Lima Peru. Orazul Energy Perú S.A. is registered in the electronic file No. 13732236 of the Lima Office of the Peruvian Corporations Public Registry. The Company's telephone number is +51 1-706-7878.

THE OFFERING

The following is a brief summary of terms of the notes. For a more complete description of the terms of the notes, see "Description of the Notes."

Issuer.....	Orazul Energy Perú S.A.
Securities Offered.....	U.S.$380,000,000 aggregate principal amount of 6.250% Senior Notes due 2032
Issue Price.....	99.720% plus accrued interest, if any, from September 17, 2025
Maturity Date.....	September 17, 2032
Interest.....	The notes will accrue interest at a rate of 6.250% per year, payable semi-annually in arrears on March 17 and September 17 of each year, commencing on March 17, 2026.
Ranking.....	The notes will be our general, unsecured senior obligations and will, at all times, be *pari passu* in right of payment with all of our other existing and future unsecured and unsubordinated debt, except for those obligations preferred by operation of Peruvian law, including labor and tax claims. The notes will be effectively subordinated to our existing and future secured debt to the extent of the assets securing such debt. In addition, the notes will be structurally subordinated to all future unsecured and unsubordinated debt and other liabilities (including trade payables) of our subsidiaries, if any. As of June 30, 2025, as adjusted for this offering and the use of proceeds therefrom, our total outstanding indebtedness would have been U.S.$375 million (after giving effect to reductions for unamortized premiums, discounts or debt issuance costs), none of which was secured.
Additional Amounts.....	All payments of principal, premium, if any, and interest in respect of the notes will be made without withholding or deduction for any taxes or other governmental charges imposed by or within Peru or any other jurisdiction in which we or any successor of us under the indenture is organized or incorporated or any paying agent is located or, in each case, any political subdivision or governmental authority therein or thereof having the power to tax, unless such withholding or deduction is required by law or by the interpretation or administration thereof. In that event, subject to certain exceptions, we will pay such additional amounts as are necessary to ensure that the holders of the notes receive the same amounts as they would have received in the absence of such withholding or deduction. See "*Description of the Notes—Additional Amounts*."
Optional Redemption.....	We may redeem the notes, in whole or in part, on or after September 17, 2028 at our option, at the redemption prices described under "Description of the Notes—Optional Redemption," plus, in each case, any accrued and unpaid interest, and additional amounts, if any. In addition, at any time prior to September 17, 2028 we may also redeem the notes, in whole or in part, at a redemption price equal to 100% of the principal amount thereof, plus a "make-whole" premium and accrued and unpaid interest, if any, to, but not including, the date of redemption. See "*Description of the Notes—Optional*

Redemption."

At any time prior to September 17, 2028 subject to certain conditions, we may redeem up to 35% of the aggregate principal amount of the notes with the net cash proceeds of one or more qualifying equity offerings, at a redemption price of 106.250% of the principal amount of the notes redeemed, plus accrued and unpaid interest, if any, to, but excluding, the date of such redemption. See "*Description of the Notes—Optional Redemption*."

We may also redeem the notes, in whole but not in part, at our option, at a redemption price equal to 100% of the outstanding principal amount of the notes, plus accrued and unpaid interest to (but excluding) the date of redemption and any additional amounts then due and payable, in the event of certain changes in applicable laws, the interpretation of such laws or regulations affecting taxation. See "*Description of the Notes—Optional Redemption—Tax Redemption*."

Covenants ..... The indenture governing the Notes will contain restrictive covenants that, among other things and subject to certain exceptions, limit the ability of the Issuer and its restricted subsidiaries to:

- pay dividends on, or redeem, repurchase or retire, capital stock or subordinated indebtedness;
- make investments;
- incur additional indebtedness;
- create liens;
- sell assets, including capital stock of restricted subsidiaries;
- engage in transactions with affiliates;
- enter into sale and lease-back transactions;
- create restrictions on the ability of restricted subsidiaries to pay dividends, make loans, repay indebtedness or transfer property; and
- consolidate, merge or transfer assets.

However, these covenants are subject to significant exceptions. See "*Description of the Notes—Covenants*."

Change of Control ..... If we experience a Change of Control that results in a Ratings Decline (each as defined in "Description of the Notes"), we must offer to repurchase the notes at a purchase price equal to 101% of the principal amount thereof, plus accrued and unpaid interest to the date of repurchase. See "*Description of the Notes—Change of Control*."

Use of Proceeds ..... We intend to use the net proceeds from the sale of the notes to (i) fund the Tender Offer and to pay related fees, accrued interest and expenses and (ii) repay outstanding short-term borrowings incurred to finance capital expenditures and other operating expenses. If, following the consummation of the Tender Offer, any 2027 Notes remain outstanding, we intend to use remaining net proceeds to redeem such 2027 Notes, including related fees,

	accrued interest and expenses. The remainder, if any, will be used for general corporate purposes. Certain of the initial purchasers and their affiliates may hold 2027 Notes. To the extent that 2027 Notes are repurchased, redeemed or repaid with the proceeds from the sale of the notes, such initial purchasers would receive a portion of the proceeds from the sale of the notes in respect of such 2027 Notes. The initial purchasers will also concurrently be acting as dealer managers in connection with the Tender Offer. See "*Summary—Recent Developments—Tender Offer*" and "*Use of Proceeds*."
Form of notes, Clearing and Settlement.....	The notes will be issued in book-entry form, without interest coupons, in minimum denominations of U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof. The notes will be delivered through the facilities of DTC, for the accounts of its direct and indirect participants, including Euroclear Bank S.A./N.V., as the operator of the Euroclear System ("**Euroclear**") and Clearstream Banking, *société anonyme* ("**Clearstream**"). The notes will be represented by one or more global notes registered in the name of Cede & Co. a nominee of DTC. Owners of beneficial interests in notes held in book-entry form will not be entitled to receive physical delivery of certificated notes except in certain limited circumstances.
Transfer Restrictions.....	The notes have not been, and will not be, registered under the Securities Act or the securities laws of any other jurisdiction. As a result, the notes will be subject to certain restrictions on transfer and resale. See "*Transfer Restrictions*."
Listing.....	We will apply to the SGX-ST for permission for the listing and quotation of the notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this offering memorandum. The notes will be traded on the SGX-ST in a minimum board lot size of U.S.$200,000 as long as any of the notes are listed on the SGX-ST and the rules of the SGX-ST so require.
Governing Law	State of New York
Trustee, Registrar, Transfer Agent and Paying Agent	Citibank, N.A.
Risk Factors	Investing in the notes involves risks. You should carefully consider the risk factors discussed under the caption "Risk Factors" before purchasing any notes.

SUMMARY FINANCIAL AND OTHER INFORMATION

The following tables present our summary consolidated financial and operating data. The summary consolidated financial data as of December 31, 2024, 2023 and 2022 and for the years ended December 31, 2024, 2023 and 2022 and as of June 30, 2025 and for the six months ended June 30, 2025 and 2024 presented below have been derived from our consolidated financial statements included elsewhere in this offering memorandum. Our historical results for any prior period are not necessarily indicative of results expected in any future period.

You should read the summary consolidated financial and operating information set forth below in conjunction with the sections entitled "Presentation of Financial and Other Information," and "Management's Discussion and Analysis of Financial Condition and Results of Operations" as well as in conjunction with the historical consolidated financial statements and notes thereto included elsewhere in this offering memorandum.

The following table presents our summary consolidated statement of profit or loss information for the periods indicated:

	For the Six Months Ended June 30,		For the Year Ended December 31,		
	2025	**2024**	**2024**	**2023**	**2022**
			(U.S.$ millions)		
Revenues	62	59	104	115	107
Cost of sales	(12)	(12)	(27)	(43)	(27)
Depreciation	(14)	(13)	(26)	(26)	(12)
Administrative expenses	(2)	(2)	(6)	(5)	(5)
Other income	-	1	2	1	1
Other expenses	-	-	-	-	-
Operating profit	**34**	**33**	**47**	**42**	**64**
Finance income	1	1	3	2	-
Finance costs	(11)	(11)	(23)	(22)	(26)
Net foreign exchange difference	1	(1)	-	-	-
Net finance costs	**(9)**	**(11)**	**(20)**	**(20)**	**(26)**
Profit before income tax	**25**	**22**	**27**	**22**	**38**
Income tax	(1)	(12)	(65)	11	(9)
Profit (Loss) for the period	**24**	**10**	**(38)**	**33**	**29**

The following table presents our summary consolidated statement of financial position information as of the dates indicated:

	As of June 30,	As of December 31,		
	2025	**2024**	**2023**	**2022**
		(U.S.$ millions)		
Cash	58	26	36	17
Trade receivables	21	23	21	16
Accounts receivable from related parties	-	-	-	1
Other receivables	-	-	-	-
Income tax receivables	-	-	-	-
Inventories	3	2	2	2
Prepaid expenses	3	1	1	1
Other assets	2	2	2	-
Total current assets	**87**	**54**	**62**	**37**
Property, plant and equipment	546	557	575	593
Right-of-use assets	-	1	1	-
Intangible and other assets	490	491	493	495
Deferred income tax assets	25	17	74	53
Total non-current assets	**1,061**	**1,066**	**1,143**	**1,141**
Total assets	**1,148**	**1,120**	**1,205**	**1,178**
Short-term loan	5	-	-	-
Lease liabilities from operating contracts	-	-	-	-
Trade payables	4	6	10	8

Other payables	7	8	5	6
Accounts payable to related parties	-	2	1	-
Income tax payables	4	1	1	8
Total current liabilities	**20**	**17**	**17**	**22**
Debentures	361	361	360	359
Lease liabilities from operating contracts	1	-	-	-
Other liabilities	-	-	-	-
Asset retirement obligation	4	4	5	4
Deferred income tax payables	-	-	-	-
Total non-current liabilities	**366**	**365**	**365**	**363**
Total liabilities	**386**	**382**	**382**	**385**
Share capital	477	477	477	465
Additional capital	223	223	279	-
Legal reserve	39	37	37	34
Revaluation reserve	-	-	-	281
Retained earnings	23	1	30	13
Total equity	**762**	**738**	**823**	**793**
Total liabilities and equity	**1,148**	**1,120**	**1,205**	**1,178**

The following table presents our key operating information as of and for the periods indicated:

	As of and for the Six Months Ended June 30,		As of and for the Year Ended December 31,		
	2025	**2024**	**2024**	**2023**	**2022**
Capacity at end of period (MW)	377	377	377	376	376
Weighted average availability during the period (%)	96	95	92	91	92
Gross energy generated (GWh)	1,300	1,316	2,079	2,072	2,021
Own consumption of energy and losses (GWh)	7	10	15	14	14
Net energy generated (GWh)	1,293	1,306	2,064	2,058	2,007
Energy purchased on the spot market (GWh)	-	-	-	-	-
Energy sold on the spot market (GWh)	725	687	763	392	229
Energy sold under PPAs (GWh)	568	619	1,301	1,666	1,778
Average energy price (U.S.$/MWh)[(1)]	51	45	45	45	43

(1) Average energy price is calculated by dividing the total amount of sales of energy in U.S. dollars by physical energy sales in MWh.

Key Financial Information

The following tables set forth certain key consolidated financial information for the periods presented:

	Six Months Ended June 30,		Year Ended December 31,			Twelve Months Ended June 30,
	2025	**2024**	**2024**	**2023**	**2022**	**2025**
	(U.S.$ millions, except as otherwise indicated)					
EBITDA[(1)]	48	46	73	68	76	75[(2)]
Finance costs	11	11	23	22	26	23[(2)]
Interest coverage ratio[(3)]	4.36	4.18	3.17	3.09	2.92	3.26
Total debt[(4)]	366	361	361	360	359	366
Total debt / Shareholders' equity (%)	48.03	43.39	48.92	43.74	45.27	48.03
Net debt[(5)]	308	297	335	324	342	308
Total debt / EBITDA[(6)]	-	-	4.95	5.29	4.72	4.88
Net debt/EBITDA[(6)]	-	-	4.59	4.77	4.50	4.11

(1) We define "EBITDA" for each period as profit for the period before depreciation, net finance cost and income tax. EBITDA is not recognized under IFRS or any other generally accepted accounting principles as a measure of financial performance and should not be considered as a substitute for profit for the period, cash flow from operations or other measures of operating performance or liquidity determined in accordance with IFRS. EBITDA presents limitations that impair its use as a measure of our profitability since it does not take into consideration certain costs and expenses that result from our business that could have

a significant effect on our profit for the period. Other companies may calculate EBITDA differently, and therefore this presentation of EBITDA may not be comparable to other similarly titled measures used by other companies.

(2) Amounts for the twelve months ended June 30, 2025 are calculated as the corresponding amounts for the six months ended June 30, 2025 plus the corresponding amounts for the year ended December 31, 2024 less the corresponding amounts for the six months ended June 30, 2024.

(3) Our interest coverage ratio is defined as EBITDA divided by finance cost. This ratio is not a recognized financial measure under IFRS.

(4) Total debt is calculated as short-term loans plus debentures.

(5) Net debt is calculated as total debt minus cash. Net debt is not a recognized financial measure under IFRS. The table below sets forth a reconciliation of our total debt to net debt.

(6) Total debt / EBITDA and Net debt / EBITDA are not recognized financial measures under IFRS.

	Six Months Ended June 30,		Year Ended December 31,			Twelve Months Ended June 30,[1]
	2025	2024	2024	2023	2022	2025
			(U.S.$ millions)			
Profit (Loss) for the period	24	10	(38)	33	29	(24)
Depreciation	14	13	26	26	12	27
Net finance costs	9	11	20	20	26	18
Income tax	1	12	65	(11)	9	54
EBITDA	**48**	**46**	**73**	**68**	**76**	**75**

(1) Amounts for the twelve months ended June 30, 2025 are calculated as the corresponding amounts for the six months ended June 30, 2025 plus the corresponding amounts for the year ended December 31, 2024 less the corresponding amounts for the six months ended June 30, 2024.

	As of June 30,		As of December 31,		
	2025	2024	2024	2023	2022
			(U.S.$ millions)		
Total debt[1]	366	361	361	360	359
Cash	58	64	26	36	17
Net debt	**308**	**297**	**335**	**324**	**342**

(1) Total debt is calculated as short-term loans plus debentures.

RISK FACTORS

Our business, financial condition, results of operations and liquidity can suffer materially as a result of any of the risks described below. You should carefully consider the risks described below with all of the other information included in this offering memorandum. If any of the following risks actually occurs, it may materially harm our business, financial condition, results of operations and liquidity. While we have described all of the risks we consider material, these risks are not the only ones we face. We are also subject to the same risks that affect many other companies, such as technological obsolescence, labor relations, geopolitical events and climate change. Additional risks not known to us or that we currently consider immaterial may also impair our business operations. Additionally, this offering memorandum also contains forward-looking statements that involve additional risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks faced by us described below and elsewhere in this offering memorandum.

Risks Related to Our Business

The success of our business depends on many factors, including factors beyond our control.

The success of our business depends on many factors, including factors beyond our control, such as the following:

- availability and competitiveness of alternative energy sources in the markets served by us;
- expiration or early termination of PPAs;
- changes in rainfall and in the water levels in the reservoirs used to run our power generation facilities;
- changes in the availability for natural gas and demand for electricity in Peru;
- changes in regulation and actions of regulatory bodies;
- adverse general economic conditions;
- future weather conditions and unforeseeable natural disasters;
- relations with the communities in the areas where we operate;
- transmission congestion in the SEIN;
- increases of capital costs;
- our ability to build or expand our energy infrastructure within anticipated costs;
- opposition to energy infrastructure development, particularly in environmentally sensitive areas or in populated areas; and
- our ability to obtain the necessary amendments, permits, licenses, rights of way and easements for expansion projects.

These and other factors could materially adversely affect our business, financial condition, results of operations and liquidity.

The Peruvian government has a high degree of influence in our market.

We operate a power generation business and, therefore, are subject to significant governmental regulation. The laws and regulations affecting our operations are complex, dynamic and subject to new interpretations or changes. Such regulations affect almost every aspect of our business, have broad application and, to a certain extent, limit management's ability to independently make and implement decisions regarding numerous operational matters.

Historically, the Peruvian government has intervened at times in the economy and has occasionally made significant changes in monetary, credit, industry and other policies and regulations. Actions by the Peruvian government to control inflation and other policies and regulations have involved, among other measures, price controls, currency devaluations, capital controls and limits on imports. We have no control over, and cannot predict, what measures or policies the Peruvian government may enact in the future. The results of operations and financial condition of our business may be adversely affected by changes in governmental policy or regulations in Peru if those changes impact, among other things:

- consumption and supply of electricity;
- availability and use of water;
- supply and consumption of natural gas;
- operation and maintenance of generation, transmission or distribution facilities, including the receipt of provisional and/or permanent operational licenses;
- energy policy, including with respect to renewable energy generation;
- rules governing the dispatch merit order;
- key permits or operating licenses (such as generation authorizations) that we currently hold;
- calculations of marginal costs or spot prices;
- subsidies and incentives, including tax benefits;
- tariffs, including under PPAs where tariffs are limited to regulated rates;
- natural gas prices;
- labor, environmental or other laws;
- mandatory salary increases and other labor matters;
- public consultations for new generation units;
- social responsibility obligations;
- economic growth;
- rules governing indexation formulas;
- currency fluctuations and inflation;
- fiscal policy and interest rates;
- capital control policies and liquidity of domestic capital and lending markets;
- tax laws and interpretations;
- import/export restrictions;
- acquisitions, construction, or dispositions of power assets;
- other political, social and economic developments in or affecting Peru;
- higher access to the wholesale market to non-regulated customers and distribution companies; and

- increase of participation of renewable generation.

Uncertainty over whether the current Peruvian government will implement changes in policy or regulations affecting these or other factors in the future may also contribute to economic uncertainty and heightened volatility in the securities markets.

On July 1, 2021, new regulations (COES Procedure No. 31) became applicable to determine the variable cost of generation units, including thermal generation units. COES Procedure No. 31 was subject to a new amendment in November 2024, as a result, the regulation now provides a specified calculation method for determining variable costs applicable to gas-fueled power plants. Any additional amendment may affect the order of dispatch of thermal generation units and the marginal cost. Changes in the marginal cost may have a material adverse effect on our margins or results of operations.

Existing or future legislation and regulation or future audits could require material expenditures by us or otherwise have a material adverse effect on our operations. For example, Peruvian regulators have increased their reviews of permitting, licensing and concession applications and have imposed time limits on newly-granted licenses and concessions.

Additionally, government agencies could take enforcement actions against us and impose sanctions or penalties on us for failure to comply with applicable regulations. Depending on the severity of the infraction, enforcement actions could include the closure or suspension of operations, the imposition of fines or other remedial measures, and the revocation of licenses. Compliance with enhanced regulations could force us to make capital expenditures and divert funds away from planned investments in a manner that could have a material adverse effect on our business, financial condition, results of operations or liquidity.

Our failure to comply with existing regulations and legislation, or reinterpretations of existing regulations and new legislation or regulations, such as those relating to the reduction of anti-competitive conduct, air and water quality, noise avoidance, electromagnetic radiation, fuel and other storage facilities, volatile materials, renewable portfolio standards, cybersecurity, emissions or air quality, social responsibility obligations or public consultations, performance standards, climate change, hazardous and solid waste transportation and disposal, protected species and other environmental matters, or changes in the nature of the energy regulatory process may have a significant adverse impact on our financial results.

We operate in a highly competitive market with remaining capacity oversupply.

The Peruvian power market is highly competitive in terms of pricing, quality, development and introduction time, customer service and financing terms. Until recently we have faced downward price pressure and we are or could be exposed to market downturns or slower growth, which may increase in times of declining investment activities, government incentives and/or consumer demand. We face strong current and potential competitors, some of which are larger and may have greater resources than we have.

During prior years, and as a result of government incentives, several generation plants reached COD. Increase in installed capacity outgrew demand growth, resulting in oversupply.

As we sell energy and capacity on the spot market in Peru and expect to enter into, and renegotiate, PPAs, any oversupply in the Peruvian market may adversely affect our business and results of operations.

Additionally, the power generation industry has been characterized by strong and increasing competition with respect to obtaining long-term and short-term PPAs, particularly with financially stable distribution companies and non-regulated customers. These factors have caused reductions in the prices negotiated in PPAs. The evolution of a competitive electricity market and the continued development of highly efficient hydroelectric, gas-fired power plants and renewable technology generation have also caused, or are anticipated to cause, price pressure in the Peruvian power market where we sell or intend to sell power. Certain competitors might be more effective and faster in capturing available market opportunities, which in turn may negatively impact our market share.

Some economic groups operate as both generators and as distribution companies. The market structure allows these competitors to contact the ultimate users directly and offer them flexible options to contract electricity supply.

Any of these factors alone, or in combination, may negatively impact our business and thereby have a material adverse effect on our business, financial condition, results of operations or liquidity.

Our business requires capital expenditures for ongoing maintenance and environmental compliance.

Responding to increases in competition, ongoing maintenance, meeting new customer demands and improving the capabilities of our energy generation facilities may require incremental capital expenditures in the future. Furthermore, we may need to invest significant capital to modernize our existing facilities in order to comply with regulatory requirements. See "*Regulation*." If we are unable to finance any such capital expenditures, or if we are required to use funds for such capital expenditures that would otherwise have been used to grow our business, our business could be adversely affected.

We may not be able to enter into, or renew existing, long-term contracts for the sale of energy and capacity, contracts which reduce volatility in our results of operations, or some of our existing long-term contracts with non-regulated customers may be terminated.

We sell most of our energy under PPAs based on our optimal contracting levels aligned with our hydroelectric power plants' firm energy. We rely upon PPAs with a limited number of customers for the majority of our energy sales and revenues over the term of such PPAs. Depending on market conditions and regulatory regime, it may be difficult for us to secure long-term PPAs with new customers, renew existing long-term PPAs as they approach their expiration date, or enter into long-term PPAs to support our business. There is also a risk that some of our existing long-term PPAs with non-regulated customers may be terminated, at which point it may be difficult for us to secure new long-term PPAs to replace them.

Competition in the energy generation industry is increasing and could adversely affect us.

The energy generation market in which we operate is characterized by numerous strong and capable competitors, many of which may have extensive and diversified developmental and operating experience (including both domestic and international), and financial resources similar to or greater than ours. Further, in recent years, the energy generation industry has been characterized by strong and increasing competition with respect to obtaining PPAs, developing new energy projects and acquiring existing energy generation assets. The evolution of the competitive energy markets that we serve and the development of renewable plants and highly efficient gas-fired power plants have also caused, or are anticipated to cause, price pressure in certain energy markets where we sell or intend to sell energy. With the growth of energy transition initiatives developing across various industries and sectors, we expect to face increased competition from electricity providers utilizing renewable and green sources. Continued and increasing competition in the energy generation industry may have a material adverse effect on our cash flows, financial condition and results of operations and, therefore, on our ability to make payments under the notes.

Customer concentration may expose us to significant counterparty risk.

In the six months ended June 30, 2025, six customers concentrate 45% of our total revenues (36% as of December 31, 2024). All of them are regulated customers: five generation companies that sell that energy to other distribution companies and one large distribution company operating in Lima. These customers have an atomized base of clients that reduce customer concentration risk. Moreover, our regulated and non-regulated customers are mostly subsidiaries of multinational corporations and industrial companies, that have strong credit profiles, thereby mitigating the risk of customer default. As of June 30, 2025, approximately 59% of our estimated firm energy for fiscal year 2025 is contracted under PPAs among high quality off-takers with 78% of our total revenues from investment grade customers.

In addition, we operate in a highly competitive industry where our key customers are targeted by other energy generation companies in Peru. If we are unable to renew, extend or replace our PPAs with these customers, or if we

renew them on less favorable terms, or if any of these customers fail to make payments under our PPAs or seek termination for any reason, we would be materially and adversely affected.

Our cash flows and results of operations are dependent upon the continued ability of our customers to meet their obligations under their relevant PPAs. The deterioration of creditworthiness or overall financial condition of a material customer could expose us to an increased risk of non-payment or other default under our long-term PPAs. Furthermore, if a material customer were to initiate bankruptcy or similar proceedings, we may be unable to recover payment under local laws. For example, under Peruvian laws, our claims with respect to payments due by a customer from the private sector would rank junior to, among others, its labor, social security, pension fund, secured and tax obligations. Any default by any of our material customers could materially and adversely affect us.

Our plants are affected by climate conditions and changes in the climates or other occurrences of natural phenomena could have a material adverse effect on us.

The occurrence of natural phenomena, such as El Niño and La Niña, two climate phenomena that influence rainfall regularity in Peru, may result in droughts and excessive rainfall which affect our results of operations. Droughts and excessive rainfall affect the operation of our plants, in the following manner:

- During excessive rainfall periods, hydroelectric power plants could increase their generation, which reduces the spot prices in the system, and also reduces the dispatch of thermal power plants. As a result, when selling energy to the spot market, we may face a reduction in our margins due to sales occurring at lower spot prices.

- Additionally, during excessive rainfall periods, higher levels of water flow and sediment in rivers can damage machinery and cause stoppages of generation. For example, in March 2023, the Yaku Cyclone, characterized by excessive rainfall along the northern and central coast of Peru, caused damage to the Quitaracsa hydroelectric power plant due to a significant increase in water flow levels in the river.

- During periods of drought, hydroelectric power plants decrease their generation and natural gas plants or diesel plants are used more frequently, which could increase marginal costs.

Climate changes that impact the level of water could have material adverse effect on our hydroelectric plants' power generation and, as a result, its business and results of operations. Additionally, this could affect other plants in the system, which affects overall marginal costs and therefore, us.

Additionally, our facilities are also exposed to climate change risk and to the specific natural phenomena occurring in Peru, including earthquakes (due to high seismic activity), flooding, landslides, fire, and other natural disasters. For example, in 2007, Peru experienced a 7.9 magnitude earthquake that struck the central coast of Peru, and in 2018, the southern coast of Peru was hit by a 7.1 magnitude earthquake. In 2017, Peru experienced significant flooding, and in 2023, Peru faced the second driest year in the last 60 years, causing significant reductions in hydro generation in the system. Forest fires across Peru may also cause significant damage, interrupt our operations and the operations of certain of our large customers, and adversely affect us. In September 2024, the Peruvian government declared a state of emergency in three northern regions affected by forest fires: Amazonas, San Martín and Ucayali. The occurrence of any of the natural calamities listed above may cause significant damage to our power plants and facilities.

We could experience severe business disruptions, significant decreases in revenues based on lower demand arising from climate change or catastrophic events, or significant additional costs to us not otherwise covered by business interruption insurance policies. There may be an important time lag between a major climate change event, accident or catastrophic event and our recovery from any insurance policies, which typically carry non-recoverable deductible amounts, and, in any event, are subject to caps per event. Furthermore, many of our supply agreements, including our natural gas supply agreements and transportation services agreements, contain force majeure provisions that allow for the suspension of performance by our counterparties for the duration of certain force majeure events. If a force majeure event were to occur and our counterparties were to temporarily suspend

performance under their contracts, we may be forced to find alternative suppliers in the market on short notice (which we may be unable to do) and incur additional costs. Additionally, any of these events could cause adverse effects on the energy demand of some of our customers and of consumers generally in the affected market, the occurrence of which could have a material adverse effect on our business, financial condition, results of operations or liquidity.

We are exposed to electricity spot market, fuel and other commodity price volatility.

Unlike most other commodities, electric power can only be stored on a very limited basis and generally must be produced concurrently with use. As a result, power prices are subject to significant volatility from supply and demand imbalances, especially within the spot market, in which we may purchase and sell electricity. Typically, spot market prices for electricity are volatile and the demand for such electricity often reflects the fluctuating cost of natural gas and oil, rain volumes or the conditions of hydro reservoirs.

Although we are a net energy seller, in certain periods during the dry season we could be a net energy buyer in order to meet our obligations under our PPAs. In the six months ended June 30, 2025, we sold 56% of the electricity that we sold (in GWh) on the spot market. Our position as a net energy buyer in certain periods during the dry season has exposed us and may continue to expose us to increased energy prices in the spot market, which tend to fluctuate substantially.

The Peruvian electricity market is also indirectly affected by the price of precious and base metals, as a result of the electricity-intensive mining industry, which represents a significant source of the electricity demand. Therefore, a decline in such mining activity could adversely affect us.

Other changes in the supply and cost of natural gas and oil, rain volumes, the conditions of hydro reservoirs, the unexpected unavailability of other generation units, or the supply and cost of precious and base metals, may impact the volume of electricity demanded by the market. Volatility in market prices for fuel and electricity may result from many factors which are beyond our control and we do not generally engage in hedging transactions to minimize such risks.

A significant fluctuation in spot market prices could have an adverse effect on our cash flows, financial condition and results of operations and, as a result, impair our ability to make payments under the notes. Changes in the spot price may have an effect on PPA prices over time, which could negatively affect our operating margins and results of operations.

We rely on power transmission facilities that we do not own or control and that may be subject to transmission constraints. If these facilities fail to provide us with adequate transmission capacity, we may be restricted in our ability to deliver wholesale electric power and we may either incur additional costs or forego revenues.

We depend upon transmission facilities owned and operated by others to deliver the wholesale power we sell from our power generation units and to supply energy to our customers. If transmission is disrupted, or if the transmission capacity infrastructure is inadequate, our ability to sell and deliver wholesale power may be adversely impacted. If the power transmission infrastructure in the market that we serve is inadequate, our recovery of wholesale costs and profits may be limited. If restrictive transmission price regulation is imposed, the transmission companies may not have sufficient incentive to invest in expansion of transmission infrastructure. In addition, different spot prices may occur within the grid as a result of a transmission constraint. As a result, we may need to purchase energy in the spot market in order to fulfill a PPA obligation in one part of the grid, even if we are generating energy in another part of the grid, and such purchase may occur at a spot market price which is higher than our own generation cost. Also, the constraints of the transmission infrastructure located near our facilities could affect our ability to generate electricity. Such constraints could result from, maintenance, or failures, among other factors.

If any of our generation units are unable to generate energy as a result of a breakdown or other failure, we may be required to purchase energy on the spot market to meet our contractual obligations under the relevant PPAs.

The breakdown or failure of one of our generation facilities may require us to purchase energy in the spot market to meet our contractual obligations under our PPAs, while simultaneously resulting in an increase in the spot market price of energy, resulting in a contraction, or loss, of our margins. Additionally, if a material plant in the system is unavailable or there is limited availability of natural gas in the system, we could be significantly affected due to the use of less efficient plants being dispatched, which increases the spot price in the system. Other operational hazards such as equipment failure, machinery breakdown, or accidents, may impact our business, results of operation and financial condition.

We maintain insurance policies for property value and business interruptions intended to mitigate any losses due to customary risks. However, we cannot assure you that the scope of damage suffered in such an event would not exceed the policy limits, deductibles, losses, or loss of profits outlined in our insurance coverage. We may be materially and adversely affected if we incur losses that are not fully covered by our insurance policies and such losses could have a material adverse effect on our business, financial condition, results of operations or liquidity. For further information on the risks related to our insurance policies, see "*—Our insurance policies may not fully cover damage, and we may not be able to obtain insurance against certain risks.*"

We require qualified personnel to manage and operate our business.

We require qualified and competent management to direct day-to-day business activities, execute business and/or generation unit development plans, and service customers, suppliers and other stakeholders. The services offered by our business are highly technical in nature and require specialized training and/or physically demanding work. Therefore, we must be able to retain employees and professionals with the skills necessary to understand the continuously developing needs of our customers, to maximize the value of our business, and to ensure the timely and successful completion of any expansion or development of generation units. This includes developing talent and leadership capabilities in Peru, an emerging market, where the depth of skilled employees may be limited. Changes in demographics, training requirements and/or the unavailability of qualified personnel could negatively impact the ability of our business to meet these demands. Although we have adequate personnel for the current business environment, unpredictable increases in the demand for our services may exacerbate the risk of not having a sufficient number of trained personnel. In addition, we could be affected by strikes, industrial unrest or work stoppages by third parties.

If we fail to train and retain qualified personnel, or if they experience excessive turnover, strikes or work stoppages, we may experience declining production, maintenance delays or other inefficiencies, increased recruiting, training or relocation costs and other difficulties, any of which could have a material adverse effect on our business, financial condition, results of operations or liquidity.

Our success will also be dependent upon the decision-making of our directors and executive officers. The loss of any or all of our directors and executive officers (including as a result of asset divestitures or otherwise) could affect the creation or implementation of our short-term plans or long-term strategies or divert our directors' and executive officers' attention from our operations, which could affect our ability to enter into PPAs or otherwise have a material adverse effect on our business, financial condition, results of operations or liquidity.

The interruption or failure of our information technology, communication and processing systems or external attacks and invasions of these systems could have an adverse effect on us.

We depend on information technology, communication and processing systems to operate our business. Such systems are vital to our ability to monitor our power plants' operations, maintain generation and network performance, adequately generate invoices to customers, achieve operating efficiencies and meet our service targets and standards. Damage to our networks and backup mechanisms may result in service delays or interruptions and

limit our ability to provide customers with reliable service over our networks. Some of the risks to our networks and infrastructure include:

- physical damage to access lines, including theft, vandalism, terrorism or other similar events;
- energy surges or outages;
- software defects;
- scarcity of network capacity and equipment;
- disruptions beyond our control;
- breaches of security, including cyber-attacks and other external attacks; and
- natural disasters.

The occurrence of any such event could cause interruptions in service or impact our generation capacity, either of which could reduce our revenues or cause us to incur additional expenses. Although we have operational insurance with business interruption coverage that may protect us against specific insured events, we may not be insured for all events or for the full amount of the lost margin or additional expense. In addition, the occurrence of any such event may subject us to penalties and other sanctions imposed by the applicable regulatory authorities. The occurrence of damages to our networks and systems could have a material adverse effect on our business, financial condition, results of operations or liquidity.

We are exposed to material litigation and/or administrative proceedings.

Orazul has been, and is, a party to certain claims and legal actions arising in the ordinary course of business with respect to labor and other legal matters, some of which could be material. For further information, see "*Business—Legal Proceedings*." We may in the future be subject to material litigation, including with respect to our material agreements, and/or administrative proceedings, that may be inherently unpredictable and could result in excessive verdicts against us, including with respect to indemnification payments, injunctive relief or otherwise.

Litigation and/or regulatory proceedings are inherently unpredictable, and excessive verdicts do occur. Adverse outcomes in lawsuits and investigations could result in significant monetary damages, including indemnification payments, or injunctive relief that could adversely affect our ability to conduct our business and may have a material adverse effect on our financial condition and results of operations. In addition, such investigations, claims and lawsuits could involve significant expense and diversion of Orazul's management's attention and resources from other matters, each of which could also have a material adverse effect on Orazul's business, financial condition, results of operations or liquidity.

Our insurance policies may not fully cover damage, and we may not be able to obtain insurance against certain risks.

Our operations are subject to the inherent risks normally associated with hydroelectric power generation, including equipment failures and ruptures, explosions, fires, adverse weather conditions, geological risks, vandalism and other hazards, each of which could result in damage to or destruction of our facilities or injuries to persons and damage to property and cause disruption of our operations.

We maintain insurance policies intended to mitigate our losses due to customary risks. These policies cover our assets against loss for physical damage, loss of revenue from business interruptions and also third-party liability. However, we cannot assure you that the scope of damages suffered in the event of a natural disaster or catastrophic event would not exceed the policy limits of our insurance coverage. In addition, we may be required to pay insurance deductibles, which are not recoverable, in order to utilize our insurance policies. We maintain all-risk physical damage coverage for losses resulting from, but not limited to, earthquakes, fire, explosions, floods,

windstorms, strikes, riots, vandalism, mechanical breakdowns and business interruption. Our level of insurance may not be sufficient to fully cover all losses that may arise in the course of our business or insurance covering our various risks may not continue to be available in the future. In addition, we may not be able to obtain insurance on comparable terms in the future. We may be materially and adversely affected if we incur losses that are not fully covered by our insurance policies and such losses could have a material adverse effect on our business, financial condition, results of operations or liquidity. For further information on our insurance policies, see "*Business—Insurance*."

We have a significant amount of indebtedness, and we will be able to incur more indebtedness after the issue date, which could materially and adversely affect us.

As of June 30, 2025, our total outstanding indebtedness was U.S.$366 million, none of which was secured. We use a substantial portion of cash flow from operations to make debt service payments, reducing our ability to use our cash flow to fund our operations, capital expenditures and future business opportunities. This level of indebtedness could have other important consequences to us, including:

- increasing our vulnerability to general adverse economic and industry conditions;
- limiting our flexibility in planning for, or reacting to, changes in our business and the industry; and
- limiting our ability to adjust to changing market conditions and placing us at a competitive disadvantage compared to our competitors that are not as highly leveraged.

A change in our controlling shareholder may have a material adverse effect on us.

I Squared Capital, our ultimate controlling shareholder, as part of its continuing strategy of generating value through portfolio optimization, is exploring future asset divestitures that may include a sale of Orazul or one or more of our direct or indirect parent companies. Any such sale, if it occurred, may result in I Squared Capital no longer being our ultimate controlling shareholder, and another company becoming our controlling shareholder. We cannot assure you as to when any such sale would take place, or if it will take place at all, and we cannot assure you as to the effect that the consummation of any such sale would have on our strategy, business, financial condition, results of operations or liquidity.

Additionally, lenders and other creditors of I Squared Capital or our direct or indirect parent companies, including affiliates of the initial purchasers, could enforce their rights under financing and other arrangements, including pledges of our equity interests or equity interests of our direct or indirect parent companies, upon a default thereunder and auction or take ownership of the equity interests of Orazul or of our direct or indirect parent companies, which could result in a new controlling shareholder.

Any such new controlling shareholder would have the indirect power to appoint a majority of our board members, thereby having significant influence on our policies and operations, including the appointment of management, future issuances of our common stock or other securities, the payments of dividends on our common stock, the incurrence of debt by us and the amendments to our organizational documents. The interests of such new controlling shareholder may not in all cases be aligned with your interests as a holder of the notes offered hereby. Any such new controlling shareholder may have an interest in pursuing acquisitions, divestitures and other transactions that, in its judgment, could enhance its equity investment, even though such transactions might involve risks to you. For example, any such new controlling shareholder could acquire or develop other generation companies in Peru that are more efficient than ours, cause us to pay higher dividends on our common stock including to service debt of our parent companies, or cause us to make acquisitions that increase our indebtedness or to sell revenue-generating assets.

In addition, any such change in our controlling shareholder could result in a change of control under the indenture governing the notes offered hereby, although it may not result in the type of change of control that would require Orazul to offer to purchase all of the notes issued thereunder. If the sale does constitute a change of control that results in a ratings decline, Orazul could be required, pursuant to the terms of those indentures, to offer to purchase

all of the notes issued thereunder at a price of 101%. Orazul may not be able to repurchase such notes upon a change of control repurchase event, because Orazul may not have sufficient financial resources to purchase all of such notes that are tendered upon a change of control repurchase event. See "—Risks Related to the Notes—The Issuer may not be able to repurchase the notes upon a change of control repurchase event."

The interests of our controlling shareholder may conflict with those of the holders of the notes.

Our indirect controlling shareholder, Inkia, is a subsidiary of I Squared Capital. Pursuant to our organizational documents and share-ownership structure, I Squared Capital has indirect power, through its subsidiaries Orazul Energia (UK) Holdings Ltd. and Orazul Energía Partners LLC, to appoint a majority of our board members, thereby having significant influence on our policies and operations, including the appointment of management, future issuances of our common stock or other securities, the payments of dividends on our common stock, the incurrence of debt by us and the amendments to our organizational documents. I Squared Capital's interests may not in all cases be aligned with your interests as a holder of the notes offered hereby. I Squared Capital may have an interest in pursuing acquisitions, divestitures, including the sale of our business, and/or other transactions that, in its judgment, could enhance its equity investment, even though such transactions might involve risks to you and/or our business. For example, I Squared Capital could acquire or develop other generation companies in Peru that are more efficient than ours, cause us to pay higher dividends on our common stock including to service debt of our parent companies, or cause us to make acquisitions that increase our indebtedness or to sell revenue-generating assets. Any of these factors alone, or in combination, may negatively impact one or more of our businesses and thereby have a material adverse effect on our business, financial condition, results of operations or liquidity.

Our equipment, facilities, operations and new generation units are subject to numerous environmental, health and safety laws and regulations.

We are subject to a broad range of environmental, health and safety laws and regulations which require us to incur ongoing costs and capital expenditures and expose us to substantial liabilities in the event of non-compliance. These laws and regulations require us to, among other things, minimize risks to the natural and social environment while maintaining the quality, safety and efficiency of our facilities. Furthermore, as our operations are subject to various operational hazards, including personal injury and the loss of life, we are subject to laws and regulations that provide for the health and safety of our employees.

These laws and regulations also require us to obtain and maintain environmental permits, licenses and approvals for the construction of new facilities and installation and operation of new equipment required for our business. Some of these permits, licenses and approvals are subject to periodic renewal. Government environmental agencies could take enforcement actions against us for any failure to comply with applicable laws and regulations. Such enforcement actions could include, among other things, the imposition of fines, revocation of licenses, suspension of operations or imposition of criminal liability for non-compliance. Environmental laws and regulations can also impose strict liability for the environmental remediation of spills and discharges of hazardous materials and waste and require us to indemnify or reimburse third parties for environmental damages. Although we have operating procedures in place to minimize this, and other environmental risks, there is no assurance that such procedures will prove successful in avoiding inadvertent spills or discharges.

We expect the enforcement of environmental, health and safety rules to become more stringent over time, making our ability to comply with the applicable requirements and obtain permits and licenses in a timely fashion more difficult. Additionally, compliance with changed or new environmental, health and safety regulations could require us to make significant capital investments in additional pollution controls or process modifications. These expenditures may not be recoverable and may consequently divert funds away from planned investments in a manner that could have a material adverse effect on our business, financial condition, results of operations or liquidity.

While we intend to adopt, and believe that our business has adopted, appropriate risk management and compliance programs, the nature of our operations means that legal and compliance risks will continue to exist and additional legal proceedings and other contingencies, the outcome of which cannot be predicted with certainty, will arise from

time to time. No assurances can be made that we will be found to be operating in compliance with, or be able to detect violations of, any existing or future laws or regulations. A failure to comply with or properly anticipate applicable laws or regulations could have a material adverse effect on our business, financial condition, results of operations or liquidity.

We operate our business pursuant to several concessions, approvals and permits granted by MINEM, the termination, revocation or forfeiture of which would have a material adverse effect on our business.

We are authorized to generate power in Peru pursuant to concessions and approvals granted to us by the MINEM. If we breach our obligations under the concessions or the approvals or we do not comply with the applicable rules and regulations in Peru, we may be subject to sanctions by the MINEM, including the termination or forfeiture of such concessions and approvals. In addition, our concessions and approvals are subject to expropriation if so declared in accordance with applicable law on the grounds of public interest. No assurance can be given that the amounts we are entitled to receive under the concession agreements or applicable law in connection with any termination, forfeiture or expropriation of the concessions or any governmental approval will be received, or if received, will be sufficient to compensate us for our loss. As a result, any of the sanctions described above, or the expropriation of our concessions by a governmental authority, may have a material adverse effect on our business, financial condition, results of operations, or liquidity.

In addition to the concessions and the approvals, we conduct our business pursuant to several permits granted by the MINEM. The MINEM may initiate a process to revoke our permits if, among other things:

- the information submitted by us to obtain our permits contained any untrue or inaccurate statements;
- we repeatedly fail to comply with our obligations regarding preservation of the environment and the cultural heritage of Peru; or
- we repeatedly fail to operate our power plants pursuant to applicable regulations.

The MINEM may initiate a permit revocation procedure by giving us notice that, in their view, one or more of these events has occurred and requesting that we establish our position with respect to the event(s) and, if applicable, indicate the steps we intend to take to remedy the situation. If we fail to timely respond to the request or fail to remedy the situation, the MINEM may revoke our permits.

We cannot assure you that we will be able to comply in full with the terms and conditions of our permits. We cannot guarantee that, if one or more of our permits are revoked, we will be able to obtain a new permit or will be able to continue operating our power plants without such permits. The revocation of our permits may have a severe negative impact on our ability to operate our business. If one or more of our permits are revoked, we would not be able to continue operating as a going concern. This could limit our revenues and materially adversely affect our financial condition, results of operations and our ability to perform our obligations under the notes.

We operate our business pursuant to several permits granted by ANA, the revocation of which would have a material adverse effect on our business.

Effective use of water resources for a permanent activity, for a specific purpose and at a specific place is authorized only upon issuance of a water use license granted by ANA. Water use licenses are especially important in hydroelectric projects since they allow to collect and to use water resources from the river to generate electricity. Compensation to the state as the holder of this kind of license will be calculated taking into account the power output of each month during a year and 1% of the energy price during off-peak hour. Failure to pay these fees may cause the imposition of a fine and the revocation of the water license if two consecutive yearly fees are unpaid.

Furthermore, the discharge of treated wastewater into rivers or other watercourses must also be authorized by ANA. Compensation to the state as the holder of this kind of authorization is approved annually by Supreme Decree. Failure to pay these fees may cause the imposition of a fine and the revocation of the water licenses if two consecutive yearly fees are unpaid.

We conduct our business pursuant to several permits granted by the ANA. The ANA may initiate a process to revoke our permits if, among other things:

- the information submitted by us to obtain our permits contained any untrue or inaccurate statements;
- we fail to pay two consecutive compensations as explained above;
- water is destined, without previous authorization, to a different purpose for which it was granted;
- we are sanctioned two times for serious violations of the law or the terms of the permits; and
- the ANA declares the scarcity of water or quality problems that prevent its use.

We cannot assure you that we comply in full with the regulation described above or will be able to comply in full with the terms and conditions of our permits. Infringements of applicable regulation may be sanctioned by the ANA with fines and corrective measures. We cannot guarantee that, if one or more of our permits are revoked, we will be able to obtain a new permit or will be able to continue operating our power plants. The revocation of our water use licenses may have a severe negative impact on our ability to operate our business. If such permit is revoked, we would not be able to continue operating as a going concern. This could limit our revenues and materially adversely affect our financial condition, results of operations and our ability to perform our obligations under the notes.

Potential expansion or construction of generation units may not be completed or, if completed, may not be completed on time or perform as expected.

We may pursue opportunities to increase the capacity of our generation units through the construction of expansions or to otherwise expand our operations in the future, which may require us to spend significant sums on engineering, permitting, legal, financial advisory and other expenses before we determine whether the construction and conversion of a generation unit is feasible, economically attractive or financially viable. Additionally, we may enter into agreements relating to new renewable projects developed by third-parties to purchase all or substantially all of their energy output.

Furthermore, if we decide to proceed with the development or expansion of a generation unit, or should we decide to enter into agreements to purchase all or substantially all of the energy output of facilities developed by third-parties, the construction, conversion or operation of any such facility will involve numerous additional risks, including:

- unanticipated construction delays or cost overruns;
- claims from contractors;
- an inability to obtain financing at affordable rates or at all;
- delays in obtaining necessary approvals, permits and licenses, including environmental and operation permits;
- unforeseen engineering, environmental and geological problems;
- adverse changes in the political and regulatory environment;
- opposition by political, environmental and other local groups;
- shortages or increases in the price of equipment, materials or labor;
- work stoppages or other labor disputes;

- adverse weather conditions, natural disasters, accidents or other unforeseen events; and
- an inability to perform under PPAs as a result of any delays in the assets becoming operational.

Any of these risks could result in lower than expected financial returns on our generation units, could cause us to operate below expected capacity or availability levels or could ultimately cause us to fail to meet our commitments to our customers. This, in turn, could result in lost revenues and/or increased expenses. Although we maintain insurance to protect against some of these risks, such insurance may not be sufficient. As a result, generation units may cost more than anticipated and we may be unable to fund principal and interest payments underlying its construction financing obligations, if any. In addition, a default under such a financing obligation could result in us losing our interest in a power generation facility.

Risks Related to Peru

Economic, political and social developments in Peru could have a material adverse effect on our results of operations and financial condition.

All of our operations and customers are located in Peru. As a result, our results of operations and financial condition are dependent on economic, political and social developments in Peru, and are affected by the economic and other policies of the Peruvian government, including devaluation, currency exchange controls, inflation, economic downturns, political instability, regulatory uncertainty, social unrest and terrorism.

In the past, Peru has experienced political instability that has included a succession of regimes with differing economic policies. Previous governments have imposed controls on prices, exchange rates, local and foreign investment and international trade, restricted the ability of companies to dismiss employees, expropriated private sector assets and prohibited the remittance of profits to foreign investors. We cannot assure you whether the Peruvian government, and future administrations, will continue to pursue business-friendly and open-market economic policies that stimulate economic growth and social stability, or that the Peruvian government will refrain from adopting new policies or laws that could have an adverse effect on the Peruvian economy or our Company. Future government policies could include, among others, expropriation, nationalization, suspension of the enforcement of creditors' rights and new taxation regimes. Any of these new policies or laws could materially adversely affect the Peruvian economy, our business, results of operations, financial condition and, as a result, impair our ability to make payments on the notes.

During the 1980s and the early 1990s, Peru experienced severe terrorist activity targeted against, among others, the government and the private sector. Despite the suppression of terrorist activity, we cannot assure you that a resurgence of terrorism or that the entrenchment of other forms of organized crime, including drug trade and illegal mining, will not occur in Peru, or that if there is such a resurgence or entrenchment, it will not disrupt the economy of Peru and our business. In addition, Peru has, from time to time, experienced social and political turmoil, including riots, nationwide protests, strikes and street demonstrations, such as the ones in December 2022 and initial months of 2023. Despite Peru's ongoing economic growth and stabilization, the social and political tensions and high levels of poverty and unemployment continue. Future government policies to preempt or respond to social unrest could include, among other things, expropriation, nationalization, suspension of the enforcement of creditors' rights and new taxation policies. These policies could adversely and materially affect the Peruvian economy and our business. Any terrorist activities or other hostile actions in Peru could have a material adverse effect on our business, financial condition and results of operation.

Additionally, our revenue is derived primarily from the sale of electricity, and the demand for electricity is largely driven by the economic, political and regulatory conditions of Peru. Therefore, our results of operations and financial condition are, to a large extent, dependent upon the overall level of economic activity in Peru. Should economic or political conditions deteriorate in Peru, such an occurrence could have a material adverse effect on our business, financial condition, results of operations or liquidity.

Political and economic uncertainty in Peru may adversely affect our business, financial condition and results of operations.

In April 2026, Peru will hold general elections to elect a new President, a Senate and a Chamber of Deputies for a five-year term. The newly elected authorities will be entitled to enact, amend or repeal laws and regulations that may apply to us. Most Peruvian administrations and members of Congress elected in the last 35 years have generally maintained economic policies based on free market and contractual liberty. All these principles are also set forth in the Peruvian Constitution. Nevertheless, a new administration may pursue policies that are detrimental to the Peruvian economy and/or that may negatively affect our business and industry in general, and our results of operations and/or financial condition, in particular.

It is anticipated that candidates from several political parties with different and opposite political views will participate in the elections to be held in 2026. Some of these political parties hold favorable views towards a controlled market and strong governmental intervention in the economy. Although a drastic change in the actual economic model would require the amendment of the economic chapter of the Peruvian Constitution, we cannot assure that a change to the Peruvian Constitution will not be promoted or that policies against free market and subsidiary intervention of the government in the economy will not be taken by the new authorities. Furthermore, we cannot assure that such new authorities will not enact, amend or repeal laws and regulations currently applicable to us and our business that could have an adverse effect on our financial condition and our results of operations or the trading price of the notes.

In the past, the possibility of a political outsider or a radical leftist candidate being elected President has been a source of political instability in Peru and has generated negative economic consequences. Increased political turmoil or an electoral victory by a Presidential candidate perceived to favor governmental intervention in the economy may have an adverse effect on investors' perception of the country's risk. Additionally, any newly elected President and the controlling party of the Senate or the Chamber of Deputies could be from different political parties, or there could even be no outright majority in either chamber, situations that could lead to fragmented forums which may adversely affect the Peruvian government's ability to pass legislation to implement policies or address economic or social challenges.

Any changes in the Peruvian economy, political stability or the Peruvian Government's economic policies may have a negative effect on our business, financial condition and results of operations.

Corruption and related ongoing high profile investigations may hinder the growth of the Peruvian economy and adversely affect us.

Peru has faced persistent challenges related to corruption at various levels of government, which have contributed to political instability and weakened public trust in institutions. Over the past decade, investigations against former or current government officials relating to bribery payments have generated, and may continue to generate, political uncertainty in Peru, as some of these investigations remain ongoing. Each of the six Peruvian presidents elected since 1990 is either in jail, has been in jail, or has faced a detention order. For example, in April 2025, former President Ollanta Humala and his wife were sentenced to 15 years in prison after being found guilty, as co-perpetrators, of aggravated money laundering. President Ollanta Humala was immediately detained and imprisoned, and his wife requested political asylum to Mexico. Likewise, in February 2018, a Peruvian judge submitted a request to extradite former President Alejandro Toledo on allegations of bribery, in each case in connection with Brazilian construction company Odebrecht. This extradition was finalized in April 2023 with former President Toledo being imprisoned in Peru and convicted in 2024 to 20 years and six months in prison for bribery and money laundering. Further, former President Pedro Pablo Kuczynski has been the subject of several investigations on corruption and related charges and has been subject to several measures restricting his freedom. In the first quarter of 2024, the Peruvian prosecutor's office initiated preliminary investigations against President Dina Boluarte for her alleged irregular possession of a collection of luxury watches and jewelry. Several corruption scandals involving authorities at municipal, regional and national government levels are also ongoing, and former government officials have been detained. These investigations have resulted in suspension or delay of infrastructure projects and adversely affected economic growth in Peru. We cannot predict how these or future corruption scandals or investigations may affect the Peruvian economy, hinder the growth of the Peruvian economy and adversely affect us.

Increased inflation in Peru could have an adverse effect on the Peruvian economy generally and, therefore, on our results of operations.

In the past, Peru has suffered through periods of high and hyper-inflation, which has materially undermined the Peruvian economy and the government's ability to create conditions that would support economic growth. A return to a high inflation environment would undermine Peru's foreign competitiveness, with negative effects on the level of economic activity and employment. Inflationary pressures may also impact our margins to the extent that cost increases driven by inflation are not accompanied by corresponding increases in the price of electricity or capacity sold, or limit our ability to trigger the minimum thresholds set forth in the price adjustment mechanisms in our PPAs or long-term supply agreements or access foreign financial markets, and may also prompt government intervention in the economy of Peru, including the introduction of government policies that may adversely affect the overall performance of the Peruvian economy. Moreover, high interest rates would increase the cost of certain funding and as such could limit our ability to obtain necessary financing, for our operations and to implement our strategy, on acceptable terms or at all. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations or liquidity.

The reimplementation by the Peruvian government of restrictive exchange rate policies and other laws could have an adverse effect on our business, financial condition and results of operations.

Since 1991, the Peruvian economy has undergone a major transformation from a highly protected and regulated system to a free-market economy. During this period, protectionist and interventionist laws and policies have been dismantled gradually to create a liberal economy dominated by the private sector. Exchange controls and restrictions on remittances of profits, dividends, and royalties have ceased. Prior to 1991, Peru exercised control over the foreign exchange markets by imposing multiple exchange rates and placing restrictions on the possession and use of foreign currencies. Currently, foreign exchange rates are determined by market conditions, with regular open-market operations by the Peruvian Central Reserve Bank in the foreign exchange market to reduce volatility in the value of Peru's currency against the U.S. dollar.

We cannot assure you that the Peruvian government will not institute restrictive exchange rate policies in the future. Any such restrictive exchange rate policy could have a material adverse effect on our business, financial condition and results of operations and adversely affect our ability to repay debt or other obligations and therefore restrict our access to international financing.

The Peruvian economy could be adversely affected by economic developments in regional or global markets.

Financial and securities markets in Peru are influenced, to varying degrees, by economic and market conditions in regional or global markets. Although economic conditions vary from country to country, investors' perceptions of the events occurring in one country may substantially affect capital flows into and securities from issuers in other countries, including Peru. The Peruvian economy was adversely affected by the political and economic events that occurred in several emerging economies in the 1990s, including in Mexico in 1994, which impacted the market value of securities in many markets throughout Latin America. The crisis in the Asian markets beginning in 1997 also negatively affected markets throughout Latin America. Similar adverse consequences resulted from the economic crisis in Russia in 1998, the Brazilian devaluation in 1999 and the Argentine crisis in 2001. In addition, Peru continues to be affected by events in the economies of its major regional partners. Furthermore, the Peruvian economy may be affected by events in developed economies that are trading partners or that affect the global economy.

The 2008 and 2009 global financial and economic crisis, principally driven by the subprime mortgage market in the United States, substantially affected the international financial system, including Peru's securities market and economy. Additionally, the 2015 crisis in Europe, which began with the financial crises in Greece, Spain, Italy and Portugal, reduced the confidence of foreign investors, which caused volatility in the securities markets and affected the ability of companies to obtain financing globally. Further, in 2015, the global economy was negatively affected by China's economic slowdown, a factor that has affected growth across emerging markets. While the United States and Europe have witnessed a slight economic recovery over the last year, any interruption to the recovery of

these or other developed economies, the effects of the global crisis in 2008 and 2009, the impacts of the COVID-19 pandemic and economic stimulus, a new economic and/or financial crisis, or the projected reduced growth of the Chinese economy and its shift away from infrastructure development growth could affect Peru's economy and, consequently, materially adversely affect our business, financial condition and results of operations.

Armed conflicts, including the current Russia and Ukraine conflict and the conflict in the Middle East, and terrorist attacks, have caused and may continue to cause instability in the world's financial and commercial markets and have contributed to high levels of volatility in oil and natural gas prices. Instability and unrest, as well as threats of war or other armed conflict, may lead to additional acts of war or terrorism, including in the United States, as well as further disruption and volatility in prices for natural gas. Armed conflicts and terrorism and their effects on us or our markets may significantly affect our business and results of operations. We may incur increased costs for security, including additional physical facility security and security personnel or additional capability following a terrorist incident.

The Peruvian economy and we may be adversely affected by downturns in the international financial markets and by global macroeconomic conditions, especially those in other emerging markets. The market for securities of Peruvian issuers is, to varying degrees, influenced by macroeconomic and market conditions in other emerging market countries, especially those in Latin America. Although macroeconomic conditions are different in each country, investors' reactions to developments in one country may affect the securities markets and the securities of issuers in other countries, including Peru.

In addition, developments relating to economic, political and regulatory conditions in the United States, or with respect to U.S. laws and policies governing foreign trade and foreign relations, could generate global economic uncertainty and adversely affect the Peruvian economy and us. In November 2024, the U.S. presidential election resulted in the election of a new president and administration, which assumed office on January 20, 2025. The potential impact of new policies that may be implemented by the administration is uncertain. Any resulting changes in international trade relations, legislation and regulations (including those related to taxation and imports), economic and monetary policies, heightened diplomatic tensions or political and civil unrest, among other potential impacts, could adversely impact the global economy and our operating results.

Additionally, increases by the U.S. Federal Reserve of the target range for the federal funds rate in the United States may adversely affect the value of securities issued by Peruvian companies, including as a result of any precipitous unwinding of investments in emerging markets, depreciations and increased volatility in the value of their currency and higher interest rates in respect of financings. These developments may adversely affect and lead to increased volatility in Peruvian capital markets and may adversely affect the trading price of the notes.

We cannot predict the effects that developments in other global markets, especially emerging markets and regional markets, could have on us.

Fluctuations in the exchange rate of the Peruvian* sol *or the imposition of exchange controls could adversely affect us.

Fluctuations in the exchange rate of the Peruvian *sol*, especially with respect to the U.S. dollar, could adversely affect the Peruvian economy and us. In addition, although Peruvian law currently imposes no restrictions on the ability to convert Peruvian *soles* to foreign currency and transfer foreign currency outside of the country, Peru imposed exchange controls in the 1980s and early 1990s, including controls affecting the remittance of dividends to foreign investors. Exchange controls in Peru may be implemented in the future. The imposition of exchange controls could have an adverse effect on the Peruvian economy and our business and operations, and may restrict our ability to make payments on the notes.

As of June 30, 2025, all of our PPAs were either denominated in U.S. dollars or, if denominated in another currency, linked to the U.S. dollar. As a result, we do not customarily hedge foreign exchange risk for our U.S. dollar-denominated debt, including the notes offered hereby. As a result, steep depreciation of the Peruvian *sol* may

adversely affect us and our ability to make payments on the notes if the indexation formulas for U.S. inflation and natural gas prices on our PPAs that are denominated in Peruvian *soles* do not entirely offset such depreciation.

A downgrade in Peru's credit ratings may affect the perception of Peru and its economy and consequently adversely affect us.

In September 2021, in light of political developments in Peru, Moody's Investors Service downgraded Peru's credit rating from A3 to 'Baa1', in January 2023, changed the outlook from stable to negative and in September 2024, updated its outlook from negative to stable. In October 2021, Fitch Ratings downgraded Peru's credit rating from "BBB+" to "BBB", in October 2022, changed the outlook from stable to negative, and in November 2024, updated its outlook from negative to stable. In April 2024, Standard & Poor's downgraded Peru's credit rating in foreign currency from "BBB" to "BBB-" with a stable outlook. We cannot predict whether Peru's credit ratings will be further downgraded and what the effects of any such downgrades may be on Peru's economy, which could have a material adverse effect on our business, financial condition and results of operations, and on the trading price of the notes. If either or both of Moody's Investors Service or Fitch Ratings further downgrade Peru's credit ratings to below investment grade, it is likely that Orazul's credit rating would also be downgraded. An increase in the perceived risks associated with investments in Peru may adversely affect the Peruvian economy in general and may discourage foreign investment in Peru and, in particular, in infrastructure, mining and other industrial sectors from which an important part of demand for our energy generation derives.

Changes in tax laws may increase our tax burden and, as a result, negatively affect our profitability.

The Peruvian government regularly implements changes to its tax regulations and interpretations that may increase our tax burden. These changes may include modifications of the rate of assessments, the taxable basis or the tax rates, and, on occasion, enactment of temporary taxes, which in some cases have been changed into permanent taxes. The Peruvian government has introduced several changes related to, among others, thin capitalization rules (which prevents companies from deducting interest for tax purposes when certain thresholds are exceeded) and to the general anti-avoidance rule or "GAAR" (which entitles the tax and customs national superintendency to challenge the taxation of certain transactions with substance-over-form criteria).

The effects of any tax reform that could be proposed in the future and any other changes that could result from the enactment of additional tax reforms or changes in interpretation have not been, and cannot be, quantified. However, some of these measures, if enacted, may result in increases in our tax liabilities and/or overall tax burden, which could negatively affect our business, financial condition and results of operations.

The laws of Peru related to anti-bribery and anti-corruption are still developing and could be less stringent than those of other jurisdictions, and our risk management and internal controls may not be successful in preventing or detecting all violations of law or of company-wide policies.

Our business is subject to a significant number of laws, rules and regulations, including those relating to antibribery and anti-corruption. However, the Peruvian regulatory regime related to anti-bribery and anti-corruption legislation is still developing and could be less stringent than anti-bribery and anti-corruption legislation which has been implemented in other jurisdictions.

In addition, although we have policies and procedures specifically designed to promote and achieve compliance by us and our respective directors, officers, employees and agents with anti-bribery, anti-money laundering and anti-corruption laws, such compliance processes and internal control systems may not be sufficient to prevent or detect all inappropriate practices, fraud or violations of law by our employees, contractors, agents, officers or any other persons who conduct business with or on behalf of us. We may in the future discover instances in which we have failed to comply with applicable laws and regulations or internal controls. If any of our employees, contractors, agents, officers or other persons with whom we conduct business engage in fraudulent, corrupt or other improper or unethical business practices or otherwise violate applicable laws, regulations or our own internal compliance systems, we could become subject to one or more enforcement actions by Peruvian or foreign authorities (including the U.S. Department of Justice) or otherwise be found to be in violation of such laws, which may result in penalties,

fines and sanctions and in turn adversely affect our reputation, business, financial condition and results of operations.

Risks Related to the Notes

Your right to receive payment on the notes will be effectively subordinated to certain statutory liabilities, to our future secured debt and future debt and liabilities of our subsidiaries, if any.

Under Peruvian bankruptcy law, our obligations under the notes are subordinated to certain statutory preferences. In the event of our liquidation, the notes will be subordinated to the following categories of obligations, which are granted preferential treatment under Peruvian law: (i) labor claims and pension and social security contributions, (ii) future secured indebtedness, which seniority extends only to the value of the assets securing such indebtedness and (iii) tax claims.

The notes will rank equally in payment to all of our other existing and future unsecured indebtedness and will be effectively subordinated to all of our future secured debt to the extent of the assets securing such debt. As of June 30, 2025, our total outstanding indebtedness was U.S.$ 366 million, none of which was secured.

The limitations in the indenture on our incurrence of additional indebtedness and liens will contain, in each case, significant exceptions.

We may not be able to repurchase the notes upon a change of control repurchase event.

Upon the occurrence of a Change of Control followed by a Ratings Decline (as defined in "*Description of the Notes - Change of Control*"), we may be required by the holders of the notes to offer to repurchase all of the outstanding notes at 101% of their principal amount, plus accrued and unpaid interest to the date of repurchase. The source of funds for any such purchase of the notes will be our available cash or cash generated from our operations or other sources, including borrowings, sales of assets or sales of equity. We may not be able to repurchase the notes upon a change of control event because we may not have sufficient financial resources to purchase all of the notes that are tendered upon a change of control event. Our failure to repurchase the notes upon a change of control event would cause a default under the indenture governing the notes. Our future debt agreements may contain similar provisions.

We may redeem the notes at our option, which may adversely affect your return.

As described under "Description of the Notes—Optional Redemption," we have the right to redeem the notes in whole or in part at any time at the redemption prices described herein, plus accrued and unpaid interest. We may choose to exercise these redemption rights when prevailing interest rates are relatively low. As a result, you may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the notes.

The notes will be subject to transfer restrictions.

We have not registered, and will not register, the notes under the Securities Act or any other applicable securities laws. The offering of the notes will be made in reliance on exemptions from the registration requirements of the Securities Act and U.S. state securities laws, which limit who may own the notes. Accordingly, the notes are subject to certain restrictions on resale and other transfer thereof as further described under "*Transfer Restrictions*." We retain the right to determine and extend the periods in which the transfer restrictions will apply to the notes. Consequently, a holder of notes and an owner of beneficial interests in those notes must be able to bear the economic risk of their investment in the notes for the term of the notes.

An active trading market may not develop for the notes.

The notes are new securities that may not be widely distributed and for which there is currently no active trading market and we cannot assure you that in the future a market for the notes will develop. We intend to apply for the listing and quotation of the notes on the SGX-ST. We cannot assure you, however, that this application will be

accepted, or if accepted, that the notes will remain so listed. We cannot provide you with any assurances regarding the future development of a market for the notes, the ability of holders of the notes to sell their notes, or the price at which such holders may be able to sell their notes. If such a market were to develop, the notes could trade at prices that may be higher or lower than the initial offering price, depending on many factors, including prevailing interest rates, our results of operations and financial condition, political and economic developments in and affecting Peru and the markets for similar securities. The initial purchasers have advised us that they currently intend to make a market in the notes but they are not under any obligation to do so, and any market-making with respect to the notes may be discontinued at any time without notice at the sole discretion of the initial purchasers. Accordingly, we cannot assure you as to the development or liquidity of any trading market for the notes.

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

All of our assets and a substantial portion of those of our directors and executive officers, most of whom are non-residents of the United States, are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States on these persons, including with respect to matters arising under the federal securities laws of the United States, or to enforce against such persons or against us judgments of courts of the United States predicated upon the civil liability of the federal securities laws of the United States. There is no existing treaty between the United States and Peru for the reciprocal enforcement of foreign judgments. In addition, there may be doubt as to whether the courts of Peru would enforce in all respects, to the same extent and in as timely a manner as a U.S. court or foreign court, an action predicated solely upon the civil liability provisions of the U.S. federal securities laws or other foreign regulations. See "*Enforcement of Civil Liabilities*."

We cannot assure you that the credit ratings for the notes will not be lowered, suspended or withdrawn by the rating agencies depending on various factors, including the rating agencies' assessments of our financial strength and Peru's sovereign risk.

The credit ratings of the notes may change after issuance. Such ratings are limited in scope, and do not address all material risks relating to an investment in the notes, but rather reflect only the views of the rating agencies at the time the ratings are issued. An explanation of the significance of such ratings may be obtained from the rating agencies. The ratings of the notes address the likelihood of payment of principal at their maturity. The ratings also address the timely payment of interest on each scheduled payment date. The ratings of the notes are not recommendations to purchase, hold or sell the notes, and the ratings do not address market price or suitability for a particular investor. We cannot assure you that such credit ratings will remain in effect for any given period of time or that such ratings will not be lowered, suspended or withdrawn entirely by one or more of the rating agencies if, in the judgment of such rating agencies, circumstances so warrant. An assigned rating may be raised or lowered depending, among other things, on the respective rating agency's assessment of our financial strength, as well as its assessment of the Peruvian sovereign risk. Any lowering, suspension or withdrawal of such ratings may have an adverse effect on the market price and marketability of the notes.

Developments in other emerging markets may adversely affect the market price of the notes.

The market price of the notes may be adversely affected by downturns in the international financial markets and world economic conditions. The market for securities of Peruvian issuers is, to varying degrees, influenced by economic and market conditions in other emerging market countries, especially those in Latin America. Although economic conditions are different in each country, investors' reactions to developments in one country may affect the securities markets and the securities of issuers in other countries, including Peru. We cannot predict the effect of developments in other securities markets on the market value of the notes.

USE OF PROCEEDS

The net proceeds from the issuance of the notes, after the deduction of estimated expenses and the initial purchasers' discounts associated with the offering, are estimated to be approximately U.S.$375 million.

The Issuer intends to use the net proceeds from the offering to (i) fund the Tender Offer and to pay related fees, accrued interest and expenses and (ii) repay outstanding short-term borrowings incurred to finance capital expenditures and other operating expenses. If, following the consummation of the Tender Offer, any 2027 Notes remain outstanding, we intend to use remaining net proceeds for the Redemption of the 2027 Notes, including related fees, accrued interest and expenses. The remainder will be used for general corporate purposes.

This offering memorandum is not intended to be deemed a notice of redemption with respect to the 2027 Notes.

Certain of the initial purchasers and/or their affiliates may hold 2027 Notes. To the extent that 2027 Notes are repurchased, redeemed or repaid with the proceeds from the sale of the notes, such initial purchasers and/or their affiliates would receive a portion of the proceeds from the sale of the notes in respect of such 2027 Notes. The initial purchasers will also concurrently be acting as dealer managers in connection with the Tender Offer.

CAPITALIZATION

The following table shows our capitalization as of June 30, 2025 (i) on an actual basis and (ii) on an as adjusted basis after giving effect to the offering of the notes and the application of the proceeds thereof assuming that all of our 2027 Notes are tendered and accepted in the Tender Offer or redeemed pursuant to the Redemption.

You should read this table together with the information in "*Presentation of Financial and Other Information*," "*Summary—Summary Financial and Other Information*," "*Use of Proceeds*," "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and our consolidated financial statements and the related notes thereto included elsewhere in this offering memorandum.

	As of June 30, 2025	As Adjusted
	(U.S.$ millions)	
Long-term debt, excluding current portion:		
Unsecured:		
6.250% Senior Notes due 2032 offered hereby[(1)]	-	380
2027 Notes[(1)]	363	-
Total long-term debt[(1)]	**U.S.$ 363**	**U.S.$ 380**
Equity:		
Total equity	762	762
Total capitalization[(2)]	**U.S.$ 1,125**	**U.S.$ 1,142**

(1) Amounts reflect the full outstanding principal balance of notes outstanding without reductions for unamortized premiums, discounts and debt issuance costs.

(2) Total capitalization is equal to total long-term debt, excluding current portion, plus total equity.

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

The information set forth in this "Management's Discussion and Analysis of Financial Condition and Results of Operations" section should be read in conjunction with our historical consolidated financial statements and related notes thereto included elsewhere in this offering memorandum. Those historical consolidated financial statements have been prepared in accordance with IFRS for the annual financial statements and IAS 34 Interim Financial Reporting for the condensed consolidated interim financial statements as issued by the IASB.

Certain information included in this "Management's Discussion and Analysis of Financial Condition and Results of Operations" section includes forward-looking statements that are subject to risks and uncertainties, and which may cause actual results to differ materially from those expressed or implied by such forward-looking statements. For further information on important factors that could cause our actual results to differ materially from the results described in such forward-looking statements, see "Cautionary Statement Regarding Forward-Looking Statements" and "Risk Factors."

Overview

We are a Peruvian power company focused on electric power generation. We own and operate two run-of-river hydroelectric power plants, CDP and the Carhuaquero Complex, and one solar power plant, Carhuaquero Solar, to generate and sell non-carbon, efficient and reliable electricity to regulated customers (distribution companies) and non-regulated customers under short-term and long-term PPAs, as well as in the spot market. As of June 30, 2025, the weighted average remaining life of our PPAs was approximately 5.5 years with a successful contracting history. We have committed to sell, on average, approximately 64% of our firm energy (in MWh) from 2025 to 2027, which is consistent with what we believe is our optimal contracting level. This structural contracting mix provides flexibility to accommodate potential volatility in hydroelectric generation.

For the year ended December 31, 2024, we generated 2,079 GWh of energy accounting for 3.5% of the Peruvian market share based on gross energy generation. Our generation is considered base load in the Peruvian system, prioritized within the dispatch order. Our hydroelectric power plants, located in different hydrological basins, have an aggregate generation capacity of 376 MW: (i) the CDP hydroelectric generation plant; which utilizes the Santa River ecological water flow in Huallanca comprises six generation units with an aggregate generation capacity of 266 MW; and (ii) the Carhuaquero Complex hydroelectric generation plants, which utilize the Chancay River ecological water flow in Cajamarca consists of three power plants, five generation units and a dam, with an aggregate generation capacity of 110 MW. The COD of the CDP hydroelectric plant was granted in 1958, while the CODs of the Carhuaquero Complex were granted in 1991, 2008 and 2009.

Our 1 MW generation capacity solar power plant, Carhuaquero Solar, the Kallpa Group's first solar installation, is located within the Carhuaquero Complex in Cajamarca. It is operated by our subsidiary, Kondu, which was incorporated to carry out electricity generation, transmission and commercialization activities, as well as provide energy solutions to our customers. Carhuaquero Solar achieved COD in 2024.

Critical Accounting Policies and Significant Estimates

In preparing our financial statements, we make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Our estimates and associated assumptions are reviewed on an ongoing basis and are based upon historical experience and various other assumptions that we believe to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions. See notes 3 and 4 to Orazul's audited annual consolidated financial statements as of December 31, 2024, 2023 and 2022 and for the years then ended for a description of Orazul's critical accounting policies.

Material Factors Affecting Results of Operations

Macroeconomic Conditions in Peru

Macroeconomic conditions may impact the GDP of Peru which may, in turn, affect the consumption of electricity by industrial and individual consumers. For instance, countries experiencing sustained economic growth generally experience an increase in their electricity consumption. Additionally, macroeconomic conditions are also likely to affect foreign exchange rates, domestic interest rates and inflation, which each has an effect on our financial and operating costs. Fluctuations in the exchange rates between the Peruvian sol and the U.S. dollar, which is our functional currency, will generate either gains or losses on monetary assets and liabilities denominated in the Peruvian sol and can therefore affect our profitability. Increases in inflation rates may also increase labor costs and other local expenses of our operations, and we may be unable to pass such increases on to our customers (*e.g.*, to customers who purchase energy or capacity from us pursuant to long-term PPAs, which are not linked to Peruvian inflation rates).

The following table sets forth the annual inflation rate, the percentage growth in GDP and the currency appreciation/depreciation of the Peruvian sol (relative to the U.S. dollar) for the periods presented for Peru:

	Six Months ended June 30,		Year Ended December 31,		
	2025	2024	2024	2023	2022
Inflation Rate	1.7 %[(1)]	2.3%[(1)]	2.4%	6.3%	7.9%
GDP Growth (Contraction)	3.4%	2.6%	3.3%	(0.6)%	2.7%
Currency Appreciation (Depreciation)	5.9 %	(3.3)%	(1.5)%	2.8%	4.5%

Source: Banco Central de Reserva del Perú (Peruvian Central Reserve Bank) / The World Bank
(1) Inflation rate presented for last twelve-month period then ended.

For further information on macroeconomic conditions in Peru, see "*Industry*."

Availability and Dispatch

The regulatory framework in Peru establishes a marginal cost system, and the COES determines which generation units are to be dispatched according to each unit variable cost, to minimize the overall generation cost to meet the required electricity demand.

The availability of a power generation asset refers to the percentage of time that a plant is available to generate energy. Pursuant to Peruvian regulations, renewable energy power plants have dispatch priority because their variable cost is considered to be zero. Even though according to dispatch merit order, they are generally among the first units being dispatched due to their low generation costs, certain hydroelectric power plants may not be dispatched or may be dispatched at a reduced level of capacity during certain periods in order to preserve water in the associated daily and/or annual reservoirs in order to optimize the system generation cost during a drought or the dry season, during maintenance, or when there are unscheduled outages which generally benefits them as the energy is sold when spot prices are higher. Thermal plants are, according to dispatch merit order, dispatched after renewables and hydroelectric power plants and are unavailable for dispatch when they are removed from operation for maintenance or when there are unscheduled outages. Depending on the technology, the COES considers availability and hydrology statistics of generation plants to allocate firm capacity, which is the amount of capacity that, pursuant to applicable regulations, is recognized and remunerated to each power generation unit for being available to cover the demand in peak hours. This amount of availability is also the maximum amount of power that can be sold under a PPA. The Peruvian regulation recognizes a low firm capacity to renewable energy obtained from solar and wind farms. Currently, the market is developing new commercial strategies to supply renewable energy, such as allowing renewable energy generating companies to guarantee the provision of energy with their firm capacity derived from other power plants which do not supply renewable energy. Furthermore, new regulations recently enacted by the Peruvian Congress aim to promote the participation of renewable energy companies in the supply of energy to distribution companies, allowing them to offer energy only and in the hourly blocks that such units (such as solar units) are able to produce energy and creates a complementary services market for the provision of services required to guarantee the quality and reliability of the electricity supply from generation to demand

which is expected to be available beginning in January 2026. Regarding these regulations, MINEM has recently published a draft regulation for Law 32249, which is currently pending approval by MINEM.

The availability of our hydroelectric power plants is subject to annual and seasonal hydrology variations, which depend on climate conditions. The Santa River, however, has upstream water reservoirs, such as Lake Rajucolta, Lake Aguascocha and Lake Cullicocha, which store water during rainy seasons and discharge it to the river during dry seasons. This allowed the CDP plant to have an average capacity factor of approximately 65% during the last two-year period ended June 30, 2025 (61% during the last five-year period ended June 30, 2025). The Cirato dam on the Chancay River allowed the Carhuaquero plants to maintain an average capacity factor of approximately 63% during the last two-year period ended June 30, 2025 (69% during the last five-year period ended June 30, 2025). Ensuring that our hydroelectric power plants are available to be dispatched is key to positioning us to capture the benefits of marginal cost dispatch and therefore to increase our margins. The CDP plant's San Diego reservoirs and the Carhuaquero plants' Cirato dam allow us to store water to be available for the COES's call to dispatch, which normally occurs during peak hours.

The following table sets forth the weighted average availability of our plants for the periods presented:

	Six Months Ended June 30,		Year Ended December 31,		Five Years Ended June 30,
	2025	2024	2024	2023	2025
Cañon del Pato[1]	95%	94%	90%	90%	92%
Carhuaquero Complex[2]	99%	99%	96%	93%	94%
Carhuaquero Solar[3]	100%	100%	98%	-	-[4]
Total	**96%**	**95%**	**92%**	**91%**	**93%**

(1) CDP underwent forced outage due to the effects of Cyclone Yaku and El Niño from March 12, 2023 to March 23, 2023 (11 days).
CDP underwent scheduled change of spherical valves in August, 2023 (7 days) and in July, 2024 (15 days)
CDP underwent scheduled electrical tests from August 25, 2023 to August 28, 2023 (4 days).
CDP underwent scheduled major maintenance and inspection from September 8, 2023 to September 19, 2023 (11 days).
CDP underwent unscheduled maintenance in transmission lines in October, 2023 (2 days) and in November, 2023 (14 days)
CDP underwent scheduled injector maintenance in December, 2023 (9 days), October, 2024 (2 days), June, 2024 (9 days), March, 2025 (13 days)
CDP underwent scheduled electrical tests from July 18, 2024 to July 30, 2024 (12 days).
CDP underwent scheduled maintenance to install a new power distribution board in October, 2024 and in November, 2024 (28 days).

(2) Carhuaquero Complex underwent scheduled major maintenance in July, 2023 (19 days).
Carhuaquero Complex underwent scheduled turbine maintenance from August 17, 2023 to August 31, 2023 (14 days).
Carhuaquero Complex underwent scheduled annual maintenance from August 30, 2023 to September 11, 2023 (12 days).
Carhuaquero Complex underwent scheduled system maintenance from September 16, 2023 to October 12, 2023 (26 days).
Carhuaquero Complex underwent forced turbine maintenance in October, 2023 (6 days).
Carhuaquero Complex underwent scheduled generator and turbine maintenance from August 20, 2024 to September 31, 2024 (42 days).
Carhuaquero Complex underwent scheduled electrical maintenance in September, 2024 (11 days) and in October, 2024 (14 days).

(3) Carhuaquero Solar underwent scheduled maintenance from July 24, 2024 to July 28, 2024 (4 days).

(4) Not calculable. Carhuaquero Solar's COD was declared in 2024. Since COD, availability factor has been 99%.

If our generation units are available for dispatch and are not dispatched, or are partially dispatched, by the system operator and if our obligations to deliver energy under our PPAs exceed the energy dispatched from our own generation units at any particular time, we purchase energy in the spot market to satisfy these obligations.

The spot price in the Peruvian electricity market was an average of U.S.$ 27/MWh during the six months ended June 30, 2025 and an average of U.S.$29/MWh during 2024, as compared to an average of U.S.$72/MWh during 2023. During 2023, spot prices were impacted by extreme drought conditions and exacerbated by an unusual and unexpected extended Camisea maintenance which triggered gas supply restrictions between July and August 2023, requiring the system operator to dispatch liquid fuel units, causing a sharp increase in spot prices. Since then, as hydrology trend converged to an average scenario and water availability in the system returned to normal conditions spot prices have normalized.

The following table sets forth the amount of energy sold under our PPAs and in the spot market, and the amount of energy generated and purchased during the years presented[1]:

Period	Sales under PPAs	Net Energy Sales in Spot Market	Net Energy Generated[2]	Net Energy Purchased in the Spot Market
		(GWh)		
Six Months Ended June 30, 2025	568	725	1,293	-
Year Ended December 31, 2024	1,301	763	2,064	-
Year Ended December 31, 2023	1,666	392	2,058	-
Year Ended December 31, 2022	1,778	229	2,007	-

(1) The information included within the table reflects 100% of the energy sold under PPAs, sold in the spot market, generated, and purchased by us.

(2) Net energy generated is defined as energy delivered at the interconnection to the system.

Significant PPAs

The following table sets forth a summary of our significant PPAs as of the date of this offering memorandum[1]:

Principal Customer	Commencement	Expiration	Contracted Capacity (MW)	Energy Price (U.S. Dollars)
Luz del Sur and Pluz Energía Perú (2011) [2][3]	January 2014	December 2030	27	65.1
Hidrandina S.A. [2][4]	January 2013	December 2032	11	69.5
Electronoroeste S.A.[2][5]	January 2013	December 2032	9	71.4
Electronorte S.A. [2][6]	January 2013	December 2032	6	68.3
Minera Chinalco Perú S.A.	February 2019	February 2027	65	30.7
Minera Aurífera Retamas S.A. [7]	November 2024	May 2029	20	40.4
Pluz Energía Perú, Electroucayali S.A., Electrocentro S.A., Hidrandina S.A. [2]	February 2027	December 2030	25	--
Nexa Resources El Porvenir S.A.C,, Nexa Resources Atacocha S.A.A., Nexa Resources Perú S.A.A.[8]	January 2027	December 2036	68	--
Pura Fruit Company S.A.	January 2025	December 2029	6	47.0
Grupo Santa Elena S.A.	January 2025	December 2027	4	43.4
Empacadora De Frutos Tropicales S.A.C.	January 2025	June 2028	3	46.2
NCRE Contracts	April 2010	March 2030	16	99.7

(1) With respect to our non-regulated customers, we invoice and collect payments in U.S. dollars. With respect to our customers that are distribution companies, for which we invoice and collect payments in Peruvian soles, the underlying tariff is linked to the U.S. dollar and is reset at each quarter when the tariff resulting from applying the indexation formula fluctuates by more than 5%.

(2) Regulated customer.

(3) We executed two PPAs, one with each of the following entities: (i) Pluz Energía Perú and (ii) Luz del Sur. The 27 MW capacity represents the aggregate contracted capacity between these two PPAs.

(4) We executed two PPAs. From January 2026, the contracted capacity aggregate will change to 12 MW.

(5) We executed two PPAs. From January 2027, the contracted capacity aggregate will change to 11 MW.

(6) We executed two PPAs.

(7) The contracted capacity increases in certain periods reaching a maximum of 26 MW from January 2028 until the end of the PPA.

(8) Subsidiaries of Nexa Resources, a mining and metallurgical company with operations in Brazil and Peru.

Cost of Sales

Our principal costs of sales are energy and capacity purchases in the spot market, transmission costs, operating service agreements with Kallpa Generación S.A., third party services and maintenance costs.

Orazul and Kallpa Generación S.A. entered into an Operation and Maintenance Agreement, that covers all of Orazul's plants, and which can be renewed under the express consent of the parties.

Our transmission costs vary primarily according to the quantity of energy that we generate and the locations of the specific nodes to which our generation units are connected in the Peruvian interconnected electrical system.

According to our PPAs and the regulatory framework under which we sell energy in the spot market, most transmission costs related to supplying energy to our customers are passed through to our customers.

We incur third-party services costs in the operation of our generation units. These costs are usually independent of the volumes of energy produced by our generation units. We also incur maintenance costs in connection with the ongoing and periodic maintenance of our generation units. These costs are usually correlated to the volumes of energy produced and the number of running hours of our generation units.

Administrative expenses

Our principal administrative expenses are the Management Service Agreements with Kallpa Generación S.A. and third party services.

Orazul and Kallpa Generación S.A. entered into the Management Service Agreements, which can be renewed under the express consent of the parties.

The services rendered by Kallpa Generación S.A. under the Management Service Agreements include: (i) assistance in technical, commercial, legal, financial, environmental, HSE and IT matters, including the execution of power purchase agreements with customers; (ii) accounting and bookkeeping functions; (iii) compliance and management of tax obligations and liabilities; (iv) corporate bookkeeping; (v) preparation of financial statements and budgets; and (vi) compliance of obligations under financing agreements, among others.

Effects of Outstanding Indebtedness

Our total outstanding indebtedness was U.S.$366 million as of June 30, 2025. 100% of that amount has fixed interest rates and, therefore, interest rate fluctuations will not impact our interest expenses. All of our outstanding indebtedness is denominated in U.S. dollars. For further information on our outstanding indebtedness, including the interest rate and currency applicable to the indebtedness, see "*Description of other Indebtedness.*" We intend to use a portion of the net proceeds of this offering to purchase any and all of the 2027 Notes validly tendered and accepted for payment pursuant to the Tender Offer, and to pay related fees, accrued interest, and expenses. If, following the consummation of the Tender Offer, any 2027 Notes remain outstanding, we will use the remaining net proceeds of this offering to redeem such 2027 Notes, including fees, accrued interest and expenses. See "*Use of Proceeds*."

Income Taxes

We are subject to income tax in Peru. The general corporate income tax rate in Peru was 29.5% as of June 30, 2025 and December 31, 2024, 2023 and 2022. In accordance with Peruvian tax legislation, companies may offset net operating losses ("NOLs") against future taxable income under two systems established by Law, each providing strategic alternatives for tax risk management and financial planning.

System A permits taxpayers to offset 100% of NOLs against taxable income during the following four fiscal years. Any portion of NOLs not used within this period is permanently forfeited.

System B permits taxpayers to offset up to 50% of annual taxable income each year, with no statutory time limit on carrying forward the NOLs. Under this system, companies are effectively taxed at a 14.75% income tax rate (29.5% on 50% of the annual taxable income).

Orazul Energy Perú S.A has elected to offset its net operating losses under System B.

	As of June 30,		As of December 31,[1]		
	2025	**2024**	**2024**	**2023**	**2022**
Orazul Energy Perú S.A NOLs (U.S.$/MM)	627	799	617	838	843

(1) For further information on our tax rates, including withholding tax rates, see note 21 of Orazul's audited annual consolidated financial statements included in this offering memorandum.

Seasonality and Weather Variations

Our generation business is affected by seasonal weather patterns throughout the year and, therefore, operating margins could vary by month during the year. Additionally, weather variations, including hydrological conditions, may also have an impact on generation output at our hydroelectric power and solar plants. For example, hydrological conditions that result in a lower availability of water for our hydroelectric power plants could cause, among other effects, a reduction in our ability to generate energy and, accordingly, in our sales to the spot market. Lower water availability in the system triggers higher dispatch of combined cycle units. Conversely, hydrological conditions that result in an oversupply of water near any of our facilities could cause flooding that significantly damages our plants, which would negatively affect our ability to generate energy and, accordingly, reduce our sales to the spot market.

Operating Results

The following discussion of Orazul's results of operations is based on our financial statements prepared in accordance with IFRS for the annual financial statements and IAS 34 Interim Financial Reporting for the condensed consolidated interim financial statements as issued by the IASB. In the following discussion, references to increases or declines in any period are made by comparison with the corresponding prior period, except as the context otherwise indicates.

Six Months Ended June 30, 2025 Compared to Six Months Ended June 30, 2024

Set forth below are Orazul's consolidated statements of profit or loss data for the six months ended June 30, 2025 and 2024.

	For the Six Months Ended June 30,		
	2025	**2024**	**% Change**
		(U.S.$ millions)	
Revenue	62	59	5%
Cost of sales	(12)	(12)	0%
Depreciation	(14)	(13)	8%
Administrative expenses	(2)	(2)	0%
Other income	-	1	(100)%
Other expenses	-	-	0%
Operating profit	**34**	**33**	**3%**
Finance income	1	1	0%
Finance costs	(11)	(11)	0%
Net foreign exchange difference	1	(1)	(200)%
Net finance costs	**(9)**	**(11)**	**(18)%**
Profit before income tax	**25**	**22**	**14%**
Income tax	(1)	(12)	(92)%
Profit for the period	**24**	**10**	**140%**

Revenue

Revenues increased by U.S.$3 million, or 5%, to U.S.$62 million during the first six months of 2025, from U.S.$59 million during the same period in 2024, mainly explained by (i) U.S.$2 million increase in net energy and capacity sales in the spot market due to a 6% increase in net energy sold in the spot market to 725 GWh during the first six months of 2025 from 687 GWh during the same period in 2024 as a result of lower energy volume sold under PPAs, partially offset by a 7% decrease in the average spot price to U.S.$27/MWh during the first six months of 2025 compared to U.S.$29/MWh during the same period in 2024; and (ii) U.S.$1 million increase in energy sales under PPAs due to a 13% increase in the average PPA energy prices to U.S.$51/MWh during the first six months of 2025 compared to U.S.$45/MWh during the same period in 2024, explained by the indexation of certain PPAs and new PPAs with higher energy prices; partially offset by an 8% decrease in energy volumes sold under PPAs to 568 GWh

during the first six months of 2025 from 619 GWh during the same period in 2024, explained by the end of certain PPAs.

Cost of Sales

Cost of sales (excluding depreciation and amortization) amounted to U.S.$12 million during the first six months of 2025, unchanged from the same period in 2024.

Depreciation

Depreciation increased by U.S.$1 million, to U.S.$14 million during the first six months of 2025 from U.S.$13 million during the same period in 2024, primarily due to the addition of property, plant, and equipment.

Administrative Expenses

Administrative expenses amounted to U.S.$2 million during the first six months of 2025, unchanged from the same period in 2024.

Other Income, Net

Other income, net decreased by U.S.$1 million, to nil during the first six months of 2025 from U.S.$1 million during the same period in 2024, primarily due to a gain on the sale of certain minor assets recognized during the second quarter of 2024.

Net Finance Costs

Net finance costs decreased by U.S.$2 million, or 18%, to U.S.$9 million during the first six months of 2025 from U.S.$11 million during the same period in 2024, explained by an increase in foreign exchange gains during the first six months of 2025 due to a 5.9% revaluation of the Peruvian sol against the U.S. dollar compared to a 3.3% devaluation of the Peruvian sol against the U.S. dollar during the same period in 2024.

Income Tax

Income tax expense decreased by U.S.$11 million, or 92%, to U.S.$1 million during the first six months of 2025, from U.S.$12 million during the same period in 2024. The effective income tax rate during the first six months of 2025 was 4% (55% in 2024). Changes in the effective tax rate correspond mainly to the re-expression of the tax losses carry forward due to exchange rate variations explained by a 5.9% revaluation of the Peruvian sol against the U.S. dollar during the first six months of 2025 compared to a 3.3% devaluation of the Peruvian sol against the U.S. dollar during the same period in 2024.

Profit for the period

As a result of the factors discussed above, Orazul's profit increased to U.S.$24 million for the six months ended June 30, 2025 as compared to U.S.$10 million for the six months ended June 30, 2024.

Year Ended December 31, 2024 Compared to Year Ended December 31, 2023

Set forth below are Orazul's consolidated statements of profit or loss data for the years ended December 31, 2024 and 2023.

	For the Year Ended December 31,		
	2024	2023	% Change
		(U.S.$ millions)	
Revenue	104	115	(10)%
Cost of sales	(27)	(43)	(37)%
Depreciation	(26)	(26)	0%
Administrative expenses	(6)	(5)	20%
Other income	2	1	100%
Other expenses	-	-	-
Operating profit	**47**	**42**	**12%**
Finance income	3	2	50%
Finance costs	(23)	(22)	5%
Net foreign exchange difference	-	-	-
Net finance costs	**(20)**	**(20)**	**0%**
Profit before income tax	**27**	**22**	**23%**
Income tax	(65)	11	(691)%
(Loss) Profit for the period	**(38)**	**33**	**(215)%**

Revenue

Revenue decreased by U.S.$11 million, or 10%, to U.S.$104 million in 2024, from U.S.$115 million in 2023. This was explained by:

- U.S.$21 million decrease in energy and capacity sales under PPAs related to a 22% decrease in energy volumes sold under PPAs to 1,301 GWh in 2024 from 1,666 GWh in 2023, mostly in connection with the reduction in the contracted capacity of certain PPAs with distribution companies per the contracted levels agreed in such PPAs.

This effect was partially offset by:

- U.S.$10 million increase in net energy and capacity sales in the spot market mainly due to a 94% increase in net energy sold in the spot market to 763 GWh in 2024 from 392 GWh in 2023, explained by lower energy sales under PPAs. This was partially offset by a 60% decrease in the average spot price to U.S.$29/MWh in 2024 compared to U.S.$72/MWh in 2023 due to the following extraordinary events that occurred in 2023:

  i. the unexpected delay of maintenance works at Camisea, initially scheduled from July 25 to July 31, 2023, but extended until August 22, 2023;
  ii. lower water availability, mainly during the third quarter of 2023, which triggered a decrease in the system's hydroelectric generation and resulted in demand being covered by generation from non-efficient thermal liquids (mainly diesel) plants; and
  iii. the corrective maintenance of hydroelectric power plants affected by Cyclone Yaku and El Niño phenomenon, which caused unsafe conditions and excessive sedimentation in certain rivers.

Cost of Sales

Cost of sales decreased by U.S.$16 million, or 37%, to U.S.$27 million in 2024, from U.S.$43 million in 2023 mainly explained by lower energy purchases in the spot market due to (i) lower energy sales under PPAs and (ii) a 60% decrease in the average spot price to U.S.$29/MWh in 2024 compared to U.S.$72/MWh in 2023.

Depreciation

Depreciation amounted to U.S.$26 million in 2024, unchanged from the same period in 2023.

Administrative Expenses

Administrative expenses increased by U.S.$1 million, or 20%, to U.S.$6 million in 2024, from U.S.$5 million in 2023, mainly due to higher third-party services and other administrative expenses.

Other Income, Net

Other income, net increased by U.S.$1 million, or 100%, to U.S.$2 million in 2024, from U.S.$1 million in 2023 due to the gain on the sale of certain minor assets.

Net Finance Costs

Net finance costs amounted to U.S.$20 million in 2024, unchanged from the same period in 2023.

Income Tax

Income tax increased by U.S.$76 million, to U.S.$65 million in 2024, from U.S.$11 million income in 2023. The effective income tax rate in 2024 was 241% (50% positive in 2023). Changes in the effective 2024 tax rate correspond to (i) U.S.$55 million one-time adjustment in the deferred tax determination in connection with the 2020 tax audit conducted by SUNAT, which resulted in a U.S.$185 million reduction in the tax loss carryforward (for further detail see Note 21.A of our audited financial statements), and (ii) the re-expression of the tax losses carry forward due to exchange rate variations explained by a 1.5% devaluation of the Peruvian sol against the U.S. dollar during 2024. The adjustment in deferred tax did not involve any cash payment. Without that impact, the effective tax rate would have been 37%.

Changes in the effective 2023 tax rate correspond primarily to (i) the deferred income tax from deductible temporary differences related to interest expenses, and (ii) the re-expression of the tax loss carry forward due to a 2.8% revaluation of the Peruvian sol against the U.S. dollar.

(Loss) Profit for the period

As a result of the factors discussed above, Orazul's profits decreased to U.S.$38 million loss for the year ended December 31, 2024 as compared to U.S.$33 million profit for the year ended December 31, 2023.

Year Ended December 31, 2023 Compared to Year Ended December 31, 2022

Set forth below are Orazul's consolidated statements of profit or loss data for the years ended December 31, 2023 and 2022.

	For the Year Ended December 31,		
	2023	**2022**	**% Change**
		(U.S.$ millions)	
Revenue	115	107	7%
Cost of sales	(43)	(27)	59%
Depreciation	(26)	(12)	117%
Administrative expenses	(5)	(5)	0%
Other income	1	1	0%
Other expenses	-	-	-
Operating profit	**42**	**64**	**(34)%**
Finance income	2	-	100%
Finance costs	(22)	(26)	(15)%
Net foreign exchange difference	-	1	-
Net finance costs	**(20)**	**(26)**	**(23)%**
Profit before income tax	**22**	**38**	**(42)%**
Income tax	11	(9)	(222)%
Profit for the period	**33**	**29**	**14%**

Revenue

Revenue increased by U.S.$8 million, or 7%, to U.S.$115 million in 2023, from U.S.$107 million in 2022. This was explained by:

- U.S.$11 million increase in net energy sales to the spot market mainly due to a 71% increase in volumes sold to the spot market to 392 GWh in 2023 from 229 GWh in 2022. This was mainly explained by a 6% decrease in PPA energy volumes sold and a 3% increase in our hydroelectric generation to 2,058 GWh during 2023 from 2,007 GWh during 2022 related to the higher water availability during the fourth quarter of 2023. In addition, there was an 89% increase in the average spot price to U.S.$72/MWh during 2023 from U.S.$38/MWh during 2022, caused by:
  i. the unexpected delay of the maintenance works at Camisea, initially scheduled from July 25 to July 31, 2023, but extended until August 22, 2023;
  ii. lower water availability, mainly during the third quarter of 2023, which triggered a decrease in the system's hydroelectric generation and resulted in demand being covered by generation from non-efficient thermal liquids (mainly diesel) plants, and;
  iii. the corrective maintenance of hydroelectric power plants affected by Cyclone Yaku and El Niño phenomenon, which caused unsafe conditions and excessive sedimentation in certain rivers.
- U.S.$2 million increase in capacity sales to the spot market.

These effects were partially offset by:

- U.S.$5 million in lower energy and capacity sales under PPAs mainly due to a 6% decrease in energy volumes sold to 1,666 GWh during 2023 from 1,778 GWh during 2022, mostly in connection with the end of certain PPAs, partially offset by a 5% increase in PPA prices to an average of U.S.$45/MWh during 2023 from an average of U.S.$43/MWh during 2022 mainly explained by the indexation of certain existing PPAs.

Cost of Sales

Cost of sales (excluding depreciation) increased by U.S.$16 million, or 59%, to U.S.$43 million in 2023, from U.S.$27 million in 2022 explained by:

- U.S.$13 million increase in energy purchases to the spot market mainly during the third quarter 2023, related to an 89% increase in the average spot price to U.S.$72/MWh during 2023 from U.S.$38/MWh during 2022, due to (i) the curtailment in natural gas supply from July 25 to August 6, due to the unexpected delay of the maintenance works at Camisea, initially scheduled from July 25 to July 31, but extended until August 22; (ii) lower water availability, mainly during the third quarter of 2023, which triggered a decrease in the system's hydroelectric generation and resulted in demand being covered by generation from non-efficient diesel plants; and, (iii) the corrective maintenance of hydroelectric power plants affected by Cyclone Yaku and El Niño phenomenon, which caused unsafe conditions and excessive sedimentation in certain rivers.
- U.S.$2 million increase in intercompany services related to the Operation Service Agreement with Kallpa Generación S.A. due to higher labor and maintenance cost.
- U.S.$1 million increase in insurance costs due to prevailing market conditions.

Depreciation

Depreciation increased by U.S.$14 million to U.S.$26 million in 2023, from U.S.$12 million in 2022 due to the U.S.$399 million PP&E revaluation of our hydroelectric power plants performed in November 2022.

Administrative Expenses

Administrative expenses amounted to U.S.$5 million in 2023, unchanged from the same period in 2022.

Net Finance Costs

Net finance costs decreased by U.S.$6 million, or 23%, to U.S.$20 million in 2023, from U.S.$26 million in 2022. This result corresponds to (i) U.S.$4 million in lower finance cost related to the interest paid in connection with the shareholder loan granted by Orazul Energia Partners LLC, which was fully paid in 2022, (ii) U.S.$2 million increase in interest income related to the higher cash balances kept during 2023 and the higher interest rates paid on our balances; among others.

Income Tax

Income tax decreased by U.S.$20 million to U.S.$11 million income in 2023, from U.S.$9 million expense in 2022. The effective tax rate in 2023 was 50% (positive). Changes in the effective tax rate correspond primarily to (i) the deferred income tax from deductible temporary differences related to interest expenses, and (ii) the re-expression of the tax loss carry forward due to a 2.8% revaluation of the Peruvian sol against the U.S. dollar.

The effective tax rate in 2022 was 24% (negative). Changes in the effective tax rate correspond primarily to (i) the re-expression of the tax loss carry forward due to a 4.5% revaluation of the Peruvian sol against the U.S. dollar, partially offset by (ii) non-deductible expenses.

Profit for the period

As a result of the factors discussed above, Orazul profit increased to U.S.$33 million for the year ended December 31, 2023 as compared to U.S.$29 million for the year ended December 31, 2022.

Liquidity and Capital Resources

As of June 30, 2025, Orazul had cash of U.S.$58 million, trade payables of U.S.$4 million and a short-term loan of U.S.$5 million. Orazul's trade payables mostly related to the purchase of energy, transmission tolls and services related to maintenance for the hydroelectric power plants. The short-term loan was used to finance capital expenditures and other operating expenses.

Our principal sources of liquidity have traditionally consisted of cash flows from operating activities, short-term and long-term borrowings. In 2017, we issued U.S.$550 million aggregate principal amount of the 2027 Notes. We do not have funds designated for, or subject to, permanent reinvestment.

Our principal needs for liquidity generally consist of capital expenditures related to our plants and working capital requirements (e.g., maintenance costs that extend the useful life of our generation units), debt and interest service and distributions to our shareholders. We believe that, based on our current business plan and considering the use of proceeds from this offering, our cash on hand and our cash generated by operations will be adequate to meet all of our capital expenditure requirements, ongoing maintenance and environmental improvements and our working capital needs in the ordinary course of our business in the near term.

Cash Flows

Six Months Ended June 30, 2025 Compared to Six Months Ended June 30, 2024

The following table sets forth a summary of Orazul's cash flow information for the six months ended June 30, 2025 and 2024:

	For the Six Months Ended June 30,		
	2025	2024	% Change
	(U.S.$ millions)		
Net cash provided by operating activities	40	42	(5)%
Net cash used in investing activities	(3)	(3)	0%
Net cash used in financing activities	(6)	(11)	(45)%
Net increase in cash	**31**	**28**	**11%**
Cash as of January 1	26	36	(28)%
Effect of exchange rate variations on cash held	1	-	100%
Cash as of June 30	**58**	**64**	**(9)%**

Cash Flows provided by Operating Activities

Our primary source of operating funds is the cash flow generated from our operations. The net cash from operating activities decreased by U.S.$2 million, or 5%, to U.S.$40 million during the first six months of 2025 from U.S.$42 million during the same period in 2024.

The decrease was driven by a U.S.$12 million increase in payments to suppliers due to (i) U.S.$5 million from 2024 outstanding balances paid during the first quarter of 2025; (ii) U.S.$4 million of higher VAT payment, and (iii) U.S.$3 million related to the 2025 insurance cost paid in June 2025 compared to 2024 insurance cost paid in October 2024. These effects were partially offset by U.S.$10 million increase in collections from customers related to higher sales, added to 2024 outstanding balances collected during the first quarter of 2025.

Cash Flows Used in Investing Activities

Net cash flows used in our investing activities amounted to U.S.$3 million during the first six months of 2025, unchanged from the same period in 2024.

During the first six months of 2025 and 2024, cash used in investing activities was for payments related to the acquisition of property, plant, and equipment.

Cash Flows Used in Financing Activities

Net cash flows used in financing activities decreased by U.S.$5 million, or 45%, to U.S.$6 million during the first six months of 2025 from U.S.$11 million during the same period in 2024.

During the first six months of 2025, cash used in financing activities was mainly for (i) U.S.$11 million interest service related to the 2027 Notes and its respective withholding tax; partially offset by (ii) U.S.$5 million provided by short-term borrowings to finance capital expenditures and other operating expenses.

During the first six months of 2024, cash used in financing activities was mainly for interest service related to the 2027 Notes and its respective withholding tax.

Year Ended December 31, 2024 Compared to Year Ended December 31, 2023

The following table sets forth a summary of Orazul's cash flow information for the years ended December 31, 2024 and 2023:

	For the Year Ended December 31,		
	2024	**2023**	**% Change**
	(U.S.$ millions)		
Net cash provided by operating activities	64	50	28%
Net cash used in investing activities	(8)	(9)	(11)%
Net cash used in financing activities	(66)	(22)	200%
Net (decrease) increase in cash	**(10)**	**19**	**(153)%**
Cash as of January 1	36	17	112%
Effect of exchange rate variations on cash held	-	-	0%
Cash as of December 31	**26**	**36**	**(28)%**

Cash Flows provided by Operating Activities

Our primary source of operating funds is the cash flow generated from our operations. The net cash from operating activities increased by U.S.$14 million, or 28%, to U.S.$64 million in 2024 from U.S.$50 million in 2023.

The increase was driven by (i) U.S.$27 million decrease in payments to suppliers primarily related to lower purchases of energy in the spot market, (ii) U.S.$7 million decrease in income tax payments in 2024 mainly related to the 2022 annual income tax return paid during the first quarter of 2023; partially offset by U.S.$20 million decrease in collections from customers mainly related to lower energy and capacity sales under PPAs during 2024, added to 2024 outstanding balances collected in 2025.

Cash Flows Used in Investing Activities

Net cash flows used in our investing activities decreased by U.S.$1 million, or 11%, to U.S.$8 million in 2024 from U.S.$9 million in 2023.

In 2024 and 2023, cash used in investing activities was for payments related to the acquisition of property, plant, and equipment.

Cash Flows Used in Financing Activities

Net cash flows used in financing activities increased by U.S.$44 million, or 200%, to U.S.$66 million in 2024 from U.S.$22 million in 2023.

In 2024, cash used in financing activities was mainly for (i) U.S.$45 million in distributions to shareholders; and (ii) U.S.$21 million of interest service related to the 2027 Notes and its respective withholding tax.

In 2023, cash used in financing activities was mainly for interest service related to the 2027 Notes and its respective withholding tax, among others.

Year Ended December 31, 2023 Compared to Year Ended December 31, 2022

The following table sets forth a summary of Orazul's cash flows information for the years ended December 31, 2023 and 2022:

	For the Year Ended December 31,		
	2023	**2022**	**% Change**
	(U.S.$ millions)		
Net cash provided by operating activities	50	73	(32)%
Net cash used in investing activities	(9)	(4)	125%
Net cash used in financing activities	(22)	(73)	(70)%
Net increase (decrease) in cash	**19**	**(4)**	**(575)%**
Cash as of January 1	17	21	(19)%
Effect of exchange rate variations on cash held	-	-	-
Cash as of December 31	**36**	**17**	**112%**

Cash Flows provided by Operating Activities

Our source of operating funds is the cash flow generated from our operations. The net cash from operating activities decreased by U.S.$23 million, or 32%, to U.S.$50 million in 2023 from U.S.$73 million in 2022.

The decrease was driven by:

- U.S.$22 million increase in payment to suppliers mainly due to higher energy purchases in the spot market.
- U.S.$14 million increase in income tax paid explained by (i) U.S.$8 million payment related to the 2022 corporate income tax outstanding in the annual tax return and (ii) U.S.$6 million higher 2023 tax advance payments.

These effects were partially offset by:

- U.S.$11 million increase in collections from customers mainly related to energy and capacity sales in the spot market during 2023.
- U.S.$3 million related to the option agreements signed with distribution companies to extend the contract terms of certain PPAs in 2022.

Cash Flows Used in Investing Activities

Net cash flows used in our investing activities increased by U.S.$5 million, or 125%, to U.S.$9 million in 2023, from U.S.$4 million in 2022.

In 2023 and 2022, cash used in investing activities corresponds to payments related to the acquisition of property, plant, and equipment. The U.S.$5 million increase during 2023 corresponds to (i) U.S.$2 million in civil works (intake anchors) for CDP; (ii) U.S.$2 million in new injectors in CDP which aimed to reduce future operation and maintenance expenses; and (iii) U.S.$1 million related to our 1 MW generation capacity new solar plant in Carhuaquero.

Cash Flows Used in Financing Activities

Net cash flows used in our financing activities decreased by U.S.$51 million, or 70%, to U.S.$22 million in 2023 from U.S.$73 million in 2022.

In 2023, we used cash to pay U.S.$21 million in interest related to the 2027 Notes and related withholding tax; among others.

In 2022, we used cash for (i) U.S.$26 million in dividends to shareholders; (ii) U.S.$26 million in interest accrued up to 2018 related to the shareholder loan granted by Orazul Energia Partners LLC and its respective taxes; and (iii) U.S.$21 million mainly in interest related to the 2027 Notes and its respective withholding tax; among others.

Trend Information

Peru Power Market

Peru has continued to experience growth in demand from residential customers, which purchase their energy through distribution companies, and from the industrial sector, primarily from mining companies. We expect demand from mining companies to continue increasing in the near term due to large infrastructure projects and growing international demand for minerals such as copper. Supply has also been steadily increasing as various plant construction projects have been undertaken to meet the increased demand. Additionally, there have been various renewable energy projects under construction in recent years, increasing the supply of green energy.

Fluctuations in Currency Exchange Rates

As of June 30, 2025, all of our PPAs were either in U.S. dollars or linked to the U.S. dollar, thereby limiting our exposure to exchange rate fluctuations. With respect to our non-regulated customers, we invoice and collect payments in U.S. dollars. With respect to our customers that are distribution companies, for which we invoice and collect payments in Peruvian soles, the underlying tariff is linked to the U.S. dollar and is readjusted at each quarter when the tariff resulting from applying the indexation formula fluctuates by more than 5%.

Accordingly, although changes in inflation rates and foreign exchange rates can affect our revenues, there is generally not a corresponding effect on our margins.

However, these adjustments do not fully hedge our margins against exchange rate fluctuations or other factors. In addition, we remain subject to variations in inflation and currency exchange rates in the short-to medium-term until such adjustments are made and to the extent of variations below the threshold. Further, while a significant portion of our sales are made pursuant to PPAs, we do also make sales in the spot market and are subject to spot market prices (which are influenced by changes in oil, or other fuel, prices, inflation and exchange rates, as well as the supply/demand balance). We are also subject to changes in market rates (which are influenced by fuel prices and inflation and exchange rates) when we renew PPAs. A significant change (even where both fuel costs and PPAs are fully indexed) in the above mentioned factors can result in an increase or decrease in our margins.

Quantitative and Qualitative Disclosures about Market Risk

For quantitative and qualitative information on our market risk, refer to notes 5 and 27 of our audited annual consolidated financial statements included in this offering memorandum.

Dividend Policy

Our board of directors proposes dividend distributions at shareholders' meetings. Once approved, each determination governs dividend distributions based on available cash and expected cash needs for the applicable year. Each dividend distribution is subject to approval by the board of directors.

We have made the following cash dividend distributions in each of the periods indicated:

Period	Cash Dividend Distributions (U.S.$ millions)
Six Months Ended June 30, 2025	-
Six Months Ended June 30, 2024	-
Year Ended December 31, 2024	47
Year Ended December 31, 2023	-
Year Ended December 31, 2022	28

On August 28, 2025. we distributed a cash dividend of U.S.$20 million. See "*Summary—Recent Developments—Dividend Distribution*".

Off-Balance Sheet Arrangements

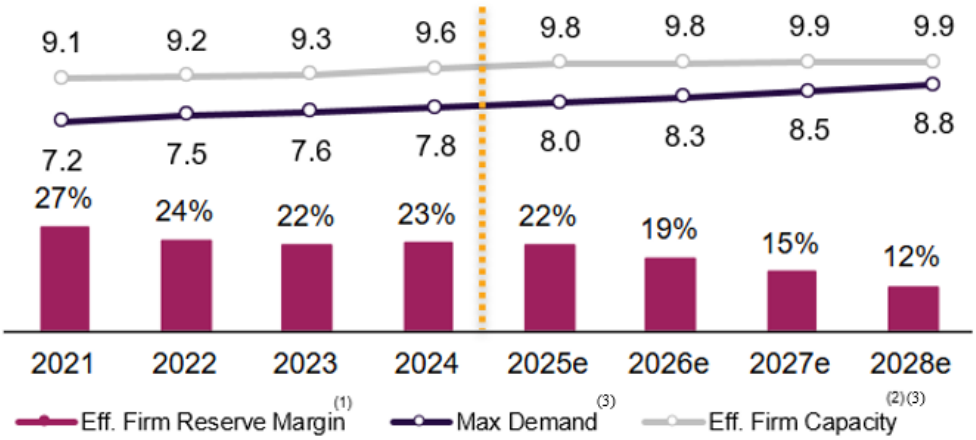
We are not party to any off-balance sheet arrangements.

INDUSTRY

The power market in Peru is currently our sole market and, driven by the growth in GDP and the expansion of energy coverage, Peruvian energy consumption has grown in recent years. According to the INEI, Peru had a population of approximately 34.0 million as of December 31, 2024. According to the Peruvian Central Reserve Bank, Peruvian GDP grew by 3.1% between January and May 2025, and 2.8%, (0.4%) and 3.3% in 2022, 2023 and 2024, respectively. An increase in domestic demand, resulting from growth in the overall economic activity of Peru, an increase in the population's income, consumption and access to electricity, and an increase in investment in infrastructure, has also led to an increase in investments in value-added manufacturing processes to create products to serve the domestic market and for export. In addition, the availability and extraction of natural resources, in particular metals, has led to increased energy-intensive mining activity, which, according to MINEM, has supported the increase in Peru's energy consumption from 31,820 GWh in 2011 to 53,323 GWh in 2024, representing a compound average growth rate of 4.1%. According to the COES, the energy demand in Peru is expected to continue to increase, driven by sizeable mining sector projects such as the Antamina extension, Tia Maria, Zafranal, Shougang extension, San Gabriel, Chalcobamba, Toromocho extension, Inmaculada extension, among others; and infrastructure projects such as Lima Metro Line 2, Chancay port terminal, the new Central Highway connecting Lima and the Junin regions, among others. As stated by MINEM, the total energy demand in Peru is expected to increase by CAGR of 5.2% for the period 2024-2030.

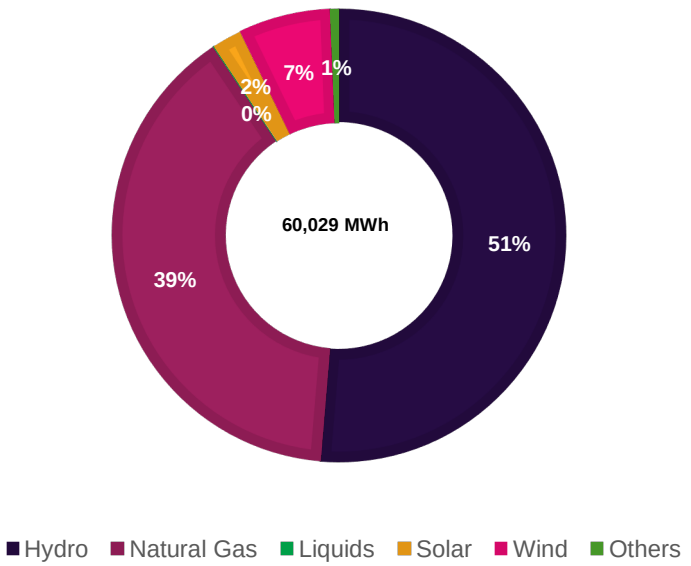
Despite the mining and industrial sectors largely driving demand growth in the past, overly aggressive demand estimated by the government, led to significant capacity additions between 2010 and 2016, resulting in a temporary oversupply. A moderate demand growth, coupled with intensive expansions of generation capacity supply, contributed to increase the efficient reserve margin that peaked above 30% in 2016, normalizing to 23% in 2024 considered a reasonable efficient reserve margin. As indicated by COES, with the market's oversupply period over and upcoming demand growth and needs of new renewable energy sources, the total effective energy generation capacity is expected to increase by 1,116 MW from 2024 to 2027, which represents an 8.5% growth over the system's installed capacity of 13.1 GW as of 2023, and close to 90% of the capacity additions are expected to come from renewable sources (solar, hydro and wind). In addition, according to COES, energy demand is expected to increase in aggregate by 1,123 MW by 2027 compared to 2022, and, coupled with generation capacity additions, are expected to reduce efficient reserve margins to 12% by 2027 (excluding the capacity of cold reserve units). These factors may have implications for spot and PPA prices in the mid-term could lead to an increase.

The following chart sets forth the historical and expected evolution of firm capacity, demand and the efficient firm reserve margin in Peru:



(1) Efficient firm reserve margin is calculated as (efficient firm capacity minus maximum demand) divided by maximum demand.
(2) Calculated as efficient firm capacity excluding liquid-fuel power plants, which usually provide security capacity to the system.
(3) Maximum demand and efficient firm capacity are expressed in GW.

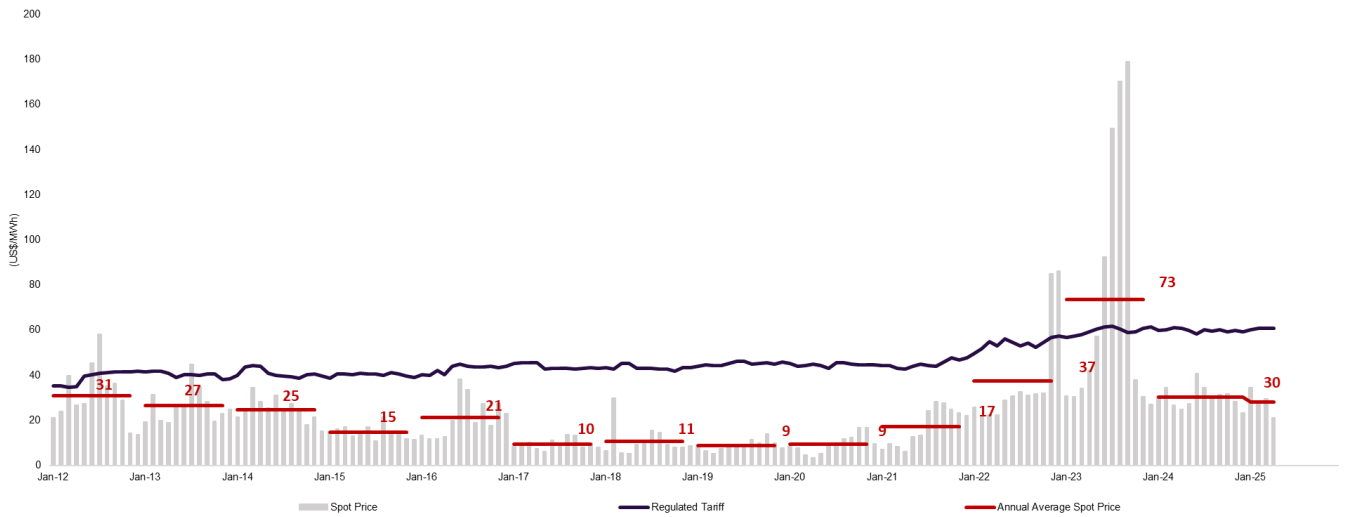
The following chart presents a breakdown of energy generation in Peru based on generation technology and fuel source, as of December 31, 2024:



Due to a sustained increase in installed capacity, boosted by hydroelectric power plants reaching COD and combined cycle power plants fueled by natural gas at low costs, spot prices significantly decreased to an average of U.S.$12/MWh from 2015 to June 2021, according to data from COES. Since July 2021, a regulation change was implemented establishing that the variable cost of thermal plants fueled by natural gas would be calculated considering the sum of total unitary gas supply prices, transportation, and distribution tariffs, independent of

contract type, firm or interruptible, resulting in a significant increase in spot prices to an average of U.S.$25/MWh from July to December 2021. During 2023, extreme drought conditions, exacerbated by an unusually and unexpected extended Camisea maintenance which triggered gas supply restrictions between July and August, required the system operator to dispatch liquid fuel units, causing a sharp increase in spot prices, which peaked to an average of U.S.$179/MWh in September 2023. Since then, as the hydrology trend converged to an average scenario and water availability in the system returned to normal conditions spot prices have normalized to an average of U.S.$29 /MWh as of December 2024.

The following chart sets forth monthly spot prices and regulated tariffs in Peru as of the dates presented:



The power market in Peru has experienced significant changes in the past 30 years, as a result of privatizations following structural reforms initiated in 1992. In that context, the Peruvian power industry underwent a structural reform characterized by: (1) the enactment of a new regulatory model under the Power Concessions Law (*Ley de Concesiones Eléctricas*), or Law 25844 (the "PCL") and its regulation, approved by Supreme Decree No. 009-93-EM (the "PCL Regulation"); (2) the restructuring and reorganization of the vertically integrated state owned power utilities into non vertically integrated generation, transmission and distribution companies; (3) the privatization of a relevant portion of the state owned utilities; (4) the promotion of private investment; (5) the regulation of the remuneration model for distribution and transmission activities based on cost-efficient standards; (6) the creation of an "open access" principle for the use of transmission and distribution grids; (7) the creation of a compensation system between generators that operates independently from contractual arrangements; (8) the segmentation of power consumers as "regulated" and "non-regulated", the latter being entitled to directly contract the supply of electricity from generators; and (9) the centralized generation dispatch ordered by COES. From a regulatory perspective, the Peruvian system has split the regulatory roles among a policy body, the MINEM, an independent regulator, OSINERGMIN, and a market operator that is a private entity, COES. This structure has remained since the start of the reforms in 1992 and the economic model (i.e., marginal cost system) upon which the reform has been built is effectively embedded in the general electricity laws of Peru, providing long-term economic stability for investment.

The Law to Ensure Effective Development of Power Generation (*Ley para Asegurar el Desarrollo Eficiente de la Generación Eléctrica*), or Law 28832 published on July 23, 2006 (the "LGE") introduced further changes to the power utility market and strengthened the model, mainly aiming to: (1) maintain the economic principles used in the PCL and add new measures to facilitate competition in the wholesale market; (2) reduce government intervention in establishing power generation tariffs; (3) allow power generation tariffs for regulated power consumers to reflect a competitive market, facilitating the construction of new generation plants when required; and (4) ensure a sufficient supply of power by reducing the power system's exposure to the risks of high prices and rationing inherent to situations of undersupply of natural gas or transportation congestion. The LGE was approved

as a consequence of a severe crisis in the Peruvian electricity market that resulted from, among other causes, OSINERGMIN defining the tariff at which distribution companies purchased electricity to supply to regulated customers at levels that did not reflect market conditions and were not attractive for generators to sell to distribution companies.

The reforms of 1992, together with the Peruvian Constitution of 1993, liberalized ownership across the Peruvian electricity sector and opened it to private investment, effectively eliminating any ownership restriction based upon nationality (except within 50 km of Peru's international land borders, where certain restrictions apply) or otherwise. The privatization and concession award processes were structured based upon the need to attract foreign investment and expertise that the country lacked. As a result of such ownership rules, the majority shareholders of most private companies acting in the Peruvian electricity market are controlled by foreign investors.

Since 1992, the Peruvian market has been based on a "marginal generation cost" system. As mentioned before, such system is embedded in the general electricity laws of Peru and is administrated by COES. In such capacity the COES has as its main mandate the satisfaction of all the demand for electricity at any given time (i.e., periods of 15 minutes each) with the most efficient generation assets available at such time, independently of contractual arrangements between generators and their customers. For this purpose, the COES determines which generation facilities will be in operation at any given time with the objective of minimizing the overall system energy cost while ensuring operational security. Energy units are dispatched (i.e., ordered by the COES to inject energy into the system) on a real-time basis; units with lower variable generation costs are dispatched first and then other less efficient generation units will be dispatched, until the electricity demand is satisfied. For such purposes, the COES regulates technical procedures including provisions to regulate programs for economic dispatch.

The variable cost for the most expensive generation unit dispatched in each 15-minute time period determines the price of electricity in such time period for those generation companies that sell or buy power on the spot market price during such time period. The COES determines, for each such 15-minute period, the spot market at which such transactions among generators take place and acts as a clearinghouse of all such transactions.

Generation companies in the Peruvian electricity market sell their capacity and energy under PPAs or in the spot market. The principal consumers under PPAs are regulated customers (distribution companies) and non-regulated customers. Under regulations governing the Peruvian power sector, customers with a capacity demand above 2,500 kW participate in the non-regulated power market and can enter into PPAs directly with generation or distribution companies at freely-negotiated prices and commercial conditions for the supply of energy. Transmission tolls and other regulatory charges are based on a *pass-through* scheme. Customers with a capacity demand greater than 200 kW and up to 2,500 kW may choose to participate as a regulated customer, at regulated prices with a distribution company or as a non-regulated customer freely negotiating PPAs with generation or distribution companies. Customers with a capacity demand of 200 kW or less are regulated customers and are mandatorily required to acquire their energy supply from a distribution company serving the area where the customer is located. Generally, PPAs to sell energy and capacity to distribution companies for resale to regulated customers must be made at fixed prices based on public bids received by the distribution companies from generation companies or at the applicable bus bar tariff set by the OSINERGMIN, considering that the bus bar tariff that cannot differ in more than 10% of the average prices of PPAs resulting from public tender processes. Pursuant to an amendment to the LGE that came into effect on January 20, 2025, the benchmark for the bus bar tariff shall not differ by more than 10% of the weighted average price of: (i) PPAs resulting from public tender processes; and (ii) PPAs entered into with non-regulated customers; that in each case are in effect as of March 31 of each calendar year. This change does not apply to PPAs with distribution companies that were already in effect prior to the aforesaid amendment to the LGE.

In addition, MINEM has recently published a draft regulation for Law 32249. This regulation is still pending approval by MINEM.

In the Peruvian energy market, generation companies compete with distribution companies to provide energy to non-regulated customers. Generation companies are authorized to buy and sell energy and capacity in the spot market to cover their needs and their commitments under their PPAs. Customers with a capacity demand of more than 10 MW must enter into PPAs with generation or distribution companies to cover at least 90% of their electricity

demand as they are allowed to purchase up to 10% of their energy or capacity needs directly in the spot market. Customers with a capacity demand below 10 MW, that are entitled to participate in the non-regulated power market, must enter into PPAs with generation or distribution companies covering all their electricity demand as they are not allowed to purchase energy or capacity directly in the spot market.

For further information on Peru's regulatory environment, see "*Regulation—Regulation of the Peruvian Electricity Sector*."

The following table sets forth a summary of energy sales in the Peruvian market for the periods presented:

	Energy Sales Under PPAs	
Year Ended December 31,	**Distribution**	**Non-regulated**
	(GWh)	
2019	19,138	28,283
2020	17,894	25,857
2021	18,372	29,682
2022	18,638	31,795
2023	19,420	33,203

Source: Anuario Estadístico de Electricidad, MINEM and OSINERGMIN.

The demand for energy and capacity in Peru is served by a variety of generation companies. The following table sets forth a summary of the principal generation companies in Peru, indicating their production by type of generation, as of December 31, 2024:

Energy Production by Source (GWh)

	Hydro	Natural Gas	Liquid fuels	Solar	Wind	Others	Total	%
Orazul	2,078	0	0	1	0	0	2,079	3
Kallpa Generación S.A.[(1)]	3,481	8,191	0	0	0	0	11,672	19
Orygen[(2)]	3,591	3,331	1	795	985	0	8,703	14
State-owned[(3)]	9,905	67	3	0	0	0	9,975	17
Engie	1,246	5,800	21	111	1,063	0	8,241	14
Fenix	0	3,805	0	0	0	0	3,805	6
Others	10,510	2,400	48	355	1,866	375	15,554	26
Total	**30,811**	**23,594**	**73**	**1,262**	**3,914**	**375**	**60,029**	**100**

(1) Kallpa Generación S.A. is our affiliate.
(2) Includes Orygen Perú S.A.A. (formerly known as Enel Generación Perú S.A.A.) and Chinango S.A.C.
(3) State-owned includes Electroperú, EGASA, EGEMSA, EGESUR and San Gabán.

For information on the availability and dispatch of Peru's electricity generators, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Material Factors Affecting Results of Operations - Availability and Dispatch.*"

BUSINESS

Overview

We are a Peruvian power company focused on electric power generation. We own and operate two run-of-river hydroelectric power plants, CDP and the Carhuaquero Complex, and one solar power plant, Carhuaquero Solar, to generate and sell non-carbon, efficient and reliable electricity to regulated customers (distribution companies) and non-regulated customers under short-term and long-term PPAs, as well as in the spot market. As of June 30, 2025, the weighted average remaining life of our PPAs was approximately 5.5 years with a successful contracting history. We have committed to sell, on average, approximately 64% of our firm energy (in MWh) from 2025 to 2027, which is consistent with what we believe is our optimal contracting level. This structural contracting mix provides flexibility to accommodate potential volatility in hydroelectric generation.

For the year ended December 31, 2024, we generated 2,079 GWh of energy accounting for 3.5% of the Peruvian market share based on gross energy generation. Our generation is considered base load in the Peruvian system, prioritized within the dispatch order. Our hydroelectric power plants, located in different hydrological basins, have an aggregate generation capacity of 376 MW: (i) the CDP hydroelectric generation plant; which utilizes the Santa River ecological water flow in Huallanca comprises six generation units with an aggregate generation capacity of 266 MW; and (ii) the Carhuaquero Complex hydroelectric generation plants, which utilize the Chancay River ecological water flow in Cajamarca consists of three power plants, five generation units and a dam, with an aggregate generation capacity of 110 MW. The COD of the CDP hydroelectric plant was granted in 1958, while the CODs of the Carhuaquero Complex were granted in 1991, 2008 and 2009.

Our 1 MW generation capacity solar power plant, Carhuaquero Solar, the Kallpa Group's first solar installation, is located within the Carhuaquero Complex in Cajamarca. It is operated by our subsidiary, Kondu, which was incorporated to carry out electricity generation, transmission and commercialization activities, as well as provide energy solutions to our customers. Carhuaquero Solar achieved COD in 2024 and has since maintained an average availability factor of 99%, with a capacity factor of 19%. During the twelve-month period ended June 30, 2025 and years ended December 31, 2024, 2023 and 2022, Orazul generated 2,063 GWh, 2,079 GWh, 2,072 GWh and 2,021 GWh, respectively.

The following table sets forth certain of our financial data for the periods set forth below:

	Six Months Ended June 30,		Year Ended December 31,			Twelve Months Ended June 30,[1]
	2025	2024	2024	2023	2022	2025
	(U.S.$ millions, except as otherwise indicated)					
Revenues	62	59	104	115	107	107
Profit (Loss) for the period	24	10	(38)	33	29	(24)
EBITDA[2]	48	46	73	68	76	75

(1) Amounts for the twelve months ended June 30, 2025 are calculated as the corresponding amounts for the six months ended June 30, 2025 plus the corresponding amounts for the year ended December 31, 2024 less the corresponding amounts for the six months ended June 30, 2024.

(2) EBITDA is a non IFRS measure. For a reconciliation of our profit for the period to our EBITDA, see "*Summary—Summary Financial and Other Information*."

Our Subsidiary Kondu

Orazul Energy Perú S.A. and Orazul Energia (UK) Holdings Ltd. (the direct parent company of the Company) hold 99.9% and 0.01%, respectively, of Kondu's share capital. Kondu's legal domicile is located at Calle Las Palmeras No. 435, Floor 7, district of San Isidro, province and department of Lima, Peru.

Kondu creates value for customers by integrating tailored energy solutions with competitive electricity pricing, with a focus on maximizing cost savings, reducing carbon emissions, and enhancing supply security. Its primary target is the middle-market segment. Kondu's service portfolio includes electricity supply, self-consumption solutions, demand management, sustainable mobility strategies, strategic and technical support for achieving energy efficiency goals, and technical assistance related to electrical infrastructure.

Kondu entered into a 30–year agreement with Orazul Energy Perú S.A. for the right to operate and benefit from the 1 MW generation capacity Carhuaquero Solar plant. Pursuant to this agreement, Kondu acquired the definitive concession for the development of electricity generation activities using renewable energy resources.

Our Plants

The map below shows the location of our power generation units in Peru:

The following table sets forth certain summary operating information for our power generation units:

Plant	Energy Used to Operate Power Plant	Generation Capacity	Gross Energy Generated [1]	Weighted Average Availability Factor [2]	Weighted Average Capacity Factor [2]
		(MW)	**(GWh)**	**(%)**	**(%)**
Cañón del Pato	Hydroelectric	266	1,528	92	61
Carhuaquero Complex	Hydroelectric	110	550	94	69
Carhuaquero Solar	Solar	1	1	- [3]	- [3]
Total		**377**	**2,079**		

(1) Information presented is for the year ended December 31, 2024.
(2) Information presented is for the five-year period ended June 30, 2025.
(3) Not calculable. Carhuaquero Solar's COD was declared in 2024. Since COD, availability factor has been 99% and capacity factor has been 19%.

The following tables set forth certain other key operating information of our power generation business for the periods indicated:

	Years Ended December 31,		
	2024	**2023**	**2022**
Capacity at end of period (MW)	377	376	376
Weighted average availability during the period (%)	92%	91%	92%
Gross energy generated (GWh)	2,079	2,072	2,021
Own consumption of energy and losses (GWh)	15	14	14
Net energy generated (GWh)	2,064	2,058	2,007
Energy sold on the spot market (GWh)	763	392	229
Energy sold under PPAs (GWh)	1,301	1,666	1,778
Average energy price (U.S.$/MWh)[(1)]	45	45	43

(1) Average energy price is calculated by dividing the total amount of sales of energy in U.S. dollars by physical energy sales in MWh.

CDP Hydroelectric Power Plant

The CDP plant is located in the district of Huallanca, province of Huaylas, in the Ancash region of Peru. CDP has a generation capacity of 266 MW, making it one of the largest hydroelectric facilities in the country. The plant generates electricity throughout the year using the ecological flow of the Santa River. CDP achieved COD in 1958.

CDP comprises a 9-kilometer headrace tunnel, 415 meters of penstock, and six Pelton turbines. The San Diego water reservoirs contribute to a relatively stable hydrological profile by providing a constant flow of water to downstream plants, thereby supporting CDP's operational reliability. The plant was designed to utilize the ecological flow of the Santa River for power generation and the ecological flow of the Quitaracsa River for cooling purposes.

Type	Run-of-river
COD	1958
Concession	Perpetual
Turbine type	Pelton
Number of units	6
Manufacturer	Kvaerner
Design Flow (m^3/s)	76
Net Head (m)	382
Substation	SEIN / SS Huallanca

Carhuaquero Hydroelectric Power Complex

The Carhuaquero Complex is located in the district of Llama, within the province of Chota and region of Cajamarca, and has a total generation capacity of 110 MW. The Carhuaquero Complex consists of (i) Carhuaquero I, II and III, and the mini hydroelectric power plants, (ii) Carhuaquero IV and (iii) Carhuaquero V, the latter two developed under the framework of the NCRE auctions conducted by the Peruvian State. The Carhuaquero Complex was built to utilize the ecological water flow of the Chancay River and includes the Cirato regulation dam, which supports water flow management and has a storage capacity of 0.38 million cubic meters.

Carhuaquero I, II and III's CODs were declared in 1991, with three vertical-axis Pelton turbines and with an aggregate generation capacity of 94 MW. Carhuaquero IV's COD was declared in 2008, with a horizontal-axis Pelton turbine with a generation capacity of 10 MW and Carhuaquero V's COD was declared in 2009, with a horizontal-axis Kaplan turbine with a generation capacity of 6 MW.

	I, II and III	IV	V
Type	Run-of-river	Run-of-river	Run-of-river
COD	1991	2008	2009
Concession	Perpetual	Perpetual	Perpetual
Turbine type	Pelton	Pelton	Kaplan
Number of units	3	1	1
Manufacturer	Kvaerner	Vatech	Vatech
Design Flow (m^3/s)	21	3	19
Net Head (m)	475	452	32
Substation		SEIN / SS Carhuaquero	

Carhuaquero Solar Power Plant

The Carhuaquero Solar power plant is located in the districts of Llama and Catache, within the provinces of Chota and Santa Cruz, and the region of Cajamarca, and has a generation capacity of 1 MW. Carhuaquero Solar's COD was declared in 2024. The plant consists of 950 photovoltaic modules, each with a nominal potential of 595 W. The Carhuaquero solar plant forms part of the operational area of the Carhuaquero Complex and is the Kallpa Group's first solar installation.

Type	Photovoltaic
COD	2024
Concession	Perpetual
Panels type	Mono-facial
Number of modules	950
Manufacturer	Trina Solar
Substation	SEIN / SS Carhuaquero

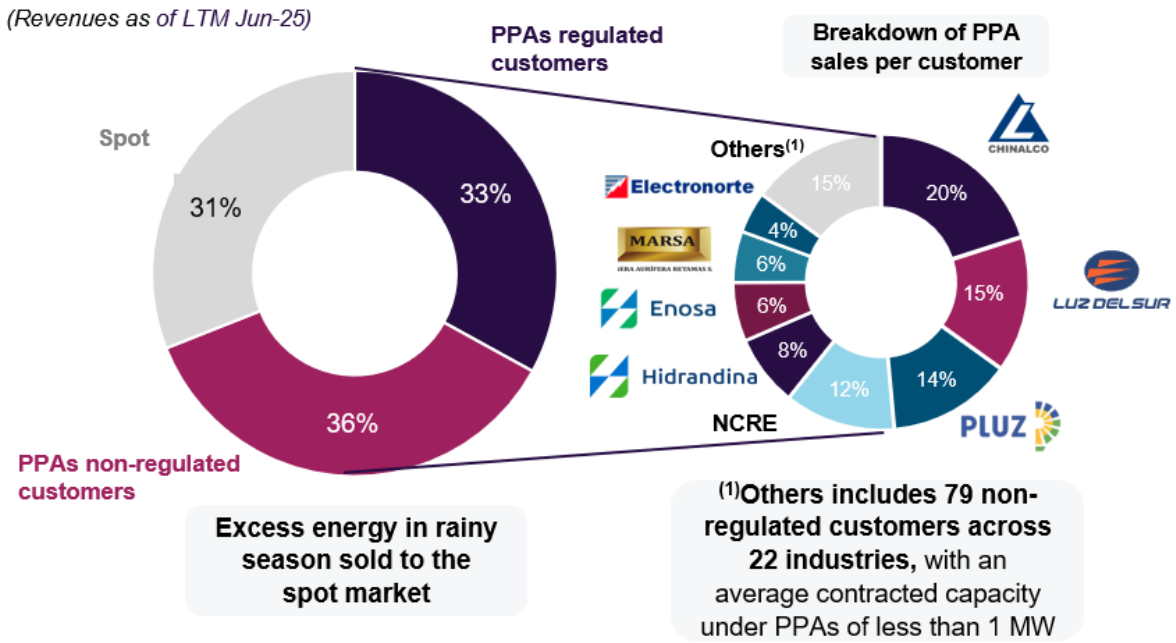
Competitive Strengths

Long-term competitive energy renewable asset base— We own and operate significant renewable generation assets in Peru. As of December 31, 2024, our renewable assets contributed 3.5% of the system's total generation. We own two of the largest hydroelectric power plants in Peru, CDP and the Carhuaquero Complex, in two distinct basins, and both with perpetual operating concessions. In addition, our hydroelectric portfolio, with supply from different water sources, allows us to mitigate the effects of hydrology seasonality. CDP generates electricity consistently throughout the year using water from the Santa River, which is sourced from snowmelt during the spring and summer months, and rainfall during the winter season. The Santa River has one of the highest volumes of water in the Pacific basin throughout the Peruvian coast. The Carhuaquero Complex utilizes the ecological water flow of the Chancay River. During the rainy season, additional water becomes available through the Cirato regulation dam, which is also located within the Carhuaquero Complex and has a storage capacity of 0.38 million cubic meters.

Our hydroelectric power plants are long-life infrastructure assets characterized by durability and minimal maintenance requirements. The low maintenance and operational expenditure are a direct result of substantial upfront capital investment during the construction phase, ensuring robust infrastructure and long-term reliability. As a result, these assets maintain high availability and performance standards while delivering cost-effective and sustainable energy over their operational lifespan. Characterized by exceptionally long operational lifespans, they provide a stable and predictable generation profile over time. This longevity, combined with low operating costs and limited reinvestment needs, positions our hydroelectric power assets as an efficient and resilient component within the energy matrix, supporting long-term operational continuity and cost-effective performance.

Diversified contracted customers' portfolio featuring high-quality off-takers— Orazul maintains a robust commercial positioning through a highly diversified customer mix, which enhances revenue stability and predictability. As of the last twelve months ended June 30, 2025, 69% of Orazul's revenues were contracted sales through PPAs with regulated and non-regulated creditworthy off-takers, including the main distribution companies, large mining and industrial customers and certain other atomized retail customers. The balance, 31%, related to the excess energy from the rainy season, was sold to the spot market.

During the last twelve months ended June 30, 2025, the top 8 customers represented 85% of the contracted sales (equivalent to 59% of total revenues). These customers primarily include the main distribution companies, large mining companies and NCRE contracts with a guaranteed annual revenue. The remaining 15% of the contracted sales (equivalent to 10% of total revenues) were sold to 79 non-regulated retail customers across 22 different industries with an average contracted capacity under PPAs of less than 1 MW, reflecting a broad and diversified portfolio. These retail customers are assessed individually and as a portfolio, with a maximum concentration per customer below 14%, reinforcing the strength of Orazul's commercial diversification strategy.



This atomized structure not only mitigates concentration risk but also provides commercial flexibility and maximizes profitability, as retail customers have higher prices than large customers.

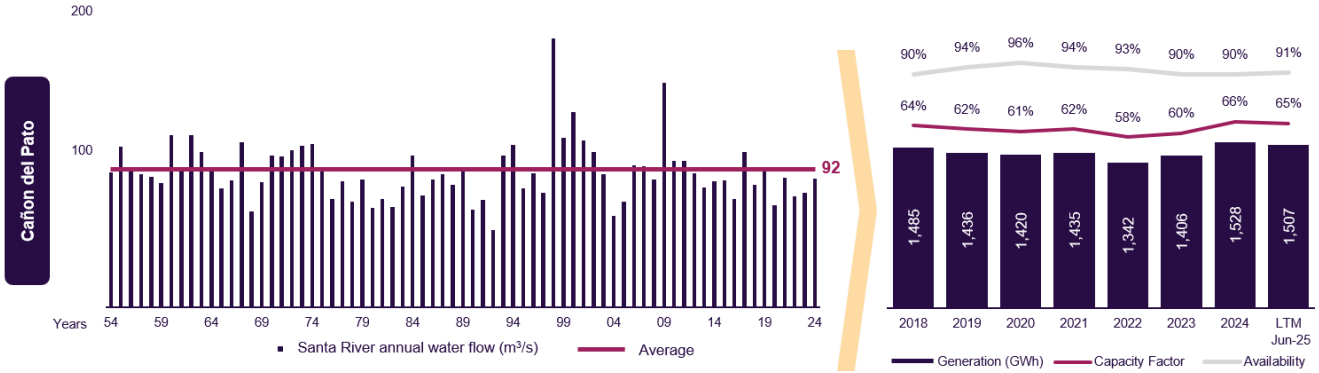
Overall, the presence of high-quality off-takers across sectors such as mining, manufacturing, retail, and services further supports the diversification, predictability and long-term sustainability of Orazul's cash flows.

A Stable and Diversified Hydrological Framework— Operating hydroelectric power plants across two distinct river basins provides the Company with a structurally diversified generation platform that enhances its ability to manage hydrological variability. This geographic dispersion reduces exposure to localized weather anomalies and seasonal fluctuations, strengthening the operational resilience of the Company's asset base. As a result, it contributes to greater stability in energy production, supports the Company's ability to maintain a reliable and balanced supply profile within the electricity market.

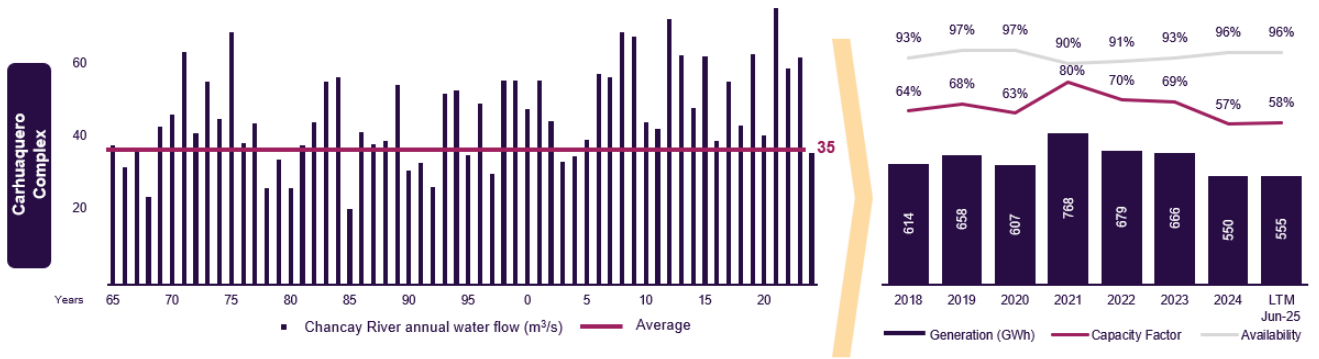
Both the Santa and Chancay river basins, where our hydroelectric power plants are located, have proven sound hydrological stability, underpinning the Company's consistent generation performance. These basins provide

reliable year-round water availability, enabling the Company to maintain capacity factors and operational continuity across its portfolio.

The following chart shows the Santa River annual water flow (m^3/s) and CDP generation, capacity factor and availability:

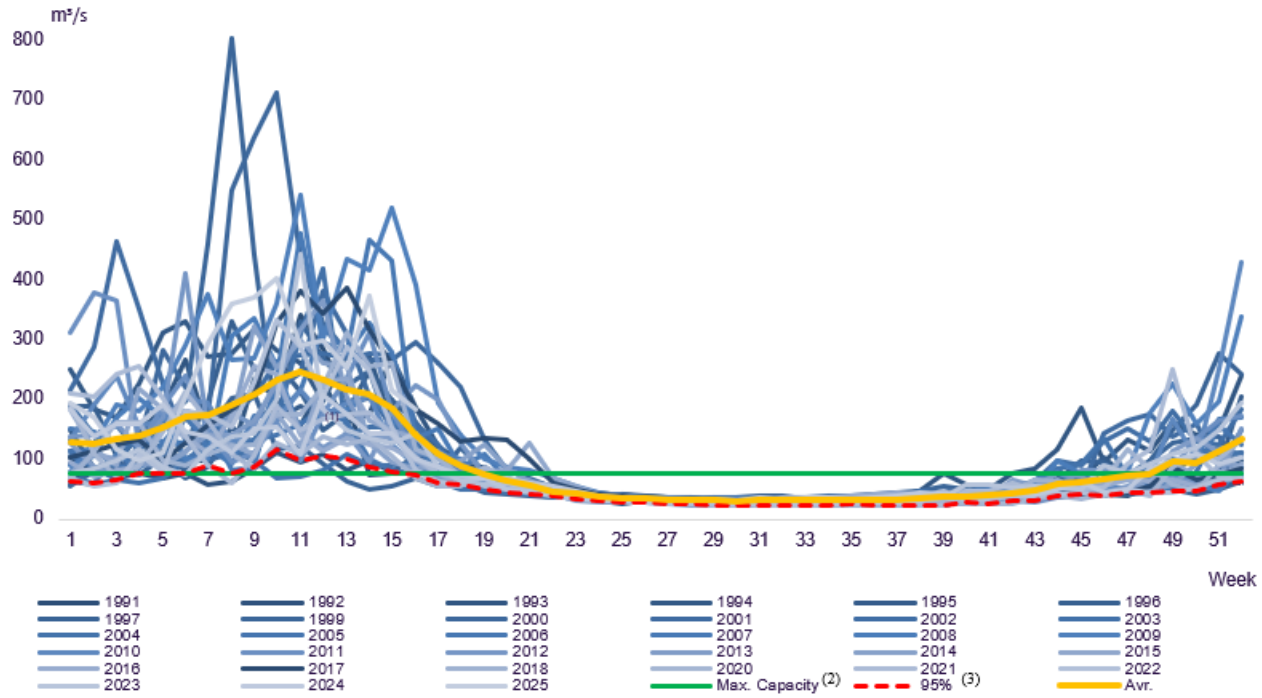


The following chart shows the Chancay River annual water flow (m^3/s) and Carhuaquero Complex generation, capacity factor and availability:



CDP, located on the Santa River, is one of the most reliable hydroelectric power plants in Peru, supported by over 60 years of hydrological and generation history that validate its consistent dispatch levels. The Santa River, one of the longest and most voluminous rivers on Peru's Pacific basin, ensures steady inflows throughout the year. During the rainy season, river flows significantly exceed the 76 m^3/s required for CDP to operate at full capacity.

The following chart sets forth the Santa River's historical weekly flow[(1)]:



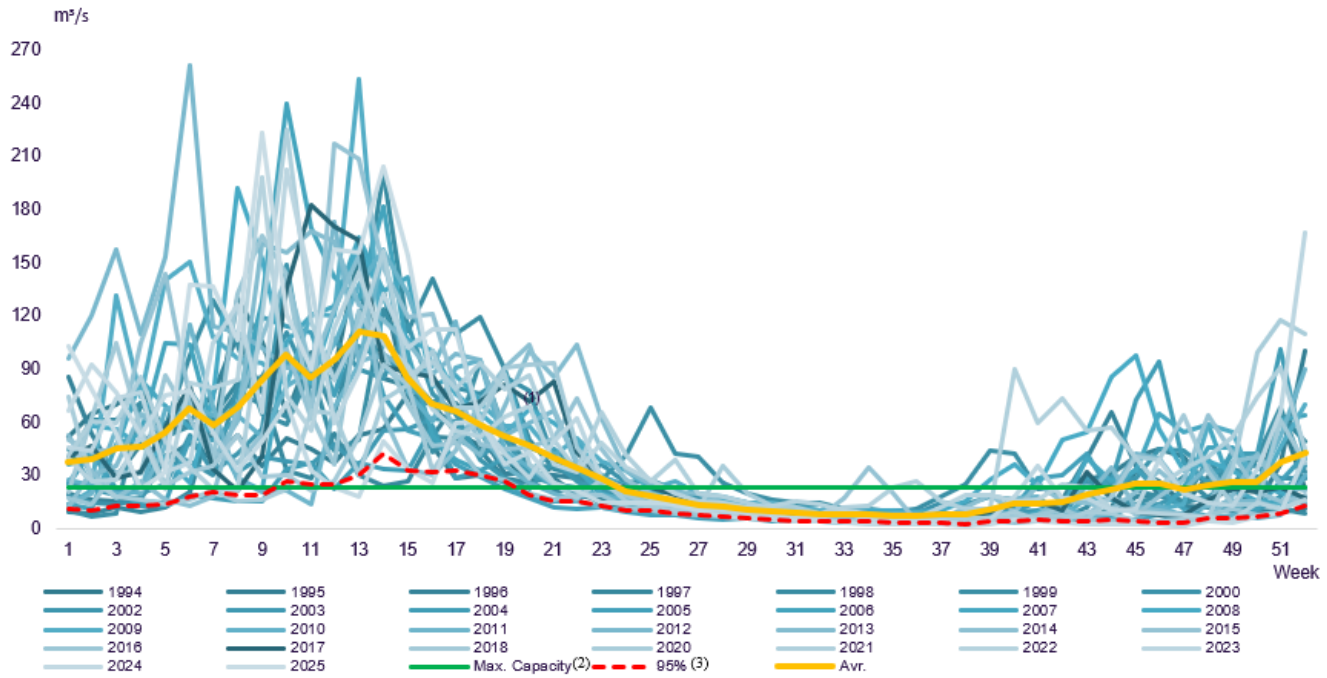
(1) The information presented in this chart is based on actual figures as of June 30, 2025.

(2) River flow required by CDP (76m3/s) to operate at full capacity.

(3) Percentile of a dry year using historical data from 1981 to 2025 (i.e., percentile 100 is driest on record). P95% is the reference curve to calculate Orazul's optimal contracting level.

Similarly, the Carhuaquero Complex benefits from stable hydrology in the Chancay River basin which is located in the Cajamarca region at approximately 375 meters above sea level. During the rainy season, available flows consistently surpass the 24 m³/s needed for full-capacity operation.

The following chart sets forth the Chancay River's historical weekly flow[(1)]:



(1) The information presented in this chart is based on actual figures as of June 30, 2025.

(2) River flow required by Carhuaquero Complex (24m3/s) to operate at full capacity.

(3) Percentile of a dry year using historical data from 1981 to 2025 (i.e., percentile 100 is driest on record). P95% is the reference curve to calculate Orazul's optimal contracting level.

Stable, diversified and predictable cash flows through an optimal contracted energy portfolio— Based on our stable hydropower generation, we hold an optimal contracted energy portfolio through diversified PPAs that limits our exposure to fluctuations in Peruvian energy spot market prices, generates stable and predictable margins, and helps maintain stability and predictability in our cash flows. We contract with highly creditworthy counterparties, diversified among regulated and non-regulated customers, which mitigates the risk of customer default. We have entered into contracts for, on average, 64% of our firm energy from 2025 to 2027, consistent with our optimal contracting level. This balanced contracting strategy, aligned with our hydropower plants' capacity factors, enhances cash flow stability. For the twelve months ended June 30, 2025, we made 61% of our aggregate energy sales (in GWh) pursuant to PPAs. As of June 30, 2025, the weighted average remaining life of our PPAs was approximately 5.5 years through a diversified portfolio comprising both regulated (52% of the revenues) and non-regulated customers (48% of the revenues). We have historically renewed and aim to continue renewing our PPAs before they approach their expiration date and/or to enter into new medium and long-term contracts. We place a strong focus on optimizing our contracted profile to mitigate cash flow volatility and maintain high profit margins.

Operational excellence and culture of safety and social responsibility— We strive to achieve operational excellence by delivering high-quality services in a safe and environmentally responsible manner. We have achieved weighted average availability rates of 92% in 2024, 91% in 2023 and 92% in 2022. Our operating performance is driven by our experienced, well-trained staff, adequate capital expenditure and consistent maintenance.

We have maintained a safety culture and remain strongly committed to social responsibility through a variety of successful sustainability initiatives focused on health, education, and economic development. In 2024 alone,

our health programs benefited 30,861 individuals, our education initiatives supported 5,011 people, and our business development efforts reached 2,051 beneficiaries.

Significant market position and strategic synergies as part of the Kallpa Group in an attractive energy market— We maintain an important market position in Peru as part of the Kallpa Group. As of December 31, 2024, the Kallpa Group had a generation capacity of 2,203MW and generates 13,750 MWh, representing 23% market share of Peru's total generation. As part of the Kallpa Group, Orazul benefits from integrated commercial and operational capabilities that enhance its performance across key value drivers. The Company's ability to execute re-contracting strategies with agility, negotiate improved procurement terms and rely on a management team with deep industry expertise collectively strengthens its negotiating position with both suppliers and customers. These advantages also support stronger financial discipline, operational efficiency, and long-term resilience in a dynamic energy market. This affiliation enables the Company to drive cost efficiencies, streamline supply chain management, and reinforce its competitive standing in the energy sector.

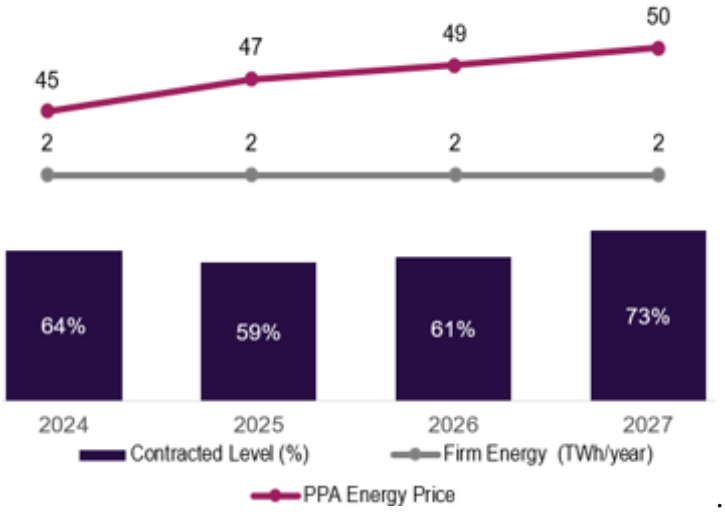
We expect Peruvian energy demand and spot prices to increase over the next 10 years as a result of Peru's growing middle class, the substantial investments made in connection with Peru's energy-intensive mining industry and expected growth in its manufacturing industry. According to MINEM, the total energy demand in Peru is expected to increase at a CAGR of 5.2% for the period 2024 to 2030. Peru has a stable regulatory framework, with a focus on minimizing electricity costs for end users while ensuring an adequate return on investment for sector participants. Driven by solid macroeconomic fundamentals and a stable regulatory environment, we expect Peru to remain an attractive power market in Latin America over the coming decade.

Experienced management team— Our management team has extensive experience in the power generation business, operating as a single team for Kallpa Group. Our executive officers have an average of approximately 22 years of experience in the power generation industry and have previously held senior positions in leading power generation companies, financial institutions, and the Peruvian government. Our management team provides in-depth market knowledge and power industry experience, with considerable experience in the Peruvian energy industry and in working with government regulators. We believe that this overall level of experience allows our management team to lead us in the effective operation and maintenance of our facilities.

Business Strategy

Continue to optimize our commercial policies focusing on renewable energy, stable margins and optimal level of contracted capacity with diversified creditworthy counterparties— During the year ended December 31, 2024, our aggregate energy and capacity sales pursuant to PPAs were 69% of our total revenues. All of these PPAs are either in U.S. dollars or linked to the U.S. dollar, and most are indexed to the U.S. inflation index and to the price of natural gas in U.S. dollars and among diversified high-quality off-takers. We seek to enter into medium and long-term PPAs with 52% of our total revenues from regulated customers and 48% of our total revenues from non-regulated customers, including mining and industrial companies, that have strong credit profiles, thereby mitigating the risk of customer default. Given our portfolio composed of two hydroelectric generating assets in two distinct basins and a solar plant, we have a successful track record of contracting PPAs on favorable terms, with an average weighted life of 5.5 years of our PPAs as of June 30, 2025. We expect to be able to continue to recontract our energy and associated capacity as our current PPAs end and maintain an optimal contracting level aligned with our hydroelectric power plants' plant factors.

The following graph sets forth our contracted level from 2024 through 2027, based on signed PPAs as of June 30, 2025:



Conservative financial policies in line with our objectives of maintaining our credit ratings— We intend to use a portion of the proceeds of the offering of the notes to repay all of the 2027 Notes which will allow us to extend our debt maturity profile. Orazul currently has a "Ba2" credit rating by Moody's and a "BB" credit rating by Fitch. Our credit ratings are an important part of our financial strategy, and we aim to maintain healthy financial policies, appropriate levels of indebtedness, and liquidity, consistent with such ratings. This will allow us to maintain an optimal cost of capital which will enhance our profitability. In addition, as of June 30, 2025, we maintain an undrawn U.S.$25 million committed short-term credit line with an international financial institution.

Maintain our facilities to achieve long-term availability, reliability and asset integrity— We will continue to focus on ensuring long-term availability, reliability and asset integrity through preventive maintenance activities supported by a number of predictive techniques. We will consider critical equipment and economics in defining the best maintenance strategy for all of our equipment in an effort to maintain stable and reliable operations. We have implemented a computerized management system to control our maintenance strategy and keep a maintenance matrix for all equipment in accordance with manufacturer recommendations. Several levels of managers, supervisors, and technicians conduct continuous evaluations to carry out our maintenance strategy. We expect to continue to follow a rigorous maintenance strategy and schedule in order to maintain stable and reliable operations.

Integrate corporate social responsibility with our business—We consider local communities as important stakeholders and seek to be good corporate citizens. We take action on our corporate social responsibility by performing studies to identify needs and opportunities in education, health and economic development in our communities, forming government alliances to co-finance development projects, and maintaining open communications with the local governments and communities. We will continue to seek to develop our business in a manner which complies with applicable legal and environmental regulations, minimizes negative environmental impacts and makes positive contributions to the communities in which we operate.

Operate our facilities safely and efficiently— We strive to provide world-class quality of service while operating our facilities safely and efficiently. Our business adheres to global benchmarks for safety, environmental and operating standards in the industry, and we promote a culture of health, safety, accident prevention, security and environmental excellence by our employees, contractors, and local communities. Furthermore, we provide appropriate safety training and make written operating procedures available to all our employees and contractors. Inspections and audits are routinely conducted, and after any significant events we conduct a root-cause analysis to incorporate lessons learned into operating practices. We will continue to rigorously implement and follow the strictest industry safety standards to safeguard our employees, contractors, and the communities where our operations are located.

Background and History

Empresa de Generación Eléctrica Nor Perú S.A. - Egenor S.A. ("Egenor") was incorporated as a corporation (*sociedad anónima*) in 1994 in the context of the privatization of the power generation assets owned by Electroperú S.A. in the northern region of Peru. In 1996, Inversiones Dominion Peru S.A. (a subsidiary of Dominion Energy) was the winning bidder in the privatization process of Egenor and acquired a 60% interest in such entity. In 1999, Egenor became a publicly traded corporation changing its name to Egenor S.A.A. Also in 1999, Duke Energy International Peru Holdings No. 2, LLC, a subsidiary of Duke Energy Corporation, acquired both the 60% interest owned by Dominion Energy and a 30% interest that was still owned by the Peruvian state, thus becoming the controlling shareholder of Egenor. In 2000, Egenor changed its corporate name to Duke Energy International Egenor S.A.A. In 2003, Egenor was reorganized as a limited partnership by shares (*sociedad en comandita por acciones*), under the name Duke Energy Egenor S. en C. por A.

In October 2016, Duke Energy entered into an agreement to sell its operating businesses in Peru and other Latin American countries (the "Acquisition") to I Squared Capital. The Acquisition was completed in December 2016 through Orazul Energy Perú S.A., a Peruvian special purpose vehicle established for the Acquisition. Concurrently with the consummation of the Acquisition, the International Finance Corporation ("IFC"), a member of the World Bank Group and IFC Global Infrastructure Fund, LP, an IFC affiliate, made a significant investment in our indirect parent, Orazul Energy Partners LLC, thereby becoming indirect minority Orazul shareholders.

Pursuant to a shareholders' meeting held in August 2017 and formalized by public deed in October 2017, a merger by absorption was approved, with Orazul Energy Perú S.A. being the surviving entity and Egenor the absorbed entity.

In December 2017, I Squared Capital and its co-investors, through Nautilus Inkia Holdings LLC, acquired substantially all of the Latin American and Caribbean business previously held by Inkia Energy Limited, an international company focused on the electric power sector. Subsequently, in April 2018, the Peruvian antitrust authority, INDECOPI, approved the acquisition. Following this approval, Orazul's related parties include Kallpa Generación S.A.

Beginning in January 2019, as part of an operational optimization and synergy strategy among entities with the same controlling shareholders, Orazul Energy Perú S.A. and Kallpa Generación S.A. integrated and streamlined their management teams, establishing a single management structure while maintaining separate entities.

In September 2021, Kondu was incorporated with the purpose of carrying out power generation, transmission, and commercialization activities as well as providing energy solutions to customers. Kondu is a subsidiary of Orazul Energy Perú S.A., which holds 99.99% of its share capital.

Our Facilities

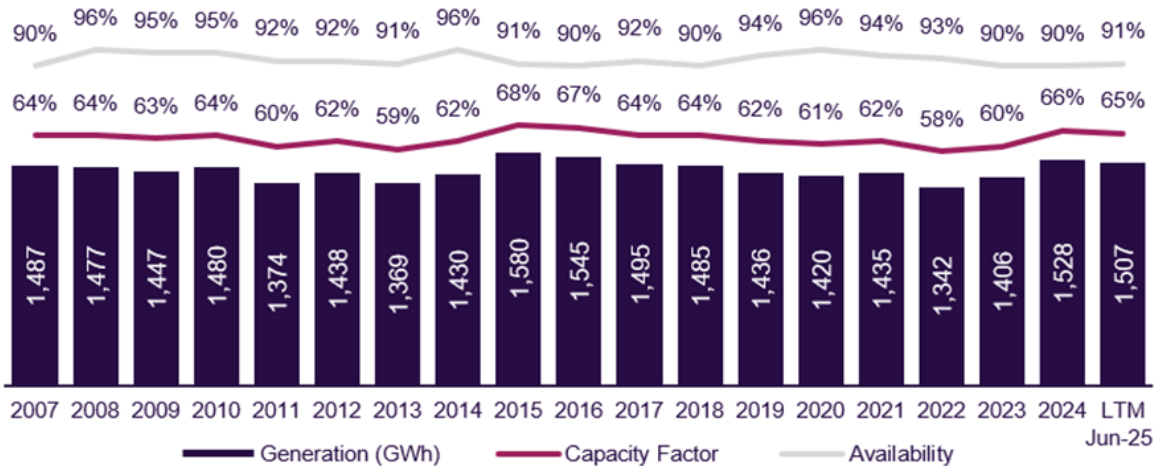
The following table sets forth certain information regarding each of our plants for each of the periods presented:

	Twelve months ended June 30, 2025		2024		2023		2022	
Plant	**Gross Energy Generated (GWh)**	**Availability factor (%)**	**Gross Energy Generated (GWh)**	**Availability factor (%)**	**Gross Energy Generated (GWh)**	**Availability factor (%)**	**Gross Energy Generated (GWh)**	**Availability Factor (%)**
Cañon del Pato	1,507	91	1,528	90	1,406	90	1,342	93
Carhuaquero Complex	555	96	550	96	666	93	679	91
Carhuaquero Solar	1	99	1	98	-	-	-	-
Total	**2,063**	**93**	**2,079**	**92**	**2,072**	**91**	**2,021**	**92**

Hydroelectric Power Plants

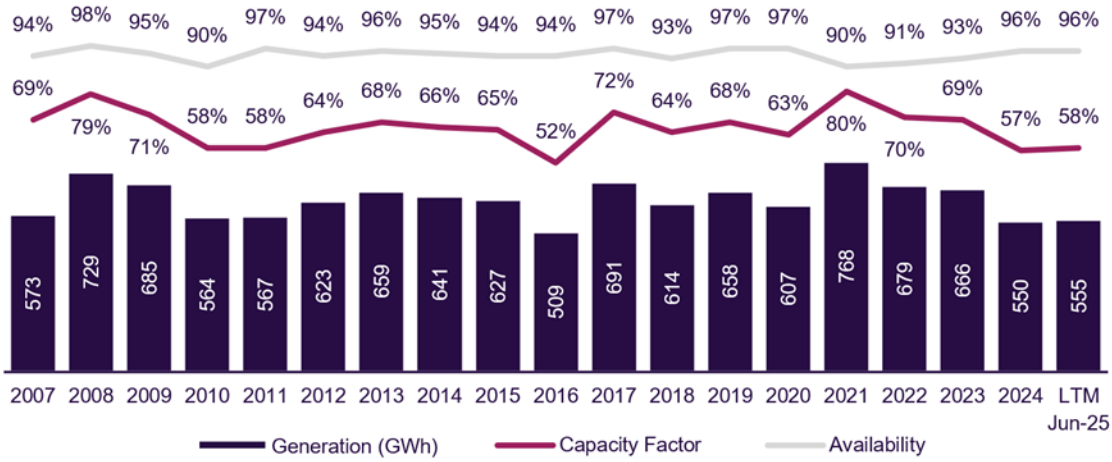
The CDP power plant is one of the largest hydroelectric power plants in Peru in terms of continuous generation, with a generation capacity of 266 MW. The plant consists of six generating units and has been in operation since 1958. It is located in the district of Huallanca, within the province of Huaylas and region of Ancash, in northern Peru, at an elevation of approximately 1,400 meters above sea level. The plant operates on the Santa River and has a 9-kilometer headrace tunnel and 415 meters of penstock. Its hydrological system is fed by three natural lakes—Aguascocha, Rajucolta and Cullicocha—and two reservoirs, San Diego and San Diego 2, which together provide a total functional storage capacity of 44.2 million cubic meters, plus an additional 0.73 million cubic meters in regulated volume. The required flow of the plant to operate at full capacity is 76 m^3/s, allowing for reliable generation throughout the year due to snowmelt in the spring and summer and rainfall during the winter months.

The following chart shows CDP generation, capacity factor and availability evolution:



The Carhuaquero Complex is a run-of-river hydroelectric power facility located in the district of Llama, within the province of Chota and region of Cajamarca, in northern Peru, with an aggregate generation capacity of 110 MW. The complex consists of three power plants—Carhuaquero I, II and III, Carhuaquero IV, and Carhuaquero V—with a total of five generating units and has been in operation since 1991. It is situated at an elevation of approximately 375 meters above sea level. The complex operates on the Chancay River and includes a regulation dam, Cirato, which supports water flow management with a storage capacity of 0.38 million cubic meters. Carhuaquero I, II and III reached COD in 1991, includes three generating units with a total required flow of 21 m^3/s to operate at full capacity. Carhuaquero IV and Carhuaquero V reached COD in 2008 and 2009, respectively, and each operates a single unit with required flows of 3 m^3/s and 19 m^3/s to operate at full capacity.

The following chart shows Carhuaquero Complex generation, capacity factor and availability evolution:



Both the CDP power plant and the Carhuaquero Complex have undergone targeted modernization and efficiency upgrades aimed at optimizing performance and extending operational life. These investments have included turbine refurbishments, improvements in water flow control, transmission infrastructure enhancements, and system automation.

The development and subsequent improvements of both facilities have been financed through a combination of shareholder equity and long-term credit facilities provided by domestic and international lenders. The plants continue to generate stable operating cash flows and remain key assets in our renewable energy portfolio, contributing to the reliability and diversification of Peru's electricity generation matrix.

Solar Power Plant

The Carhuaquero Solar power plant is located in the district of Llama and Catache, within the province of Chota and Santa Cruz, and region of Cajamarca, with a generation capacity of 1 MW. Carhuaquero Solar's COD was declared in 2024. The plant consists of 950 photovoltaic modules with a nominal potential of 595 W each. Carhuaquero solar plant is part of the operational area of the Carhuaquero Complex and is Kallpa Group's first solar installation.

Generation Concessions and Authorizations and Transmission Concessions

CDP Generation Concession Agreement

The CDP Generation Concession was granted by the MINEM in perpetuity. The CDP Generation Concession Agreement provides for the conditions, rights and obligations of each of the parties thereto under the CDP Generation Concession.

Our rights

The terms and conditions of the CDP Generation Concession Agreement give us rights to, among others: (i) use on a reasonable basis the natural hydro or geothermal resources of which we are titleholders for the production of electricity, paying to the Peruvian state for such use the amounts set forth in the PCL and its regulations; (ii) use the transmission and/or distribution systems of other concessionaires to which we are interconnected for the commercialization of electricity with their users, in accordance with provisions set forth in article 33 and paragraph d) of article 34 of the PCL; (iii) request the MINEM to grant easements in accordance with the provisions of articles 110 and 111 of the PCL; (iv) execute legal stability and tax stability agreements and agreements for the free disposition of foreign currency, in accordance with paragraph b) of article 106 of the PCL; (v) divide in up to 36 monthly installments the *ad valorem* cost-insurance-freight rights in accordance with paragraph a) of article 106 of the PCL and Supreme Decree No. 234-92-EF, and comply with the applicable proceedings; (vi) enforce our rights

under the CDP Generation Concession Agreement against third parties, especially the right to collect tariffs and prices; (vii) request from the Peruvian state its support in cases of public calamity, internal conflicts and/or disturbances, for the protection of the works and facilities in order to ensure the continuity of our operations, according to article 120 of the PCL; (viii) acquire capacity and electricity from other generating companies; (ix) participate in the COES, in accordance with provisions of article 81 of PCL's regulations; (x) jointly propose with the other generating companies a list of candidates to elect the delegate to the board of the commission, according to paragraph d) of article 11 of the PCL; and (xi) any other rights granted under Peruvian laws.

Conditions

The CDP Generation Concession is subject to, among others, the following conditions: (i) the sale of the electricity produced by the CDP plant will be made under a free market price regime except for: (a) the transfer of energy with other generating companies belonging to the COES, in accordance with section a) of article 43 of the PCL; and (b) the sales of electricity to distribution companies to serve the electricity public service, in accordance with article 45 of the PCL; (ii) the supplies subject to price regulation must be attended promptly, continuously and sufficiently in accordance with the technical standards for quality and other conditions contractually agreed, either with our own energy and firm capacity or the one acquired from third parties; (iii) the use of natural resources for purposes of producing energy is subject to the payment of a one-time retribution to the Peruvian state, in accordance with the provisions of article 107 of the PCL and articles 213, 214 and 215 of its regulations; (iv) according to the applicable Peruvian laws and regulations, we must preserve the environment, the national cultural heritage and make a reasonable use of natural resources while performing our activities; (v) the DGE oversees, controls and supervises the enforcement of the CDP Generation Concession Agreement in accordance with article 101 of the PCL, to which the parties thereto have recognized its condition of administrative contract; (vi) the parties will submit to arbitration the disputes arising from technical aspects of the CDP Generation Concession Agreement, in accordance with the provisions of the General Arbitration Law; (vii) we may directly serve customers which do not hold the condition of regulated customers, and must contractually set forth the conditions for the provision of our services; and (viii) the easements requested by, or granted to us, will be regulated in accordance with the provisions of the CDP Generation Concession Agreement.

Our Obligations

Under the CDP Generation Concession Agreement we have assumed, among others, the following obligations: (i) supply electricity in accordance with the seventh clause of the CDP Generation Concession Agreement, either directly produced by us or acquired from third parties, recognizing the compensations for the use of the corresponding transmission and distribution systems; (ii) preserve and maintain our works and facilities in adequate conditions for their efficient operation, according to the technical quality standards set forth in the CDP Generation Concession Agreement; (iii) apply prices not to exceed the regulated prices set by the relevant governmental agency in accordance with sections a) and c) of article 43 of the PCL; (iv) agree with the owners of secondary systems of transmission or systems for the installation of distribution the compensations for their use according to article 62 of the PCL; (v) compensate distribution companies for the energy that has not been supplied to their clients of the public electricity service due to rationing, in accordance with article 57 of the PCL; (vi) comply with the provisions of the national electricity code and other applicable technical regulations, in accordance with article 99 of the PCL; (vii) contribute to the support of the regulatory and legislative bodies through grants that, in any case, shall not exceed 1% of our annual revenues, in accordance with paragraph g) of article 31 of the PCL; (viii) be a member of COES, according to article 39 of the PCL, contributing to its maintenance and respecting its regulations; (ix) operate our facilities in accordance with the provisions to be issued by COES, as set forth in article 32 of the PCL; (x) submit the applicable information to the DGE and OSINERGMIN, in accordance with articles 58 and 59 of PCL's regulations; (xi) develop our activities in accordance with the free competition and antitrust regulations currently in effect or to be effective in the future applicable to the energy sub-sector; and (xii) abstain from contracting with our users more capacity and firm energy than we own or have acquired from third parties in accordance with paragraph f) of article 41 of the PCL.

Penalties

If we fail to comply with any of our obligations under the PCL, the PCL's regulations and the CDP Generation Concession Agreement, we will be subject to the penalties provided for in the applicable regulations, notwithstanding the liability that we may have towards third parties.

Force Majeure

Our compliance with the conditions and obligations under the CDP Generation Concession Agreement is mandatory, unless in case of a duly proven force majeure event, as provided for in articles 1315 and 1317 of the Peruvian Civil Code, which shall be characterized as such by the DGE or the entity that the latter will designate for such purposes.

Termination and Termination Events

The CDP Generation Concession may be terminated due to: (a) termination declared by the MINEM if any of the following events specified in article 36 of the PCL occur: (i) our failure to inform the MINEM of the registration of the CDP Generation Concession Agreement in the Concessions Public Registry; (ii) our failure to comply with the works related to the project in accordance with the schedule for construction of the works, except upon the occurrence of an event of force majeure which shall be characterized as such by the MINEM; (iii) our failure to operate the facilities for at least 876 hours during a calendar year without justified cause; or (iv) our failure to comply with the COES's coordination regulations after the imposition of any fines, except in the event we obtain a specific consent from the MINEM for a duly justified cause; or (b) relinquishment by us of our CDP Generation Concession upon prior notice to the MINEM with the anticipation of one (1) year prior to the proposed date of termination.

Governing Law and Dispute Resolution Mechanism

The CDP Generation Concession Agreement is governed by the laws of Peru and is subject to the exclusive jurisdiction of the judges and courts of the city of Lima, Peru.

Carhuaquero Generation Concession Agreement

The Carhuaquero Generation Concession was granted by the MINEM in perpetuity. The Carhuaquero Generation Concession Agreement provides for the conditions, rights and obligations of each of the parties thereto under the Carhuaquero Generation Concession.

Our rights

The terms and conditions of the Carhuaquero Generation Concession Agreement give us rights to, among others: (i) use on a reasonable basis the natural hydro or geothermal resources of which we are titleholders for the production of electricity, paying to the Peruvian state for such use the amounts set forth in the PCL and its regulations; (ii) use the transmission and/or distribution systems of other concessionaires to which we are interconnected for the commercialization of electricity with their users, in accordance with provisions set forth in article 33 and paragraph d) of article 34 of the PCL; (iii) request the MINEM to grant easements in accordance with the provisions of articles 110 and 111 of the PCL; (iv) execute legal stability and tax stability agreements and agreements for the free disposition of foreign currency, in accordance with paragraph b) of article 106 of the PCL; (v) divide in up to 36 monthly installments the *ad valorem* cost-insurance-freight rights in accordance with paragraph a) of article 106 of the PCL and Supreme Decree No. 234-92-EF, and comply with the applicable proceedings; (vi) enforce our rights under the Carhuaquero Generation Concession Agreement against third parties, especially the right to collect tariffs and prices; (vii) request from the Peruvian state its support in cases of public calamity, internal conflicts and/or disturbances, for the protection of the works and facilities in order to ensure the continuity of our operations, according to article 120 of the PCL; (viii) acquire capacity and electricity from other generating companies; (ix) participate in the COES, in accordance with provisions of article 81 of PCL's

regulations; (x) jointly propose with the other generating companies a list of candidates to elect the delegate to the board of the commission, according to paragraph d) of article 11 of the PCL; and (xi) any other rights granted under Peruvian laws.

Conditions

The Carhuaquero Generation Concession is subject to, among others, the following conditions: (i) the sale of energy produced by the Carhuaquero power plant will be made under a free market price regime except for: (a) the transfer of energy with other generating companies belonging to the COES, in accordance with section a) of article 43 of the PCL; and (b) the sales of electricity to distribution companies to serve the electricity public service, in accordance with article 45 of the PCL; (ii) the supplies subject to price regulation must be attended promptly, continuously and sufficiently in accordance with the technical standards for quality and other conditions contractually agreed, either with its own energy and firm capacity or the one acquired from third parties; (iii) the use of naturales resources for purposes of producing energy is subject to the payment of a one-time retribution to the Peruvian state, in accordance with the provisions of article 107 of the PCL and articles 213, 214 and 215 of its regulations; (iv) according to the applicable Peruvian laws and regulations, we must preserve the environment, the national cultural heritage and make a reasonable use of natural resources while performing our activities; (v) the DGE oversees, controls and supervises the enforcement of the Carhuaquero Generation Concession Agreement in accordance with article 101 of the PCL, to which the parties thereto have recognized its condition of administrative contract; (vi) the parties will submit to arbitration the disputes arising from technical aspects of the Carhuaquero Generation Concession Agreement, in accordance with the provisions of the General Arbitration Law; (vii) we may directly serve customers which do not hold the condition of regulated customers, and must contractually set forth the conditions for the provision of our services; and (viii) the easements requested by, or granted to us, will be regulated in accordance with the provisions of the Carhuaquero Generation Concession Agreement.

Our obligations

Under the Carhuaquero Generation Concession Agreement we have assumed, among others, the following obligations: (i) supply electricity either produced directly by us or acquired from third parties, recognizing the compensations for the use of the corresponding transmission and distribution systems; (ii) preserve and maintain our works and facilities in adequate conditions for their efficient operation, according to the technical quality standards set forth in the Carhuaquero Generation Concession Agreement; (iii) apply price not to exceed the regulated prices set by the relevant governmental agency in accordance with sections a) and c) of article 43 of the PCL; (iv) agree with the owners of secondary systems of transmission or systems for the installation of distribution the compensations for their use according to article 62 of the PCL; (v) compensate distribution companies for the energy that has not been supplied for to their clients of the public electricity service due to rationing, in accordance with the article 57 of the PCL; (vi) comply with the provisions of the national electricity code and other applicable technical regulations, in accordance with article 99 of the PCL; (vii) contribute to the support of the regulatory and legislative bodies through grants that, in any case, shall not exceed 1% of our annual revenues, in accordance with paragraph g) of article 31 of the PCL; (viii) be a member of COES, according to article 39 of the PCL, contributing to its maintenance and respecting its regulations; (ix) operate our facilities in accordance with the provisions to be issued by COES, as set forth in article 32 of the PCL; (x) submit the applicable information to the DGE and OSINERGMIN, in accordance with articles 58 and 59 of PCL's regulations; (xi) develop our activities in accordance with the free competition and antitrust regulations currently in effect or to be effective in the future applicable to the energy sector; and (xii) abstain from contracting with our users more capacity and firm energy than we own or have acquired from third parties in accordance with paragraph f) of article 41 of the PCL.

Penalties

If we fail to comply with any of our obligations under the PCL, the PCL's regulations and the Carhuaquero Generation Concession Agreement, we will be subject to the penalties provided for in the applicable regulations, notwithstanding the liability that we may have towards third parties.

Force Majeure

Our compliance with the conditions and obligations under the Carhuaquero Generation Concession Agreement is mandatory, unless in case of a duly proven force majeure event, as provided for in articles 1315 and 1317 of the Peruvian Civil Code, which shall be characterized as such by the DGE or the entity that the latter designates for such purposes.

Termination and Termination Events

The Carhuaquero Generation Concession may be terminated due to: (a) termination declared by the MINEM if any of the following events specified in article 36 of the PCL occur: (i) our failure to inform the MINEM of the registration of the Carhuaquero Generation Concession Agreement in the Concessions Public Registry; (ii) our failure to comply with the works related to the project in accordance with the schedule for construction of the works, except in cases of force majeure characterized as such by the MINEM; (iii) our failure to operate the facilities for at least 876 hours during a calendar year without justified cause; or (iv) our failure to comply with the COES's coordination regulations after the imposition of any fines, except in the event we obtain a specific consent from the MINEM for a duly justified cause; or (b) relinquishment by us of our Carhuaquero Generation Concession upon prior notice to the MINEM with the anticipation of one (1) year prior to the proposed date of termination.

Governing law and dispute resolution mechanism

The Carhuaquero Generation Concession Agreement is governed by the laws of the Peru and is subject to the exclusive jurisdiction of the judges and courts of the city of Lima, Peru.

Carhuaquero IV NCRE Concession Agreement

The concession to supply renewable energy to the SEIN was granted by the MINEM to us for a 20-year term from as April 1, 2010. The Carhuaquero IV NCRE Concession Agreement provides for the conditions, rights and obligations of each of the parties thereto.

Our Obligations

Under the Carhuaquero IV NCRE Concession Agreement we have assumed, among others, the following obligations: (i) provide the service in accordance with the applicable laws and regulations and proceedings issued by the COES to ensure the safety, quality, efficiency and continuity of the service; (ii) be a member of COES and provide the service in accordance with the regulations set forth by such entity, both under normal operating conditions and performing maintenance, as well as when an alert, emergency or recovery status occurs, considering the provisions of the PCL, its regulations and Law 28832; (iii) provide the governmental authorities with information and grant them access to facilities for inspections as may be reasonably requested to monitor the performance of our obligations under the Carhuaquero IV NCRE Concession Agreement; and (iv) submit to the COES, on a weekly basis, our production projections for each day of the following week, in order to integrate such information into COES' programming.

Revenues

Under the Carhuaquero IV NCRE Concession Agreement, we receive a guaranteed annual revenue (the "Carhuaquero IV GAR") of U.S.$0.07 per kWh for the provision of 66,500 MWh of firm energy and 10 MW of installed capacity, as per the offer we presented to be awarded the Carhuaquero IV NCRE Concession Agreement.

The COES measures on a monthly basis the injections of energy delivered to the SEIN and values their market price at a short-term marginal cost. If our annual revenues are lower than the Carhuaquero IV GAR, it triggers the payment by OSINERGMIN of the "NCRE Premium" which is calculated based on an annual period counted from May to April. Additionally, capacity payments are monthly payments treated as advances of the Carhuaquero IV

GAR, reducing the annual amount to be paid as NCRE Premium. For purposes of calculating the NCRE Premium, OSINERGMIN makes its annual balance providing a monthly payment during the following May to April period considering a 12% annual interest over the amounts to be paid during such period. The NCRE Premium is funded from regulatory charges paid by the users of the SEIN through the transmission toll.

The Carhuaquero IV GAR may be adjusted if: (i) the factor to update prices set forth in Annex 4 of the Caña Brava NCRE Concession Agreement increases or decreases by more than 5% compared to the factor considered for the previous period; and (ii) the energy effectively injected during a tariff period is lower than 66,500 MWh per year.

Force Majeure

Our compliance with the conditions and obligations under the Carhuaquero IV NCRE Concession Agreement is mandatory, except upon the occurrence of an event of force majeure, provided that its occurrence has been demonstrated.

Termination and Termination Events

The Carhuaquero IV NCRE Concession Agreement may be terminated due to: (a) agreement by its parties; (b) termination of the Carhuaquero IV Generation Authorization; (c) expiration of its term; or (d) termination by one of its parties.

The MINEM may terminate the Carhuaquero IV NCRE Concession Agreement if we: (a) falsify any information; (b) fail to replace the performance bond following its foreclosure within 30-days from being requested to do so by the MINEM to replace it; (c) cease to operate our facilities without justified cause for 876 cumulative hours within a 12-months period; (d) fail, after being sanctioned by OSINERGMIN in two opportunities, to comply with our obligations to supply the energy generated in accordance with safety regulations and the quality standards established in the Carhuaquero IV NCRE Concession Agreement and in the applicable technical standards, provided that such sanctions have become final and non-appealable at the administrative forum, and at the judicial forum, should the relevant sanctions have been challenged before the Judiciary; (e) assign partially or fully the Carhuaquero IV NCRE Concession Agreement, under any title, without the prior written consent of the MINEM; (f) have been sanctioned by OSINERGMIN with non-appealable and final administrative non-tax fines which amount within the next calendar year exceeds by 10% of our annual revenues for the previous year, provided that such fines have become non-appealable and final at the administrative forum, and at the judicial forum, should the relevant fines have been challenged before the Judiciary; (g) merge, spin-off or transform without the prior written consent of the MINEM; (h) are declared insolvent, bankrupt, dissolved or liquidated; or (i) fail to comply with, without justification, materially and repeatedly, any obligation set forth in the Carhuaquero IV NCRE Concession Agreement or any applicable laws (other than those referred to in the preceding literals).

Governing Law and Dispute Resolution Mechanism

The Carhuaquero IV NCRE Concession Agreement is governed by the laws of Peru.

Any dispute or controversy arising from the Carhuaquero IV NCRE Concession Agreement related to: (i) technical matters, will be subject to the exclusive jurisdiction of an expert in the matter under discussion, to be designated in accordance with the provisions and regulations included in the Carhuaquero IV NCRE Concession Agreement; and (ii) non-technical matters, will be subject to the exclusive jurisdiction of: (A) if the matters under discussion involve controversies of more than U.S.$20 million, the rules and regulations of the International Centre for Settlement of Investment Disputes; and (B) if the matters under discussion involve controversies of U.S.$20 million or less, the rules and regulations of the Center of Local and International Arbitration of the Lima Chamber of Commerce (*Centro de Arbitraje Nacional e Internacional de la Cámara de Comercio de Lima*).

Caña Brava NCRE Concession Agreement

The concession to supply renewable energy to the SEIN Caña Brava NCRE Concession Agreement was granted by MINEM to us for a 20-year term as from April 1, 2010. The Caña Brava NCRE Concession Agreement provides for the conditions, rights and obligations of each of the parties thereto under the Caña Brava NCRE Concession Agreement.

Our Obligations

Under the Caña Brava NCRE Concession Agreement we have assumed, among others, the following obligations: (i) provide the service in accordance with the applicable laws and regulations and proceedings issued by the COES to ensure the safety, quality, efficiency and continuity of the service; (ii) be a member of COES as a registered member and provide the service in accordance with the regulations set forth by such entity, both under normal operating conditions and performing maintenance, as well as when an alert, emergency or recovery status occurs, considering the provisions of the PCL, its regulations and Law 28832; (iii) provide the governmental authorities with information and access to our facilities for inspections as may be reasonably requested to monitor the performance of our obligations under the Caña Brava NCRE Concession Agreement; and (iv) submit to the COES, on a weekly basis, our production projections for each day of the following week, in order to integrate such information into COES' programming.

Revenues

Under the Caña Brava NCRE Concession Agreement, we receive a guaranteed annual revenue (the "Caña Brava GAR") of U.S.$0.07 per kWh for the provision of 21,500 MWh of firm energy and 6 MW of installed capacity, which as per the offer we presented to be awarded the Caña Brava IV NCRE Concession Agreement.

The COES measures on a monthly basis the injections of energy delivered to the SEIN and values their market price at a short-term marginal cost. If our annual revenues are lower than the Caña Brava GAR, it triggers the payment by OSINERGMIN of the "NCRE Premium" which is calculated based on an annual period counted from May to April. Additionally, capacity payments are monthly payments treated as advances of the Caña Brava GAR, reducing the annual amount to be paid as NCRE Premium. For purposes of calculating the NCRE Premium, OSINERGMIN makes its annual balance providing a monthly payment during the following May to April period considering a 12% annual interest over the amounts to be paid during such period. The NCRE Premium is funded from regulatory charges paid by the users of the SEIN through the transmission toll.

The Caña Brava GAR may be adjusted if: (i) the factor to update prices set forth in Annex 4 of the Caña Brava NCRE Concession Agreement increases or decreases by more than 5% compared to the factor considered for the previous period; and (ii) the energy effectively injected during a tariff period is lower than 21,500 MWh per year.

Force Majeure

Our compliance with the conditions and obligations under the Caña Brava NCRE Concession Agreement is mandatory, except upon the occurrence of an event of force majeure event, provided that its occurrence has been demonstrated.

Termination and Termination Events

The Caña Brava NCRE Concession Agreement may be terminated due to: (a) agreement by its parties; (b) termination of the Caña Brava Generation Concession Agreement; (c) expiration of its term; or (d) termination by one of its parties.

The MINEM may terminate the Caña Brava NCRE Concession Agreement if we: (a) had falsified any information; (b) fail to replace the performance bond following its foreclosure within 30 days from being requested to do so by

the MINEM; (c) cease to operate our facilities without justified cause for 876 cumulative hours within a 12-month period; (d) fail to, after being sanctioned by OSINERGMIN in two opportunities, comply with our obligations to supply the energy generated in accordance with safety regulations and the quality standards established in the Caña Brava NCRE Concession Agreement and in the applicable technical standards, provided that such sanctions have become final and non-appealable at the administrative forum, and, at the judicial forum, should the relevant sanctions have been challenged before the Judiciary; (e) assign partially or fully the Caña Brava NCRE Concession Agreement, under any title, without the prior written consent of the MINEM; (f) have been sanctioned by OSINERGMIN with non-appealable and final administrative non-tax fines that within the next calendar year may exceed by 10% our annual revenues of the previous year, provided that such fines have become non-appealable and final at the administrative forum and, at the judicial forum, should the relevant fines have been challenged before the Judiciary; (g) merge, spin-off or transform without the prior written consent of the MINEM; (h) are declared insolvent, bankrupt, dissolved or liquidated; or (i) fail to comply with, without justification, materially and repeatedly, any obligation set forth in the Caña Brava NCRE Concession Agreement or any applicable laws (other than those referred to in the preceding literals).

Governing Law and Dispute Resolution Mechanism

The Caña Brava NCRE Concession Agreement is governed by the laws of Peru.

Any dispute or controversy arising from the Caña Brava NCRE Concession Agreement related to: (i) technical matters, are subject to the exclusive jurisdiction of an expert in the matter under discussion, to be designated in accordance with the provisions and regulations included in the Caña Brava NCRE Concession Agreement; and (ii) non-technical matters, are subject to the exclusive jurisdiction of: (A) if the matters under discussion involve controversies of more than U.S.$20 million, the rules and regulations of the International Centre for Settlement of Investment Disputes; and (B) if the matters under discussions involve controversies of U.S.$20 million or less, the rules and regulations of the Center of Local and International Arbitration of the Lima Chamber of Commerce (*Centro de Arbitraje Nacional e Internacional de la Cámara de Comercio de Lima*).

Kondu Generation Concession Agreement

The Kondu Generation Concession Agreement was granted by the DREM Cajamarca in perpetuity. The Kondu Generation Concession Agreement provides for the conditions, rights and obligations of each of the parties thereto under the Kondu Generation Concession Agreement.

Our rights

The terms and conditions of the Kondu Generation Concession Agreement give us rights to, among others: (i) use the transmission and/or distribution systems of other concessionaires to which we are interconnected for the commercialization of electricity with their users, in accordance with provisions set forth in article 33 and paragraph d) of article 34 of the PCL; (ii) request the MINEM to grant easements in accordance with provisions of articles 110 and 111 of the PCL; (iii) execute legal stability and tax stability agreements and agreements for the free disposition of foreign currency, in accordance with paragraph b) of article 106 of the PCL; (iv) enforce our rights under the Kondu Generation Concession Agreement against third parties, especially the right to collect tariffs and prices; (v) request the Peruvian state its support in cases of public calamity, internal conflicts and/or disturbances, for the protection of our works and facilities in order to ensure the continuity of our operations, according to article 120 of the PCL; (vi) acquire capacity and electricity from other generating companies; (vii) participate in the COES, in accordance with provisions of the applicable laws; (viii) assign our contractual position under the Kondu Generation Concession Agreement and to transfer the Kondu Generation Concession; and (ix) any other rights granted under applicable Peruvian laws.

Conditions

The Kondu Generation Concession is subject to, among others, the following conditions: (i) the sale of energy produced by the Carhuaquero solar plant (operated by Kondu) will be made under a free market price regime except for: (a) the transfer of energy with other generating companies belonging to the COES, in accordance with section a) of article 43 of the PCL; and (b) the sales of electricity to distribution companies to serve the electricity public service, in accordance with article 45 of the PCL; (ii) has priority of daily dispatch by the COES, for which it will be considered with a variable operating production cost of zero; (iii) the supplies subject to price regulation must be attended promptly, continuously and sufficiently in accordance with the technical standards for quality and other conditions contractually agreed, either with our own energy and firm capacity or the one acquired from third parties; (iv) according to the applicable Peruvian laws and regulations, we must preserve the environment and the national cultural heritage while performing our activities; (v) OSINERGMIN oversees, controls and supervises the enforcement of the Kondu Generation Concession Agreement in accordance with article 101 of the PCL, which the parties thereto have recognized its condition of administrative contract; (vi) we may directly serve customers which do not hold the condition of regulated customers, and must contractually set forth the conditions for the provision of our services; (vii) we may participate in the auction processes for purposes of assigning the awarding tariff to the energy and capacity which will be sold under the terms and conditions of the NCRE law and the NCRE regulations; (viii) the parties may submit to arbitration the disputes arising from technical aspects of the Kondu Generation Concession Agreement, in accordance with the provisions of the General Arbitration Law; and (ix) any dispute that may arise regarding the amount of compensation to be paid by the Peruvian state to the former concessionaire as a consequence of the application of article 105 of the PCL, shall be submitted to arbitration at the request of either party, in accordance with the General Arbitration Law.

Our Obligations

Under the Kondu Generation Concession Agreement we have assumed, among others, the following obligations: (i) supply electricity in accordance with the terms of the Kondu Generation Concession Agreement, either directly produced by us or acquired from third parties, recognizing the compensations for the use of the corresponding transmission and distribution systems; (ii) preserve and maintain our works and facilities in adequate conditions for their efficient operation, according to the technical quality standards set forth in the Kondu Generation Concession Agreement and perform compensations for the deficiencies in our services as provided in the applicable technical regulations; (iii) apply prices not exceed the regulated prices set by the relevant governmental agency in accordance with literals (a) and (c) of article 43 of the PCL, or what has been provided in the Kondu Generation Concession Agreement executed by the parties thereto; (iv) compensate to holders of transmission or distribution systems for the use of their systems according to article 62 of the PCL; (v) compensate distribution concessionaires for the energy that has not been supplied their clients of the electricity public service due to rationing, in accordance with article 57 of the PCL; (vi) comply with the provisions of the national electricity code and the remaining applicable technical regulations, in accordance with article 99 of the PCL; (vii) contribute to the support of the regulatory and legislative bodies through grants that, in any case, shall not exceed 1% of our annual revenues, in accordance with literal (g) of article 31 of the PCL and Supreme Decree No. 136-2002-PCM; (viii) be a member of COES, according to article 39 of the PCL, contributing to its maintenance and respecting its regulations; (ix) operate our facilities in accordance with the provisions to be issued by the COES, as applicable, as set forth in the PCL and its regulations; (x) submit the applicable information to the DGE and OSINERGMIN, in accordance with articles 58 and 59 of PCL's regulations and other applicable regulations; (xi) develop our activities in accordance with the free competition and antitrust regulations; (xii) carry out our activities, the construction of the works and assembly of the facilities to which we are obligated to under the Kondu Generation Concession Agreement; and (xiii) contribute to the local development of the area of influence of the project in accordance with the applicable regulations to the development of electricity activities and within the framework of the voluntary social responsibility policy of our parent company, for which it may coordinate the direct or indirect implementation of actions aimed at social development, mainly in the areas of education, health and infrastructure.

Penalties

If we fail to comply with any of our obligations under the PCL, the PCL's regulations or the Kondu Generation Concession Agreement, we will be subject to the penalties provided for in the applicable regulations, notwithstanding the liability we may have towards third parties.

Force Majeure

Our compliance with the conditions and obligations under the Kondu Generation Concession Agreement is mandatory, unless in case of a duly proven force majeure event, as provided for in articles 1315 and 1317 of the Peruvian Civil Code, duly demonstrated by us and characterized as such by the DGE in accordance with section (b) of article 36 of the PCL or the entity that the latter designates for such purposes, with the previous consent of OSINERGMIN in accordance with section 23 of Annex I of Supreme Decree No. 088-2013-PCM.

Termination and Termination Events

The Kondu Generation Concession may terminate due to: (a) termination declared by the MINEM if any of the following events specified in article 36 of the PCL occurs: (i) our failure to inform the MINEM of the registration of the Kondu Generation Concession Agreement in the Concessions Public Registry; (ii) our failure to comply with the works related to the project in accordance with the schedule for construction of the works, except in cases of force majeure duly qualified by the MINEM; (iii) our failure to operate the facilities for at least 876 hours during a calendar year without justified cause; or (iv) our failure to comply with the COES's coordination regulations after the imposition of any fines, except in the event we obtain a specific consent from the MINEM for a duly justified cause; or (b) relinquishment by us to our Kondu Generation Concession upon prior notice to the MINEM with the anticipation of one (1) year prior to the proposed date of termination.

Governing Law and Dispute Resolution Mechanism

The Kondu Generation Concession Agreement is governed by the laws of Peru and is subject to the exclusive jurisdiction of the judges and courts of the city of Lima, Peru.

Commercial Strategy

Our commercial strategy involves entering into PPAs with high-quality off-takers in different economic sectors throughout Peru. In the year ended December 31, 2024, 63% of our aggregate energy sales (in GWh) were made pursuant to PPAs. With respect to our non-regulated customers, we typically invoice and collect payments in U.S. dollars. With respect to our regulated customers that are distribution companies, for which we invoice and collect payments in Peruvian soles, the underlying tariff is linked to the U.S. dollar and is readjusted each quarter when the tariff resulting from applying the indexation formula fluctuates by more than 5%.

As of June 30, 2025, the weighted average remaining life of our PPAs was approximately 5.5 years. We have committed to sell approximately 64% of our firm energy (in MWh) from 2025 to 2027. Most of our PPAs are indexed to the underlying U.S. inflation index, and all of our PPAs are either in U.S. dollars or linked to the U.S. dollar, which generally limits our exposure to exchange rate fluctuations.

Our Customers and PPAs

Most of our capacity has been contracted for sale under medium and long-term agreements. As of June 30, 2025, we had 8 PPAs with various distribution companies and 80 with non-regulated customers. Orazul's current portfolio is well-balanced among non-regulated customers from different industrial sectors, and distribution companies. In the years ended December 31, 2024, 2023 and 2022, 39% of our contracted energy sales were to regulated customers and 61% to non-regulated customers on average for these periods.

The following table sets forth certain commercial metrics in the periods presented:

	Six Months Ended June 30,		Year Ended December 31,		
	2025	2024	2024	2023	2022
Energy Sales (GWh)					
Regulated customers [1]	205	209	405	681	815
Non-regulated customers	364	410	896	984	963
Spot sales	725	687	763	392	229
Total energy sales	**1,293**	**1,306**	**2,064**	**2,058**	**2,007**

(1) Regulated customers includes distribution companies and NCRE sales.

Under Peruvian law, we cannot contract to sell more than our firm capacity, including firm capacity we may contract from other generators. Utilizing PPAs allows us to lock in prices and increase our cash flow stability.

We seek to enter into medium and long-term PPAs with distribution companies or non-regulated customers that are mostly subsidiaries of multinational corporations, that we believe have strong credit profiles and thus mitigate the risk of customer default. In attempting to limit the effects of counterparty risks, we analyze the creditworthiness and financial strengths of our various counterparties during the PPA negotiations as well as during the life of the agreement. Where the creditworthiness of the power purchaser is deemed to be below standard, various contractual agreements and structures are negotiated (such as letters of credit and liquidity facilities) to provide credit support.

Under the terms of Orazul's PPAs, customers are contractually obligated to purchase its energy requirements, and sometimes capacity and/or ancillary services, from Orazul based upon a base price that is generally adjusted for a combination of some of the following, as applicable: (1) fluctuations in exchange rates, (2) the U.S. inflation index, (3) a local inflation index, (4) fluctuations in the cost of operating fuel, and (5) transmission costs. Additionally, certain Orazul's PPAs include provisions that change the contractual unitary energy prices in the case of an interruption of the supply or transportation of natural gas based on spot prices existing on the dates in which the interruption event occurred. Many of the prices in our PPAs differentiate between peak and off-peak periods.

The following table sets forth a summary of our significant PPAs as of June 30, 2025[1]:

Principal Customer	Commencement	Expiration	Contracted Capacity (MW)	Energy Price (U.S. dollars)
Luz del Sur and Pluz Energía Perú (2011) [2] [3]	January 2014	December 2030	27	65.1
Hidrandina S.A. [2] [4]	January 2013	December 2032	11	69.5
Electronoroeste S.A [2] [5]	January 2013	December 2032	9	71.4
Electronorte S.A. [2] [6]	January 2013	December 2032	6	68.3
Minera Chinalco Perú S.A.	February 2019	February 2027	65	30.7
Minera Aurífera Retamas S.A. [7]	November 2024	May 2029	20	40.4
Pluz Energía Perú, Electroucayali S.A., Electrocentro S.A., Hidrandina S.A. [2]	February 2027	December 2030	25	--
Nexa Resources El Porvenir S.A.C., Nexa Resources Atacocha S.A.A., Nexa Resources Perú S.A.A. [8]	January 2027	December 2036	68	--
Pura Fruit Company S.A.	January 2025	December 2029	6	47.0
Grupo Santa Elena S.A.	January 2025	December 2027	4	43.4
Empacadora De Frutos Tropicales S.A.C.	January 2025	June 2028	3	46.2
NCRE Contracts	April 2010	March 2030	16	99.7

(1) With respect to our non-regulated customers, we invoice and collect payments in U.S. dollars. With respect to our customers that are distribution companies, for which we invoice and collect payments in Peruvian soles, the underlying tariff is linked to the U.S. dollar and is reset at each quarter when the tariff resulting from applying the indexation formula fluctuates by more than 5%.
(2) Regulated customer.
(3) We executed two PPAs, one with each of the following entities: (i) Pluz Energía Perú and (ii) Luz del Sur. The 27 MW capacity represents the aggregate contracted capacity between these two PPAs.
(4) We executed two PPAs. From January 2026, the contracted capacity aggregate will change to 12 MW.
(5) We executed two PPAs. From January 2027, the contracted capacity aggregate will change to 11 MW.
(6) We executed two PPAs.

(7) The contracted capacity increases in certain periods reaching a maximum of 26 MW from January 2028 until the end of the PPA.

(8) Subsidiaries of Nexa Resources, a mining and metallurgical company with operations in Brazil and Peru.

The following table shows the contracted and actual demand of certain of our contract customers as of June 30, 2025:

Principal Customer	Contracted Demand (MW)	Actual Demand (MW)	Load Factor (MW)	Expiration Date
Luz del Sur S.A.A. and Pluz Energía Perú S.A.A. (2011)	27.37	24.90	59%	2030
Hidrandina S.A.	11.06	10.82	70%	2032
Electronoroeste S.A.	8.92	8.92	56%	2032
Electronorte S.A.	6.14	6.14	65%	2032
Minera Chinalco Perú S.A.	65.00	49.33	68%	2027
Minera Aurífera Retamas S.A.	20.00	15.75	66%	2029

Resources

Our power facilities utilize water and solar sources.

Water

The availability of water is the main factor determining our capacity to generate energy at our hydroelectric power plants. Water availability at our plants is determined by the rainy season and rainfall patterns each year. In Peru, the rainy season is between November and April, when greater amounts of hydroelectric power plants are dispatched. Between May and October, the volumes of rainfall decline. We hold a definitive generation concession granted by the MINEM without a term expiration date to generate electricity and a water use license granted by the ANA under which we have the right to use, for an indefinite term, the waters of the Chancay River and the Santa River for hydroelectric power generation.

Solar

The Carhuaquero Solar Plant is located in the site of the Carhuaquero Complex in order to benefit from the solar resource in the area and the fact that the land is owned by Orazul.

Our Competition

Our major competitors are generally large international power generation corporations operating in Peru, in addition to some local competitors. In Peru, power generation companies compete to (1) source and enter into long-term PPAs, (2) source and secure land for the development or expansion of additional power generation units, (3) source and secure natural gas to fuel power generation plants, (4) source and secure interconnection with the SEIN, and (5) maintain or increase market share in the growing Peruvian electricity market, particularly in connection with the balance of energy supply and demand within Peru. We compete with large international and domestic generators as well as with state-owned electricity generators, although their relative weight in the market has been diminishing over time since the privatization initiatives in Peru began in the 1990s.

The following table sets forth the quantity of energy generated by each of the principal generation companies in Peru for the periods presented:

	Gross Energy Generation [4] For the year ended December 31,					
	2024		2023		2022	
Company	(GWh)	Market Share (%)	(GWh)	Market Share (%)	(GWh)	Market Share (%)

Orazul	2,079	3	2,072	4	2,021	4
Kallpa Generación S.A. [1]	11,672	19	11,387	19	10,305	18
Orygen Perú S.A.A.[2]	9,687	16	9,874	17	9,086	16
ENGIE Energía Perú S.A. (a subsidiary of Engie)	8,242	14	8,816	15	7,103	13
Electroperú	6,946	12	6,191	11	6,755	12
Fenix Power Peru S.A.	3,805	6	3,384	6	4,321	8
Celepsa/ Termochilca S.A.C.[3]	2,642	4	2,847	5	2,896	5
Other generation companies	14,955	25	13,822	23	13,597	24
Total	**60,029**	**100**	**58,393**	**100**	**56,084**	**100**

(1) Kallpa Generación S.A. is our affiliate.
(2) Includes Orygen Perú S.A.A. (formerly known as Enel Generación Perú S.A.A.) and Chinango S.A.C.
(3) Celepsa and Termochilca are affiliates since 2024.
(4) Information from the annual statistical reports of the COES https://www.coes.org.pe/Portal/Publicaciones/Estadisticas/

Property, Plants and Equipment

The following table provides certain information regarding our plants that were owned as of June 30, 2025:

Plant	Location	Capacity (MW)	Fuel Type
Cañón del Pato	Ancash	266	Hydroelectric
Carhuaquero Complex	Cajamarca	110	Hydroelectric
Carhuaquero Solar	Cajamarca	1	Solar
Total		**377**	

Maintenance and Spare Parts

We regularly perform comprehensive maintenance on our facilities, including maintenance of turbines, engines, generators, transformers, the balance of plant and substations, as well as civil works maintenance. Maintenance is performed according to a predefined schedule at fixed intervals, based on running hours or otherwise according to manufacturer or engineering specifications. Maintenance is either performed by our trained employees or is outsourced to third party contractors. Our turbines are maintained according to a predefined schedule based upon the running hours of each turbine and the manufacturer specifications particular to it. Our maintenance schedule is coordinated with, and approved by, the COES.

Insurance

We maintain insurance for each of our plants against material damage and consequent business interruption through comprehensive "all-risks" insurance policies that are renewed annually. We are currently covered by insurance policies which provide for total replacement values of up to U.S.$807 million for property damages per year and U.S.$195 million for business interruption damages for a 24-month period. In some cases, we rely on our insurance policies in the event that any of our generation units sustain damages or experience business interruptions as a result of the actions of, or a breach under the relevant agreement by, suppliers, customers or other third parties whose liability obligations are contractually limited.

Our insurance coverage is underwritten by some of the largest international reinsurance companies, including Starr Specialty Lines Insurance Agency LLC., Zurich Insurance Company Ltd. UK Branch, Liberty Mutual Insurance Company, National Union Fire Insurance Company of Pittsburgh, XL Insurance Company SL., Everest Insurance DAC., Hannover Rück SE, among others.

The material damage insurance for our operations provides insurance coverage for losses due to accidents resulting from natural catastrophes, fire, explosion, and machinery breakdown, among others. This coverage has a maximum indemnification limit of U.S.$310 million per event, except from machinery breakdown which has a maximum

indemnification limit of U.S.$150 million per event (combined single limit material damage and business interruption coverage). This policy has deductibles of 2% of the declared value of affected site or a minimum U.S.$0.5 million for natural catastrophe, and U.S.$1.5 million for any other losses.

In addition, we have third party liability and terrorism insurance policies, covering (1) third-party liability with limits of up to U.S.$50 million, and (2) terrorism with an aggregate limit of U.S.$250 million.

We do not anticipate having any difficulties in renewing any of our insurance policies and believe that our insurance coverage is reasonable in amount and consistent with industry standards applicable to energy generation companies operating in our market.

Environment

We currently have all required environmental permits and authorizations to conduct our business. For further information on environmental regulations, permits and approvals, see "*Risk Factors——Risks Related to Peru—Our equipment, facilities, operations and new generation units are subject to numerous environmental, health and safety laws and regulations.*"

Safety

As our operations are subject to various hazards, our management places a high priority on and closely monitors the health and safety of our employees and contractors. We have installed policies, procedures and training programs to reduce workplace accidents, including, among others, training, safety committees, an annual improvement plan and regular inspections and audits.

Employees

Orazul and Kallpa entered into a Management Service Agreement and an Operation and Maintenance Service Agreement which started in January 2019 and July 2019, respectively. Those agreements are related to the services that Kallpa provides for all of Orazul operations and back-office functions.

Legal Proceedings

We are involved in several claims and legal actions arising in the ordinary course of business. These proceedings are not likely to have a material adverse effect on our operations or financial condition individually or in the aggregate.

On August 3, 2021, Orazul Energy Perú S.A. brought an arbitration claim against Pluz Energía Perú with the Lima Chamber of Commerce in respect of a PPA entered into with such distribution company on October 18, 2018. Orazul Energy Perú S.A. alleged hardship in the execution of the PPA due to material changes in regulations (i.e. the procedure relating to determination of the variable cost of natural gas supply for thermal power plants) which increased the system's average marginal cost threefold and claimed that the contractual economic balance should be reestablished, increasing the price from what was initially agreed by the parties.

As per award issued on December 13, 2024, and supplementary decision dated February 4, 2025, and notified to the Company on February 5, 2025, the Arbitration Tribunal upheld our claims and required Pluz Energía Perú to pay S/45 million (equivalent to approximately U.S.$12 million) to Orazul Energy Perú S.A. plus interest covering the period from July 1, 2021 to January 31, 2024. Also, the PPA price annex was modified from December 13 to December 31, 2024

On March 21, 2025, Pluz Energía Perú filed an annulment claim with the Peruvian Judiciary. Such procedure can only void the arbitral award (in whole or in part) due to formal infractions or due process infringements and does not consist of a new analysis nor decision on the merits and evidence of the case. Enforcement of the award has been stayed, as Pluz Energía Perú has posted a bank guarantee securing the amount awarded. As of the date hereof, the Judiciary has not issued a decision regarding the annulment claim.

For detailed information regarding the matters below, see Note 25 to Orazul's audited annual consolidated financial statements included in this offering memorandum.

REGULATION

Overview

In Peru, the electricity market allows for sale and delivery of power from power generators (private or government owned) to distribution companies (private or government owned) and to non-regulated customers (industrial and commercial consumers). Distribution companies are also allowed to sell power to non-regulated customers. Further, power grid and transmission services are provided on open access basis, *i.e*. the transmission company must transmit power through the grid up to its capacity and in exchange, charges a transmission rate set by the supervisory authority or based on a competitive proceeding or regulated tariff. Whereas private and government-owned entities compete in the power generation and trading activities, transmission and distribution are conducted subject to exclusive concessions; therefore, the transmission and distribution operations are regulated in the market in which we operate.

Delivery and sale of power is subject to a regulatory regime (typical of privatized electricity markets) which includes supervision by an independent supervisory entity for the electricity market. For further information on the regulatory risks related our operations, see "*Risk Factors—Risks Related to Peru— Our equipment, facilities, operations and new generation units are subject to numerous environmental, health and safety laws and regulations.*"

Regulation of the Peruvian Electricity Sector

In Peru, electricity is generated by companies which primarily operate hydroelectric and natural gas fired power plants, and NCRE is progressively entering into the market, increasing the installed capacity of the SEIN. The general electricity laws in Peru form the statutory framework governing the electricity market in Peru and cover, among other things:

- generation, transmission, and distribution and trading of electricity;
- operation of the energy market; and
- generation prices, capacity prices and other tariffs.

All entities that generate, transmit, distribute or sell electricity to third parties in Peru operate subject to the general electricity laws within the country. Power generating companies in Peru, such as us, are impacted by, among other things, the regulation applicable to transmission and distribution companies.

Although significant private investment has been made in the electricity market in Peru and independent supervisory entities have been created to supervise and regulate the electricity market, the Republic of Peru has remained in the role of supervisor and regulator. In addition, the Republic of Peru owns multiple power generation and distribution companies in Peru, although their market participation has diminished over time and face significant legal restrictions to engage in new generation units or investments.

Regulatory Entities

There are multiple entities in charge of regulation, operation and supervision of the electricity market (and related activities to electricity market) in Peru in general, and therefore of our operations, in particular:

MINEM—The Ministry of Energy and Mines of Peru, responsible, among others, for:

(a) setting the national energy policy; (b) proposing and adopting laws and regulations to supervise the energy sector; (c) controlling transmission expansion plans for the SEIN; (d) approving transmission expansion plans proposed by the COES; (e) promoting scientific research and investment in energy; (f) granting concessions or authorizations, as applicable, to participate in power generation, transmission or distribution activities in Peru; and (g) evaluating and approving the environmental implications of projects that are not otherwise within the jurisdiction of SENACE (as defined below).

OSINERGMIN—the Supervisory Body of Investment in Energy and Mining is an independent governmental regulatory agency responsible, among other things, for:

(a) supervising compliance of different entities with laws and regulations concerning power generation, transmission, distribution and trading; (b) setting transmission or transportation (electricity and natural gas) and distribution (electricity and natural gas) tariffs; (c) setting and enforcing price levels in the electricity market in Peru and setting tariffs for customers subject to regulated tariffs; (d) imposing fines and compensations for violations of the laws and regulations; (e) handling claims made by, against or between consumers and agents in the electricity market, in matters under OSINERGMIN supervision; (f) supervising public tenders with regard to PPAs between generation companies and distribution companies for the supply to regulated consumers; (g) granting interconnection mandates to transmission and distribution grid, when involved parties cannot reach an agreement; and (h) supervising operations of the COES.

Generation tariffs for the sale of energy by generation companies to distribution companies for customers subject to regulated tariffs are generally determined based on tenders where OSINERGMIN sets a cap price that is not disclosed to participants except when the respective bid is unsuccessful because no party has made an offer below such price cap. In addition, OSINERGMIN annually specifies energy prices, known as the regulated or bus bar tariff, which is used by market participants only in exceptional situations, as most of the PPAs with distribution companies are based on the results of the tenders. Bus bar tariffs determined by OSINERGMIN shall not differ by more than 10% of the weighted average energy prices of the referred tender process. Pursuant to an amendment to the LGE that came into effect on January 20, 2025, the benchmark for the bus bar tariff shall not differ by more than 10% of the weighted average price of: (i) PPAs resulting from public tender processes; and (ii) PPAs entered into with non-regulated customers; that in each case are in effect as of March 31 of each calendar year. This change does not apply to PPAs with distribution companies that were already in effect prior to the aforesaid amendment to the LGE. OSINERGMIN also determines the annual capacity tariff used in agreements between generation companies and distribution companies, as well as in the spot market. Notwithstanding, some provisions of the amendment to the LGE are already in effect such as the independent commercialization of firm capacity and energy, the issuance of its related regulations is pending and, therefore, the application of several of its provisions is suspended until the regulations are published.

COES—the Committee for the Economic Operation of the System is an independent private entity composed of qualified participants undertaking activities in the SEIN (*i.e.*, electric power generators, transmission companies, distributors and major non-regulated customers) which is responsible, among others, for:

(a) planning and coordinating the dispatch of the power generation system for all power generation and transmission units, in order to ensure reliable generation at minimum cost; (b) setting spot market prices based on marginal cost; (c) managing the clearing house of the spot market transactions between generation companies (excess and shortage of actual generation vs. demand pursuant to PPAs); (d) allocating firm capacity and firm energy to generation units; (e) submitting proposals to OSINERGMIN for issuing regulatory standards, including technical standards and procedures used as guidelines for carrying out the COES directives; (f) determining on a monthly basis the amounts owed between generators as consideration for energy injected into the grid and for ancillary services; (g) evaluating and approving pre-operative and operative studies for every new generation unit that desires to connect to the system; and (h) proposing to MINEM for its approval expansion plans for the transmission grid.

INDECOPI—the National Institute for the Defense of Competition and Protection of Intellectual Property Authority in Peru is a public autonomous entity which is responsible for, among others: (a) consumers' rights protection; (b) encourage fair competition; (c) protect intellectual property; and (d) control of corporate concentration operations, including the ones of the electricity sector.

ANA—The National Water Authority was created in 2008 pursuant to Legislative Decree 997. As the governing body and technical-regulatory authority of the National Management System of Water Resources, the ANA is responsible for exercising exclusive jurisdiction over natural water resources, and managing, monitoring, controlling and regulating the industry aimed to ensure the preservation and conservation of natural water sources,

natural assets associated with such sources and hydraulic infrastructure. The ANA has sanctioning and enforcement authority.

SENACE—the National Service for Environmental Certification of Sustainable Investments (*Servicio Nacional de Certificación Ambiental para las Inversiones Sostenibles*) is a specialized technical governmental agency, dependent of the Ministry of Environment, in charge of evaluating and approving detailed Environmental Impact Assessments, their amendments and Technical Reports of Viability (*Informes Técnicos Sustentatorios*), related to projects involving activities, works or services that may cause significant impacts to the environment.

Ministry of Culture—The Peruvian Ministry of Culture was created in 2010 pursuant to Law 29565, and is the main authority in terms of the management and surveillance of property under the scope of the Nation's Cultural Heritage. The Ministry of Culture is the competent authority responsible for the issuance of the Certificates of Inexistence of Archaeological Remains (*Certificado de Inexistencia de Restos Arqueológicos*, or "CIRA"), prior to the development of investment projects, as well as other permits in order to protect the Nation's Cultural Heritage.

OEFA—the Agency for Environmental Assessment and Enforcement (*Organismo de Evaluación y Fiscalización Ambiental*) is a specialized technical governmental body responsible for enforcing, overseeing, controlling and sanctioning in environmental matters. On March 4, 2011, OEFA became the competent authority in verifying compliance by companies operating in the energy sector (electricity and hydrocarbon activities) - among other sectors - with environmental regulations.

SERFOR—The National Service for Forest and Wildlife (*Servicio Nacional Forestal y de Fauna Silvestre*) was created by Law 29763, enacted on July 22, 2011. SERFOR is a specialized technical governmental agency, dependent of the Ministry of Agriculture, in charge of regulating forest and wildlife matters and proposing policies, strategies, plans and other instruments to promote the sustainable use of forest and wildlife resources. SERFOR is the entity in charge of granting permits in order to perform activities such as forest clearing, among others.

Generation Companies

Since 1992, the Peruvian market has been operating based upon a "marginal generation cost" system. As mentioned before, such system is embedded in the general electricity laws of Peru and is administrated by the COES. In such capacity, the COES has as its main mandate to satisfy all the demand of electricity at any given time with the most efficient generation assets available at such time, independently of contractual arrangements between generators and their customers. For such purpose, the COES determines which generation facilities will be in operation at any given time with the objective of minimizing the overall system energy cost. Generation units are dispatched (*i.e*., ordered by the COES to inject energy into the system) on a real-time basis; units with lower variable generation costs are dispatched first and other less efficient generation units will be ordered to dispatch until the electricity demand is satisfied.

The variable cost for the most expensive generation unit dispatching in each 15-minute time period determines the short-term marginal cost (spot price) of electricity in said time period. Generally, the variable cost used for dispatch is audited by the COES, based on actual fuel costs, the plant efficiency, and variable maintenance costs. For such purposes, generators with power plants utilizing natural gas or other fuels are required to submit to the COES information on fuel prices and quality that must be accompanied by a supporting report including: (i) unit price per fuel supplied; (ii) unit price per fuel transported; and (iii) unit price per fuel distributed. The COES reviews and evaluates the consistency of such calculations. In the past, natural gas fired plants were able to declare their natural gas prices on an annual basis. Since July 2021, the Peruvian market has evolved to regulation based on the cost audited by the COES, considering all-in supply, transportation and distribution costs of natural gas with no consideration if all or part of such costs are on a take or pay / ship or pay condition.

The spot market price is determined by the COES and is the price at which generation companies sell or buy energy on the spot market during each 15-minute period. All injections and withdrawals of electricity are valued at the spot market price of the 15-minute period when they are made. Any generation companies with excess generation over energy sold pursuant to PPAs in each 15-minute interval, sell their excess energy at spot prices to generation

companies with lower generation than their contractual obligations under PPAs for that time period. The COES defines, on a monthly basis, the amounts that are owed by each generator with a net "buyer" position to generators with a net "seller" position. Generators with a net seller position directly invoice and collect from generators with a net buyer position the amounts liquidated by the COES, respectively, not being the COES involved in the payment procedure or providing any form of payment guarantee. As of the date of this offering memorandum, distribution companies, except as described under (b) of the following paragraph, and regulated consumers cannot purchase power off the grid at spot prices, but rather must contract agreements with power generation companies or - for smaller consumers - with distribution companies, which means that spot transactions are a zero-sum between generators.

In 2016, under Supreme Decree No. 026-2016-EM, the MINEM implemented the MME, where: (i) the following participants of the energy market may buy energy and capacity: (a) generating companies owning generation units in commercial operation in order to meet their supply contracts; (b) distribution companies in order to meet the demand of their non-regulated customers for up to 10% of the total demand of such non-regulated customers taking into consideration the maximum demand of the last 12 months; and (c) non-regulated customers with contracted power of or greater to 10 MW (grandes usuarios libres) or a group of non-regulated customers with an aggregate contracted power of at least 10 MW (agrupaciones de usuarios no regulados) in order to meet their demand for up to 10% of their maximum demand taking into consideration the maximum demand of the last 12 months; and (ii) generation companies that are members of the COES may sell energy and capacity. Additionally, the MME allows the authorized market participants to provide ancillary operational services. Buyers in the MME must pay fees for transmission, distribution and the other services and/or charges provided in the applicable regulations. The COES oversees the MME and authorizes COES members to participate in the MME.

Power generation companies are also paid capacity fees by the SEIN, based on their firm capacity and other variables. Capacity transactions are subject to the PCL. This law stipulates a methodology for calculating the capacity payments for each generation unit. Firm capacity calculation varies by type of technology but is principally based upon the unit's effective capacity and its ability to supply energy reliably and continuously during the peak hours of the dry season, and also taking into consideration the historic availability statistics of the unit. Capacity payments are based primarily upon the unit's firm capacity and the regulated capacity price, but it is also affected by other variables, such as the expected supply-demand balance, the approved reserve margin, and the merit order of the generation unit.

PPAs are commercial agreements, independent of actual allocation of generation or actual provision of availability to the system. Generation companies that generate over any 15-minute period insufficient energy to satisfy the supply obligations under their PPAs in any such periods purchase in the spot market the energy required to satisfy such supply obligations, based on COES procedures, from other generation companies with excess generation or availability during any such period. The energy price for those transactions is the spot price (marginal cost), and the capacity price is regulated and defined annually by OSINERGMIN.

Sales of electricity under PPAs are not regulated unless they involve sales to distribution companies for the supply to regulated customers. The latter PPAs are subject to price caps set by OSINERGMIN prior to the corresponding public bidding process where generators submit their bids. Such price caps are applicable during the bidding process. Generation and distribution companies may also enter into contracts resulting from a direct negotiation and not a bidding process, but the price in such PPAs cannot be higher than the regulated tariff approved by OSINERGMIN. As with capacity transactions under PPAs, the financial settlement of energy transactions under PPAs is independent of the actual dispatch of energy by any particular generation unit. Generators accrue receivables from the counterparties to their PPAs based on the contract price in their PPAs and the amount of energy delivered from the SEIN, irrespective of the amount of energy that was produced by the generator counterparty to the particular PPA. The COES's dispatch of generation units in the SEIN is designed to satisfy the demand of electricity of the SEIN at any given time in the most efficient manner possible and the COES is not under any obligation to dispatch a particular generation unit to fulfill a generator's PPA commitments.

The general electricity laws of Peru require generators with an installed capacity in excess of 500 kW that use renewable energy sources to obtain a definitive generation concession, and generators with an installed capacity in excess of 500 kW that use thermal energy sources to obtain a generation authorization. A concession for electricity generation is granted by the Republic of Peru acting through the MINEM and embedded in an agreement between the generator and the MINEM, while an authorization is merely a unilateral permit granted by the MINEM. Authorizations and concessions are granted by the competent authority for an unlimited period of time and their termination, respectively, is subject to the same considerations and requirements under the procedures set forth in the PCL and the PCL Regulations. However, according to Legislative Decree 1221, the concessions granted as a result of an investment promotion process will have a term of up to 30 years.

The definitive concession allows its titleholder to use public lands and infrastructure, and obtain easements imposed by the MINEM (in lieu of easements agreed with the owner of the affected land plots) for the construction and operation of generation plants, substations or transmission lines and distribution networks, as applicable. The definitive concession is granted by a ministerial resolution issued by the MINEM. Also, definitive concessions for generation with renewable energy sources, with an installed capacity of less than 10 MW are granted by resolution of the Energy and Mines Regional Directorate (*Dirección Regional de Energía y Minas*) of the corresponding regional government. In all cases a definitive concession involves the execution of a concession agreement under the form of a public deed. The concession agreement is based on a standard form and is recorded in the public registries.

Under the general electricity laws in Peru, the titleholders of authorizations have most of the rights and benefits of concessionaires, other than the right to make a request to the MINEM to impose definitive easements, and have basically the same obligations as concessionaires.

Definitive concessions and authorizations may be terminated by relinquishment or breach upon the occurrence of certain termination events set forth in the PCL and upon completion of a procedure regulated by the general electricity laws in Peru. Termination events include: (i) failure to provide evidence of registration of the concession agreement in the public registry within the term of twenty business days following such registration; (ii) non-compliance with the schedule for completion of the project included in the concession agreement, unless otherwise authorized by the MINEM due to force majeure; (iii) failure to be available to operate for at least 876 hours during a calendar year, without justified cause; and (iv) failure by the concessionaire, after being penalized, to operate the facilities in accordance with the COES's operative regulations, unless otherwise authorized by the MINEM by justified reasons. Additionally, authorizations may be revoked in the following circumstances: (i) for repeated violations of environment conservation requirements or the cultural heritage preservation requirements; (ii) if the owner of a generating plant that is a party to an interconnected system, after having received the corresponding sanctions, does not operate its facilities in accordance with the coordination rules set forth by the COES; and (iii) if the owner of a generating plant does not carry out the required works or installations within the term provided for in the corresponding work schedule, unless in case of force majeure events, fortuitous events, or technical-economic reasons duly accredited and approved by the MINEM. The technical-economic reasons may be invoked only once and will be approved when they are beyond the control of the owner and/or the economic group to which it belongs to, and are a direct cause of default.

The termination procedure for breach of the project schedule may be suspended by the concessionaire upon delivery of a new project schedule that is guaranteed with a performance bond, thereby providing a mechanism that in practice substantially reduces the risk of termination for such cause. According to Legislative Decree 1221, this guaranteed schedule will be approved only once.

Notwithstanding the above, the PCL provides that if the Republic of Peru declares the termination of a definitive concession for a reason different from those mentioned above (*i.e.*, termination at will), the concessionaire shall be indemnified at the present value of the net cash flow of future funds generated by the concession's activities, using the discount rate set forth in article 79 of such law (12% on an annual basis). As of the date of this offering memorandum, we believe no concession has been terminated by the Peruvian government invoking its authority to terminate at will.

Termination of a definitive concession is declared by a ministerial resolution issued by the MINEM. In such case, the MINEM shall ensure the continuity of the operation of the generation plant by appointing a temporary administrator of the assets (*intervención*), until the concession is transferred to a new concessionaire. The MINEM shall appoint a consultant to make a valuation of the concession and its assets, elaborate the corresponding bidding rules and organize a tender procedure. The MINEM shall award the definitive concession to the best bid offered. The product of the tender shall be used to pay the costs of the temporary administration, the costs of the tender procedure, and any balance shall be allocated in favor of the former concessionaire. The procedure for termination of an authorization is similar to that of a concession.

Transmission Companies

Transmission in the SEIN grid is operated by the individual companies that conform the transmission system and is centrally coordinated by the COES. Expansion plans for the transmission grid are proposed by the COES to the MINEM for final approval; prior to executing the COES expansion plan, the Peruvian government prepares the transmission plan. Transmission companies who wish to participate in construction of the transmission system specified in the expansion plan are required to submit their bid for a tender organized by the Peruvian Agency for the Promotion of Private Investments (*ProInversión*). The transmission company awarded the tender may operate the line over the term of its concession (usually 30 years) and would be eligible to receive tariff payments paid by all the final users in the SEIN, as specified in the tender document and incorporated into its concession contract. The development of any transmission activity requires a definitive concession if the installation of the transmission lines will be within Peruvian state properties or if an easement from the MINEM will be required.

The group of transmission lines created pursuant to such tenders after 2006 are known as "guaranteed transmission lines." Transmission lines not included in plans such as the aforementioned, independently constructed by transmission companies after 2006, are known as "complementary transmission lines"; tariffs for use of these lines are determined by OSINERGMIN and are paid based upon actual use. In some specific cases, the concession of "complementary transmission lines" may be subject to a tender promoted by the Peruvian government.

Transmission lines created prior to 2006 are categorized into two groups. Transmission lines available for use by all generation companies and are categorized as principal transmission lines; transmission lines only used by specific generation or distribution companies and only available to these generation companies are categorized as secondary transmission lines. Principal transmission lines tariffs are determined by OSINERGMIN and are paid by all end users, and secondary transmission lines tariffs are also determined by OSINERGMIN but are paid based upon actual use even by generation companies or customers.

On July 2, 2016, OSINERGMIN issued Resolution 164-2016-OS/CD, or the Transmission Toll Resolution, which sets forth the methodology currently in effect, for the calculation of the transmission tolls payable by generation companies to transmission companies for a generator's use of the secondary and complementary transmission lines within the grid. Pursuant to the current methodology, each generation company must pay a transmission toll to be determined by OSINERGMIN for each of the secondary and complementary transmission systems within the grid, based on, among others, the year of construction of the transmission lines and the use and economic benefit obtained. The transmission tolls for the period between May 2025 and April 2029 were approved by Resolution No. 047-2025-OS/CD published on April 15, 2025.

Although primary transmission tolls paid by the Company are typically passed through to the Company's customers pursuant to its PPAs, it is unclear whether transmission tolls paid in respect of those secondary and complementary transmission lines that are not utilized by the Company for the transmission of their energy (as required by the Transmission Toll Resolution) can be passed through to the Company's customers under its PPAs. To prevent any issues, we typically include provisions in our PPAs regulating this matter.

Distribution Companies

According to the general electricity laws in Peru, distribution companies are required to provide energy to regulated customers at regulated prices. Distribution companies may also provide energy to non-regulated customers—

pursuant to PPAs competing with generation companies for such non-regulated customers, but they are also required to permit generation companies access to the distribution grid in order for the latter to be able to service their non-regulated customers connected to such grid. As of the date of this offering memorandum, there are more than ten distribution companies holding a distribution concession, including, among others, Luz del Sur, Pluz Energía Perú, Electro Dunas and CVC Energía (formerly, COELVISAC).

Prior to the enactment of the LGE, pricing in all contracts between generation companies and distribution companies with respect to sale of electricity to end customers was defined at regulated prices, composed of payment for capacity, energy and transmission, as determined by OSINERGMIN. Distribution companies sell energy on the regulated market at cost plus an additional distribution charge known as VAD. After to the enactment of the LGE, most of the agreements result from tenders in which generation companies bid prices. Bid prices include payment for capacity and energy.

Since July 2006, pursuant to the LGE, contracts to sell capacity and energy to distribution companies for resale to regulated customers may be made at fixed prices based on public bids of generation companies or at regulated prices set by the OSINERGMIN. After the bidding process is concluded, a distribution company will be entitled to purchase energy from the winning bidder at the bid price for the life of the relevant PPA. The prices obtained through the public bid process are subject to a maximum energy price set by the OSINERGMIN prior to bidding. If all the bids are higher than the price set by the OSINERGMIN, the public bids are disregarded and no PPA will be awarded. The process may be repeated until the prices that are offered are below the cap set by the OSINERGMIN for each process. The rules applicable to bidding processes called by distribution companies will be subject to certain changes once the regulations related to the amendment of the LGE are published.

By Law 32249, Law which modifies Law 28832, Law to Ensure Effective Development of Power Generation to guarantee the safe, reliable and efficient supply of electricity supply and to promote the diversification of the energy matrix (*Ley que modifica la Ley 28832, Ley para Asegurar el Desarrollo Eficiente de la Generación Eléctrica, a fin de garantizar el abastecimiento seguro, confiable y eficiente del suministro eléctrico y promover la diversificación de la matriz energética*), or Law 32249 ("Law 32249"), the Peruvian Congress amended the LGE, providing for, among others:

(a) The creation of a market for the sale of firm capacity and a market for the sale of firm energy. This new regulation provides that generation companies are prohibited from contracting for more firm capacity and firm energy with distribution companies and non-regulated customers than the amounts they have generated and /or agreed to purchase from third parties;

(b) The promotion of the participation of generating renewable energy companies in the bids called by distribution companies. For such purposes, new regulations allow distribution companies to require generation companies to supply either energy and capacity or only energy divided in hourly blocks. Additionally, distribution companies will be required to publish on an annual basis a 10-year public tender schedule, and will have to request proposals for long, medium and short term PPAs. Each distribution company must annually adjust and inform this 10-year public tender schedule to the MINEM and OSINERGMIN;

(c) That the benchmark for the bus bar tariff shall not differ by more than 10% of the weighted average price of: (i) PPAs resulting from public tender processes; and (ii) PPAs entered into with non-regulated customers; that, in each case, are in effect as of March 31 of each calendar year. This change will not apply to PPAs with distribution companies that were already in effect prior to Law 32249;

(d) A mechanism to allocate the consumed energy or capacity that will be applied recognizing the terms and conditions of existing PPAs while PPAs with distribution companies that were in effect prior to Law 32249 and PPAs with distribution companies that are effective thereafter coexist. This mechanism will be set forth by the MINEM by supreme decree; and

(e) The creation of a complementary services market for the provision of services required to guarantee the quality and reliability of the electricity supply from generation to demand, which is expected to be available beginning in January 2026. The MINEM will approve and issue the regulations of this market.

Certain provisions contained in Law 32249 will require supplemental regulations and amendments to the regulations currently in place. Therefore, the MINEM has recently published a draft regulation for Law 32249, which is currently pending approval by MINEM.

Regulated tariffs are annually set by OSINERGMIN through a public procedure conducted by the Office for Tariff Regulation (*Gerencia de Regulación Tarifaria*) and are effective from the month of May of each year. During this process, the OSINERGMIN will take into account a proposal delivered by the COES.

The price components of the regulated tariffs (*precios en barra*) are: (i) the regulated price of energy; (ii) the capacity price in peak hours; and, (iii) the transmission toll, and are calculated considering the following:

- a projection of demand for the next 24 months, considering generation and transmission facilities scheduled to start operations during such period. The projection assumes, as a constant, the cross-border (*i.e.*, Ecuador) supply and demand based on historical data of transactions in the last year;

- an operations program that minimizes the operation and rationing costs for the period taking into account the hydrology, reservoirs, fuel costs and a rate of return (*Tasa de Actualización*) of 12% annual. The evaluation period includes a projection of the next 24 months and the 12 months precedent to March 31 of each year considering historic data;

- a forecast of the short-term marginal costs of the expected operations program, adapted to the hourly blocks (*bloques horarios*) established by OSINERGMIN;

- determination of the basic price of energy (*precio básico de la energía*) for the hourly blocks of the evaluation period, as a weighted average of the marginal costs previously calculated and the electricity demand, updated to March 31 of the corresponding year;

- determination of the most efficient type of generation unit to supply additional power to the system during the hour of maximum peak demand during the year (*demanda máxima anual*) and the annual investment costs, considering a rate of return of 12% on an annual basis;

- the base price of capacity in peak hours (*precio básico de la potencia de punta*) is determined following the procedure established in the general electric laws of Peru, considering as a cap the annual investment costs (which include connection and operation and maintenance costs). An additional margin to the basic price shall be included if the reserve of the system is insufficient;

- calculation of the nodal factors of energy (*factores nodales de energía*) for each bar of the system. The factor shall be equal to 1.00 for the bar where the basic price is set;

- the capacity price in peak hours (*precio de la potencia de punta en barra*) is calculated for each bar of the system, adding to the basic price of capacity in peak hours the unit values of the transmission toll and the connection toll referred to in Article 60 of the PCL; and

- the bus bar price of energy (*precio de energía en barra*) is calculated for each bar of the system, multiplying the nodal basic price of energy (*precio básico de la energía nodal*) of each hourly block by the respective nodal factor of energy.

Peruvian Energy Policy 2010 - 2040

The Peruvian Energy Policy 2010 - 2040 was approved by Supreme Decree 064-2010-EM. By this document, the Peruvian government set forth the following objectives in order to improve the energy market:

- Develop a diversified energy matrix, based on renewable energy resources and efficiency. The government, among other measures, will prioritize the development of efficient hydroelectric projects for electricity generation.
- Competitive energy supply. One of the main guidelines is to promote private investment in energy projects. The Peruvian government has a subsidiary role in the economy as mandated by the Peruvian Constitution.
- Universal access to energy supply. Among other guidelines, the Peruvian government shall develop plans to ensure the supply of power and hydrocarbons.
- Promote a more efficient supply chain and efficient energy use. Comprises promoting the automation of the energy market through technological repowering.
- Achieve energy self-sufficiency. For such purpose, the Peruvian government will promote the use of energy resources located in the country.
- Develop an energy sector with minimal environmental impact and low carbon in a sustainable development framework. Promote the use of renewable energy and eco-friendly technologies that avoid environmental damage and promote obtaining Certified Emission Reductions by the energy projects developed.
- Strengthen the institutional framework of the energy sector. Maintain a legal stability intended to promote development of the sector in the long term. Likewise, simplification and optimization of administrative and institutional structure of the sector will be promoted.
- Regional market integration for a long-term development. Regional interconnection agreements will permit the development of infrastructure for energy uses.
- Developing the natural gas industry and its use in household activities, transportation, commerce and industry as well as efficient power generation.

It is expected that the MINEM will update the Peruvian Energy Policy in order to set objectives as of 2050.

NCRE legal framework

NCRE power generation is mainly governed by Legislative Decree No. 1002, Law for the Promotion in the Investment for the Generation of Electricity with the Use of Renewable Energy Sources (*Ley de Promoción de la Inversion para la Generación de Electricidad con el Uso de Energías Renovables*) (the "Renewable Energy Law"), and its related regulations approved by Supreme Decree No. 012-2011-EM. Pursuant to said statutes, NCRE generation is defined as power generated with biomass, wind, solar, geothermic, water (not exceeding 20 MW) and tidal resources.

In order to promote the investment in NCRE generation, the Renewable Energy Law grants titleholders of such NCRE power projects, among others, the following benefits:

- If NCRE generation facilities are connected to the SEIN, NCRE generation has priority in the energy dispatch ordered by the COES, as NCRE generation is considered to have a variable operating cost of zero for dispatch purposes;
- Accelerated depreciation of 20% annually for income tax purposes for fixed assets related to NCRE energy and hydroelectric projects; and
- Amortization of expenses incurred during the exploration stage of the NCRE project.

In 2019, OSINERGMIN established a procedure to recognize the firm capacity of NCRE generation facilities based on the energy they generate during peak hours. Given the nature of NCRE generation facilities, which cannot consistently produce electricity on a constant level as they rely on weather conditions, the firm capacity recognized to windfarms, photovoltaics and tidal energy NCRE projects has been generally minor as compared to other generating technologies given their relatively low energy dispatch during peak hours.

OSINERGMIN is entitled to call bidding processes in order to award guaranteed tariffs to NCRE projects to cover the targets of energy generated through NCRE projects established by the Peruvian government. The participation of each renewable technology in each tender process depends on the National Plan of Renewable Energies and/or the guidelines for energy policy determined by the MINEM. As of today, OSINERGMIN has called for 4 bidding processes to provide NCRE energy to the SEIN and 1 auction to provide NCRE energy to non-connected systems to the grid. Successful bidders are entitled to execute a concession supply agreement, or CSA, with the Peruvian government, for the construction, operation, and energy supply to the SEIN, at a fixed price. Under a CSA, a concessionaire assumes the right, among others, to supply the awarded energy to the SEIN. A CSA concessionaire is entitled to the awarded guaranteed tariff for the net injections of energy delivered to the SEIN (up to the awarded energy). Energy injections exceeding the awarded energy will be paid at the spot market price. If the spot market price does not cover the guaranteed tariff, a *premium* will apply. Thus, the *premium* will cover the difference between the spot-market price and the guaranteed tariff awarded in the corresponding bidding process. The *premium* is a transmission charge which is paid by the demand created to promote investment in NCRE projects.

Environmental Matters

The environmental legal framework is primarily based on the General Environmental Law, enacted by Law 28611, and the Environmental Impact Assessment National System Law, enacted by Law 27446 and regulations thereto enacted by Supreme Decree 019-2009-MINAM. The Ministry of Environment and other administrative entities have the authority to enact implementing regulations related to environmental matters.

The environmental aspects of the electric power industry are specifically governed by the Regulations of the Environmental Protection for Electric Activities or "REPEA," enacted by Supreme Decree 014-2019-EM. These environmental laws and regulations govern, among other matters, the generation, storage, handling, use, disposal and transportation of hazardous materials; the emission and discharge of hazardous materials into the ground, air or water; and the protection of migratory birds and endangered and threatened species and plants. They also set environmental quality standards for noise, water, air and soil.

According with current Peruvian Environmental Regulation, companies that carry out activities in the electricity sector (whether generation, transmission or distribution) are obliged to perform their activities in a manner that ensures the protection of the environment by controlling and mitigating the environmental impact of their activities. Consequently, and according to applicable laws and regulations, the execution of electric activities requires the prior approval of an environmental management instrument (*i.e.*, Environmental Impact Study ("EIA"), semi-detailed Environmental Impact Study ("EIAsd") or DIA, as the case may be). The applicable environmental management instrument depends on the level of impact that the specific activity may have on the environment, as explained below:

	Level of impact	**Applicable Management Instrument**
I.....	Non-significant negative environmental impacts	DIA
II.....	Moderate negative environmental impacts	EIAsd
III.....	Significant negative environmental impacts	EIA

Before undertaking any kind of activity in the electricity sector, the applicable environmental management instrument must be submitted to the General Directorate of Environmental Affairs relating to the Power Industry (or "DGAAE" for its acronym in Spanish) of MINEM (or its Regional Bureaus) or SENACE for its approval, as the case may be.

SENACE was created by means of Law 29968 enacted on December 20, 2012. SENACE is a specialized technical governmental agency, dependent of the Ministry of Environment, in charge of reviewing and approving EIAs related to projects involving activities, works or services that may cause significant impacts to the environment. Pursuant to Ministerial Resolution No. 328-2015-MINAM dated November 25, 2015, the transfer of jurisdiction from the MINEM in favor of SENACE has been completed. Therefore, as of December 28, 2015, SENACE reviews and approves detailed EIAs submitted by titleholders of electricity sector activities. However, other environmental management instruments that are not detailed EIAs (DIAs and EIAs, among others) will continue to be approved by the DGAAE of the MINEM or its Regional Bureaus (specifically, in case of regional transmission lines and distribution activities).

Pursuant to the REPEA, an applicant for definitive concessions or authorizations for carrying out generation activities must prepare and submit an environmental management instrument to the DGAAE or SENACE, as applicable, for its corresponding approval, prior to the commencement of construction activities. An environmental management instrument includes a description of the activities to be performed in an electric power project, detailing (i) information about its location, including main and ancillary components; and (ii) the environmental baseline study (i.e. geographic, social, cultural and economic aspects within the areas of influence of the project), among other items. Additionally, it identifies and classifies the potential or existing environmental impacts throughout the lifespan of the project and proposes mitigating actions for avoiding, reducing, and/or compensating for those impacts. The corresponding environmental management instrument- in more or less detail, as the case may be- includes an environmental management plan detailing the measures to be implemented to comply with environmental quality standards and other obligations, a contingency plan, a compensation plan, a community participation plan and a closure plan. The titleholder must strictly comply with its environmental commitments included in the corresponding environmental management instrument (whether DIA, EIAsd or EIA) throughout the life-cycle of the project. Once the corresponding environmental management instrument is approved, the titleholder is allowed to initiate its project

Based on the particular characteristics of each project and the activities to be undertaken, the REPEA includes additional obligations and permits.

The most relevant permits necessary for the performance of activities in the electricity sector, depending on the particular type of activity include the following:

- Certificate of non-existence of archaeological remains (*Certificado de Inexistencia de Restos Arqueológicos*) granted on request by the Ministry of Culture;
- Archeological Monitoring Plan (*Plan de Monitoreo Arqueológico*), approved by the Ministry of Culture;
- Rights for water use, including licenses, permits or authorizations, granted on request by the ANA;
- Registry as a direct consumer of liquid fuels, which is an authorization for the operation of hydrocarbon storage tanks, before OSINERGMIN;
- Registry in the Registry for Regulated Assets (*Registro para el Control de Bienes Fiscalizados*) before SUNAT for the acquisition, use and warehousing of regulated assets;
- Authorization for the discharge and/or re-use of wastewaters, granted on request by the ANA;
- Authorization for forest clearing activities, granted on request by the National Forest and Forest Wildlife Service (*Servicio Nacional Forestal y de Fauna Silvestre*) of Peru; and
- Authorization for the use of explosives, granted on request by the National Superintendency of Control of Security Services, Arms, Ammunition and Explosives for Civil Use (*Superintendencia Nacional de Control de Servicios de Seguridad, Armas, Municiones y Explosivos de Uso Civil*).

OEFA is the competent authority in charge of regulating, supervising and imposing sanctions on companies in the electric industry with respect to their non-compliance with the applicable environmental legislation. In addition, there are other competent governmental agencies or authorities on specific environmental matters such as water, forestry resources, and aquatic environment that regulate and supervise environmental compliance and liability.

Pursuant to Law 30230 published on July 12, 2014, OEFA was instructed to prioritize preventive and corrective actions for a period of three years. This period expired on July 12, 2017. During such period, if OEFA had declared the existence of an infringement in the context of an administrative sanctioning proceeding, this authority should order the execution of corrective measures that seek to reverse the alleged infringement. If the investigated company failed to comply with these administrative measures, OEFA would impose pecuniary sanctions (which should not exceed 50% of the penalty that would otherwise be applicable to such infringement).

The described benefits of Law 30230 did not apply to: (i) severe infringements that cause a real and/or severe damage to an individual's health or life; (ii) activities carried out in prohibited areas or without the appropriate environmental management instrument or the authorization to start operations; and (iii) titleholders considered reoffenders.

Currently, to the extent Law 30230 is no longer in force, if OEFA declares the existence of an infringement in the context of an administrative sanctioning proceeding, it may, at the same time or alternatively, impose pecuniary sanctions (without considering the 50% reduction) and order the execution of corrective measures.

Notwithstanding the above, by means of Resolution 006-2019-OEFA/CD, dated February 17, 2019, the Board (*Consejo Directivo*) of OEFA issued the new Regulations for Direct Supervision, which establish that the role of direct supervision aims to prevent environmental damage and promote voluntary correction of alleged breaches of environmental obligations. Thus, such regulations promote the implementation of corrective measures and the correction of infringements in order to avoid initiating unnecessary administrative sanctioning proceedings.

In any case, in accordance with the Peruvian Civil Code (*Código Procesal Civil*), a civil claim may be filed against the titleholder of a project in the electricity sector on the grounds of environmental damage. Therefore, any third party, under the principles of tort liability, could file a civil claim against the titleholder of a project for causing environmental damage due to the use or exploitation of an asset or activity that implies a risk or danger.

In addition, the Peruvian Criminal Code (*Código Penal*) contains a section that typifies different kinds of environmental crimes and their corresponding sanctions (i.e., environmental contamination). They generally require a severe breach of applicable laws and regulations and causing damages that harm the environment.

The sanctions for committing environmental crimes vary from two to twelve years of imprisonment, depending on the specific crime, and may include the imposition of community service hours and fines. Criminal liability shall apply to the individuals within the company's business structure (including managers) who had decision-making power over environmental matters at the time in which the infringement was committed. That is, the decision-making officers of the companies that carry out activities in the electricity sector are the ones exposed to criminal investigation, prosecution and, eventually, liability if there is a gross infraction that is typified as a crime.

The most relevant environmental permit obtained for the construction and operation of the CDP, Carhuaquero, Caña Brava and Carhuaquero IV hydroelectric power plants and the Carhuaquero solar plant are their respective EIAs and DIAs, as applicable.

Other permits obtained for the operation of the CDP, Carhuaquero, Caña Brava, Carhuaquero IV and Carhuaquero Solar plants include:

- generation permits of the CDP, Carhuaquero, Caña Brava and Carhuaquero IV hydroelectric power plants and Carhuaquero Solar plant granted by the MINEM;
- transmission concession of the transmission lines granted by the MINEM;

- water use license for our hydroelectric power plants granted by the ANA; and
- operative studies granted by the COES.

MANAGEMENT

Directors and Senior Management

The following table sets forth information regarding our directors as of the date of this offering memorandum.

Name	Age	Position	Current Position Held Since	Term Expires
Francisco Sugrañes	60	Chairman of the Board	March 25, 2019	December 23, 2026
Victor Tejada	63	Director	April 4, 2022	December 23, 2026
Arturo Silva-Santisteban	48	Director	March 25, 2019	December 23, 2026

The following table sets forth information regarding our senior management as of the date of this offering memorandum. Since 2019, Orazul's management is conducted by the executive team of our affiliate Kallpa Generación S.A., pursuant to the terms of a management services agreement by and among Orazul and Kallpa Generación S.A.

Name	Age	Position
Rosa María Flores-Araoz	52	Chief Executive Officer
Arturo Silva-Santisteban	48	Chief Financial Officer
Joaquin Coloma	48	Chief Business Development Officer
Irwin Frisancho	53	Chief Commercial Officer
Victor Tejada	63	Chief Operations Officer
Carlos León	50	General Counsel & Regulatory
Jose Manuel Tierno	47	Chief Energy and Customer Solutions Officer

Our business address is the business address of all of our directors and senior management.

Biographies of our Directors and Senior Management

Francisco Sugrañes. Mr. Sugrañes has served as Chief Technical Officer of Inkia since 2009 and as Chairman of the Board of Orazul since March 2009. From 2004 to 2009, he was Senior Director of Operations at Ashmore Energy International ("AEI"), where he oversaw global operations and reported directly to the Vice President of Operations. Additionally, during his tenure at AEI, Mr. Sugrañes held various positions, including General Manager of the Pantanal Energia Power Plant in Cuiabá, Brazil from 2002 to 2004, and General Manager of Jamaica Private Power Co. in Kingston, Jamaica from 2008 to 2009. Mr. Sugrañes has over 32 years of experience in the energy industry. He holds a Bachelor's Degree in Civil Engineering and a Master's Degree in Construction Management from Texas A&M University.

Rosa María Flores-Araoz. Ms. Flores-Araoz has been the Chief Executive Officer of Kallpa Generación S.A. since 2015. She has over 25 years of experience in the electricity sector and was previously Deputy CEO of Kallpa Generación S.A. from 2011 to 2015, Commercial Manager of Edegel S.A. from 2007 to 2010 and Regulation Director of Endesa Perú S.A. during the same period. She worked at the National Association of Mining, Oil, and Energy as Electricity Sector Manager from 2002 to 2006. Ms. Flores-Araoz has a degree in economics from Universidad de Lima (Peru) and a master's degree in applied economic sciences, with a minor in business economics, from the Pontificia Universidad Católica in Chile.

Arturo Silva-Santisteban. Mr. Silva-Santisteban has been the Chief Financial Officer of Kallpa Generación S.A. since 2016 and a member of the Board of Orazul since March 2019. Mr. Silva-Santisteban has over 13 years of experience in the power industry plus over 13 years of experience in the financial industry. He was previously Finance Vice President in Engie Energía Peru from 2013 to 2016 and Senior Manager of Acquisitions, Investments & Financial Advisory at Engie Latin America from 2011 to 2013. He also worked in mergers & acquisitions, strategy and business development at Barclays Bank from 2008 to 2011 and held different management positions at Scotiabank from 2003 to 2007 and Citibank from 1999 to 2003. Mr. Silva-Santisteban holds a bachelor's degree

in economics from Universidad del Pacífico and a master's in business administration from London Business School.

Joaquin Coloma. Mr. Coloma has been the Business Development Officer of Kallpa Generación S.A. since 2025 and prior to that he was Business Development Officer at Inkia during 2024 and Deputy Business Development Officer at Inkia from 2010 to 2023. His experience also includes serving as Business Development Manager of Cementos Pacasmayo S.A.A. from 2006 to 2010 and, prior to that, as Vice President at BNP Paribas from 2001 to 2006. Mr. Coloma holds a degree in business administration from Universidad del Pacífico and a master's in business administration from Kellogg School of Management. He is also a Chartered Financial Analyst by the CFA Institute.

Irwin Frisancho. Mr. Frisancho has been the Chief Commercial Officer of Kallpa Generación S.A. since 2010. He has over 25 years of experience in the Peruvian electricity sector and has held positions in different companies in the sector such as Engie Energía Peru, where he was the Head of Energy Studies and Markets; COES SUR; and EGEMSA. Mr. Frisancho has a degree in electrical engineering from Universidad Nacional San Antonio Abad in Cusco (Peru), with a specialization in regulatory and energy market matters.

Victor Tejada. Mr. Tejada has been the Chief Operations Officer of Kallpa Generación S.A. since 2017 and a member of the Board of Orazul since April 2022. He has over 30 years in the electricity sector. He previously worked at Engie Energía Peru, where he was Head of Operations. Mr. Tejada has a degree in mechanical engineering from Universidad Nacional de Ingeniería (Peru) and a master's degree in business administration from Universidad Privada de Tacna (Peru).

Carlos León. Mr. Leon has been the General Counsel & Regulatory Manager of Kallpa Generación S.A. since 2019, and prior to that he was VP of Commercial & Regulatory Affairs at Inkia from 2013 to 2019. He has also served as General Counsel and Deputy Sales Manager at Engie Energía Perú from 2004 to 2013. Mr. León holds a law degree from Universidad de Lima and has completed studies for a master's degree in regulated markets from Universidad Peruana de Ciencias Aplicadas.

Jose Manuel Tierno. Mr. Tierno has been the Chief Energy and Customer Solutions Officer of Kallpa Generación S.A. since 2021. He has over 20 years of experience in the power industry, from which more than 15 years were in his capacity as Commercial and Business Development Director of Orazul Energy Argentina and Duke Energy Argentina and Chile. Additionally, he served as Director for CAMMESA, Termoeléctrica San José de San Martín, Termoeléctrica Belgrano and Fundación Energía Renovable Patagónica. Mr. Tierno holds a degree in accounting from Universidad de Belgrano and has completed postgraduate studies in electricity and natural gas markets at Instituto Tecnológico Buenos Aires and a specialization program in executive leadership by Kellogg School of Management.

Board Practices

The members of our Board of Directors are elected by the general meeting of shareholders for two-year terms, with the possibility of reelection. Our Board of Directors is currently comprised of three members.

Our Board of Directors conducts annual ordinary meetings and extraordinary meetings whenever considered convenient or necessary, as called by the president of our Board of Directors. Resolutions of the Board of Directors are passed by a majority of its members, and in case of a deadlock, the chairman's vote determines the result.

Compensation of Directors

Our Board of Directors does not receive compensation. During the year ended December 31, 2024, our Board of Directors did not receive any remuneration or stipend for any additional duties or expenses.

Code of Ethics and Ethical Guidelines

Our Board of Directors has adopted a code of ethics that describes our commitment to, and requirements in connection with, ethical issues relevant to business practices and personal conduct.

PRINCIPAL SHAREHOLDERS

We are a Peruvian corporation (*sociedad anónima*) organized under the laws of Peru, and we are an indirectly owned subsidiary of certain investment funds managed by I Squared Capital and minority co-investors.

As of December 31, 2024, I Squared Capital and minority co-investors, through Inkia and its subsidiaries, Orazul Energia (UK) Holdings Ltd. and Orazul Energía Partners LLC, indirectly held 99.99% of our shares. The remaining 0.01% of the share capital is owned by a number of minority investors. The table below sets forth our principal shareholders as of December 31, 2024:

Shareholder	**Shares**	**%**
Orazul Energia (UK) Holdings Ltd.	1,690,843,115	99.9858748
Orazul Energia Partners LLC	3	0.0000002
Others	238,866	0.0141250
Total shareholders	1,691,081,984	100.0000000

Our Controlling Shareholder

Our controlling shareholder is I Squared Capital which, through a set of independently managed private equity funds which are jointly referred to as "ISQ Global Infrastructure Fund I and II", is focused on making infrastructure investments in developed and developing countries.

RELATED PARTY TRANSACTIONS

Orazul is a party to numerous related party transactions with certain of their affiliates. Each such related party transaction is approved by the board of directions of Orazul, as applicable.

We believe that we have complied and are in compliance in all material respects with the requirements of the relevant provisions of the Peruvian law governing related party transaction with respect to all of our transactions with related parties.

Below is a summary of accounts receivable or payable, with our affiliates as of June 30, 2025 and December 31, 2024, 2023 and 2022:

	As of June 30,	As of December 31,		
	2025	2024	2023	2022
		(in millions of U.S. dollars)		
Kallpa Generación S.A.	-	(2)	(1)	1
Total	**-**	**(2)**	**(1)**	**1**

The table below presents the net effect on income of transactions with our affiliates for the six months ended June 30, 2025 and the years ended December 31, 2024, 2023 and 2022:

	Six-month period ended June 30,	For the year ended December 31,		
	2025	2024	2023	2022
		(in millions of U.S. dollars)		
Kallpa Generación S.A.	(1)	(8)	(6)	(5)
Termoselva S.R.L. [(1)]	-	-	-	1
Samay I S.A. [(2)]	-	-	-	(2)
Total	**(1)**	**(8)**	**(6)**	**(6)**

(1) On March 6, 2023, we completed the sale of our interests in Aguaytía Energy del Perú S.R.L. and Termoselva S.R.L. As such, Aguaytía Energy del Perú S.R.L. and Termoselva S.R.L are no longer affiliates of Orazul.

(2) On February 3, 2023, our indirect parent companies completed the sale of 74.9% of their interest in Samay I S.A. On May 26, 2023, our indirect parent companies completed the sale of the remaining 25.1% interest in Samay I S.A. As such, Samay I S.A. is no longer an affiliate of Orazul.

For more information on our related party transactions, see note 16 to Orazul's unaudited condensed consolidated interim financial statements included elsewhere in this offering memorandum.

DESCRIPTION OF THE NOTES

The following is a description of the material terms and conditions of the Notes. For purposes of this "Description of the Notes," the term "Company" means Orazul Energy Perú S.A. and its successors under the Indenture, in each case excluding its Subsidiaries. Certain terms are defined as set forth below under "Certain Definitions." The following description of certain provisions of the Notes and the Indenture does not purport to be complete and is subject to, and is qualified in its entirety by reference to all the terms and conditions of the Notes and the Indenture. If any discrepancy and/or inconsistency between the Indenture and this "Description of the Notes," the Indenture shall prevail. Copies of the Indenture and specimens of the Notes will be available free of charge for inspection at the offices of the Company upon request. See "Available Information." We also will make copies of the Indenture available to the holders of the Notes, at the corporate trust office of the Trustee located at 388 Greenwich Street, New York, NY 10013, at no cost.

General Overview

The notes (the "*Notes*") will be issued pursuant to the Indenture. The Notes will be issued by the Company, and the Company will be liable therefor and obligated to perform all covenants and agreements to be performed by the Company pursuant to the Notes and the Indenture, including the obligations to pay principal, premium, interest and Additional Amounts (as defined below), if any. Initially, the Trustee will act as Registrar, Transfer Agent and Paying Agent.

Basic Terms of the Notes

The Notes will:

- provide that interest will be payable semi-annually on each March 17 and September 17 thereafter, to the person in whose name a Note is registered at the close of business on the preceding March 2 and September 2, respectively (each, a "*Record Date*");
- provide that interest on the outstanding principal amount will accrue beginning on the date of issuance, at a rate per annum equal to 6.250% per year from September 17, 2025;
- provide that interest on overdue interest will be payable at a rate of 2.00% per annum over the otherwise applicable rate per annum;
- provide that interest will be computed on the basis of a 360-day year of twelve 30-day months; and
- mature on September 17, 2032 at a price of 100% of the outstanding principal amount of the Notes, unless the Company redeems the Notes prior to that date.

Additional Notes

The Company may from time to time, without the consent of the Holders of the Notes, and subject to the limitations described under "—Restrictive Covenants—Limitation on Indebtedness" below and other applicable provisions of the Indenture, create and issue additional notes having terms and conditions the same as those of the Notes (the "*Additional Notes*"), except for the payment of interest accruing prior to the issue date of such Additional Notes and, in some cases, except for the first payment of interest following the issue date of such Additional Notes, which Additional Notes may be consolidated and form a single series with the outstanding Notes. To the extent that any Additional Notes are part of the same series as the Notes that the Company is currently offering, such Additional Notes will be entitled to vote on all matters on which the Holders of the Notes are entitled to vote. The Notes and the Additional Notes, if any, will be treated as a single series for all purposes under the Indenture, including waivers and amendments; *provided that*, if the Additional Notes are not fungible with the Notes for U.S. federal income tax purposes, the Additional Notes will be issued with a separate CUSIP or other identifying number.

Ranking

The Notes are considered part of the Company's senior unsecured obligations ranking *pari passu* with all of the Company's other senior unsecured and unsubordinated obligations (except those obligations preferred by operation of law). The Notes will be effectively junior to all secured debt of the Company, to the extent of any collateral securing such debt.

As of June 30, 2025, on a pro forma basis, as adjusted to give effect to the offering of the Notes and the application of net proceeds therefrom as described in "Use of Proceeds," the Company would have had approximately U.S.$375 million of senior unsecured Indebtedness (after giving effect to reductions for unamortized premiums, discounts or debt issuance costs), in each case on a consolidated basis.

Paying Agent and Registrar for the Notes

The Company will maintain a paying agent and registrar for the Notes in the United States. The Trustee will initially act as the paying agent and registrar for the Notes. The Company may change either the paying agent or registrar under the Indenture without prior notice to the holders of the Notes, and the Company or any of its Subsidiaries may act as paying agent or registrar.

Upon written request from the Company, the registrar shall provide the Company with a copy of the register to enable the Company to maintain a register of the Notes at its registered offices. In the event of a conflict between any register maintained by the Company and the register maintained by the registrar, the register maintained by the registrar shall prevail.

Notices

All notices will be deemed to have been given (i) if to Holders of non-global certificated Notes, upon the mailing by first class mail, postage prepaid, of such notices to Holders of the Notes at their registered addresses as recorded in the register and (ii) if to Holders of Global Notes, upon delivery of such notices to the relevant depositary in accordance with its applicable procedures.

Repurchases at the Option of the Holders of the Notes Upon Change of Control that Results in a Ratings Event

Upon the occurrence of a Change of Control that results in a Ratings Decline, each Holder will have the right to require that the Company purchase all or a portion (in integral multiples of U.S.$1,000; provided that the remaining principal amount of such Holder's Notes will not be less than U.S.$200,000) of the Holder's Notes at a purchase price equal to 101% of the principal amount thereof, plus accrued and unpaid interest thereon to, but excluding, the date of purchase (the "*Change of Control Payment*").

Within 30 days following the date upon which a Change of Control that results in a Ratings Decline occurred, the Company must send, (i) if Global Notes, to the relevant depositary in accordance with its applicable procedures, a notice and (ii) if non-global certificated notes, by first-class mail, a notice to each Holder, in each case, with a copy to the Trustee, offering to purchase the Notes as described above (a "*Change of Control Offer*"). The Change of Control Offer shall state, among other things, the purchase date, which must be no earlier than 30 days nor later than 60 days from the date the notice is mailed, except as may be required by law.

If only a portion of a Note is purchased pursuant to a Change of Control Offer, a new Note in a principal amount equal to the portion thereof not purchased will be issued in the name of the Holder thereof upon cancellation of the original Note (or appropriate adjustments to the amount and beneficial interests in a Global Notes will be made, as appropriate); provided that the remaining principal amount of such Holder's Notes will not be less than U.S.$200,000 and will be in integral multiples of U.S.$1,000 in excess thereof.

The Company shall only be required to make a Change of Control Offer in the event that a Change of Control results in a Ratings Decline. Consequently, if a Change of Control were to occur which does not result in a Ratings Decline, the Company would not be required to offer to repurchase the Notes. The Company shall not be required to make a Change of Control Offer if (1) a third party makes the Change of Control Offer in a 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 Company and purchases all Notes validly tendered and not withdrawn under such Change of Control Offer, or (2) notice of redemption for all outstanding Notes has been given pursuant to the Indenture as described below under the caption "—Optional Redemption," unless and until there is a default in payment of the applicable redemption price.

Notwithstanding anything to the contrary contained herein, a Change of Control Offer may be made in advance of a Change of Control, conditioned upon the consummation of such Change of Control and/or a Ratings Decline, if a definitive agreement is in place for the Change of Control at the time the Change of Control Offer is made.

In the event that Holders of not less than 90% of the aggregate principal amount of the outstanding Notes accept a Change of Control Offer and the Company (or a third party making the Change of Control Offer) purchases all of the Notes held by such Holders, the Company will have the right, upon not less than 10 nor more than 60 days' notice, given not more than 30 days following the purchase pursuant to the Change of Control Offer described above, to redeem all of the Notes that remain outstanding following such purchase at a redemption price equal to the Change of Control Payment plus, to the extent not included in the Change of Control Payment, accrued and unpaid interest on the Notes that remain outstanding, to, but excluding, the date of redemption.

The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other applicable securities laws and regulations in connection with the purchase of Notes in connection with a Change of Control Offer. To the extent that the provisions of any securities laws or regulations conflict with the provisions of the Indenture, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the Indenture by doing so. If it would be unlawful in any jurisdiction to make a Change of Control Offer, the Company will not be obligated to make such offer in such jurisdiction and will not be deemed to have breached its obligations under the Indenture because of its failure to make such offer.

The obligation of the Company to make a Change of Control Offer may be waived or modified at any time prior to the occurrence of such Change of Control with the written consent of Holders of a majority in principal amount of the Notes as described below under the caption "—Modifications, Waivers and Amendments."

Except as described above with respect to a Change of Control and a Ratings Decline, the Indenture does not contain provisions that permit the Holders of the Notes to require that the Company repurchase or redeem the Notes in the event of a takeover, recapitalization or similar transaction.

If a Change of Control Offer occurs, there can be no assurance that the Company will have available funds sufficient to make the Change of Control Payment for all the Notes that might be delivered by Holders seeking to accept the Change of Control Offer. In the event that the Company is required to purchase outstanding Notes pursuant to a Change of Control Offer, the Company may seek third party financing to the extent the Company does not have available funds to meet its purchase obligations and any other obligations it may have. There can be no assurance, however, that that the Company will be able to obtain necessary financing or that such third party financing will be permitted under the terms of the Indenture and its other Indebtedness.

Other existing and future Indebtedness of the Company may contain prohibitions on the occurrence of events that would constitute a Change of Control or require that Indebtedness be purchased upon a Change of Control. Moreover, the exercise by the Holders of their rights to require the Company to repurchase the Notes upon a Change of Control that results in a Ratings Decline may cause a default under such Indebtedness even if the Change of Control itself does not.

Mandatory Redemption

The Company will not be required to make any mandatory redemption or sinking fund payments with respect to the Notes.

Optional Redemption

Optional Redemption. Prior to September 17, 2028, the Company will have the right, at its option, to redeem any of the Notes, in whole or in part, at any time and from time to time at a redemption price equal to the greater of (1) 100% of the principal amount of such Notes and (2) the present value to be calculated by the Company at such redemption date of (i) the redemption price of such Notes at September 17, 2028 (such redemption price being set forth in the table below) *plus* (ii) all required interest payments through September 17, 2028 on such Notes (excluding accrued but unpaid interest to the redemption date), in each case, discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate *plus* 40 basis points, *plus* in each case any accrued and unpaid interest on the principal amount of such Notes to, but excluding, the date of redemption.

The Company may redeem the Notes, at any time on or after September 17, 2028, at its option, in whole or in part, at the following redemption prices, expressed as percentages of the principal amount of the Notes outstanding, if redeemed during the twelve-month period beginning September 17 of the year set forth below (subject to the right of Holders of record on the relevant Record Date to received interest due on the relevant Interest Payment Date), *plus*, in each case, any accrued and unpaid interest, and Additional Amounts, if any. Notice of such redemption to each Holder of Notes must be mailed and published in accordance with the provisions set out under "—Notices," not less than 10 days nor more than 60 days prior to the redemption date.

Year	Percentage
2028	103.125%
2029	101.563%
2030 and thereafter	100.000%

Optional Redemption upon Equity Event. In addition, at any time prior to September 17, 2028, the Company may, at its option, use the net cash proceeds of one or more Equity Events to redeem in the aggregate up to 35% of the aggregate principal amount of the Notes originally issued (calculated after giving effect to the original issuance of Additional Notes, if any) at a redemption price equal to 106.250% of the principal amount thereof, *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 received interest due on the relevant Interest Payment Date); *provided*, *however*, that at least 65% of the original aggregate principal amount of the Notes (calculated after giving effect to the issuance of Additional Notes, if any) must remain outstanding immediately after giving effect to each such redemption (excluding any Notes held by the Company, and direct or indirect parent company of the Company or any of the Company's Subsidiaries). Notice of any such redemption must be given within 120 days after the date of the closing of the relevant Equity Event.

"*Equity Event*" means a public or private offering of Qualified Capital Stock of the Company.

Optional Redemption Procedures.

Notice of any redemption will be mailed at least 10 days but not more than 60 days before the redemption date to each Holder of Notes to be redeemed (with a copy to the Trustee).

Notice of any redemption of the Notes may, at the Company's discretion, be subject to one or more conditions precedent. If such redemption is so subject to the satisfaction of one or more conditions precedent, such notice shall describe each such condition and, if applicable, shall state that such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied by the redemption date.

On and after any redemption date, interest will cease to accrue on the Notes unless the Company defaults in the payment of the redemption price. The Company or any of its Affiliates may at any time purchase the Notes in the open market or otherwise at any price.

In the case of a partial redemption, selection of the Notes for redemption will be made pro rata, by lot or by such other method as the Trustee in its sole discretion deems appropriate and fair. No Notes of a principal amount of U.S.$200,000 or less will be redeemed in part. 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 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. For so long as the Notes are held by DTC (or another depositary), the redemption of the Notes shall be done in accordance with the policies and procedures of the depositary.

Prior to the giving of notice of redemption of Notes pursuant to the Indenture, the Company will deliver to the Trustee an Officer's Certificate and an Opinion of Counsel to the effect that the Company is or at the time of the redemption will be entitled to effect such a redemption pursuant to the Indenture, and setting forth in reasonable detail the circumstances giving rise to such right of redemption.

Optional Tax Redemption

The Notes may be redeemed at the Company's election, in whole, but not in part, by the giving of notice, at a price in U.S. dollars equal to the outstanding principal amount thereof, together with any Additional Amounts and accrued and unpaid interest to the redemption date, if, as a result of any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) or treaties of a Relevant Jurisdiction, or any change in the official application, administration or interpretation of such laws, regulations, rulings or treaties (including a holding

by a court of competent jurisdiction) in a Relevant Jurisdiction, the Company has or will become obligated to pay Additional Amounts on the Notes in excess of those Additional Amounts in respect of interest received on the Notes at a rate of withholding or deduction in excess of 4.99% ("*Excess Additional Amounts*") of the scheduled payments of interest due on the Notes, if such change or amendment is announced on or after the Issue Date (or, in the case of a jurisdiction that becomes a Relevant Jurisdiction after the Issue Date, after the date such jurisdiction becomes a Relevant Jurisdiction) and such obligation cannot be avoided by the Company taking commercially reasonable measures available to it; *provided*, *however*, that for this purpose, reasonable measures shall not include any change in the jurisdiction of organization or location of the principal executive office of the Company or any successor to the Company under the Indenture; and *provided, further*, *that* no notice of redemption pursuant to the foregoing may be given earlier than 60 days prior to the earliest date on which the Company would be obligated to pay such Excess Additional Amounts, were a payment in respect of the Notes then due.

Restrictive Covenants

Limitation on Restricted Payments

(a) The Company will not, nor will the Company permit any of its Restricted Subsidiaries to, directly or indirectly:

(1) declare or pay any dividend or make any distribution on or in respect of its Capital Stock (including any payment in connection with any merger or consolidation involving the Company or any Restricted Subsidiary of the Company) except (i) dividends or distributions by the Company payable solely in the form of its Capital Stock (other than Disqualified Stock) or (ii) dividends or distributions by any Restricted Subsidiary payable to the Company or any Restricted Subsidiary (and, if such Restricted Subsidiary has shareholders other than the Company or any other Restricted Subsidiary, to its other shareholders on a *pro rata* basis);

(2) purchase, redeem, retire or otherwise acquire for value any Capital Stock of the Company held by Persons other than the Company or a Restricted Subsidiary (other than a purchase, redemption, retirement or other acquisition for value that would constitute a Permitted Investment) or any Capital Stock of a Parent Entity;

(3) make any principal payment on, purchase, repurchase, redeem, defease or otherwise acquire or retire for value, prior to scheduled maturity, scheduled repayment or scheduled sinking fund payment, any Subordinated Obligations of the Company (other than (x) a scheduled payment of interest (*provided* no Default or Event of Default shall have occurred and be continuing), (y) the purchase, repurchase, redemption, defeasance or other acquisition of Subordinated Obligations made in anticipation of satisfying a sinking fund obligation, a principal installment or a final maturity, in each case, due within one year of the date of such purchase, repurchase, redemption, defeasance or other acquisition or (z) any intercompany Indebtedness between or among the Company and any of the Restricted Subsidiaries); or

(4) make any Restricted Investment;

(the actions described in clauses (1) through (4) above being herein referred to as "*Restricted Payments*" and each, a "*Restricted Payment*"), if at the time the Company or any of its Restricted Subsidiaries makes such Restricted Payment:

(i) a Default or an Event of Default has occurred and is continuing;

(ii) after giving *pro forma* effect to the Restricted Payment, the Company is not able to Incur at least U.S.$1.00 of additional Indebtedness pursuant to either ratio in clause (1) of paragraph (a) under "—Limitation on Indebtedness" below; or

(iii) the aggregate amount of such Restricted Payment and all other Restricted Payments, excluding Permitted Payments contemplated by clauses (1) through (4) and (6) through (13) of

paragraph (b) below, declared or made subsequent to the Issue Date would exceed the sum of, without duplication:

(A) the difference between (x) 100% of Consolidated Adjusted EBITDA, for the period, taken as one accounting period, beginning on July 1, 2025 to the end of the most recent fiscal period for which internal financial statements of the Company are available minus (y) an amount equal to 150% of the Consolidated Interest Charges for such period; *plus*

(B) 100% of the aggregate Net Cash Proceeds, and the Fair Market Value of any property, received by the Company from the issue or sale of its Capital Stock (other than Disqualified Stock) or other capital contributions subsequent to the Issue Date (other than Net Cash Proceeds received from an issuance or sale of such Capital Stock to any Restricted Subsidiary of the Company or an employee stock ownership plan, option plan or similar trust to the extent such sale to an employee stock ownership plan, optional plan or similar trust is financed by loans from or Guaranteed by the Company or any Restricted Subsidiary, except to the extent such loans have been repaid with cash on or prior to the date of determination); *plus*

(C) the amount of a Guarantee of the Company or any Restricted Subsidiary upon the unconditional release in full of the Company or such Restricted Subsidiary from such Guarantee if such Guarantee was previously treated as a Restricted Payment; and in the event that the Company or any Restricted Subsidiary thereof makes an Investment in a Person that, as a result of or in connection with such Investment, becomes a Restricted Subsidiary, an amount equal to the Company's or such Restricted Subsidiary's existing Investment in such Person; *provided* that any amount added pursuant to this clause (C) shall not exceed the amount of such Guarantee or Investment, respectively, previously made and treated as a Restricted Payment and not previously added pursuant to this clause (C); and *provided, however*, that no amount will be included under this clause (C) to the extent it is already included in determining Consolidated Net Income included in clause (I) below or Consolidated Adjusted EBITDA included in clause (A) above ; *plus*

(D) to the extent that any Unrestricted Subsidiary of the Company is redesignated as a Restricted Subsidiary, the Fair Market Value of the direct or indirect Investment of the Company in such Subsidiary as of the date of such redesignation; *provided* that any amount added to this clause (D) shall not exceed the amount of such Investments previously made in such Subsidiary; *plus*

(E) 100% of the proceeds of any sale of stock (other than to the Company or any Restricted Subsidiary) or dividends or distributions received by the Company or any Restricted Subsidiary from an Unrestricted Subsidiary, to the extent such amounts were not otherwise included in determining the Consolidated Net Income included in clause (I) below or Consolidated Adjusted EBITDA included in clause (A) above; *plus*

(F) the issuance and sale subsequent to the Issue Date (and, in the case of Indebtedness of a Restricted Subsidiary, at such time as it was a Restricted Subsidiary) of any Indebtedness of the Company or any Restricted Subsidiary that has been converted into or exchanged for Capital Stock (other than Disqualified Stock) of the Company; *plus*

(G) to the extent that any Investment (other than a Permitted Investment) that was made after the date of the Issue Date is sold for cash or otherwise liquidated or repaid for cash, the lesser of (i) the cash return of capital with respect to such Investment (less the cost of disposition, if any) and (ii) the initial amount of such Investment, to the extent such amount was not otherwise included in determining the Consolidated Net Income included in clause (I) below or Consolidated Adjusted EBITDA included in clause (A) above; *plus*

(H) The aggregate amount of Excess Net Cash Proceeds since the Issue Date following the consummation or expiration of any Asset Sale Offer related thereto to the extent not used pursuant to clause (4)(b) of paragraph (b) below; *plus*

(I) U.S.$180.1 million (equivalent to 100% of the Consolidated Net Income accrued during the period (treated as one accounting period) from July 1, 2016 to June 30, 2025 less dividends paid during such period).

(b) The provisions of paragraph (a) above will not prohibit the following (collectively, "*Permitted Payments*"):

(1) any purchase, repurchase, redemption, defeasance or other acquisition or retirement for value or reduction of Capital Stock or Subordinated Obligations of the Company, or any dividend, distribution or other payment, or the making of any Investment, in each case made or paid by exchange for, or out of the proceeds of the substantially concurrent sale of, Capital Stock of the Company (other than Disqualified Stock and other than Capital Stock issued or sold by the Company to a Restricted Subsidiary of the Company or an employee stock ownership plan or other trust established by the Company or any of its Restricted Subsidiaries to the extent that such sale to an employee stock ownership plan or other trust was financed by loans from or Guaranteed by the Company or a Restricted Subsidiary thereof, as applicable, unless such loans have been repaid with cash on or prior to the date of determination); *provided, however,* that (x) such purchase, repurchase, redemption, defeasance, acquisition or retirement or reduction, or such dividend, distribution or other payment, or such Investment, will be excluded in subsequent calculations of the amount of Restricted Payments and (y) the Net Cash Proceeds from such sale of Capital Stock, to the extent such Net Cash Proceeds are used for such purchase, repurchase, redemption, defeasance, acquisition or retirement or reduction, or such dividend, distribution or other payment, or such Investment, will be excluded from clause (iii)(B) of paragraph (a) of this covenant;

(2) repurchases by the Company of Capital Stock of the Company or options exercisable or convertible into Capital Stock of the Company, from any current or former employees, officers, directors or consultants of the Company or any of its Subsidiaries to the extent such securities or options were issued pursuant to the employee stock ownership plan of the Company, and such securities or options were outstanding on the Issue Date (or in the case of securities issued after the Issue Date pursuant to such options, such options were outstanding on the Issue Date); and other repurchases by the Company of Capital Stock of the Company, or options, warrants or other securities exercisable or convertible into Capital Stock of the Company, from any current or former employees, officers, directors or consultants of the Company or any of its Subsidiaries, or their authorized representatives upon the death, disability or termination of employment or directorship of such employees, officers or directors, or the termination of retention of any such consultants, in an amount not to exceed U.S.$2.0 million in any calendar year; *provided* that such amount in any calendar year may be increased by an amount not to exceed:

a. the cash proceeds from the sale of Capital Stock (other than Disqualified Stock) of the Company and, to the extent contributed to the capital of the Company (other than through the issuance of Disqualified Stock), Capital Stock of any Parent Entity, in each case to members of management, directors or consultants of the Company or any of its Subsidiaries or any Parent Entity that occurred after the Issue Date (so long as not also included in determining the amount of clause (iii)(B) of paragraph (a) of this covenant); *less*

b. the amount of any Restricted Payments made in previous calendar years pursuant to the preceding clause (2)(a);

and, *provided, further*, that cancellation of Indebtedness owing to the Company or any Restricted Subsidiary from any future, present or former members of management, directors, employees, contractors or consultants of the Company or Restricted Subsidiaries or any Parent Entity in connection with a repurchase of Capital Stock of the Company or any Parent Entity will not be deemed to constitute a Restricted Payment for purposes of this covenant or any other provision of the Indenture so long as no cash payment is made in connection with such cancellation of Indebtedness;

(3) the repurchase of Capital Stock deemed to occur upon the exercise of stock options or warrants to the extent such Capital Stock represents a portion of the exercise price of those stock options or warrants;

(4) any purchase, repurchase, redemption, defeasance or other acquisition or retirement of Subordinated Obligations or Disqualified Stock or Preferred Stock of a Restricted Subsidiary:

a. so long as no Default or Event of Default has occurred and is continuing, any purchase or redemption of Subordinated Obligations at a purchase price of up to 101% of the principal amount thereof (together with accrued and unpaid interest) in the event of the occurrence of a Change of Control; *provided*, *however*, that prior to such purchase or redemption, the Company (or a third party to the extent permitted by the Indenture) has made the Change of Control Offer described under "—Repurchases at the Option of the Holders of the Notes Upon Change of Control that Results in a Ratings Event" and has purchased all Notes validly tendered and not withdrawn pursuant thereto; or

b. so long as no Default or Event of Default has occurred and is continuing, from Net Cash Proceeds from an Asset Disposition to the extent permitted "—Limitation on Sales of Assets";

(5) dividends paid in accordance with applicable law within 60 days after the date of declaration thereof if at such date of declaration such dividend would have complied with this covenant;

(6) dividends, loans, advances, distributions or any other Investments made to any Parent Entity or other payments by the Company or any of its Restricted Subsidiaries in amounts equal to (without duplication):

a. the amounts required for any Parent Entity to pay any Parent Entity Expenses or any Related Taxes; and

b. amounts constituting or to be used for purposes of making payments to the extent specified in clauses (a), (e), (g) and (h) of clause (2) under "—Limitation on Transactions with Affiliates;"

(7) payments by the Company, or loans, advances, dividends or distributions to any Parent Entity to make payments, to holders of Capital Stock of the Company or any Parent Entity in lieu of the issuance of fractional shares of such Capital Stock;

(8) distributions, by dividends or otherwise, or other transfer or disposition of shares of Capital Stock of, of equity interests in, or Indebtedness owed to the Company or any of its Restricted Subsidiaries by, Unrestricted Subsidiaries;

(9) the making of any Permitted Investment;

(10) Restricted Payments to a Parent Entity to finance Investments that would otherwise be permitted to be made pursuant to this covenant if made by the Company; *provided* that (A) such Restricted Payment shall be made substantially concurrently with the closing of such Investment, (B) such Parent Entity shall, immediately following the closing thereof, cause (i) all property acquired (whether assets or Capital Stock) to be contributed to the capital of the Company or one of its Restricted Subsidiaries or (ii) the merger, consolidation or amalgamation of the Person formed or acquired into the Company or one of its Restricted Subsidiaries (to the extent not prohibited by the covenant described under the caption "—Consolidation, Merger, Conveyance, Sale or Lease"), (iii) such Parent Entity and its Affiliates (other than the Company or a Restricted Subsidiary) receives no consideration or other payment in connection with such transaction except to the extent the Company or a Restricted Subsidiary could have given such consideration or made such payment in compliance with the Indenture and such consideration or other payment is included as a Restricted Payment under the Indenture, (iv) any property received by the Company shall not increase amounts available for Restricted Payments pursuant to clause (iii) of paragraph (a) of this covenant and (v) such Investment shall be deemed to be made by the Company or such Restricted Subsidiary pursuant to another provision of this covenant or pursuant to the definition of Permitted Investments.

(11) mandatory redemptions of Disqualified Stock issued as a Restricted Payment or as consideration for a Permitted Investment; *provided* that (i) the aggregate amount paid for such redemptions with respect to any such issuance is no greater than the corresponding amount that constituted a Restricted Payment or Permitted Investment upon issuance thereof and (ii) at the time of and after giving effect to such mandatory redemption, the Company would be entitled to Incur an additional U.S.$1.00 of Indebtedness pursuant to each ratio in clause (1) of paragraph (a) under "—Limitation on Indebtedness" below;

(12) the declaration and payment of dividends on Disqualified Stock or Preferred Stock of a Restricted Subsidiary that in each case were Incurred in accordance with the terms of the covenant described under "—Limitation on Indebtedness" below; and

(13) if no Default or Event of Default shall have occurred and be continuing, other Restricted Payments in an aggregate amount in any fiscal year not to exceed the greater of U.S.$5.0 million per fiscal year and 15.0% of Consolidated Adjusted EBITDA for the prior fiscal year.

The amount of all Restricted Payments (other than cash) shall be the Fair Market Value on the date of such Restricted Payment of the asset(s) or securities proposed to be paid, transferred, issued, purchased, repurchased, redeemed, retired, defeased or otherwise acquired by the Company or any Restricted Subsidiary, pursuant to such Restricted Payment. The Fair Market Value of any cash Restricted Payment shall be its face amount. The Fair Market Value of any non-cash Restricted Payment shall be determined in good faith by the senior management of the Company.

Notwithstanding any other provision of this covenant, the maximum amount of any Restricted Payment or other Investment by the Company or any Restricted Subsidiary will not be deemed to be in violation hereof solely as a result of fluctuations in the exchange rates or currency values.

For purposes of determining compliance with this covenant, in the event that a Restricted Payment (or portion thereof) meets the criteria of more than one of the categories of Permitted Payments described in clauses (1) through (13) above, or is permitted pursuant to the first paragraph of this covenant and/or one or more of the clauses contained in the definition of "Permitted Investments," the Company will be entitled to classify such Restricted Payment or Investment (or portion thereof) on the date of its payment or later reclassify (based on circumstances existing on the date of such reclassification) such Restricted Payment or Investment (or portion thereof) in any

manner that complies with this covenant, including as an Investment pursuant to one or more of the clauses contained in the definition of "Permitted Investments."

Limitation on Indebtedness

(a) The Company will not, nor will the Company permit any of its Restricted Subsidiaries to, directly or indirectly, Incur any Indebtedness; *provided*, *however*, that the Company and its Restricted Subsidiaries may Incur Indebtedness if:

(1) on the date of such Incurrence and immediately after giving effect thereto and the application of the proceeds therefrom, the Interest Coverage Ratio would be no less than 2.00 to 1.00 and the Total Net Debt to EBITDA Ratio would be no greater than 4.50 to 1.00, in each case determined on a *pro forma* basis (including the application of proceeds) as if such Indebtedness had been Incurred at the beginning of the applicable four-quarter period; and

(2) no Event of Default shall have occurred and be continuing at the time of such Incurrence.

(b) Notwithstanding clause (a) above, the Company or any of its Restricted Subsidiaries may Incur the following Indebtedness:

(1) intercompany Indebtedness between or among the Company and any Restricted Subsidiary; *provided*, *however*, that (i) (A) such Indebtedness must be unsecured and (B) if the Company is the obligor and the obligee is a Restricted Subsidiary, such Indebtedness is subordinated to the prior payment in full of all obligations under the Notes and the Indenture, and (ii) any subsequent issuance or transfer of Capital Stock or any other event that results in any such Indebtedness being held by a Person other than the Company or a Restricted Subsidiary of the Company, and any sale or other transfer of any such Indebtedness to a Person that is neither the Company or a Restricted Subsidiary will be deemed, in each case, to constitute an Incurrence of such Indebtedness by the Company or such relevant Restricted Subsidiary, as the case may be, on the date of such issuance or transfer that was not permitted by this clause (1) at the time such event occurs;

(2) (i) Indebtedness represented by the Notes (other than any Additional Notes); and (ii) Indebtedness existing on the Issue Date; *provided* that, within 30 Business Days following the Issue Date, there shall have prepaid in full the aggregate outstanding amounts in respect of the Existing Bonds;

(3) Acquired Indebtedness; *provided* that such Indebtedness and Acquired Indebtedness is in an aggregate principal amount not to exceed (i) the greater of $40.0 million and 35.0% of Consolidated Adjusted EBITDA at the time of Incurrence *plus* (ii) unlimited additional Indebtedness if after giving effect to such acquisition, merger or consolidation and such Acquired Indebtedness and additional Indebtedness, either:

(x) the Company would be permitted to Incur at least $1.00 of additional Indebtedness pursuant to each ratio in clause (1) of paragraph (a) of this covenant, or

(y) the Total Net Debt to EBITDA Ratio would not be higher than it was immediately prior to such acquisition, merger or consolidation,

and, in each case, without duplication, any Refinancing Indebtedness thereof.

(4) Indebtedness represented by Capitalized Lease Obligations or Purchase Money and Capital Expenditure Obligations in an aggregate outstanding principal amount which, when taken together with the principal amount of all other Indebtedness Incurred pursuant to this clause (4) and then

outstanding, does not exceed the greater of (i) U.S.$30.0 million and (ii) 20.0% of Consolidated Adjusted EBITDA at the time of Incurrence and any Refinancing Indebtedness in respect thereof;

(5) Indebtedness created in connection with any Sale and Lease-Back Transaction incurred in compliance with "—Limitation on Sale and Lease-Back Transactions;"

(6) current accounts payable arising, accrued expenses incurred, and financing of insurance premiums, in the ordinary course of business which are payable in accordance with customary practice that are not overdue by more than 90 days;

(7) Indebtedness arising from Guarantees or letters of credit securing the performance of the Company or any Restricted Subsidiary thereof pursuant to any Material Agreement entered into in the ordinary course of business of the Company or such Restricted Subsidiary, as applicable, or permitted dispositions of any business assets in accordance with the terms of the Indenture, and, to the extent constituting Indebtedness, obligations in respect of performance bonds, bid bonds, appeal bonds, workers' compensation claims, surety bonds, indemnification obligations, obligations to pay insurance premiums, take-or-pay obligations contained in supply agreements, any customary treasury, depositary, cash management, automatic clearinghouse arrangements, overdraft protections, credit or debit card, purchase card, electronic funds transfer, cash pooling or netting or setting off arrangements and similar obligations incurred in the ordinary course of business of the Company or any Restricted Subsidiary;

(8) customary contingent liabilities incurred in the ordinary course of business in respect of the acquisition or sale of goods, services, supplies or merchandise in the ordinary course of business, the endorsements in the ordinary course of business of negotiable instruments received in the ordinary course of business and customary indemnities provided under the Indenture or any Material Agreements, including agreements providing for adjustment of purchase price or other similar obligations, in each case, incurred or assumed in connection with the acquisition or disposition of any business or assets;

(9) to the extent constituting Indebtedness, 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 of the Company or any Restricted Subsidiary; *provided*, *however*, that such Indebtedness is extinguished within 10 Business Days of its Incurrence;

(10) Indebtedness in respect of any bankers' acceptance, warehouse receipt or similar facilities entered into in the ordinary course of business of the Company or any Restricted Subsidiary;

(11) ordinary course obligations in respect of deposit accounts permitted hereunder and opened and maintained in the ordinary course of business of the Company or any Restricted Subsidiary;

(12) employee benefit plan obligations and liabilities arising by operation of law and in the ordinary course of business of the Company or any Restricted Subsidiary, to the extent they are permitted to remain unfunded under applicable law;

(13) Indebtedness for Taxes which are not yet due, or (i) which are adequately bonded or for which adequate reserves in accordance with IFRS have been made and (ii) which are being contested in good faith;

(14) Indebtedness consisting of Refinancing Indebtedness Incurred in respect of any Indebtedness (including Refinancing Indebtedness) Incurred by the Company or any Restricted Subsidiary

thereof pursuant to clauses (2) (excluding the Existing Bonds), (7), (15) and (16) of this clause (b), this clause (14) or clause (a) above;

(15) Hedging Obligations of the Company or any Restricted Subsidiary thereof in the ordinary course of business or directly related to the Notes or other Indebtedness permitted to be Incurred by the Company or any Restricted Subsidiary pursuant to the Indenture for the purpose of fixing or hedging interest rate risk or currency fluctuations, and, in each case, not for speculative purposes; *provided* that the amount of Indebtedness in respect of any Hedge Agreement shall be at any time the unrealized net loss position, if any, of the Company and/or the Restricted Subsidiaries thereunder on a marked-to-market basis determined no more than one month prior to such date;

(16) Guarantees by the Company or any of its Restricted Subsidiaries of Indebtedness or other obligations of the Company or any of its Restricted Subsidiaries so long as the Incurrence of such Indebtedness or other obligations is not prohibited by the terms of the Indenture;

(17) Indebtedness Incurred or Disqualified Stock issued by the Company or any Restricted Subsidiary thereof or Preferred Stock issued by any of its Restricted Subsidiaries to the extent that the net proceeds thereof are promptly deposited with the Trustee to defease or to satisfy and discharge the Notes in accordance with the Indenture;

(18) Indebtedness of Restricted Subsidiaries in an aggregate amount not to exceed U.S.$5.0 million and, without duplication, any Refinancing Indebtedness thereof;

(19) Indebtedness consisting of promissory notes issued by the Company or any of its Restricted Subsidiaries to any future, present or former employee, director, contractor or consultant of the Company, any of its Restricted Subsidiaries or any Parent Entity (or permitted transferees, assigns, estates, or heirs of such employee, director, contractor or consultant), to finance the purchase or redemption of Capital Stock of the Company or any Parent Entity that is permitted by the covenant described under "—Limitation on Restricted Payments;"

(20) Indebtedness Incurred by the Company or any Restricted Subsidiary thereof in the ordinary course of business pursuant to any working capital credit facility; *provided* that the aggregate amount of all such Indebtedness pursuant to this clause (20) shall not exceed the greater of U.S.$25.0 million and 25% of Consolidated Adjusted EBITDA at any time outstanding and any Refinancing Indebtedness thereof; and

(21) in addition to the items referred to in clauses (1) through (20) above, Indebtedness of the Company and/or any of its Restricted Subsidiaries in an aggregate principal amount incurred pursuant to this clause (21) not to exceed the greater of U.S.$30.0 million and 25.0% of Consolidated Adjusted EBITDA at any time outstanding and, without duplication, any Refinancing Indebtedness in respect thereof.

(c) For purposes of determining compliance with this covenant:

(1) in the event that an item of Indebtedness meets the criteria of more than one of the types of Indebtedness described above, including clause (a) above, the Company, in its sole discretion, may classify, and from time to time may reclassify, such item of Indebtedness in one or more of the above clauses;

(2) the Company will be entitled to divide and classify, and from time to time may reclassify, an item of Indebtedness in more than one of the types of Indebtedness described above, including clause (a) above; and

(3) 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. 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.

Accrual of interest, accrual of dividends, the accretion or amortization of accreted value or original issue discount, the capitalization of interest or the payment of interest in the form of additional Indebtedness and the payment of dividends in the form of additional shares of Disqualified Stock, as the case may be, will not be deemed to be an Incurrence of Indebtedness for purposes of this covenant.

Notwithstanding any other provision of this covenant, neither the Company nor any Restricted Subsidiary thereof shall, with respect to any outstanding Indebtedness Incurred, be deemed to be in violation of this covenant solely as a result of fluctuations in the exchange rates of currencies.

If at any time an Unrestricted Subsidiary becomes a Restricted Subsidiary, any Indebtedness of such Subsidiary shall be deemed to be Incurred as of such date (and, if such Indebtedness is not permitted to be Incurred as of such date under this covenant, the Company shall be in Default in respect of this covenant as of such date).

Limitation on Liens

The Company covenants and agrees that neither it nor any of its Restricted Subsidiaries will incur, issue, assume (or permit to exist) or Guarantee any Indebtedness secured by a Lien upon any property or assets of the Company or any Restricted Subsidiary without effectively providing that the Notes (together with, if the Company so determines, any other Indebtedness or obligation then existing or thereafter created) shall be secured equally and ratably with (or prior to) such Indebtedness so long as such Indebtedness shall be so secured, except that the foregoing provisions shall not apply to, without duplication (collectively, "*Permitted Liens*"):

(1) Liens imposed by law, including Liens of carriers, warehousemen, mechanics, suppliers, material-men and repairmen incurred in the ordinary course of business;

(2) Liens Incurred or deposits made in the ordinary course of business (i) in connection with workers' compensation laws, unemployment insurance laws and other types of social security and pension contribution (including private pension funds) laws (including any Lien securing letters of credit issued in the ordinary course of business) or (ii) to secure the performance of tenders, statutory, regulatory, contractual or warranty obligations, performance, surety and appeal bonds, commercial letters of credit, bids, leases, government performance or other process for the award of a power purchase agreement 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 securing obligations under any agreement or instrument in respect of a Hedging Agreement or other financial derivatives transaction; *provided* that such Indebtedness was entered into in the ordinary course of business and not for speculative purposes;

(5) Liens existing on the Issue Date or granted pursuant to an agreement existing on the Issue Date;

(6) Liens on (i) any property or assets (including Capital Stock of any Person) securing Indebtedness incurred solely for purposes of financing or refinancing the acquisition, construction, development, extension or improvement of such property or assets (including related transaction fees and expenses) by the Company or any Restricted Subsidiary (individually or together with other Persons) after the Issue Date; *provided* that no such Lien shall extend to or cover any property or assets other than the property or assets so acquired, constructed, developed, extended or improved, (ii) any revenues or profits derived from such property or assets and (iii) any property reasonably incidental to the use or operation of such property or assets, including, whether now owned or hereafter acquired, real property on which such property or assets are located or any buildings, structures, machinery or other fixtures constituting such property or assets;

(7) Liens on (i) assets securing Attributable Debt under any Sale and Lease-Back Transaction permitted to be incurred or assumed pursuant to "—Limitation on Sale and Lease-Back Transactions" (*provided* that any such Lien does not encumber any property other than the assets that are the subject of any such transaction) and (ii) assets securing Indebtedness represented by Capitalized Lease Obligations or Purchase Money and Capital Expenditure Obligations and permitted to be incurred or assumed pursuant to "—Limitation on Indebtedness" (including any interest or title of a lessor under any lease the obligations under which are Capitalized Lease Obligations and covering only the assets acquired with such Indebtedness) and, in each case, any property reasonably incidental to the use or operation of such property or assets, including, whether now owned or hereafter acquired, real property on which such property or assets are located or any buildings, structures, machinery or other fixtures constituting such property or assets;

(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 Company or any Restricted Subsidiary or otherwise after the Issue Date; *provided* that the Lien is not created in contemplation of or in connection with such acquisition, merger or consolidation; and *provided*, further, that such Lien may not extend to any other property or assets owned by the Company or any Restricted Subsidiary;

(9) Liens required by any contract or statute in order to permit the Company or a Restricted Subsidiary to perform any contract or subcontract made by it with, or at the request of, a governmental entity or any department, agency or instrumentality thereof, or to secure performance or any payments by the Company or any Restricted Subsidiary under any such contract or subcontract to a governmental entity or any department, agency or instrumentality thereof pursuant to the provisions of any contract or statute;

(10) Liens for Taxes which are not yet due, or (i) which are adequately bonded or for which adequate reserves in accordance with IFRS have been made and (ii) which are being contested in good faith;

(11) judgment Liens not giving rise to an Event of Default so long as any appropriate legal proceedings which may have been duly initiated for the review of such judgment 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;

(12) Liens constituting any interest of title of a lessor, a licensor or either's creditors in the relevant property subject to any lease (other than a Capitalized Lease Obligation);

(13) Liens created for the sole purpose of securing Indebtedness that, when incurred, will be applied to repay all (but not only part) of the Notes and all other amounts payable under the Notes; *provided* that the Notes and all other such amounts are fully satisfied promptly and in any event within 30 days after the incurrence of such Indebtedness;

(14) minor defects, easements, irregularities, leases, sub-leases, rights-of-way restrictions (*servidumbre de paso*) and other similar encumbrances, rights and/or similar rights, whether under applicable laws or by contract and encumbrances consisting of zoning or planning restrictions licenses restrictions on the use of property or imperfections in title that in any such case do not materially interfere with operations of the Company or any Restricted Subsidiary;

(15) (a) Liens that have been placed by any developer, landlord or other third party on property over which the Company or any Restricted Subsidiary has easement rights or on any real property leased by the Company or any Restricted Subsidiary or similar agreements relating thereto, and (b) any condemnation or eminent domain proceedings or compulsory purchase order affecting real property;

(16) Liens in favor of customs and revenue authorities to secure payments of custom duties in connection with the importation of goods or materials incurred in the ordinary course of business;

(17) Liens on goods (and the proceeds thereof) and documents of title and the property covered thereby securing Indebtedness in respect of commercial letters of credit issued to facilitate the purchase, shipment or storage of such goods;

(18) Liens which secure only Indebtedness owed by a Restricted Subsidiary to the Company and/or one or more Restricted Subsidiaries;

(19) Liens on any escrow account used in connection with pre-funding a refinancing of secured Indebtedness;

(20) any provision for the retention of title to any property by the vendor or transferor of such property which property is acquired by the Company or a Restricted Subsidiary in a transaction entered into in the ordinary course of business and for which kind of transaction it is customary practice for such retention of title provision to be included;

(21) Liens on assets or property of a Restricted Subsidiary securing Indebtedness of any Restricted Subsidiary permitted by clause (18) of paragraph (b) under "—Limitation on Indebtedness" above;

(22) customary and applicable non-consensual statutory Liens and rights of setoff of financial institutions over deposit accounts held at such financial institutions arising in the ordinary course of business of the Company and its Restricted Subsidiaries, to the extent such Liens or rights of setoff secure or allow setoff (to the extent permitted hereunder) against amounts owing for fees and expenses relating to the applicable deposit account;

(23) Liens to secure Obligations in respect of Indebtedness permitted to be Incurred pursuant to clause (3) and (4) of paragraph (b) under "—Limitation on Indebtedness" above;

(24) Liens on Capital Stock or other securities or assets of any Unrestricted Subsidiary that secure Indebtedness of such Unrestricted Subsidiary;

(25) Liens then existing with respect to assets of an Unrestricted Subsidiary on the day such Unrestricted Subsidiary is redesignated as a Restricted Subsidiary pursuant to "—Limitation on Designation of Restricted and Unrestricted Subsidiaries" so long as such Liens are not Incurred as a result of, in connection with, or in contemplation of, such redesignation;

(26) any encumbrance or restriction (including put and call arrangements) with respect to Capital Stock of any joint venture or similar arrangement pursuant to any joint venture or similar arrangement;

(27) Liens arising by operation of law or contract on insurance policies and the proceeds thereof to secure premiums thereunder, and Liens, pledges and deposits in the ordinary course of business securing liability for premiums or reimbursement or indemnification obligations of (including obligations in respect of letters of credit or bank guarantees for the benefit of) insurance carriers;

(28) Liens (i) on cash advances in favor of the seller of any property to be acquired in an Investment permitted pursuant to Permitted Investments to be applied against the purchase price for such Investment, and (ii) consisting of an agreement to sell any property in an asset sale permitted pursuant to "—Limitation on Sales of Assets" in each case, solely to the extent such Investment or asset sale, as the case may be, would have been permitted on the date of the creation of such Lien;

(29) any extension, renewal, refinancing or replacement (or successive extensions, renewals, refinancing or replacements), in whole or in part, of any Lien referred to in the foregoing clauses (1) through (28) or of any Indebtedness secured thereby, *provided* that (a) the principal amount of Indebtedness so secured thereby shall not exceed the principal amount of Indebtedness so secured at the time of such extension, renewal, refinancing or replacement (*plus* reasonable expenses incurred in connection therewith); and (b) that such extension, renewal, refinancing or replacement Lien shall be limited to all or part of the property which secured the Lien extended, renewed, refinanced or replaced (*plus* improvements, additions, accessions, proceeds or dividends or distributions in respect thereof); and

(30) in addition to any Lien permitted pursuant to clauses (1) through (29) above, Liens securing an amount of Indebtedness outstanding at any time not to exceed the greater of U.S.$30.0 million and 5.0% of Consolidated Net Tangible Assets.

In the event that a Permitted Lien meets the criteria of more than one of the types of Permitted Liens (at the time of incurrence or at a later date), the Company in its sole discretion may divide, classify or from time to time reclassify all or any portion of such Permitted Lien in any manner that complies with the Indenture and such Permitted Lien shall be treated as having been made pursuant only to the clause or clauses of the definition of Permitted Lien to which such Permitted Lien has been classified or reclassified.

With respect to any Lien securing Indebtedness that was permitted to secure such Indebtedness at the time of the Incurrence of such Indebtedness, such Lien shall also be permitted to secure any Increased Amount of such Indebtedness. The "*Increased Amount*" of any Indebtedness shall mean any increase in the amount of such Indebtedness in connection with any accrual of interest, the accretion of accreted value, the amortization of original issue discount, the payment of interest in the form of additional Indebtedness with the same terms, accretion of original issue discount or liquidation preference and increases in the amount of Indebtedness outstanding solely as a result of fluctuations in the exchange rate of currencies or increases in the value of property securing Indebtedness.

Limitation on Sales of Assets

(a) The Company will not, nor will the Company permit any of its Restricted Subsidiaries to, make any Asset Sale unless:

(1) the Company or such Restricted Subsidiary receives consideration (including by way of relief from, or by any other Person assuming sole responsibility for, any liabilities, contingent or otherwise) at the time of such Asset Sale at least equal to the Fair Market Value of the shares and/or assets subject to such Asset Sale; and

(2) at least 75% of the consideration thereof received by the Company or such Restricted Subsidiary is in the form of cash or Cash Equivalents; *provided* that the following will be deemed to be cash for purposes of this clause (2):

(i) the amount of any liabilities (contingent or otherwise) (as shown on the Company's or such Restricted Subsidiary's, most recent balance sheet or in the notes thereto) of the Company or the relevant Restricted Subsidiary (other than liabilities that are by their terms subordinated to the Notes) that are assumed by the transferee of any such assets and are otherwise cancelled or terminated in connection with such transactions;

(ii) the amount of any securities received by the Company or such Restricted Subsidiary from such transferee that is converted by the Company or such Restricted Subsidiary into cash (to the extent of the cash received) within 180 days following the closing of such Asset Sale;

(iii) the Fair Market Value of any Capital Stock of a Person engaged in a Permitted Business that will become, upon purchase, a Restricted Subsidiary or assets (other than current assets as determined in accordance with IFRS or Capital Stock) to be used by the Company or any Restricted Subsidiary thereof in a Permitted Business; and

(iv) Indebtedness of any Restricted Subsidiary that is no longer a Restricted Subsidiary as a result of such Asset Sale, to the extent that the Company and each other Restricted Subsidiary are released from any Guarantee of payment of such Indebtedness in connection with such Asset Sale;

provided that amounts received pursuant to clauses (i), (iii) and (iv) shall not be deemed to constitute Net Cash Proceeds for purposes of making an Asset Sale Offer; and the amounts received pursuant to clause (ii) shall be deemed to constitute Net Cash Proceeds only to the extent of the Net Cash Proceeds actually received by the Company or a Restricted Subsidiary upon the conversion of such securities by the Company or such Restricted Subsidiary.

(b) The Company or such Restricted Subsidiary, as the case may be, may apply the Net Cash Proceeds of any such Asset Sale within 365 days thereof to:

(1) purchase any Notes in the market or to repay any other Senior Indebtedness for borrowed money or Indebtedness of a Restricted Subsidiary or Senior Indebtedness secured by a Lien (including, through optional or mandatory prepayments, redemptions, buy backs and market purchases);

(2) make capital expenditures in a Permitted Business;

(3) reinvest in or purchase Additional Assets; or

(4) any combination of items (1), (2) or (3) above.

The Company shall be deemed to have complied with sub-clauses (2) and (3) above if, within 365 days of the Asset Sale that generates such Net Cash Proceeds, the Company or such Restricted Subsidiary enters into a binding commitment with a Person, other than the Company or any of its Restricted Subsidiaries, to apply such Net Cash Proceeds to such capital expenditures or such Additional Assets within 180 days following the expiration of the aforementioned 365-day period.

(c) To the extent all or a portion of the Net Cash Proceeds of any Asset Sale are not applied within the 365 days of the Asset Sale (except in the case of clauses (2) and (3) of paragraph (b) above, in which case such period may be extended a further 180 days) resulting in Excess Net Cash Proceeds, as described in clauses (1) through (4) of paragraph (b) above, the Company will make an offer to purchase Notes (an "*Asset Sale Offer*"), at a purchase price equal to 100% of the principal amount of the Notes to be purchased, *plus* accrued and unpaid interest, if any, thereon and any Additional Amounts, if any, to (but not including) the date of purchase (the "*Asset Sale Offer Amount*"). The Company will purchase the Notes pursuant to an Asset Sale

Offer from all tendering Holders on a *pro rata* basis, and, at the Company's option, on a *pro rata* basis with the holders of any other Senior Indebtedness with similar provisions requiring the Company to offer to purchase the other Senior Indebtedness with the proceeds of Asset Sales, that principal amount (or accreted value in the case of Indebtedness issued with original issue discount) of Notes and the other Senior Indebtedness to be purchased equal to such unapplied Excess Net Cash Proceeds. The Company may satisfy its obligations under this covenant with respect to the Excess Net Cash Proceeds of an Asset Sale by making an Asset Sale Offer prior to the expiration of the relevant 365-day (or in the case of clauses (2) and (3) of paragraph (b) above, as such period may be extended a further 180 days) period.

(d) The purchase of Notes pursuant to an Asset Sale Offer will occur not less than 10 business days, or any longer period as may be required by law, nor more than 90 days following the 365th day following the Asset Sale (except in the case of clause (2) and (3) of paragraph (b) above, in which case such period shall be extended for 180 days). The Company may, however, defer an Asset Sale Offer until there is an aggregate amount of unapplied Net Cash Proceeds from one or more Asset Sales in excess of U.S.$30.0 million. At that time, the amount of unapplied Net Cash Proceeds ("*Excess Net Cash Proceeds*") will be applied as required pursuant to this covenant. Pending application in accordance with this covenant, such amount of unapplied Excess Net Cash Proceeds may be applied to temporarily reduce revolving credit borrowings or invested in Cash Equivalents.

(e) Each notice of an Asset Sale Offer will be delivered to the record Holders as shown on the register of Holders within 30 days following such 365th day (except in the case of clauses (2) and (3) of paragraph (b) above, in which case such period may be extended for 180 days), with a copy to the Trustee offering to purchase the Notes as described above. Each notice of an Asset Sale Offer will state, among other things, the purchase date, which must be no earlier than 10 days nor later than 60 days from the date the notice is delivered, other than as may be required by law (the "*Asset Sale Offer Payment Date*"). Upon receiving notice of an Asset Sale Offer, Holders may elect to tender their Notes in whole or in part in amounts of U.S.$200,000 or in integral multiples of U.S.$1,000 in excess thereof in exchange for cash.

(f) On the Asset Sale Offer Payment Date, the Company will, to the extent lawful:

(1) accept for payment all Notes or portions thereof properly tendered and not withdrawn pursuant to the Asset Sale Offer;

(2) deposit with the Paying Agent funds in an amount equal to the Asset Sale Offer Amount in respect of all Notes or portions thereof so tendered; and

(3) deliver or cause to be delivered to the Trustee the Notes so accepted together with an Officer's Certificate stating the aggregate principal amount of Notes or portions thereof being purchased by the Company.

(g) To the extent Holders of Notes and holders of other Senior Indebtedness, if any, which are the subject of an Asset Sale Offer properly tender and do not withdraw Notes or the other Senior Indebtedness in an aggregate amount exceeding the amount of unapplied Net Cash Proceeds, the Company will purchase the Notes and the other Senior Indebtedness on a *pro rata* basis (based on amounts tendered) and in accordance with applicable DTC procedures. If only a portion of a Note is purchased pursuant to an Asset Sale Offer, a new note in a principal amount equal to the portion thereof not purchased will be issued in the name of the Holder thereof upon cancellation of the original note (or appropriate adjustments to the amount and beneficial interests in a global note will be made, as appropriate). Notes (or portions thereof) purchased pursuant to an Asset Sale Offer will be cancelled and cannot be reissued.

(h) The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other applicable securities laws in connection with the purchase of Notes pursuant to an Asset Sale Offer. To the extent that the provisions of any applicable securities laws or regulations conflict with the "Asset Sale"

provisions of the Indenture, the Company will comply with these laws and regulations and will not be deemed to have breached its obligations under the "Asset Sale" provisions of the Indenture by doing so.

(i) Following the consummation or expiration of any Asset Sale Offer pursuant to the above, the amount of Excess Net Cash Proceeds shall be reset at zero and the Company shall be entitled to use any remaining cash for any corporate purposes to the extent not prohibited under the Indenture.

The provisions of the Indenture relative to the Company's obligation to make an offer to repurchase the Notes as a result of an Asset Sale may be waived or modified with the written consent of the Holders of a majority in aggregate principal amount of the outstanding Notes.

Limitation on Transactions with Affiliates

(1) The Company will not, nor will the Company permit any of its Restricted Subsidiaries to, make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate (each, an "*Affiliate Transaction*"), involving aggregate value in excess of U.S.$5.0 million unless:

(a) the Affiliate Transaction is on terms that are no less favorable to the Company or the relevant Restricted Subsidiary, taken as a whole, than those that reasonably would have been obtained in a comparable arm's-length transaction by the Company or such Restricted Subsidiary with a Person that is not an Affiliate or, if such transaction is not one that by its nature could reasonably be obtained from a Person that is not an Affiliate, is on fair and reasonable terms and was negotiated in good faith; and

(b) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of U.S.$15.0 million (or the equivalent in other currencies), an Officer's Certificate, stating that such Affiliate Transaction complies with this covenant and has been duly approved by a majority of the members of the Board of Directors of the Company; and

(c) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of U.S.$25.0 million (or the equivalent in other currencies), an opinion as to the fairness to the Company or the relevant Restricted Subsidiary, taken as a whole, of such Affiliate Transaction from a financial point of view issued by an Independent Financial Advisor.

(2) The following items will not be deemed to be Affiliate Transactions and, therefore, will not be subject to the provisions of paragraph (1) above:

(a) Affiliate Transactions undertaken pursuant to (i) any contractual obligations or rights including any equity holder agreements in existence on the Issue Date and in each case as described under "Related Party Transactions," and (ii) any amendment or replacement agreement to the obligations and rights described in clause (i), 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;

(b) Restricted Payments that are permitted by the provisions of the covenant described under "—Limitation on Restricted Payments" above or any Permitted Investment;

(c) any issuance or sale of Capital Stock, options, other equity-related interests or other securities, or other payments, awards or grants in cash, securities or otherwise pursuant to, or the funding of, or entering into, or maintenance of, any employment, consulting, collective bargaining or benefit plan, program, agreement or arrangement, related trust or other similar agreement and other compensation arrangements, options, warrants or other rights to purchase Capital Stock of the Company, any Restricted Subsidiary or any Parent Entity, restricted stock plans, long-term incentive plans, stock appreciation rights plans, participation plans or similar employee benefits or consultants' plans (including valuation, health, insurance, deferred compensation, severance, retirement, savings or

similar plans, programs or arrangements) or indemnities provided on behalf of officers, employees, directors, contractors or consultants, in each case (i) approved by the Board of Directors of the Company and (ii) in each case in the ordinary course of business or consistent with past practice;

(d) any transaction between or among the Company and any Restricted Subsidiary (or entity that merges, consolidates or amalgamates with the Company that becomes a Restricted Subsidiary as a result of such transaction), or between or among Restricted Subsidiaries;

(e) the entry into and performance of obligations by the Company or any of its Restricted Subsidiaries with any Affiliates under the terms of any transaction arising out of, and any payments pursuant to or for purposes of funding, any agreement or instrument in effect as of or on the Issue Date (or any future assignment or assumption thereunder), as such agreements and instruments may be amended, modified, supplemented, extended or renewed from time to time in accordance with the other terms of this covenant or to the extent not more disadvantageous to the Holders in any material respect than the original transaction as in effect on the Issue Date;

(f) issuances or sales of Capital Stock (other than Disqualified Stock) of the Company or options, warrants or other rights to acquire such Capital Stock and the granting of other customary rights in connection therewith or any contribution to capital of the Company or any Restricted Subsidiary;

(g) payments by the Company or any Restricted Subsidiary to any Parent Entity (whether directly or indirectly), including to its Affiliates or designees, of annual management fees in an aggregate amount not to exceed U.S.$3.0 million;

(h) payments by the Company (and any Parent Entity) and its Restricted Subsidiaries for purposes of any Parent Entity Expenses or pursuant to any tax sharing agreements or other equity agreements in respect of "Related Taxes" among the Company (and any such Parent Entity) and its Restricted Subsidiaries;

(i) transactions entered into by an Unrestricted Subsidiary with an Affiliate prior to the day such Unrestricted Subsidiary is redesignated as a Restricted Subsidiary as described under the caption "—Limitation on Designation of Restricted and Unrestricted Subsidiaries" and pledges of Capital Stock of Unrestricted Subsidiaries, so long as such transactions are not entered into as a result of, in connection with, or in contemplation of, such redesignation;

(j) transactions with Affiliates solely in their capacities as holders of Indebtedness or Equity Interests of the Company or its Subsidiaries, so long as such transaction is with all holders of such class and such class includes non-Affiliates of the Company or its Subsidiaries;

(k) payments to or from, and transactions with, any joint venture in the ordinary course of business, on market terms and consistent with past practice or industry norms (including any cash management activities related thereto); and

(l) payment of reasonable and customary directors' fees of the Company and any Restricted Subsidiary.

Limitation on Sale and Lease-Back Transactions

The Company covenants and agrees that none of the Company nor any of its Restricted Subsidiaries will enter into any Sale and Lease-Back Transaction unless the Company or such Restricted Subsidiary would be entitled: (i) pursuant to the provisions of "—Limitation on Indebtedness" above to Incur Indebtedness in a principal amount equal to or exceeding the Attributable Debt of such Sale and Lease-Back Transaction; and (ii) pursuant to the provisions of "—Limitation on Liens" above to Incur a Lien to secure such Indebtedness.

Limitation on Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries

(1) The Company will not, nor will the Company permit any of its Restricted Subsidiaries to, directly or indirectly, create or permit to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to:

(a) pay dividends or make any other distributions on its Capital Stock to the Company;

(b) make loans or advances to the Company; or

(c) transfer any of its properties or assets to the Company;

provided the subordination of (including the application of any standstill requirements to) loans or advances made to the Company or any Restricted Subsidiary to other Indebtedness Incurred by the Company or any Restricted Subsidiary shall not be deemed to constitute such an encumbrance or restriction.

(2) However, the preceding restrictions will not apply to encumbrances or restrictions existing under or by reason of:

(a) the Indenture or the Notes;

(b) applicable law or governmental rule, regulation or order;

(c) the terms of any Indebtedness outstanding on the Issue Date, and any amendment, modification, restatement, renewal, restructuring, replacement or refinancing thereof; *provided*, *however*, that any amendment, modification, restatement, renewal, restructuring, replacement or refinancing is not materially more restrictive, taken as a whole, with respect to such encumbrances or restrictions than those in existence on the Issue Date;

(d) customary non-assignment provisions of any contract and customary provisions restricting assignment or subletting in any lease governing a leasehold interest of any Restricted Subsidiary, or any customary restriction on the ability of any Restricted Subsidiary to dividend, distribute or otherwise transfer any asset which secures Indebtedness secured by a Lien, in each case permitted to be Incurred under the Indenture;

(e) Liens that secure Indebtedness otherwise permitted to be incurred under the provisions of the covenant described under "—Limitation on Liens" above and that limit the right of the debtor to dispose of the assets subject to such Liens;

(f) with respect to a Restricted Subsidiary, an agreement entered into for the sale or disposition of all or substantially all the Capital Stock or assets of such Restricted Subsidiary pending the closing of such sale or disposition;

(g) restrictions on cash or other deposits or other customary requirements imposed by customers or suppliers under contracts entered into in the ordinary course of business;

(h) 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;

(i) an agreement or instrument of a Person or relating to any Capital Stock or Indebtedness of a Person, entered into on or before the date on which such Person was acquired by or merged, consolidated or otherwise combined with or into the Company or any Restricted Subsidiary, or was designated as a Restricted Subsidiary or on which such agreement or instrument is assumed by the Company or any Restricted Subsidiary in connection with an acquisition of assets (other than Capital Stock or Indebtedness Incurred as consideration in, or to provide all or any portion of the funds utilized to

consummate, the transaction or series of related transactions pursuant to which such Person became a Restricted Subsidiary or was acquired by the Company or was merged, consolidated or otherwise combined with or into the Company or any Restricted Subsidiary or entered into in contemplation of or in connection with such transaction) and outstanding on such date; *provided* that, for the purposes of this clause (i), if another Person is the Surviving Entity, any agreement or instrument of such Person or any Subsidiary shall be deemed acquired or assumed by the Company or any Restricted Subsidiary when such Person becomes the Surviving Entity;

(j) restrictions in a customary manner of the subletting, assignment or transfer of any property or asset that is subject to a lease, license or similar contract or agreement, or the assignment or transfer of any lease, license or other contract or agreement; (b) mortgages, pledges, charges or other security agreements permitted under the Indenture or securing Indebtedness of the Company or a Restricted Subsidiary permitted under the Indenture to the extent such encumbrances or restrictions restrict the transfer or encumbrance of the property or assets subject to such mortgages, pledges, charges or other security agreements; (c) any trading, netting, operating, construction, service, supply, purchase, sale or other agreement to which the Company or any of its Restricted Subsidiaries is a party entered into in the ordinary course of business or consistent with past practice; provided that such agreement prohibits the encumbrance of solely the property or assets of the Company or such Restricted Subsidiary that are the subject of such agreement, the payment rights arising thereunder or the proceeds thereof and does not extend to any other asset or property of the Company or such Restricted Subsidiary or the assets or property of another Restricted Subsidiary; or (d) customary provisions restricting dispositions of real property interests set forth in any reciprocal easement agreements of the Company any Restricted Subsidiary;

(k) Purchase Money and Capital Expenditure Obligations and Capitalized Lease Obligations permitted under the Indenture, in each case, that impose encumbrances or restrictions on the property so acquired;

(l) customary provisions in Liens permitted to be incurred under "—Limitation on Liens," leases, licenses, shareholder agreements, joint venture agreements and other similar agreements, organizational documents and instruments;

(m) applicable law or any applicable rule, regulation or order, or required by any regulatory authority;

(n) Hedging Obligations;

(o) an agreement or instrument relating to any Indebtedness permitted to be Incurred subsequent to the Issue Date pursuant to the provisions of the covenant described under "—Limitation on Indebtedness" if the encumbrances and restrictions contained in any such agreement or instrument taken as a whole are not materially less favorable to the Holders than in comparable financings (as determined in good faith by the Company);

(p) an agreement effecting a Refinancing of Indebtedness otherwise permitted by the Indenture and Incurred pursuant to an agreement referred to in this clause (p) or contained in any amendment or replacement of an agreement referred to in clauses (a) through (o); *provided*, *however*, that the restrictions with respect to such Restricted Subsidiary contained in any such Refinancing agreement or amendment shall be no less favorable, taken as a whole, to the Company or such Restricted Subsidiary, as applicable, than the restrictions contained in the agreement being Refinanced or amended.

Consolidation, Merger, Conveyance, Sale or Lease

The Company shall not consolidate with or merge into any other Person or sell, assign, convey, transfer, lease or otherwise dispose of all or substantially all, in one or more related transactions, of its properties and assets to any Person, unless:

(i) (1) the Company is the successor Person or (2) the successor Person (if other than the Company) formed by such consolidation or into which the Company is merged or the Person which acquires by sale, assignment, conveyance, transfer, lease or other disposition the properties and assets of the Company (the "*Surviving Entity*") is a Person existing under the laws of (i) Peru, (ii) the United States of America (or any state thereof or the District of Columbia), (iii) any member country of the European Union or (iv) any other member country of the Organization for Economic Co-Operation and Development and expressly assumes, by a supplemental indenture, the due and punctual payment of the principal, premium, if any, of and interest (and Additional Amounts, if any) on all the outstanding Notes and the performance of every covenant in the Indenture on the part of the Company to be performed or observed;

(ii) immediately after giving effect to such transaction or series of transaction on a pro forma basis, (1) no Default or Event of Default shall have occurred and be continuing and (2) (i) (A) the Interest Coverage Ratio will be equal to or higher than the Interest Coverage Ratio immediately prior to such transaction and (B) the Total Net Debt to EBITDA Ratio will be equal to or lower than the Total Net Debt to EBITDA Ratio immediately prior to such transaction or (ii) the Company or the Surviving Entity could Incur at least an additional U.S.$1.00 of Indebtedness under each of the ratios set forth in clause (a) under "—Limitation on Indebtedness"; and

(iii) the Company or the Surviving Entity has delivered to the Trustee an Officer's Certificate and Opinion of Counsel stating that such consolidation, merger, sale, assignment, conveyance, transfer, lease or disposition and such supplemental indenture, if any, comply with this covenant relating to such transaction.

In case of any consolidation, merger, sale, assignment, conveyance, transfer, lease or disposition (other than a lease) that complies with this covenant, the Surviving Entity shall succeed to and be substituted for the Company as obligor on the Notes, with the same effect as if it had been named in the Indenture as such obligor.

The provisions of this covenant will not apply to any consolidation or merger, or any sale, assignment, conveyance, transfer, lease or other disposition of properties and assets, of any Subsidiary to the Company.

Limitation on Designation of Restricted and Unrestricted Subsidiaries

The Company may designate any Restricted Subsidiary to be an Unrestricted Subsidiary if that designation would not cause a Default. If a Restricted Subsidiary is designated as an Unrestricted Subsidiary, the aggregate Fair Market Value of all outstanding Investments owned by the Company and its Restricted Subsidiaries in the Subsidiary designated as an Unrestricted Subsidiary will be deemed to be an Investment made as of the time of the designation and will reduce the amount available for Restricted Payments under the covenant described under the caption "—Restrictive Covenants— Limitation on Restricted Payments" or under one or more clauses of the definition of Permitted Investments, as determined by the Company. That designation will only be permitted if the Investment would be permitted at that time and if the Restricted Subsidiary otherwise meets the definition of an Unrestricted Subsidiary. The Company may redesignate any Unrestricted Subsidiary to be a Restricted Subsidiary if that redesignation would not cause a Default or an Event of Default.

Any designation of a Subsidiary of the Company as an Unrestricted Subsidiary will be evidenced to the Trustee by an Officer's Certificate certifying that such designation complies with the preceding conditions and was permitted by the covenant described under the caption "—Restrictive Covenants—Limitation on Restricted Payments." If, at any time, any Unrestricted Subsidiary would fail to meet the preceding requirements as an Unrestricted Subsidiary, it will thereafter cease to be an Unrestricted Subsidiary for purposes of the Indenture and any Indebtedness of such Subsidiary will be deemed to be incurred by a Restricted Subsidiary as of such date and, if such Indebtedness is not permitted to be incurred as of such date under the covenant described under the caption "—Restrictive Covenants—Limitation on Indebtedness," the Company will be in default of such covenant.

The Company may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary; *provided* that such designation will be deemed to be an Incurrence of Indebtedness by a Restricted Subsidiary of any outstanding

Indebtedness of such Unrestricted Subsidiary, and such designation will only be permitted if (1) such Indebtedness is permitted under the covenant described under the caption "—Restrictive Covenants—Limitation on Indebtedness" (including pursuant to clause (3) of paragraph (b) thereof treating such redesignation as an acquisition for the purpose of such clause) calculated on a *pro forma* basis as if such designation had occurred at the beginning of the applicable reference period; and (2) no Default or Event of Default would be in existence following such designation. Any such designation by the Company shall be evidenced to the Trustee by an Officer's Certificate certifying that such designation complies with the preceding conditions.

Other Covenants

Payment

The Company will pay when due any principal, interest and any other amounts payable under any Notes in accordance with their terms.

Notification

The Company will give prompt notice to the Trustee of the occurrence of any Default or Event of Default, accompanied by a certificate specifying the nature of such Default or Event of Default, the period of existence thereof and the action the Company has taken or proposes to take with respect thereto. Each notice given pursuant to this paragraph will be accompanied by an Officer's Certificate setting forth the details of the occurrence referred to therein and stating what action the Company proposes to take with respect thereto.

Maintenance of Existence

The Company will, and will cause each of its Restricted Subsidiaries to, (1) maintain in effect its corporate existence and all registrations necessary therefor, (2) take all reasonable actions to maintain all rights, privileges, titles to property, franchises and the like necessary in the normal conduct of its business, activities or operations and (3) keep all of its property in good working order or condition; *provided*, *however*, that this covenant shall not require the Company to maintain any such right, privilege, title to property or franchise or to preserve the corporate existence of any Subsidiary, if the senior management of the Company shall determine in good faith that the maintenance or preservation thereof is no longer desirable in the conduct of the business of the Company, and that the loss thereof is not, and will not be, adverse in any material respect to the Company or to the Holders of the Notes.

Compliance with Laws

The Company will, and will cause each of its Restricted Subsidiaries to, comply with all applicable laws, rules, regulations, orders and directions of any Governmental Agency having jurisdiction over it or its business or property, if applicable, except where failure to do so, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Change. As used herein, the term "*Governmental Agency*" means any public legal entity or public agency, whether created by federal, state or local government, or any other legal entity now existing or hereafter created, or now or hereafter owned or controlled, directly or indirectly, by any public legal entity or public agency.

Maintenance of Books and Records

The Company will, and will cause each of its Restricted Subsidiaries to, maintain books, accounts and records in accordance with IFRS.

Pari Passu Ranking

The Company will ensure, at all times, that the Notes constitute unsubordinated obligations ranking at least *pari passu* in all respects with all other unsubordinated Indebtedness (other than Indebtedness ranking senior thereto by statute or operation of law) of the Company.

Insurance

The Company and each Restricted Subsidiary will maintain insurance with financially sound, responsible and reputable insurance companies in such amounts and covering such risks as the relevant senior management thereof determines, in its reasonable discretion, is usually carried by companies engaged in similar businesses and owning and/or operating properties similar to those owned and/or operated by it, in the same general areas in which it owns and/or operates its properties, or will provide for self-insurance and related reserves as it determines, in its reasonable discretion, in lieu of such third party insurance covering such amounts and risks, in whole or in part.

Further Assurances

The Company will, at its own cost and expense, execute and deliver to the Trustee all such other documents, instruments and agreements and do all such other acts and things as may be reasonably required, in the opinion of the Trustee, to enable the Trustee to exercise and enforce its rights under the Indenture and under the documents, instruments and agreements required under the Indenture and to carry out the intent of the Indenture.

Conduct of Business

The Company and its Restricted Subsidiaries will not engage in any business other than a Permitted Business.

Release of Covenants

If on any date following the Issue Date:

(1) the Notes have been assigned an Investment Grade Rating by any two Rating Agencies; and

(2) no Default or Event of Default has occurred and is continuing,

then, beginning on that day and subject to the provisions of the following two paragraphs, the covenants specifically listed under the following captions will automatically, without any notice of any kind, be suspended (and the Company and its Restricted Subsidiaries will have no obligation or liability whatsoever with respect to such covenants):

(a) "—Limitation on Restricted Payments;"

(b) "—Limitation on Indebtedness;"

(c) "—Limitation on Sales of Assets;"

(d) "—Limitation on Transactions with Affiliates;"

(e) "—Limitation on Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries;" and

(f) the provisions of clause (ii) of the first paragraph under "—Restrictive Covenants— Consolidation, Merger, Conveyance, Sale or Lease."

Clauses (a) through (f) above are collectively referred to as the "*Suspended Covenants*."

If at any time the Notes cease to have such Investment Grade Status, then the Suspended Covenants will thereafter be reinstated as if such covenants had never been suspended (the "*Reversion Date*") and be applicable pursuant to the terms of the Indenture (including in connection with performing any calculation or assessment to determine compliance with the terms of the Indenture), unless and until the Notes subsequently attain Investment Grade Status and no Default or Event of Default is in existence (in which event the Suspended Covenants shall no longer be in effect for such time that the Notes maintain an Investment Grade Status); provided, however, that no Default, Event of Default or breach of any kind shall be deemed to exist under the Indenture or the Notes with respect to the Suspended Covenants (whether during the period when the Suspended Covenants were suspended or thereafter)

based on, and none of the Company or any of its Restricted Subsidiaries shall bear any liability (whether during the period when the Suspended Covenants were suspended or thereafter) for, any actions taken or events occurring during the Suspension Period, or any actions taken at any time (whether during the period when the Suspended Covenants were suspended or thereafter) pursuant to any legal or contractual obligation arising prior to the Reversion Date, regardless of whether such actions or events would have been permitted if the applicable Suspended Covenants remained in effect during such period. The period of time between the date of suspension of the covenants 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 or after that time based solely on events that occurred during the Suspension Period).

On the Reversion Date, all Indebtedness Incurred during the Suspension Period will be deemed to have been outstanding on the Issue Date, so that it is classified as permitted under "—Limitation on Indebtedness." Calculations made after the Reversion Date of the amount available to be made as Restricted Payments under "—Limitation on Restricted Payments" will be made as though the covenants described under "—Limitation on Restricted Payments" had been in effect since the Issue Date and prior to, but not during, the Suspension Period. Accordingly, Restricted Payments made during the Suspension Period will not reduce the amount available to be made as Restricted Payments under the first paragraph of "—Limitation on Restricted Payments." On the Reversion Date, the amount of Excess Net Cash Proceeds shall be reset at zero. Any Affiliate Transaction entered into after the Reversion Date pursuant to an agreement entered into during any Suspension Period will be deemed to have been outstanding on the Issue Date, so that it is classified as permitted under clause (a) of the second paragraph under "—Limitation on Transactions with Affiliates." Any encumbrance or restriction on the ability of any Restricted Subsidiary to take any action described in clauses (a) through (c) of the first paragraph of "—Limitation on Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries" that becomes effective during the Suspension Period will be deemed to have existed on the Issue Date, so that it is classified as permitted under clause (a) of the second paragraph under "—Limitation on Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries." No default or Event of Default will be deemed to have occurred on the Reversion Date as a result of any actions taken by the Company or its Restricted Subsidiaries during 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 or after that time based solely on events that occurred during the Suspension Period).

On and after each Reversion Date, the Company and its Subsidiaries will be permitted to consummate the transactions contemplated by any contract entered into during the Suspension Period, so long as such contract and such consummation would have been permitted during such Suspension Period.

We cannot assure you that the Notes will achieve or maintain Investment Grade Ratings.

The Company shall send written notice to the Trustee upon the commencement of any Suspension Period or the occurrence of any Reversion Date; provided that the failure to so notify the Trustee shall not be a default under the Indenture. The Trustee shall have no duty to monitor the ratings of the Notes, shall not be deemed to have any knowledge of the ratings of the Notes and shall have no duty to notify Holders if the Notes achieve Investment Grade Status.

Events of Default

An "*Event of Default*" with respect to the Notes is defined in the Indenture as being any of the following events:

(1) default for 30 days in payment of any interest or Additional Amounts on the Notes when the same becomes due and payable;

(2) default in payment of principal of or premium, if any, on the Notes when the same becomes due and payable, upon optional redemption, upon required purchase, upon declaration of acceleration or otherwise;

(3) any failure to comply with the provisions of "—Restrictive Covenants— Consolidation, Merger, Conveyance, Sale or Lease";

(4) default in the performance, or breach, of any other covenant or obligation of the Company or any Restricted Subsidiary thereof in the Indenture (other than those referred to in clause (1) through (3) above) and continuance of such default or breach for a period of 60 consecutive days after written notice specifying such default or breach is given to the Company by the Trustee or to the Company and the Trustee by the Holders of at least 25% in aggregate principal amount of the Notes;

(5) default under any indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness by the Company or any Significant Subsidiary (or the payment of which is Guaranteed by the Company or any Significant Subsidiary) other than Indebtedness owed to the Company or any of its Restricted Subsidiaries whether such Indebtedness or Guarantee now exists, or is created after the Issue Date, if that default is caused by a failure to pay principal of, or interest or premium, if any, on, such Indebtedness within any applicable grace period as set forth in the documentation governing such Indebtedness (a "*Payment Default*"); or results in the acceleration of such Indebtedness prior to its Stated Maturity, and, in each case, the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates U.S.$25.0 million or more in the case of a default by the Company or any Significant Subsidiary;

(6) failure by the Company or any Significant Subsidiary to pay final and non-appealable judgments or decrees for the payment of money in excess of U.S.$25 million (or the equivalent thereof in other currencies) in the aggregate rendered against the Company or any Significant Subsidiary (whether in full or in installments in accordance with the terms of the judgment) or to otherwise discharge, bond in full, fully escrow for or cover by insurance (in which case the liability shall be unconditionally assumed by the relevant insurer in writing within 60 days) such judgments or decrees, and, in the case of each such judgment or decree, either (a) an enforcement proceeding has been commenced by any creditor upon such judgment or decree and is not dismissed within 30 days following commencement of such enforcement proceedings or (b) there is a period of 90 days following such judgment during which such judgment or decree is not discharged, waived or the execution thereof stayed;

(7) any Peruvian government or governmental authority condemns, nationalizes, seizes, or otherwise expropriates all or substantially all of the Company's consolidated assets or property or the Company's Capital Stock or the Capital Stock of any Significant Subsidiary holding all or substantially all of the Company's consolidated assets or property, or assumes custody or control of such consolidated assets or property or of the Company's or any such Significant Subsidiary's business or operations or Capital Stock, or takes any action that would prevent the Company or any such Significant Subsidiary or their respective officers from carrying on a substantial portion of the Company's or such Significant Subsidiary's business or operations for a period longer than 90 days and the result of any such action materially prejudices the Company's ability to perform its obligations under the Notes and the Indenture;

(8) a decree or order by a court or competent governmental authority having jurisdiction has been entered adjudging the Company or any of its Significant Subsidiaries as bankrupt or insolvent, or approving as properly filed a petition seeking reorganization of or by the Company or any of its Significant Subsidiaries and such decree or order continues undischarged or unstayed for a period of 90 days; or a decree or order of a court or competent governmental authority having jurisdiction for the appointment of a receiver or liquidator or for the liquidation or dissolution of the Company or any of its Significant Subsidiaries, has been entered, and such decree or order continues undischarged and unstayed for a period of 90 days; *provided* that any Significant Subsidiary may be liquidated or dissolved if, pursuant to such liquidation or dissolution, all or substantially all of its assets are transferred to the Company, or another Significant Subsidiary of the Company; or

(9) the Company or any of its Significant Subsidiaries institutes any proceeding to be adjudicated as voluntary bankrupt, or consents to the filing of a bankruptcy proceeding against it, or files a petition or answer or consent seeking reorganization, or consents to the filing of any such petition, or consents to the appointment of a receiver or liquidator or trustee or assignee in bankruptcy or insolvency of it or its property.

The foregoing will constitute Events of Default whatever the reason for any such Event of Default and whether it is voluntary or involuntary or is effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body.

If an Event of Default (other than an Event of Default set forth in clauses (8) and (9) under "—Events of Default" above) with respect to the Notes specified herein shall have occurred and be continuing, either the Trustee or the Holders of at least 25% in aggregate principal amount of the Notes may declare the principal amount of (and interest on) all the Notes to be due and payable immediately. If an Event of Default set forth in clause (8) and (9) under "—Events of Default" above shall have occurred, the principal amount of all the Notes will be immediately due and payable without notice or any other act on the part of the Trustee or any Holder of the Notes. The right of the Trustee and the Holders to give such acceleration notice shall terminate if the Event of Default giving rise to such right has been cured before such right is exercised. The Holders of a majority in aggregate principal amount of the outstanding Notes by written notice to the Company and the Trustee may annul and rescind any declaration of acceleration if (i) all amounts then due with respect to the Notes are paid (other than amounts due solely because of such declaration), (ii) all other Defaults with respect to the Notes are cured and (iii) the Company has deposited with the Trustee a sum sufficient to pay all amounts owed to the Trustee. No such rescission shall affect any subsequent Default or impair any right consequent thereto.

If an Event of Default occurs and is continuing, the Trustee may pursue any available remedy to collect the payment of principal, premium, if any, and interest on the Notes or to enforce the performance of any provision of the Notes or the Indenture.

The Trustee may maintain a proceeding even if it does not possess any of the Notes or does not produce any of them in the proceeding. A delay or omission by the Trustee or any Holder of a Note in exercising any right or remedy accruing upon an Event of Default shall not impair the right or remedy or constitute a waiver of or acquiescence in the Event of Default. All remedies are cumulative to the extent permitted by law.

The Holders of a majority in aggregate principal amount of the Notes then outstanding by notice to the Trustee and the Company may waive an existing Default and its consequences except (i) a Default in the payment of the principal of or interest on a Note or (ii) a Default in respect of a provision that under the caption "—Modifications, Waivers and Amendments" cannot be amended without the consent of each Holder affected. When a Default is waived, it is deemed cured, but no such waiver shall extend to any subsequent or other Default or impair any consequent right.

The Holders of a majority in aggregate principal amount of the outstanding Notes may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or of exercising any trust or power conferred on the Trustee with respect to the Notes. However, the Trustee may refuse to follow any direction that conflicts with applicable law or the Indenture or that the Trustee determines is unduly prejudicial to the rights of other Holders (*provided*, that the Trustee shall not have an affirmative duty to determine whether any such direction is unduly prejudicial to the rights of other Holders) or would involve the Trustee in personal liability; *provided*, that the Trustee may take any other action deemed proper by the Trustee that is not inconsistent with such direction. Prior to taking any action hereunder, the Trustee shall be entitled to indemnification reasonably satisfactory to it against all losses and expenses caused by taking or not taking such action.

A Holder shall not have any right to institute any proceeding with respect to the Indenture or the Notes or for any remedy hereunder or thereunder unless:

(1) such Holder shall have previously given to the Trustee written notice of a continuing Event of Default;

(2) the Holders of at least 25% in aggregate principal amount of the Notes then outstanding have made a written request to the Trustee to institute such proceeding in respect of such Event of Default in its own name as Trustee and such Holder of or Holders have offered indemnity reasonably satisfactory to the Trustee; and

(3) the Trustee has failed to institute such proceeding for 60 days after the receipt of such notice and has not received from the Holders of at least a majority in aggregate principal amount of the Notes outstanding a direction inconsistent with such request, within 60 days after such notice.

The foregoing limitations on the pursuit of remedies by a Holder shall not apply to a suit individually instituted by a Holder of Notes for the enforcement of payment of the principal of, or interest on, such Note on or after the respective due date specified in such Note. A Holder may not use the Indenture to prejudice the rights of another Holder or to obtain a preference or priority over another Holder.

Additional Amounts

The Company shall make all payments of principal, premium, if any, and interest in respect of the Notes free and clear of, and without any withholding or deduction for or on account of, any Taxes imposed, levied, collected, withheld or assessed by or within Peru or any other jurisdiction in which the Company or any successor of the Company under the Indenture is organized or incorporated or any Paying Agent is located or, in each case, any political subdivision thereof or any authority therein or thereof having power to tax (each, a "*Relevant Jurisdiction*"), unless such withholding or deduction for such Taxes is required by law or by the interpretation or administration thereof. In the event of any such withholding or deduction of Taxes by a Relevant Jurisdiction, the Company shall pay to Holders such additional amounts as will result in the payment to each Holder of the net amount that would otherwise have been receivable by such Holder in the absence of such withholding or deduction ("*Additional Amounts*"), except that no such Additional Amounts shall be payable in respect of:

(a) any Taxes that would not have been so withheld or deducted but for the existence of any present or former connection (including, without limitation, a permanent establishment) between the Holder, applicable recipient of payment or beneficial owner of the Notes or any payment in respect of such Notes (or, if the Holder, applicable recipient of payment or beneficial owner is an estate, nominee, trust, partnership, corporation or other business entity, between a fiduciary, settlor, beneficiary, member or shareholder of, or possessor of power over, the Holder, applicable recipient of payment or beneficial owner) and the Relevant Jurisdiction, other than connections arising solely from the receipt of such payment or the holding or ownership of such Notes or beneficial interest therein or the enforcement of rights thereunder;

(b) any Taxes that would not have been so withheld or deducted if the Notes had been presented for payment within 30 days after the Relevant Date to the extent presentation is required (except to the extent that the Holder would have been entitled to Additional Amounts had such Notes been presented for payment on the last day of such 30-day period);

(c) any Taxes that would not have been so withheld or deducted but for the failure by the Holder or the beneficial owner of the Notes or any payment in respect of such Notes to (i) make a declaration of non-residence, or any other claim or filing for exemption from, or reduction in, the deduction or withholding to which it is entitled or (ii) comply with any certification, identification, information, documentation or other reporting requirement concerning its nationality, residence, identity or connection with the Relevant Jurisdiction; *provided* that such declaration or compliance is required as a precondition to exemption from all or part of such Taxes and the Company has given the Holders at least 30 days prior notice that they will be required to comply with such requirements;

(d) any estate, inheritance, gift, value added, sales, use, excise, transfer, personal property or similar taxes, duties, assessments or other governmental charges;

(e) any Taxes that are payable otherwise than by deduction or withholding from payments on the Notes;

(f) any Taxes that would not have been so imposed if the Holder had presented the Notes for payment (where presentation is required) to or otherwise had accepted payment from another Paying Agent;

(g) any payment to a Holder of the Notes that is a fiduciary or partnership (including an entity or arrangement treated as a partnership for tax purposes) or any Person other than the sole beneficial owner of such payment or Notes, to the extent that a beneficiary or settlor with respect to such fiduciary, a member of such partnership or the beneficial owner of such payment or Notes would not have been entitled to the Additional Amounts had such beneficiary, settlor, member or beneficial owner been the actual Holder of such Notes;

(h) any Taxes imposed under sections 1471-1474 of the Code, any current or future regulations thereunder or interpretations thereof, any agreements entered into pursuant to section 1471(b) of the Code, any intergovernmental agreement entered into (or treated as being in effect) in connection with the implementation of such sections of the Code, and any fiscal or regulatory legislation, rules or official practices adopted present to any such intergovernmental agreement; or

(i) any combination of clauses (a) through (h) above.

All references to principal, premium, if any, and interest in respect of the Notes shall be deemed also to refer to any Additional Amounts which may be payable as set forth in the Indenture or in the Notes.

Notwithstanding the foregoing, the limitations on the Company's obligation to pay Additional Amounts set forth in clause (c) above shall not apply if the compliance with any declaration, certification, identification, information, documentation or other reporting requirement described in such clause (c) would be materially more onerous, in form, in procedure or in the substance of information disclosed, to a Holder or beneficial owner of Notes than comparable information or other reporting requirements imposed under U.S. tax law, regulations and administrative practice (such as IRS Forms W-8 and W-9).

At least 10 Business Days prior to the first Interest Payment Date (and at least 10 Business Days prior to each succeeding Interest Payment Date if there has been any change with respect to the matters set forth in the Officer's Certificate referenced below), the Company shall furnish to the Trustee and each Paying Agent an Officer's Certificate instructing the Trustee and each Paying Agent whether payments of principal, premium, if any, of or interest on the Notes due on such Interest Payment Date shall be without deduction or withholding for or on account of any Taxes. If any such deduction or withholding shall be required, the Company shall furnish the Trustee and each Paying Agent with an Officer's Certificate which specifies the amount, if any, required to be deducted or withheld on such payment to Holders and certifies that the Company shall make such deduction or withholding and remit the full amount deducted or withheld to the applicable taxing authority.

Upon written request, the Company shall furnish to the Trustee documentation reasonably satisfactory to the Trustee evidencing payment of any Taxes deducted or withheld from payments on the Notes. Copies of such receipts shall be made available by the Company to Holders upon written request.

The Company shall promptly pay when due any present or future stamp, issue, registration, court or documentary taxes or any excise or property taxes, charges or similar levies (including any penalties, interest and other liabilities relating thereto) which arise in any jurisdiction in connection with the execution, delivery or registration of the Notes or any other document or instrument referred to herein or therein (other than, in each case, such taxes, charges or similar levies imposed on or in connection with a transfer of the Notes that is not part of the initial resale of the Notes by the initial purchasers of the Notes), excluding any such taxes, charges or similar levies imposed by any jurisdiction other than a Relevant Jurisdiction, except those resulting from, or required to be paid

in connection with, the enforcement of the Notes after the occurrence and during the continuance of a Default or Event of Default with respect to the Notes.

Purchase of Notes by the Company

The Company or any of its Affiliates may, to the extent permitted by applicable law, at any time or from time to time purchase Notes in the open market, on an exchange, or by tender or by private agreement at any price. Any Note so purchased may be held by, or for the account of, the Company or any of its Affiliates and may be surrendered to the Trustee for cancellation; *provided, however*, that for purposes of determining whether the Holders of the requisite percentage of the outstanding principal amount of Notes are present at a meeting of Holders for quorum purposes or have consented to or voted in favor of any request, demand, authorization, direction, notice, consent, waiver, amendment or modification under the Indenture, Notes owned by the Company or any of its Affiliates shall be disregarded and deemed not to be outstanding.

Defeasance

The Company may, at its option and at any time, elect to have certain of its obligations with respect to outstanding Notes discharged ("*Legal Defeasance*"). If the Company exercises its Legal Defeasance option, payment of the Notes may not be accelerated because of the occurrence of an Event of Default. Such Legal Defeasance means that the Company will be deemed to have paid and discharged the entire indebtedness represented by the outstanding Notes after the deposit specified in clause (1) of the second following paragraph, except for:

(i) the rights of Holders to receive payments in respect of the principal, premium, if any, and interest on the Notes when such payments are due;

(ii) the Company's obligations with respect to the Notes concerning issuing temporary Notes, registration of Notes, mutilated, destroyed, lost or stolen Notes and the maintenance of an office or agency for payments;

(iii) the rights, powers, trusts, duties, indemnities and immunities of the Trustee and the Company's obligations in connection therewith; and

(iv) the Legal Defeasance provisions of the Indenture.

In addition, the Company may, at its option and at any time, elect to have its obligations released with respect to the covenants described under "—Limitation on Restricted Payments," "—Limitation on Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries," "—Limitation on Indebtedness," "—Limitation on Sales of Assets," "—Limitation on Transactions with Affiliates," "—Limitation on Liens," "—Repurchases at the Option of the Holders of the Notes Upon Change of Control that Results in a Ratings Event," "—Limitation on Sale and Lease-Back Transactions," "—Limitation on Designation of Restricted and Unrestricted Subsidiaries" and clause (iii) under "—Consolidation, Merger, Conveyance, Sale or Lease" ("*Covenant Defeasance*") and thereafter any omission to comply with such obligations will not constitute a default or Event of Default with respect to the Notes. In the event Covenant Defeasance occurs, certain events (not including non-payment, expropriation, bankruptcy, receivership, reorganization and insolvency events) described under "*Events of Default*" will no longer constitute an Event of Default with respect to the Notes.

In order to exercise either Legal Defeasance or Covenant Defeasance:

(1) the Company must irrevocably deposit with the Trustee, in trust, for the benefit of the Holders cash in U.S. dollars, certain direct non-callable obligations of, or guaranteed by, the United States, or a combination thereof, in such amounts as will be sufficient without reinvestment, in the opinion of an Independent Financial Advisor expressed in a written opinion delivered to the Trustee, to pay the principal, premium, if any, and interest (including Additional Amounts) in respect of the Notes on the stated date for payment thereof;

(2) in the case of Legal Defeasance, the Company will have delivered to the Trustee an opinion of counsel from counsel in the United States reasonably acceptable to the Trustee and independent of the Company (subject to customary exceptions and exclusions) to the effect that:

(a) the Company has received from, or there has been published by, the U.S. Internal Revenue Service a ruling; or

(b) since the date of issuance of the Notes, there has been a change in the applicable U.S. federal income tax law,

in either case to the effect that, and based thereon such opinion of counsel will state that, the Holders and beneficial owners of the outstanding Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Legal Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of Covenant Defeasance, the Company will have delivered to the Trustee an opinion of counsel from counsel in the United States reasonably acceptable to the Trustee and independent of the Company (subject to customary exceptions and exclusions) to the effect that the Holders and beneficial owners of the outstanding Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Covenant Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) in the case of Legal Defeasance or Covenant Defeasance, the Company will have delivered to the Trustee an opinion of counsel from counsel in Peru reasonably acceptable to the Trustee and independent of the Company (subject to customary exceptions and exclusions) to the effect that, based upon Peruvian law then in effect, Holders and beneficial owners of the Notes will not recognize income, gain or loss for Peruvian tax purposes, including withholding tax except for withholding tax then payable on interest payments due, as a result of such Legal Defeasance or Covenant Defeasance, as the case may be, and will be subject to Peruvian taxes on the same amounts and in the same manner and at the same time as would have been the case if such Legal Defeasance or Covenant Defeasance, as the case may be, had not occurred;

(5) no Default or Event of Default has occurred and be continuing on the date of the deposit pursuant to clause (1) of this paragraph (other than a Default or Event of Default arising in connection with the grant of any Lien securing a borrowing of funds to be applicable to such deposit);

(6) the Company has delivered to the Trustee an officer's certificate stating that the deposit was not made by the Company with the intent of preferring the Holders over any other creditors of the Company or any Subsidiary of the Company or with the intent of defeating, hindering, delaying or defrauding any other creditors of the Company or others;

(7) the Company has delivered to the Trustee an officer's certificate and an opinion of counsel from counsel reasonably acceptable to the Trustee and independent of the Company (subject to customary exceptions and exclusions), each stating that all conditions precedent provided for or relating to the Legal Defeasance or the Covenant Defeasance have been complied with; and

(8) the Company has delivered to the Trustee opinions of counsel from U.S. and Peruvian counsel reasonably acceptable to the Trustee and independent of the Company (subject to customary exceptions and exclusions and to assumptions as to factual matters, including the absence of an intervening bankruptcy, insolvency or reorganization during the applicable preference period following the date of such deposit and that no Holder or the Trustee is deemed to be an "insider" of the Company under the U.S. Bankruptcy Code and any equivalent law of Peru) to the effect that the transfer of trust funds pursuant to such deposit will not be subject to avoidance as a preferential transfer pursuant to the applicable provisions of the U.S. Bankruptcy Code or any successor statute and any equivalent law of Peru.

Satisfaction and Discharge

The Indenture will be discharged and will cease to be of further effect (except as to surviving rights or registration of transfer or exchange of the Notes and the indemnities of the trustee and the Company's obligations in connection therewith, as expressly provided for in the Indenture) as to all outstanding notes when:

(1) either:

(a) all the Notes theretofore authenticated and delivered (except lost, stolen or destroyed Notes which have been replaced or paid and Notes for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Company and thereafter repaid to the Company or discharged from such trust) have been delivered to the Trustee for cancellation; or

(b) all Notes not theretofore delivered to the Trustee for cancellation have become due and payable by reason of the giving of one or more notices of redemption or otherwise (in the case that such Notes have become due and payable as a result of the giving of a notice of redemption, after any conditions precedent to redemption have been satisfied or waived in writing by the Company), will become due and payable within one year or may be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Company, and the Company has irrevocably deposited or caused to be deposited with the Trustee funds or certain direct, non-callable obligations of, or guaranteed by, the United States, or a combination thereof, in such amounts as will be sufficient without reinvestment to pay and discharge the entire indebtedness on the Notes not theretofore delivered to the Trustee for cancellation, for principal, premium, if any, and interest in respect of the Notes to the date of payment, together with irrevocable instructions from the Company directing the Trustee to apply such funds to the payment;

(2) the Company has paid all other sums payable under the Indenture and the Notes by it; and

(3) the Company has delivered to the Trustee an officer's certificate and an opinion of counsel stating that all conditions precedent under the Indenture relating to the satisfaction and discharge of the Indenture have been complied with.

Reports to Holders and the Trustee

(a) The Company shall provide (or in lieu of providing, make accessible electronically by written notice to the Trustee, who will forward such notice to the Holders upon written request of the Company) the Trustee and, upon request, the Holders of the Notes:

(1) as soon as they are available, but in any event within 135 calendar days after the end of each fiscal year of the Company, copies of its audited financial statements (on a consolidated basis) in respect of such fiscal year (including a profit and loss account, balance sheet and cash flow statement), in English, prepared in accordance with IFRS and audited by a member firm of an internationally recognized firm of independent accountants, together with a summary form management's discussion and analysis of the results of operations and financial condition for such fiscal year; and

(2) as soon as they are available, but in any event within 75 calendar days after the end of each of the first, second and third fiscal quarters of the Company, copies of its unaudited financial statements (on a consolidated basis) in respect of the relevant period (including a profit and loss account, balance sheet and cash flow statement), in English, prepared on a basis consistent with the audited financial statements of the Company and in accordance with IFRS, together with a certificate signed by the chief financial officer of the Company or a person acting on his or her behalf to the

effect that such financial statements are true in all material respects and present fairly the financial position of the Company as at the end of, and the results of its operations for, the relevant quarterly period.

(b) In addition, the Company will furnish to the Holders of the Notes and to prospective investors, upon request of such Holders or investors, any information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act so long as the Notes are not freely tradable under the Securities Act.

(c) For so long as any of the Notes are outstanding, the above information will be made available at the specified offices of each paying agent. For so long as the Notes are listed on the Singapore Stock Exchange, the above information will also be made available in Singapore through the Singapore Stock Exchange.

Delivery of such reports, information and documents to the Trustee pursuant to this covenant is for informational purposes only, and the Trustee's receipt thereof will not constitute actual or constructive notice of any information contained therein or determinable from information contained therein, including the Company's compliance with any of its covenants under the Indenture (as to which the Trustee is entitled to an Officer's Certificate confirming such matters).

Any default or Event of Default arising from a failure to comply with the provisions of this covenant shall be deemed cured (and the Company will be deemed to be in compliance with the provisions of this covenant) upon furnishing such statements or information as contemplated herein if in accordance with the applicable grace periods provided in clause (4) under "—Events of Default" above.

Modifications, Waivers and Amendments

The Indenture and the Notes may be amended, supplemented or otherwise modified with the consent of at least a majority in aggregate principal amount of the then outstanding Notes (including any consents obtained in any tender offer or exchange offer for such Notes); *provided*, *however*, without the consent of all Holders of the outstanding Notes affected thereby, an amendment, supplement or waiver may not:

(1) change the interest rate with respect to any Notes or the time for payment of interest on any Note;

(2) reduce the principal amount of any Notes or the time for payment thereof;

(3) modify the obligation to pay Additional Amounts;

(4) change the price at which the Notes may be redeemed or must be repurchased by the Company under the captions "—Optional Redemption," and "—Repurchases at the Option of the Holders of the Notes Upon Change of Control that Results in a Ratings Event" hereof;

(5) change the time at which any Notes may be redeemed or must be repurchased in accordance with "—Optional Redemption," or "—Repurchases at the Option of the Holders of the Notes Upon Change of Control that Results in a Ratings Event" hereof (provided that changes to the time for notice of redemption of Notes shall not be subject to this clause);

(6) make any Notes payable in currency other than that stated in the Notes;

(7) change the required place at which payment of principal, premium, if any, or interest on any Notes is payable;

(8) impair the right to institute suit for the enforcement of any payment obligation on or with respect to any Notes; or

(9) reduce the percentages of principal amount of outstanding Notes whose Holders are required to consent to modify or amend the Indenture or the terms or conditions of the Notes or to waive any future compliance or past Default.

For purposes of the foregoing, Notes actually known to a Responsible Officer of the Trustee to be held for the Company's account, or the account of any Affiliate of the Company, shall not be considered outstanding and such Holder(s) will not participate in taking any actions under the terms of the Notes.

Notwithstanding the foregoing, without the consent of any Holder, the Company, the Trustee and the other parties thereto, as applicable, may amend or supplement the Notes or Indenture:

(1) to cure any ambiguity, omission, defect or inconsistency (including, without limitation, any inconsistency between the text of the Notes, or the Indenture, and the description of the Indenture and the Notes contained herein);

(2) to comply with the covenant described under "—Restrictive Covenants—*Consolidation, Merger, Conveyance, Sale or Lease*";

(3) to add guarantors with respect to the Notes;

(4) to add a co-issuer with respect to the Notes;

(5) to add collateral with respect to the Notes;

(6) to add to the covenants of the Company for the benefit of the Holders;

(7) to surrender any right or power conferred by the Indenture upon the Company;

(8) to evidence and provide for the acceptance of an appointment by a successor Trustee;

(9) to provide for the issuance of Additional Notes; or

(10) to make any other change that does not materially and adversely affect the rights of any Holder of the Notes.

In connection with any such amendment, the Trustee shall be entitled to receive an Officer's Certificate and an opinion of counsel, each stating that the conditions precedent to the amendment have been satisfied, and that the amendment is authorized or permitted by the Indenture.

The consent of the Holders is not necessary under the Indenture to approve the particular form of any proposed amendment of any Note Document. It is sufficient if such consent approves the substance of the proposed amendment. A consent to any amendment or waiver under the Indenture by any Holder of Notes given in connection with a tender of such Holder's Notes will not be rendered invalid by such tender. After an amendment, supplement or waiver under the Indenture becomes effective, the Company will be required to give notices to the Holders as provided under "Notices" briefly describing such amendment, supplement or waiver. The failure to give such notice to all Holders, or any defect therein, will not impair or affect the validity of such amendment or waiver.

Replacement of Notes

If any Note shall become mutilated or defaced or be destroyed, lost or stolen, the Company may execute and the Trustee may, upon the Holder of such Note agreeing to provide such indemnity as shall be required in the next paragraph and in the absence of notice to us or the Trustee that such Note has been acquired by a protected purchaser (as defined in Section 8-303 of the UCC, as amended), authenticate and deliver a new Note on such terms as the Company and the Trustee may require, in exchange and substitution for the mutilated or defaced Note or in lieu of and in substitution for the destroyed, lost or stolen Note. Each Note authenticated and delivered for, or in lieu of, any such Note shall carry all the rights to interest accrued and unpaid and to accrue which were carried by such Note before such mutilation or defacement, or destruction, loss or theft.

In the case of a mutilated, defaced, destroyed, lost or stolen Note, an indemnity in favor of the Trustee and the Company, satisfactory to the Trustee and the Company will be required of the owner of such Note and evidence to the satisfaction of the Trustee and the Company of the destruction, loss or theft of such Note and of the ownership

thereof before a replacement Note will be issued. In the case of mutilation or defacement of a Note, the Holder shall surrender to the Trustee the Note so mutilated or defaced. In addition, prior to the issuance of any Note in substitution for the mutilated, defaced, destroyed, lost or stolen Note, the Company may require the payment of a sum sufficient to cover any tax or other governmental charges that may be imposed in relation thereto and any other expenses (including the reasonable fees and expenses of the Trustee and its counsel and the Company's counsel) connected therewith. If any Note that has matured or will mature within 30 days shall become mutilated or defaced or be apparently destroyed, lost or stolen, the Company may pay, in its sole discretion, or authorize payment of the same without issuing a substitute Note.

Governing Law; Waiver of Jury Trial

The Indenture and the Notes are governed by, and shall be construed in accordance with, the law of the State of New York, United States, without regard to the conflicts of law provisions thereof. Pursuant to the Indenture, the Company and the Trustee will waive, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to the Indenture, the Notes or the transactions contemplated thereby.

Prescription

All claims for payment of principal of or interests (including Additional Amounts, if any) on or in respect of the Notes will be prescribed unless made within six years from the date on which such payment first became due, unless a different period applies under applicable law. Claims filed in the courts of the State of New York will be subject to the applicable statute of limitations for such claims, which currently is six years.

Descriptive Headings

The descriptive headings appearing in this "Description of the Notes" are for convenience of reference only and shall not alter, limit or define the provisions hereof.

No Personal Liability of Directors, Officers, Employees and Shareholders

A director, officer, employee or shareholder, as such, of the Company shall not have any liability for any obligations of the Company under the Notes or this Indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. By accepting a Note, each Holder shall waive and release all such liability. The waiver and release shall be part of the consideration for issue of the Notes.

Consent to Service of Process; Jurisdiction

The Company will submit to the non-exclusive jurisdiction of the courts of the State of New York and the United States courts located in the Borough of Manhattan, New York City, New York with respect to any action that may be brought in connection with the Indenture or the Notes and has appointed Cogency Global Inc. as agent for service of process.

Form, Denomination and Title

Notes sold in reliance on Rule 144A ("*Rule 144A*") under the United States Securities Act of 1933, as amended (the "*Securities Act*") to qualified institutional buyers (as defined in Rule 144A under the Securities Act) ("*qualified institutional buyers*" or "*QIBs*") will be represented by a permanent restricted global note in fully registered form without interest coupons attached (each, a "*Rule 144A Global Note*"), which will be deposited with a custodian for and registered in the name of Cede & Co. ("*Cede*"), as nominee of The Depository Trust Company ("*DTC*") and its direct and indirect participants, including depositaries for Euroclear and Clearstream, Luxembourg. Notes sold in offshore transactions in reliance on Regulation S under the Securities Act ("*Regulation S*") will be represented by a global note in fully registered form without interest coupons attached (such global note is referred to herein as a "*Regulation S Global Note*" and together with the Rule 144A Global Note the "*Global Notes*") which will be deposited with a custodian for, and registered in the name of Cede, as nominee of DTC, for the accounts of Euroclear

Bank S.A./N.V., as operator of the Euroclear System ("*Euroclear*"), and Clearstream, Luxembourg. Purchasers of beneficial interests in a Regulation S Global Note will be required to certify that such beneficial owner is not a U.S. Person within the meaning of Rule 902 of the Securities Act or is a U.S. Person who purchased its interest in a transaction that did not require registration under the Securities Act. Beneficial interests in Global Notes will be shown on, and transfers thereof will be effected only through, records maintained by DTC and its direct and indirect participants, including depositaries for Euroclear and Clearstream, Luxembourg.

The Notes have been accepted for clearance and settlement through DTC and its direct and indirect participants, including depositaries for Euroclear and Clearstream, Luxembourg. With respect to the Notes represented by the Rule 144A Global Note, the CUSIP number is 685948 AA9 and the ISIN is US685948AA92. With respect to the Notes represented by the Regulation S Global Note, the CUSIP number is P73906 AA0 and the ISIN is USP73906AA03.

Any reference herein to DTC, Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearance system approved by the Company, the relevant initial purchaser(s) and the Trustee.

Each Note will be numbered serially with an identifying number that will be recorded in the register (the "*Register*") to be kept by the Registrar. Title to Notes will pass only by registration of transfer in the Register. In this "Description of the Notes," "*Holder*" means, with respect to a Note, the person in whose name a Note is registered in the Register. The Holder of any Note will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not such Note is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on it, or its theft or loss), and no person will be liable for so treating the Holder.

The Notes will be issued in the following specified denominations: (i) subject to applicable law, Notes resold pursuant to Rule 144A will be in denominations of U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof; and (ii) subject to applicable law, Notes sold pursuant to Regulation S will be in denominations of U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof; subject, in each case, to the fulfilment of all legal and regulatory requirements (the "*Specified Denominations*").

Global Notes

The statements set forth herein include summaries of certain rules and operating procedures of DTC, Euroclear and Clearstream, Luxembourg, which affect transfers of interests in the Global Notes.

Except as set forth below, a Global Note may be transferred, in whole or part, only to DTC, another nominee of DTC or a successor of DTC or its nominee.

Beneficial interests in the Global Notes will be represented, and transfers of such beneficial interests will be effected, through accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants in DTC. Subject to the minimum denominations described above, such beneficial interests will be in denominations of U.S.$1,000 and integral multiples thereof. Investors may hold Notes directly through DTC, Euroclear or Clearstream, Luxembourg, if they are participants in such systems, or indirectly through organizations that are participants in such systems. Euroclear and Clearstream, Luxembourg hold securities on behalf of their participants through customers' securities accounts in their respective names on the books of their respective depositaries, which in turn hold such securities in customers' securities accounts in the depositaries' names on the books of DTC.

A beneficial interest in Regulation S Global Note may be transferred to a person who takes delivery in the form of an interest in a Rule 144A Global Note only upon receipt by the Trustee of a written certification from the transferor (in the applicable form provided in the Indenture) to the effect that such transfer is being made to a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction. Beneficial interests in a Rule 144A Global Note may be transferred to a person who takes delivery in the form of an interest

in the Regulation S Global Note, only upon receipt by the Trustee of a written certification from the transferor (in the applicable form provided in the Indenture) to the effect that such transfer is being made in accordance with Regulation S or that the Note being transferred is not a "restricted security" within the meaning of Rule 144 under the Securities Act. 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 another Global Note will, upon transfer, cease to be an interest in such Global Note and become an interest in such other Global Note and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in such other Global Note for as long as it remains such an interest.

DTC has advised the Company that it is a limited-purpose trust company organized under the laws of the State of New York, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the UCC and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC was created to hold securities of its participants (each, a "*DTC Participant*") and to facilitate the clearance and settlement of securities transactions among the DTC Participants in such securities through electronic book-entry changes in accounts of the DTC Participants, thereby eliminating the need for physical movement of securities certificates. DTC Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations, some of which and/or their representatives own DTC. Access to DTC's book-entry system is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a participant, either directly or indirectly. Persons who are not DTC Participants may beneficially own securities held by DTC only through DTC Participants.

Upon the issuance of the Global Notes, DTC will credit, on its book-entry registration and transfer system, the respective nominal amounts of the Notes represented by such Global Notes to the accounts of the DTC Participants designated by the relevant initial purchaser(s).

Persons who are not DTC Participants may beneficially own Notes held by DTC only through direct or indirect DTC Participants (including Euroclear and Clearstream, Luxembourg). So long as Cede, as the nominee of DTC, is registered owner of the Global Notes, Cede for all purposes will be considered the sole Holder represented by the Global Notes under the Indenture and the Notes. Except as provided below, owners of beneficial interests in the Global Notes will not be entitled to have Notes represented thereby registered in their names, will not receive or be entitled to receive physical delivery of such Notes in definitive form and will not be considered the Holders thereof under the Indenture or the Notes. Accordingly, any person owning a beneficial interest in either of the Global Notes must rely on the procedures of DTC and, to the extent relevant, Euroclear or Clearstream, Luxembourg, and, if such person is not a participant, on the procedures of the participant through which such person owns its interest, to exercise any rights of a Holder represented thereby. The Company understands that, under existing industry practice, in the event that any owner of a beneficial interest in a Global Note desires to take any action that Cede, as the Holder of such Global Note, is entitled to take, Cede would authorize the DTC Participants to take such action, and the DTC Participants would authorize beneficial owners owning through such DTC Participants to take such action or would otherwise act upon the instructions of beneficial owners owning through them.

Payments in respect of the principal of and premium and interest 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 governing the Notes. Under the terms of the Indenture governing the Notes, the Company and the Trustee will treat the Persons in whose names Notes, including Global Notes, are registered as the owners of such notes for the purpose of receiving payments and for all other purposes. Consequently, none of the Company, the Trustee or any agent of the Company or 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 interests in 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 Global Notes; or

(2) any other matter relating to the actions and practices of DTC or any of its participants or indirect participants.

DTC may grant proxies or otherwise authorize DTC Participants (or persons holding beneficial interests in the Notes through such DTC Participants) to exercise any rights of a Holder or take any other actions which a Holder is entitled to take under the Indenture or the Notes. Under its usual procedures, DTC would mail an omnibus proxy to the Company assigning Cede's consenting or voting rights to those DTC Participants to whose accounts the Notes are credited on a record date as soon as possible after such record date. Euroclear or Clearstream, Luxembourg, as the case may be, will take any action permitted to be taken by a Holder under the Indenture or the Notes on behalf of a Euroclear participant or Clearstream, Luxembourg participant only in accordance with its relevant rules and procedures and subject to its depositary's ability to effect such actions on its behalf through DTC.

The Global Notes will not be exchangeable for Definitive Notes, except as provided below.

Transfer of Notes and Issuance and Transfer of Definitive Notes

The transfer of Notes and issuance and transfer of Definitive Notes shall be as follows:

A Note may be transferred in whole or in part in a Specified Denomination. Transferees of interests in one Note may take delivery in the form of interests in another Note, subject to the certification requirements set forth in the Indenture.

The Holder of Notes in certificated, fully registered form without interest coupons attached ("*Definitive Notes*") may transfer such Notes by surrendering them at the office or agency maintained by the Company for such purpose in the Borough of Manhattan, the City of New York, which initially will be the office of the Trustee, or at the office of any Transfer Agent. Upon the transfer, exchange or replacement of Definitive Notes bearing a restrictive legend, or upon specific request for removal of such legend, the Company will deliver only Definitive Notes that bear such legend, or will refuse to remove such legend, as the case may be, unless there is delivered to the Company and the Trustee such satisfactory evidence, which may include an opinion of counsel, as may reasonably be required by the Company and the Trustee that neither the legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act.

If DTC or any successor depositary is at any time unwilling or unable to continue as a depositary for a Global Note or ceases to be a "clearing agency" registered under the Exchange Act and a successor depositary is not appointed by us within 90 days after the Company receives notice from such depositary or the Trustee to that effect, or after the Company becomes aware that DTC is no longer so registered, or the Trustee has instituted or has been directed to institute any judicial proceedings in a court to enforce the rights of noteholders under the Notes and the Trustee has been advised by an opinion of counsel in connection with such proceedings that it is necessary or appropriate for the Trustee to obtain possession of the Notes or an Event of Default has occurred and is continuing with respect to the Notes, the Trustee will complete, authenticate and deliver Notes in certificated registered form duly executed by the Company and deposited with the Trustee on the Issue Date in exchange for such Global Note. The Company may also determine that any Global Note will be exchanged for Definitive Notes. In the case of Definitive Notes issued in exchange for a Rule 144A Global Note, such certificates will bear, and be subject to, the legend referred to under "Transfer Restrictions; Notice to Investors."

The Holder of Definitive Notes may transfer such Notes by surrendering them, together with any relevant information required for the transfer, at the office or agency maintained by the Company for such purpose in the Borough of Manhattan, The City of New York, which initially will be the office of the Trustee, or at the office of any Transfer Agent. Upon the transfer, exchange or replacement of Definitive Notes bearing a restrictive legend, or upon specific request for removal of such legend, the Company will deliver only Definitive Notes that bear such legend, or will refuse to remove such legend, as the case may be, unless there is delivered to the Company and the Trustee such satisfactory evidence, which may include an opinion of counsel, as may reasonably be required by the Company and the Trustee, that neither the legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act.

Neither the Registrar nor any Transfer Agent shall register the transfer of, or exchange of, a Definitive Note during the period commencing on the 15th day prior to the due date for any payment of principal of or interest on such Note and ending on such due date for any payment of principal of or interest on such Note or register the transfer or exchange of any Notes previously called for redemption.

Currency Indemnity

The Company will pay all sums payable under the Indenture or the Notes solely in U.S. dollars. Any amount that you receive or recover in a currency other than U.S. dollars in respect of any sum expressed to be due to you from the Company will only constitute a discharge to us to the extent of the U.S. dollar amount which you are able to purchase with the amount received or recovered in that other currency on the date of the receipt or recovery or, if it is not practicable to make the purchase on that date, on the first date on which you are able to do so. If the U.S. dollar amount is less than the U.S. dollar amount expressed to be due to you under any Note, the Company will indemnify you against any loss you sustain as a result. In any event, the Company, as applicable, will indemnify you against the cost of making any purchase of U.S. dollars. For the purposes of this paragraph, it will be sufficient for you to certify in a satisfactory manner that you would have suffered a loss had an actual purchase of U.S. dollars been made with the amount received in that other currency on the date of receipt or recovery or, if it was not practicable to make the purchase on that date, on the first date on which you were able to do so. In addition, you will also be required to certify in a satisfactory manner the need for a change of the purchase date.

The indemnities described above:

- constitute a separate and independent obligation from the other obligations of the Company;
- will give rise to a separate and independent cause of action;
- will apply irrespective of any indulgence granted by any Holder; 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.

Certain Definitions

Set out below is a summary of certain of the defined terms used in the Indenture. Reference is made to the Indenture for the full definition of all such terms as well as any other capitalized terms used herein for which no definition is provided. Unless the context otherwise requires, an accounting term not otherwise defined has the meaning assigned to it under and in accordance with IFRS.

"*Acquired Indebtedness*" means with respect to any Person (x) Indebtedness on the balance sheet of any other Person or any of its Subsidiaries existing at the time such other Person becomes a Restricted Subsidiary or merges or amalgamates with or into or consolidates or otherwise combines with the Company or any Restricted Subsidiary and (y) Indebtedness secured by a Lien encumbering any asset acquired by such Person. Acquired Indebtedness shall be deemed to have been Incurred, with respect to clause (x) of the preceding sentence, on the date such Person becomes a Restricted Subsidiary or on the date of the relevant merger, amalgamation, consolidation, acquisition or other combination.

"*Additional Amounts*" has the meaning given to it under "—Additional Amounts."

"*Additional Assets*" means:

(1) any property or assets (other than Capital Stock) used or to be used or otherwise useful by the Company or a Restricted Subsidiary in a Permitted Business (it being understood that capital expenditures on property or assets already used in a Permitted Business or to replace any property or assets that are the subject of such Asset Sale shall be deemed an Investment in Additional Assets);

(2) the Capital Stock of a Person that becomes a Restricted Subsidiary as a result of the acquisition of such Capital Stock by the Company or another Restricted Subsidiary thereof; or

(3) Capital Stock constituting a minority interest in any Person that at such time is a Restricted Subsidiary of the Company;

provided, however, that any such Restricted Subsidiary described in clause (2) or (3) above is primarily engaged in a Permitted Business.

"*Additional Notes*" has the meaning given to it under "—Additional Notes."

"Affiliate" means, with respect to any specified Person, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "control", when used with respect to any specified Person, means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise.

"*Affiliate Transaction*" has the meaning given to it under "—Restrictive Covenants—Limitation on Transactions with Affiliates."

"*Asset Disposition*" means any Asset Sales or other disposition of assets.

"*Asset Sale*" means any sale, lease, transfer or other disposition (or series of related sales, leases, transfers or dispositions) by the Company or any Restricted Subsidiary thereof, including any disposition by means of a merger, consolidation, or similar transaction (each referred to for the purposes of this definition as a "*disposition*"), of:

(1) any shares of Capital Stock (other than Preferred Stock or Disqualified Stock of Restricted Subsidiaries issued in compliance with the covenant described under "—Restrictive Covenants—Limitation on Indebtedness" or directors' qualifying shares or shares required by applicable law to be held by a Person other than the Company or a Restricted Subsidiary thereof);

(2) all or substantially all the assets of any division or line of business of the Company or any Restricted Subsidiary thereof; or

(3) any other assets of the Company or any Restricted Subsidiary thereof outside of the ordinary course of business of the Company or such Restricted Subsidiary;

provided, however, that Asset Sale will not include:

(a) a disposition by a Restricted Subsidiary of the Company to the Company or to any other Restricted Subsidiary of the Company, as applicable, including to a Person that is or will become a Restricted Subsidiary immediately after the disposition;

(b) for purposes of the provisions described under "—Restrictive Covenants—Limitation on Sales of Assets" only, a Restricted Payment or any Permitted Investment;

(c) a disposition of assets with a Fair Market Value of less than U.S.$10 million;

(d) (i) an expenditure of cash or liquidation of Cash Equivalents or other marketable securities disposed of in the open market or (ii) goods held for sale and assets sold in the ordinary course of business;

(e) a disposition of obsolete, worn out, uneconomic, damaged or surplus property, equipment or other assets or property, equipment or other assets that are no longer economically practical to maintain or used or useful in the business of the Company and its Restricted Subsidiaries whether now or hereafter owned or leased or acquired in connection with an acquisition or used or useful in the conduct of the business of the Company and its Restricted Subsidiaries (including by ceasing to enforce, allowing the lapse, abandonment or invalidation of, or discontinuing the use or

maintenance of, or putting into the public domain, any intellectual property that is, in the reasonable judgment of the Company or its Restricted Subsidiaries, as applicable, no longer used or useful, or economically practicable to maintain);

(f) a disposition of assets that are exchanged for or are otherwise replaced by Additional Assets;

(g) the disposition of all or substantially all of the assets of the Company in a manner permitted under the covenant described under "—Restrictive Covenants—Consolidation, Merger, Conveyance, Sale or Lease;"

(h) the disposition of assets in a Sale and Lease-Back Transaction if permitted by the covenant described under "—Restrictive Covenants—Limitation on Sale and Lease-Back Transaction;"

(i) the lease, assignment or sublease of any real or personal property in the ordinary course of business;

(j) dispositions of receivables in connection with the compromise, settlement or collection thereof in the ordinary course of business or consistent with past practice or in bankruptcy or similar proceedings and exclusive of factoring or similar arrangements;

(k) the good faith surrender or waiver of contract rights, tort claims or statutory rights in connection with a settlement;

(l) foreclosure, condemnation or any similar action with respect to any property or other assets;

(m) any issuance or sale of Capital Stock in, or Indebtedness or other securities of, an Unrestricted Subsidiary or any other disposition of Capital Stock, Indebtedness or other securities of an Unrestricted Subsidiary or an Immaterial Subsidiary;

(n) dispositions of Investments in joint ventures or similar entities to the extent required by, or made pursuant to customary buy/sell arrangements between, the parties to such joint venture set forth in joint venture arrangements and similar binding arrangements;

(o) the unwinding of any Cash Management Services or Hedging Obligations;

(p) and

(q) the Incurrence or disposition of any Lien permitted by the covenant described under "—Restrictive Covenants—Limitation on Liens."

"*Asset Sale Offer*" has the meaning given to it under "—Restrictive Covenants—Limitation on Sales of Assets."

"*Asset Sale Offer Amount*" has the meaning given to it under "—Restrictive Covenants—Limitation on Sales of Assets."

"*Asset Sale Offer Payment Date*" has the meaning given to it under "—Restrictive Covenants— Limitation on Sales of Assets."

"*Attributable Debt*" in respect of a Sale and Lease-Back Transaction means, as at the time of determination, the present value (discounted at the interest rate borne by the Notes, compounded annually) of the total obligations of the lessee for rental payments during the remaining term of the lease included in such Sale and Lease-Back Transaction (including any period for which such lease has been extended).

"*Average Life*" means, as of the date of determination, with respect to any Indebtedness or Preferred Stock, the quotient obtained by dividing:

(1) the sum of the products obtained by multiplying (a) the numbers of years (rounding to the nearest one-twelfth of one year) that will elapse from the date of determination to the dates of each remaining scheduled

principal payment (including the payment at final maturity) of such Indebtedness or redemption or similar payment with respect to such Preferred Stock, by (b) the amount of each such payment, by

(2) the sum of all such payments.

"*Board of Directors*" means, as to any Person, the board of directors or equivalent governing body of such Person serving a similar function, or any duly authorized committee thereof.

"*Capital Stock*" means (1) with respect to any Person that is a corporation, any and all shares, interests, participations or other equivalents (however designated and whether or not voting) of corporate stock, including each class of common stock and preferred stock of such Person; (2) with respect to any Person that is not a corporation, any and all partnership or other equity or ownership interests of such Person; and (3) any warrants, rights or options to purchase or acquire any of the instruments or interests referred to in clause (1) or (2) above, but excluding indebtedness convertible into equity.

"*Capitalized Lease Obligations*" means an obligation that is required to be classified and accounted for as a capitalized lease for financial reporting purposes in accordance with IFRS. The amount of indebtedness represented by such obligation will be the capitalized amount of such obligation at the time any determination thereof is to be made as determined in accordance with IFRS, and the stated maturity thereof will be the date of the last payment of rent or any other amount due under such lease prior to the first date such lease may be terminated without penalty.

"*Cash Equivalents*" means, as to any Person:

(1) securities issued or directly and fully guaranteed or insured by the United States or any agency or instrumentality thereof (*provided* that the full faith and credit of the United States is pledged in support thereof);

(2) marketable direct obligations issued by any state of the United States or any political subdivision of any such state or any public instrumentality thereof maturing within six months from the date of acquisition thereof and, at the time of acquisition, having one of the two highest ratings obtainable from any of S&P, Fitch or Moody's;

(3) time deposits, deposit accounts, certificates of deposit and banker's acceptances of any member of the Federal Reserve System which is organized under the laws of the United States or any political subdivision thereof or any commercial bank organized under the laws of Canada, Japan, Switzerland, United Kingdom or any country which is a member of the European Union, or any commercial bank organized under the laws of Peru, or which is the principal Peruvian banking subsidiary of a bank holding company, in each case, having a combined capital and surplus of at least $500,000,000 and having a long-term unsecured debt rating of at least "A" or the equivalent thereof from either Fitch or S&P or "A2" or the equivalent thereof from Moody's with maturities of not more than six months from the date of acquisition by such Person; provided that all time deposits, deposit accounts, certificates of deposit and banker's acceptances of deposit accounts of Banco de Crédito del Perú, BBVA Banco Continental, Scotiabank Perú S.A.A., Banco Internacional del Perú S.A.A. and Banco de la Nación, including any successors thereto, shall be considered as Cash Equivalents;

(4) a money market fund or a qualified investment fund given one of the two highest long term ratings by S&P, Moody's or Fitch;

(5) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clause (1) above entered into with any bank meeting the qualifications specified in clause (3) above; *provided* that such repurchase obligations shall be fully secured by obligations of the type described in clause (1) above, and the possession of such obligations shall be transferred to, and segregated from other obligations owned by, such bank;

(6) Eurodollar certificates of deposit issued by any other bank meeting the requirements of clause (3) above;

(7) deposits that are fully insured by the Federal Deposit Insurance Corporation and do not have an 'r' suffix attached to their rating;

(8) commercial paper issued by any Person incorporated in the United States rated at least "A-1" or the equivalent thereof by S&P or Fitch or at least "P 1" or the equivalent thereof by Moody's and in each case maturing not more than 365 days after the date of acquisition by such Person;

(9) principal-only strips and interest-only strips of non-callable obligations issued by the U.S. Treasury, and REFCORP securities stripped by the Federal Reserve Bank of New York; and

(10) investments in money market funds substantially all of whose assets are comprised of securities of the types described in clauses (1) through (9) above.

"*Cash Management Services*" means any of the following to the extent not constituting a line of credit (other than an overnight draft facility that is not in default): automated clearing house transactions, treasury, depository, credit or debit card, purchasing card, stored value card, electronic fund transfer services and/or cash management services, including, without limitation, controlled disbursement services, overdraft facilities, foreign exchange facilities, deposit and other accounts and merchant services or other cash management arrangements in the ordinary course of business or consistent with past practice.

"*Cede*" has the meaning given to it under "—Form, Denomination and Title."

"*Change of Control*" means the occurrence of one or more of the following events:

(1) the Permitted Holders or a Qualified Transferee cease to be the beneficial owners (as defined in Rules 13d-3 and 13d-5 under the Exchange Act, except that the Permitted Holders or a Qualified Transferee shall be deemed to have beneficial ownership of all shares that they have the right to acquire, whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of a majority of the total voting power of the Voting Stock of the Company (including a Surviving Entity, if applicable);

(2) the Company consolidates with or merges into any Person, or sells, assigns, conveys, transfers, leases or otherwise disposes of all or substantially all of its properties and assets to any Person other than the Permitted Holders or a Qualified Transferee, whether or not otherwise in compliance with the provisions of the Indenture; or

(3) the approval by the holders of Capital Stock of the Company of any plan or proposal for the liquidation or dissolution of the Company, whether or not otherwise in compliance with the provisions of the Indenture.

"*Change of Control Offer*" has the meaning given to it under "—Repurchases at the Option of the Holders of the Notes Upon Change of Control that Results in a Ratings Event."

"*Change of Control Payment*" has the meaning given to it under "—Repurchases at the Option of the Holders of the Notes Upon Change of Control that Results in a Ratings Event."

"*Code*" means the U.S. Internal Revenue Code of 1986, as amended.

"*Company*" has the meaning given to it in the first paragraph of this "Description of the Notes."

"*Consolidated Adjusted EBITDA*" means, with respect to any Person for any period, Consolidated Net Income for such Person for such period (without giving effect to (x) any extraordinary gains or losses, (y) any non-cash income or expenses and (z) any gains or losses from sales of assets other than inventory sold in the ordinary course of business (without duplication to the calculation of Consolidated Net Income) adjusted by:

(1) adding thereto (in each case to the extent deducted in determining Consolidated Net Income for such period), without duplication, the amount of

(a) total interest expense (inclusive of amortization of deferred financing fees and other original issue discount and banking fees, charges and commissions (*e.g.*, letter of credit fees and commitment fees)) of such Person and its Restricted Subsidiaries determined on a consolidated basis for such period;

(b) provision for taxes based on income and foreign withholding taxes for such Person and its Restricted Subsidiaries determined on a consolidated basis for such period;

(c) all depreciation and amortization expense of such Person and its Restricted Subsidiaries determined on a consolidated basis for such period;

(d) any income, gain or loss from disposed of, abandoned, closed or discontinued operations or fixed assets for such period;

(e) any income or loss (less all fees and expenses or charges relating thereto) attributable to the early extinguishment or mark-to-market of Indebtedness, Hedging Agreements or other derivative instruments for such period will be excluded;

(f) effects of purchase accounting adjustments (including the effects of such adjustments pushed down to such Person and its Restricted Subsidiaries) required or permitted by IFRS, resulting from the application of purchase accounting or the amortization or write-off of any amounts thereof, net of taxes for such period will be excluded; *provided* that such effects are non-cash and any such acquisition is both permitted under and consummated in accordance with the terms of the Indenture;

(g) any impairment charges taken pursuant to IFRS for such period will be excluded;

(h) any non-cash compensation charge or expenses realized or resulting from employee benefit plans for such period will be excluded;

(i) expenses and charges incurred in connection with the mandatory Peruvian social benefit for such period requiring the employer to pay the profit sharing to employees if profits have been obtained in each year;

(j) any non-cash currency translation gains and losses related to currency remeasurements of cash and Indebtedness, and any non-cash net loss or gain resulting from Hedging Agreements for currency exchange risk for such period;

(k) insurance proceeds with respect to liability or casualty events or business interruption for such period to the extent recognized as an asset and not already included in Consolidated Net Income;

(l) any unusual and non-recurring charges or expenses attributable to legal and judgment settlements (including legal service costs) for such period; and

(m) all other non-cash charges of such Person and its Restricted Subsidiaries determined on a consolidated basis for such period;

(2) subtracting therefrom (to the extent not otherwise deducted in determining Consolidated Net Income for such period), without duplication, the amount of:

(a) all cash payments or cash charges made (or incurred) by such Person or any of its Restricted Subsidiaries for such period on account of any non-cash charges added back to Consolidated Adjusted EBITDA pursuant to preceding clause (1) in a previous year (but excluding sub-clause (g) thereof); and

(b) any gains or income contemplated by preceding clauses (1)(d), (e) and (j).

For the avoidance of doubt, it is understood and agreed that, to the extent any amounts are excluded from Consolidated Net Income by virtue of the proviso to the definition thereof contained herein, any add backs to Consolidated Net Income in determining Consolidated Adjusted EBITDA as provided above shall be limited (or denied) in a fashion consistent with the proviso to the definition of Consolidated Net Income contained herein.

"*Consolidated Interest Charges*" means with respect to any Person for any period, the amount equal to (without duplication) the total consolidated interest expense of such Person and its Restricted Subsidiaries for such period (including, without limitation, all premium payments, fees, commissions, discounts and other fees and charges (e.g., fees with respect to letters of credit) and any portion of rent expense with respect to such period under capital leases, in each case to the extent treated as interest (without duplication) in accordance with IFRS, and scheduled net payments under any Hedging Agreement), adjusted to exclude (to the extent the same would otherwise be included in the calculation above) the amortization of any deferred financing costs for such period determined in accordance with IFRS; *provided* that "Consolidated Interest Charges" shall not include any amounts expensed or paid during such period in respect of Permitted Parent Capital.

"*Consolidated Net Income*" means, for any period, the aggregate of the net income (loss) of such Person and its Restricted Subsidiaries for such period, determined on a consolidated basis, in accordance with IFRS; *provided* that:

(1) the net income (or loss) of any Person in which a Person or Persons other than the Company and any wholly-owned Restricted Subsidiaries of the Company has an Equity Interest or Equity Interests to the extent of such Equity Interests held by such other Persons will be excluded;

(2) except for determinations expressly required to be made on a Pro Forma Basis, the net income (or loss) of any Person accrued prior to the date it becomes a Restricted Subsidiary or all or substantially all of the property or assets of such Person are acquired by a Restricted Subsidiary will be excluded;

(3) any extraordinary gain or loss or any non-recurring expenses (including non-recurring personnel expenses and for the avoidance of doubt, any expense or premium related to the Transactions) together with any related provision for taxes on such extraordinary gain or loss or non-recurring expenses, will be excluded *provided, however*, that any fee paid to such Person in connection with the termination of any power purchase agreement will be included;

(4) any non-cash compensation expense, realized for grants of performance shares, stock options or other rights to officers, directors and employees of such Person will be excluded; *provided* that such shares, options or other rights can be redeemed at the option of the holder only for Capital Stock (other than Disqualified Stock) or the impact of capitalized, accrued or accreting or pay in kind interest or principal on Permitted Parent Capital;

(5) any exchange gain or loss from foreign exchange translation or any impairment charge or write-off will be excluded;

(6) the cumulative effect of a change in accounting principles will be excluded;

(7) the net income (or loss) of any Person that is not a Restricted Subsidiary or that is accounted for by the equity method of accounting will be excluded; *provided* that the income of such Person will be included to the extent of the amount of dividends or similar distributions paid in cash (or converted to cash) to the specified Person or a Restricted Subsidiary of the Person;

(8) solely for the purpose of the covenant described under "—Restrictive Covenants—Limitation on Restricted Payments," the net income (but not loss) of any Restricted Subsidiary will be excluded to the extent that the declaration or payment of dividends or similar distributions by that Restricted Subsidiary of that net income is not at the date of determination permitted without any prior governmental approval (that has not been obtained) or, directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary or its stockholders, unless such restrictions with respect to the payment of dividends or similar

distributions have been legally waived; *provided* that the Consolidated Net Income of such Person will be increased by the amount of dividends or distributions or other payments actually paid in cash (or converted to cash) by any such Restricted Subsidiary to such Person in respect of such period, to the extent not already included therein;

(9) any non-cash charges or expense (other than depreciation, depletion or amortization) and non-cash gains will be excluded;

(10) any gain or loss (*less* all fees and expenses or charges relating thereto) attributable to the early extinguishment or mark-to-market of Hedging Agreements or other derivative instruments will be excluded;

(11) effects of purchase accounting adjustments (including the effects of such adjustments pushed down to such Person and its Restricted Subsidiaries) required or permitted by IFRS, resulting from the application of purchase accounting or the amortization or write-off of any amounts thereof, net of taxes for such period will be excluded; *provided* that such effects are non-cash and any such acquisition is both permitted under and consummated in accordance with the terms of the Indenture;

(12) non-cash charges in connection with any restructuring, refinancing or integration costs and any other charges incurred in connection with any changes in regulations mandated by the government of Peru will be excluded; and

(13) any net after-tax income or loss from disposed, abandoned or discontinued operations and any net after-tax gains or losses on disposed, abandoned or discontinued, transferred or closed operations will be excluded.

"*Consolidated Net Tangible Assets*" means the Total Assets of the Company and its Restricted Subsidiaries *less* goodwill and intangibles, in each case calculated in accordance with IFRS, *less* current liabilities (other than current maturities and long-term debt) and in each case on a Pro Forma Basis.

"*Consolidated Total Indebtedness*" means with respect to any Person, as of any date of determination, the sum of (without duplication):

(1) all Indebtedness of such Person and its Restricted Subsidiaries (on a consolidated basis) as would be required to be reflected as debt or Capitalized Lease Obligations on the liability side of a consolidated balance sheet of such Person and its Restricted Subsidiaries in accordance with IFRS;

(2) all Indebtedness of such Person and its Restricted Subsidiaries of the type described in clauses (d), (g) and (h) of the definition of "Indebtedness;" and

(3) all Contingent Obligations of such Person and its Restricted Subsidiaries in respect of Indebtedness of any third Person of the type referred to in preceding clauses (1) and (2); *provided* that the amount of Indebtedness in respect of any Hedging Agreement will be at any time the unrealized net loss position, if any, of such Person and/or its Restricted Subsidiaries thereunder on a marked-to-market basis determined no more than one month prior to such date; provided, further that "Consolidated Total Indebtedness" shall not include any amounts outstanding, including any amounts accrued, accreted, or paid in kind as of such date in respect of Permitted Parent Capital.

"*Consolidated Total Net Indebtedness*" means, as of any date of determination with respect to any Person, the Consolidated Total Indebtedness of such Person minus all unrestricted cash and Cash Equivalents of such Person as of such date.

"*Contingent Obligation*" means, as to any Person, (a) any obligation of such Person as a result of such Person being a general partner of any other Person, unless the underlying obligation is expressly made non-recourse as to such general partner, and (b) any obligation of such Person guaranteeing or intended to guarantee any Indebtedness, leases, dividends or other obligations ("*primary obligations*") of any other Person (the "*primary obligor*") in any

manner, whether directly or indirectly, including any obligation of such Person, whether or not contingent, (i) to purchase any such primary obligation or any property constituting direct or indirect security therefor, (ii) to advance or supply funds (A) for the purchase or payment of any such primary obligation or (B) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, (iii) 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 (iv) otherwise to assure or hold harmless the holder of such primary obligation against loss in respect thereof; *provided*, *however*, that the term Contingent Obligation shall not include endorsements of instruments for deposit or collection in the ordinary course of business. The amount of any Contingent Obligation at any time shall be deemed to be an amount equal to the stated or determinable amount of the primary obligation in respect of which such Contingent Obligation is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof (assuming such Person is required to perform thereunder) as determined by such Person in good faith.

"*Covenant Defeasance*" has the meaning given to it under "—Defeasance"

"*Currency Agreement*" means, with respect to any Person, any foreign exchange contract, currency

swap agreement or other similar agreement or arrangement to which such Person is a party or of which it is a beneficiary.

"*Default*" means any event that is an Event of Default or which, after notice or passage of time or both, would be an Event of Default.

"*Definitive Notes*" has the meaning given to it under "—Form, Denomination and Title—Transfer of Notes and Issuance and Transfer of Definitive Notes."

"*Designated Jurisdiction*" means any country or territory to the extent that such country or territory itself is the subject of Sanctions that broadly prohibit dealings with that country or territory (as of the Issue Date, the Designated Jurisdictions are the so-called Donetsk People's Republic, the so-called Luhansk People's Republic, the non-controlled areas of Kherson and Zaporizhzhia of Ukraine, the Crimea region of Ukraine, Cuba, Iran and North Korea).

"*Director*" means any duly elected member of the Board of Directors of the Company as certified in an Officer's Certificate of the Company and delivered to the Trustee.

"*Disqualified Stock*" means, with respect to any Person, any Capital Stock that by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable or exercisable) or upon the happening of certain events:

(1) matures or is mandatorily redeemable pursuant to a sinking fund obligation or otherwise;

(2) is convertible or exchangeable for Indebtedness or Disqualified Stock; or

(3) is redeemable at the option of the Holder thereof, in whole or in part,

in each case on or prior to the Stated Maturity of the Notes; *provided*, *however*, that (i) only the portion of Capital Stock which so matures or is mandatorily redeemable, is so convertible or exchangeable or is so redeemable at the option of the holder thereof prior to such date will be deemed to be Disqualified Stock and (ii) any Capital Stock that would constitute Disqualified Stock solely because the holders thereof have the right to require the Company to repurchase such Capital Stock upon the occurrence of a change of control or asset sale (howsoever defined or referred to) shall not constitute Disqualified Stock if any such redemption or repurchase obligation is subject to compliance by the relevant Person with the covenant described under "—Restrictive Covenants—Limitation on Restricted Payments."

"*DTC*" has the meaning given to it under "—Form, Denomination and Title"

"*DTC Participants*" has the meaning given to it under "—Form, Denomination and Title—Global Notes."

"*Equity Event*" has the meaning given to it under "—Optional Redemption."

"*Equity Interests*" of any Person means any and all shares, interests, rights to purchase, warrants, options, participation or other equivalents of or interest in (however designated) equity of such Person, including any capital stock, common stock, shares, beneficiary shares, preferred stock or other securities, any convertible preferred equity certificates, any limited or general partnership interest and any limited liability company membership interest.

"*Euroclear*" has the meaning given to it under "—Form, Denomination and Title."

"*Event of Default*" has the meaning given to it under "—Events of Default."

"*Excess Net Cash Proceeds*" has the meaning given to it under "—Restrictive Covenants—Limitation on Sales of Assets."

"*Exchange Act*" means the United States Securities and Exchange Act of 1934, as amended.

"*Existing Bonds*" means the Company's bonds issued pursuant to its bond issuance with maturity on April 29, 2027, in an aggregate outstanding principal amount of $363,198,000.

"*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 Company or any Restricted Subsidiary thereof, as applicable.

"*Fitch*" means Fitch Ratings Ltd. and its successors.

"*Global Notes*" has the meaning given to it under "—Form, Denomination and Title."

"*Governmental Agency*" has the meaning given to it under "—Other Covenants—Compliance with Laws."

"*Group*" has the meaning as such term is used in Section 13(d)(3) of the Exchange Act as in effect on the Issue Date.

"*Guarantee*" means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Indebtedness or other obligation of any other Person and any obligation, direct or indirect, contingent or otherwise, of any Person:

(1) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation of such other Person (whether arising by virtue of partnership arrangements, or by agreement to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise); or

(2) entered into for purposes of assuring in any other manner the obligee of such Indebtedness or other obligation of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part);

provided, however, that the term "Guarantee" shall not include (x) endorsements for collection or deposit in the ordinary course of business and (y) standard contractual indemnities or product warranties provided in the ordinary course of business; *provided, further*, that the amount of any Guarantee shall be deemed to be the lower of (i) an amount equal to the stated or determinable amount of the primary obligation in respect of which such Guarantee is made and (ii) the maximum amount for which such guaranteeing Person may be liable pursuant to the terms of the instrument embodying such Guarantee or, if such Guarantee is not an unconditional guarantee of the entire amount of the primary obligation and such maximum amount is not stated or determinable, the amount of such guaranteeing

Person's maximum reasonably anticipated liability in respect thereof as determined by such Person in good faith. The term "Guarantee" used as a verb has a correlative meaning.

"*Hedging Agreement*" means any Interest Rate Agreement or Currency Agreement.

"*Hedging Obligations*" of any Person means the obligations of such Person under any Hedging Agreement.

"*Holder*" has the meaning given to it under "—Form, Denomination and Title."

"*IFRS*" means International Financial Reporting Standards, as issued by the International Accounting Standards Board.

"*Immaterial Subsidiary*" means, at any date of determination, each Restricted Subsidiary of the Company that (i) has not guaranteed any other Indebtedness of the Company and (ii) has Total Assets of less than 10% of Total Assets and, together with all other Immaterial Subsidiaries (as determined in accordance with IFRS), has Total Assets of less than 10% of Total Assets, in each case, measured at the end of the most recent fiscal period for which internal financial statements are available and on a *pro forma* basis giving effect to any acquisitions or dispositions of companies, divisions or lines of business since such balance sheet date and on or prior to the date of acquisition of such Subsidiary.

"*Increased Amount*" has the meaning given to it under "—Restrictive Covenants—Limitation on Liens."

"*Incur*" means issue, assume, Guarantee, incur or otherwise become liable for; *provided*, *however*, that any Indebtedness or Capital Stock of a Person existing at the time such Person is merged or consolidated with the Company, or becomes a Subsidiary of the Company (whether by merger, consolidation, acquisition or otherwise), shall be deemed to be Incurred by such Person at the time of such merger or consolidation or at the time it becomes a Subsidiary of the Company. The term "Incurrence" when used as a noun shall have a correlative meaning. Neither the accretion of principal of a non-interest bearing or other discount security nor the capitalization of interest on Indebtedness shall be deemed the Incurrence of Indebtedness.

"*Indebtedness*" means, as to any Person, without duplication, (a) the principal component of all indebtedness of such Person for borrowed money, (b) the principal of obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (c) the deferred and unpaid purchase price of property or services which purchase price is due more than 180 days after the date of placing such property in service or taking delivery and title thereto or the completion of such services, (d) reimbursement obligations relating to a letter of credit or similar credit transactions (other than letters of credit or similar credit transactions arising in the ordinary course of business to the extent not drawn upon or, if drawn upon, to the extent repaid within 20 Business Days), (e) principal components of all indebtedness of any other Person secured by any Lien on any property owned by such Person (including conditional sales or other title retention agreements), whether or not such indebtedness has been assumed by such Person (*provided* that, such indebtedness shall be the lesser of the Fair Market Value of the property to which such Lien relates and the amount of such indebtedness of such other Person), (f) all Capitalized Lease Obligations of such Person and Attributable Debt in connection with Sale and Lease-Back Transactions, (g) all obligations under any Hedging Agreement and (h) a Guarantee of such Person of Indebtedness of any other Person.

The amount of Indebtedness of any Person at any time in the case of a credit facility shall be the total amounts of funds borrowed and then outstanding. The amount of Indebtedness of any Person at any date shall be determined as set forth above and shall be (i) in the case of any Indebtedness issued with original issue discount, the amount in respect thereof that would appear on the balance sheet of such Person in accordance with IFRS and (ii) the principal amount of the Indebtedness, in the case of any other Indebtedness. The amount of any Contingent Obligation at any time shall be deemed to be an amount equal to the stated or determinable amount of the primary obligation in respect of which such Contingent Obligation is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof (assuming such Person is required to perform thereunder) as determined by such Person in good faith.

Notwithstanding the above provisions, in no event shall the following constitute Indebtedness:

(i) Contingent Obligations Incurred in the ordinary course of business or consistent with past practice, other than Guarantees or other assumptions of Indebtedness;

(ii) Obligations under or in respect of Permitted Parent Capital;

(iii) Cash Management Services;

(iv) any lease, concession or license of property (or Guarantee thereof) which would be considered an operating lease under IFRS as in effect on the Issue Date or any prepayments of deposits received from clients or customers in the ordinary course of business or consistent with past practice;

(v) obligations under any license, permit or other approval (or Guarantees given in respect of such obligations) incurred prior to the Issue Date or in the ordinary course of business or consistent with past practice;

(vi) in connection with the purchase by the Company or any Restricted Subsidiary of any business, any post-closing payment adjustments to which the seller may become entitled to the extent such payment is determined by a final closing balance sheet or such payment depends on the performance of such business after the closing; provided, however, that, at the time of closing, the amount of any such payment is not determinable and, to the extent such payment thereafter becomes fixed and determined, the amount is paid in a timely manner;

(vii) for the avoidance of doubt, any obligations in respect of workers' compensation claims, early retirement or termination obligations, pension fund obligations or contributions or similar claims, obligations or contributions or social security or wage Taxes;

(viii) Indebtedness of any Parent Entity appearing on the balance sheet of the Company solely by reason of push down accounting under IFRS; or

(ix) Capital Stock (other than Disqualified Stock).

"*Indenture*" means the Indenture, to be dated as of the Issue Date, among the Company and Citibank, N.A., as Trustee (which term includes any successor trustee under the Indenture), Registrar, Paying Agent and Transfer Agent.

"*Independent Financial Advisor*" means an accounting firm, appraisal firm, investment banking firm or consultant firm that is, in the good faith judgment of the Company, qualified to perform the task for which it has been engaged; *provided, however*, that such firm or appraiser is not an Affiliate of the Company.

"*Interest Coverage Ratio*" means the ratio of Consolidated Adjusted EBITDA to Consolidated Interest Charges, in each case for the most recent four consecutive fiscal quarters ending on or most recently prior to any date of determination for which internal consolidated financial statements are available and calculated on a Pro Forma Basis.

"*Interest Payment Date*" means each March 17 and September 17, commencing on March 17, 2026.

"*Interest Rate Agreement*" means, with respect to any Person, any interest rate protection agreement, interest rate future agreement, interest rate option agreement, interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate hedge agreement or other similar agreement or arrangement to which such Person is a party or a beneficiary.

"*Investment*" 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 Equity Interests or other securities of any other Person, and (b) the making of any deposit with or advance, loan or other extension of credit

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 270 days made in the ordinary course of business). Except as otherwise provided in the Indenture, the amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value. For purposes of the definition of "Unrestricted Subsidiary" and the covenant described under "—Restrictive Covenants—Limitation on Restricted Payments:"

(1) Investment shall include the portion (proportionate to the Equity Interest of the Company in such Subsidiary to be designated as an Unrestricted Subsidiary) of the Fair Market Value of the net assets of any Subsidiary of the Company at the time that such Subsidiary is designated an Unrestricted Subsidiary; *provided, however*, that, upon a redesignation of such Subsidiary as a Restricted Subsidiary, the Company shall be deemed to continue to have a permanent "Investment" in an Unrestricted Subsidiary in an amount (if positive) equal to:

(a) the Investment of the Company in such Subsidiary at the time of such redesignation; *minus*

(b) the portion (proportionate to the Equity Interest of the Company in such Subsidiary) of the Fair Market Value of the net assets of such Subsidiary at the time of such redesignation; and

(2) any property transferred to or from an Unrestricted Subsidiary shall be valued at its Fair Market Value at the time of such transfer as determined by the Company.

The amount of any Investment outstanding at any time shall be the original cost of such Investment, reduced (at the Company's option) by any dividend, distribution, interest payment, return of capital, repayment or other amount or value received in respect of such Investment.

"*Investment Grade Rating*" means a rating equal to or higher than (a) "BBB-," by S&P or Fitch and (b) "Baa3," by Moody's.

"*Investment Grade Status*" shall occur when the Notes receive two of the following:

(1) a rating of "BBB-" or higher from S&P;

(2) a rating of "Baa3" or higher from Moody's; or

(3) a rating of "BBB-" or higher from Fitch;

or, if no rating of Moody's, S&P or Fitch then exists, the equivalent of such rating by any other Nationally Recognized Statistical Rating Organization.

"*IRS*" means the U.S. Internal Revenue Service.

"*ISIN*" has the meaning given to it under "—Form, Denomination and Title."

"*Issue Date*" means the date on which the Notes offered hereby are first issued.

"*Legal Defeasance*" has the meaning given to it under "—Defeasance."

"*Liability Management Transaction*" means the redemption of the Existing Bonds.

"*Lien*" means any lien, mortgage, deed of trust, pledge, security interest, charge or encumbrance of any kind (including any conditional sale or other title retention agreement, any lease in the nature thereof and any agreement to give any security interest); *provided* that the lessee in respect of a Capitalized Lease Obligation or Sale and Lease-Back Transaction will be deemed to have incurred a Lien on the property leased thereunder.

"*Material Adverse Change*" means an event or circumstance that has had, or would reasonably be expected to have, a material adverse effect on: (a) the business, financial condition or results of operations of the Company and its Subsidiaries taken as a whole or (b) the Company's ability to perform its obligations under the Indenture.

"*Material Agreements*" means any purchase, sale, management services, licensing or concession agreement or any similar agreement with any governmental agency entered into in the ordinary course of business or consistent with past practice.

"*Moody's*" means Moody's Investors Service, Inc. and its successors.

"*Nationally Recognized Statistical Rating Organization*" means a nationally recognized statistical rating organization within the meaning of Rule 436 under the Securities Act.

"*Net Cash Proceeds*" from an Asset Sale means cash payments or Cash Equivalents received (including any cash payments received by way of deferred payment of principal pursuant to a note or installment receivable or otherwise and proceeds from the sale or other disposition of any securities received as consideration, but only as and when received, but excluding any other consideration received in the form of assumption by the acquiring Person of Indebtedness or other obligations relating to the properties or assets that are the subject of such Asset Sale or received in any other non-cash form) therefrom, in each case *minus*:

(1) all reasonable legal, accounting, investment banking, broker, consultant and advisory fees and expenses, title and recording tax expenses, commissions and other fees and expenses Incurred, and all Taxes required to be paid or required to be accrued as a liability in accordance with IFRS, as a consequence of such Asset Sale or the repatriation of the proceeds with respect thereto;

(2) all payments, including any prepayment premiums or penalties, required to be made on any Indebtedness permitted under the Indenture that is secured by any assets subject to such Asset Disposition, in accordance with the terms of any Lien upon or other security agreement of any kind with respect to such assets, or which must by its terms, or by applicable law, be repaid out of the proceeds from such Asset Sale;

(3) all distributions and other payments required to be made to minority interest holders in Subsidiaries or joint ventures as a result of such Asset Sale;

(4) appropriate customary amounts to be provided by the seller as a reserve, in accordance with IFRS, against any liabilities associated with the property or other assets disposed of in such Asset Disposition and retained by the Company or any Restricted Subsidiary after such Asset Sale; and

(5) any funded escrow established pursuant to the documents evidencing such sale or disposition to secure any indemnification obligation or adjustments to the purchase price associated with any such Asset Disposition; *provided* that, upon any such release of such escrowed amounts back to the Company or any Restricted Subsidiary, such released amounts shall be deemed to be Net Cash Proceeds.

"*Non-Recourse Debt*" means Indebtedness:

(1) as to which none of the Company or any Restricted Subsidiary (a) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness) or (b) is directly or indirectly liable as a guarantor or otherwise; and

(2) as to which the obligees in respect of such Indebtedness have been notified in writing that they will not have any recourse to the stock or assets of the Company or any Restricted Subsidiary (other than the Equity Interests of an Unrestricted Subsidiary); unless, in each case, such credit support or Indebtedness or recourse was permitted under the covenants "—Restrictive Covenants—Limitation on Indebtedness" and "—Restrictive Covenants—Limitation on Liens," as applicable.

"*Note Documents*" means the Notes (including Additional Notes) and the Indenture.

"*Notes*" has the meaning given to it under "—General Overview."

"*Obligations*" means any principal, interest, penalties, fees, indemnifications, reimbursements (including, without limitation, reimbursement obligations with respect to letters of credit and bankers' acceptances), damages and other liabilities payable under the documentation governing any Indebtedness.

"*OFAC*" means the Office of Foreign Assets Control of the U.S. Department of the Treasury.

"*Officer*" means the Chief Executive Officer, the President, the Chief Financial Officer, Chief Operating Officer, General Counsel or any Vice President (whether or not designated by a number or word or words added before or after the title "vice president") of the Company or any other officer of the Company to whom the Board of Directors, pursuant to a Board Resolution, has delegated the authority to enter into agreements and take such other measures as deemed necessary and desirable with respect to the Notes.

"*Officer's Certificate*" means a certificate signed by one or more Officers of the Company or any Restricted Subsidiary, as the case may be.

"*Opinion of Counsel*" means a written opinion from legal counsel who is reasonably satisfactory to the Trustee. The legal counsel may be an employee of or counsel to the Company or any of its Subsidiaries.

"*Parent Entity*" means any, direct or indirect, parent of the Company.

"*Parent Entity Expenses*" means:

(1) costs (including all professional fees and expenses) Incurred by any Parent Entity in connection with reporting obligations under or otherwise Incurred in connection with compliance with applicable laws, rules or regulations of any governmental, regulatory or self-regulatory body or stock exchange, the Indenture or any other agreement or instrument relating to the Notes or any other Indebtedness of the Company or any Restricted Subsidiary;

(2) customary indemnification obligations of any Parent Entity owing to directors, officers, employees or other Persons under its articles, charter, by-laws, partnership agreement or other organizational documents or pursuant to written agreements with any such Person to the extent relating to the Company and its Subsidiaries;

(3) obligations of any Parent Entity in respect of director and officer insurance (including premiums therefor) to the extent relating to the Company and its Subsidiaries;

(4) general corporate overhead expenses, including professional fees and expenses and other expenses of any Parent Entity related to the ownership or operation of the business of the Company or any of its Restricted Subsidiaries; and

(5) expenses Incurred by any Parent Entity in connection with (i) any offering, sale, conversion or exchange of Capital Stock or Indebtedness and (ii) any related compensation paid to officers, directors and employees of the Parent Entity;

provided that that the aggregate amount of all such Parent Entity Expenses paid pursuant to clauses (1) through (5) shall not exceed U.S.$3.0 million in each fiscal year.

"*Paying Agent*" means the Trustee, or any successor thereof, as paying agent under the Indenture.

"*Payment Default*" has the meaning given to it under "—Events of Default."

"*Permitted Business*" means any business conducted by the Company and the Restricted Subsidiaries described in the offering memorandum or permitted under the by-laws (or similar applicable constituent document) of the

Company or its Restricted Subsidiaries as of the Issue Date and any business reasonably related, ancillary, extensions, developments or complementary thereto.

"*Permitted Holders*" means ISQ Global Infrastructure Fund L.P., ISQ Global Infrastructure Fund II, or any one or more other investment funds or managed accounts with respect to which one or more Affiliates of I Squared Capital Advisors (US) LLC acts as the general partner or the investment manager with similar management and investment capabilities to those of I Squared Capital Advisors (US) LLC or is otherwise able to control such fund's or managed account's investment decisions, or any Affiliates of such entities; *provided* that upon any Change of Control in respect of which a Change of Control Offer is made in accordance with the requirements of the Indenture or in respect of which no Change of Control Offer is required to be made in accordance with the requirements of the Indenture, the applicable Person or Group associated with such Change of Control (including any Qualified Transferee and any member thereof (or, in each case, the equivalent thereof)), will, in each case, thereafter, together with its Affiliates, constitute an additional Permitted Holder.

"*Permitted Investment*" means:

(1) an Investment by the Company or any Restricted Subsidiary thereof in the Company or any Restricted Subsidiary or a Person that will upon the making of such Investment become a Restricted Subsidiary;

(2) an Investment by the Company or any Restricted Subsidiary in another Person if as a result of such Investment such other Person is merged or consolidated with or into, or transfers or conveys all or substantially all its assets to, the Company or a Restricted Subsidiary or becomes a Restricted Subsidiary;

(3) Investments in cash and Cash Equivalents;

(4) Hedging Obligations to the extent permitted under "—Restrictive Covenants—Limitation on Indebtedness;"

(5) Guarantees of Indebtedness permitted under the covenant described under "—Restrictive Covenants—Limitation on Indebtedness;"

(6) repurchases of Notes or Additional Notes or any other Indebtedness of the Company or any Restricted Subsidiary (including for the avoidance of doubt, the Existing Bonds); *provided* that, with respect to repurchases of Subordinated Obligations, such repurchase is not otherwise prohibited by the Indenture;

(7) Investments in payroll, travel and similar advances to cover matters that are expected at the time of such advances ultimately to be treated as expenses for accounting purposes and that are made in the ordinary course of business or consistent with past practice having an aggregate Fair Market Value, taken together with all other Investments made pursuant to this clause (7) that are at that time outstanding, not to exceed U.S.$2.5 million;

(8) Investments pursuant to or for purposes of funding agreements and instruments of an Affiliate which satisfy the requirements regarding Indebtedness in clause (b)(1)(i) under "—Limitation on Indebtedness;"

(9) any Investment to the extent made using Capital Stock of the Company (other than Disqualified Stock) or Capital Stock of any Parent Entity as consideration;

(10) Investments existing or pursuant to agreements or arrangements in effect on the Issue Date as may be amended, modified, supplemented, extended, renewed or replaced so long as such amendment, modification, supplement, extension or replacement is not disadvantageous to the Holders in any material respect when compared with the terms of such Investment as in effect on the issue Date; *provided* that the amount of any such Investment may be increased (a) as required by the terms of such Investment as in existence on the Issue Date or (b) as otherwise permitted under the Indenture, including the covenant described under "—Restrictive Covenants—Limitation on Restricted Payments;"

(11) Investments by an Unrestricted Subsidiary entered into prior to the day such Unrestricted Subsidiary is redesignated as a Restricted Subsidiary as described under the caption "—Restrictive Covenants—Limitation on Designation of Restricted and Unrestricted Subsidiaries," so long as such Investments are not made as a result of, in connection with, or in contemplation of, such redesignation;

(12) payments in respect of insurance or insurance premiums in the ordinary course of business and in accordance with past practice;

(13) any Investment made as a result of the receipt of non-cash proceeds from an Asset Disposition that was made pursuant to and in compliance with the covenant described under "—Restrictive Covenants—Limitation on Sales of Assets;" and

(14) additional Investments having an aggregate fair market value, taken together with all other Investments made pursuant to this clause (14) that are at that time outstanding, not to exceed the greater of U.S.$30.0 million and 25.0% of Consolidated Adjusted EBITDA (with the fair market value of each Investment being measured at the time made and without giving effect to subsequent changes in value); *provided, however*, that if any Investment pursuant to this clause is made in any Person that is not the Company or a Restricted Subsidiary at the date of the making of such Investment and such person becomes the Company or a Restricted Subsidiary after such date, such Investment shall thereafter be deemed to have been made pursuant to clause (1) or (2) above and shall cease to have been made pursuant to this clause (14) for so long as such Person continues to be the Company or a Restricted Subsidiary.

"*Permitted Liens*" has the meaning given to it under "—Restrictive Covenants—Limitation on Liens."

"*Permitted Parent Capital*" means such extension of credit or allowance provided by a Parent Entity to the Company or any Affiliate thereof; *provided* that any such extension of credit or allowance is a Subordinated Obligation.

"*Permitted Payments*" has the meaning given to it under "—Restrictive Covenants—Limitation on Restricted Payments."

"*Person*" means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization, limited liability company, or government or other entity.

"*Preferred Stock*" as applied to the Capital Stock of any Person, means Capital Stock of any class or classes (however designated) that is preferred as to the payment of dividends, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over shares of Capital Stock of any other class of such Person.

"*Pro Forma Basis*" means, with respect to the calculation of any test, financial ratio, basket or covenant under the Indenture, including the Interest Coverage Ratio, the Total Net Debt to EBITDA Ratio, Consolidated Adjusted EBITDA, Consolidated Interest Charges, Consolidated Total Net Indebtedness and Consolidated Net Tangible Assets, of any Person and its Restricted Subsidiaries, as of any date, that *pro forma* effect will be given to any acquisition, merger, consolidation, Investment, any issuance, incurrence, assumption or repayment or redemption of Indebtedness (including Indebtedness issued, incurred or assumed or repaid or redeemed as a result of, or to finance, any relevant transaction as permitted by the terms of the Indenture and for which any such test, financial ratio, basket or covenant is being calculated), any issuance or redemption of preferred stock or Disqualified Stock, all sales, transfers and other dispositions or discontinuance of any Subsidiary, line of business, division, segment or operating unit, any operational change (including the entry into any material contract or arrangement) or any designation of a Restricted Subsidiary to an Unrestricted Subsidiary or of an Unrestricted Subsidiary to a Restricted Subsidiary, in each case that have occurred during the four consecutive fiscal quarter period of such Person for which consolidated internal financial statements are available and being used to calculate such test, financial ratio, basket or covenant (the "*Reference Period*"), or subsequent to the end of the Reference Period but prior to such date or prior to or simultaneously with the event for which a determination under this definition is made (including any

such event occurring at a Person who became a Restricted Subsidiary of the subject Person or was merged or consolidated with or into the subject Person or any other Restricted Subsidiary of the subject Person after the commencement of the Reference Period), as if each such event occurred on the first day of the Reference Period.

For purposes of making any computation referred to above:

(1) if any Indebtedness bears a floating rate of interest and is being given *pro forma* effect, the interest on such Indebtedness shall be calculated as if the rate in effect on the date for which a determination under this definition is made had been the applicable rate for the entire period (taking into account any Hedging Agreement applicable to such Indebtedness if such Hedging Agreement has a remaining term in excess of 12 months);

(2) interest on a Capitalized Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by a responsible financial or accounting officer, in his or her capacity as such and not in his or her personal capacity, of the Company to be the rate of interest implicit in such Capitalized Lease Obligation in accordance with IFRS;

(3) interest on Indebtedness that may optionally be determined at an interest rate based upon a factor of a prime or similar rate, an eurocurrency interbank offered rate, or other rate, shall be deemed to have been based upon the rate actually chosen, or, if none, then based upon such optional rate chosen as the Company may designate; and

(4) interest on any Indebtedness under a revolving credit facility computed on a Pro Forma Basis shall be computed based upon the average daily balance of such Indebtedness during the applicable period.

Any *pro forma* calculation may include adjustments calculated in accordance with Regulation S-X under the Securities Act.

"*Purchase Money and Capital Expenditure Obligations*" means:

(1) Indebtedness consisting of the deferred purchase price of an asset, conditional sale obligations, obligations under any title retention agreement and other purchase money obligations, in each case where the maturity of such Indebtedness does not exceed the anticipated useful life of the asset being financed;

(2) Indebtedness Incurred to finance capital expenditures by the Company or a Restricted Subsidiary; and

(1) Indebtedness Incurred to finance the acquisition or cost of construction or improvement by the Company or a Restricted Subsidiary of an asset, including additions and improvements;

provided, however, that such Indebtedness is Incurred within 180 days before or after the acquisition, construction or improvement by the Company or such Restricted Subsidiary of such asset, or the entry by the Company or such Restricted Subsidiary into the capital expenditure, as applicable..

"*QIBs*" has the meaning given to it under "—Form, Denomination and Title."

"*Qualified Capital Stock*" means any Capital Stock that is not Disqualified Stock and any warrants, rights or options to purchase or acquire Capital Stock that is not Disqualified Stock or that are not convertible into or exchangeable into Disqualified Stock.

"*Qualified Transferee*" means any Person that at the time it acquires (in each case, directly or indirectly) an interest in the Company:

(a) (1) (A) together with its Affiliates, has a tangible net worth of at least U.S.$1.0 billion or assets under management of at least U.S.$2.0 billion, or (B) the rating (from at least one of S&P, Moody's or Fitch) of the unsecured senior indebtedness of such Person or any direct or indirect parent thereof is at least "BBB-" from S&P or Fitch or "Baa3" from Moody's; and

(2) either (A) together with its Affiliates, owns and manages or operates (or has owned and managed or operated in the two-year period prior to the date on which it acquires such interest in the Company) at least (x) 750 MW of power generating assets relating to one or more projects or (y) one or more electric distribution companies with at least 500,000 customers in the aggregate, or (B) has designated a third party to manage and operate the business and operations of the Company and/or any of its Subsidiaries that, together with the Affiliates of such third party, satisfies the requirements set forth in the preceding clause (a)(2)(A); or

(b) is a joint venture, partnership, Group or other business arrangement or entity for which:

(1) (A) (x) the members thereof (or, in each case, the equivalent thereof), together with their respective Affiliates, meet, in the aggregate, the requirements set forth in the preceding clause (a)(1)(A), and (y) there is at least one member thereof that is acquiring more than 25% of the total voting power of the Voting Stock of the Company and such member (together with its Affiliates) has a tangible net worth or assets under management of at least U.S.$1.0 billion;

(B) the rating of the unsecured senior indebtedness of each such member (or any direct or indirect parent thereof) meets the requirements set forth in the preceding clause (a)(1)(B); or

(C) (x) there is at least one member thereof that is acquiring more than 25% of the total voting power of the Voting Stock of the Company and such member (together with its Affiliates) has a tangible net worth or assets under management of at least U.S.$1.0 billion, and (y) the rating of the unsecured senior indebtedness of each member thereof (or any direct or indirect parent thereof), other than the member referenced in clause (b)(1)(C)(x), meets the requirements set forth in the preceding clause (a)(1)(B); and

(2) at least one of the members thereof (or, in each case, the equivalent thereof) either, together with its Affiliates, meets the requirements of subclause (a)(2)(A) above or has designated a third party as set forth in subclause (a)(2)(B) above.

provided that for purposes of this clause, an "Affiliate" shall include, in the case of a fund, one or more funds under management by the same fund manager; *provided further* that in no case shall any Person or member that (or, to such Person's or member's knowledge following diligent inquiry, that has any director, officer or controlling shareholder (direct or indirect) that) (i) is currently the subject of any Sanctions that broadly prohibit dealings with such Person or member, (ii) is located, organized or resident in any Designated Jurisdiction, (iii) is a department, agency or instrumentality of, or otherwise controlled by or acting on behalf, the government of any country that is a Designated Jurisdiction or (iv) is included on OFAC's Specially Designated Nationals List or the Consolidated Sanctions List maintained by OFAC, His Majesty's Treasury's Consolidated List of Financial Sanctions Targets or the Investment Ban List, or any similar list enforced by any other relevant Sanctions authority of a jurisdiction in which the Company or its Subsidiaries operate that broadly prohibit dealings with Persons on such lists, or is owned or controlled by any such Person or Persons described in this clause (iv), constitute a Qualified Transferee.

"*Rating Agency*" means any of Fitch, Moody's or S&P; or if, at the relevant time of determination, Fitch, Moody's or S&P do not have public rating in effect in respect of the Notes, any other internationally recognized U.S. rating agency or agencies, as the case may be, selected by the Company, which will be substituted for S&P, Fitch or Moody's, as the case may be.

"*Ratings Decline*" means that, at any time within 90 days (which period shall be extended so long as the rating of the Notes is under publicly announced consideration for possible downgrade by any of the Rating Agencies) after the earlier of the date of public notice of a Change of Control and of the Company's intention or that of any Person to effect a Change of Control, (i) in the event the Notes are assigned an Investment Grade Rating by at least two of the Rating Agencies prior to such public notice, the rating of the Notes by two or more Rating Agencies shall be below an Investment Grade Rating; or (ii) in the event the Notes are not assigned an Investment Grade Rating by at least two of the Rating Agencies prior to such public notice, the rating of the Notes by two or

more Rating Agencies shall be decreased by one or more categories (i.e. notches); *provided* that, in each case, any such Ratings Decline is stated by such Rating Agencies to have been in connection with a Change of Control, *provided* further, however, that any such Ratings Decline will not be considered to be attributable to a Change of Control if, before such Ratings Decline, the Company or any other Person has obtained a Ratings Reaffirmation.

"*Ratings Reaffirmation*" means in connection with a Change of Control, a written reaffirmation from at least two of the Rating Agencies then rating the Notes stating that the credit rating on the Notes, which was in effect immediately prior to the date of the first public notice of the occurrence of, or the intention by the Company, Permitted Holders or any other Person to effect, a transaction that, if consummated, would constitute a Change of Control, will not be decreased as a result of such Change of Control.

"*Record Date*" has the meaning given to it under "—Basic Terms of the Notes."

"*Refinance*" means, in respect of any Indebtedness, to refinance, extend (including pursuant to any defeasance or discharge mechanism), renew, restate, refund, repay, replace, prepay, redeem, defease or retire, or to issue other Indebtedness in exchange or replacement for, such Indebtedness. "*Refinanced*" and "*Refinancing*" shall have correlative meanings.

"*Refinancing Indebtedness*" means Indebtedness that is Incurred to Refinance any Indebtedness of the Company or any Restricted Subsidiary existing on the Issue Date or Incurred in compliance with the Indenture (including Indebtedness that Refinances Refinancing Indebtedness); *provided, however,* that:

(1) the Refinancing Indebtedness has:

(a) an Average Life at the time such Refinancing Indebtedness is Incurred that is equal to or greater than the Average Life of the Indebtedness being Refinanced; and

(b) a final maturity that that is equal to or later than the final maturity of the Indebtedness being Refinanced;

(2) such Refinancing Indebtedness is Incurred in an aggregate principal amount (or if issued with original issue discount, an aggregate issue price) that is equal to or less than the aggregate principal amount (or if issued with original issue discount, the aggregate accreted value) then outstanding of the Indebtedness being Refinanced (*plus* accrued interest on such Indebtedness and the amount of all reasonable fees and expenses, including premiums, incurred in connection therewith); and

(3) if the Indebtedness being Refinanced is a Subordinated Obligation, such Refinancing Indebtedness is a Subordinated Obligation, and, in the case of subordinated Indebtedness, is subordinated to the Notes on terms at least as favorable to the Holders as those contained in the documentation governing the Indebtedness being Refinanced;

provided, further, however, that Refinancing Indebtedness shall not include Indebtedness of the Company or a Restricted Subsidiary thereof that Refinances Indebtedness of an Unrestricted Subsidiary; *provided, further*, that clauses (1) and (2) will not apply to the Refinancing of any secured Indebtedness.

"*Register*" has the meaning given to it under "—Form, Denomination and Title."

"*Registrar*" means the Trustee, or any successor thereof, as registrar under the Indenture.

"*Regulation S*" has the meaning given to it under "—Form, Denomination and Title."

"*Regulation S Global Note*" has the meaning given to it under "—Form, Denomination and Title."

"*Related Taxes*" means:

(1) any Taxes, including, without limitation, sales, use, transfer, rental, ad valorem, value added, stamp, property, consumption, franchise, license, capital, registration, business, customs, net worth, gross receipts, excise, occupancy, intangibles or similar Taxes and other similar fees and expenses (other than (x) Taxes measured by income, profit or similar franchise Taxes and (y) withholding Taxes), required to be paid (*provided* such Taxes are in fact paid) by any Parent Entity by virtue of its:

(a) being organized or having Capital Stock outstanding (but not by virtue of owning stock or other equity interests of any corporation or other entity other than, directly or indirectly, the Company or any of its Subsidiaries) or otherwise maintaining its existence or good standing under applicable law;

(b) being a holding company parent, directly or indirectly, of the Company or any of its Subsidiaries;

(c) receiving dividends from or other distributions in respect of the Capital Stock of, directly or indirectly, the Company or any of its Subsidiaries; or

(d) having received any payment in respect to any of the items for which the Company is permitted to make payments to any Parent Entity pursuant to "—Limitation on Restricted Payments" above; or

(2) if and for so long as the Company is a member of a group filing a consolidated or combined tax return with any Parent Entity, any Taxes measured by income for which such Parent Entity is liable up to an amount not to exceed with respect to such Taxes the amount of any such Taxes that the Company and its Subsidiaries would have been required to pay on a separate company basis or on a consolidated basis if the Company and its Subsidiaries had paid tax on a consolidated, combined, group, affiliated or unitary basis on behalf of an affiliated group consisting only of the Company and its Subsidiaries.

"*Relevant Date*" means, with respect to any payment due from the Company, whichever is the later of (1) the date on which such payment first becomes due and (2) if the full amount payable has not been received in New York City, New York by the Trustee on or prior to such due date, the date on which, the full amount having been so received, notice to that effect shall have been given to the Holders of the Notes in accordance with the Indenture.

"*Relevant Jurisdiction*" has the meaning set forth in "—Additional Amounts."

"*Responsible Officer*" means, (x) when used with respect to the Trustee, any officer within the Corporate Trust Office of the Trustee (or any successor group of the Trustee) or any other officer of the Trustee customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject and in each case who shall have direct responsibility for the administration of the Indenture, and (y) when used with respect to the Company, means any executive officer of the Company or any member of the Board of Directors of the Company (other than independent Directors).

"*Restricted Investment*" means any Investment other than a Permitted Investment.

"*Restricted Payment*" has the meaning given to it under "—Restrictive Covenants—Limitation on Restricted Payments."

"*Restricted Subsidiary*" means any Subsidiary of the Company other than an Unrestricted Subsidiary.

"*Reversion Date*" has the meaning given to it under "—Release of Covenants."

"*Rule 144A*" has the meaning given to it under "—Form, Denomination and Title."

"*Rule 144A Global Note*" has the meaning given to it under "—Form, Denomination and Title."

"*S&P*" means Standard & Poor's Ratings Group, a division of McGraw-Hill Companies Inc., and its successors.

"*Sale and Lease-Back Transaction*" means any transaction or series of related transactions pursuant to which the Company or any Restricted Subsidiary sells or transfers any property to any Person with the intention of taking back a lease of such property pursuant to which the rental payments are calculated to amortize the purchase price of such property substantially over the useful life thereof and such property is in fact so leased.

"*Sanctions*" means the economic or financial sanctions, requirements or trade embargoes imposed, administered or enforced from time to time by (a) U.S. governmental authorities (including OFAC, the U.S. Department of State and the U.S. Department of Commerce), the United Nations Security Council, the European Union and His Majesty's Treasury, and (b) any corresponding laws of jurisdictions in which the Company or any of its Subsidiaries operates, to the extent applicable to the Company or such Subsidiary, as the case may be.

"*SEC*" means the U.S. Securities and Exchange Commission.

"*Securities Act*" has the meaning given to it under "—Form, Denomination and Title."

"*Senior Indebtedness*" means all Indebtedness (whether or not secured) for borrowed money of the Company (including, for the avoidance of doubt, the Notes), or of any Restricted Subsidiary, whether outstanding on the Issue Date or Incurred thereafter, other than Subordinated Obligations.

"*Significant Subsidiary*" means any Restricted Subsidiary that would be a "significant subsidiary" within the meaning of Rule 1-02 under Regulation S-X promulgated by the Commission as in effect on the Issue Date, assuming the Company is the registrant referred to in such definition. For the avoidance of doubt, irrespective of this definition, as of the Issue Date, the Company does not have a "Significant Subsidiary."

"*Specified Denominations*" has the meaning given to it under "—Form, Denomination and Title."

"*Stated Maturity*" means, with respect to any security, the date specified in such security as the fixed date on which the payment of principal of such security is due and payable (but excluding any provision providing for the repurchase of such security at the option of the holder thereof upon the happening of any contingency beyond the control of the Company unless such contingency has occurred).

"*Subordinated Obligation*" means any Indebtedness of the Company that is expressly subordinate in right of payment to the Notes pursuant to a written agreement.

"*Subsidiary*" means any Person of which the Company owns or controls, directly or indirectly, more than 50% of the Voting Stock of such Person.

"*Surviving Entity*" has the meaning set forth in "—Restrictive Covenants—Consolidation, Merger, Conveyance, Sale or Lease".

"*Suspended Covenants*" has the meaning given to it under "—Release of Covenants."

"*Suspension Period*" has the meaning given to it under "—Release of Covenants."

"*Taxes*" means all present and future taxes, levies, imposts, deductions, duties, withholdings (including backup withholding), assessments, fees or other charges (including interest, additions to tax, penalties and other liabilities with respect thereto) that are imposed by any government or other taxing authority.

"*Total Assets*" means, as of any date, the total consolidated assets of the Company and its Subsidiaries, on a consolidated basis, as shown on the most recent consolidated balance sheet of the Company and its Subsidiaries, as applicable, determined on a *pro forma* basis in a manner consistent with the *pro forma* basis contained in the definition of Interest Coverage Ratio.

"*Total Net Debt to EBITDA Ratio*" means any date of determination the ratio of (a) Consolidated Total Net Indebtedness calculated on a Pro Forma Basis to (b) Consolidated Adjusted EBITDA for the period of four consecutive fiscal quarters ending on or most recently prior to such date for which consolidated internal financial statements are available calculated on a Pro Forma Basis.

"*Transactions*" means the issuance of the Notes, the Liability Management Transaction and all related costs and expenses.

"*Transfer Agent*" means the Trustee, or any successor thereof, as transfer agent under the Indenture.

"*Treasury Rate*" means, with respect to any redemption date, the yield determined by the Company in accordance with the following two paragraphs.

The Treasury Rate shall be determined by the Company after 4:15 p.m., New York City time (or after such time as yields on U.S. government securities are posted daily by the Board of Governors of the Federal Reserve System), on the third Business Day preceding the redemption date based upon the yield or yields for the most recent day that appear after such time on such day in the most recent statistical release published by the Board of Governors of the Federal Reserve System designated as "Selected Interest Rates (Daily) - H.15" (or any successor designation or publication) ("*H.15*") under the caption "U.S. government securities–Treasury constant maturities–Nominal" (or any successor caption or heading) ("*H.15 TCM*"). In determining the Treasury Rate, the Company shall select, as applicable: (1) the yield for the Treasury constant maturity on H.15 exactly equal to the period from the redemption date to September 17, 2028 (the "*Remaining Life*"); or (2) if there is no such Treasury constant maturity on H.15 exactly equal to the Remaining Life, the two yields – one yield corresponding to the Treasury constant maturity on H.15 immediately shorter than and one yield corresponding to the Treasury constant maturity on H.15 immediately longer than the Remaining Life – and shall interpolate to September 17, 2028 on a straight-line basis (using the actual number of days) using such yields and rounding the result to three decimal places; or (3) if there is no such Treasury constant maturity on H.15 shorter than or longer than the Remaining Life, the yield for the single Treasury constant maturity on H.15 closest to the Remaining Life. For purposes of this paragraph, the applicable Treasury constant maturity or maturities on H.15 shall be deemed to have a maturity date equal to the relevant number of months or years, as applicable, of such Treasury constant maturity from the redemption date.

If on the third Business Day preceding the redemption date H.15 TCM is no longer published, the Company shall calculate the Treasury Rate based on the rate per annum equal to the semi-annual equivalent yield to maturity at 11:00 a.m., New York City time, on the second Business Day preceding such redemption date of the United States Treasury security maturing on, or with a maturity that is closest to, September 17, 2028, as applicable. If there is no United States Treasury security maturing on September 17, 2028 but there are two or more United States Treasury securities with a maturity date equally distant from September 17, 2028, one with a maturity date preceding September 17, 2028 and one with a maturity date following September 17, 2028, the Company shall select the United States Treasury security with a maturity date preceding September 17, 2028. If there are two or more United States Treasury securities maturing on September 17, 2028 or two or more United States Treasury securities meeting the criteria of the preceding sentence, the Company shall select from among these two or more United States Treasury securities the United States Treasury security that is trading closest to par based upon the average of the bid and asked prices for such United States Treasury securities at 11:00 a.m., New York City time. In determining the Treasury Rate in accordance with the terms of this paragraph, the semi-annual yield to maturity of the applicable United States Treasury security shall be based upon the average of the bid and asked prices (expressed as a percentage of principal amount) at 11:00 a.m., New York City time, of such United States Treasury security, and rounded to three decimal places.

The Company's actions and determinations in determining the redemption price shall be conclusive and binding for all purposes, absent manifest error.

"*Trustee*" means Citibank, N.A., as trustee under the Indenture, and any successor trustee thereof under the Indenture.

"*UCC*" means the Uniform Commercial Code as in effect from time to time in the State of New York; *provided*, *however*, that at any time, if by reason of mandatory provisions of law, any or all of the perfection or priority of a secured party's security interest in any item or portion of the collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of New York, the term "UCC" shall mean the Uniform Commercial Code as in effect, at such time, in such other jurisdiction for purposes of the provisions hereof relating to such perfection or priority and for purposes of definitions relating to such provisions.

"*United States*" or "*U.S.*" means the United States of America.

"*Unrestricted Subsidiary*" means any Subsidiary of the Company that is designated by the senior management of the Company as an Unrestricted Subsidiary, but only to the extent that such Subsidiary:

(1) has no Indebtedness other than Non-Recourse Debt;

(2) is a Person with respect to which none of the Company or any Restricted Subsidiary has any direct or indirect obligation (a) to subscribe for additional Equity Interests or (b) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results; and

(3) has not guaranteed or otherwise directly or indirectly provided credit support for any Indebtedness of the Company or any Restricted Subsidiary.

Any such designation by the senior management of the Company shall be evidenced to the Trustee by filing with the Trustee an Officer's Certificate certifying that such designation complied with the conditions set forth in this definition.

"*U.S. Government Obligations*" means direct obligations (or certificates representing an ownership interest in such obligations) of the United States (including any agency or instrumentality thereof) for the payment of which the full faith and credit of the United States is pledged and that are not callable or redeemable at the Company's option.

"*Voting Stock*" of a Person means securities of any class of Capital Stock of such Person entitling the holders thereof to vote in the election of members of the Board of Directors of such Person.

TAXATION

This section summarizes certain Peruvian tax and U.S. federal income tax considerations relating to the purchase, ownership and disposition of the notes. This summary does not provide a comprehensive description of all tax considerations that may be relevant to a decision to purchase the notes. This summary does not describe any tax consequences arising under the laws of any state, locality or taxing jurisdiction other than the United States and Peru.

This summary is based on the tax laws of Peru and the United States as in effect on the date of this offering memorandum, as well as regulations, rulings and decisions of Peru and the United States available on or before that date and now in effect. Those laws, regulations, rulings and decisions are subject to change and changes could apply retroactively, which could affect the continued accuracy of this summary.

Prospective purchasers of the notes should consult their own tax advisors as to the Peruvian, U.S. or other tax consequences of the purchase, ownership and disposition of the notes. They should especially consider how the tax considerations discussed below, as well as the application of state, local, foreign or other tax laws, could apply to them in their particular circumstances.

Peruvian Tax Considerations

The following is a general summary of the principal Peruvian tax consequences that may be relevant with respect to the ownership or disposition of the notes by non-Peruvian holders. This summary is not intended to be a comprehensive description of all of the Peruvian tax considerations that may be relevant to a decision by non-Peruvian holders to make an investment in the notes. In addition, this summary does not describe any tax consequences: (i) arising under the laws of any taxing jurisdiction other than Peru or (ii) applicable to a person or entity domiciled in Peru or a foreign entity with a branch or permanent establishment in Peru.

For purposes of this section, "non-Peruvian holder" means: (i) any individual beneficial owner of, or holder of a beneficial interest on, the notes who is not domiciled in Peru for tax purposes, and (ii) any legal entity (*persona jurídica*) which has neither been incorporated nor established in Peru, *provided that* it does not conduct any trade or business through a permanent establishment in Peru or does not own, or hold a beneficial interest on, the notes through a Peruvian branch. For Peruvian tax purposes, an individual is deemed to be a Peruvian tax resident if such individual is: (x) a Peruvian citizen who has a regular residence in Peru, or (y) a non-Peruvian citizen who has resided or remained in Peru for more than 183 calendar days during any twelve-month period. A change in residence will be effective as of January 1 of the following calendar year in which any such conditions are met.

The discussion in this summary is not intended or written to be used, and cannot be used or relied upon by any person, for the purpose of avoiding Peruvian taxation, and is purely informative in the context of this offering. Prospective investors should consult an independent tax advisor with respect to the Peruvian tax consequences of acquiring, owning or disposing of the notes.

Income Tax

Payment of Interest

Interest paid on the notes to non-Peruvian holders is deemed to be Peruvian-source income and will be subject to Peruvian withholding income tax at a rate of 4.99%. However, if a non-Peruvian holder of the notes is considered to be related to us under Peruvian tax law or if the non-Peruvian holder is an individual who domiciles in a low or no-tax or in a non-cooperative jurisdiction, or is subject to a preferred tax regime, in each case, as defined in the Peruvian Income Tax Law and its regulations, the withholding tax rate will be 30%.

We are required to act as withholding agent for income tax payable in connection with interest paid on the notes to non-Peruvian holders. We have agreed, subject to specified exceptions and limitations, to pay such additional amounts as may be necessary so that the non-Peruvian payee receives an amount equal to the sum it would have received had no such withholdings been made. See "*Description of the Notes—Additional Amounts*."

Sale of the Notes

Proceeds received by a non-Peruvian holder on a sale, exchange or other disposition of a beneficial interest in the global notes held through a foreign clearing system will not be subject to any Peruvian withholding or capital gains tax. In the event that the beneficial interests in the global notes are exchanged for definitive notes, any capital gain arising from the sale, exchange or other disposition of the definitive notes by non-Peruvian holders will be subject to Peruvian income tax at a preferential rate of 5% if the following requirements are satisfied: (i) the definitive notes are registered with the Peruvian Securities Public Registry (*Registro Público del Mercado de Valores*) of the SMV and (ii) the definitive notes are transferred through the Peruvian stock exchange. Otherwise, capital gains will be subject to tax at a 30% income tax rate.

A capital gain on a sale, exchange or other disposition will be equal to the difference between (i) the amount realized on the sale, exchange or other disposition of the notes and (ii) the purchase price paid for the notes, which must be certified by the Peruvian tax administration, before any payment is made, by the seller submitting a form with back-up documentation evidencing, among others, that the purchase price was paid with funds from a Peruvian bank account, unless the sale, exchange or other disposition is made through the Peruvian stock exchange.

Redemption of the Notes

Should any premium received upon an early redemption of the notes be deemed to be Peruvian-source income, such premium received would be subject to a withholding of Peruvian income tax at a rate of 4.99%. However, a 30% withholding tax rate will apply to any premium received if the non-Peruvian holder of the notes is considered to be related to us under Peruvian tax laws (including cases where an indirect relation exists between us and the holder of a note), or if the non-Peruvian holder is an individual who domiciles in a non-cooperative or low-tax or zero-tax jurisdiction, or is subject to a preferred tax regime, in each case, as defined in the Peruvian Income Tax Law and its regulations.

We are required to act as withholding agent for the Peruvian income tax due. We have agreed, subject to specific exceptions and limitations, to pay additional amounts to the holders of the Notes or assume the corresponding withholding in respect of certain Peruvian income taxes mentioned above. See "*Description of the Notes—Additional Amounts.*"

Value Added Tax ("VAT")

Interest payments and payments of principal under the notes, as well as the sale, exchange or other disposition of the notes, are not subject to Peruvian VAT (*Impuesto General a las Ventas*) in Peru.

Financial Transaction Tax ("FTT")

In Peru, there is a FTT (*Impuesto a las Transacciones Financieras*) with a 0.005% tax rate on any debit or credit made in an account opened with a Peruvian bank or any other financial institution, either in Peruvian soles or foreign currency. If the interest from the notes or the issue price paid for the notes is deposited in a Peruvian Financial System ("PFS") bank account, such amount will also be levied at the corresponding FTT rate. The taxpayer of the FTT is the holder of the PFS bank account, but the PFS bank acts as a withholding agent.

Non-Peruvian holders of the notes should consult an independent tax advisor regarding the specific Peruvian income tax considerations of acquiring, owning or disposing of the notes to their situation.

Certain U.S. Federal Income Tax Considerations

The following summary describes certain material U.S. federal income tax consequences of the purchase, ownership and disposition of notes acquired in this offering, but does not purport to be a complete analysis of all potential tax effects. The summary is limited to consequences relevant to a U.S. Holder (as defined below) and does not address the effects of any U.S. federal tax laws other than U.S. federal income tax laws (such as estate and gift tax laws), the Medicare tax on net investment income or any state, local or non-U.S. tax laws. This discussion is based on the

U.S. Internal Revenue Code of 1986, as amended (the "Code"), the final, temporary and proposed U.S. Treasury regulations promulgated thereunder, administrative pronouncements and judicial decisions, all as in effect on the date hereof and all of which are subject to change, possibly with retroactive effect. We have not requested, and will not request, a ruling from the U.S. Internal Revenue Service (the "IRS"), or an opinion of counsel, with respect to any of the U.S. federal income tax consequences described below. There can be no assurance that the IRS will not take a different position concerning the tax consequences of the purchase, ownership or disposition of the notes or that any such position would not be sustained.

This discussion does not address all of the U.S. federal income tax consequences that may be relevant to holders subject to special rules, such as banks and other financial institutions, U.S. expatriates and former long-term residents of the United States, insurance companies, dealers in securities or currencies, traders in securities or other persons that elect mark-to-market accounting for their securities holdings, U.S. Holders engaged in a trade or business outside the United States, U.S. Holders whose functional currency is not the U.S. dollar, tax exempt entities, regulated investment companies, real estate investment trusts, partnerships or other pass-through entities and investors in such entities, persons liable for any alternative minimum tax, a corporation that accumulated earnings to avoid U.S. federal income tax, U.S. Holders that hold the notes through non-U.S. brokers or other non-U.S. intermediaries and persons holding the notes as part of a "straddle," "hedge," "conversion transaction," "constructive sale," "wash sale," or other integrated transaction, or persons who file applicable financial statements required to recognize income when associated revenue is reflected on such financial statements. In addition, this discussion is limited to U.S. Holders that purchase notes for cash at original issue and at their "issue price" (*i.e.*, the first price at which a substantial amount of the Notes is sold to the public for cash, excluding sales to bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers) and who hold the notes as capital assets within the meaning of Section 1221 of the Code. This discussion does not address the tax consequences to U.S. Holders that acquire notes hereunder and also tender 2027 Notes in the Tender Offer or whose 2027 Notes are redeemed in the Redemption, and assumes that a substantial amount of the notes will be sold for cash to persons other than such U.S. Holders.

For purposes of this discussion, a "U.S. Holder" means a beneficial owner of a note that is, for U.S. federal income tax purposes (i) an individual who is a citizen or resident of the United States, (ii) a corporation incorporated or organized under the laws of the United States or any political subdivision thereof or therein or the District of Columbia, (iii) an estate the income of which is subject to U.S. federal income tax regardless of its source, or (iv) a trust, if (a) it is subject to the primary supervision of a United States court and the control of one or more U.S. persons or (b) a valid election to be treated as a U.S. person is in effect.

If a partnership or other entity or arrangement taxable as a partnership holds the notes, the tax treatment of a partner will generally depend on the status of the partner and the activities of the partnership. Each partner should consult its own tax advisor as to the tax consequences of the purchase, ownership and disposition of the notes by a partnership in which the partner holds an interest.

Prospective purchasers of notes should consult their tax advisors concerning the tax consequences of purchasing, owning or disposing of notes in light of their particular circumstances, including the application of the U.S. federal income tax considerations discussed below, as well as the application of other U.S. federal, state, local, non-U.S. or other tax laws.

Interest

Payments of interest on the notes (including any additional amounts and without reduction for any amounts withheld in respect of Peruvian taxes) will be includible in the gross income of a U.S. Holder as ordinary interest income at the time such payments are received or accrued, in accordance with such U.S. Holder's regular method of accounting for U.S. federal income tax purposes. It is expected, and this discussion assumes, that the notes will be issued with less than a *de minimis* amount of original issue discount for U.S. federal income tax purposes.

Any non-U.S. withholding tax paid in respect of a payment of interest to a U.S. Holder on the notes may be eligible for a foreign tax credit for U.S. federal income tax purposes. However, there are significant complex limitations on a U.S. Holder's ability to claim such a credit or deduction, including new requirements adopted in U.S. Treasury

regulations promulgated in December 2021. The application of these requirements to the Peruvian tax on interest is uncertain and we have not determined whether these requirements have been met. However, a recent notice from the IRS provides temporary relief from such U.S. Treasury regulations by allowing taxpayers to apply a modified version of the U.S. Treasury regulations for taxable years ending before the date that a notice or other guidance withdrawing or modifying the temporary relief is issued (or any later date specified in such notice or other guidance), provided that the taxpayer consistently applies such modified version of the U.S. Treasury regulations and complies with specific requirements set forth in a previous notice. In the case of a U.S. Holder that consistently elects to apply the modified version of the U.S. Treasury regulations in the manner described in the preceding sentence, the Peruvian tax on interest generally will qualify as a creditable tax. If the Peruvian 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, the U.S. Holder may be able to deduct the Peruvian tax in computing the U.S. Holder's taxable income for U.S. federal income tax purposes, subject to applicable limitations and requirements. U.S. Holders are urged to consult their own tax advisors regarding the creditability or deductibility of any withholding taxes in their particular circumstances.

Sale, Exchange, Retirement, Redemption or Other Taxable Disposition of Notes

Upon the sale, exchange, retirement, redemption or other taxable disposition of a note, a U.S. Holder generally will recognize taxable gain or loss equal to the difference, if any, between (i) the amount realized upon such sale, exchange, retirement, redemption or other taxable disposition (other than any amount equal to any accrued but unpaid stated interest, which, if not previously included in such U.S. Holder's income, will be taxable as ordinary interest income as discussed above) and (ii) such U.S. Holder's adjusted tax basis in the note. A U.S. Holder's adjusted tax basis in a note will generally equal the amount such U.S. Holder paid for such note. Any gain or loss recognized upon the sale, exchange, retirement, redemption or other taxable disposition of a note generally will be U.S. source gain or loss and generally will be capital gain or loss. Capital gains of non-corporate U.S. Holders (including individuals) derived with respect to capital assets held for more than one year are generally eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations. U.S. Holders are urged to consult their own tax advisors regarding the creditability or deductibility of any non-U.S. income tax imposed on the disposition of notes in their particular circumstances.

Foreign Financial Assets Reporting

Certain U.S. Holders are required to disclose on their U.S. federal income tax returns certain information relating to an interest in the notes, subject to certain exceptions (including an exception for notes held in accounts maintained by certain financial institutions). U.S. Holders should consult their own tax advisors regarding the effect, if any, of these rules on their ownership and disposition of the notes and regarding their tax reporting obligations.

Information Reporting and Backup Withholding

In general, information reporting requirements will apply to payments of interest on the notes and to the proceeds from the sale or other disposition (including a retirement or redemption) of a note paid to a U.S. Holder unless such U.S. Holder is an exempt recipient and, when required, provides evidence of such exemption. Backup withholding may apply to such payments if the U.S. Holder fails to provide a taxpayer identification number or a certification that it is not subject to backup withholding and otherwise comply with any applicable requirements of the backup withholding rules.

Backup withholding is not an additional tax, and any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against a U.S. Holder's U.S. federal income tax liability provided the required information is timely furnished to the IRS.

U.S. Holders are urged to consult their own tax advisors regarding their qualification for an exemption from backup withholding and information reporting and the procedures for obtaining such an exemption, if applicable.

PLAN OF DISTRIBUTION

Citigroup Global Markets Inc., Deutsche Bank Securities Inc., J.P. Morgan Securities LLC and Santander US Capital Markets LLC are acting as joint book-running managers of the offering and as representatives of the initial purchasers named below. Subject to the terms and conditions contained in a purchase agreement dated the date of this offering memorandum, we have agreed to sell to the initial purchasers, and each of the initial purchasers has, severally and not jointly, agreed to purchase from us, the principal amount of the notes offered hereby that appears opposite its name in the table below.

Initial Purchasers	**Principal Amount**
Citigroup Global Markets Inc.	U.S.$95,000,000
Deutsche Bank Securities Inc.	95,000,000
J.P. Morgan Securities LLC	95,000,000
Santander US Capital Markets LLC	95,000,000
Total	**U.S.$380,000,000**

The purchase agreement provides that the obligation of the initial purchasers to purchase the notes is subject to certain conditions precedent and that the initial purchasers will purchase all of the notes offered hereby if any of such notes offered hereby are purchased.

We have been advised that the initial purchasers propose to resell the notes at the offering price set forth on the cover page of this offering memorandum. The price at which the notes are offered may be changed at any time without notice. The initial purchasers may offer and sell the notes through certain of their respective affiliates.

We have agreed to indemnify the initial purchasers against certain liabilities, including liabilities under U.S. securities laws, and to contribute to payments that the initial purchasers may be required to make in respect of any of these liabilities.

The notes offered hereby have not been, and will not be, registered under the Securities Act or the securities laws of any other jurisdiction. The initial purchasers have agreed that they will offer or sell the notes in the United States only to qualified institutional buyers pursuant to Rule 144A under the Securities Act, and in offshore transactions pursuant to Regulation S under the Securities Act. In addition, until 40 days after the commencement of this offering, an offer or sale of notes within the United States by a dealer, whether or not participating in this offering, may violate the registration requirements of the Securities Act if that offer or sale is made otherwise than in accordance with Rule 144A. See "*Transfer Restrictions*."

Listing of Securities

The Issuer will apply to the Singapore Exchange Securities Trading Limited ("**SGX-ST**") for permission for the listing and quotation of the notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this offering memorandum. Approval in-principle received for the listing and quotation of the notes on the SGX-ST is not to be taken as an indication of our merits or the merits of the notes. We cannot assure you that the application will be approved. The initial purchasers may make a market in the notes after completion of the offering, but will not be obligated to do so, and may discontinue any market-making activities at any time without notice. Neither we nor the initial purchasers can provide any assurance as to the liquidity or continuation of the trading market for the notes. If an active public trading market for the notes is not maintained, the market price and liquidity of the notes may be adversely affected.

No Sales of Similar Securities

We have agreed that we will not, for a period of 30 days after the date of this offering memorandum, without the prior written consent of Citigroup Global Markets Inc., Deutsche Bank Securities Inc., J.P. Morgan Securities

LLC and Santander US Capital Markets LLC, offer, sell, contract to sell or otherwise dispose of, directly or indirectly, or announce the offering of, any United States dollar-denominated debt securities issued or guaranteed by us and having a maturity of more than one year from the date of issue, except for the notes sold to the initial purchasers pursuant to the purchase agreement.

Stabilization Transactions

In connection with the offering of the notes, the initial purchasers (or persons acting on their behalf) may over-allot notes or effect transactions with a view to supporting the market price of the notes at a level higher than that which might otherwise prevail. However, there is no assurance that the initial purchasers (or persons acting on their behalf) will undertake stabilization action. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of the notes is made, and, if begun may be ended at any time, but it must end no later than 30 days after the date on which the issuer received the proceeds of the issue, or no later than 60 days after the date of allotment of the relevant securities, whichever is the earlier.

Over-allotment involves sales in excess of the offering size, which creates a short position for the initial purchasers. Stabilizing transactions may involve bids to purchase the notes in the open market for the purpose of pegging, fixing or maintaining the price of the notes. If an initial purchaser creates a short position in the notes, such initial purchaser may reduce that short position by purchasing the notes in the open market. Stabilizing transactions or transactions to reduce a short position may cause the price of the notes to be higher than it would otherwise be in the absence of those transactions.

Neither we nor any of the initial purchasers makes any representation or prediction as to the direction or magnitude of any effect that the transactions described in the immediately preceding paragraphs may have on the price of the notes. In addition, neither we nor any of the initial purchasers makes any representation that the initial purchasers will engage in any such transactions or that such transactions, once commenced, will not be discontinued without notice.

Certain of the initial purchasers and/or their respective affiliates may enter into derivative and/or structured transactions with clients, at their request, in connection with the notes and certain of the initial purchasers and/or their respective affiliates may also purchase some of the notes to hedge their risk exposure in connection with such transactions. Also, certain of the initial purchasers and/or their respective affiliates may acquire for their own propriety account the notes. Such acquisitions may have an effect on demand and the price of the offering.

Settlement

We expect that delivery of the notes will be made against payment therefor on or about September 17, 2025, which will be the fourth business day following the date of this offering memorandum (such settlement being referred to as "T+4"). Under Rule 15c6-1 under the U.S. Securities Exchange Act of 1934, trades in the secondary market 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 on a day prior to the first business day before the date of initial delivery of the notes will be required, by virtue of the fact that such notes initially will settle in T+4, to specify an alternate settlement arrangement at the time of any such trade to prevent a failed settlement. Purchasers of notes who wish to trade notes prior to their date of delivery hereunder should consult with their own advisor.

Relationships with the Initial Purchasers

In the ordinary course of business, the initial purchasers and their affiliates have provided, and may in the future provide, investment banking, commercial banking, cash management, foreign exchange or other financial services to us and our affiliates for which they have received customary compensation and may receive compensation in the future.

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 credit default swaps or 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.

Certain of the initial purchasers and their affiliates may hold 2027 Notes. To the extent that 2027 Notes are repurchased, redeemed or repaid with the proceeds from the sale of the notes, such initial purchasers would receive a portion of the proceeds from the sale of the notes in respect of such 2027 Notes. The initial purchasers will also concurrently be acting as dealer managers in connection with the Tender Offer.

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.

Peru

The notes have not been and will not be subject to a public offering in Peru. This offering memorandum and the notes have not been, and will not be, registered with or approved by the SMV or the BVL. Accordingly, the notes cannot be offered or sold in Peru, except if (i) the notes are previously registered with the SMV or (ii) such offering is considered to be a private offering under the securities laws and regulations of Peru. The Peruvian securities laws establish, among other things, that an offer directed exclusively to institutional investors (as defined under Peruvian law) qualifies as a private offering. In making an investment decision, institutional investors (as defined under Peruvian law) must rely on their own examination of the terms of the offering of the notes to determine their ability to invest in the notes. No offer or invitation to subscribe for or sell the notes or beneficial interests therein can be made in Peru except in compliance with the securities laws thereof.

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"); (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended or superseded, 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; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended or superseded, the "Prospectus Regulation"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "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 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 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 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, "FSMA") and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as 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 (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA (the "UK Prospectus Regulation"). Consequently, no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

In the UK, this offering memorandum and any other material in relation to the notes described herein are being distributed only to, and are directed only at, persons who are "qualified investors" (as defined in the UK Prospectus Regulation) who are (i) persons having 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 "Order"), or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order, or (iii) persons to whom it would otherwise be lawful to distribute them, all such persons together being referred to as "Relevant Persons." In the UK, the notes are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire the notes will be engaged in only with, Relevant Persons. This offering memorandum and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by any recipients to any other person in the UK. Any person in the UK that is not a Relevant Person should not act or rely on this offering memorandum or its contents.

Brazil

The offer and sale of the notes have not been and will not be registered with the Brazilian Securities Commission (Comissão de Valores Mobiliários, or "CVM") and, therefore, will not be carried out by any means that would constitute a public offering in Brazil under CVM Resolution No. 160, dated 13 July 2022, as amended, or unauthorized distribution under Brazilian laws and regulations. The notes will be authorized for trading on organized non-Brazilian securities markets and may only be offered to Brazilian Professional Investors (as defined by applicable CVM regulation), who may only acquire the notes through a non-Brazilian account, with settlement outside Brazil in non-Brazilian currency. The trading of these notes on regulated securities markets in Brazil is prohibited.

Canada

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. Any resale of the notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws in Canada.

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 thereto) 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"), the Initial Purchasers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Cayman Islands

This is not an offer to the members of the public in the Cayman Islands to subscribe for notes, and applications originating from the Cayman Islands will only be accepted from sophisticated persons or high net worth persons, in each case within the meaning of the Cayman Islands Securities Investment Business Law (as amended).

Chile

Pursuant to the Securities Market Law of Chile and the *Norma de Carácter General* (Rule) No. 336, dated June 27, 2012, issued by the Financial Market Commission of Chile (*Comisión para el Mercado Financiero*, or "CMF") ("Rule 336"), the notes may be privately offered to certain qualified investors identified as such by Rule 336 (which in turn are further described in Rule No. 216, dated June 12, 2008, and Rule 410 dated July 27, 2016, both of the CMF).

Rule 336 requires the following information to be made to prospective investors in Chile:

1. Date of commencement of the offer: September 8, 2025. The offer of the notes is subject to Rule 336;

2. The subject matter of this offer are securities not registered in the securities registry (*Registro de Valores*) of the CMF, nor in the foreign securities registry (*Registro de Valores Extranjeros*) of the CMF; hence, the notes are not subject to the oversight of the CMF;

3. Since the notes are not registered in Chile there is no obligation by the issuer to deliver public information about the notes in Chile; and

4. The notes shall not be subject to public offering in Chile unless registered in the relevant securities registry of the CMF.

Colombia

The notes have not been, and will not be, registered in the National Securities and Issuers Registry (*Registro Nacional de Valores y Emisores*) of Colombia or traded on the Colombia Stock Exchange (*Bolsa de Valores de Colombia*). Therefore, the notes may not be publicly offered or sold in Colombia except in compliance with the applicable Colombian securities regulations.

The offering memorandum is for the sole and exclusive use of the addressee as an offeree in Colombia, and the offering memorandum shall not be interpreted as being addressed to any third party in Colombia or for the use of any third party in Colombia, including any shareholders, administrators or employees of the addressee.

The recipient of the notes acknowledges that certain Colombian laws and regulations (specifically foreign exchange and tax regulations) are applicable to any transaction or investment made in connection with the notes being offered and represents that it is the sole party liable for full compliance with any such laws and regulations.

Guatemala

The notes have not been, and will not be, registered for public offering in Guatemala with the Securities Market Registry (*Registro del Mercado de Valores y Mercancías*) under the Securities and Commodities Market Law (Decree 34-96) and its regulation (Governmental Accord 557-97). Accordingly, the notes may not be offered or sold in Guatemala to any person in an open market, directly or indirectly by means of massive communication. The notes may be offered or sold in a private offering in certain limited transactions exempted from the registration requirements of the Securities and Commodities Market Law.

Hong Kong

The notes may not be offered or sold in Hong Kong by means of any document other than (i) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the "SFO") and any rules made thereunder or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) and which do not constitute an offer to the public within the meaning of that Ordinance; and no advertisement, invitation or document relating to the notes may be issued or may be in the possession of any person for the purposes 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 of Hong Kong or otherwise is or contains an invitation to the public (except if permitted to do so under the laws of Hong Kong) other than with respect to the notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made thereunder.

Ireland

The notes are not being offered, directly or indirectly, to the general public in Ireland and no offers or sales of any securities under or in connection with this offering memorandum may be effected except in conformity with the provisions of Irish law including the Irish Companies Acts 2014 (as amended) and any applicable rules.

Jamaica

The notes have not been, and are not being, publicly offered in Jamaica. This offering memorandum does not and is not intended to constitute a public offer of securities in Jamaica.

Pursuant to guidelines ("Guidelines") numbered SR-GUID-08/05-0016 published by the Financial Services commission of Jamaica ("FSCJ"), securities may be offered in Jamaica by way of an exempt distribution. Exempt distributions are exempt from the requirement to register a prospectus or other offering document. The registration requirement under the provisions of the Securities Act of Jamaica in respect of a trade in a security, where the security is offered by way of an exempt distribution, is satisfied by compliance with the provisions of the Guidelines.

THE NOTES ARE SUBJECT TO TRANSFER RESTRICTIONS WHICH INTER ALIA RESTRICT TRANSFERS TO PERSONS WHO ARE WITHIN THE CATEGORIES OF (1) ACCREDITED INVESTORS; AND (2) MINIMUM PURCHASE EXEMPTIONS PURSUANT TO PARAGRAPHS 3.1 AND 3.2 OF THE GUIDELINES.

Japan

The notes offered in this offering memorandum have not been, and will not be, registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) and, accordingly, none of the notes nor any interest therein has been offered or sold and will not be offered or sold, directly or indirectly, in Japan, or to, or for the benefit of, any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to or for the benefit of any Japanese Person, except in compliance with all applicable laws, regulations and ministerial guidelines promulgated by relevant Japanese governmental or regulatory authorities in effect at the

relevant time. For the purposes of this paragraph, "Japanese Person" shall mean any person resident in Japan, including any corporation or other entity organized under the laws of Japan).

Panama

The notes have not been registered, and will not be registered, with the Superintendency of Capital Markets (*Superintendencia del Mercado de Valores*) of Panama and therefore cannot, and will not, be publicly offered or sold in Panama, except in transactions exempted from the registration requirements of the securities laws and regulations of Panama. The Superintendency of Capital Markets of Panama has not reviewed the information contained in this offering memorandum. The notes will not be subject to the securities laws of Panama and the Superintendency of Capital Markets of Panama will have no supervisory responsibilities over the notes. The notes do not benefit from the tax incentives provided by Panamanian securities laws. Investors must only acquire the notes for investment purposes and not with a view to resale of the securities in Panama.

People's Republic of China

The notes may not be offered or sold directly or indirectly within the People's Republic of China ("PRC"). This offering memorandum or any information contained herein does not constitute an offer to sell or the solicitation of an offer to buy any securities in the PRC. This offering memorandum, any information contained herein or the notes have not been, and will not be, submitted to, approved by, verified by or registered with any relevant governmental authorities in the PRC and thus may not be supplied to the public in the PRC or used in connection with any offer for the subscription or sale of the notes in the PRC. The notes may only be invested in by PRC investors that are authorized to engage in the investment in the notes of the type being offered or sold. Investors are responsible for obtaining all relevant governmental approvals, verifications, licenses or registrations (if any) from all relevant PRC governmental authorities, including, but not limited to, the State Administration of Foreign Exchange, the China Securities Regulatory Commission, the China Banking Regulatory Commission, the China Insurance Regulatory Commission and/or other relevant regulatory bodies, and complying with all relevant PRC regulations, including, but not limited to, any relevant foreign exchange regulations and/or overseas investment regulations.

Singapore

This offering memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the notes have not been offered or sold nor have any notes been caused to be made the subject of an invitation for subscription or purchase and the notes will not be offered or sold or caused to be made the subject of an invitation for subscription or purchase, and neither this offering memorandum nor any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the notes has been nor may be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, 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 and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 of Singapore.

Any reference to the "SFA" is a reference to the Securities and Futures Act 2001 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

Singapore Securities and Futures Act Product Classification

Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the SFA, we have determined, and hereby notify all relevant persons (as defined in Section 309A of the SFA) that the notes are

"prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the S Notice FAA-N16: Notice on Recommendations on Investment Products).

Switzerland

The notes may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act of June 15, 2018, as amended (the "FinSA"), and no application has been or will be made to admit the notes to trading on any trading venue (exchange or multilateral trading facility) 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.

Taiwan

The notes have not been and will not be registered or filed with, or approved by, the Financial Supervisory Commission of Taiwan and/or any other regulatory authorities of Taiwan pursuant to relevant securities laws and regulations of Taiwan and may not be sold, issued or offered within Taiwan through a public offering or in circumstances that constitute an offer or a solicitation of an offer within the meaning of Taiwan's Securities and Exchange Act or relevant laws and regulations of Taiwan that require a registration, filing or approval of the Financial Supervisory Commission of Taiwan and/or any other regulatory authorities of Taiwan. No person or entity in Taiwan has been authorized to offer or sell the notes in Taiwan.

TRANSFER RESTRICTIONS

The notes are subject to restrictions on transfer as summarized below. By purchasing notes, you will be deemed to have made the following acknowledgements, representations to and agreements with us and the initial purchasers.

(1) You acknowledge that:

- the notes have not been registered under the Securities Act or any other securities laws and are being offered for resale in transactions that do not require registration under the Securities Act or any other securities laws; and
- unless so registered, the notes may not be offered, sold or otherwise transferred except under an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act or any other applicable securities laws, and in each case in compliance with the conditions for transfer set forth in paragraph 5 below.

(2) You acknowledge that this offering memorandum relates to an offering that is exempt from registration under the Securities Act and may not comply in important respects with SEC rules that would apply to an offering document relating to a public offering of securities.

(3) You represent that you are not an affiliate (as defined in Rule 144) of ours, that you are not acting on our behalf and that either:

- you are a qualified institutional buyer (as defined in Rule 144A) and are purchasing notes for your own account or for the account of another qualified institutional buyer, and you are aware that the initial purchasers are selling the notes to you in reliance on Rule 144A; or
- you are not a U.S. person (as defined in Regulation S) or purchasing for the account or benefit of a U.S. person, other than a distributor, and you are purchasing notes in an offshore transaction in accordance with Regulation S.

(4) You acknowledge that neither we nor the initial purchasers nor any person representing us or the initial purchasers have made any representation to you with respect to us or this offering, other than the information contained in this offering memorandum. Accordingly, you acknowledge that no representation or warranty is made by the initial purchasers as to the accuracy or completeness of such materials. You represent that you are relying only on this offering memorandum in making your investment decision with respect to the notes. You agree that you have had access to such financial and other information concerning us and the notes as you have deemed necessary in connection with your decision to purchase notes, including an opportunity to ask questions of and request information from us.

(5) You represent that you are purchasing notes for your own account, or for one or more investor accounts for which you are acting as a fiduciary or agent, in each case not with a view to, or for offer or sale in connection with, any distribution of the notes in violation of the Securities Act, subject to any requirement of law that the disposition of your property or the property of that investor account or accounts be at all times within your or their control and subject to your or their ability to resell the notes pursuant to Rule 144A or any other available exemption from registration under the Securities Act. You agree on your own behalf and on behalf of any investor account for which you are purchasing notes, and each subsequent holder of the notes by its acceptance of the notes will agree, that until the end of the Resale Restriction Period (as defined below), the notes may be offered, sold or otherwise transferred only:

(a) to us or any of our subsidiaries;

(b) pursuant to a registration statement that has been declared effective under the Securities Act;

(c) for so long as the notes are eligible for resale under Rule 144A, to a person the seller reasonably believes is a qualified institutional buyer in compliance with Rule 144A;

(d) in an offshore transaction in compliance with Regulation S;

(e) to an institutional accredited investor (within the meaning of Rule 501(a)(1), (2), (3) or (7) under the Securities Act) that is not a QIB and that is purchasing for its own account or for the account of another institutional accredited investor, in each case in a minimum principal amount of notes of U.S.$250,000; or

(f) pursuant to an exemption from registration provided by Rule 144 under the Securities Act or any other available exemption from the registration requirements of the Securities Act,

subject in each of the above cases to any requirement of law that the disposition of the seller's property or the property of an investor account or accounts be at all times within the seller or account's control and to compliance with any applicable state securities laws.

You also acknowledge that to the extent that you hold the notes through an interest in a global note, the Resale Restriction Period may continue until one year after the Company, or any affiliate of the Company, was the owner of such note or an interest in such global note, and so may continue indefinitely.

(6) You also acknowledge that:

- the above restrictions on resale will apply from the closing date until the date that is one year (in the case of Rule 144A notes) after the later of the closing date, the closing date of the issuance of any additional notes and the last date that we or any of our affiliates was the owner of the notes or any predecessor of the notes or 40 days (in the case of Regulation S notes) after the later of the closing date, the closing date of the issuance of any additional notes and when the notes or any predecessor of the notes are first offered to persons other than distributors (as defined in Rule 902 of Regulation S) in reliance on Regulation S (the "*Resale Restriction Period*"), and will not apply after the applicable Resale Restriction Period ends;

- if a holder of notes proposes to resell or transfer notes under clause (e) above before the applicable Resale Restriction Period ends, the seller must deliver to us and the Trustee a letter from the purchaser in the form set forth in the Indenture which must provide, among other things, that the purchaser is an institutional accredited investor that is acquiring the notes not for distribution in violation of the Securities Act;

- we and the Trustee reserve the right to require in connection with any offer, sale or other transfer of notes under clauses (d), (e) and (f) above the delivery of an opinion of counsel, certifications and/or other information satisfactory to us and the Trustee; and

- each note will contain a legend substantially to the following effect:

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), 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 ACQUIRER

(1) REPRESENTS THAT

(A) IT AND ANY ACCOUNT FOR WHICH IT IS ACTING IS A "QUALIFIED INSTITUTIONAL BUYER" (WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT) AND THAT IT EXERCISES SOLE INVESTMENT DISCRETION WITH RESPECT TO EACH SUCH ACCOUNT, OR

(B) IT IS NOT A U.S. PERSON (WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT) AND

(2) AGREES FOR THE BENEFIT OF THE ISSUER THAT IT WILL NOT OFFER, SELL, PLEDGE OR OTHERWISE TRANSFER THIS NOTE OR ANY BENEFICIAL INTEREST HEREIN, EXCEPT IN ACCORDANCE WITH THE SECURITIES ACT AND ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ONLY

(A) TO THE ISSUER OR ANY OF ITS SUBSIDIARIES,

(B) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT,

(C) TO A PERSON THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT,

(D) IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE SECURITIES ACT,

(E) TO AN INSTITUTIONAL "ACCREDITED INVESTOR" (WITHIN THE MEANING OF RULE 501(a)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT) THAT IS NOT A QUALIFIED INSTITUTIONAL BUYER AND THAT IS PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ANOTHER INSTITUTIONAL ACCREDITED INVESTOR, IN EACH CASE IN A MINIMUM PRINCIPAL AMOUNT OF SECURITIES OF U.S.$250,000, OR

(F) PURSUANT TO AN EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT OR ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

PRIOR TO THE REGISTRATION OF ANY TRANSFER IN ACCORDANCE WITH (2)(C) ABOVE OR (2)(D) ABOVE, A DULY COMPLETED AND SIGNED CERTIFICATE (THE FORM OF WHICH MAY BE OBTAINED FROM THE TRUSTEE) MUST BE DELIVERED TO THE TRUSTEE. PRIOR TO THE REGISTRATION OF ANY TRANSFER IN ACCORDANCE WITH (2)(F) 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 RULE 144 EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

(7) By acceptance of a note, you represent and warrant that either:

(a) no portion of the assets used by you to acquire and hold such notes or interest therein constitutes assets of any Plan; or

(b) the acquisition and holding of the notes by you will not constitute a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, or a similar violation under any applicable Similar Laws, and none of the Transaction Parties is your fiduciary (as defined in Section 3(21) of ERISA or Section 4975(e)(3) of the Code), nor has been relied upon by you for any investment advice, in connection with your investment in the notes pursuant to the offering described in this offering memorandum.

(8) You acknowledge that we, the initial purchasers and others will rely upon the truth and accuracy of the above acknowledgments, representations and agreements. You agree that if any of the acknowledgments, representations or agreements you are deemed to have made by your purchase of notes is no longer accurate, you will promptly notify us and the initial purchasers. If you are purchasing any notes as a fiduciary or agent for one or more investor accounts, you represent that you have sole investment discretion with respect to each of those accounts and that you have full power to make the above acknowledgments, representations and agreements on behalf of each account.

VALIDITY OF THE NOTES

The validity of the notes will be passed upon for us by White & Case LLP as to certain matters of New York law. The validity of the notes will be passed upon for initial purchasers by Allen Overy Shearman Sterling US LLP. The validity of the notes will be passed upon for us by Miranda & Amado Abogados S. Civil de R.L. as to certain matters of Peruvian law, and for the initial purchasers by J&A Garrigues Peru Sociedad Civil de Responsabilidad Limitada as to certain matters of Peruvian law.

INDEPENDENT AUDITORS

The consolidated financial statements of Orazul Energy Perú S.A. and its subsidiary as of and for the years ended December 31, 2024, 2023 and 2022, included in this offering memorandum, have been audited by Emmerich, Córdova y Asociados S. Civil de R.L., independent auditors, as stated in their report appearing herein.

With respect to the unaudited consolidated interim financial information for the periods ended June 30, 2025 and 2024, included herein, the independent auditors have reported that they applied limited procedures in accordance with professional standards for a review of such information. However, their separate report included herein states that they did not audit and they do not express an opinion on that interim financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied.

GENERAL INFORMATION

The creation and issuance of the notes have been authorized by the resolutions of our shareholders dated August 19, 2025.

Except as disclosed in this offering memorandum, there are no litigation or arbitration proceedings against or affecting us or any of our respective assets, nor are we aware of any pending or threatened proceedings, which are or might reasonably be expected to be material in the context of the issuance of the notes.

To the best of our knowledge, the information contained in this offering memorandum is in accordance with the facts and does not omit anything likely to affect the significance of such information. Accordingly, we accept responsibility.

Except as disclosed in this offering memorandum, there has been no material adverse change or any development reasonably likely to involve a material adverse change, in our condition (financial or otherwise) or general affairs since June 30, 2025 (the date of our last unaudited financial statements) that is material in the context of the issuance of the notes.

For so long as any of the notes remain outstanding, copies of the following documents will be obtainable and available during normal business hours at our principal office, located at Calle Las Palmeras No. 435, Floor 7, district of San Isidro, province and department of Lima, Peru:

- the indenture relating to the notes and our by-laws (*estatutos*);
- the financial statements included in this offering memorandum; and
- all our future annual and quarterly interim financial statements.

The Issuer will apply for the listing and quotation of the notes on the SGX-ST. The notes will be traded on the SGX-ST in a minimum board lot size of U.S.$200,000 so long as the notes are listed on the SGX-ST and the rules of the SGX-ST so require.

The notes have been accepted for clearance through DTC. The CUSIP numbers and ISINs for the notes are as follows:

	CUSIP Number	ISIN
144A Global Note	685948 AA9	US685948AA92
Regulation S Global Note	P73906 AA0	USP73906AA03

INDEX TO FINANCIAL STATEMENTS

Orazul Energy Perú S.A. and Subsidiary

Consolidated Financial Statements

December 31, 2024, 2023, and 2022

(Including Independent Auditors´ Report)

KPMG en Perú
Torre KPMG. Av. Javier Prado Este 444, Piso 27
San Isidro. Lima 27, Perú

Teléfono 51 (1) 611 3000
Internet www.kpmg.com/pe

INDEPENDENT AUDITORS' REPORT

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

Opinion

We have audited the consolidated financial statements of Orazul Energy Perú S.A. and Subsidiary ("the Group") which comprise the consolidated statements of financial position as of December 31, 2024, 2023 and 2022 and the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the years then ended, and 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 the Group as of December 31, 2024, 2023 and 2022 and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with IFRS Accounting Standards (IFRS) issued by International Accounting Standards Board (IASB).

Basis for Opinion

We conducted our audits in accordance with International Standards on Auditing (ISAs) approved for application in Peru by the Peruvian Board of Deans of Colleges of Public Accountants. 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 International Ethical Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code of Ethics) together with the ethical requirements that are relevant to our audits of the consolidated financial statements in Peru, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with IFRS issued by the IASB, 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 Group's financial reporting process.

Auditor's 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 approved for application in Peru 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 approved for application in Peru, 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 Group'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 auditors' report. However, future events or conditions may cause the Group to cease to be 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.

- Plan de perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance 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 as any significant deficiencies in internal control that we identify during our audit.

Lima, Peru

August 21, 2025

Countersigned by:

EMMERICH, CÓRDOVA & ASOCIADOS

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

Orazul Energy Perú S.A. and Subsidiary

Consolidated Financial Statements

December 31, 2024, 2023, and 2022

Contents

Orazul Energy Perú S.A. and Subsidiary
Consolidated Statements of Financial Position
As of December 31, 2024, 2023, and 2022

In thousands of U.S. dollars	*Note*	2024	2023	2022
Assets				
Current assets				
Cash	*5*	26,267	36,043	16,779
Trade receivables	*6*	23,144	21,466	16,443
Accounts receivable from related parties	*24.C*	-	-	909
Other receivables		329	241	122
Income tax receivable		6	37	-
Inventories	*7*	2,634	2,217	1,781
Prepaid expenses		776	953	686
Other assets	*9*	1,882	1,882	-
Total current assets		**55,038**	**62,839**	**36,720**
Non-current assets				
Property, plant, and equipment	*8*	557,440	575,181	592,886
Right of use assets	*8*	516	643	139
Intangible and other assets	*9*	490,802	492,647	495,447
Deferred income tax assets	*14*	16,902	74,248	53,473
Total non-current assets		**1,065,660**	**1,142,719**	**1,141,945**
Total assets		**1,120,698**	**1,205,558**	**1,178,665**

In thousands of U.S. dollars	*Note*	2024	2023	2022
Liabilities				
Current liabilities				
Lease liabilities from operating contracts	*12*	172	168	152
Trade payables	*10*	6,237	9,623	8,331
Other payables	*11*	7,550	4,977	5,749
Accounts payable to related parties	*24.C*	1,978	1,305	394
Income tax payable	*11*	811	991	7,959
Total current liabilities		**16,748**	**17,064**	**22,585**
Non-current liabilities				
Debentures	*13*	361,063	360,234	359,452
Lease liabilities from operating contracts	*12*	320	480	-
Other liabilities		216	346	337
Asset retirement obligation	*15*	3,869	4,770	4,003
Deferred income tax payables		9	-	-
Total non-current liabilities		**365,477**	**365,830**	**363,792**
Total liabilities		**382,225**	**382,894**	**386,377**
Equity	*16*			
Share capital		477,477	477,477	464,757
Additional capital		223,344	278,547	-
Legal reserves		36,957	36,957	33,653
Revaluation reserve		-	-	281,113
Retained earnings		695	29,683	12,765
Total equity		**738,473**	**822,664**	**792,288**
Total liabilities and equity		**1,120,698**	**1,205,558**	**1,178,665**

The notes on pages 6 to 67 are an integral part of these consolidated financial statements.

In thousands of U.S. dollars	*Note*	2024	2023	2022
Revenues	*17*	103,739	115,333	107,452
Costs of sales	*18*	(27,279)	(43,483)	(26,594)
Depreciation	*8(g)*	(25,858)	(25,370)	(12,694)
Gross profit		**50,602**	**46,480**	**68,164**
Administrative expenses	*18*	(5,660)	(5,287)	(5,132)
Other income	*19*	1,742	1,117	693
Other expenses		(58)	(217)	(146)
Operating profit		**46,626**	**42,093**	**63,579**
Finance income	*20.A*	2,603	1,701	171
Finance costs	*20.B*	(22,753)	(22,436)	(26,334)
Net foreign exchange difference	*23.D.iii*	32	573	612
Net finance costs		**(20,118)**	**(20,162)**	**(25,551)**
Profit before income tax		**26,508**	**21,931**	**38,028**
Income tax	*14*	(64,546)	11,011	(9,441)
(Loss) profit for the period		**(38,038)**	**32,942**	**28,587**
Other comprehensive income				
Items that will not be classified to profit or loss				
Revaluation of property, plant, and equipment, net	*16.C*	-	-	281,113
Capitalization of revaluation reserve	*16.D*	-	(281,113)	-
Other comprehensive (loss) income for the period, net of tax		**-**	**(281,113)**	**281,113**
Total comprehensive (loss) income for the period		**(38,038)**	**(248,171)**	**309,700**

The notes on pages 6 to 67 are an integral part of these consolidated financial statements.

Orazul Energy Perú S.A. and Subsidiary
Consolidated Statements of Changes in Equity
For the years ended December 31, 2024, 2023, and 2022

In thousands of U.S. dollars	*Note*	Share capital (note 16)	Additional capital (note 16)	Legal reserves (note 16)	Other reserves	Revaluation reserve (note 16)	Retained earnings	Total equity
Balance as of January 1, 2022		385,036	8,857	30,799	5,675	-	79,721	510,088
Comprehensive income for the period								
Profit for the period		-	-	-	-	-	28,587	28,587
Other comprehensive income								
Revaluation reserve	*16.C*	-	-	-	-	281,113	-	281,113
Total comprehensive income for the period		**-**	**-**	**-**	**-**	**281,113**	**28,587**	**309,700**
Transactions with owners of the Company								
Capitalization of retained earnings	*16.A*	79,721	-	-	-	-	(79,721)	-
Transfer of other reserves		-	-	-	(5,675)	-	5,675	-
Legal reserve	*16.B*	-	-	2,854	-	-	(2,854)	-
Dividend distributions	*16.E*	-	(8,857)	-	-	-	(18,643)	(27,500)
Total transactions with owners of the Company		**79,721**	**(8,857)**	**2,854**	**(5,675)**	**-**	**(95,543)**	**(27,500)**
Balance as of December 31, 2022		**464,757**	**-**	**33,653**	**-**	**281,113**	**12,765**	**792,288**
Balance as of January 1, 2023		464,757	-	33,653	-	281,113	12,765	792,288
Total comprehensive income for the period								
Profit for the period		-	-	-	-	-	32,942	32,942
Other comprehensive income								
Capitalization of revaluation reserve	*16.C*	-	-	-	-	(281,113)	-	(281,113)
Total comprehensive (loss) for the period		**-**	**-**	**-**	**-**	**(281,113)**	**32,942**	**(248,171)**
Transactions with owners of the Company								
Capitalization of retained earnings	*16.A*	12,720	-	-	-	-	(12,720)	-
Capitalization of revaluation reserve	*16.D*	-	281,113	-	-	-	-	281,113
Remeasurement of asset retirement obligation	*16.D*	-	(2,566)	-	-	-	-	(2,566)
Legal reserve	*16.B*	-	-	3,304	-	-	(3,304)	-
Total transactions with owners of the Company		**12,720**	**278,547**	**3,304**	**-**	**-**	**(16,024)**	**278,547**
Balance as of December 31, 2023		**477,477**	**278,547**	**36,957**	**-**	**-**	**29,683**	**822,664**

The notes on pages 6 to 67 are an integral part of these consolidated financial statements.

Orazul Energy Perú S.A. and Subsidiary
Consolidated Statements of Changes in Equity
For the years ended December 31, 2024, 2023, and 2022

In thousands of U.S. dollars	*Note*	Share capital (note 16)	Additional capital (note 16)	Legal reserves (note 16)	Other reserves	Revaluation reserve (note 16)	Retained earnings	Total Equity
Balance as of January 1, 2024		477,477	278,547	36,957	-	-	29,683	822,664
Comprehensive income for the period								
Loss for the period		-	-	-	-	-	(38,038)	(38,038)
Total comprehensive (loss) for the period		**-**	**-**	**-**	**-**	**-**	**(38,038)**	**(38,038)**
Transactions with owners of the Company								
Loss compensation		-	(9,050)	-	-	-	9,050	-
Dividend distributions	*16.E*	-	(47,000)	-	-	-	-	(47,000)
Remeasurement of asset retirement obligation	*16.D*	-	847	-	-	-	-	847
Total transactions with owners of the Company		**-**	**(55,203)**	**-**	**-**	**-**	**9,050**	**(46,153)**
Balance as of December 31, 2024		**477,477**	**223,344**	**36,957**	**-**	**-**	**695**	**738,473**

The notes on pages 6 to 67 are an integral part of these consolidated financial statements.

In thousands of U.S. dollars	*Note*	2024	2023	2022
Cash flows from operating activities				
Collections from customers		119,678	140,304	130,361
Collections of interest		2,510	1,424	107
Payment to suppliers		(50,206)	(76,905)	(54,497)
Payment to employees		(286)	(202)	(127)
Payment of option agreements		-	-	(2,675)
Cash generated from operating activities		**71,696**	**64,621**	**73,169**
Income tax recovered		-	595	1,148
Income tax paid		(7,704)	(15,783)	(1,706)
Net cash provided by operating activities		**63,992**	**49,433**	**72,611**
Cash flows from investing activities				
Proceeds from sales of property, plant, and equipment		781	166	23
Acquisition of property, plant, and equipment		(8,351)	(8,881)	(3,777)
Acquisition of intangibles		(49)	-	-
Net cash used in investing activities		**(7,619)**	**(8,715)**	**(3,754)**
Cash flows from financing activities				
Dividends paid, net of tax		(44,644)	-	(26,122)
Interests paid	*13*	(20,430)	(20,430)	(20,430)
Payment of withholding tax derived from interest		(1,019)	(1,019)	(1,009)
Payment of lease liabilities from operating contracts	*12*	(185)	(158)	(173)
Payment of interest and taxes on shareholder loan	*24.C(b)*	-	-	(25,613)
Net cash used in financing activities		**(66,278)**	**(21,607)**	**(73,347)**
Net (decrease) increase in cash		(9,905)	19,111	(4,490)
Cash as of January 1		36,043	16,779	20,849
Effects of variations in exchange differences on cash held		129	153	420
Cash as of December 31	*5*	**26,267**	**36,043**	**16,779**

The notes on pages 6 to 67 are an integral part of these consolidated financial statements.

1. Background and Business Activity

A. Corporate information

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

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

Plant	Source used to operate power station	Total Capacity (MW)	Location
Cañón del Pato	Hydroelectric	266	Huallanca, Ancash
Carhuaquero Complex	Hydroelectric	110	LLacma, Cajamarca
Solar Carhuaquero	Solar	1	Llacma, Cajamarca
		377	

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

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

B. Subsidiary

As of December 31, 2024, 2023, and 2022, the Company holds 99.99% direct equity interest in its subsidiary Kondu S.A.C. (hereinafter, "Kondu" or "Subsidiary").

Kondu (former "Orazul Soluciones S.A.C.") was incorporated on September 10, 2021, with the purpose of carrying out power generation, transmission, and commercialization activities as well as providing energy solutions services to customers.

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

2. Operations Regulation and Legal Standards Affecting the Electric Sector

The Group is subject to various rules governing its activities. Failure to comply with these rules may result in the imposition of sanctions on the Group, affecting it both financially and operationally. The Group's Management, through its commercial and legal teams, monitors and assesses compliance with regulations and the filing of claims.

The main regulations affecting the Group's activities are:

A. Electricity Concessions Law

In Peru, the electricity sector is regulated under the Electricity Concessions Law 25844, enacted on November 19, 1992, along with its implementing regulation, Supreme Decree 009-93-EM, issued on February 25, 1993. These legal instruments are complemented by various supplementary standards and amendments, including Law 28832, known as the Law to Guarantee the Efficient Development of Electricity Generation.

According to the Electricity Concessions Law, the National Interconnected System (Sistema Interconectado Nacional – SEIN, for its Spanish acronym) is divided into three main segments: power generation, transmission, and distribution.

In addition, according to the Law to Guarantee the Efficient Development of Electricity Generation, the operations of the power generation plants and transmission systems are subject to the provisions of the Committee of Economic Operation of the National Interconnected System (Comité de Operación Económica del Sistema Interconectado Nacional - COES-SINAC; for its Spanish acronym). The COES-SINAC coordinates its operations at the minimum cost, ensuring the security of electricity supply and the optimal use of energy resources, while planning the development of the SEIN and managing the short-term market. The COES-SINAC establishes the values of the capacity and energy transfers between the generators.

B. Law to Guarantee the Efficient Development of Electricity Generation

In July 2006, the Peruvian Government issued Law 28832, the Law to Guarantee the Efficient Development of Electricity Generation, with one of its main objectives to: (1) maintain the economic principles used in Law 25844 and add new measures to facilitate competition in the wholesale market; (2) reduce government intervention in establishing power generation tariffs; (3) allow power generation tariffs for regulated power consumers to reflect a competitive market, facilitating the construction of new generation plants when required; and (4) ensure a sufficient supply of power by reducing the power system's exposure to the risks of high prices and rationing inherent to situations of undersupply of natural gas or transportation congestion.

One of the main changes introduced by the Law is in the mechanism for tender offers, which allows electricity distribution companies to enter into power supply contracts with power generation companies to supply the public electricity service. This rule established a mechanism that promotes investments in new power generation capacity through long-term contracting at fixed prices with distribution companies.

C. Environmental preservation regulations

According to the Electricity Concessions Law and the General Environmental Law (Law 28611), the Government designs and applies the policies and standards necessary for the adequate conservation of the environment and of the nation's cultural heritage. Additionally, it ensures the rational use of natural resources in the development of activities related to the generation, transmission, and distribution of electricity. In this sense, the Ministry of Energy and Mines approved the Regulation of Environmental Protection in Electricity Activities (Executive Order 14-2019-EM).

D. Technical Standards

Technical Quality Standards of Electricity Services

Executive Order 020-97-EM approved the Technical Quality Standard of the Electricity Services (Norma Técnica de Calidad de los Servicios Eléctricos – NTCSE, for its Spanish acronym), which established the minimum quality levels of the electricity services and those related to the power generation, transmission, and distribution subject to the regulation of prices, applicable to power supply subject to a free price regime, in all that both counterparties have not stated within their agreement.

The NTCSE employs measurement and tolerance procedures to establish quality standards for electricity and public lighting services, assigning the responsibility for supervision to OSINERGMIN and requiring compliance from electricity companies, as well as sector customers. Likewise, it regulates the application of penalties and compensations in cases of non-compliance with parameters established by the NTCSE. Law 28832 grants COES-SINAC the authority to assign responsibilities in case of breach of the NTCSE, as well as calculate the corresponding compensations.

Technical standard for the coordination of the real-time operation of the interconnected systems

Official Document "Resolución Directoral" 025-2008-EM/DGE, dated August 8, 2008, amended Sub-section 7.1.3 of the "Technical Standard for the Coordination of the Real Time Operation of the Interconnected Systems". The amendment established that in the event of electricity rationing, priority must be given to ensuring the supply of electricity for public utility services.

Technical standard for the real-time exchange of information for the operation of the national interconnected electrical system

Official Document "Resolución Directoral" 243-2013-EM/DGE, dated November 27, 2013, approved the Technical Standard for the Real Time Exchange of Information for the Operation of the National Interconnected Electrical System, which established the technical responsibilities and the procedures related to the operation of the ICCP Network of the SEIN (RIS) for the real-time exchange of information between the Control Center of the COES and the Control Centers of the members of the SEIN.

E. Anti-monopoly and Anti-oligopoly Law

The Anti-monopoly and Anti-oligopoly Law in the Electricity Sector, Law 26876, was issued in November 1997, which establishes that vertical integration over 5% or horizontal integration over 15% that occur in companies that develop activities of generation, transmission, and distribution of electricity, will be subject to a prior authorization procedure to avoid concentrations that could affect competition in the electricity market.

Resolution 012-99/INDECOPI/CLC established conditions in defense of free competition and transparency in the sector. In Management's opinion, this standard does not affect the Group's operations. I Squared Capital Advisors (US) LLC was required to obtain authorization from Indecopi, the Peruvian antitrust authority, before acquiring control over certain Peruvian entities, including the Company, as part of the acquisition.

In November 2019, Emergency Decree 013-2019 was issued, establishing the general framework for prior control of business concentration operations. This Decree was later replaced by Law 31112, which in turn superseded Law 26876, previously applicable to the electricity sector.

F. Emergency Decree Assuring Continuity in the Provision of Electricity Services

Due to short-term constraints in the gas supply and power transmission systems, which were generating distorting price signals in the spot market, the Government of Peru issued Emergency Decree 049-2008, dated December 17, 2008, extended by Emergency Decree 079-2010, Law 30115 and Law 30513. Pursuant to this decree, COES is required to simulate energy spot prices without accounting for limitations due to shortage in supply and transportation of natural gas and for limitations on the transmission system. The latter scheme caps spot prices at a maximum amount per megawatt hour. Power generation companies with units that are called to dispatch and have a variable cost higher than the spot price determined pursuant to the referenced emergency decree are compensated for the difference in their cost by transmission surcharges imposed on all end consumers of the SEIN (i.e., regulated and non-regulated customers) and collected by distribution companies.

Additionally, such decree regulates the allocation of mandatory energy supplies without a contract. Such mandatory supplies are allocated to power generators based on their annual efficient firm energy, less their energy sales per contract. The allocation of mandatory supplies without a contract will not generate economic losses for power generators, as the demand will pay an additional fee for the energy of these mandatory supplies when their supplying costs exceed the Busbar tariffs.

Emergency decrees are legislative statutes issued by the Executive branch of the Government of Peru under specific circumstances and in designated areas specified in the Peruvian Constitution, and are effective for a limited time. The Emergency Decree remained in effect until October 1, 2017.

From October to the end of 2017, the COES had to calculate the Short-term Marginal Costs using the same models used to elaborate the daily operational program, with some adjustments. In addition, the COES had to reallocate the congestion charges paid by the generators.

Afterward, the Supreme Decree N° 033-2017-EM established that the Regulation of the Wholesale Electricity Market, approved by Supreme Decree N° 026-2016-EM and the resolutions issued by OSINERGMIN regarding the Wholesale Electricity Market that approve, modify, or repeal Technical Procedures of COES were effective from January 1, 2018.

G. Standard "Rates and compensations for secondary transmission systems (STS) and complementary transmission systems (CTS)"

OSINERGMIN, through Resolution N° 164-2016 OS/CD, dated June 30, 2016, approved the new standard "Procedure for allocation of Responsibility Payment of STS and CTS".

Under the previous methodology, only entities classified as "Relevant Power Generators" were subject to the payment of STS and CTS. However, the new resolution eliminates this classification, thereby extending the payment obligation to all power generators. Therefore, all power generators would pay even for transmission facilities that do not use.

H. Resolution that sets busbar prices applicable to the period from May 1, 2022, to April 30, 2026

In April of each year, OSINERGMIN publishes resolutions that establish the Busbar prices and their corresponding Nodal Electricity Factors and associated Power Loss Factors. The resolutions are effective annually, and the last three issued are:

- Resolution OSINERGMIN N° 048-2025-OS/CD, effective from May 1, 2025, to April 30, 2026.
- Resolution OSINERGMIN N° 051-2024-OS/CD, effective from May 1, 2024, to April 30, 2025.
- Resolution OSINERGMIN N° 056-2023-OS/CD, effective from May 1, 2023, to April 30, 2024.
- Resolution OSINERGMIN N° 057-2022-OS/CD, effective from May 1, 2022, to April 30, 2023.

I. Value of the Applicable Discount Factor (FDA)

It established the value of the Applicable Discount Factor (FDA); such a factor is applicable to the natural gas transport rate. The resolutions are effective annually, and the last three issued are:

- Resolution 061-2025-OS/CD establishes the FDA applicable from May 1, 2025, to April 30, 2026.
- Resolution 061-2024-OS/CD establishes the FDA applicable from May 1, 2024, to April 30, 2025.
- Resolution 076-2023-OS/CD establishes the FDA applicable from May 1, 2023, to April 30, 2024.
- Resolution 063-2022-OS/CD establishes the FDA applicable from May 1, 2022, to April 30, 2023.

J. Law that creates the energy security system on hydrocarbons and the energy and social inclusion fund

On April 13, 2013, Law 29852, the Law that Creates the Energy Security System on Hydrocarbons and the Energy and Social Inclusion Fund (FISE, for its Spanish acronym), approved through Executive Order 021-2012-EM, was published, as a power compensation system that provides security for the system, as well as a social compensation scheme for the most vulnerable sectors of the population. The additional fee paid for electric generators is transferred to the toll of the main transmission electrical system through Law 29969, a law that lays down provisions to promote the widespread of natural gas.

In 2016, Legislative Decree No. 1331 introduced provisions to promote the use of natural gas at the national level. The FISE also serves to promote mechanisms for universal access to energy. The funds can be used to finance connections, vehicular conversions, systems or means of distribution or transportation.

K. Wholesale electricity market

Supreme Decree N° 026-2016-EM dated July 2, 2016: New regulation of the wholesale electricity market (MME, for its Spanish acronym). COES administrates the MME, which includes the Short-Term Market (MCP, for its Spanish acronym), ancillary services, and other collateral payments necessary for the operation of the Peruvian Interconnected System (SEIN).

Participants authorized to sell in the MCP are the power generators members of the COES through the dispatch of their respective power plants (dispatch decided by the COES based on a marginal cost merit order).

Participants authorized to buy in the MCP are:

- Power Generators to supply their respective PPAs;
- Power Distributors to meet the demand of its non-regulated users (free customers), up to 10% of the maximum demand recorded by the total non-regulated users in the last 12 months; and
- Large Users, to meet up to 10% of its maximum demand in the last 12 months,
- The above percentage may be modified by Supreme Decree.

Participants must have guarantees or a top credit rating to ensure payment of all of their obligations in the MME, according to the respective procedure. This measure does not apply to the generators, except that they fail to pay their obligations in the power and energy transfers in the COES.

L. Supreme Decree that modifies provisions applicable to the programming and coordination of the operations of the National Interconnected Electric System

The Supreme Decree N° 040-2017-EM modifies, among others, article 96 of the Regulations of the Electricity Concessions Law:

- The COES may issue provisions for the operation in cases of exceptional situations, which include temporary configurations of equipment and installations in the system, as well as programming and operating real-time with new reference values for voltage and frequency, which exceed the tolerances normal and the normal load limits of equipment and facilities; and, eventually, stop allocating rotating reserve for frequency regulation, to procure timely supply to users and minimize the effects of such exceptional situation.

- The information on the generation units corresponding to some Operating Inflexibilities of those units will be delivered with the respective technical support to COES and OSINERGMIN, the latter being able to arrange the corresponding supervision and/or control actions. If the Generator does not send the information indicated above, or if OSINERGMIN determines its inconsistency, these Operating Inflexibilities will be communicated by OSINERGMIN to COES. In cases deemed relevant by OSINERGMIN, it may request that COES provide its opinion in support of values proposed by the Generator.

M. Procedure for the Supervision of the Parameters of the Operating Inflexibilities of the Generation Units of the SEIN

Resolution N° 161-2019-OS/CD OSINERGMIN. In a period not exceeding sixty (60) calendar days, the Generators must send to OSINERGMIN the information referring to the parameters of the Minimum Time of Operation (TMO in Spanish), Minimum Time between Starts (TMA in Spanish) and Start Time (TA in Spanish), adding the corresponding Technical Support Report (IST in Spanish), as indicated in the approved procedure.

The procedure stipulates that if the generators fail to provide the information within the specified timeframe or if OSINERGMIN deems the information presented to be inconsistent with the guidelines outlined in the approved standard, this entity will communicate to COES the parameters of operational inflexibilities that should be considered.

The operational inflexibility parameters that the standard establishes as referential are those applicable to the US electrical system provided by the Federal Energy Regulatory Commission (FERC), which do not conform to the reality of the machines that operate in the electrical sector, either to the system of recognition of costs that would imply complying with said technical regime:

Technology	TMA (hours)	TMO (hours)	TA (hours)
Diesel	0.6	1	0.1
Open cycle	1.25	2	0.25
Combined cycle	3.5	4	0.5
Biomass	8	4	10
Steam power station	8	8	10

Through Resolution 030-2021-OS / CD, OSINERGMIN approved the new COES Technical Procedure N° 04, on "Tests for the Determination of the Minimum Power of the Generation Units of the SEIN".

N. Water LAW, Law N° 29338 and its regulation by Supreme Decree N° 001-2010-AG, dated March 23, 2010

The purpose of this Law is to regulate the use and integrated management of water, the performance of the Government and individuals in such management, as well as the assets associated with it.

O. Modification of the Technical Standard for the Coordination of Real-Time Operation of Interconnected Systems

The Directorial Resolution N° 0136-2018-MEM/DGE establishes that once the Rationing Mechanism is activated (as established by Executive Order 017-2018-EM), for purposes of the operation, the COES will apply the efficiency criterion that allows the maximum use of natural gas. Within the electricity sector, the gas allocation will be pro rata of the Daily Contract Quantity or the Maximum Daily Amount of your gas supply contracts, whichever is greater.

Additionally, numeral 5.4.10 of the Technical Standard for the Coordination of the Real-time Operation of Interconnected Systems was modified to establish when the Rationing Mechanism referred to in Supreme Decree N° 017-2018-EM is activated. When the daily volume of gas available for electricity generation is insufficient for economic dispatch without restricting gas supply, the COES will apply the efficiency criterion in programming the operation and/or in real-time to optimize the use of natural gas for electricity generation. Thus, the operation of the SEIN is carried out at the minimum cost preserving the security of the system, reallocating the gas that would have corresponded to each generator having considered a pro-rata distribution of the amount of gas available for the priority level corresponding to Electric Generators, based on the Contractual Daily Quantity or the Maximum Daily Quantity, of their gas supply contracts, whichever is greater.

Finally, if necessary, the COES can consider programming the operation and/or changing the fuel in real-time from the dual units to liquid fuel.

P. Regulation of Legislative Decree N° 1221

Approved by Supreme Decree N° 018-2016-EM: this regulation established some amendments to: (i) the Regulation of the Electricity Concessions Law and (ii) the Regulation of the Non-regulated Users in the electricity market:

i. In the case of the use of water resources, the definitive concession request must include the study of the project's feasibility level with an analysis of its optimal exploitation. The petitioner of a definitive power generation concession must prove that the requested area corresponds to the minimum required for power generation capacity provided in the application and does not affect the normal development of projects with definitive concessions granted through a Feasibility Study.

ii. It establishes that Users whose maximum annual demand of each supply point is equal to or less than 200 kW have the status of Regulated User, and if it is greater than 200 kW to 2500 kW, are entitled to choose between the status of Regulated User or Non-Regulated User.

It adds that the Regulated Users whose maximum monthly demand (from several supply points) exceeds 2500 kW, will maintain that status for one (1) year from the month in which that ceiling is exceeded, unless otherwise agreed between the parties. For users with a maximum annual demand at each supply point exceeding 2500 kW, they are classified as non-regulated users, unless otherwise specified.

Q. Through Resolutions 216, 217, and 218-2018-OS/CD, the OSINERGMIN issued the prior authorization for the modification of the long-term supply contracts signed by Luz del Sur, Hidrandina, and Enel Distribución with the generators in the framework of Law 28832

Supreme Decree N° 022-2018-EM ("DS 022") modifies Article 18 of the Tender Regulation for the Supply of Electricity, establishing the modification of supply contracts that result from bids within the framework of Law 28832, by agreement of parties and exceptionally. DS 022 also establishes a temporary procedure for the evaluation of the addenda to contracts resulting from bids, applicable until December 31, 2018.

Within the framework of the provisions of Supreme Decree 022-2018-EM, Orazul subscribed option agreements for the right to execute addenda to the PPAs with Luz del Sur, Hidrandina, and Enel Distribución. For example, Orazul and Luz del Sur signed option agreements that grant Orazul the right to extend the term of the PPAs (for a minimum of 7 years) in the event the option is exercised. For such option, Orazul had to pay the value of the option through monthly payments.

R. Incorporation of the third paragraph to Article 122 of the Electricity Concessions Law

Legislative Decree 1451, within the framework of the strengthening of national, regional, and local government entities, incorporated a third paragraph to article 122 of the Electricity Concessions Law, to submit to the Ministry of Energy and Mines the evaluation of definitive concessions or authorizations of generation that are processed in cases of vertical integration that do not qualify as acts of concentration according to the rule of the matter.

In practice, some distribution companies are expanding their investments through different companies linked to them to carry out the generation activity, without this qualifying as an "act of concentration" that must be previously evaluated by INDECOPI to have the respective authorization (because this assumption focuses on mergers and acquisitions between companies that develop different activities in the electricity market).

These situations, occasioned by those distribution companies also violate the prohibition established in Article 122 of the Electricity Concessions Law, which expressly states that the generation, transmission, and distribution activities cannot be carried out by the same owner or by anyone who directly or indirectly exercises control over it.

S. OSINERGMIN approved the modification of the PR-26 of the COES to determine Firm Power to the generation plants with renewable energy resources

Resolution N° 144-2019-OS/CD OSINERGMIN. Since September 1, 2019, the Firm Power of the generation plants that use wind, solar, or tidal technology will be determined considering the production of energy in the Peak Hours of the System defined by the Ministry of Energy and Mines (5:00 p.m. to 11:00 p.m.), according to the following formula:

$$PF_i = \frac{\sum_1^h EG}{h}$$

Where:

PFi = Firm Power to the generation plant with renewable energy resources.
EG = Production of active energy of the RER Power Plant during the System Peak Hours of the last 36 months (evaluation period). If this series is not available, it will be necessary to consider the period from the date of the plant's Commercial Operation Date until the month of evaluation of the PFi.
h = Total number of Peak Hours of the System corresponding to the evaluation period of the EG.

T. OSINERGMIN approved the modification of the Procedure "Conditions for the application of electricity generation and transmission rates"

The purpose of this standard is to establish the conditions for the application of generation and transmission prices for electrical energy supplies linked to:

(a) Electricity sales from Generator to Distributor, destined for the Public Electricity Service, which is made through the contracts referred to in subparagraph a) section 3.2 of Article 3 of Law N° 28832 (contracts without bidding).

(b) The tariff options for Regulated Users are defined according to Article 1 of Law 28832 located in high and regular tension connected to the transmission system.

(c) The application of the tolls of Transmission Systems.

U. Regulation of inspection and sanction of energy and mining activities of OSINERGMIN

Resolution N° 208-2020-OS-CD approves the "Regulation of Inspection and Sanctioning of energy and mining activities overviewed by OSINERGMIN", which will start the day following publication in the official newspaper El Peruano of the Methodological Guide for the Calculation of the Base Fine, referred to in numeral 26.3 of article 26. As of the effective date of this Regulation, the Regulation that was approved by Resolution N° 040-2017-OS/CD will be replaced.

Resolution N° 120-2021-OS-CD approves the "Methodological Guide for the Calculation of the Base Fine".

V. OSINERGMIN approved the Procedure for the Inspection of Contracts and Authorizations of the Electricity Subsector and Concession Contracts in Natural Gas activities

Resolution 166-2020-OS/CD approves the Procedure for the Inspection of Contracts and Authorizations of the Electricity Subsector and Concession Contracts in Natural Gas activities.

The purpose of this Procedure is to establish clear parameters for the supervision of the obligations contained in the Concession Contracts, Authorizations and Investment Commitment Contracts in the Electricity Subsector, as well as in the Concession Contracts of activities Natural Gas and within OSINERGMIN's competence.

The inspection will include: (i) Construction; (ii) Partial and/or Commercial Commissioning; and (iii) Operation, Exploitation of Concession Assets and Maintenance. OSINERGMIN will be responsible for supervising, within the scope of its competence, compliance with the obligations contained in the Contracts and/or Authorizations in accordance with the provisions of the Procedure, without limitation, and will also supervise other relevant aspects.

W. Value of the Fortuitous Unavailability Rate of the peak unit and the Target Firm Reserve Margin of the National Interconnected Electric System is set

- Through Resolution 067-2025-OS/CD, the Fortuitous Unavailability Rate of the peak unit from May 1, 2025, to April 30, 2029, is set at 6.91%. Also, the value of 20.11% is set as the Target Firm Reserve Margin of the National Interconnected Electric System (SEIN) from May 1, 2025, to April 30, 2029.

- Through Resolution 199-2020-OS / CD, the Fortuitous Unavailability Rate of the peak unit from May 1, 2021, to April 30, 2025, is set at 4.18%. Also, the value of 21.41% is set as the Target Firm Reserve Margin of the National Interconnected Electric System (SEIN) from May 1, 2021, to April 30, 2025.

X. Value of the Reserve Margin of the National Interconnected Electric System is set

The Reserve Margin of the National Interconnected Electric System (SEIN) from May 1, 2022, to April 30, 2026, is set as follows:

Period	Reserve Margin
May 2025- Apr 2026	34.5%
May 2024- Apr 2025	32.3%
May 2023- Apr 2024	33.9%
May 2022- Apr 2023	35.0%

Y. The Rotating Reserve Margin for the Primary Regulation of Frequency of the National Interconnected Electric System is set for the flood period and low water period of the years 2022.2023, 2024, and 2025

Through Resolution 237-2021-OS / CD, the Rotating Reserve Margin for the Primary Regulation of Frequency of the National Interconnected Electric System is set at 2.8% for the flood period in January to May and December 2022; and for the dry season in June to November 2022.

Through Resolution 209-2022-OS / CD, the Rotating Reserve Margin for the Primary Frequency Regulation of the National Interconnected Electric System is approved at 1.9% for the flood period from January to May and December 2023; and 2.3% for the low water period from June to November 2023.

In addition, through Resolution 203-2023-OS/CD, the Rotating Reserve Margin for the Primary Frequency Regulation of the National Interconnected Electric System is approved at 2.1% for the flood period from January to May and December 2024, and 2.5% for the low water period from June to November 2024.

Finally, through Resolution 194-2024-OS/CD, the Rotating Reserve Margin for the Primary Frequency Regulation of the National Interconnected Electric System is approved at 2.5% for the flood period from January to May and December 2025, and 3% for the low-water period from June to November 2025.

Z. OSINERGMIN's "Methodological Guide for Calculating the Base Fine" is approved

Through Resolution N° 120-2021-OS/CD, OSINERGMIN approves the Methodological Guide for the Calculation of the Base Fine, which aims to provide greater predictability in relation to the criteria and components to be considered by OSINERGMIN for the determination of the base fine, as part of the fine penalty grading process to be imposed on by the audited agents.

The Guide is mandatory for the investigating authority, the sanctioning authority and the OSINERGMIN review authority, in the exercise of their respective functions.

AA. OSINERGMIN approved the modification of Technical Procedure 20 of the COES "Entry, Modification and Removal of Facilities in the SEIN"

Through Resolution 083-2021-OS/CD, it is provided to substitute numerals from 1 to 16 of the COES Technical Procedure N° 20 approved by Resolution N° 035-2020-OS/CD, and to incorporate numeral 17 in accordance with the content in Annex A of the published resolution.

In addition, Annexes 2 to 7 are replaced by Annexes 2 to 5, in accordance with the content of Annex B of the published resolution.

It is specified that Annex 1 of the Technical Procedure of COES N° 20 approved by Resolution N° 035-2013-OS/CD, remains valid.

Likewise, the processes for obtaining Certificates of Conformity of EPO, EO, Start of Commercial Operation, Integration of Transmission Facilities in the SEIN, Conclusion of Commercial Operation and Retirement of Facilities of the SEIN, as well as for the approval of the Connection of Installations to the SEIN initiated before the entry into force of the modification of this procedure, will be governed, until its conclusion, by the provisions contemplated in the Technical Procedure of COES N° 20 approved by Resolution N° 035-2013-OS/CD. Exceptions from the application of this provision are those processes related to projects that are outside the scope of this procedure or that do not comply with the requirements established in its scope, as well as processes that are no longer contemplated in the approved Technical Procedure.

This regulation was repealed with the publication on October 8, 2024, of Resolution N° 173-2024-OS-CD, which approves the new "Technical Procedure 20 of the COES "Entry, Modification and Removal of Facilities in the SEIN".

The most relevant aspect of the modification of the PR-20 is that as of January 1, 2028, all generation plants with non-conventional energy resources (RER), without exception, must have mechanisms to deliver synthetic inertia to the electric system, being able to use energy storage systems such as batteries, flywheels, grid-forming inverters or other mechanisms or technologies that allow compliance with this requirement.

Throughout 2025, COES is required to submit a technical report to OSINERGMIN outlining the proposed parameters for synthetic inertia delivery mechanisms applicable to RER generation plants. OSINERGMIN, in turn, must publish these parameter no later than December 31, 2025.

BB. OSINERGMIN modifies COES Technical Procedure N° 07 "Determination of Short-Term Marginal Costs" (PR-07)

By Resolution N° 244-2021-OS/CD, OSINERGMIN modifies COES Technical Procedure N° 07 "Determination of Short-Term Marginal Costs" (PR-07) approved by Resolution N° 179-2017-OS/CD and modified by Resolution N° 091-2019-OS/CD, in accordance with the provisions of the Annex to this resolution. On July 1, 2022, is established as the effective date of the modifications to the PR-07.

CC. OSINERGMIN approves the request to modify the Supply Contracts signed by Enel Distribución Perú S.A.A. with Kallpa Generación S.A., Orazul Energy Perú S.A. and Termoselva S.R.L.

Resolution 077-2021-OS/CD approves the modification of the Supply Contracts signed by Enel Distribución Perú S.A.A with the generating companies Kallpa Generación S.A., Orazul Energy Perú S.A., as a result of the Long Term Supply Bidding process: ED-01-2009-LP, ED-02-2009-LP, LDS-01-2011-LP-I, and ED-01-2012-LP; LDS-01-2010-LP; and LDS-01-2010-LP; respectively, regarding the variable contracted power from the date of subscription of the respective addendum (after approval) until December 31, 2021.

DD. Ministry of the Environment declares the Climate Emergency of National Interest

Through Supreme Decree N° 003-2022-MINEM, the country's climatic emergency is declared as national interest, to execute a series of actions and measures to (i) limiting the increase in temperature, (ii) reducing climatic risks, (iii) achieve "carbon neutrality", (iv) stabilize greenhouse gas emission concentrations, among other global objectives. In this sense, the Supreme Decree established the following relevant provisions for the energy sector:

- The Ministry of Energy and Mines ("MINEM" in Spanish), in coordination with the Ministry of the Environment, will guarantee the use of non-conventional renewable energy resources ("RER") in the electricity generation matrix. It is expected to progressively increase its new requirements with RER, with a projection of reaching 20% participation by 2030.

- MINEM must prioritize the execution of the following measures:

    1. Promote programs and policies on the efficient use of energy in the public, productive, services, residential, and transportation sectors.

    2. Implement programs to transition from polluting fuels (such as wood, manure, coal, and others) to other clean energy sources for domestic use.

    3. Design promotion programs for the development of technologies, use, and production of green hydrogen.

    4. Propose, within the scope of the "Multisectoral Commission for the Reform of the Electricity Subsector", with the participation of the Ministry of the Environment, the regulatory framework for increasing the use of RER in the electricity generation matrix, as well as other measures that promote the use of renewable energies.

- The Ministry of Transport and Communications must design promotional mechanisms for electromobility with emphasis on urban transport.

EE. Supervisory Agency for Investment in Energy and Mining - OSINERGMIN modifies COES Technical Procedure N° 22 "Rotating Reserve for Secondary Frequency Regulation" (PR-22)

The modification of PR-22 incorporates the formula that allows calculating the real Opportunity Cost incurred by the machines for providing Secondary Frequency Regulation service. In this way, the hydroelectric machines that offer this service downstream during the flood season will be adequately compensated.

The modification of PR-22 will become effective on June 22, 2022.

FF. OSINERGMIN approves the "Procedure for the Control of Compliance with the Technical Standard for the Exchange of Real Time Information for the Operation of the National Interconnected Electric System"

Resolution 053-2022-OS/CD approves the "Procedure for the Control of Compliance with the Technical Standard for the Exchange of Real Time Information for the Operation of the National Interconnected Electric System". The Procedure has the following objectives:

- Establish the methodology for supervising compliance with the Technical Standard for the Exchange of Real-Time Information for the Real-Time Information Exchange for the Operation of the National Interconnected Electric System (NTIITR).

- Establish the criteria and procedures to evaluate the compliance of the adequacy of the Control Centers of the ICCP Network Control Centers of the Members of the SEIN's ICCP Network of the SEIN (RIS), in relation to the requirements of the Objective Stage of the NTIITR.

- Evaluate the fulfillment of the minimum quality requirements and conditions for the exchange of information in real time between the COES and the Control Centers of the Members of the SEIN.

- The procedure establishes the conduct considered as non-compliances, which will be sanctioned according to the Scale of Fines and Sanctions to be approved by OSINERGMIN.

GG. Peruvian Government establishes seven (7) hours as the Regulation Hours to be applied for the calculation of the firm power of hydroelectric power plants

The Regulation Hours are set at seven (7) hours according to the provisions of literal d) of article 110 of the Regulation of the Law of Electricity Concessions, approved by Supreme Decree N° 009-93-EM, for the period from May 1, 2022, to April 30, 2026.

HH. Supervisory Agency for Investment in Energy and Mining (OSINERGMIN) approves COES Technical Procedure N° 34 "Determination of the Variable Maintenance Cost of Thermoelectric Generation Units" (PR-34)

The purpose of PR-34 is to establish the criteria, methodology, and process to be followed by the Integrating Generators to determine the Variable Maintenance Cost (CVM) of the thermoelectric Generation Units in each of its Operation Modes, for its approval by COES.

PR-34 establishes the obligation of the Generators to submit an economic technical report that supports the CVM of its thermoelectric Generation Units for each of its Operation Modes. The report must be updated every two (02) years or when the indicated conditions occur.

II. Congress of the Republic approves bringing forward the amendment to Law 27510, the Law that creates the Electric Social Compensation Fund

The modification of Law 27510 is brought forward to November 2022, with which the Fondo de Compensación Social Eléctrica (FOSE) will cover the subsidy to residential users of the public electricity service whose monthly consumption is less than or equal to 140 kWh/month (previously it was up to 100 kWh/month).

JJ. Supervisory Agency for Investment in Energy and Mining (OSINERGMIN) approves COES Technical Procedure N° 02 "Conditions for Participation in the Wholesale Electricity Market" (PR-02)

The purpose of PR-02 is to establish the requirements, procedures, and obligations that Members must comply with to participate in the Wholesale Electricity Market (WEM).

The modifications of PR 02 (with respect to its previous version), are related to the following:

- Requirements to be a participant in the WME.
- Treatment of remote disconnection in case of unauthorized withdrawals.
- Authorization process to participate in the WME.
- Causes for suspension and exclusion.

KK. Supervisory Agency for Investment in Energy and Mining (OSINERGMIN) modifies COES Technical Procedure N° 13 "Calculation of Firm Energy, annual verification of the coverage of the Committed Energy and monthly balance of the committed power" (PR-13)

By OSINERGMIN Resolution 210-2023-OS/CD, OSINERGMIN modifies PR-13. However, this modification has not corrected essential observations that we consider in PR-13:

- PR-13 establishes two stages of verification of generators' energy commitments per year.

- PR-13 establishes the determination of a factor (load factor) for the projection carried out in the initial stage. Still, the way in which it is regulated has the effect of inflating "the supposedly committed energy for the year under evaluation, causing the generator to have to present a greater firm energy support."

- In the second stage, this factor is also applied again, which constitutes an error. At this point, actual data is already available regarding the amount of firm energy generated during the year and the energy committed to customers. Therefore, in this final evaluation, no adjustment factor should be applied.

LL. Agency for Environmental Assessment and Enforcement (OEFA) approves the "Sole Ordered Text of the Procedure for Collection and Control of the Regulation Contribution"

The purpose of this rule is to regulate the procedure for the collection and control of the Regulatory Contribution that corresponds to the OEFA. The rule applies to the subjects of the energy (electricity and hydrocarbon subsectors) and mining sectors that are obliged to comply with the obligations derived from the Regulation Contribution.

Likewise, through Supreme Decree N° 157-2022-PCM, provisions were approved regarding the OEFA's Regulation Contribution, to be paid by the companies and entities of the energy sector for the period 2023 - 2025, as follows:

Aliquot of the Contribution for the regulation of	Current (2023-2025)	Previous (2020-2022)
Companies and entities of the electricity sub-sector	2023: 0.46% 2024: 0.43% 2025: 0.41%	2020: 0.51% 2021: 0.49% 2022: 0.47%

MM. Approved regulations that will take effect from 2025 onwards

By Law N° 32249, Law which modifies Law 28832, Law to Ensure Effective Development of Power Generation to guarantee the safe, reliable and efficient supply of electricity supply and to promote the diversification of the energy matrix, or Law N° 32249 ("Law 32249"), which came into effect on January 20, 2025, the Peruvian Congress amended the LGE, providing for, among others:

a) The creation of a market for the sale of firm capacity and a market for the sale of firm energy. This new regulation provides that generation companies are prohibited from contracting for more firm capacity and firm energy with distribution companies and non-regulated clients than the amounts they have generated and /or agreed to purchase from third parties;

b) The promotion of the participation of generating renewable energy companies in the bids called by distribution companies. For such purposes, new regulations allow distribution companies to require generation companies to supply either energy and capacity or only energy, divided into hourly blocks. Additionally, distribution companies will be required to publish an annual 10-year public tender schedule and request proposals for long-term, medium-term, and short-term PPAs. Each distribution company must annually adjust and inform the 10-year public tender schedule to the MINEM and OSINERGMIN;

c) That the benchmark for the bus bar tariff shall not differ by more than 10% of the weighted average price of: (i) PPAs resulting from public tender processes; and (ii) PPAs entered into with non-regulated customers; that, in each case, are in effect as of March 31 of each calendar year. This change will not apply to PPAs with distribution companies that were already in effect before Law 32249;

d) A mechanism to allocate the consumed energy or capacity that will be applied, recognizing the terms and conditions of existing PPAs, while PPAs with distribution companies that were in effect before Law 32249 and PPAs with distribution companies that are effective thereafter coexist. This mechanism will be set forth by the MINEM by supreme decree; and

e) The creation of a complementary services market for the provision of services required to guarantee the quality and reliability of the electricity supply from generation to demand, which is expected to be available beginning in January 2026. The MINEM will approve and issue the regulations of this market.

Certain provisions in Law 32249 will necessitate supplemental regulations and amendments to the existing regulations. MINEM has recently published a draft regulation for Law 32249 which is currently pending approval by MINEN.

3. Material Accounting Policies

The material accounting policies applied in the preparation of these consolidated financial statements are set out below. The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements unless otherwise stated.

A. Basis of accounting

i. Compliance with IFRS

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards. The consolidated financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB).

The consolidated financial statements as of December 31, 2024, 2023 and 2022, have been authorized for issuance by the Management of the Company on August 21, 2025.

ii. Historical cost basis

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities measured at present value: provision for asset retirement obligation (note 3.P).

B. Accounting pronouncement

i. New accounting pronouncements

The application of the following standards, interpretations, and amendments to IFRS is mandatory for the first time for annual periods beginning on or after January 1, 2024:

Effective date	New standards or amendments
January 1, 2024	Non-current Liabilities with Covenants - Amendments to IAS 1
	Classification of Liabilities as Current or Non-current - Amendments to IAS 1
	Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 17

The Group adopted these amendments, which did not generate significant impacts on the financial statements as of December 31, 2024.

ii. New accounting pronouncements issued but not yet adopted

The following accounting pronouncements issued are applicable to annual periods beginning after January 1, 2025, and have not been applied in the preparation of these consolidated financial statements. The Group plans to adopt the corresponding accounting pronouncements on their respective dates of application.

Effective date	New standards or amendments
January 1, 2025	Lack of Exchangeability - Amendments to IAS 21
January 1, 2026	Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7
	Annual Improvements to IFRS Accounting Standards – Volume 11

Effective date	New standards or amendments
January 1, 2027	IFRS 18 Presentation and Disclosure in Financial Statements
	IFRS 19 Subsidiaries without Public Accountability: Disclosures
Available for optional adoption/effective date deferred indefinitely	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28

Management is still assessing the impact of these new standards, particularly with respect to IFRS 18, on the structure of the Group's statement of profit or loss, the statement of cash flows, and the additional disclosures required for Management-defined performance measures. The Group is also assessing the impact on how information is grouped in the consolidated financial statements, including for items currently labelled as "other".

C. Basis of consolidation

i. Business combinations

The Company accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Company, in determining whether a particular set of assets and activities acquired includes, at a minimum, an input and substantive process, and whether the acquired set can produce outputs.

The Company has the option to apply for a concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred in the acquisition is measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognized in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

Any contingent consideration is measured at its fair value at the acquisition date. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured, and settlement is accounted for within equity. Otherwise, other contingent considerations are re-measured at fair value at each reporting date, and subsequent changes to the fair value of the contingent consideration are recognized in profit or loss.

ii. Subsidiaries

Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed to or has rights to variable returns from its involvement with the entity and can affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

iii. Non-Controlling Interest (NCI)

NCI is measured at its proportionate share of the acquiree's identifiable net assets at the acquisition date.

Changes in the Company's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

iv. Loss of control

When the Company loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

v. Reorganizations under Common Control Transactions

Common control transactions that involve the setup of a new group company and the combination of entities under common control are recorded using the book values of the parent company.

vi. Transactions Eliminated on Consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated. Unrealized gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Company's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

D. Foreign currency translation

i. Functional and presentation currency

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in U.S. Dollars, which is the Group's functional and presentation currency. All amounts have been rounded to the nearest thousand unless otherwise indicated.

ii. Transactions and balances

Transactions in foreign currencies are translated into the functional currency of the Group at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value is determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Foreign currency differences are generally recognized in the profit and loss statement.

E. Revenue

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognizes revenue when it transfers control over a product or service to a customer, net of value-added tax, rebates, and discounts.

The revenue recognition model applied to contracts with customers considers a transaction analysis based on five steps to determine whether, how much, and when revenue is recognized:

1. Identify the contract with a customer.
2. Identify the performance obligations in the contract.
3. Determine the transaction price.
4. Allocate the transaction price to the performance obligations in the contract.
5. Recognize revenue when (or as) the entity satisfies a performance obligation.

Identify the contract with a customer and performance obligations in the contract
Revenues from the generation business are recorded based upon energy output delivered and capacity provided at rates specified pursuant to our Power Purchase Agreements (PPAs), or at marginal costs determined on the spot market if the sales are made on the spot market.

Determine the transaction price and allocation to the performance obligations
Performance obligations in the generation business are the sale of electrical energy and the sale of capacity.

Revenues and costs related to main and secondary toll services are recognized net, as the Company merely pays for the use of the transmission lines, without a separate performance obligation.

The Revenue from the generation business is determined substantially by long-term, U.S. dollar-linked PPAs. PPAs are usually entered into at prices equivalent to, or higher than, the prevailing spot market rates, the majority of which are indexed to the underlying fuel cost of the related long-term supply agreements. Under the terms of the majority of our PPAs, the power purchaser is contractually obligated to purchase its energy requirements, and sometimes capacity and/or ancillary services, from the power generator based upon a base price (denominated either in U.S. Dollars or in the local currency) that is generally adjusted for a combination of some of the following: (1) fluctuations in exchange rates, (2) the U.S. inflation index, (3) a local inflation index, (4) fluctuations in the cost of operating fuel, (5) supply costs of natural gas, and (6) transmission costs. PPAs include provisions that adjust the contractual unitary energy prices in the event of a natural gas supply or transportation interruption, using a methodology based on spot prices on the dates of the interruption.

Many of the prices in our PPAs differentiate between peak and off-peak periods.

Recognition of revenue
The following table provides information about the nature and timing of satisfying performance obligations in contracts with customers, including significant payment terms, and related revenue recognition policies:

Type of product/ service	Nature, timing of satisfaction of performance obligations, and significant payment terms	Revenue recognition
Sale of electricity and sales of capacity	The Group considers, based on all relevant facts and circumstances, that the obligation to deliver energy and capacity is viewed as a service that is transferred consecutively over the contract term, which is simultaneously provided and consumed. That means that the customer immediately consumes each unit of energy (kWh) and capacity. Management evaluates the impact of progress measures over time. The purpose of measuring progress toward satisfying a performance obligation is to recognize revenue in a pattern that reflects the transfer of control of the promised good or services to the customer. Based on the contract terms, the amount to be billed is determined by the units of energy transferred to customers. Invoices are usually collected within 30 days.	Revenue is recognized over time as the electricity and the capacity are provided.

F. Finance income and finance costs

Finance income and finance costs of the Group are recognized on an accrual basis and include the following:

- Interest income.
- Interest expense.
- Foreign currency gain or losses on financial assets and financial liabilities.
- Reclassification of the net earnings previously recognized in other comprehensive income.
- Non-recoverable VAT related to financial obligations.
- Interest income or expense is recognized using the effective interest method.

G. Income tax

Income tax expense comprises current, deferred tax, and uncertain income tax provisions. It is recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in OCI.

The Group has determined that interest and penalties related to income taxes, do not meet the definition of income taxes, and therefore accounted for them under IAS 37 *Provisions, Contingent Liabilities and Contingent Assets.*

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year, as well as any adjustments to tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount to be paid or received that reflects uncertainty related to income taxes. It is measured using tax rates enacted or substantively enacted at the reporting date. Current Tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

ii. Deferred tax

Deferred tax is recognized with respect to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for:

- Temporary differences in the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- Temporary differences related to investments in subsidiaries and associates to the extent that the Group can control the timing of the reversal of the temporary differences and it is not probable that they will reverse in the foreseeable future; and,
- Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for unused tax losses, unused tax credits, and deductible temporary differences to the extent that future taxable profits will probably be available against which they can be used. Future taxable profits are determined based on business plans for individual subsidiaries in the Group.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profit improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

The Group regularly reviews its deferred tax assets for recoverability, taking into consideration all available evidence, both positive and negative, including historical pre-tax and taxable income, projected future pre-tax and taxable income, and the expected timing of the reversals of existing temporary differences. In arriving at these judgments, the weight given to the potential effect of all positive and negative evidence is commensurate with the extent to which it can be objectively verified.

The Group believes its tax positions are in compliance with applicable tax laws and regulations. Tax benefits are recognized only for tax positions that are more likely than not to be sustained upon examination by tax authorities. The Group believes that its liabilities for unrecognized tax benefits, including related interest, are adequate in relation to the potential for additional tax assessments. There is a risk, however, that the amounts ultimately paid upon resolution of audits could be materially different from the amounts previously included in our income tax expense, and therefore, could have a material impact on our tax provision, net income, and cash flows.

iii. Uncertain income tax provision

A provision for uncertain income tax positions, including additional income tax payable or income tax receivable, is recognized by the Group when it analyzes an Uncertain Tax Treatment (UTT). If the Group concludes that it is probable that the tax authority will accept a UTT that has been taken or is expected to be taken on a tax return, it should determine its accounting for income taxes consistently with that tax treatment. If the Group concludes that it is not probable that the treatment will be accepted, it should reflect the effect of the uncertainty in its income tax accounting in the period in which that determination is made as an additional income tax liability.

The Group measures the impact of the uncertainty using the method that best predicts the resolution of the uncertainty; either "the most likely amount method" or "the expected value method".

In selecting the most appropriate method, the Group uses the "most likely method" in cases where there are binary outcomes and the concentration in one value exceeds 75%. If the outcomes are binary and the concentration in one value is 75% or less, the Group uses the "expected value method".

Assets and liabilities balances related to uncertain income tax provisions must be included in the assets and liabilities balances from current and deferred income tax; therefore, those balances are not presented as provisions nor in other lines of the Group statement of financial position as other receivable or other payables.

H. Inventories

Inventories consist of fuel, spare parts, materials, and supplies and are valued at the lower of cost or net realizable value. Cost is determined using the average cost method. The net realizable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling, and distribution.

I. Trade receivables

Trade receivables are amounts due from customers for the energy and capacity in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

J. Property, plant, and equipment

i. Recognition and measurement

Property, plant, and equipment include electrical energy, hydroelectric power plants, Cañón del Pato, and Carhuaquero Complex. These items are measured at historical cost less accumulated depreciation and accumulated impairment losses, except for buildings, machinery, and equipment, which are measured at revalued cost based on appraisals performed by an independent appraiser.

The Company has adopted the revaluation model for its buildings, machinery, and equipment, based on appraisals made by independent experts. The appraisals are carried out regularly enough to ensure that the fair value of the revalued assets does not differ materially from their book value.

If the book value of buildings, machinery, and equipment increases as a result of a revaluation, this increase will be recognized in other comprehensive income under the heading of revaluation surplus.

The revaluation surplus included in equity may be transferred directly to retained earnings when the asset is derecognized. This could involve a full transfer of the revaluation surplus upon disposal of the asset. These transfers do not affect the profit or loss for the period. Any impairment losses related to the fair value of revalued assets are recognized directly in other comprehensive income during the period in which the losses occur.

Historical cost includes expenditure that is directly attributable to the acquisition of the items:

- The cost of materials and direct labor;
- Any other costs directly attributable to bringing the assets to a working condition for their intended use;
- Capitalized borrowing costs, and.
- When the Company has an obligation to remove the assets or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located.

If significant parts of an item of property, plant, and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant, and equipment.

Any gain or loss resulting from the disposal of an item of property, plant, and equipment is recognized in profit or loss.

ii. Subsequent costs

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group, and its cost can be measured reliably.

Disbursements for maintenance and repairs are recognized as expenses in the period in which they are incurred.

Work in progress is presented at cost. The cost of these assets in the process includes professional fees and other costs. Those assets are subsequently reclassified to their category of property, plant, and equipment once the construction or acquisition process is complete, and they are ready for their intended use.

iii. Depreciation

Depreciation is calculated to write off the cost of items of property, plant, and equipment less their estimated residual values, using the straight-line method over its estimated useful lives, and is generally recognized in profit or loss. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Land is not depreciated.

The estimated useful lives of property, plant, and equipment are as follows:

	Years
Buildings and other constructions	4 – 70
Machinery, equipment and transmission lines	4 – 30
Vehicles	5 – 20
Furniture and fixtures	8 – 16
Sundry equipment	2 – 20

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriated.

K. Intangible assets

i. Recognition and measurement

Goodwill	Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses. In respect of equity-accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment, and any impairment loss is allocated to the carrying amount of the equity investee as a whole.
Research and development	Expenditure on research activities is recognized in profit or loss as incurred. Development expenditure is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognized in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortization and any accumulated impairment losses.
Concession	The electricity concessions correspond to intangible assets identified as of the acquisition date on December 20, 2016. The useful life of electric concessions is indefinite.
Other intangible assets	Other intangible assets, including licenses and software licenses acquired by the Company, have finite useful lives and are measured at cost less accumulated amortization and any accumulated impairment losses.

ii. Subsequent cost

Subsequent costs are capitalized only when they increase the future economic benefits embodied in the specific asset to which they relate. All other expenditures, including costs associated with internally generated goodwill, are expensed as incurred.

iii. Amortization

Amortization is calculated to write off the cost of intangible assets using the straight-line method over their useful lives and is generally recognized in profit or loss.

Amortization methods and useful lives are reviewed at each reporting date and adjusted if appropriate.

L. Financial instruments

i. Recognition and initial measurement

The Group initially recognizes trade receivables issued on the date they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, that is directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii. Classification and subsequent measurement

Financial assets are classified as measured at: amortized cost, fair value through profit and loss (FVTPL), and fair value through other comprehensive income (FVOCI). Classification is driven by the business model for managing financial assets and the contractual cash flow characteristics of the financial assets.

Financial assets are not reclassified subsequent to their initial recognition, unless the Group changes its business model for managing financial assets. In such cases, all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if: a) it is held within a business model whose objective is to hold assets to collect contractual cash flows, and b) the contractual term gives rise on specified dates to cash flows that are solely payments of principal and interest.

All financial assets not classified as measured at amortized cost are measured at FVTPL. This includes all derivative financial assets.

Financial liabilities are classified as FVTPL (derivatives) and other financial liabilities. Financial liabilities classified as other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

iii. Derecognition

Financial assets

The Group derecognize a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfer nor retain substantially all of the risks and rewards of ownership and it does not retain control over the financial asset.

Financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged, canceled, or expire. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On the derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid is recognized in profit or loss.

iv. Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the consolidated statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

M. Share capital - Ordinary shares

Incremental costs directly attributable to the issue of ordinary shares, net of any tax effects, are recognized as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with IAS 12.

N. Impairment

i. Non-derivative Financial Assets

The Group shall recognize a loss allowance for expected credit losses (ECL) on a financial asset subsequently measured at amortized cost or fair value through other comprehensive income, a contract asset or a loan commitment, and a financial guarantee contract to which the impairment requirements apply.

The Group measures the loss allowance for a financial instrument at each reporting date at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information analysis, based on the Group's historical experience and informed credit assessment including forward-looking information.

In the generation business, the Group assumes that it has no significant credit risk due to collections are made within 30 days.

The Group considers a financial asset to be in default when:

- The borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held); or,
- The financial asset is more than 90 days past due.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the entity expects to receive).

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ELCs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes

- Default or delinquency by a debtor;
- Restructuring of an amount due to the Group on terms that the Group would not consider otherwise;
- Indications that a debtor or issuer will enter bankruptcy;
- Adverse changes in the payment status of borrowers or issuers;
- The disappearance of an active market for security because of financial difficulties; or,
- Observable data indicating that there is a measurable decrease in expected cash flows from a group of financial assets.

Presentation of allowances for ECL in the statement of financial position
Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of assets.

Write-off
The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off may still be subject to enforcement activities to comply with the Group's procedures for recovering amounts due.

ii. Non-financial assets
At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested for impairment annually or whenever impairment indicators are present.

The recoverable amount of an asset or cash-generating unit (hereinafter, "CGU") is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro-rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an assessment is performed at each reporting date to determine if there are any indications that these losses have decreased or no longer exist. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. It is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

O. Energy purchase
Costs from energy purchases, either acquired in the spot market or from contracts with suppliers, are recorded on an accrual basis according to the energy actually received. Purchases of electric energy, including those that have not yet been billed as of the reporting date, are recorded based on estimates of the energy supplied at the prevailing prices in the spot market or as agreed upon in the respective purchase agreements, as applicable.

P. Asset retirement obligation (ARO)

Provision is made for closedown, restoration, and environmental rehabilitation costs (which include the dismantling and demolition of infrastructure, removal of residual materials, and remediation of disturbed areas) in the financial period when the related environmental disturbance occurs, based on the estimated future costs using information available at the statement of financial position date. At the time of establishing the provision, a corresponding asset is capitalized where it gives rise to a future benefit and depreciates over future production.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the specific risks associated with the liability. The unwinding of the discount is recognized as a finance cost.

Changes in the measurement that result from changes in the estimated timing or amount of the outflow of resources embodying economic benefits required to settle the obligation, or a change in the discount rate, shall be accounted for as follows:

Cost model

The changes in the liability shall be added to, or deducted from, the cost of the related assets in the current period.

Revaluation model

If the related asset is measured using the revaluation model, changes in the liability alter the revaluation surplus or deficit previously recognized on that asset.

Q. Provisions

A provision is recognized if it is the result of a past event, the Group has a present legal or constructive obligation that can be reliably estimated, and an outflow of economic benefits will probably be required to settle the obligation.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the specific risks associated with the liability. The unwinding of the discount is recognized as a finance cost.

R. Leases

At the inception of a contract, the Company assesses whether a contract is or contains a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a specified period in exchange for consideration.

As a Lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component based on its relative stand-alone prices. However, for the lease of property, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognizes a right-of-use asset and a lease liability at the commencement date of the lease. The right-of-use assets initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made t or before the commencement date, plus any initial direct cost incurred and an estimate co costs to dismantle and remove the underlying asset or to restore the underlying asset or the site in which it is located, less any lease incentive received.

The right of use is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right of use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those property and equipment. In addition, the right of use -asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company´s incremental borrowing rate.

The Company determined its incremental borrowing rate obtaining interest rates from various external financing sources and made certain adjustments to reflect the terms of the lease and type of asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in substance fixed payments;
- Variable lease payments that depend on an index or rate, initially measured using the index rate as the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company estimate of the amount expected to be payable under a residual value guarantee, if the Company change its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of use asset, or it is recorded in profit or loss if the carrying amount of the right of use asset has been reduced to zero.

The Company presents right-of-use assets and lease liabilities in separate lines in the statement of financial position.

Short-term leases and leases of low-value assets
The Company has elected not to recognize right-of-use assets and lease liabilities for a lease of low-value assets and short-term leases, including IT equipment. The Company recognizes the lease payment associated with these leases as an expense on a straight line over the lease term.

S. Operating segments, geographic, and revenue information

Operating segments are defined as business activities that generate revenue and expenses and whose operating results are regularly reviewed by the chief operating decision maker ("CODM") of the Company to make decisions about the allocation of resources to the segments and to evaluate its performance.

Management has determined that the senior management team is the CODM. The CODM receives and reviews information about operating results and assesses performance on a total Company basis only. Consequently, management has determined the Company has no operating segments as that term is defined in IFRS.

All of the Company's revenue is derived from customers that are geographically located in Peru. Also, all non-current assets of the Company are located in Peru.

During 2024, 2023, and 2022, revenues from the following customers individually and together represent more than 10% and 40% of the Company´s total revenues, respectively, for each year:

In thousands of U.S. dollars	2024	2023	2022
Pluz Energía Perú S.A.A. (formerly Enel Distribution S.A.A.)	19,601	30,990	18,341
Minera Chinalco Perú S.A.	13,913	13,082	13,248
Luz del Sur S.A.	11,517	26,026	27,510

Revenues by type and services are disclosed in note 17.

4. Use of Judgments and Estimates

The preparation of the consolidated financial statements in conformity with IFRS requires Management to make judgments and estimates that affect the application of accounting policies and the reported amount of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recorded prospectively.

i. Judgments

Information about judgments in applying accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements is included in the following notes:

- Note 6: Expected credit losses of trade receivables;
- Notes 8 and 9: Useful life of the property, plant and equipment, and intangible assets;
- Note 14: Utilization of tax losses.

ii. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties on December 31, 2024, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

- Note 17: revenue recognition: estimate of expected returns;
- Note 14: recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilized;
- Note 9: impairment test of intangible assets and goodwill: key assumptions underlying recoverable amounts, including the recoverability of development costs;
- Note 25: recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.

Measurement of fair values

Several of the Group accounting policies and disclosures require measuring the fair values of both financial and non-financial assets and liabilities.

The Group has an established control framework for measuring the fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Chief Financial Officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third-party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Board of Directors.

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

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

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

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

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

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

Further information about the assumptions made in measuring fair values is included in note 23 – Financial Instruments.

5. Cash

Comprises the following:

In thousands of U.S. dollars	2024	2023	2022
Checking accounts (a)	26,265	36,038	16,774
Petty cash	2	5	5
	26,267	**36,043**	**16,779**

(a) The Group holds checking accounts in foreign and local currency at different financial entities. The Group checking accounts are available and mainly earn interest at market rates ranging from 0.07% to 4.55% in soles and from 3.15% to 4.08% in U.S dollars as of December 31, 2024 (from 0.07% to 6.70% in soles and from 0.15% to 5.30% in U.S dollars as of December 31, 2023, and from 0.15% to 1.00% in soles and from 0.07% to 0.90% in U.S. dollar as of December 31, 2022).

Credit ranking

According to Apoyo & Asociados S.A.C. (for local financial entities) and Standard & Poor's (for foreign financial entities), the credit quality that safeguards the Group bank deposits was evaluated as follows:

	2024	2023	2022
Banco del Crédito del Perú S.A.	A+	A+	A+
Scotiabank Perú S.A.A.	A+	A+	A+
Santander Peru S.A.	A+	A+	-
Bank of America	A+	A+	A+

6. Trade Receivables

Comprises the following:

In thousands of U.S. dollars	December 31, 2024	December 31, 2023	December 31, 2022
Non-Regulated customers	11,261	10,196	9,254
Regulated customers	6,934	7,966	6,357
COES (a)	4,336	3,231	797
Others	613	261	218
Subtotal (b)	**23,144**	**21,654**	**16,626**
Impairment loss allowance (c)	-	(188)	(183)
	23,144	**21,466**	**16,443**

Trade receivables are denominated in U.S. dollars (for non-regulated customers) and soles (for COES and regulated customers). They have current maturity and do not generate interest, except in the case of payment delays. Trade receivables as of December 31, 2024, correspond to 20 non-regulated, 5 regulated customers (corresponds to 12 non-regulated, 7 regulated customers as of December 31, 2023, and 13 non-regulated, 9 regulated customers as of December 31, 2022).

(a) The Committee of Economic Operation of the National Interconnected System (COES), as the system operator, acts as a clearing house and settles the payments for power generation companies.

(b) As of December 31, 2024, 2023, and 2022, trade receivables comprise accounts receivable with related parties of US$ 746 thousand, US$ 992 thousand and US$ 174 thousand, respectively (note 24.C).

The aging of trade receivables is as follows:

In thousands of U.S. dollars	2024	2023	2022
Unexpired	23,061	20,979	16,369
Less than 30 days	76	26	23
31 to 180 days	6	134	22
181 to 360 days	1	327	1
More than 360 days	-	188	211
	23,144	**21,654**	**16,626**

The aging of accounts receivable and the performance of customers are constantly monitored to ensure their recovery within their due dates. Consequently, in Management's opinion, the balance of the allowance for impairment of accounts receivable adequately covers the risk of loss of doubtful accounts as of December 31, 2024, 2023, and 2022.

As of December 31, 2024, 2023, and 2022, past due trade receivables (over 360 days), represent less than 1.3% of the total balance of trade receivables. Those mainly correspond to trade receivables with non-regulated customers.

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

In thousands of U.S. dollars	2024	2023	2022
Opening balance	188	183	175
Addition	202	-	-
Write off	(394)	-	-
(Recovery)	(2)	-	-
Exchange difference	6	5	8
	-	**188**	**183**

7. Inventories

Comprises the following:

In thousands of U.S. dollars	2024	2023	2022
Mechanical and electric spare parts (a)	1,778	1,489	1,178
Other Supplies	778	651	562
Fuel and lubricants	78	77	64
	2,634	**2,217**	**1,804**
Impairment (b)	-	-	(23)
	2,634	**2,217**	**1,781**

(a) Items used in scheduled maintenance for the hydroelectric power plants, Carhuaquero Complex and Cañon del Pato, enabling appropriate operations until major maintenance.

(b) The impairment of inventories was determined based on internal technical reports. Under Management´s opinion, it is not necessary to recognize any impairment in inventories as of December 31, 2024, and 2023. Impairment as of December 31, 2022, covers the obsolescence risk.

8. Property, Plant and Equipment and Right-of-Use Assets

Comprises the following:

In thousands of U.S. dollars	Land	Buildings and other constructions	Machinery and equipment	Asset retirement obligation	Vehicles	Furniture and fixtures	Sundry equipment	Works in progress (a)	Total
Cost									
Balance as of January 1, 2022	8,605	343,160	181,228	9,272	2,435	345	15,692	568	561,305
Additions (c)	-	-	719	-	17	21	253	4,741	5,751
Revaluation (b)	597	214,619	183,526	-	-	-	-	-	398,742
Retirements	-	-	(83)	-	(526)	-	(36)	-	(645)
Transfers	-	1,995	673	-	-	-	324	(2,987)	5
Other	-	-	-	(5,669)	-	-	-	-	(5,669)
As of December 31, 2022	**9,202**	**559,774**	**366,063**	**3,603**	**1,926**	**366**	**16,233**	**2,322**	**959,489**
Balance as of January 1, 2023	9,202	559,774	366,063	3,603	1,926	366	16,233	2,322	959,489
Additions (c)	14	391	2,733	-	793	3	368	7,008	11,310
Retirements	-	-	-	-	(189)	(5)	(132)	(104)	(430)
Transfers	-	461	997	-	384	-	(34)	(1,808)	-
Other	-	-	-	(3,019)	(16)	-	-	-	(3,035)
As of December 31, 2023	**9,216**	**560,626**	**369,793**	**584**	**2,898**	**364**	**16,435**	**7,418**	**967,334**
Balance as of January 1, 2024	9,216	560,626	369,793	584	2,898	364	16,435	7,418	967,334
Additions (c)	-	81	2,258	-	133	9	219	5,263	7,963
Retirements	(1)	-	-	-	(698)	-	(1,571)	-	(2,270)
Transfers	-	6,446	2,611	-	(28)	-	107	(9,136)	-
Other	-	-	-	29	-	-	-	-	29
As of December 31, 2024	**9,215**	**567,153**	**374,662**	**613**	**2,305**	**373**	**15,190**	**3,545**	**973,056**

In thousands of U.S. dollars	Land	Buildings and other constructions	Machinery and equipment	Asset retirement obligation	Vehicles	Furniture and fixtures	Sundry equipment	Works in progress (a)	Total
Accumulated depreciation									
Balance as of January 1, 2022	-	(199,082)	(138,820)	(429)	(2,084)	(291)	(13,648)	-	(354,354)
Depreciation	-	(5,687)	(6,239)	(174)	(137)	(7)	(450)	-	(12,694)
Retirements	-	-	67	-	482	-	35	-	584
As of December 31, 2022	**-**	**(204,769)**	**(144,992)**	**(603)**	**(1,739)**	**(298)**	**(14,063)**	**-**	**(366,464)**
Balance as of January 1, 2023	-	(204,769)	(144,992)	(603)	(1,739)	(298)	(14,063)	-	(366,464)
Depreciation	-	(9,420)	(15,248)	(89)	(141)	(8)	(464)	-	(25,370)
Transfers	-	-	-	-	(384)	-	384	-	-
Retirements	-	-	-	-	189	3	132	-	324
As of December 31, 2023	**-**	**(214,189)**	**(160,240)**	**(692)**	**(2,075)**	**(303)**	**(14,011)**	**-**	**(391,510)**
Balance as of January 1, 2024	-	(214,189)	(160,240)	(692)	(2,075)	(303)	(14,011)	-	(391,510)
Depreciation	-	(9,526)	(15,670)	(90)	(142)	(8)	(422)	-	(25,858)
Retirements	-	-	-	-	698	-	1,570	-	2,268
As of December 31, 2024	**-**	**(223,715)**	**(175,910)**	**(782)**	**(1,519)**	**(311)**	**(12,863)**	**-**	**(415,100)**
Carrying amount									
As of December 31, 2022	**9,202**	**355,005**	**221,071**	**3,000**	**187**	**68**	**2,170**	**2,322**	**593,025**
As of December 31, 2023	**9,216**	**346,437**	**209,553**	**(108)**	**823**	**61**	**2,424**	**7,418**	**575,824**
As of December 31, 2024	**9,215**	**343,438**	**198,752**	**(169)**	**786**	**62**	**2,327**	**3,545**	**557,956**

(a) As of December 31, 2024, 2023, and 2022, the Company has insured all plants' assets under a Property Damage and Business Interruption (PDBI) insurance policy. In Management's opinion, this insurance policy is consistent with the international industry practice, and the risk of possible losses for claims in the insurance policies is reasonable, taking into consideration the Company's types of assets.

(b) On November 30, 2022, the main assets of Carhuaquero Complex and Cañón del Pato hydroelectric power plants, including plant and equipment, buildings, and other constructions were revalued by an external independent appraiser, increasing their book value in US$ 398,742 thousand (note 16.C).

(c) As of December 31, 2024, the main work-in-progress additions correspond to equipment installation and maintenance service in Carhuaquero Complex and Cañon del Pato plants for US$ 2,177 thousand and US$ 3,080 thousand, respectively (in 2023 the main work-in progress additions corresponded to anchor bolt installations in Cañon del Pato plant for US$ 2,588 thousand, Carhuaquero solar power plant for US$ 661 thousand, lubrication system for US$ 459 thousand, and other minor projects for US$ 2,989 thousand in Cañón del Pato; in 2022 corresponded to civil works for US$ 921 thousand, major maintenance for US$ 839 thousand and fire system for US$ 453 thousand in Cañón del Pato plant).

(d) As of December 31, 2024, 2023, and 2022, in Management's opinion, there were no impairment indicators on the value of property, plant, and equipment.

(e) Property, plant, and equipment include US$ 516 thousand, US$ 643 thousand, and US$ 139 thousand of right-of-use assets as of December 31, 2024, 2023, and 2022 respectively as follows:

In thousands of U.S. dollars	*Nota*	Vehicles	Sandy equipment	Total
Cost				
Balance as of January 1, 2022		554	-	554
Addition		-	17	17
Balance as of December 31, 2022		**554**	**17**	**571**
Balance as of January 1, 2023		554	17	571
Addition	*12(a)*	656	8	664
Retirements		-	(25)	(25)
Others		(16)	-	(16)
Balance as of December 31, 2023		**1,194**	**-**	**1,194**
Balance as of January 1, 2024		1,194	-	1,194
Retirements		(539)	-	(539)
Balance as of December 31, 2024		**655**	**-**	**655**
Accumulated depreciation				
Balance as of January 1, 2022		(288)	-	(288)
Depreciation		(127)	(17)	(144)
Balance as of December 31, 2022		**(415)**	**(17)**	**(432)**
Balance as of January 1, 2023		(415)	(17)	(432)
Depreciation		(136)	(8)	(144)
Retirements		-	25	25
Balance as of December 31, 2023		**(551)**	**-**	**(551)**
Balance as of January 1, 2024		(551)	-	(551)
Depreciation		(127)	-	(127)
Retirements		539	-	539
Balance as of December 31, 2024		**(139)**	**-**	**(139)**
Carrying amount				
As of December 31, 2022		**139**	**-**	**139**
As of December 31, 2023		**643**	**-**	**643**
As of December 31, 2024		**516**	**-**	**516**

(f) As of December 31, 2024, 2023, and 2022, the Company does not have guarantees related to the acquisition of property, plant and equipment.

9. Intangible, Goodwill and Other Assets

Comprises the following:

A. Intangible and goodwill

The balance reconciliation is as follows:

In thousands of U.S. dollars	*Note*	Goodwill (a)	Electricity Concession (b)	Software	Total
Cost					
Balance as of January 1, 2022		399,427	79,954	1,785	481,166
Balance as of December 31, 2022		**399,427**	**79,954**	**1,785**	**481,166**
Balance as of January 1, 2023		399,427	79,954	1,785	481,166
Additions		-	-	46	46
Write-off		-	-	(1,785)	(1,785)
Balance as of December 31, 2023		**399,427**	**79,954**	**46**	**479,427**
Balance as of January 1, 2024		399,427	79,954	46	479,427
Additions		-	-	43	43
Balance as of December 31, 2024		**399,427**	**79,954**	**89**	**479,470**
Accumulated amortization					
Balance as of January 1, 2022		-	-	(995)	(995)
Amortization	*18*	-	-	(790)	(790)
Balance as of December 31, 2022		**-**	**-**	**(1,785)**	**(1,785)**
Balance as of January 1, 2023		-	-	(1,785)	(1,785)
Write-off		-	-	1,785	1,785
Balance as of December 31, 2023		**-**	**-**	**-**	**-**
Balance as of January 1, 2024		**-**	**-**	**-**	**-**
Amortization		-	-	(6)	(6)
Balance as of December 31, 2024		**-**	**-**	**(6)**	**(6)**
Carrying amount					
As of December 31, 2022		**399,427**	**79,954**	**-**	**479,381**
As of December 31, 2023		**399,427**	**79,954**	**46**	**479,427**
As of December 31, 2024		**399,427**	**79,954**	**83**	**479,464**

(a) The goodwill corresponds to the excess of the net fair value of assets and liabilities identified during the acquisition of the Peruvian operating business on December 20, 2016.

(b) The electricity concessions correspond to intangible assets identified at the acquisition date on December 20, 2016. The useful life of electricity concessions is indefinite. As of December 31, 2024, 2023, and 2022, Management is not required to establish reserves for possible impairment of its intangible assets with an indefinite life.

Impairment testing

The recoverable amount of the Cash-Generating Unit (CGU) is based on the estimated value in use using discounted cash flows. The cash flow is derived from financial projections covering a five-year period.

The key assumptions used in the estimation of the recoverable amount are set below. The values assigned to key assumptions represent management's assessment of future trends in the power sector based on historical data from external and internal sources.

(in percent)	2024	2023	2022
Discount rate	6.5	7.2	7.6
Terminal value growth rate	2.6	2.6	2.6

The cash flow projections included specific estimates for five years, and a terminal growth rate thereafter. The terminal growth rate was determined based on management's estimate of long-term inflation.

In addition to the discount and growth rates, the key assumptions used to estimate future cash flows, based on experience and current sector forecasts, are as follows:

- Existing power purchase agreements signed and the existing number of clients.
- The production was determined using specifically developed internal forecast models that consider factors such as commodity prices and availability, forecast demand of electricity, planned construction, or the commissioning of new capacity in the various technologies.
- Assumptions about energy sale and purchase prices and output of generation facilities are made based on complex, specifically developed internal forecast models.
- Demand – The demand forecast has taken into consideration the best economic performance as well as growth forecasts of different sources.
- Technical performance – The forecast has taken into consideration that the power plants have an appropriate preventive maintenance that permits their proper functioning.

Sensitivity to changes in assumptions
As of December 31, 2024, 2023, and 2022, the book value related to the CGU has been compared with the recoverable amount, and Management has determined that it is not necessary to record any impairment.

Regarding the assessment of value in use of the CGU, management believes that no reasonably possible change in any of the above key assumptions would cause the book value to exceed its recoverable amount materially.

B. Other assets

In thousands of U.S. dollars	*Note*	2024	2023	2022
Opening balance		15,102	16,066	15,848
Additions		-	-	218
Amortization	*17*	(1,882)	(964)	-
		13,220	**15,102**	**16,066**
Portion				
Current portion		1,882	1,882	-
Non-current portion		11,338	13,220	16,066

Other assets correspond to payments made to distribution companies under option agreements pursuant to which distribution companies granted the right to execute addenda to the original public tender of certain PPAs. These addenda enabled the extension of contract terms, adjustments to contracted capacity and associated energy, and the maintenance of fixed prices in accordance with the Supreme Decree 022-2018 EM. Between 2021 and 2022, the Company executed all option agreements signed with distribution companies and signed the corresponding addenda to extend the term of the related PPAs.

These payments will be amortized over the extended contract term of the energy supply contract, reducing revenue generated throughout the extension period (note 17(a)).

10. Trade Payables

Comprises the following:

In thousands of U.S. dollars	2024	2023	2022
Energy purchases and transmission tolls (a)	2,691	5,022	4,723
Capex expenditures (b)	1,776	3,249	936
Other purchases	1,770	1,352	2,672
	6,237	**9,623**	**8,331**

(a) Trade payables include transmission tolls paid for the use of principal transmission lines in the Peruvian interconnected electricity system. Most of these costs are passed through to the Group's customers. As of December 31, 2024, trade payables include US$ 118 thousand for related parties (US$ 70 thousand as of December 31, 2023, and US$ 353 thousand as of December 31, 2022) (note 24.C).

(b) Corresponds mainly to the purchase of spare parts, supplies, and services related to major maintenance.

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

11. Other Payables and Income Tax Payable

Comprises the following:

In thousands of U.S. dollars	2024	2023	2022
Other payables			
Interest payables (a)	3,518	3,518	3,518
Withholding tax on dividends	1,829	-	602
Value-Added Tax	872	628	833
Rural electricity contribution and other Energy Fund	736	591	492
Other	356	3	26
Other taxes	181	193	254
Payroll	58	44	24
	7,550	**4,977**	**5,749**
Income tax payable	**811**	**991**	**7,959**
	8,361	**5,968**	**13,708**

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

12. Lease Liabilities from Operating Contracts

Comprises the following:

In thousands of U.S. dollars	*Note*	2024	2023	2022
Opening balance		648	152	296
Additions (a)	*8(e)*	-	664	17
Payments (b)		(185)	(158)	(173)
Interest expense – Lease liabilities		29	6	12
Other		-	(16)	-
Balance as of December 31		**492**	**648**	**152**

(a) Corresponds to a 4-year vehicle lease contract.

(b) As of December 31, 2024, 2023, and 2022, the Company has made payments amounting to US$ 185 thousand, US$ 158 thousand and US$ 173 thousand, respectively. Those amounts are presented in the cash flow from financing activities in the Financial Statement of Cash Flows.

13. Debentures

A. Terms and debt repayment schedule

The terms and conditions of debentures are as follows:

In thousands of U.S. dollars	Nominal annual interest rate	Currency	Maturity	Face value			Carrying amount		
				2024	2023	2022	2024	2023	2022
OEP 2027 Notes	5.625%	US$	April 2027	363,198	363,198	363,198	361,063	360,234	359,452

The carrying amounts as of December 31, 2024, 2023, and 2022 comprise the following:

In thousands of U.S. dollars	2024	2023	2022
Orazul Energy Perú 2027 notes (a)	363,198	363,198	363,198
Transaction costs	(2,135)	(2,964)	(3,746)
	361,063	**360,234**	**359,452**

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

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

B. Reconciliation of movements of liabilities to cash flows from financing activities

The reconciliation of movements of liabilities to cash flows arising from financing activities, as follows:

	Liabilities			Equity					
In thousands of U.S. dollars	Debentures (note 13)	Lease liabilities from operating contracts (note 12)	Total liabilities	Share capital	Additional capital	Legal reserves	Revaluation reserve	Retained earnings	Total
Balance as of January 1, 2024	360,234	648	360,882	477,477	278,547	36,957	-	29,683	1,183,546
Dividends paid, net tax	-	-	-	-	(44,644)	-	-	-	(44,644)
Interest paid and withholding tax	(21,449)	-	(21,449)	-	-	-	-	-	(21,449)
Payment of lease liabilities from operating contracts	-	(185)	(185)	-	-	-	-	-	(185)
Net cash used financing activities	**(21,449)**	**(185)**	**(21,634)**	**-**	**(44,644)**	**-**	**-**	**-**	**(66,278)**
Interest expenses and withholding tax	21,449	-	21,449	-	-	-	-	-	21,449
Change in transaction cost	829	-	829	-	-	-	-	-	829
Profit for the period	-	-	-	-	-	-	-	(38,038)	(38,038)
Others	-	29	29	-	(2,356)	-	-	-	(2,327)
Loss compensation	-	-	-	-	(9,050)	-	-	9,050	-
Adjustment of asset retirement obligation	-	-	-	-	847	-	-	-	847
Balance as of December 31, 2024	**361,063**	**492**	**361,555**	**477,477**	**223,344**	**36,957**	**-**	**695**	**1,100,028**

	Liabilities			Equity					
In thousands of U.S. dollars	Debentures (note 13)	Lease liabilities from operating contracts (note 12)	Total liabilities	Share capital	Additional capital	Legal reserves	Revaluation reserve	Retained earnings	Total
Balance as of January 1, 2023	359,452	152	359,604	464,757	-	33,653	281,113	12,765	1,151,892
Interest paid and withholding tax	(21,449)	-	(21,449)	-	-	-	-	-	(21,449)
Payment of lease liabilities from operating contracts	-	(158)	(158)	-	-	-	-	-	(158)
Net cash used financing activities	**(21,449)**	**(158)**	**(21,607)**	**-**	**-**	**-**	**-**	**-**	**(21,607)**
Interest expenses and withholding tax	21,449	-	21,449	-	-	-	-	-	21,449
Change in transaction cost	782	-	782	-	-	-	-	-	782
Profit for the period	-	-	-	-	-	-	-	32,942	32,942
Others	-	654	654	-	-	-	-	-	654
Legal reserves	-	-	-	-	-	3,304	-	(3,304)	-
Capitalization of revaluation reserve and retained earnings	-	-	-	12,720	281,113	-	(281,113)	(12,720)	-
Adjustment of asset retirement obligation	-	-	-	-	(2,566)	-	-	-	(2,566)
Balance as of December 31, 2023	**360,234**	**648**	**360,882**	**477,477**	**278,547**	**36,957**	**-**	**29,683**	**1,183,546**

	Liabilities				Equity						
In thousands of U.S. dollars	Debentures (note 13)	Lease liabilities from operating contracts (note 12)	Account payables to related parties (note 24.C)	Total liabilities	Share capital	Additional capital	Legal reserves	Other reserves	Revaluation reserve	Retained earnings	Total
Balance as of January 1, 2022	358,715	296	21,713	380,724	385,036	8,857	30,799	5,675	-	79,721	890,812
Dividends paid, net tax	-	-	-	-	-	(8,414)	-	-	-	(17,708)	(26,122)
Payment of interest and taxes on shareholder loan	-	-	(25,613)	(25,613)	-	-	-	-	-	-	(25,613)
Interest paid and withholding tax	(21,439)	-	-	(21,439)	-	-	-	-	-	-	(21,439)
Payment of lease liabilities from operating contracts	-	(173)	-	(173)	-	-	-	-	-	-	(173)
Net cash used financing activities	**(21,439)**	**(173)**	**(25,613)**	**(47,225)**	**-**	**(8,414)**	**-**	**-**	**-**	**(17,708)**	**(73,347)**
Revaluation	-	-	-	-	-	-	-	-	281,113	-	281,113
Profit for the period	-	-	-	-	-	-	-	-	-	28,587	28,587
Interest expenses, VAT and withholding tax	21,439	-	3,896	25,335	-	-	-	-	-	-	25,335
Transaction cost	737	-	-	737	-	-	-	-	-	-	737
Legal reserves	-	-	-	-	-	-	2,854	-	-	(2,854)	-
Capitalization	-	-	-	-	79,721	-	-	(5,675)	-	(74,046)	-
Others	-	29	398	427	-	(443)	-	-	-	(935)	(951)
Balance as of December 31, 2022	**359,452**	**152**	**394**	**359,998**	**464,757**	**-**	**33,653**	**-**	**281,113**	**12,765**	**1,152,286**

14. Current and Deferred Income Tax

The recorded components of deferred income tax assets and liabilities are as follows:

		Additions/recoveries		
In thousands of U.S. dollars	Opening balance	Profit or loss (P&L)	Equity	Final balance
2024				
Deferred income tax assets				
Tax losses carryforward	247,269	(65,168)	-	182,101
Various provisions		4	-	4
	247,269	**(65,164)**	**-**	**182,105**
Deferred income tax liabilities				
Property, plant and equipment	(71,255)	1,816	-	(69,439)
Revaluation	(110,950)	5,227	-	(105,723)
Financial cost	(874)	245	-	(629)
Various provisions	10,058	876	(355)	10,579
	(173,021)	**8,164**	**(355)**	**(165,212)**
Net effect	**74,248**	**(57,000)**	**(355)**	**16,893**
2023				
Deferred income tax assets				
Tax losses carryforward	248,763	(1,494)	-	247,269
	248,763	**(1,494)**	**-**	**247,269**
Deferred income tax liabilities				
Property, plant and equipment	(72,994)	1,739	-	(71,255)
Revaluation	(117,190)	5,226	1,014	(110,950)
Financial cost	(1,105)	231	-	(874)
Various provisions	(4,001)	13,999	60	10,058
	(195,290)	**21,195**	**1,074**	**(173,021)**
Net effect	**53,473**	**19,701**	**1,074**	**74,248**
2022				
Deferred income tax assets				
Tax losses carry forward	248,146	617	-	248,763
Fair value loan	(1)	1	-	-
	248,145	**618**	**-**	**248,763**
Deferred income tax liabilities				
Property, plant and equipment	(75,677)	2,683	-	(72,994)
Revaluation	-	439	(117,629)	(117,190)
Financial cost	(1,322)	217	-	(1,105)
Various provisions	(1,590)	(2,411)	-	(4,001)
	(78,589)	**928**	**(117,629)**	**(195,290)**
Net effect	**169,556**	**1,546**	**(117,629)**	**53,473**

Income tax shown in the statement of profit or loss for the years ended 2024, 2023, and 2022, is composed as follows:

In thousands of U.S. dollars	2024	2023	2022
Current tax	(7,546)	(8,690)	(10,987)
Deferred tax	(57,000)	19,701	1,546
	(64,546)	**11,011**	**(9,441)**

The table below presents the reconciliation of the effective income tax rate for the years ended December 31, 2024, 2023, and 2022 to the tax rate:

In thousands of U.S. dollars	2024		2023		2022	
Profit before income tax	**26,508**	**100%**	**21,931**	**100.00%**	**38,028**	**100.00%**
Theoretical expense	7,820	29.50%	6,470	29.50%	11,218	29.50%
Effect of non-taxable income and non-deductible expenses	188	0.71%	66	0.30%	5,345	14.06%
Exchange difference taxable base	1,733	6.54%	(4,345)	(19.81%)	(6,915)	(18.18%)
2020 tax assessment impact	54,722	206.44%	-	-	-	-
Recognition of previously unrecognized deductible temporary differences - Sub-capitalization	-	-	(12,742)	(58.10%)	-	-
Other differences	83	0.31%	(460)	(2.10%)	(207)	(0.54%)
Income tax expenses	**64,546**	**243.50%**	**(11,011)**	**(50.21%)**	**9,441**	**24.84%**

The effective income tax rate as of December 31, 2024, was 243.50% as a result of the impact of the 2020 tax assessment on the deferred income tax. The effective income tax rate without the impact of the 2020 tax assessment (note 21.A) would have been 37.06%.

15. Asset Retirement Obligation

Comprises the following:

In thousands of U.S. dollars	*Note*	2024	2023	2022
Balance as of January 1		4,770	4,003	9,551
(Decrease) / Additions		(1,172)	620	(5,669)
Unwind of discount	*20.B*	271	147	121
Balance as of December 31		**3,869**	**4,770**	**4,003**

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

As of December 31, 2024, provision variations are due to changes in estimated future costs and current market rates. The future value has been discounted using an annual risk-free rate of 6.35% as of December 31, 2024 (5.63% as of December 31, 2023, and 3.77% as of December 31, 2022).

16. Equity

A. Share capital

As of December 31, 2024, 2023, and 2022, the share capital is represented by ordinary shares with a nominal value of one sol each, duly authorized, issued, and paid as detailed below:

		Number of shares December 31		
Shareholders	%	2024	2023	2022
Orazul Energia (UK) Holdings Ltd.	99.99	1,690,843,115	1,690,843,115	1,644,016,886
Others	0.01	238,869	238,869	232,256
	100.00	**1,691,081,984**	**1,691,081,984**	**1,644,249,142**

On June 1, 2023, the Company capitalized US$ 12,720 thousand of the accumulated retained earnings as of December 31, 2022, issuing as a result 46,832,842 additional shares with a nominal value of one Peruvian sol each.

On March 2, 2022, the Company capitalized US$ 79,721 thousand of the accumulated retained earnings as of December 31, 2021, issuing as a result 302,223,653 additional shares with a nominal value of one Peruvian sol each.

B. Legal reserves

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

C. Revaluation reserves

Correspond to the US$ 398,742 thousand revaluation of plant and equipment, buildings, and other constructions net of US$ 117,629 thousand deferred income tax, executed on November 30, 2022.

On June 1, 2023, the total amount was capitalized as additional capital (note 16.D). The transaction is allowed in accordance with the Peruvian Corporations Act and was approved in a Shareholders' Meeting.

D. Additional capital

Comprises the following:

In thousands of U.S. dollars	*Note*	2024	2023	2022
Initial balance		278,547	-	8,857
Loss compensation		(9,050)	-	-
Capitalization of revaluation reserve	*16.C*	-	281,113	-
Dividends in cash	*16.E*	(47,000)	-	(8,857)
Remeasurement asset retirement obligation		847	(2,566)	-
Final balance		**223,344**	**278,547**	**-**

E. Dividends

During 2024, US$ 47,000 thousand dividends were declared and paid in cash. The amount was distributed from additional capital.

No dividends were distributed during 2023.

During 2022, US$ 27,500 thousand dividends were declared and paid in cash. Out of this total, US$ 18,643 thousand was distributed from retained earnings and US$ 8,857 thousand from additional capital.

17. Revenues

Comprises the following:

In thousands of U.S. dollars	December 2024	December 2023	December 2022
Energy sales non-regulated	29,977	28,614	26,908
Energy sales regulated (a)	28,959	45,617	50,089
Energy sales to spot market	23,307	17,390	6,687
Capacity sales non-regulated	7,623	8,175	7,547
Capacity sales spot	7,471	3,962	2,469
Capacity sales regulated	4,917	10,510	13,104
Other revenues	1,485	1,065	648
	103,739	**115,333**	**107,452**

(a) Includes the amortization of option payments made to distribution companies in connection with option agreements. The amortization for the year ended December 31, 2024, was US$ 1,882 thousand (US$ 964 thousand as of December 31, 2023, and there was no amortization during 2022) (note 9.B).

(b) During 2024, the Company sold 1,212 GWH (1,588 GWH during 2023 and 1,691 GWH during 2022).

(c) As of December 31, 2024, estimated revenues were pending to be invoiced for US$ 11,338 thousand (US$ 10,042 thousand as of December 31, 2023, and US$ 10,338 thousand as of December 31, 2022). According to Management's evaluation, there would not be a significant variation between the amounts invoiced and those estimated.

18. Expenses by Nature

Comprises the following:

		Cost of sales			Administrative expenses			Total		
In thousands of U.S. dollars	*Note*	2024	2023	2022	2024	2023	2022	2024	2023	2022
Intercompany services		7,964	6,633	5,129	3,323	3,364	2,256	11,287	9,997	7,385
Purchase of energy and other		5,665	23,277	9,881	-	-	-	5,665	23,277	9,881
Main and secondary transmission toll		3,355	2,971	2,477	-	-	-	3,355	2,971	2,477
Insurance		2,790	3,030	2,291	-	-	-	2,790	3,030	2,291
Taxes other than income tax		1,873	1,823	1,662	22	21	10	1,895	1,844	1,672
Contributions		1,533	1,807	1,646	-	-	-	1,533	1,807	1,646
Purchase of power		339	68	-	-	-	-	339	68	-
Maintenance		1,124	1,343	1,129	-	-	-	1,124	1,343	1,129
Third party services		1,116	1,234	827	999	943	884	2,115	2,177	1,711
Consumption of various supplies		788	786	720	-	-	-	788	786	720
Others		692	481	790	1,053	748	1,072	1,745	1,229	1,862
Employee benefits		40	30	42	257	211	120	297	241	162
Amortization	*9*	-	-	-	6	-	790	6	-	790
		27,279	**43,483**	**26,594**	**5,660**	**5,287**	**5,132**	**32,939**	**48,770**	**31,726**

19. Other Income

Comprises the following:

In thousands of U.S. dollars	*Note*	2024	2023	2022
Gain on sale of equipment (a)		777	37	1
Other non-operating income		664	696	495
Intercompany services	*24.C*	301	2	197
Tax recovery		-	382	-
		1,742	**1,117**	**693**

(a) Mainly corresponds to the sale of lands and vehicles.

20. Finance Income and Cost

A. Finance income

Comprises the following:

In thousands of U.S. dollars	2024	2023	2022
Interest on checking accounts	2,578	1,441	107
Others	25	47	64
Interest related to income tax recovery	-	213	-
	2,603	**1,701**	**171**

B. Finance cost

Comprises the following:

In thousands of U.S. dollars	*Note*	2024	2023	2022
Interest expenses on debentures		20,430	20,430	20,430
Withholding tax on interest		1,019	1,019	1,009
Transaction cost amortization		829	782	737
Unwind the discount on the decommissioning provision	*15*	271	147	121
Other financial costs		175	52	127
Interest on lease liabilities under operating contracts	*12*	29	6	12
Non-recoverable VAT on shareholder loan	*24.C(b)*	-	-	3,896
Interest expenses - related parties	*24.C*	-	-	2
		22,753	**22,436**	**26,334**

21. Tax Issues

A. In accordance with current regulations, the Company's income tax returns for fiscal years 2021 through 2023 remain subject to review by the tax authorities. As of December 31, 2024, the Company is undergoing an income tax audit for the 2021 fiscal year, conducted by the Peruvian Tax Administration (SUNAT).

On August 26, 2024, the Company was notified by the tax authority of the 2020 tax assessment, resulting in a tax loss carryforward reduction of S/ 688,752 thousand (US$ 185,497 thousand approximately) and no additional income tax payment. The impact on the deferred income tax was US$ 54,722 thousand, recorded in the statement of profit or loss.

Any amount exceeding the provisions made to cover the tax obligations will be charged to the results of the year in which those are finally determined. In the opinion of the Company's Management, as a result of an eventual assessment, no significant liabilities affecting the financial statements will arise as of December 31, 2024.

B. Under current tax legislation, corporate income tax for 2024, 2023, and 2022 is calculated based on the net taxable profit at a rate of 29.5%.

Legal entities domiciled in Peru are subject to an additional rate of 5% on any amount that may be considered as indirect income provision, including amounts charged to expenses and unreported income; that is, expenses which may have benefited shareholders, interest holders, among others; other expenses not related to the business; expenses of shareholders, interest holders, among others, which are assumed by the legal entity.

According to the Income Tax Peruvian legislation, tax losses may be offset according to either of the following systems: (A) against net income generated within the following four fiscal years after the year in which the loss was incurred (any losses that are not offset within such period may not be carried forward to any future year); or (B) against 50% of the net income generated in the following fiscal years after the year in which the loss was generated (under this system, there is no time limit for carrying the losses forward). The Company has determined that the losses will be offset under system (B).

C. Temporary Tax on Net Assets applies to third category recipients subject to the general income tax regime. Since 2009, a tax rate of 0.4% has applied to the amount of net assets exceeding S/ 1 million. The paid amount can be used as credit against payments made in advance related to the general income tax regime or against the regularization payment of income tax for the corresponding taxable period. As of December 31, 2022, the Company had US$ 961 thousand as ITAN receivable.

D. Through Legislative Decree N° 1669, published on September 28, 2024, the General Sales Tax Law (IGV) and Law No. 29215 were modified, focusing on the recording of payment receipts and the exercise of the IGV tax credit.

Nevertheless, although Legislative Decree N° 1669 was published in 2024, it is still not in effect. The new rule will come into effect when the Tax Administration publishes the corresponding regulation.

Currently, taxpayers have 12 months to record payment receipts that grant them the right to the tax credit. With the new rule, this period will be reduced, establishing the following deadlines for the recording of receipts:

- Electronic receipts: they must be recorded in the Purchase Registry in the same month of their issue or the payment of the corresponding tax.
- Physical receipts: They must be recorded up to two months following the month of their issue or the payment of the tax.
- Operations subject to the Tax Obligations Payment System (SPOT): the annotation must be made within three months following the month of issue of the receipt.

According to the new rule, if the receipts are not recorded within these periods, the right to the corresponding tax credit will be lost.

Transfer Pricing

E. On September 24, 2024, Legislative Decrees N° 1662 and N° 1663 were published, introducing amendments to the Income Tax Law regarding Advance Pricing Agreements (APAs) and alternative valuation methods in the field of transfer pricing. These amendments took effect on January 1, 2025.

By Legislative Decree N° 1662, published on September 24, 2024, it was established that APAs between SUNAT and taxpayers may have retroactive effects for previous fiscal years. For this to be valid, the facts and circumstances of the previous years must be consistent with those covered by the APA, and the tax authority must not have prescribed the right to determine the income tax liability by transfer pricing rules.

Likewise, by Legislative Decree N° 1663, published on September 24, 2024, the Income Tax Law was amended to regulate the application of alternative valuation methods in situations where traditional transfer pricing methods are not applicable due to the nature of the activities or transactions or due to the lack of reliable comparable transactions.

F. By Law N° 32218, enacted on December 29, 2024, the Consolidated Text of the Income Tax Law was amended, incorporating in literal h) of article 18 two new cases of interest and capital gains not subject to income tax.

- Repurchase transactions: As of January 1, 2025, the date of entry into force of this law, the interests and capital gains from repurchase transactions in which the securities that the acquirer receives from the transferor are Treasury bills issued by the Republic of Peru, as well as bonds and other debt securities issued by the Republic of Peru under the Market Makers Program or its substitute mechanism, or in the international market from 2003, will be exempt from income tax.

- Sale of ETFs: the exemption extends to the interests and capital gains derived from the sale of participation units of Stock Market Funds or Exchange Traded Funds (ETFs) that aim to replicate the profitability of publicly accessible indexes, built on the basis of Treasury bills issued by the Republic of Peru, and bonds and debt securities issued by the Republic of Peru under the Market Makers Program or its substitute mechanism, or in the international market from 2003. year 2003.

G. Tax amendments of greater relevance, which will begin on January 1, 2025:

i. Depreciation of Assets

Through Legislative Decree N° 1488 Special Depreciation Regime and amending regulations, the depreciation percentages of assets acquired during the years 2020, 2021, and 2022 are increased to promote private investment and provide greater liquidity given the current economic situation due to the effects of COVID-19.

Law N° 31107 amended Legislative Decree N° 1488, which established that during the taxable years 2021 and 2022, buildings and constructions that as of December 31, 2020, have a value to be depreciated will be depreciated at an annual rate of 20%. This provision was applied to those fixed assets used in lodging establishments, travel and tourism agencies, restaurants and related services, as well as in the performance of non-sporting public cultural shows. In addition, it was specified that land transport vehicles used in these activities may be depreciated at an annual rate of 33.3% during the same taxable years.

Also, by Law N° 31652, a new Special Depreciation Regime was approved, through which the depreciation percentages were increased for taxpayers who acquire buildings and constructions during the years 2023 and 2024 (it does not apply to assets built totally or partially before January 1, 2023).

ii. Compliance Profile

SUNAT has implemented the Tax Compliance Profile (PCT), a rating system aimed at taxpayers generating business income. This profile aims to promote voluntary compliance with tax obligations and allow for differentiated treatments based on the assigned level of compliance.

The implementation of the PCT is being carried out gradually. In July 2024, a test phase began, comprising four quarterly ratings of an informative nature with no legal effects on taxpayers. During this phase, taxpayers do not need to submit disclaimers related to their rating.

The rating assigned by SUNAT will take legal effect as of July 2026. This implies that taxpayers with a low rating could face measures such as the imposition of prior precautionary measures, the extension of the deadline for a corrective sworn statement to determine a lower tax to take effect, and possible reputational risks, both internal and external.

iii. Other relevant changes

The exemptions contained in Appendices I and II of the VAT Law are extended until December 31, 2025. Consequently, the sale of essential foodstuffs and basic services such as public transport, among others, will not be subject to VAT. Link to the regulation in question: Law N° 31651.

Based on the preliminary analysis of the regulatory changes mentioned in items E, F, G, and H, it is considered that these changes will not significantly affect the Group's operation or tax position.

22. Commitments

Electricity Supply Contracts

As of December 31, 2024, the Company has 12 contracts with non-regulated customers where the off-peak capacity agreed is 189 MW (14 contracts with non-regulated customers where the off-peak capacity agreed is 159 MW as of December 31, 2023; and 13 contracts with non-regulated customers where the off-peak capacity agreed is 217 MW as of December 31, 2022). These contracts have maturities ranging from 2024 to 2029.

Additionally, the Company has 9 contracts with distribution companies for 53 MW, effective as of December 31, 2024 (126 MW as of December 31, 2023; 174 MW as of December 31, 2022), with maturities between 2025 and 2032.

23. Financial Instruments - Fair Value and Risk Management

A. Capital Management

The Group policy is to maintain an adequate capital base to maintain investors, creditors, and market confidence, and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to ordinary Shareholders.

The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Group monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total liabilities. Net debt is calculated as total liabilities (as shown in the statement of financial position) less cash. The Group adjusted net debt to equity ratio as of December 31, 2024, 2023, and 2022, was as follows:

In thousands of U.S. dollars	*Note*	2024	2023	2022
Total liabilities		382,225	382,894	386,377
Less: Cash	*5*	(26,267)	(36,043)	(16,779)
Total adjusted net debts (A)		**355,958**	**346,851**	**369,598**
Total equity (B)		**738,473**	**822,664**	**792,288**
Gearing ratio (A/B)		**0.48**	**0.42**	**0.47**

B. Carrying amounts and fair values

The following table presents the carrying amounts and fair values of financial assets and financial liabilities, along with their respective levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities that are not measured at fair value if the carrying amount is a reasonable approximation of their fair value.

	Carrying amount				Fair value
	Current		Non-current		
In thousands of U.S. dollars	Amortized cost	Other financial liabilities	Other financial liabilities	Total	Level 2
As of December 31, 2024					
Financial assets not measured at fair value					
Cash	26,267	-	-	26,267	-
Trade receivables	23,144	-	-	23,144	-
Other receivables (*)	280	-	-	280	-
Financial liabilities not measured at fair value					
Trade payable	-	(6,237)	-	(6,237)	-
Other payable (*)	-	(3,874)	-	(3,874)	-
Accounts payable to related parties	-	(1,978)	-	(1,978)	-
Debentures	-	-	(361,063)	(361,063)	(352,761)
Lease liabilities from operating contracts	-	(172)	(320)	(492)	-
	49,691	**(12,261)**	**(361,383)**	**(323,953)**	**(352,761)**

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

	Carrying amount				Fair value
	Current		Non-current		
In thousands of U.S. dollars	Amortized cost	Other financial liabilities	Other financial liabilities	Total	Level 2
As of December 31, 2023					
Financial assets not measured at fair value					
Cash	36,043	-	-	36,043	-
Trade receivables	21,466	-	-	21,466	-
Other receivables (*)	165	-	-	165	-
Financial liabilities not measured at fair value					
Trade payable	-	(9,623)	-	(9,623)	-
Other payable (*)	-	(3,521)	-	(3,521)	-
Accounts payable to related parties	-	(1,305)	-	(1,305)	-
Debentures	-	-	(360,234)	(360,234)	(341,878)
Lease liabilities from operating contracts	-	(168)	(480)	(648)	-
	57,674	**(14,617)**	**(360,714)**	**(317,657)**	**(341,878)**

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

	Carrying amount				Fair value
	Current		Non-current		
In thousands of U.S. dollars	Amortized cost	Other financial liabilities	Other financial liabilities	Total	Level 2
As of December 31, 2022					
Financial assets not measured at fair value					
Cash	16,779	-	-	16,779	-
Trade receivables	16,443	-	-	16,443	-
Other receivables (*)	122	-	-	122	-
Accounts receivable to related parties	909	-	-	909	-
Financial liabilities not measured at fair value					
Trade payables	-	(8,331)	-	(8,331)	-
Other payables (*)	-	(3,544)	-	(3,544)	-
Accounts payable to related parties	-	(394)	-	(394)	-
Debentures	-	-	(359,452)	(359,452)	(326,806)
Lease liabilities from operating contracts	-	(152)	-	(152)	-
	34,253	**(12,421)**	**(359,452)**	**(337,620)**	**(326,806)**

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

C. Fair value measurements

Valuation techniques and significant unobservable inputs
The following table shows the valuation techniques used in the determination of fair values of financial instruments – Level 2 as of December 31, 2024, 2023, and 2022:

Financial instruments not measured at fair value

Type	Valuation techniques	Key unobservable data	Interrelationship between key unobservable inputs and fair value
Loans from banks, debentures and others	Discounted cash flows using current market interest rate	Not applicable	Not applicable

D. Financial risk management
The Group exposure to the following risks related to the use of financial instruments:

- Credit risk (C.i.)
- Liquidity risk (C.ii.); and
- Market risk (C.iii.)

Risk management structure
The Board of Directors of the Group is responsible for establishing and supervising the risk management structure. Management is responsible for the development and monitoring of risk management policies of the Group. Also, it regularly informs the Board of Directors about its activities.

The Group risk management policies are established to identify and analyze Group risks, set appropriate risk limits and controls, and monitor risks and compliance with limits. Risk policies and management systems are regularly reviewed to reflect the changes in market conditions and the Group activities.

The Group, through its management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group is exposed to the following risks related to the use of financial instruments:

i. Credit risk
Credit risk is the risk of financial loss to the Group if a counterparty to a financial instrument fails to meet its contractual obligations. The carrying amount of financial assets represents the maximum credit exposure.

The Group's financial assets potentially exposed to significant credit risk concentrations are mainly checking accounts and accounts receivable presented in the statement of financial position.

As of December 31, 2024, 2023, and 2022, the maximum exposure to credit risk for the group's financial assets was the following:

	Carrying amount		
In thousands of U.S. dollars	2024	2023	2022
Cash (a)	26,267	36,043	16,779
Trade receivables (b)	23,144	21,466	16,443
Other receivables	280	165	122
Account receivables from related parties	-	-	909
	49,691	**57,674**	**34,253**

(a) The Group holds checking accounts at different local and foreign financial entities that have an "A+" credit rating (note 5). As of December 31, 2024, 2023, and 2022, the Group maintains guarantees with local financial entities such as Banco de Crédito del Perú and Scotiabank Perú. It does not include statutory liabilities and advances.

(b) The Group has regulated customers with good standing and prestige in the local and foreign markets. For non-regulated customers, the credit risk is evaluated before signing the contract for power supply and throughout its effective term.

Expected credit loss assessment for corporate customers

The Group allocates each exposure to a credit risk grade based on data that is determined to be predictive of the risk of loss (including but not limited to external ratings, audited consolidated financial statements, management accounts and cash flow projections, and available press information about customers) and applying experienced credit judgment. Credit risk grades are defined using qualitative and quantitative factors that are indicative of the risk of default and are aligned to external credit rating definitions from agencies.

The Group has classified its electricity business customers according to homogeneous risk characteristics that represent the ability to pay for each customer segment for the appropriate amounts. This segmentation has been made based on three portfolios:

Portfolio 1: COES
Portfolio 2: Regulated customers
Portfolio 3: Non-regulated (free) customers

Credit risk is the risk of financial loss faced by the Group if a customer does not meet its contractual obligations. The Group's management states that the credit risk for its electricity business customers is low. The factors leading to this conclusion on the part of the Group are as follows:

- The Company is part of a market that has regulated customers: The Ministry of Energy and Mines (MEM) and the Supervisory Agency for Investment in Energy and Mining (OSINERGMIN) are the two key entities responsible for the implementation of the regulatory framework and compliance with the regulations of the Peruvian energy sector. These entities focus on mitigating market deficiencies by seeking to minimize regulatory failures and excessive distortions.

- Sales are supported by contracts that stipulate penalty clauses for non-compliance. The clauses contemplate compensatory and default interest, service cut-off, contract termination and monetary penalties for early termination of future economic flows.

- Customer portfolio quality: The Group contemplates customer credit evaluation procedures prior to signing contracts, to mitigate future economic risks. Additionally, after the second month of delay, the Company may restrict the supply of electricity to its customers. Given the type of customers that the Company has: (i) free customers, who are industrial, mining companies and need the energy to operate their plants; and (ii) regulated customers, electricity distribution companies, use the energy for sale and thereby generate income. They cannot afford to be sanctioned or blocked from the energy supply; therefore, the history of past dues is low.

- Finally, COES can impose penalties for those companies that do not comply with their payment obligations.

ii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

As of December 31, 2024, 2023, and 2022, the Group has a positive working capital. The principal sources of liquidity have traditionally consisted of cash flows from operating activities. The Group does not have funds designated for, or subject to, permanent reinvestment.

The Group's needs for liquidity generally consist of capital expenditures related to working capital requirements (e.g., maintenance costs that extend the useful life of our generation units).

Liquidity is controlled by the balancing of the maturities of assets and liabilities, keeping a proper number of financing sources, and obtaining credit lines that enable the normal development of its activities. The Group has an appropriate level of resources and continues financing lines with banking entities. Moreover, the Group believes that its cash generated by operations will be adequate to meet all capital expenditure requirements related to ongoing maintenance and environmental improvements and all working capital needs in the ordinary course of our business in the near term. Consequently, in Management's opinion, there is no significant liquidity risk as of December 31, 2024, 2023, and 2022.

The Group's financial liabilities are classified based on their maturity, considering their maturity from the date of the statement of financial position until contractual maturity. The disclosed amounts correspond to the contractual undiscounted cash flows and include contractual interest payments and exclude the impact of netting agreements:

			Contractual cash flows					
In thousands of U.S. dollars	*Note*	Carrying amount	Total	Less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years
2024								
Non-derivative financial liabilities								
Debentures	*13*	361,063	414,273	20,430	20,430	373,413	-	-
Trade payables	*10*	6,237	6,237	6,237	-	-	-	-
Other payables (*)	*11*	3,874	3,874	3,874	-	-	-	-
Accounts payable to related parties	*24.C*	1,978	1,978	1,978	-	-	-	-
Lease liabilities from operating contracts	*12*	492	529	185	185	159	-	-
		373,644	**426,891**	**32,704**	**20,615**	**373,572**	**-**	**-**
2023								
Non-derivative financial liabilities								
Debentures	*13*	360,234	434,703	20,430	20,430	20,430	373,413	-
Trade payables	*10*	9,623	9,623	9,623	-	-	-	-
Other payables (*)	*11*	3,521	3,521	3,521	-	-	-	-
Accounts payable to related parties	*24.C*	1,305	1,305	1,305	-	-	-	-
Lease liabilities from operating contracts	*12*	648	714	185	185	185	159	-
		375,331	**449,866**	**35,064**	**20,615**	**20,615**	**373,572**	**-**
2022								
Non-derivative financial liabilities								
Debentures	*13*	359,452	455,133	20,430	20,430	20,430	20,430	373,413
Trade payables	*10*	8,331	8,331	8,331	-	-	-	-
Other payables (*)	*11*	3,544	3,544	3,544	-	-	-	-
Accounts payable to related parties	*24.C*	394	394	394	-	-	-	-
Lease liabilities from operating contracts	*12*	152	156	156	-	-	-	-
		371,873	**467,558**	**32,855**	**20,430**	**20,430**	**20,430**	**373,413**

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

iii. Market risk

Currency risk

As of December 31, 2024, 2023, and 2022, the Group has a portion of assets and liabilities stated in soles; therefore, its exposure to fluctuations in exchange rate is not significant.

As of December 31, 2024, the weighted average market exchange rates used were US$ 0.2653 per S/ 1.00 for sell rate and US$ 0.2661 per S/ 1.00 for offer rate (US$ 0.2693 per S/ 1.00 for sell rate and US$ 0.2699 per S/ 1.00 for offer rate as of December 1, 2023; and US$ 0.2618 per S/ 1.00 for sell rate and US$ 0.2626 per S/ 1.00 for offer rate as of December 31, 2022).

Balances in thousands of soles (S/) as of December 31 are summarized as follows:

In thousands of soles	2024	2023	2022
Asset			
Cash	23,926	15,618	20,373
Trade receivables	59,080	28,629	12,635
Other receivables	387	169	-
	83,393	**44,416**	**33,008**
Liabilities			
Trade payables	(14,350)	(13,668)	(7,379)
	(14,350)	**(13,668)**	**(7,379)**
Net asset position	**69,043**	**30,748**	**25,629**

In 2024, net foreign exchange gain amounts US$ 32 thousand (net foreign exchange gain amounts US$ 573 thousand in 2023, net foreign exchange gain of US$ 612 thousand in 2022).

As of December 31, 2024, 2023 and 2022, if the U.S. dollar had been revalued/devalued in relation to the Peruvian sol – with all its variables remaining constant – the profit before tax would have increased/decreased in thousands of U.S. dollars as shown in the following table:

Period	Increase/decrease in Soles/ US$ exchange rate	Effects in profit before tax
2024		
Revaluation	5%	(875)
Devaluation	(5%)	968
2023		
Revaluation	5%	(396)
Devaluation	(5%)	437
2022		
Revaluation	5%	(321)
Devaluation	(5%)	355

Management considers that the foreign exchange risk will not originate a significant unfavorable impact on the profit or loss of the Group; therefore, its policy is to assume the risk of any fluctuation in the foreign exchange rates of the sol with the results of its operations. Management does not consider it necessary to cover the Group for currency risk with derivative financial instruments.

Interest rate risk

The Group exposure to this risk is due to the change in the interest rate, due to its borrowings. The Group mitigates this risk by maintaining its borrowings at fixed interest rates.

Interest rate exposures for financial assets and liabilities are as follows:

In thousands of U.S. dollars	Fixed rate	Weighted average interest rate (%)
2024		
Financial liabilities:		
Interest-bearing loans	363,198	5,625%
2023		
Financial liabilities:		
Interest-bearing loans	363,198	5.625%
2022		
Financial liabilities:		
Interest-bearing loans	363,198	5.625%

24. Related Party Transactions

A. Parent Company and Ultimate Parent Company

There are no changes in the parent and ultimate parent companies during the year ended December 31, 2024, 2023, and 2022.

B. Transactions with key management

i. Loans to directors

As of December 31, 2024, 2023, and 2022, there are no loans to directors.

ii. Key management personnel compensation

As of December 31, 2024, 2023, and 2022, there is no compensation to key management personnel.

iii. Transactions with key management personnel

During the year ended December 31, 2024, 2023, and 2022, there were no transactions between the Group and Key Management other than those in (ii).

C. Other related parties' transactions

In 2024, 2023, and 2022, the Group performed the following significant transactions with related parties, during the normal course of operations:

		Transaction value			Outstanding balances		
		December 31			December 31		
In thousands of U.S. dollars	Transaction type	2024	2023	2022	2024	2023	2022
Kallpa Generación S.A. (a)	Management services and O&M and Others	(11,286)	(9,997)	(7,385)	(1,978)	(1,305)	327
Kallpa Generación S.A.	Other	301	(112)	(321)	-	-	-
Compañía Boliviana de Energía Eléctrica Cobee-Sucursal (*)	Support services	-	2	197	-	-	188
Orazul Energía Managment, LLC.	Other	(1)	-	-	-	-	-
Orazul Energía Partners LLC. (b)	Interest	-	-	(2)	-	-	-
		(10,986)	**(10,107)**	**(7,511)**	**(1,978)**	**(1,305)**	**515**

(*) On November 26, 2023, the Inkia Energy Group completed the sale of Compañía Boliviana de Energía Eléctrica Cobee-Sucursal.

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

(b) During 2022, the Company paid US$ 21,717 thousand related to interests accrued on shareholder loan and US$ 3,896 thousand of non-recoverable VAT recorded as finance cost (note 20.B).

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

		Transaction value			Outstanding balances		
		December 31			December 31		
In thousands of U.S. dollars	Transaction type	2024	2023	2022	2024	2023	2022
Sales							
Kallpa Generación S.A.	COES	2,435	2,502	3,100	353	519	116
Kallpa Generación S.A.	Energy Sales	-	797	-	297	405	-
Kallpa Generación S.A.	Others	1,116	976	519	96	68	50
Termoselva S.R.L. (**)	COES	-	355	696	-	-	8
Samay I S.A. (**)	COES	-	7	8	-	-	-
Costs							
Samay I S.A. (***)	COES	-	(184)	(2,173)	-	-	(340)
Kallpa Generación S.A.	COES	(521)	(304)	(496)	(118)	(70)	(12)
Termoselva S.R.L. (**)	Capacity Purchase and COES	-	(70)	(49)	-	-	(1)
		3,030	**4,079**	**1,605**	**628**	**922**	**(179)**

(**) On March 6, 2023, our indirect parent companies completed the sale of their interests in Aguaytía Energy del Perú S.R.L. and Termoselva S.R.L. As such, Aguaytía Energy del Perú S.R.L. and Termoselva SRL are no longer affiliates of Kallpa.

(***) On February 3, 2023, our indirect parent companies completed the sale of 74.9% of their interest in Samay I S.A. On May 26, 2023, our indirect parent companies completed the sale of the remaining 25.1% interest in Samay I S.A. As such, Samay I S.A. is no longer an affiliate of Kallpa.

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

25. Contingencies

As of December 31, 2024, 2023, and 2022, the Company has the following contingencies:

Arbitration award

On August 3, 2021, Orazul brought an arbitration claim against Pluz Energía Perú S.A.A. (formerly ENEL Distribución S.A.A., hereunder "Pluz Energía") with the Lima Chamber of Commerce. The Company alleged hardship in the execution of the PPA with Pluz Energia from January 1, 2021, to January 31, 2024, due to material changes in regulations and claimed that the contractual economic balance should be reestablished, increasing the price from what was initially agreed by the parties. As an alternative claim, the Company requested the termination of the PPA. This procedure was consolidated with the arbitration requested by Kallpa for the same issue (hereinafter collectively referred to as "the parties").

On December 13, 2024, the Arbitration Tribunal notified Orazul the Award, which upheld the Company´s claims and required Pluz Energia to pay Orazul S/45,903 thousand (equivalent to approximately US$ 12,215 thousand) plus interest.

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

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

On March 21, 2025, Pluz Energía filed an annulment claim with the Peruvian Judiciary. Such a procedure can only void the arbitral award (in whole or in part) due to formal infractions or due process infringements and does not consist of a new analysis or decision on the merits and evidence of the case. The enforcement of the award has been stayed as Pluz Energía has posted a bank guarantee securing the amount awarded to Kallpa and Orazul.

On April 22, 2025, Orazul answered the lawsuit and submitted a legal expert report to reinforce our arguments regarding the validity of the arbitration award.

On July 7, 2025, Orazul submitted comments ratifying our position on the amounts that should be considered for the bank guarantee. A hearing took place on July 11, 2025. As of the date hereof, the Judiciary has not issued a decision regarding the annulment claim.

Labor Claims
The Company maintains provisions related to labor claims of US$ 216 thousand, US$ 346 thousand, and US$ 337 thousand as of December 31, 2024, 2023, and 2022, respectively.

Additionally, the estimate for labor claims that are not more likely than not that the Company will pay are US$ 602 thousand, US$ 549 thousand, and US$ 538 thousand as of December 31, 2024, 2023, and 2022, respectively.

26. Subsequent Events

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

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

On March 21, 2025, Pluz Energía Perú filed an annulment claim with the Peruvian Judiciary. Such a procedure can only void the arbitral award (in whole or in part) due to formal infractions or due process infringements and does not consist of a new analysis or decision on the merits and evidence of the case. The enforcement of the award has been stayed as Pluz Energía has posted a bank guarantee securing the amount awarded to the parties.

On April 22, 2025, Orazul answered the lawsuit and submitted a legal expert report to reinforce our arguments regarding the validity of the arbitration award.

On July 7, 2025, Orazul submitted comments ratifying our position on the amounts that should be considered for the bank guarantee. A hearing took place on July 11, 2025. As of the date hereof, the Judiciary has not issued a decision regarding the annulment claim.

Orazul Energy Perú S.A. and Subsidiary

Unaudited Condensed Consolidated Interim Financial Statements

June 30, 2025

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

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INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

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

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of Orazul Energy Perú S.A. and Subsidiary as at June 30, 2025, the condensed consolidated statements of profit or loss and other comprehensive income for the six and three-month periods ended as at June 30, 2025, the condensed consolidated statements of changes in equity and cash flows for the six-month period then ended, and notes to the condensed consolidated interim financial statements. Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with IAS 34 *Interim Financial Reporting.* Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements as at and for the six and three-month periods ended June 30, 2025 are not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting*.

Lima, Peru

July 31, 2025

EMMERICH, CÓRDOVA & ASOCIADOS

Countersigned by:

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

Orazul Energy Perú S.A. and Subsidiary

Unaudited Condensed Consolidated Interim Financial Statements

June 30, 2025

Contents

Orazul Energy Perú S.A. and Subsidiary
Unaudited Condensed Consolidated Statement of Financial Position
As of June 30, 2025, and December 31, 2024

In thousands of U.S. dollars	*Note*	June 30, 2025	December 31, 2024
Assets			
Current assets			
Cash	*3*	58,101	26,267
Trade receivables	*4*	21,059	23,144
Other receivables		428	329
Accounts receivable from related parties	*16.C*	33	-
Inventories	*5*	2,663	2,634
Prepaid expenses		2,512	776
Other assets	*7*	1,882	1,882
Income tax receivable		-	6
Total current assets		**86,678**	**55,038**
Non-current assets			
Property, plant, and equipment	*6*	546,150	557,440
Right-of-use assets	*6*	457	516
Intangible and other assets	*7*	489,854	490,802
Deferred income tax assets		25,363	16,902
Total non-current assets		**1,061,824**	**1,065,660**
Total assets		**1,148,502**	**1,120,698**

In thousands of U.S. dollars	*Note*	June 30, 2025	December 31, 2024
Liabilities			
Current liabilities			
Short-term loan	*10*	5,000	-
Lease liabilities from operating contracts		194	172
Trade payables	*8*	4,211	6,237
Other payables, including derivative financial instruments	*9*	6,436	7,550
Accounts payable to related parties	*16.C*	-	1,978
Income tax payable	*9*	4,080	811
Total current liabilities		**19,921**	**16,748**
Non-current liabilities			
Debentures	*10*	361,496	361,063
Lease liabilities from operating contracts		254	320
Other liabilities		161	216
Asset retirement obligation	*11*	3,991	3,869
Deferred income tax payables		9	9
Total non-current liabilities		**365,911**	**365,477**
Total liabilities		**385,832**	**382,225**
Equity	*12*		
Share capital		477,477	477,477
Additional capital		223,343	223,344
Hedging reserve		(232)	-
Legal reserves		39,345	36,957
Retained earnings		22,737	695
Total equity		**762,670**	**738,473**
Total liabilities and equity		**1,148,502**	**1,120,698**

The notes on pages 5 to 19 are an integral part of these condensed consolidated interim financial statements.

		Six-month period ended June 30		Three-month period ended June 30	
In thousands of U.S. dollars	*Note*	2025	2024	2025	2024
Revenues	*13*	61,743	59,103	29,228	28,068
Cost of sales		(12,396)	(12,284)	(6,312)	(5,773)
Depreciation	*6*	(13,288)	(12,906)	(6,671)	(6,488)
Gross profit		**36,059**	**33,913**	**16,245**	**15,807**
Administrative expenses		(2,216)	(2,309)	(962)	(1,153)
Other income		400	1,207	236	1,167
Other expenses		(38)	(3)	-	-
Operating profit		**34,205**	**32,808**	**15,519**	**15,821**
Finance income		744	1,260	418	713
Finance costs		(11,400)	(11,417)	(5,663)	(5,627)
Net foreign exchange difference		1,182	(898)	721	(919)
Finance cost, net		**(9,474)**	**(11,055)**	**(4,524)**	**(5,833)**
Profit before income tax		**24,731**	**21,753**	**10,995**	**9,988**
Income tax	*14*	(301)	(12,238)	904	(8,276)
Profit for the period		**24,430**	**9,515**	**11,899**	**1,712**
Other comprehensive income					
Items that will be classified to profit or loss					
Cash flow hedges – effective portion of change in fair value		(232)	-	(699)	-
Other comprehensive (loss) income for the period, net of tax		**(232)**	**-**	**(699)**	**-**
Total comprehensive income for the period		**24,198**	**9,515**	**11,200**	**1,712**

The notes on pages 5 to 19 are an integral part of these condensed consolidated interim financial statements.

Orazul Energy Perú S.A. and Subsidiary
Condensed Consolidated Statement of Changes in Equity
For the six-month period ended June 30, 2025, and 2024

In thousands of U.S. dollars	*Note*	Share capital (note 12)	Additional capital (note 12)	Legal reserves (note 12)	Hedging reserve (note 12)	Retained earnings	Total equity
Balance as of January 1, 2024		477,477	278,547	36,957	-	29,683	822,664
Comprehensive income for the period							
Profit for the period		-	-	-	-	9,515	9,515
Total comprehensive income for the period		**-**	**-**	**-**	**-**	**9,515**	**9,515**
Transactions with owners of the Company							
Remeasurement of asset retirement obligation		-	530	-	-	-	530
Legal reserve	*12.B*	-	-	938	-	(938)	-
Total transactions with owners of the Company		**-**	**530**	**938**	**-**	**(938)**	**530**
Balance as of June 30, 2024		**477,477**	**279,077**	**37,895**	**-**	**38,260**	**832,709**
Balance as of January 1, 2025		477,477	223,344	36,957	-	695	738,473
Comprehensive income for the period							
Profit for the period		-	-	-	-	24,430	24,430
Total comprehensive income for the period		-	-	-	-	**24,430**	**24,430**
Other comprehensive income							
Cash flow hedges, net of income tax		-	-	-	(232)	-	(232)
Total other comprehensive income for the period		**-**	**-**	**-**	**(232)**	**24,430**	**24,198**
Transactions with owners of the Company							
Remeasurement of asset retirement obligation		-	(1)	-	-	-	(1)
Legal reserve	*12.B*	-	-	2,388	-	(2,388)	-
Total transactions with owners of the Company		**-**	**(1)**	**2,388**	**-**	**(2,388)**	**(1)**
Balance as of June 30, 2025		**477,477**	**223,343**	**39,345**	**(232)**	**22,737**	**762,670**

The notes on pages 5 to 19 are an integral part of these condensed consolidated interim financial statements.

		Six-month period ended June 30	
In thousands of U.S. dollars	*Note*	2025	2024
Cash flows from operating activities			
Collections from customers		82,872	72,268
Collection of interest		723	1,251
Payment to suppliers		(38,258)	(26,796)
Payment of contributions and other related to employees		(168)	(145)
Cash generated from operating activities		**45,169**	**46,578**
Income tax paid		(5,258)	(4,730)
Net cash from operating activities		**39,911**	**41,848**
Cash flows from investing activities			
Proceeds from the sale of property, plant, and equipment		91	772
Acquisition of property, plant, and equipment		(2,795)	(3,421)
Acquisition of intangibles		(39)	(75)
Net cash used in investing activities		**(2,743)**	**(2,724)**
Cash flows from financing activities			
Proceeds from short-term debt		5,000	-
Interest paid		(10,215)	(10,215)
Payment of withholding tax derived from interest		(510)	(522)
Payment of lease liabilities from operating contracts		(91)	(92)
Dividends paid, net of tax		(1)	-
Net cash used in financing activities		**(5,817)**	**(10,829)**
Net increase in cash		31,351	28,295
Cash as of January 1		26,267	36,043
Effects of variations on exchange differences on cash held		483	110
Cash as of June 30	*3*	**58,101**	**64,448**

The notes on pages 5 to 19 are an integral part of these condensed consolidated interim financial statements.

1. Background and Business Activity

A. Corporate information

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

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

Plant	Source used to operate power station	Total Capacity (MW)	Location
Cañón del Pato	Hydroelectric	266	Huallanca, Ancash
Carhuaquero Complex	Hydroelectric	110	LLama, Cajamarca
Carhuaquero Solar	Solar	1	LLama, Cajamarca
		377	

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

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

B. Subsidiary

As of June 30, 2025, and December 31, 2024, the Company has a 99.99% direct equity interest in its subsidiary Kondu S.A.C. (hereinafter, "Kondu" or "Subsidiary").

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

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

2. Basis for the Preparation of Financial Statements

A. Basis of accounting

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

These condensed consolidated interim financial statements were approved by the Group Management on July 31, 2025.

B. Significant accounting policies

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

C. Use of estimates and judgments

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

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

D. Measurement of fair values

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

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

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

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

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

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

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

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

Measurement of revaluation of property, plant, and equipment

i. Fair value hierarchy

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

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

ii. Valuation techniques and significant unobservable inputs

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

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

3. Cash

Comprises the following:

In thousands of U.S. dollars	June 30, 2025	December 31, 2024
Checking accounts (a)	58,099	26,265
Petty cash	2	2
	58,101	**26,267**

(a) The Group holds checking accounts in foreign and local currency at different financial entities. The Group checking accounts are available and mainly earn interest at market rates ranging from 0.15% to 4.20% in soles and from 3.15% to 3.58% in U.S dollars as at June 30, 2025, (from 0.07% to 4.55% in soles and from 3.15% to 4.08% in U.S dollars as at December 31, 2024).

The credit quality that safeguards the Group´s bank deposits remains unchanged from the evaluation as of December 31, 2024.

4. Trade Receivables

Comprises the following:

In thousands of U.S. dollars	June 30, 2025	December 31, 2024
Non-regulated customers	7,910	11,261
Regulated customers	6,730	6,934
COES (a)	3,350	4,336
Others	3,069	613
Total	**21,059**	**23,144**

Trade receivables are denominated in U.S. dollars (for non-regulated customers) and soles (for COES and regulated customers). They have current maturity and do not generate interest, except in the case of payment delays. Trade receivables as of June 30, 2025, correspond mainly to 75 non-regulated and 5 regulated customers (20 non-regulated and 5 regulated customers as of December 31, 2024).

(a) The Committee of Economic Operation of the National Interconnected System (COES), as the system operator, acts as a clearing house and settles the payments for power generation companies.

(b) As of June 30, 2025, this amount includes US$ 533 thousand for related parties (US$ 746 thousand as of December 31, 2024) (note 16.C).

The aging of trade receivables is as follows:

In thousands of U.S. dollars	June 30, 2025	December 31, 2024
Unexpired	20,969	23,061
Less than 30 days	90	76
31 to 180 days	-	6
181 to 360 days	-	1
	21,059	**23,144**

The aging of accounts receivable and the performance of the customers are constantly monitored to ensure their recovery within their due dates. Consequently, in Management's opinion, the balance of the allowance for impairment of accounts receivable adequately covers the risk of loss for doubtful accounts as of June 30, 2025, and December 31, 2024.

As of June 30, 2025, and December 31, 2024, there have been no past due trade receivables (over 360 days).

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

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

5. Inventories

Comprises the following:

In thousands of U.S. dollars	June 30, 2025	December 31, 2024
Mechanical and electric spare parts (a)	1,764	1,778
Other supplies	821	778
Fuel and lubricants	78	78
	2,663	**2,634**

(a) Items used in scheduled maintenance for the hydropower plants: Carhuaquero Complex and Cañon del Pato, enabling appropriate operations until major maintenance.

Under Management´s opinion, it is not necessary to recognize any impairment in inventories as of June 30, 2025.

6. Property, Plant and Equipment and Right-of-Use Assets

Comprises the following:

In thousands of U.S. dollars	*Note*	June 30, 2025	December 31, 2024
Cost			
Beginning balance		973,056	967,334
Additions			
Work in process (b)		1,595	4,640
Machinery and equipment		253	2,258
Sundry equipment		228	219
Spare parts		216	-
Vehicles		188	133
Building and construction		70	81
Furniture and fixtures		12	9
Units in transit		-	623
Total additions		**2,562**	**7,963**
Other			
Units in transit		(623)	-
Asset retirement cost	*11*	-	29
Total other		**(623)**	**29**
Transfers			
Machinery and equipment		1,634	2,611
Building and construction		172	6,446
Vehicles		46	(28)
Spare parts		27	-
Sundry equipment		25	107
Work in progress		(1,719)	(9,136)
Units in transit		(185)	-
Total transfers		**-**	**-**
Retirements			
Vehicles		(431)	(698)
Sundry equipment		(23)	(1,571)
Lands		-	(1)
Total retirements		**(454)**	**(2,270)**
Ending balance		**974,541**	**973,056**
Accumulated depreciation			
Beginning balance		(415,100)	(391,510)
Additions			
Machinery and equipment		(8,021)	(15,670)
Building and construction		(4,887)	(9,526)
Sundry equipment		(214)	(422)
Vehicles		(116)	(142)
Asset retirement obligation		(45)	(90)
Furniture and fixtures		(5)	(8)
Total additions		**(13,288)**	**(25,858)**

In thousands of U.S. dollars	*Note*	June 30, 2025	December 31, 2024
Retirements			
Vehicles		431	698
Sundry equipment		23	1,570
Total retirements		**454**	**2,268**
Transfers			
Machinery and equipment		2	-
Sundry equipment		(2)	-
Total transfers		**-**	**-**
Ending balance		**(427,934)**	**(415,100)**
Net cost at the beginning of the period		**557,956**	**575,824**
Net cost of the end of the period		**546,607**	**557,956**

(a) As of June 30, 2025, and December 31, 2024, the Company has insured all plants' assets under a Property Damage Business Interruption (PDBI) insurance policy. In Management's opinion, this insurance policy is consistent with international industry practice, and the risk of possible losses for claims considered in the insurance policies is reasonable, taking into consideration the Company's types of assets.

(b) As of June 30, 2025, the main work-in-progress additions corresponded to civil works, equipment installation and maintenance service in Carhuaquero Complex and Cañon del Pato plants for US$ 886 thousand and US$ 709 thousand, respectively (civil works, equipment installation and maintenance service in Carhuaquero Complex and Cañon del Pato plants for US$ 2,177 thousand and US$ 3,080 thousand, respectively as of December 31, 2024).

(c) As of June 30, 2025, and December 31, 2024, there were no impairment indicators on the value of property, plant, and equipment.

(d) Property, plant, and equipment include US$ 457 thousand and US$ 516 thousand right-of-use assets as of June 30, 2025, and December 31, 2024, respectively, as follows:

In thousands of U.S. dollars	June 30, 2025	December 31, 2024
Cost		
Beginning balance	655	1,194
Additions		
Vehicles	35	-
Total additions	**35**	**-**
Retirements		
Vehicles	-	(539)
Total retirements	**-**	**(539)**
Ending balance	**690**	**655**
Accumulated depreciation		
Beginning balance	(139)	(551)
Additions		
Vehicles	(94)	(127)
Total additions	**(94)**	**(127)**
Retirements		
Vehicles	-	539
Total retirements	**-**	**539**
Ending balance	**(233)**	**(139)**
Net cost at the beginning of the period	**516**	**643**
Net cost at the end of the period	**457**	**516**

(e) As of June 30, 2025, and December 31, 2024, the Company does not have guarantees related to the acquisition of property, plant, and equipment.

7. Intangible, Goodwill, and Other Assets

A. Intangible and Goodwill

Comprises the following:

In thousands of U.S. dollars	June 30, 2025	December 31, 2024
Goodwill (a)	399,427	399,427
Electric concessions (b)	79,954	79,954
Software and other	76	83
	479,457	**479,464**

(a) The goodwill corresponds to the excess of the net fair value of assets and liabilities identified during the acquisition of the Peruvian operating business on December 20, 2016.

(b) The electricity concessions correspond to intangible assets identified at the acquisition date on December 20, 2016. The useful life of electricity concessions is indefinite. As of June 30, 2025, and December 31, 2024, Management is not required to establish reserves for the possible impairment of its intangible assets with an indefinite life.

Management analysis indicated there were no impairment indicators on the value of the intangibles as of June 30, 2025, and December 31, 2024.

B. Other assets

In thousands of U.S. dollars	June 30, 2025	December 31, 2024
Opening balance	13,220	15,102
Amortization	(941)	(1,882)
	12,279	**13,220**
Portion		
Current portion	1,882	1,882
Non-current portion	10,397	11,338

Other assets correspond to payments made to distribution companies under option agreements pursuant to which distribution companies granted the right to execute addenda to the original public tenders of certain PPAs. These addenda enabled the extension of contract terms, adjustments to the contracted capacity and associated energy, and the maintenance of current fixed prices in accordance with the Supreme Decree 022-2018 EM. Between 2021 and 2022, the Company executed all option agreements signed with distribution companies and signed the corresponding addenda to extend the contract term of the related PPAs.

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

8. Trade Payables

Comprises the following:

In thousands of U.S. dollars	June 30, 2025	December 31, 2024
Energy purchases and transmission tolls (a)	2,855	2,691
Other	854	1,770
Capex expenditures (b)	502	1,776
	4,211	**6,237**

(a) Trade payables include transmission tolls paid for the use of principal transmission lines in the Peruvian interconnected electricity system. Most of these costs are passed through to the Group's customers. As of June 30, 2025, trade payables include US$ 5 thousand for related parties (US$ 118 thousand as of December 31, 2024) (note 16.C).

(b) Corresponds mainly to the purchase of spare parts, supplies, civil works and services related to major maintenance.

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

9. Other Payables and Income Tax Payable

Comprises the following:

In thousands of U.S. dollars	June 30, 2025	December 31, 2024
Other payables		
Interest payables (a)	3,525	3,518
Rural Electrification Act and other Energy funds	1,137	736
Value-added tax	1,065	872
Derivative financial instruments	329	-
Other taxes	220	181
Other	109	356
Payroll	51	58
Withholding tax on dividends	-	1,829
	6,436	**7,550**
Income tax payable	4,080	811
	10,516	**8,361**

(a) Corresponds to OEP 2027 Notes, settled semi-annually throughout the year (note 10).

10. Debentures and Others

The terms and conditions of debentures are as follows:

	Nominal annual			Face value		Carrying amount	
In thousands of U.S. dollars	interest rate	Currency	Maturity	2025	2024	2025	2024
Short-term loan							
Scotiabank (a)	4.13%	US$	Jun - 27	5,000	-	5,000	-
Debentures							
OEP 2027 Notes (b)	5.625%	US$	Apr - 27	363,198	363,198	361,496	361,063
				368,198	**363,198**	**366,496**	**361,063**

The carrying amounts as of June 30, 2025, and December 31, 2024, comprise the following:

In thousands of U.S. dollars	June 30, 2025	December 31, 2024
OEP 2027 Notes	363,198	363,198
Transaction costs	(1,702)	(2,135)
	361,496	**361,063**

(a) On June 18, 2025, the Company obtained a short-term loan of US$ 5,000 thousand from Scotiabank at 4.13% maturing in June 2026. The short-term loan is intended to finance the Company´s capital expenditure and general corporate expenses.

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

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

11. Asset Retirement Obligation

Comprises the following:

In thousands of U.S. dollars	June 30, 2025	December 31, 2024
Balance as of January 1	3,869	4,770
Unwind of discount	120	271
Increase/(decrease)	2	(1,172)
	3,991	**3,869**

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

As of June 30, 2025, variations in the provision are due to changes in estimated future costs and current market rates. The future value has been discounted using an annual risk-free rate of 6.32% (6.35% as of December 31, 2024).

12. Equity

A. Share capital

As of June 30, 2025, and December 31, 2024, the share capital is represented by common shares with a nominal value of one sol each, duly authorized, issued, and paid according to the following:

Shareholders	Number of shares	%
Orazul Energia (UK) Holdings Ltd.	1,690,843,115	99.99
Others	238,869	0.01
	1,691,081,984	**100.00**

B. Legal reserves

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

C. Additional capital

Comprises the following:

	Six-month period ended June 30	
In thousands of U.S. dollars	2025	2024
Initial balance	223,344	278,547
Remeasurement of asset retirement obligation	(1)	530
Final balance	**223,343**	**279,077**

D. Hedging reserve

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

13. Revenues

Comprises the following:

	Six-month period ended June 30		Three-month period ended June 30	
In thousands of U.S. dollars	2025	2024	2025	2024
Energy sales spot	21,267	20,090	9,004	8,808
Energy sales regulated (a)	14,939	14,298	7,307	6,716
Energy sales non-regulated	13,998	13,639	7,048	6,767
Capacity sales spot	4,694	3,831	2,139	1,830
Capacity sales non-regulated	3,611	3,873	1,985	2,150
Capacity sales regulated	2,525	2,459	1,274	1,207
Other revenues	709	913	471	590
	61,743	**59,103**	**29,228**	**28,068**

(a) Includes the amortization of option payments made to distribution companies in connection with option agreements. The amortization during the six-month period ended June 30, 2025, and 2024 was US$ 941 thousand for both periods (note 7.B).

(b) As of June 30, 2025, there was estimated revenue pending to be invoiced for US$ 8,839 thousand (US$ 9,034 thousand as of June 30, 2024). According to Management's evaluation, there would not be a significant variation between the amounts invoiced and those estimated.

14. Tax Issues

Income tax from the years 2021 to 2024 is subject to review by the tax authorities. As of June 30, 2025, the Company is being audited by the Peruvian Tax Administration through an integral Income Tax Audit related to the year 2021. As a result of an eventual assessment, management expects that no significant liabilities affecting the financial statements will arise as of June 30, 2025, and December 31, 2024.

Under current tax legislation, corporate income tax for 2025 and 2024 is calculated based on the net taxable profit at a rate of 29.5%, but considering the System chosen by the Company to offset its net operating losses (System B), the Company applies the income tax rate of 29.5% on the 50% of its annual taxable income (14.75% of effective income tax rate).

Nevertheless, the effective tax rate for the six-month period ended June 30, 2025, was 1.22% (56.26% tax rate for the six-month period ended June 30, 2024). The change in the effective tax rate for the six-month period ended June 30, 2025, and 2024 corresponds mainly to the impact of exchange differences in local currency.

As of June 30, 2025, and 2024, the income tax expense shown in the income statement is composed as follows:

	Six-month period ended June 30		Three-month period ended June 30	
In thousands of U.S. dollars	**2025**	**2024**	**2025**	**2024**
Current tax	(8,664)	(3,540)	(4,454)	(184)
Deferred tax	8,363	(8,698)	5,358	(8,092)
	(301)	**(12,238)**	**904**	**(8,276)**

15. Financial Instruments

A. Carrying amounts and fair values

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

	Carrying amount					Fair value
	Current			Non-current		
In thousands of U.S. dollars	Amortized cost	Other financial liabilities	Fair value-hedging instruments	Other financial liabilities	Total	Level 2
As of June 30, 2025						
Financial assets not measured at fair value						
Cash	58,101	-	-	-	58,101	-
Trade receivables	21,059	-	-	-	21,059	-
Other receivables (*)	302	-	-	-	302	-
Financial liabilities measured at fair value						
Derivative financial instruments	-	-	(329)	-	(329)	(329)
Financial liabilities not measured at fair value						
Trade payables	-	(4,211)	-	-	(4,211)	-
Other payables (*)	-	(3,634)	-	-	(3,634)	-
Short-term loan	-	(5,000)	-	-	(5,000)	(5,000)
Debentures	-	-	-	(361,496)	(361,496)	(359,324)
Lease liabilities from operating contracts	-	(194)	-	(254)	(448)	-
	79,462	**(13,039)**	**(329)**	**(361,750)**	**(295,656)**	**(364,653)**
As of December 31, 2024						
Financial assets not measured at fair value						
Cash	26,267	-	-	-	26,267	-
Trade receivables	23,144	-	-	-	23,144	-
Other receivables (*)	280	-	-	-	280	-
Financial liabilities not measured at fair value						
Trade payable	-	(6,237)	-	-	(6,237)	-
Other payables (*)	-	(3,874)	-	-	(3,874)	-
Accounts payable to related parties	-	(1,978)	-	-	(1,978)	-
Debentures	-	-	-	(361,063)	(361,063)	(352,761)
Lease liabilities from operating contracts	-	(172)	-	(320)	(492)	-
	49,691	**(12,261)**	**-**	**(361,383)**	**(323,953)**	**(352,761)**

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

B. Fair value measurements

Valuation techniques and significant unobservable inputs
The following table shows the valuation techniques used in the determination of fair values of financial instruments – Level 2 as at June 30, 2025, and December 31, 2024:

Financial instruments not measured at fair value

Type	Valuation techniques	Key unobservable data	Interrelationship between key unobservable inputs and fair value
Debentures	Discounted cash flows using current market interest rate	Not applicable	Not applicable
Energy liquidation swaps	Discounted cash flows: The valuation reflects the present value from energy purchases liquidation, discounted at market rates.	Not applicable	Not applicable

16. Related Party Transactions

A. Parent companies and ultimate parent Company
There are no changes in the parent and ultimate parent companies as at June 30, 2025, in respect of December 31, 2024.

B. Transactions with key management

i. Loans to Directors
As of June 30, 2025, and December 31, 2024, there are no loans to Directors.

ii. Key management compensation
As of June 30, 2025, and 2024, there is no compensation to key management personnel.

iii. Transactions with key management personnel
During the six-month period ended June 30, 2025, and 2024, there were no transactions between the Company and key management.

C. Other related entities transactions
During the six-month period that ended June 30, 2025, and 2024, the Group performed the following significant transactions with related parties during the normal course of operations.

		Transaction value		Outstanding balances	
In thousands of U.S. dollars	Transaction type	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Kallpa Generación S.A.	Other	47	301	33	-
Kallpa Generación S.A.	Management services and O&M (a)	(4,802)	(4,316)	-	(1,978)
		(4,755)	**(4,015)**	**33**	**(1,978)**

(a) The Group and Kallpa Generación S.A. entered into a Management Service and Operation and Maintenance (O&M) Agreement, which may be renewed upon the express consent of both parties at the end of each term.

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

		Transaction value		Outstanding balances	
In thousands of U.S. dollars	Transaction type	June 30, 2025	June 30, 2024	June 30, 2025	December 31, 2024
Sales					
Kallpa Generación S.A.	COES	3,043	1,893	374	353
Kallpa Generación S.A.	Energy and Capacity Sales	496	-	98	297
Kallpa Generación S.A.	Others	374	676	61	96
Costs					
Kallpa Generación S.A.	COES	(512)	(154)	(5)	(118)
Kallpa Generación S.A.	Energy Purchase	(53)	-	-	-
		3,348	**2,415**	**528**	**628**

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

17. Contingencies

As of June 30, 2025, the main changes in contingencies since the most recent annual financial statements are as follows:

Labor Claims

The Company maintains the provision related to labor claims in US$ 161 thousand as of June 30, 2025, and US$ 216 thousand as of December 31, 2024.

Additionally, the estimate for labor claims that are not more likely than not that the Company will pay increased from US$ 602 thousand as of December 31, 2024, to US$ 611 thousand as of June 30, 2025.

Pluz Energía Perú ("Pluz Energía") - Arbitration Award

On January 8, 2025, Pluz Energía filed a recourse requesting the Arbitration Tribunal to interpret, rectify, integrate, and exclude some sections of the award. On the same date, Orazul and Kallpa ("the parties") filed a recourse requesting the Arbitration Tribunal to rule on one of its claims, which the tribunal had completely resolved. After that, the parties filed a response to the other party´s requests.

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

On March 21, 2025, Pluz Energía filed an annulment claim with the Peruvian Judiciary. Such a procedure can only void the arbitral award (in whole or in part) due to formal infractions or due process infringements and does not consist of a new analysis or decision on the merits and evidence of the case. The enforcement of the award has been stayed as Pluz Energía has posted a bank guarantee securing the amount which was awarded to Kallpa and Orazul.

On April 22, 2025, Orazul answered the lawsuit and submitted a legal expert report to reinforce our arguments regarding the validity of the arbitration award.

On June 23, 2025, Orazul was notified of Pluz Energía's response. On July 7, 2025 Orazul submitted comments reaffirming its position on the amounts to be considered for the bank guarantee.
On July 11, 2025, a hearing was held; however, as of the date of this report, the Judiciary has not issued a ruling on the annulment claim.

18. Subsequent Event

Pluz Energía Perú - Arbitration Award
On July 7, 2025, Orazul submitted comments reaffirming its position on the amounts to be considered for the bank guarantee. On July 11, 2025, a hearing was held; however, as of the date of this report, the Judiciary has not issued a ruling on the annulment claim.

Between July 1,2025 and until the date of issuance of these financial statements, no additional events or events of importance have occurred in addition to those indicated in the previous paragraphs that require adjustments or disclosures to the condensed consolidated interim financial statements as of June 30, 2025.

U.S.$380,000,000

Orazul Energy Perú S.A.

6.250% Senior Notes due 2032

OFFERING MEMORANDUM
September 11, 2025

Joint Book-Running Managers

Citigroup **Deutsche Bank Securities** **J.P. Morgan** **Santander**