

# **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

**Independent Auditor's Report**

**Special Purpose Consolidated Financial Statements**

December 31, 2025

**AES España B.V. and Subsidiary**  
(An indirectly owned subsidiary of The AES Corporation)  
**Special Purpose Consolidated Financial Statements**

---

<b>Content</b>	<b>Page (s)</b>
Independent Auditor's Report.....	1 - 3
Special Purpose Consolidated Statement of Financial Position .....	4 - 5
Special Purpose Consolidated Statements of Comprehensive Income .....	6
Special Purpose Consolidated Statements of Changes in Shareholders' Equity .....	7
Special Purpose Consolidated Statements of Cash Flows .....	8 - 9
Notes to the Special Purpose Consolidated Financial Statements.....	10-98



Ernst & Young, S. R. L.  
RNC No. 1-31-20492-9  
Torre Empresarial Reyna II  
Suite 900, piso 9  
Pedro Henríquez Ureña No. 138  
Santo Domingo, República Dominicana.

Tel: (809) 472-3973  
Fax: (809) 381-4047

## **Independent Auditor's Report**

To the Shareholders of  
AES España B.V. and Subsidiary

### ***Opinion***

We have audited the special purpose consolidated financial statements of AES España B.V. and Subsidiary (the Company) incorporated in Netherland, which comprise the special purpose consolidated statement of financial position as at December 31, 2025, and the special purpose consolidated statement of comprehensive income, special purpose consolidated statement of changes in stockholders' equity and special purpose consolidated statement of cash flows for the year then ended, and notes to the special purpose consolidated financial statements, including material accounting policy information.

In our opinion the accompanying special purpose consolidated financial statements present fairly, in all material respects of the consolidated financial position of the Company as at December 31, 2025 and its consolidated financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards, issued by the International Accounting Standards Board.

### ***Basis for opinion***

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the special purpose consolidated financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### ***Emphasis of matter – Basis of accounting***

We draw attention to Note 2 to the special purpose consolidated financial statements, which describes the basis of accounting. This special purpose consolidated financial statements is not intended to comply with any local or statutory requirements in the Netherland and/or in any country where the Company and its subsidiaries operate.

The special purpose consolidated financial statements are prepared to assist the shareholders in evaluating the overall performance of the Company and complying with the financial institutions requirements of presenting audited special purpose consolidated financial statements.



Ernst & Young, S. R. L.  
RNC No. 1-31-20492-9  
Torre Empresarial Reyna II  
Suite 900, piso 9  
Pedro Henríquez Ureña No. 138  
Santo Domingo, República Dominicana.

Tel: (809) 472-3973  
Fax: (809) 381-4047

As a result, the special purpose consolidated financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

***Responsibilities of management and those charged with governance for the special purpose consolidated financial statements***

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

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

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

***Auditor's responsibilities for the audit of the special purpose consolidated financial statements***

Our objectives are to obtain reasonable assurance about whether the special purpose consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these special purpose consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the special purpose consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.



Ernst & Young, S. R. L.  
RNC No. 1-31-20492-9  
Torre Empresarial Reyna II  
Suite 900, piso 9  
Pedro Henríquez Ureña No. 138  
Santo Domingo, República Dominicana.

Tel: (809) 472-3973  
Fax: (809) 381-4047

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the special purpose consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the special purpose consolidated financial statements, including the disclosures, and whether the special purpose consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Company audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the special purpose consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

The engagement partner responsible for the audit who prepared this independent auditor's report is Rubén E. Tejeda (CPA No. 10289).

April 28, 2026  
Santo Domingo,  
Dominican Republic

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Special Purpose Consolidated Statement of Financial Position

**December 31, 2025 and 2024**

*(Expressed in thousands of dollars of the United States of America)*

Notes		<u>2025</u>	<u>2024</u>
	<b>ASSETS</b>		
	<b>Current Assets:</b>		
5	Cash	\$ 56,519	\$ 80,291
6	Cash restricted	924	299
7	Trade account receivable, net	77,887	123,557
7	Contracts assets	2,448	2,448
8	Account receivable from related parties	135,378	127,203
8	Interests receivable from related parties	5,170	139
9	Inventories, net	38,097	39,895
17	Accounts receivable for financial lease	1,400	1,400
12	Other non-financial assets	7,555	6,963
15.1	Other financial assets	2,638	1,097
26	Income tax receivable	18,901	9,093
	<b>Total current assets</b>	<u><b>346,917</b></u>	<u><b>392,385</b></u>
	<b>Non-current assets:</b>		
7	Contract assets	10,902	13,345
8	Loan receivable from related party	51,988	51,988
10	Property, plant and equipment, net	405,355	428,740
11	Intangible assets, net	970	1,622
16	Investment in associates	147,540	68,709
17	Account receivable for financial lease	14,350	14,481
17	Right-of-use asset, net	573	751
15.1	Other financial assets	2,198	2,071
12	Other non-financial assets	2,535	3,668
	<b>Total non-current assets</b>	<u><b>636,411</b></u>	<u><b>585,375</b></u>
28	Assets held for sale	<u>—</u>	<u>493,686</u>
	<b>Total assets</b>	<u><b>\$ 983,328</b></u>	<u><b>\$ 1,471,446</b></u>

**AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

**Special Purpose Consolidated Statement of Financial Position (continued)****December 31, 2025 and 2024***(Expressed in thousands of dollars of the United States of America)*

Notes		<u>2025</u>	<u>2024</u>
	<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
	<b>Current liabilities:</b>		
13	Account payable to suppliers and other liabilities	\$ 185,231	\$ 208,466
8	Account payable to related parties	123,555	111,620
8	Loan and interests payable to related party	113	36,012
14	Financial debt, net	24,488	100,612
17	Lease liabilities	197	208
15.2	Other financial liabilities	74	1,518
	<b>Total current liabilities</b>	<u>333,658</u>	<u>458,436</u>
	<b>Non-current liabilities:</b>		
14	Financial debt, net	302,424	330,935
8	Loan payable to related party	38,482	—
17	Lease liabilities	432	558
15.2	Other financial liabilities	184	270
18	Other long-term liabilities	1,848	2,710
26	Deferred income tax	53,325	52,778
	<b>Total non-current liabilities</b>	<u>396,695</u>	<u>387,251</u>
28	Liabilities held for sale	—	390,513
	<b>Total liabilities</b>	<u>730,353</u>	<u>1,236,200</u>
	<b>Stockholders' equity</b>		
19	Authorized capital	18	18
19	Additional paid-in-capital	271,652	271,652
19	Restricted retained earnings	10,044	11,003
15.3	Other comprehensive income	2,713	4,466
	Accumulated deficit	(31,531)	(51,970)
	<b>Subtotal</b>	<u>252,896</u>	<u>235,169</u>
	Non-controlling interest	79	77
	<b>Total stockholders' equity</b>	<u>252,975</u>	<u>235,246</u>
	<b>Total liabilities and stockholders' equity</b>	<u>\$ 983,328</u>	<u>\$ 1,471,446</u>

*The accompanying notes are an integral part of these special purpose consolidated financial statements.*

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Special Purpose Consolidated Statement of Comprehensive Income

For the years ended December 31, 2025 and 2024

(Expressed in thousands of dollars of the United States of America)

Notes		<u>2025</u>	<u>2024</u>
6 and 21	<b>Revenues</b>	<u>\$ 1,220,221</u>	<u>\$ 1,305,758</u>
	<b>Operating costs and expenses</b>		
6 and 22	Cost of fuel, electricity purchases, transmission costs and others	(1,032,296)	(1,059,996)
23	Operating, general and maintenance expense	(69,591)	(77,469)
10, 11 and 17	Depreciation and amortization	(38,959)	(42,064)
	<b>Total operating costs and expenses</b>	<u>(1,140,846)</u>	<u>(1,179,529)</u>
	<b>Operating income</b>	<b>79,375</b>	<b>126,229</b>
	<b>Other (expenses) income</b>		
24	Interest expense, net	(38,283)	(40,982)
16	Equity participation in investment in associates	13,135	12,069
25 and 28	Other income, net	57,140	6,056
	Exchange gain, net	907	2,882
	<b>Income before income tax expense</b>	<b>112,274</b>	<b>106,254</b>
26	Income tax expense	(21,793)	(33,009)
	<b>Net income</b>	<u><b>\$ 90,481</b></u>	<u><b>\$ 73,245</b></u>
	<b>Other comprehensive loss items that will be reclassified to results in subsequent years</b>		
16	Derivative instruments in associates	(1,915)	(96)
15.3	Change in fair value of derivative instruments	93	8,206
26	Deferred tax	69	(99)
	<b>Total other comprehensive (loss) income for the year</b>	<u><b>\$ (1,753)</b></u>	<u><b>\$ 8,011</b></u>
	Attributable to:		
	Non-controlling interest	2	7
	Attributable to shareholders of the parent company	90,479	73,238
		<u><b>\$ 90,481</b></u>	<u><b>\$ 73,245</b></u>
20	Net income per share (expressed in dollars of the United States of America)	<u><b>\$ 497</b></u>	<u><b>\$ 402</b></u>

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

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Special Purpose Consolidated Statements of Changes in Stockholders' Equity

For the years ended December 31, 2025 and 2024

(Expressed in thousands of dollars of the United States of America)

	Note	Number of shares	Authorized capital	Additional paid-in capital	Accumulated deficit	Restricted retaining earnings	Other comprehensive income	Subtotal	Non-controlling interest	Total stockholders' equity
Balance as of January 1, 2024		182	\$ 18	\$ 271,652	\$ (5,516)	\$ 12,059	\$ (3,545)	\$ 274,668	\$ 70	\$ 274,738
Net income		—	—	—	73,238	—	—	73,238	7	73,245
Effect of revaluation due to deemed cost	19	—	—	—	1,056	(1,056)	—	—	—	—
Dividends paid	8	—	—	—	(120,748)	—	—	(120,748)	—	(120,748)
Changes in the fair value of derivative instruments	15.3	—	—	—	—	—	8,206	8,206	—	8,206
Changes in the fair value of derivative instruments from the investment in associates	16	—	—	—	—	—	(96)	(96)	—	(96)
Deferred tax		—	—	—	—	—	(99)	(99)	—	(99)
Balance as of December 31, 2024		182	18	271,652	(51,970)	11,003	4,466	235,169	77	235,246
Net income		—	—	—	90,479	—	—	90,479	2	90,481
Effect of revaluation due to deemed cost	19	—	—	—	959	(959)	—	—	—	—
Dividends paid	8	—	—	—	(70,999)	—	—	(70,999)	—	(70,999)
Changes in the fair value of derivative instruments	15.3	—	—	—	—	—	93	93	—	93
Changes in the fair value of derivative instruments from the investment in associates	16	—	—	—	—	—	(1,915)	(1,915)	—	(1,915)
Deferred tax	26	—	—	—	—	—	69	69	—	69
<b>Balance as of December 31, 2025</b>		<b>182</b>	<b>\$ 18</b>	<b>\$ 271,652</b>	<b>\$ (31,531)</b>	<b>\$ 10,044</b>	<b>\$ 2,713</b>	<b>\$ 252,896</b>	<b>\$ 79</b>	<b>\$ 252,975</b>

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

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Special Purpose Consolidated Statements of Cash Flows

For the years ended December 31, 2025 and 2024

(Expressed in thousands of dollars of the United States of America)

Notes		<u>2025</u>	<u>2024</u>
	<b>Cash flow from operating activities:</b>		
	Net income	\$ 90,481	\$ 73,245
	Adjustments to reconcile net income to net cash provided by operating activities:		
7	Allowance for doubtful accounts	11	31
9	Allowance for inventory obsolescence	19	128
10 and 28	Depreciation	36,469	38,394
11	Amortization of intangible assets	2,029	3,176
17	Amortization of right-of-use assets	440	493
10 and 25	Loss on retirement of property, plant and equipment	1,936	751
10 and 25	Gain on sale of disposals of property, plant and equipment	(39)	(5,069)
25	Gain on sale of business	(58,940)	—
15.3	Unrealized (gain) loss on derivative financial instruments	(2,316)	521
16	Equity participation in investment in associates	(13,135)	(12,069)
17	Interest expense on lease liabilities	476	893
18	Expense due to increases in obligations for asset retirement	1,423	48
24	Amortization of deferred financing costs	3,988	4,526
24	Interest expense, net	33,818	36,288
26	Income tax expense	21,793	33,009
	Stock-base compensation	8	161
	Exchange gain, net	(907)	(2,882)
		<b>117,554</b>	<b>171,644</b>
	<b>Changes in operating assets and liabilities:</b>		
	Decrease (increase) in accounts receivable trade	40,047	(29,232)
	Increase in accounts receivable from related parties	(13,206)	(107,701)
	Decrease in inventories	1,344	42,276
	Increase in other assets	(3,917)	(2,081)
	Decrease in contracts assets	2,443	2,386
	Increase in accounts payable to suppliers and other liabilities	19,040	18,718
	Increase in accounts payable to related parties	12,074	20,097
	<b>Cash provided by operating activities</b>	<b>175,379</b>	<b>116,107</b>
	<b>Carried forward.....</b>	<b>\$ 175,379</b>	<b>\$ 116,107</b>

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Special Purpose Consolidated Statements of Cash Flows (continued)

For the years ended December 31, 2025 and 2024

(Expressed in thousands of dollars of the United States of America)

Notes		<u>2025</u>	<u>2024</u>
	<b>Brought forward....</b>	<b>\$ 175,379</b>	<b>\$ 116,107</b>
	Income tax paid	(25,539)	(39,066)
	Interest received	845	1,263
	Interest paid	(47,803)	(37,190)
	<b>Net cash provided by operating activities</b>	<b>102,882</b>	<b>41,114</b>
	<b>Cash flows from investing activities:</b>		
6	Decrease in restricted cash	1,173	6,462
10 and 28	Acquisition of property, plant and equipment	(59,575)	(133,814)
11	Acquisition of intangible assets	(31)	(804)
12	Advance payments for the acquisition of property, plant and equipment	(2,340)	(5,772)
28	Proceeds from sale of business	102,961	—
16	Dividends received from associates	2,043	19,750
16	Reduction of investment in associates	37,054	—
16	Capital contribution to associates	(10,181)	—
	<b>Net cash provided by (used in) investing activities</b>	<b>71,104</b>	<b>(114,178)</b>
	<b>Cash flows from financing activities:</b>		
8	Dividends paid	(70,999)	(120,748)
10	Acquisition of property, plant and equipment	(1,948)	(1,987)
13	Supplier financing agreement	254,116	132,203
13	Payments of supplier financing agreement	(268,922)	—
14.1	Proceeds from line of credit	78,828	146,094
14.1	Payment of line of credit	(147,828)	(203,094)
14.2	Proceeds from new loans	—	109,982
14.2	Payment of loans	(40,050)	(16,402)
14.2	Payments of deferred financing costs	—	(846)
17	Payment of lease liabilities	(955)	(1,259)
	<b>Net cash (used in) provided by financing activities</b>	<b>(197,758)</b>	<b>43,943</b>
	Decrease in cash	(23,772)	(29,121)
	Changes in cash from assets available for sale	—	(15,530)
	Cash at the beginning of the year	80,291	124,942
	<b>Cash at the end of the year</b>	<b>\$ 56,519</b>	<b>\$ 80,291</b>
	<b>Supplementary disclosure of non-cash operating activities:</b>		
10	Property, plant and equipment purchases not paid at year end	<b>\$ 1,161</b>	<b>\$ 12,404</b>

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

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

#### **1. Organization and nature of operation**

AES España B.V. and subsidiary (referred to in these consolidated financial statements as “the Company” or “Spain”) are a group of companies indirectly owned by The AES Corporation (Parent Company or AES). AES España B.V. was incorporated in 1999 under the laws of the Netherlands as a private limited liability company with a branch registered in the Dominican Republic. On September 1, 2014, AES España B.V. entered into an agreement to transfer all of the assets and liabilities of the branch to AES Andres DR, S.A. (Andres DR), a commercial company organized and established on March 31, 2014, under the laws of the Dominican Republic. In addition, it was agreed that, due to the transfer of assets and liabilities, AES España B.V. received 111,923 shares and AES DPP Holdings, Ltd. received 1 share of AES Andres DR, S.A. As of December 31, 2025 and 2024, AES España B.V. owns 99.99% of the shares of AES Andres DR, S.A.

Andres DR consists of a 319 MWh gas fired combined cycle generation plant (“power plant”). In 2022, an investment was made to operate with diesel, so the plant currently generates with gas and diesel. Additionally, Andres DR has a 10MWh battery energy storage solution and a liquefied natural gas re-gasification terminal (“LNG facility”), receiving pier, and a pipeline of approximately 35 km for the facilities of Dominican Power Partners (“DPP”), an affiliated entity under common control. These assets were constructed in Punta Caucedo, Dominican Republic. Gas operations began in March 2003. The power plant began commercial operations in December 2003 and the energy storage solution project concluded in June 2017 and was put into service in December 2017 according to the resolution issued by the Superintendence of Electricity (“SIE”). Andres DR has an operating permit until December 31, 2043.

Currently, Andres DR is the only port of entry for liquefied natural gas "LNG" to the Dominican Republic. The LNG received by Andres DR is regasified and used to operate the generating plant, as well as sold to DPP and third parties through long-term gas purchase and sale and transportation agreements.

The power facility sells all its power production in the Dominican Republic, mainly through Power Purchase Agreements (“PPA”) with the Dominican Republic Government-owned distribution companies (distros) which are EDE Este, EDE Sur and EDE Norte and with Non-Regulated Users (UNRs).

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

#### **1. Organization and nature of operation (continued)**

Andres DR has contracts with customers in the large entity market, which are allowed to generate their own electricity or contract directly with generators, or the unregulated market (commonly known as “Non-Regulated Users”). As of December 31, 2025, there are a total of 19 contracts with Non-Regulated Users (2024: 20 contracts) with a total of 95 MWh of contracted capacity in 2025 (2024: 102 MWh).

In November 2019, the Company acquired AES Dominicana Renewable Energy, S.A., (“ADRE”) through a purchase agreement that included a payment of \$2,329 for the concession rights recognized as an intangible asset in the special purpose consolidated statement of financial position (see note 11).

On November 3, 2023, AES DR Renewable Holding, S.L. (“ADRE Holding”) was formally incorporated under Spanish law as a holding company for the purpose of acquiring the shares of AES Dominicana Renewable Energy, S.A. and its subsidiaries Agua Clara, S.A.S. and IE DR Project S.R.L. (“ADRE”). On November 7, 2024, AES España, B.V., transferred its 99.90% stake in ADRE to AES DR Renewable Holdings, S.L. On June 30, 2025, sold 50% of the Company's stake in ADRE Holding and its subsidiaries to Total Energies Renewable Ibérica, S.L.U. The sale resulted in the Company losing control but retaining significant influence through the remaining 50% non-controlling interest, resulting in an effective indirect interest of 33% at the level of The AES Corporation.

The main objective of AES Dominicana Renewable Energy, S.A. is the operation and administration of energy generation assets from renewable primary energy sources, for which it has the following projects:

- The Bayasol project is a solar power plant with an installed capacity of 50 MWh, built under turnkey engineering, procurement, and construction contracts, located in the Matanzas section of the municipality of Baní, Peravia province, Dominican Republic. This project was completed and capitalized as property, plant, and equipment in 2021.
- The Santanasol project is a 65MWh photovoltaic power plant located in the province of Peravia, Dominican Republic. This plant began operations in June 2022.
- The “Agua Clara Wind Farm” project is a 50 MW wind power generation plant located in Montecristi Province, Dominican Republic. This asset resulted from the acquisition of all shares of Agua Clara, S.A.S. and IE DR Projects I S.R.L. in July 2022. Agua Clara has a power purchase agreement committing it to deliver the generated energy to EDE Norte Dominicana, S.A. for a period of 20 years, beginning May 4, 2019, the plant's start of operations.

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

#### **1. Organization and nature of operation (continued)**

- The "Mirasol" project began construction on January 20, 2023, of a solar power plant located in the province of Santo Domingo in the Dominican Republic, with an installed capacity of 127 MW (100 MW nominal). This plant has been operational since February 2025. 100% of the plant's generation is delivered to a single customer, EDE Este.
- The "Peravia Solar I and II" project began construction on September 4, 2023, of a solar power plant located in the province of Peravia in the Dominican Republic, with an installed capacity of 140 MWh, the total generation of which must be delivered to EDE Sur and Andres DR. The plants began commercial operations on September 20, 2025.

On May 29, 2019, the Company entered into a joint venture through which it acquired 1,800 shares of the company Domi Trading, S.L. and its subsidiary Energía Natural Dominicana Enadom S. R. L. (ENADOM), which represents a 50% ownership interest. The main purpose is to operate and management assets related to the natural gas commercialization business in the Dominican Republic, including storage, distribution, import, export, commercialization, sale and transportation by pipeline, virtual or any other form of liquid, methane, or regasified natural gas; as well to operate, manage and develop the assets of the company.

In January 2016, AES España B.V. relocated its effective management office to Madrid, Spain and became a tax resident for tax purposes in that country. Since its relocation, AES España B.V. is subject to the Spanish tax regime; however, it still remains incorporated under the laws of the Netherlands. The Company's administrative offices are located at Paseo de la Castellana street 216, floor 8, 28046 Madrid, Spain.

The administrative offices of the subsidiary AES Andres DR, S.A. are located at Rafael Augusto Sanchez Street No.86, corporate building Roble Corporate Center, 5th floor, Ensanche Piantini, Santo Domingo, Dominican Republic.

The special purpose consolidated financial statements of the Company as of December 31, 2025 were authorized by the Management for issuance on April 28, 2026.

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

## **2. Basis of preparation**

### *(a) Basis of preparation*

The special purpose consolidated financial statements of AES España B.V. and Subsidiary have been prepared in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) on a historical cost basis, except for certain items that have been valued as indicated in the material accounting policies detailed in Note 3.

This special purpose consolidated financial statements are not intended to comply with any local or statutory requirements in the Netherlands and/or in any country where the Company operates. The special purpose consolidated financial statements are prepared to help the shareholders in assess the overall performance of the Company and comply with the financial institution requirements of presenting audited special purpose consolidated financial statements.

Any mention of the consolidated financial statements in the notes corresponds to these special purpose consolidated financial statements.

### *(b) Principles of consolidation*

The accompanying consolidated financial statements include the accounts of AES España B.V. and its subsidiary AES Andres, 99.99% owned. The financial statements of the Company's subsidiary are prepared for the same reporting period as AES España B.V., using consistent accounting policies. Consolidation of the subsidiary begin when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Intercompany balances and transactions have been eliminated in these consolidated financial statements.

### *(c) Functional currency*

The functional currency of AES España, B.V. is the US dollar (US\$) because all its operations are based on this currency. For its subsidiary, the legal tender in the Dominican Republic is the Dominican peso; however, the US dollar (US\$) was adopted as the functional and presentation currency for its consolidated financial statements since it better reflects the events and transactions conducted by the Company.

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

#### **2. Basis of preparation (continued)**

The adoption of the US dollar as the functional currency was primarily based on the fact that this currency is used for the pricing of energy, gas, and services, which are the main purchases of goods and services, as well as for the financing activities of the Company.

Monetary assets and liabilities denominated in foreign currencies are converted into the Company's functional currency at the exchange rate in effect as of the dates of the consolidated statements of financial position; the effect of changes in exchange rates is recognized in the consolidated statement of comprehensive income in the account exchange (loss) gain, net. As of December 31, 2025, the exchange rate for US dollar (US\$) against the Dominican peso (RD\$) was RD\$63.30 (2024: RD\$61.32), and the annual average exchange rate for the year ended December 31, 2025 was RD\$61.99 (2024: RD\$59.57).

#### *(d) Classification of assets and liabilities in current and non-current*

The Company presents assets and liabilities in the consolidated statement of financial position based on current or non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when the Company is:

- Expected to be settled in the normal operating cycle;
- Held primarily for the purpose of trading;
- To be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred tax assets and deferred tax liabilities are classified as non-current assets and liabilities.

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

## **2. Basis of preparation (continued)**

### *(e) Use of estimates and assumptions*

The preparation of the consolidated financial statements requires Management to make judgments, estimates and assumptions that affect the reported revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these judgments, estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The main judgments, estimates and assumptions made by the Company are: allowance for expected credit losses, allowance for obsolete inventory, useful lives of property, plant and equipment and intangible assets, impairment of non-financial assets, valuation of deferred income tax assets and unbilled estimated income.

## **3. Summary of material accounting policies**

The accounting policies described below have been consistently applied in the years presented in these consolidated financial statements by the Company.

### *(a) Financial instruments*

#### Initial recognition and measurement

Financial instruments are initially recognized when the Company becomes a contractual party of the instrument, with the exception of accounts receivable that are initially recognized when they originate.

A financial instrument, with the except for accounts receivable that do not contain a significant financing component, is initially measured at its fair value plus transaction costs that are directly attributable to its acquisition or issue. Account receivables that do not contain a significant financing component are initially measured at the transaction price.

At initial recognition financial assets are classified, as: amortized cost, fair value through other comprehensive income in equity and fair value through statement of comprehensive income (profit or loss). The Company do not choose to irrevocably designate the measurement of financial assets at fair value through profit or loss or other comprehensive income in equity.

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

### **3. Summary of material accounting policies (continued)**

*(a) Financial instruments (continued)*

#### Initial recognition and measurement (continued)

Financial liabilities are initially recognized at fair value plus the costs directly attributable to the transaction. In the case of maintaining a financial liability for trading, it would be measured at fair value through profit or loss.

#### Offsetting of financial instruments

Financial assets and financial liabilities are offset at the net amount in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

#### Classification and measurement

##### *Financial assets:*

Financial assets are not reclassified after initial recognition unless the Company changes the business model to manage financial assets, in which case all affected financial assets are reclassified on the first day of the first presentation period after the change in the business model, which is revised annually.

The Company measures financial assets at amortized cost if both of the following conditions are met:

- It is held within a business model that holds financial assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, exchange gains or losses and impairment are recognized in profit or loss. Any gain or loss at the time of derecognizing assets is recognized in profit or loss.

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

### **3. Summary of material accounting policies (continued)**

*(a) Financial instruments (continued)*

#### Financial assets: (continued)

A financial asset is measured at fair value through other comprehensive income in equity if the following conditions are met:

- It is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investments in debt instruments recognized at fair value through other comprehensive income are subsequently measured at fair value. Interest income, calculated using the effective interest method, exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in other comprehensive income. When the assets are derecognized, the gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

Investments in equity instruments recognized at fair value through other comprehensive income are subsequently measured at fair value. Dividends are recognized as income in profit or loss, unless the dividend represents a recovery of the cost of the investment. Other net gains and losses are recognized in other comprehensive income, and they are not reclassified to profit or loss.

Financial assets that are not measured at amortized cost or fair through other comprehensive income, as described above, are measured at fair value through profit or loss. This measurement category includes all derivative financial instruments.

#### Financial asset: evaluation of the business model

The Company performs an annual evaluation of its operations to determine how it manages its financial assets, designates its business model and the groups of financial assets to achieve a specific business objective, which will not depend on the intentions of management for an individual instrument.

The levels of aggregations considered by the administration to perform the evaluation of the business model are four: cash, cash restricted, trade accounts receivable, others accounts receivable and related parties.

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

### **3. Summary of material accounting policies (continued)**

#### *(a) Financial instruments (continued)*

The Company's business model is to recover the contractual cash flows at maturity in order to comply with the administration's objectives. In case of credit or liquidity risks, the Company may consider the sale of financial assets; however, the frequency, value and timing of sales of financial assets in prior periods are evaluated to determine whether they represent a change in the way financial assets are managed.

#### Financial assets: Solely Payments of Principal and Interest test ("SPPI")

As part of the classification process, the Company evaluates the contractual terms to identify whether or not it meets the SPPI test.

- **Principal:** The purpose of this test is to define whether the fair value of the financial assets recognized at the beginning has changed over the estimated life of the financial asset.
- **Interests:** the most significant elements for the evaluation of the SPPI test are typically the value of money over time and credit risk. The Company applies estimates and other factors that they consider relevant in the test such as: the currency in which the financial asset is denominated and the period for which the interest rate is defined.

This test, it is evaluates whether the financial asset contains any contractual term that could change the terms or the amount of cash flows in a way that it does not comply with the test, such as contingent events, terms that can adjust the rate, payment and extension features; and convertibility.

A prepaid feature is consistent with the characteristics of solely principal and interest payments if the prepayment substantially represents the principal and interest pending payments, which could include reasonable additional compensation for early termination of the contract.

#### Financial asset derecognition

The Company derecognizes financial assets only when the contractual rights to receive through cash flows have expired; or when the Company has transferred the financial assets and substantially all the risks and rewards inherent in ownership of the asset.

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

### **3. Summary of material accounting policies (continued)**

*(a) Financial instruments (continued)*

#### Financial asset derecognition (continued)

If the Company does not transfer and retain substantially all the risks and rewards of ownership of the transferred financial assets, the Company continues to recognize the financial asset and also recognizes a liability according to a criterion that reflects the rights and obligations that it has retained.

#### Cash

The Company considers cash, bank deposits and certificates of deposit with an original maturity of less than three months.

Cash is managed under a held-to-maturity business model to recover the contractual cash flows and is measured at its amortized cost.

#### Restricted cash

Restricted cash includes cash that is subject to limited use due to restrictions imposed by local authorities and debt requirements (see note 6).

#### Accounts receivable

Accounts receivable are non-derivative financial assets with fixed or determined payments that are not quoted in an active market and are initially recognized at the amount of the respective documents or invoices. Accounts receivable are subsequently valued at their amortized cost less an estimate for the valuation of these accounts receivable.

The allowance for expected credit losses, if any, is estimated considering the customer's collection history, the age of the balances owed, and specific evaluations of individual balances. Accounts receivable are subject to commercial interests, which are determined in accordance with the regulations of the electricity sector and in accordance with the terms established in the energy sales contracts.

The book value of accounts receivable is reduced for impairment through the use of the allowance account for possible uncollectible accounts, if any.

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

### **3. Summary of material accounting policies (continued)**

*(a) Financial instruments (continued)*

#### Accounts receivable (continued)

When the account receivable is considered irrecoverable, it is written off against the allowance for possible uncollectible accounts. Changes in the book value of the allowance account for possible uncollectible accounts are recognized in the consolidated statement of comprehensive income.

#### Impairment of financial assets

The Company recognizes an allowance for expected credit losses for all debt instruments not held at fair value through profit or loss. The expected credit losses are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

To determine and measure expected credit losses, the Company adopted the simplified approach and the presumption of "default" after 90 days for all customers, except for accounts receivable from government customers, for which the default time was 365 days. For accounts receivable from related parties, non-compliance will be from 365 days; however, some balances may be excluded when there is evidence of conditions that could reasonably justify their exclusion, such as payment agreements or settlements of new guarantees, among others.

For impairment estimation, the Company uses historical information on portfolio behavior and recoveries during the last three years, excluding balances with guarantees. This matrix is reviewed every three years, unless there are new conditions or changes that materially affect the behavior of the recovery of financial assets.

To incorporate prospective information, the Company uses historical information and analyzed variables that affect and help to predict the behavior of the recoverability of financial assets, none of which showed an adequate correlation. However, the Company periodically performs qualitative risk analyzes to identify changes in the estimated losses.

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

### **3. Summary of material accounting policies (continued)**

#### *(b) Financial liabilities: Recognition and measurement (continued)*

Financial liabilities are initially recognized at fair value plus costs directly attributable to the transaction. After initial recognition, financial liabilities are measured at amortized cost; any difference between the financial liability (net of transaction costs) and the value of the deferred financing cost are recognized in the consolidated statement of comprehensive income over the period of the loans, using the effective interest method. The Company recognizes gains or losses in the consolidated statement of comprehensive income of the period when the financial liability is written off.

The amortized cost of a financial instrument is defined as the amount at which the financial instrument was measured on the date of initial recognition less capital payments, plus or minus the accumulated amortization, applying the effective interest rate method, of any difference between the initial amount and the amount due, less any provision.

The effective interest rate method calculates the amortized cost of a financial instrument (or group of instruments) and allocates interest income and expenses over the relevant period.

#### Derecognition of financial liabilities

Financial liabilities are derecognized by the Company when the obligation under the liability is discharged, canceled or expired. When an existing financial liability is replaced by another liability, the Company cancelled the original liability and recognized a new liability. The difference in the respective carrying amounts is recognized in the consolidated statement of comprehensive income.

#### *(c) Derivative Financial Instruments*

The Company records all derivatives on the consolidated statements of financial position at fair value, regardless of the purpose or intent for holding them. The accounting for changes in fair value of the derivatives varies, depending on whether the derivative is considered an accounting hedge, and whether the hedging instrument is a fair value or a cash flow hedge. If the financial derivative instrument is classified for accounting hedge purposes, it may be: (1) a fair value hedge of existing assets or liabilities or firm commitments, or (2) a cash flows hedge related to existing assets or liabilities or expected transactions.

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

### **3. Summary of material accounting policies (continued)**

#### *(c) Derivative Financial Instruments (continued)*

Derivatives are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value on the date of the consolidated statement of financial position. Any gain or loss is immediately recognized unless the derivative is designated as a hedging instrument, in which case the recognition in profit or loss through time will depend on the nature of the hedge relationship.

The derivative is presented as a non-current asset or liability if the remaining maturity goes beyond twelve months and it is not expected to be realized or settled before that time. Other derivatives are presented as current assets or liabilities, since the maturity is less than 12 months.

The Company assesses the existence of embedded derivatives in contracts for financial and non-financial instruments to determine if their characteristics and risks are closely related to the main contract, as long as the set is not classified as an asset or liability at fair value through profit or loss. If they are not closely related, they are recorded separately accounting for the variations in value in the consolidated statement of comprehensive income.

#### *(d) Fair value of financial instruments*

The value of current financial assets and current financial liabilities is estimated to be equal to their reported carrying amounts due to the short-term maturity of these instruments. Long-term financial debt has a fixed interest rate, and its fair value is not estimated to be equal to its book value. For financial instruments with no active financial market, the fair value is determined using valuation techniques.

#### *(e) Inventory*

Inventories, which consist mainly of fuel, materials and spare parts, are valued at the lower of their cost or net realizable value. The cost is determined using the average cost method. The Company carries out periodic physical inventories, and any difference is adjusted and recognized in the consolidated statement of comprehensive income.

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

### **3. Summary of material accounting policies (continued)**

#### *(f) Property, plant and equipment*

Property, plant and equipment were recorded at their fair values for the only time in the initial adoption of IFRS in 2009, applying the fair value or revaluation as cost attributed to certain buildings and electricity generation assets net of deferred income tax corresponding to the increase in the fair value of these assets. The adjustment was recorded against the initial balance of restricted retained earnings for the 2009 fiscal period.

Subsequent acquisitions are recorded at cost. The value of property, plant and equipment is presented net of accumulated depreciation and accumulated impairment losses, if any. The cost includes important investments for the improvement and replacement of critical parts for the generation units that extend the useful life or increase the capacity and meet the conditions for its recognition.

When assets are sold or written off, the cost and accumulated depreciation are eliminated from the accounts, and the resulting gain or loss is reflected in the consolidated statement of comprehensive income. When property, plant and equipment have different useful lives, they are accounted for separately.

#### Depreciation

Depreciation is calculated according to the useful lives of the respective assets using the straight-line method. The useful life is reviewed annually.

The ranges of years of useful life used to calculate annual depreciation are as follows:

<b><u>Description</u></b>	<b><u>Estimated Useful Lives</u></b>
Buildings and structure	5 to 65 years
Generation plant	5 to 40 years
Materials and supplies	5 to 40 years
LNG facility, pier and pipeline	6 to 50 years
Office equipment and other	4 to 10 years

Replacement parts, including rotatable replacement parts, are presented as generating assets. If such parts are considered components, they are depreciated over their useful lives when they are placed into service.

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

### **3. Summary of material accounting policies (continued)**

*(f) Property, plant and equipment (continued)*

#### Major and minor maintenance

Disbursements for major maintenance represent the reconditioning of the plant or other assets. These expenses are capitalized and amortized based on the useful life of each asset.

Minor maintenance expenses are charged directly to the consolidated statement of comprehensive income.

#### Construction in progress

Construction costs of the projects include costs of salaries, engineering costs, insurance, interest and other costs. Construction in progress balances are stated at cost and transferred to electricity generation assets when an asset group is ready for its intended use.

*(g) Intangible Assets*

Intangible assets acquired separately are initially recorded at cost. Subsequent to their initial recognition, intangible assets are accounted for at cost less accumulated amortization and the accumulated amount of any impairment loss as applicable.

The estimated useful lives are as follows:

Licenses	3 years
Software	3 years

*(h) Impairment of non-financial assets*

The Company reviews the carrying amounts of its non-financial assets at the end of each year in order to identify impairments or when facts or circumstances indicate that the amounts recorded may not be recoverable.

Assets subject to amortization or depreciation are reviewed at the end of each accounting period. Impairment exists when circumstances or changes indicate that the book value cannot be recovered. An impairment loss is recognized for the excess book value compared to its recoverable amount, which represents the higher of fair value less costs to sell and value in use.

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

### **3. Summary of material accounting policies (continued)**

#### *(h) Impairment of non-financial assets (continued)*

To assess impairment, assets are grouped at their lowest level for which there are separately identifiable cash flows. Any loss due to permanent impairment of an asset is recorded in the consolidated statement of comprehensive income.

#### *(i) Investment in associates*

Investments in entities over which the Company has significant influence but not control are accounted for using the equity method of accounting and reported as “Investment in associates” on the consolidated statements of financial position. The Company periodically assesses if there is an indication that the fair value of an equity method investment is less than its carrying amount. When an indicator exists, any excess of the carrying amount over its estimated fair value is recognized as impairment when the loss in value is deemed to be other-than-temporary.

The Company discontinues the application of the equity method when an investment is reduced to zero, and the Company is not otherwise committed to provide further financial support to the investee.

The Company resumes the application of the equity method if the investee subsequently reports net income to the extent that the Company’s share of such net income equals the share of net losses not recognized during the period in which the equity method of accounting was suspended.

#### *(j) Leases*

The Company assesses at contract inception whether a contract is or contains a lease, i.e., if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. The Company applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

### **3. Summary of material accounting policies (continued)**

*(j) Leases (continued)*

#### Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (the date the underlying asset is available for use).

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liability and adjusted by recognized lease liabilities, the initial direct costs incurred, and the lease payments made to any remeasurement of lease liabilities.

The cost of the right-of-use assets, less any lease incentives received, is depreciated on a straight-line basis over the shorter of the lease term. The estimated useful life of the assets is as follows:

Corporate office and parking	5 years
------------------------------	---------

If ownership of the leased asset is transferred to the Company at the end of the lease term, or the cost reflects the exercise of a purchase option, amortization is calculated using the estimated useful lives of the assets.

#### Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, lease liabilities are increased to reflect the accretion of interest and reduced for the lease payments made.

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

### **3. Summary of material accounting policies (continued)**

#### *(j) Leases (continued)*

##### Lease liabilities (continued)

In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

##### Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term asset and equipment leases (that is, those leases that have a lease term of 12 months or less from the commencement date and do not contain a Purchase option). The low-value asset recognition exemption also applies to office equipment leases that are considered low-value.

Lease payments on short-term leases and leases of low-value assets are recognized as expenses on a straight-line basis over the lease term.

##### Financial leasing as a lessor

For finance lease, the lessor, at the commencement date, shall recognize a net investment in the sale, selling profit or loss arising from the sale and initial direct costs derecognized the underlying asset.

Amounts due from lessees under finance lease are recorded as receivable at the amount net investment in the lease. Finance lease income is allocated to accounting periods as to reflect a constant period rate of return on the Company's net investment in the lease.

#### *(k) Contract assets*

A contract asset is initially recognized for revenue earned from the sale of LNG on a conditional basis. Once the LNG has been supplied and the customer has accepted it, the amount recognized as a contract asset is reclassified to trade receivables.

#### *(l) Provisions*

A provision is recognized when the Company has a legal or constructive, present obligation as the result of a past event. The obligation can be measured reliably, and the Company may require cash resources to settle the obligation.

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

#### **3. Summary of material accounting policies (continued)**

##### *(l) Provisions (continued)*

The provisions recorded are assessed periodically and the necessary adjustments are recorded in the results of the year.

##### *(m) Commitments and contingencies*

All losses from contingent liabilities arising from claims, litigation, agreements, penalties and others are recognized when the liability may be incurred, and expenses could be reasonably estimated.

##### *(n) Revenue recognition*

The Company derives its revenue from the sale of electricity through contracts or the spot market, and from the sale of natural gas and transportation services associated with the use of the gas pipeline. Revenue is recognized upon the transfer of control of promised goods or services to customers in an amount that reflects the consideration to which we expect to be entitled in exchange for those goods or services.

The electricity is sold to distribution companies, non-regulated users and other spot market agents. The LNG and services transportation are sold to industrial customers.

The Company's generation contracts, based on specific facts and circumstances, can have one or more performance obligations as the promise to transfer energy, capacity, LNG and other services may or may not be distinct depending on the nature of the market and terms of the contract. As the performance obligations are generally satisfied over time and use the same method to measure progress, the performance obligations meet the criteria to be considered a series.

In measuring progress toward satisfaction of a performance obligation, the Company applies the "right to invoice" practical expedient when available and recognizes revenue in the amount to which the Company has a right to consideration from a customer that corresponds directly with the value of the performance completed to date

For contracts with multiple performance obligations, we allocate revenue to each performance obligation based on its relative standalone selling price using a market or expected cost plus margin approach.

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

#### **3. Summary of material accounting policies (continued)**

##### *(n) Revenue recognition (continued)*

Additionally, the Company allocates variable consideration to one or more, but not all, distinct goods or services that are part of a single performance obligation when (1) the variable consideration relates specifically to the efforts to transfer the distinct good or service and (2) the variable consideration depicts the amount to which the Company expects to be entitled in exchange for transferring the promised good or service to the customer.

Revenue from generation contracts is recognized using an output method, as energy and capacity delivered best depicts the transfer of goods or services to the customer. Performance obligations including energy or ancillary services are generally measured by the MWh delivered; the capacity is measured using MWh.

When energy or capacity is sold or purchased in the spot market, the Company assesses the facts and circumstances to determine gross versus net presentation of spot revenues and purchases. Generally, the nature of the performance obligation is to sell surplus energy or capacity above contractual commitments, or to purchase energy or capacity to satisfy deficits. Generally, on an hourly basis, a generator is either a net seller or a net buyer in terms of the amount of energy or capacity transacted in the spot market. In these situations, the Company recognizes revenue for the hours where the generator is a net seller and cost of sales for the hours where the generator is a net buyer.

Revenue from the sale of natural gas has an initially expected duration of one year or less and only contains a performance obligation, which the Company satisfies over time by delivering millions of Btu. Customers make payments in advance for gas purchases, which are presented in the consolidated statements of financial position under accounts payable and accrued liabilities.

##### *(o) Income tax expense*

Income tax expense for the year includes both current tax and deferred tax. The current income tax expense refers to the estimated tax payable on the taxable profit of the year, using the income tax rate enacted at the date of the consolidated statement of financial position and any adjustment related to previous years.

The deferred income tax is calculated based on the liability method, considering the temporary differences between the carrying amount of the assets and liabilities.

The Company offsets the deferred tax asset with deferred tax liability, which is reviewed as of the date of each consolidated statement of financial position.

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

### **3. Summary of material accounting policies (continued)**

#### *(o) Income tax expense (continued)*

The carrying amount of a deferred tax asset is subject to review at the date of each consolidated statement of financial position.

The Company reduce the balance of the deferred tax asset, to the extent that it is considered likely that it will not have sufficient taxable profits in the future to allow charging against it a part or the entire benefits from the deferred tax assets. Furthermore, as of each financial period close, the Company reconsider the deferred tax assets to include those that have not been recognized previously.

#### *(p) Operating segments*

Segment information is presented consistently with the internal reports provided to Management, which makes decisions for the Company and is responsible for assigning resources and assessing the performance of operating segments. Management identifies its operating segments related to the sale of electricity and LNG based on the market in which it participates, that is, the Dominican market, to make strategic decisions. This financial information by operating segments is detailed in Note 29.

#### *(q) Assets held for sale*

Non-current assets and liabilities that are subject to a plan of sale are presented separately in the consolidated statement of financial position as held for sale. To be classified as held for sale, the following six criteria must be met:

- Management is committed to a plan to sell the asset.
- The asset is available for immediate sale in its current condition.
- An active program has been initiated to locate a buyer and other actions required to complete the asset sale plan.
- The sale of the asset is probable (i.e., 75% or more likely to occur), and the Company expects to record the transfer of the asset as a completed sale within one year.
- The asset is actively marketed for sale at a reasonable price relative to its current fair value.
- The actions required to complete the plan indicate that significant changes to the plan or its withdrawal are unlikely.

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

#### **4. Changes in accounting policies**

The accounting policies adopted by the Company for the preparation of its financial statements as of December 31, 2025 are consistent with those that were used for the preparation of its financial statements as of December 31, 2024.

##### *(I) Changes in standards applicable to 2025.*

The amendments to the International Financial Reporting Standards (IFRS) and interpretations were first applied in 2025, but they did not significantly impact the Company's financial statements.

The amendments and interpretations are:

- Lack of currency convertibility - Amendments to IAS 21.

In August 2023, the IASB amended IAS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is convertible and how it should determine a spot exchange rate when convertibility does not exist. The amendments also require the disclosure of information that enables users of financial statements to understand how the fact that a currency is not interchangeable with another currency affects, or is expected to affect, the entity's financial performance, financial position, and cash flows.

##### *(II) Future changes in accounting policies*

The IFRS Accounting Standards or their interpretations and amendments issued, but not yet effective, as of the date of issuance of the Company's consolidated financial statements are described below. The standards, interpretations, and amendments described are only those that, in Management's judgment, may have a material effect on the Company's disclosures, financial position, or performance when applied at a future date. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

#### **IFRS 18 Presentation and Disclosure in Financial Statements**

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for the presentation of information within the income statement, including specific totals and subtotals. In addition, entities must classify all income and expenses within the income statement into one of five categories: operating activities, investing activities, financing activities, income tax, and discontinued operations, the first three of which are new.

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

#### **4. Changes in accounting policies (continued)**

*(II) Future changes in accounting policies (continued)*

#### **IFRS 18 Presentation and Disclosure in Financial Statements (continued)**

It also requires entities to disclose newly defined performance measures, income and expense subtotals, and includes new requirements for aggregating and disaggregating financial information based on identified “functions” arising from the primary financial statements and notes.

Limited-scope amendments were issued to IAS 7 Statement of Cash Flows, including changing the starting point for determining cash flows from operations using the indirect method, from “net profit or loss” to “profit or loss from operations,” and eliminating the optionality regarding the classification of dividend and interest cash flows. Consequently, further amendments were made to many other standards.

IFRS 18 and the amendments to the other standards are effective for periods beginning on or after 1 January 2027; however, early application is permitted, provided that this fact is disclosed. IFRS 18 will be applied retrospectively.

Currently, the Company is working to identify all the effects that the modifications will have on the primary financial statements and on the notes to the consolidated financial statements.

#### **IFRS 19 Non-Publicly Owned Subsidiaries: Disclosures**

In May 2024, the IASB issued IFRS 19, which allows eligible entities to choose to apply reduced disclosure requirements while continuing to apply the recognition, measurement, and presentation requirements of other IFRS accounting standards. To be eligible, at the end of the reporting period, the entity must: (i) be a subsidiary as defined in IFRS 10, (ii) not have public accountability, and (iii) have a parent entity (ultimate consolidation or intermediate) that prepares consolidated financial statements that are publicly available and comply with IFRS accounting standards.

IFRS 19 is effective for periods beginning on or after January 1, 2027, with early application permitted.

The Standard is not expected to have a material impact on the Company's consolidated financial statements.

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

#### **5. Cash**

As of December 31, cash is composed are detailed as follow:

	<u>2025</u>	<u>2024</u>
Cash in US dollars	\$ 33,303	\$ 74,775
Cash in Dominican pesos	22,828	5,345
Cash in euros	388	171
<b>Total</b>	<b><u>\$ 56,519</u></b>	<b><u>\$ 80,291</u></b>

As of December 31, 2025 and 2024 the balances of cash include overnight that generated interest at rates between 0.63% and 2.88% for both years.

#### **6. Restricted Cash**

As of December 31, 2025, restricted cash balances amount to \$924 (2024: \$299) as detailed below:

Andres DR:

- As of December 31, 2025, Andres DR maintains restricted cash balances of \$924 corresponding to restrictions imposed by the supplier and local authority related to a pending legal case and a resolved legal case, respectively (2024: \$299).

ADRE:

- As of December 31, 2024, ADRE maintained restricted cash balances of \$3,423 that are presented as Assets available for sale in the consolidated statement of financial position. (Note 28).

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

*(Expressed in thousands of dollars of the United States of America)*

#### 7. Accounts receivable trade, net

As of December 31, the balance of accounts receivable from customers is detailed below:

	<u>2025</u>	<u>2024</u>
<b>Account receivable trade - net</b>		
Spot and PPA electricity market agents	\$ 23,243	\$ 58,072
Non - regulated users	5,687	5,891
Unbilled revenues	49,091	59,703
Other receivables	7	21
<b>Subtotal</b>	<u>78,028</u>	<u>123,687</u>
Allowance for doubtful accounts	(141)	(130)
<b>Accounts receivable trade, net</b>	<u><u>\$ 77,887</u></u>	<u><u>\$ 123,557</u></u>
<b>Estimate of allowance for doubtful accounts</b>		
Beginning balance	\$ (130)	\$ (99)
Increase	(11)	(31)
<b>Estimated for expected credit losses</b>	<u><u>\$ (141)</u></u>	<u><u>\$ (130)</u></u>

Accounts receivable generate interest according to regulations in the electric sector and according to the terms established in the energy sale contracts.

Unbilled revenues correspond to the estimated energy generation income for December 2025, which is dispatched monthly and reconciled with the electricity market regulator in the Dominican Republic.

A detail of the age of accounts receivable, including those with a delay in their recovery but not impaired and an impairment estimate for expected credit losses for a part of those with an age of 91 days or more after December 31 of each period, are presented below:

	<u>2025</u>	<u>2024</u>
Current	\$ 77,704	\$ 123,124
31 to 60 days	36	113
61 to 90 days	40	256
91 days and more, net of estimated for expected credit losses	107	64
<b>Total</b>	<u><u>\$ 77,887</u></u>	<u><u>\$ 123,557</u></u>

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

#### 7. Accounts receivable trade, net (continued)

##### *Contract Asset*

As of December 31, the balances of contract assets are detailed below:

	<u>2025</u>	<u>2024</u>
<b>Current contract assets</b>		
LNG supply agreement	\$ 2,269	\$ 2,269
LNG supply agreement - compressor purchase	179	179
<b>Total current contract assets</b>	<u>\$ 2,448</u>	<u>\$ 2,448</u>
<b>Non-current contract assets</b>		
LNG supply agreement	\$ 7,754	\$ 10,023
LNG supply agreement - compressor purchase	3,148	3,322
<b>Total non-current contract assets</b>	<u>\$ 10,902</u>	<u>\$ 13,345</u>

The Company has contract assets related to:

- LNG supply contract from May 2018 with Pueblo Viejo Dominicana Corporation ("Barrick") (see note 27) for 10 years in which the price or the formula contains a fixed and variable component. In the third year of the contract, the fixed component has a variation; therefore, as a result of the revenue recognition analysis, fixed consideration will be recognized on a straight-line basis.
- LNG supply contract, valid from November 2016, with Transcontinental Capital Corporation (Bermuda), Ltd. (Seaboard) (see note 27) for 10 years which establishes the delivery of a compressor for the client's use in its facilities. The costs incurred in the purchase of this equipment will be recovered during the term of the contract as part of LNG sales.

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

*(Expressed in thousands of dollars of the United States of America)*

#### 8. Balances and transactions with related parties

Accounts receivable from and payable to related companies as of December 31, 2025 and 2024, are presented as follows:

	<u>2025</u>	<u>2024</u>
<b>Accounts receivables from related parties:</b>		
Dominican Power Partners	\$ 71,935	\$ 92,603
Atlantic Basin Services, Ltd.	51,403	34,322
Energía Natural Dominicana ENADOM, S.R.L.	10,528	—
Others	773	151
AES Latin América S. de R.L.	739	127
<b>Total accounts receivables from related parties</b>	<b><u>\$ 135,378</u></b>	<b><u>\$ 127,203</u></b>
<b>Interests receivable from related parties:</b>		
AES Dominicana Renewable Energy, S.A.	\$ 4,315	\$ —
Dominican Power Partners	731	15
AES Fonseca Energía Ltda	124	124
<b>Total interests receivable from related parties</b>	<b><u>\$ 5,170</u></b>	<b><u>\$ 139</u></b>
<b>Loan receivable from related party:</b>		
Dominican Power Partners	\$ 51,988	\$ 51,988
<b>Total loan receivable from related party</b>	<b><u>\$ 51,988</u></b>	<b><u>\$ 51,988</u></b>
	<u>2025</u>	<u>2024</u>
<b>Accounts payable to related parties:</b>		
Dominican Power Partners	\$ 121,944	\$ 104,701
I.E. DR Projects I, S.R.L	1,595	—
Others	16	533
Energía Natural Dominicana ENADOM, S.R.L.	—	5,320
Atlantic Basin Services, Ltd.	—	685
AES Latin América S. de R.L.	—	381
<b>Total accounts payable to related parties</b>	<b><u>\$ 123,555</u></b>	<b><u>\$ 111,620</u></b>
<b>Loan and interests payable to related party - current:</b>		
Dominican Power Partners - loan payable	\$ —	\$ 34,603
Dominican Power Partners - interests payable	113	1,409
<b>Total loan and interests payable to related party - current</b>	<b><u>\$ 113</u></b>	<b><u>\$ 36,012</u></b>

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

*(Expressed in thousands of dollars of the United States of America)*

#### 8. Balances and transactions with related parties (continued)

	<u>2025</u>	<u>2024</u>
<b>Loan payable to related party - non-current:</b>		
Dominican Power Partners	\$ 38,482	\$ —
<b>Total loan and interests payable to related party - non-current</b>	<u><u>\$ 38,482</u></u>	<u><u>\$ —</u></u>

#### *Loan and interests receivable - DPP*

On May 4, 2021, the Company signed a loan agreement with its affiliate DPP for a maximum amount of \$51,988. The rate is defined as the reference rate of the United States of America published by the Wall Street Journal plus the spread of the Emerging Bonds index for the Dominican Republic. At the end of 2025, this rate was 8.73% (2024: 10.04%).

Interest payments are semi-annual, while the principal will be received at maturity on May 4, 2028.

As of December 31, 2025, interest receivable from this loan amounts to \$731 (2024: \$15) and is recorded in the consolidated statements of financial position as part of current assets in the line item of interests receivable from related parties.

For the year ended December 31, 2025, the interest income related to this loan amounts to \$5,750 (2024: \$6,431) and is presented in the consolidated statement of comprehensive income under interest expense, net. (see note 24).

#### *Loan and interests payable - DPP*

On June 15, 2023, the Company signed a new amendment to the contract, signed on December 15, 2023, with its affiliate DPP, where two previous loan contracts were unified at a SOFR rate + 2.10%. On May 31, 2024, the Company signed a new amendment to the contract capitalizing interest of \$2,404 and increased the amount to \$34,603, with the maturity of this new agreement being December 15, 2025. On December 13, 2025, a second amendment to the contract was signed, capitalizing interest by \$3,878 and increased the amount to \$38,482, with the expiration of this new agreement being June 15, 2027.

As of December 31, 2025, the interest payable derived from this loan amount to \$113 (2024: \$1,409) and is recorded in the consolidated statements of financial position as part of current liabilities in the loan and interest payable to related party.

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

December 31, 2025 and 2024

(Expressed in thousands of dollars of the United States of America)

#### 8. Balances and transactions with related parties (continued)

##### Loan and interests payable - DPP (continued)

As of December 31, 2025, the interest expense related to this loan amounts to \$2,583 (2024: \$2,495) and is presented in the consolidated statement of comprehensive income under interest expense, net. (see note 24).

The transactions with related parties during in 2025, and 2024, are summarized below:

<u>Affiliates</u>	<u>Transaction type</u>	<u>Revenues</u>		<u>Cost and Expenses</u>	
		<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Dominican Power Partners	Energy, firm capacity, LNG, frequency regulation and interest on loans	\$ 206,736	\$ 225,442	\$ (19,884)	\$ (30,927)
Gas Natural Atlántico S. de R.L.	Sale of LNG, other services	—	—	(18,539)	(14,592)
Energía Natural Dominicana ENADOM, S.R.L.	Contract services	3,405	4,435	(76,161)	(71,250)
AES Latin América S. de R.L.	Other services	1,540	1,303	(4,855)	(5,602)
AES Dominicana Renewable Energy, S.R.L. <sup>1</sup>	Other services and energy	140	—	—	—
I.E. DR Projects I, S.R.L. <sup>1</sup>	Energy, capacity	—	—	(2,835)	—
Atlantic Basin Services, Ltd.	Other costs of LNG	—	—	(444,653)	(396,674)
Fluence Energy, L.L.C.	Other services	—	—	(142)	(126)
Fundación AES Dominicana	Donations	—	—	(162)	(336)
AES Global Insurance Corporation	Insurance	—	—	(23,237)	(21,214)
AES Big Sky, L.L.C.	Other services	—	—	(6,453)	(6,777)
<b>Total</b>		<b>\$ 211,821</b>	<b>\$ 231,180</b>	<b>\$ (596,921)</b>	<b>\$ (547,498)</b>

<sup>1</sup>Transactions with ADRE Holding correspond to the period from July 1 to December 31, 2025, because June 30, 2025 was the date on which these entities were deconsolidated (see note 28).

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

#### **8. Balances and transactions with related parties (continued)**

The main contracts with related parties are as follows:

##### ***Liquefied Natural Gas sale and purchase agreements ("LNG")***

Andres DR maintains an LNG purchase contract with the related company Atlantic Basin Services, Ltd. ("ABS"), which in turn has a fuel purchase contract with Total Energies Gas & Power Limited, and sells it to the Company at cost, plus a fixed monthly fee of \$15,000.

In April 2023, Andres DR granted a letter of credit for \$72,000 maturing on January 31, 2024, related to the LNG purchase agreement signed between AES Andres DR, S.A. and Total Energies Gas & Power Limited. In January 2025, an extension of this letter of credit was signed for \$53,630 maturing on December 31, 2025. In January 2026, this letter of credit was extended for an amount of \$43,718, expiring on January 21, 2027.

Andres DR had LNG sales and purchase and LNG transportation agreements with related party Dominican Power Partners ("DPP"), which expired on March 31, 2023. On April 1, 2023, a new contract was signed and is valid until March 31, 2033. For the year ended December 31, 2025, the revenues from the sale of natural gas presented in the consolidated statement of comprehensive income amounted to \$191,262 (2024: \$206,681), and revenues corresponding to the transportation of natural gas were \$9,334 (2024: \$11,888) (see note 21).

In September 2021, Andres DR signed two agreements for the purchase and sale of LNG with Gas Natural Atlántico S.de R.L, where the parties agree to sell and purchase LNG between them at prices and quantities agreed in individual contractual notifications detailing the terms and particular conditions of each transaction. The contracts are effective for one year from their signature date and will be automatically renewed for similar periods until the parties decide otherwise. For the year ended December 31, 2025, and 2024, Andres DR did not recognized revenue of LNG sales for this contract and made LNG purchases of \$18,539 (2024: \$14,592) included in the cost of fuel in the consolidated statement of comprehensive income. (see notes 21 and 22).

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

#### **8. Balances and transactions with related parties (continued)**

##### ***Purchase Power Agreement (PPA)- Dominican Power Partners ("DPP")***

Andres DR maintains an energy purchase power agreement with DPP through which Andres DR purchases energy and assigned firm capacity. This contract began on June 1, 2017 and remains in force indefinitely unless both parties agree to its suspension. For the year ended December 31, 2025, energy purchases related to this contract amounted to \$17,301 (2024: \$28,432) (see note 22).

During the year ended December 31, 2025, Andres DR did not sold energy in the spot market to DPP (2024: \$51) and did not purchase energy from it on the spot market.

##### ***Energy sale and purchase - I.E. DR Projects I, S.R.L.***

On May 16, 2023, Andres DR signed a energy sale and purchase agreement with I.E. DR Projects I, S.R.L., where energy supplied by the Peravia Solar II photovoltaic plant will be purchased. This agreement begins on the date of supply and ends on June 30, 2036. From July 1 to December 31, 2025, energy purchases totaled \$2,835.

##### ***Temporary secondment agreement - ADRE***

On July 1, 2025, the Company entered into a three-year agreement with ADRE to establish the terms and conditions for the temporary secondment of Andres DR personnel to perform activities for renewable energy projects. The Company receives a fixed monthly fee that includes salaries, benefits, and other related costs. From July 1 to December 31, 2025, revenues totaled \$140, included in the income statement under other operating income (see note 21).

##### ***Natural gas operations agreement - Atlantic Basin Services, Ltd. ("ABS")***

On April 1, 2018, Andres DR signed an expense reimbursement agreement with the related ABS for costs incurred in the use of tugboats in the unloading operations of LNG ships at the terminal, valid until on December 31, 2023. In September 2023, an extension of this contract was signed with March 31, 2031. For the year ended December 31, 2025, expenses related to this contract totaled \$1 (2024: \$2,429). Costs under this agreement decreased due to the Company is paying the tugboat service provider directly.

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

#### **8. Balances and transactions with related parties (continued)**

##### ***Natural gas operations agreement - Atlantic Basin Services, Ltd. ("ABS") (continued)***

On August 1, 2022, Andres DR transferred the contract from its related company AES Andres (BVI) Ltd. to ABS, to sell the gas directly to Andres DR plus a fixed monthly fee of \$15,000. For the year ended December 31, 2025 and 2024, the costs for fees amounted to \$180 included in the consolidated statement of comprehensive income in operating, general and maintenance expenses as contracted services (see note 23). In addition, the costs related to the purchase of gas were \$444,473 (2024: \$394,065) and were recorded as part of the cost of fuel purchases in the consolidated statement of comprehensive income in the indicated period (see note 22).

##### ***Management Agreement - AES Latin America S. de R.L.***

Andres DR and ADRE maintain a management agreement with AES Latin America S. de R.L., to provide general assistance in the operation, finance, business planning, human resources, insurance, information technology, and other processes to ensure competitiveness in the Dominican Market. For the year ended December 31, 2025, expenses related to this contract amounted to \$4,855 (2024: \$5,602) and were included in the consolidated statement of comprehensive income in operating, general and maintenance expenses as contracted services (see note 23). Additionally, the agreement with Andres DR establishes invoices as other income, certain costs incurred by local personnel, which amounted to \$1,540 for the year ended December 31, 2025 (2024: \$1,303).

##### ***Insurance agreement - AES Global Insurance Corporation***

The Company has a comprehensive risk insurance contracted with AES Global Insurance Corporation, which covers all operational risks including machinery breakdown and business interruption. The expense for this concept for the year ended December 31, 2025 was \$23,237 (2024: \$21,214) included in the line of insurance under operating, general and maintenance expenses of the consolidated statement of comprehensive income (see note 23).

##### ***Construction Management Agreement - ENADOM***

On April 11, 2024, Andres DR signed a second amendment to the construction management agreement initially signed on September 23, 2019, with the related company ENADOM to provide assistance in the construction of the second natural gas storage tank project, for an amount of \$5,984. For the year ended December 31, 2024, Andres DR recovered expenses incurred related to this contract by \$610.

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

#### **8. Balances and transactions with related parties (continued)**

##### ***Management Agreement - ENADOM***

On September 23, 2019, Andres DR with Domi Trading, S.L., a related company, signed a management agreement with ENADOM, through which both companies are responsible for providing general assistance in the operation, finance, human resources, insurance, information technology, and other processes to ensure ENADOM competitiveness in the Dominican market.

The term of the contract is 10 years, automatically renewed for 5 years. An annual payment of \$200 plus taxes is established from the start date until the date of commercial operation of the eastern gas pipeline project named "Gasoducto del Este," after which the amount to be paid will be \$400 annually plus taxes adjusted for annual inflation.

On November 27, 2023, the termination of the initial contract was signed, and a new automatically renewed 5-year agreement was signed, establishing the annual amount of \$438.6 plus taxes adjusted for annual inflation.

For the year ended December 31, 2025, Andres DR recognized revenues related to this contract for \$466 (2024: \$453), included as other operating income in the revenue line item in the consolidated statement of comprehensive income. (see note 21).

##### ***Operation and maintenance agreement - ENADOM***

On September 23, 2019, Andres DR signed an operation and maintenance agreement with ENADOM to provide support to the operations and maintenance activities of the eastern gas pipeline. The start date of this contract was February 2020 which correspond the date when the commercial operation of the eastern gas pipeline began, with an annual amount of \$700, adjusted for annual inflation. For the year ended December 31, 2025, the Company recognized revenues related to this contract for \$957 (2024: \$930), included as other operating income under the revenue line in the consolidated statement of comprehensive income. (see note 21).

##### ***Lease Agreement - ENADOM***

On September 2, 2020, Andres DR signed a contract with ENADOM for the lease of a portion of land owned by Andres DR, located in Santo Domingo, Dominican Republic.

For the year ended December 31, 2025, the Company recognized income of \$137 (2024: \$716) of which \$600 (2024: \$600) were reclassified to finance lease receivable.

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

#### **8. Balances and transactions with related parties (continued)**

##### ***Contracts for the Sale and Purchase and transportation of regasified natural gas - ENADOM***

On September 23, 2019, Andres DR signed a contract with ENADOM for the sale of regasified natural gas, which will be valid for 12 years from February 2020, the date on which the commercial operation of eastern pipeline. This agreement is to execute the gas sales contract that Andres DR had with Compañía de Electricidad San Pedro de Macoris, S.A. (CESPM) and which was transferred to ENADOM as part of the joint business process with Domi Trading, S.L.

In October 2020, an amendment that will temporarily supply the gas to CESPM was signed until ENADOM and Andres DR decide to terminate this agreement.

On September 23, 2019, Andres DR signed a transportation gas contract with ENADOM for 10 years, beginning in February 2020, when the commercial operation of the Eastern Gas Pipeline started.

For the year ended December 31, 2025 the costs related to this contract recognized in the consolidated statement of comprehensive income as costs of sales were \$76,161 (2024: \$71,250). (see note 22).

##### ***Purchase Power Agreement (PPA) - ENADOM***

On June 7, 2023, Andres DR signed a contract for the supply of energy and capacity with its related company ENADOM. The expiration date is June 30, 2024. The contract, may be renewed by mutual agreement of the parties. The commercial start date of the contract was June 11, 2023. For the year ended December 31, 2025, the revenues recognized from this contract amounted to \$1,845 (2024: \$2,326) and are presented as contracted electricity sales in the consolidated statement of comprehensive income. (see note 21)

##### ***Global service agreement - AES Big Sky, L.L.C.***

Andres DR and ADRE has a corporate global services agreement with the related company AES Big Sky, L.L.C., for technology, human resources, operation, and commercial services necessary to ensure competitiveness in the Dominican energy market. The services will be provided by AES Big Sky directly or through its affiliates or subcontractors. The contract is valid for five years and will be automatically renewed for successive one-year periods, as agreed by the parties. The established payment is the actual cost assumed by AES Big Sky plus applicable taxes.

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

#### **8. Balances and transactions with related parties (continued)**

##### ***Global service agreement - AES Big Sky, L.L.C. (continued)***

For the year ended December 31, 2025, expenses related to this contract was included in the consolidated statement of comprehensive income under operating, general and maintenance expenses as contracted services amount to \$6,453 (2024: \$6,777). (see note 23).

##### ***Guarantee agreement - DPP***

On April 7, 2017, the Company obtained a guarantee contract with DPP, where it acts as a guarantor of the Corporate Bond Issuance Program approved by and registered with the Superintendence of Securities of the Dominican Republic obtained by DPP on December 13 2016. DPP agreed to pay a guarantee fee of 0.15% of the total bonds issued on the last day of the corresponding calendar year. For the year ended December 31, 2025, the Company recorded guarantee revenue of \$390 (2024: \$391), which are included in the consolidated statement of comprehensive income under revenues.

##### ***Others - Fluence Energy, LLC***

On May 1, 2017, the Company entered into a service agreement with Fluence Energy, LLC ("FLUENCE"), through which FLUENCE will temporarily provide technical services detailed in the contract, to work on the Battery project development in the Company.

The term of this agreement is one year and will be renewed annually unless it is terminated by any of the parties. The expenses for these services for the year ended December 31, 2025 were \$142 (2024: \$126) and are presented in the consolidated statement of comprehensive income in the line item operating, general and maintenance expense as contracted services.

##### ***Donations - Fundación AES Dominicana***

The Company made donations to Fundación AES Dominicana in 2025 for \$162 (2024: \$336), which are presented in the consolidated statement of comprehensive income under operating, general and maintenance expense as donations.

##### ***Dividends***

During the year ended December 31, 2025, the Company through its subsidiary Andres DR declared and paid dividends of \$70,999 (2024: \$120,748) representing \$390.11 declared profit per share (2024: \$663.45 declared profit per share). The distribution of dividends of Andres DR is based on tax accounting in Dominican pesos.

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

#### 8. Balances and transactions with related parties (continued)

##### Remuneration of key personnel:

The compensation of the Company's executives during the years ended December 31, 2025 and 2024, amounted to \$1,502 and \$1,789, respectively. These amounts include fixed monthly compensation, variable bonuses according to performance, long-term compensation and other compensation.

#### 9. Inventories, net

As of December 31, the inventory balance is detailed of the following:

	<u>2025</u>	<u>2024</u>
LNG	\$ 24,576	\$ 24,893
Spare parts and other materials	12,496	11,746
Inventory diesel	758	3,174
Inventory in transit	286	291
<b>Subtotal</b>	<u>38,116</u>	<u>40,104</u>
Allowance for obsolescence	(19)	(209)
<b>Total</b>	<u><u>\$ 38,097</u></u>	<u><u>\$ 39,895</u></u>

	<u>2025</u>	<u>2024</u>
Estimate for obsolete inventory		
Initial balance	\$ (209)	\$ (82)
Increase	(19)	(128)
Inventory discard	209	1
<b>Subtotal</b>	<u><u>\$ (19)</u></u>	<u><u>\$ (209)</u></u>

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

#### **9. Inventories, net (continued)**

The cost associated with the consumption of liquefied natural gas ("LNG") during the year ended December 31, 2025 were \$919,138 (2024: \$916,107), which is included as part of cost of sales in the consolidated statement of comprehensive income (see note 22).

The cost associated with diesel consumption during the year ended December 31, 2025 was \$1,941 (2024: \$6,405), which is included in the income statement as part of the cost of sales under the fuel and related generation costs item (see note 22).

The cost associated with the consumption of spare parts and other materials during the year ended December 31, 2025 were \$1,004 (2024: \$1,584) which is included in the consolidated statement of comprehensive income in operating, general and maintenance expenses in the maintenance expense category (see note 23).

During the year ended December 31, 2025, adjustments by \$19 (2024: \$128) were recorded corresponding to impairment of inventories, which is included in operating, general and maintenance expenses in the consolidated statement of comprehensive income in the maintenance expense category (see note 23).

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to the Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

*(Expressed in thousands of dollars of the United States of America)*

#### 10. Property, plant and equipment, net

The movement of property, plant and equipment, during the years ended as of December 31, 2025 and 2024 is as follows:

	As of December 31, 2025						
	Land	Buildings	Generation plant	Spare parts	Office equipment and others	Construction in progress	Total
<b>Cost:</b>							
At the beginning of the year	\$ 34,930	\$ 18,698	\$ 683,535	\$ 24,174	\$ 8,330	\$ 15,720	\$ 785,387
Additions	—	—	—	—	318	9,127	9,445
Reclassifications	—	196	13,113	1,269	617	(15,195)	—
Retirements	—	(358)	(4,065)	(230)	(111)	—	(4,764)
<b>At the end of the year</b>	<b>34,930</b>	<b>18,536</b>	<b>692,583</b>	<b>25,213</b>	<b>9,154</b>	<b>9,652</b>	<b>790,068</b>
<b>Accumulated depreciation:</b>							
At the beginning of the year	\$ —	\$ (8,198)	\$ (339,383)	\$ (1,786)	\$ (7,280)	\$ —	\$ (356,647)
Additions	—	(630)	(29,346)	—	(918)	—	(30,894)
Retirements	—	131	2,419	205	73	—	2,828
Reclassifications	—	—	206	(206)	—	—	—
<b>At the end of the year</b>	<b>—</b>	<b>(8,697)</b>	<b>(366,104)</b>	<b>(1,787)</b>	<b>(8,125)</b>	<b>—</b>	<b>(384,713)</b>
<b>Net balance</b>	<b>\$ 34,930</b>	<b>\$ 9,839</b>	<b>\$ 326,479</b>	<b>\$ 23,426</b>	<b>\$ 1,029</b>	<b>\$ 9,652</b>	<b>\$ 405,355</b>

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to the Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

(Expressed in thousands of dollars of the United States of America)

#### 10. Property, plant and equipment, net (continued)

	As of December 31, 2024						
	Land	Buildings	Generation plant	Spare parts	Office equipment and others	Construction in progress	Total
<b>Cost:</b>							
At the beginning of the year	\$ 36,815	\$ 20,419	\$ 864,315	\$ 23,686	\$ 9,612	\$ 120,179	\$ 1,075,026
Additions	3,025	—	—	—	1,222	141,694	145,941
Reclassifications	996	21	8,975	488	645	(11,125)	—
Retirements	—	—	(1,700)	—	(91)	—	(1,791)
Retirements for sale	(4,748)	—	—	—	—	—	(4,748)
Assets held for sale (note 28)	(1,158)	(1,742)	(188,055)	—	(3,058)	(235,028)	(429,041)
<b>At the end of the year</b>	<b>34,930</b>	<b>18,698</b>	<b>683,535</b>	<b>24,174</b>	<b>8,330</b>	<b>15,720</b>	<b>785,387</b>
<b>Accumulated depreciation:</b>							
At the beginning of the year	\$ —	\$ (7,605)	\$ (325,623)	\$ (1,786)	\$ (6,826)	\$ —	\$ (341,840)
Additions	—	(717)	(36,509)	—	(1,168)	—	(38,394)
Retirements	—	—	954	—	86	—	1,040
Assets held for sale (note 28)	—	124	21,795	—	628	—	22,547
<b>At the end of the year</b>	<b>—</b>	<b>(8,198)</b>	<b>(339,383)</b>	<b>(1,786)</b>	<b>(7,280)</b>	<b>—</b>	<b>(356,647)</b>
<b>Net balance</b>	<b>\$ 34,930</b>	<b>\$ 10,500</b>	<b>\$ 344,152</b>	<b>\$ 22,388</b>	<b>\$ 1,050</b>	<b>\$ 15,720</b>	<b>\$ 428,740</b>

- The costs of interest capitalized during the year ended December 31, 2025, amounted to \$7,707 (2024: \$17,081). The interest rate used to determine the financing costs eligible to be capitalized as of December 31, 2025 was 0.5% (2024: 0.6%), which is the effective rate.
- The generation plant category includes assets in the LNG facility, dock, and pipeline categories.

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

*(Expressed in thousands of dollars of the United States of America)*

#### 10. Property, plant and equipment, net (continued)

- The main works in progress as of December 31, 2025, basically correspond to the major maintenance projects of the generation units and the sargassum control unit version 3.0, projects to be completed during the period 2026.

The reconciliation of the additions of property, plant and equipment to the total payments for the acquisition of property, plant and equipment from the consolidated statement of cash flows is as follows:

	<u>2025</u>	<u>2024</u>
Additions of property, plant and equipment	\$ 9,445	\$ 145,941
Additions of held for sale asset (note 28)	44,047	—
Plus: Purchases of property, plant and equipment not paid for at the end of the previous year	12,404	13,911
Less: Purchases of property, plant and equipment not paid at the end of the year	(1,161)	(12,404)
Less: Advances to suppliers of property, plant and equipment	<u>(3,212)</u>	<u>(11,647)</u>
<b>Total payments for acquisition of property, plant and equipment</b>	<b><u>\$ 61,523</u></b>	<b><u>\$ 135,801</u></b>
Payments disclosed in the consolidated statement of cash flow:		
Payments for acquisition of property, plant and equipment - investment activities	(59,575)	(133,814)
Payments for acquisition of property, plant and equipment - financing activities	<u>(1,948)</u>	<u>(1,987)</u>
<b>Total payments disclosed in the consolidated statement of cash flow</b>	<b><u>\$ (61,523)</u></b>	<b><u>\$ (135,801)</u></b>

#### Asset retirement obligation

In 2023, ADRE recognized an asset of \$639 related to the asset retirement obligation, due to the Company's commitment to remove and dismantle the equipment and facilities that are located on the land leased for the Santanasol solar plant. As of December 31, 2024, the book value for this concept amounts to \$733, which is presented in the consolidated financial statements, under assets held for sale in 2024, and an amortization expense of \$16, presented under the depreciation and amortization category in the consolidated statement of comprehensive income (see note 18). As of December 31, 2025, we no longer have an obligation for asset retirement due to the sale of ADRE Holding (see note 28).

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

*(Expressed in thousands of dollars of the United States of America)*

#### 11. Intangible assets, net

As of December 31, intangible assets are detailed of the following:

	2025		
	Cost	Accumulated amortization	Carrying amount
Licenses and software systems	\$ 5,903	\$ (4,933)	\$ 970
<b>Total intangible assets, net</b>	<b>\$ 5,903</b>	<b>\$ (4,933)</b>	<b>\$ 970</b>

  

	2024		
	Cost	Accumulated amortization	Carrying amount
Licenses and software systems	\$ 5,872	\$ (4,250)	\$ 1,622
Concession Bayasol project	2,332	(352)	1,980
Intangible acquired of Agua Clara	44,756	(6,710)	38,046
Intangible development project Agua Clara	1,037	—	1,037
Reclassification assets held for sale (Note 28)	(48,125)	7,062	(41,063)
<b>Total intangible assets, net</b>	<b>\$ 5,872</b>	<b>\$ (4,250)</b>	<b>\$ 1,622</b>

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

*(Expressed in thousands of dollars of the United States of America)*

#### 11. Intangible assets, net (continued)

The movement of intangible assets is shown of the following:

	Licenses and software systems	Concession Bayasol project	Intangibles of contract acquired of Agua Clara	Intangibles development project Agua Clara	Total
Balance as of January 1, 2024	\$ 1,244	\$ 2,084	\$ 40,692	\$ 1,037	\$ 45,057
Additions	804	—	—	—	804
Amortization of the year	(426)	(104)	(2,646)	—	(3,176)
Reclassification assets held for sale (Note 28)	—	(1,980)	(38,046)	(1,037)	(41,063)
<b>Balance as of December 31, 2024</b>	<b>1,622</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1,622</b>
Additions	31	—	—	—	31
Amortization of the year	(683)	(23)	(1,323)	—	(2,029)
Derecognition due to sale of ADRE Holding <sup>1</sup>	—	23	1,323	—	1,346
<b>Balance as of December 31, 2025</b>	<b>\$ 970</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 970</b>

<sup>1</sup>Transactions related to the ADRE Holding correspond to the period from January 1 to June 30, 2025, the date on the entity was deconsolidated (see note 28), consequently, the concession for the Bayasol project and the intangible assets acquired under contract and projects under development for Agua Clara are no longer included in these consolidated financial statements.

The following table summarizes the estimated amortization expense by category of intangible assets for the next years:

2026	\$	610
2027		316
2028		31
2029 and forward		13
<b>Total</b>	<b>\$</b>	<b>970</b>

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

#### 12. Other non-financial assets

As of December 31, the balance of other non-financial assets are detailed below:

	<u>2025</u>	<u>2024</u>
<b>Current:</b>		
Prepaid insurance	\$ 5,995	\$ 5,579
Advances to suppliers	1,301	1,186
Prepaid assets	209	143
Advances to employee	50	55
<b>Total other current non-financial assets</b>	<u><u>\$ 7,555</u></u>	<u><u>\$ 6,963</u></u>
<b>Non-current:</b>		
Advances to suppliers of property, plant and equipment	\$ 2,340	\$ 3,212
Prepaid assets	195	441
Guarantee deposits (rent)	—	15
<b>Total non-current other non-financial assets</b>	<u><u>\$ 2,535</u></u>	<u><u>\$ 3,668</u></u>

Prepaid assets correspond to cloud-hosted software contracts. These are agreements in which the Company does not own the software, but accesses and uses it as needed via the internet or a dedicated line. Once the implementation phase is complete, the assets are amortized as general, operating, and maintenance expenses over the useful life of the contract.

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

*(Expressed in thousands of dollars of the United States of America)*

#### 13. Accounts payable suppliers and other liabilities

As of December 31, the balances of accounts payable to suppliers and other liabilities are detailed below:

	<u>2025</u>	<u>2024</u>
Suppliers financing agreements	\$ 117,396	\$ 132,203
Advances received from clients	41,656	41,718
Electricity purchase payable	6,733	10,262
Accounts payable to suppliers	6,297	7,933
Accrued interest payable	4,554	5,942
Short-term maintenance agreement (see note 27)	4,071	5,831
Performance incentive payable	1,662	2,306
Other accrued liabilities	1,256	320
Labor liabilities	1,201	1,722
Taxes other than income tax	405	229
<b>Total</b>	<b><u>\$ 185,231</u></b>	<b><u>\$ 208,466</u></b>

Accounts payable to local and international suppliers are due for up to 45 days from the date of issue of the respective documents or invoices, are not subject to any discount for prompt payment and most of them are payable in the currency of issue of the invoice. Electricity purchases payable generate interest if they are not paid at maturity.

The Company has established supplier financing arrangements, which are offered to some key suppliers for the purchase of LNG. Participation in the arrangement is at the discretion of the suppliers. Suppliers participating in the financing arrangement receive advance payments of invoices owed to the Company from a financial intermediary, for which the goods must have been received by or supplied to the Company. From the Company's perspective, these transactions extend payment terms from 30 days to 180 days, with interest rates ranging from 6.9% and 8.8% (2024: 7.6% and 8.2%). Interest expenses incurred for the year ended December 31, 2025, amounted to \$11,017 (2024: \$2,625) and are presented in the consolidated statement of operations under interest expense, net (note 24). As of December 31, 2025, the supplier financing agreements item corresponds to the purchase of 21,600,000 MMBtu of LNG (2024: 12,242,500 MMBtu of LNG).

Advances received from clients correspond to cash received for the sale of LNG and for guarantee deposits for the sale of energy.

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

*(Expressed in thousands of dollars of the United States of America)*

#### 14. Financial debts, net

The financial debt balance as of December 31 is composed as follows:

	<u>2025</u>	<u>2024</u>
Lines of revolving credit payable	\$ 7,000	\$ 76,000
Loans payable	21,656	58,268
Bonds payable	300,000	300,000
Deferred financing costs	(1,744)	(2,721)
<b>Financial debts, net</b>	<u><u>\$ 326,912</u></u>	<u><u>\$ 431,547</u></u>
<b>Current financial debt</b>	<u><u>\$ 24,488</u></u>	<u><u>\$ 100,612</u></u>
<b>Non-current financial debt, net</b>	<u><u>\$ 302,424</u></u>	<u><u>\$ 330,935</u></u>

##### 14.1. Lines of revolving credit payable

The movement of credit revolving lines payable for the years ended December 31, 2025 and 2024 are detailed below:

	<u>2025</u>	<u>2024</u>
At the beginning of the year	\$ 76,000	\$ 133,000
Proceeds from line of credit	78,828	146,094
Payment of line of credit	(147,828)	(203,094)
<b>Total lines of revolving credit payable</b>	<u><u>\$ 7,000</u></u>	<u><u>\$ 76,000</u></u>

The lines of revolving credit are summarized below:

As of December 31, 2025, Andres DR does not maintain a line of credit balance with Citibank (2024: \$35,000) at a rate of 2.35% + SOFR for 3 months, due in June 2025.

As of December 31, 2025, AES España BV maintains a line of credit balance with Scotiabank for \$7,000 (2024: \$41,000) at a rate of 2.35% + SOFR 3 months maturing in April 2026.

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

*(Expressed in thousands of dollars of the United States of America)*

#### 14. Financial debts, net (continued)

##### 14.2. Loans payable

The balances payable are detailed below:

	<u>2025</u>	<u>2024</u>
Scotiabank - Portion \$36.0M	\$ 13,392	\$ 25,000
Banco BHD León, S.A. - Portion \$13.250M	6,950	9,750
Scotiabank - Portion \$13.25M	1,314	3,518
IDB Investment	—	353,582
BLADEX Bank - Portion \$40M	—	20,000
Reclassification of liabilities held for sale (note 28)	—	(353,582)
<b>Loans payable</b>	<b>21,656</b>	<b>58,268</b>
Deferred financing costs	(21)	(12,133)
Reclassification of liabilities held for sale (note 28)	—	12,025
<b>Total loans payable, net</b>	<b>\$ 21,635</b>	<b>\$ 58,160</b>
<b>Current loans payable</b>	<b>\$ 17,488</b>	<b>\$ 24,612</b>
<b>Non-current loans payable</b>	<b>\$ 4,147</b>	<b>\$ 33,548</b>

The loans movements for the years ending December 31 are detailed below:

	<u>2025</u>	<u>2024</u>
Balance as of January 1	\$ 58,268	\$ 318,270
Disbursement received	—	109,982
Loans repayment	(40,050)	(16,402)
Derecognition ADRE Holding loans repayment <sup>1</sup>	3,438	—
Reclassification of liabilities held for sale (note 28)	—	(353,582)
<b>Loans payable</b>	<b>\$ 21,656</b>	<b>\$ 58,268</b>
Deferred financing costs	(21)	(108)
<b>Total loans payable, net</b>	<b>\$ 21,635</b>	<b>\$ 58,160</b>

<sup>1</sup>Transactions related to the ADRE Holding correspond to the period from January 1 to June 30, 2025, the date on the entity was deconsolidated (see note 28).

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

*(Expressed in thousands of dollars of the United States of America)*

#### 14. Financial debts, net (continued)

##### 14.2. Loans payable (continued)

Deferred financing costs, net as of December 31, 2025 and 2024, are detailed below:

	<u>2025</u>	<u>2024</u>
Deferred financing costs	\$ 108	\$ 9,653
Capitalized deferred financing costs	(5)	(24)
Amortization of the year	(2,382)	(2,626)
Derecognition of ADRE Holding amortization <sup>1</sup>	2,300	—
Payment of financing costs	—	846
Prepaid financial costs	—	4,284
Reclassification of liabilities held for sale (note 28)	—	(12,025)
<b>Total deferred financing cost on loans, net at the end of the year</b>	<b><u>\$ 21</u></b>	<b><u>\$ 108</u></b>

<sup>1</sup>Transactions related to the ADRE Holding correspond to the period from January 1 to June 30, 2025, the date on the entity was deconsolidated (see note 28).

The maturities of the loans payable for the following years are detailed below:

<u>Year</u>	<u>Future Commitments</u>
2026	\$ 17,506
2027	2,800
2028	1,350
<b>Total</b>	<b><u>\$ 21,656</u></b>

#### ***Loans payable - ADRE - October 2023 - Inter-America Investment Corporation (IDB Invest)***

On October 16, 2023, ADRE entered into a Loan Agreement with Inter-America Investment Corporation (“IDB Invest”) as an administrative agent for \$368,000. This loan accrued interest based on a 3-month SOFR rate plus an applicable margin from 3.75% to 4.50% over a 7-year maturity period. Loan proceeds were used to repay outstanding debts of August 2022 and November 2019 loans. The remainder of the loan was used to finance future construction costs of renewable generation projects.

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

#### **14. Financial debts, net (continued)**

##### **14.2. Loans payable (continued)**

##### ***Loans payable - ADRE - October 2023 - Inter-America Investment Corporation (IDB Invest) (continued)***

As of December 31, 2024, ADRE recognized additional financing costs of \$846, which are reflected in the consolidated statement of cash flows.

The loan contract establishes a monthly financial charge determined by applying the annual rate of 1% on the portion of committed principal not yet disbursed. As of June 30, 2025, ADRE recognized \$2,300 (2024: \$1,885) as a commitment cost commission per portion of undisbursed debt, presented in the consolidated statement of comprehensive income within the financial cost account (see note 24).

As of December 31, 2024, the Bank disbursed \$109,982 and made payments to principal of \$5,202 and interest of \$22,812, and recognized interest expense for the year ended December 31, 2024, of \$24,851, presented in the consolidated statement of comprehensive income under finance costs (see note 24).

As of December 31, 2024, this loan payable from ADRE was reclassified as a liability available for sale and, as of June 30, 2025, is no longer part of these consolidated financial statements due to the sale of ADRE Holding (see note 28).

##### ***Loans payable - Andres DR***

On June 10, 2021, the Company signed a loan agreement for \$36,000 with Banco Scotiabank Dominican Republic with an annual fixed interest rate of 4.0% and maturity of 5 years from the disbursement. This loan was acquired to finance the construction of the Santanasol solar energy project. Principal payments are established in the contract based on percentages of the amounts owed, and these payments began in 2022 and are due in July 2026.

On June 14, 2021, Andres DR signed a loan agreement for \$13,250 with Banco Scotiabank Dominican Republic. On July 28, 2021, it signed a loan agreement for \$13,250 with Banco Múltiple BHD León S.A. Both loans include interest calculated at a fixed annual interest rate of 4.0% for 5 years from disbursement. The funds received were used to refinance the existing debt and for general expansion expenses. Principal payments on both loans are established in the contract based on percentages of the amounts owed, considering the start dates of the loans, which began in 2021.

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

#### 14. Financial debts, net (continued)

##### 14.2. Loans payable (continued)

###### *Loan payable - AES España B.V.*

On June 22, 2022, the Company signed a loan agreement with BLADDEX for \$40,000 at a rate of 3.4% plus a 3-month SOFR rate. The loan has quarterly interest and principal payments until maturity on June 22, 2027. As of December 31, 2024, the outstanding principal balance was \$20,000, this amount was subsequently prepaid in full in July 2025.

As a consequence of the aforementioned issuance of financing agreements, the Company must comply with certain obligations and limitations to carry out certain transactions, including the additional debt or dividend payments. Before executing these transactions, the Company must validate and verify that all contract covenants are being complied with, including:

- Financial Ratios to Incur Additional Debt: they refer to ratios that the Company must comply with in order to incur in additional debt, except for the exceptions stipulated in the relevant financing agreement.
- Debt Service Coverage Ratio: it has to be greater than 2.5x and Debt to EBITDA ratio has to be less than 3.5x.

As of December 31, 2025, the Company is in compliance with these covenants.

##### 14.3. Bonds payable

Bonds payable, net as of December 31, 2025 and 2024 are detailed of the following:

	<u>2025</u>	<u>2024</u>
International bonds	\$ 300,000	\$ 300,000
Deferred financing costs	(1,723)	(2,613)
<b>Bond payable, net</b>	<b><u>\$ 298,277</u></b>	<b><u>\$ 297,387</u></b>

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

*(Expressed in thousands of dollars of the United States of America)*

#### 14. Financial debts, net (continued)

##### 14.3. Bonds payable (continued)

The annual movement of deferred financing costs is presented below:

	<u>2025</u>	<u>2024</u>
Deferred financing costs	\$ 2,613	\$ 3,424
Amortization of deferred financing costs	(890)	(811)
<b>Total deferred costs of international bonds - net, at the end of the year</b>	<b><u>\$ 1,723</u></b>	<b><u>\$ 2,613</u></b>

On May 4, 2021, the Company issued \$300,000 in bonds in international markets under Rule 144A and SEC Regulation S, with the final payment due on May 4, 2028 at an interest rate of 5.70% per annum. Interest payments are semi-annual from November 4, 2021 and the total debt issuance costs amounted to \$4,500.

##### *Changes in liabilities of financing activities*

	<u>Balance as of January 1, 2025</u>	<u>Cash flows-received</u>	<u>Cash flows-payments</u>	<u>Amortization of deferred financing costs</u>	<u>Other adjustments</u>	<u>Liabilities held for sale</u>	<u>Balance as of December 31, 2025</u>
Line of credit	\$ 76,000	\$ 78,828	\$(147,828)	\$ —	\$ —	\$ —	\$ 7,000
Bonds payable, net	297,387	—	—	890	—	—	298,277
Loan payable current, net	24,612	—	(24,612)	—	17,488	—	17,488
Loans payable, net, non-current	33,548	—	(15,438)	82	(14,045)	—	4,147
Lease liabilities	766	—	(955)	—	818	—	629
<b>Total</b>	<b><u>\$ 432,313</u></b>	<b><u>\$ 78,828</u></b>	<b><u>\$(188,833)</u></b>	<b><u>\$ 972</u></b>	<b><u>\$ 4,261</u></b>	<b><u>\$ —</u></b>	<b><u>\$ 327,541</u></b>

	<u>Balance as of January 1, 2024</u>	<u>Cash flows-received</u>	<u>Cash flows-payments</u>	<u>Amortization of deferred financing costs</u>	<u>Other adjustments</u>	<u>Liabilities held for sale</u>	<u>Balance as of December 31, 2024</u>
Line of credit	\$ 133,000	\$ 146,094	\$(203,094)	\$ —	\$ —	\$ —	\$ 76,000
Bonds payable, net	296,576	—	—	811	—	—	297,387
Loan payable current, net	16,402	—	(11,200)	—	33,425	(14,015)	24,612
Loans payable, net, non-current	292,215	109,982	(5,202)	2,626	(38,532)	(327,541)	33,548
Lease liabilities	14,739	—	(1,259)	—	2,184	(14,898)	766
<b>Total</b>	<b><u>\$ 752,932</u></b>	<b><u>\$ 256,076</u></b>	<b><u>\$(220,755)</u></b>	<b><u>\$ 3,437</u></b>	<b><u>\$ (2,923)</u></b>	<b><u>\$(356,454)</u></b>	<b><u>\$ 432,313</u></b>

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

*(Expressed in thousands of dollars of the United States of America)*

#### 15. Other financial assets and financial liabilities

##### 15.1. Other financial assets

As of December 31, the balances of other financial assets are detailed of the following:

	<u>2025</u>	<u>2024</u>
<b>Current:</b>		
Derivative - customer volumes (notes 15.3 and 15.4)	\$ 2,594	\$ 1,097
Deferred financing costs for letters of credit	44	—
<b>Total other current financial assets</b>	<b><u>\$ 2,638</u></b>	<b><u>\$ 1,097</u></b>
<b>Non-current:</b>		
Deferred lease asset	\$ 1,090	\$ 507
Embedded derivative - natural gas sales contract (notes 15.3 and 15.4)	1,001	1,470
Guarantee certificates	107	94
<b>Total other non-current financial assets</b>	<b><u>\$ 2,198</u></b>	<b><u>\$ 2,071</u></b>

Certificates on guarantee correspond to cash deposits, which are used as collateral for loans to employees. These funds are not expected to be used in a 12-month period and generated interest at an annual rate of 6.0% and 6.5% (2024: 9.0% and 6.0%).

On August 23, 2023, Andres DR signed a lease agreement with Generadora San Felipe Limited Partnership for a portion of land owned by Andres DR, located in Santo Domingo, Dominican Republic. The leased land is 92,135 m<sup>2</sup>, which will be used for the construction of a 500 MWh combined-cycle natural gas-fired electricity generating plant, and 77,195 m<sup>2</sup> for temporary buildings only during the construction period.

Since there are two identified land parcels with different lease terms, a payment allocation was prepared using the cost per square meter for each lease, considering the entire leased space over the term of the contract. One portion will correspond to the building area for each contracted year, while the other portion will correspond to the auxiliary area for the first three years of the agreement. At the end of the three years, the accumulated portion of the auxiliary area will represent a lease asset to be amortized over the remaining term of the original lease. As of December 31, 2025, the accumulated asset balance for this lease amounted to \$1,090 (2024: \$507).

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

*(Expressed in thousands of dollars of the United States of America)*

#### 15. Other financial assets and financial liabilities (continued)

##### 15.2. Other financial liabilities

	<u>2025</u>	<u>2024</u>
<b>Current</b>		
Derivative - price hedge	\$ 74	\$ 1,518
<b>Total current derivative</b>	<u>\$ 74</u>	<u>\$ 1,518</u>
<b>Non-current</b>		
Embedded derivative - LNG sales	\$ 184	\$ 270
<b>Total non-current derivatives</b>	<u>\$ 184</u>	<u>\$ 270</u>

##### 15.3. Hedging and derivatives activities

The classification of the derivative is presented below:

<u>Derivative instrument</u>	<u>Classification</u>	<u>As of December 31, 2025</u>					<u>(Gain) loss</u>
		<u>Derivative Asset</u>		<u>Derivative liability</u>			
		<u>Current</u>	<u>Non-Current</u>	<u>Current</u>	<u>Non-Current</u>		
Embedded derivative - LNG sales	Financial instrument asset and liability recognized in the consolidated statements of financial position. LNG sale - contracted	\$ —	\$ 1,001	\$ —	\$ (184)	\$ 1,297	
Derivative - price hedge	Financial assets and liabilities at fair value in the statement of comprehensive income. Cost of revenue	2,594	—	(74)	—	(4,825)	
Derivative - customer volumes	Financial assets and liabilities at fair value in the statement of comprehensive income. Cost of revenues	—	—	—	—	1,345	
<b>Total derivative instrument- level 2</b>		<u>\$ 2,594</u>	<u>\$ 1,001</u>	<u>\$ (74)</u>	<u>\$ (184)</u>	<u>\$ (2,183)</u>	

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

*(Expressed in thousands of dollars of the United States of America)*

#### 15. Other financial assets and financial liabilities (continued)

##### 15.3. Hedging and derivatives activities (continued)

The classification of the derivative is presented below:

<u>Derivative instrument</u>	<u>Classification</u>	<u>As of December 31, 2024</u>				
		<u>Derivative Asset</u>		<u>Derivative liability</u>		<u>(Gain) loss</u>
		<u>Current</u>	<u>Non Current</u>	<u>Current</u>	<u>Non Current</u>	
Embedded derivative - LNG sales	Financial instrument asset and liability recognized in the consolidated statements of financial position. LNG sale - contracted	\$ 828	\$ 1,470	\$ —	\$ (270)	\$ 303
Derivative - price hedge	Financial assets and liabilities at fair value in the statement of comprehensive income. Cost of revenue	269	—	(1,518)	—	1,289
Derivative - customer volumes	Financial assets and liabilities at fair value in the statement of comprehensive income. Cost of revenues	—	—	—	—	(2,021)
<b>Total derivative instrument- level 2</b>		<b>\$ 1,097</b>	<b>\$ 1,470</b>	<b>\$ (1,518)</b>	<b>\$ (270)</b>	<b>(429)</b>

As of December 31, the results, after decreasing operating costs, show a profit of \$2,183 (2024: \$429), which includes a loss on unrealized financial instruments of \$2,316 (2024: \$521).

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

#### **15. Other financial assets and financial liabilities (continued)**

##### **15.3. Hedging and derivatives activities (continued)**

###### **Embedded derivative**

As a result of the price formulas included in the contracts for the purchase of Liquefied Natural Gas (LNG) and the sale of energy, the Company is exposed to embedded derivatives. The contracts that generate embedded derivatives are detailed below:

- *LNG Purchase and Sale Agreement with ABS - Andres DR*

On November 29, 2016, ABS and AES Andres DR, S.A. signed the LNG Purchase and Sale Agreement and a Joint Marketing Agreement with the LNG supplier, in which the general terms and conditions were agreed. LNG quantities and prices of each client are established through additional Confirmation Agreements. In May 2018, a Confirmation Agreement for the LNG purchase is issued to supply a Client, and in 2020 the delivery of the LNG agreed at the time of enter into operations. This agreement contains the consideration of an adjustment to the LNG price subject to factors that are not intrinsically related, which an embedded derivative associated with Confirmation Agreement is generated.

As of December 31, 2025, Andres DR recognized an embedded derivative asset based on the LNG contract for \$1,001 (2024: \$2,298), an embedded derivative liability for \$184 (2024: \$270), and a total loss for \$1,297 (2024:\$303), recorded in the consolidated statement of comprehensive income reducing operating cost (see note 22).

###### **Derivative - price hedging - Andres DR**

Andres DR maintains price hedging contracts with Citibank N.A. and Morgan Stanley for LNG purchase volumes during the year. As of December 31, 2025, the current asset embedded derivative based on the price hedging contract has a fair value of \$2,594 (2024: \$269). Additionally, it recognized a current liability embedded derivative with a fair value of \$74 (2024: \$1,518). Additionally, for the year ended December 31, 2025, a profit of \$4,825 (2024: \$1,289 as loss) was recorded in the consolidated statement of comprehensive income in operating costs (see note 22).

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

## **15. Other financial assets and financial liabilities (continued)**

### **15.3. Hedging and derivatives activities (continued)**

#### **Embedded derivative (continued)**

##### **Derivative - interest hedge - AES España, B.V.**

In March, 2021, AES España, B.V., entered into three rate swap transactions, with Citibank, N.A. and The Bank of Nova Scotia for covering the Company's exposure to interest rate volatility by exchanging a 3-month LIBOR rate for a fixed interest rate of 1.990% for a notional amount of \$100,000; 1.925% for a notional amount of \$100,000; and 1.965% for a notional amount of \$100,000. The commencement date of the rate swap transactions is June, 2022, for 10 years. As a result of the 2021 bond issuance, the Company canceled the hedging instruments they had contracted.

The liquidation of these instruments was \$829, which is presented in the consolidated statement of financial position as other comprehensive losses net of taxes for \$539 (2024: \$622). This balance will be amortized in a straight-line method for 10 years, from June 30, 2022.

##### **Derivative - customer volumes- Andres DR**

Andres DR signed some agreements with some customers to reduce their LNG purchase nominations established in their contracts, with the propose of selling these volumes in the international market as a result of the increases of the prices that allowed obtaining a better sales margin to be distributed between the parties.

During the period 2025, the Company signed several agreements with some customers to reduce their gas purchase nominations that had been established in their contracts.

On November 19, 2024, Andres DR entered into a mitigation agreement jointly with its affiliate Atlantic Basin Services, Ltd., a natural gas supplier, under which the supplier would compensate Andres to mitigate the impact of a volume the supplier would be delivering to third parties. These agreements or transactions do not present balance as of December 31, 2025 and 2024. Additionally, for the year ended December 31, 2025, they generated results by \$1,345 recorded as loss (2024: \$2,021 recorded as a profit) in the consolidated statement of comprehensive income, decreasing operating costs (see note 22).

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

*(Expressed in thousands of dollars of the United States of America)*

## 15. Other financial assets and financial liabilities (continued)

### 15.3. Hedging and derivatives activities (continued)

#### Embedded derivative (continued)

#### Derivative - interest hedge - ADRE

On October 16, 2023, ADRE entered into hedging instruments to mitigate the risks and exposure associated with the SOFR interest rate, which were considered in the new Loan Agreement signed in October 2023. As of December 31, 2024, the fair value of this interest rate hedge resulted in a current asset embedded derivative of \$1,047, current liabilities of \$382, and non-current liabilities of \$3,013, and includes an effect on other comprehensive income of \$8,112. The asset and liability balances were reclassified to available-for-sale assets and liabilities.

Additionally, for the year ended December 31, 2024, a gain of \$749 was generated and recorded in the consolidated statement of comprehensive income under net finance costs (see note 24).

### 15.4. Fair value

The fair value of financial assets and liabilities corresponds to the current amount at which they could be exchanged between interested parties, which does not correspond to a forced liquidation.

The estimated values for financial instruments, excluding those held with related parties, as of December 31, 2025 and 2024, are detailed below:

	<u>Book Value</u>		<u>Fair Value</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
<b>Financial assets</b>				
Other financial asset current	\$ 2,638	\$ 1,097	\$ 2,638	\$ 1,097
Other financial asset non-current	\$ 2,198	\$ 2,071	\$ 2,198	\$ 2,071
Trade receivables - lease	\$ 15,750	\$ 15,881	\$ 15,750	\$ 15,881
<b>Financial liabilities</b>				
Other liabilities	\$ 2,106	\$ 4,498	\$ 2,106	\$ 4,498
Lease liabilities	\$ 629	\$ 766	\$ 629	\$ 766
Line of credit payable	\$ 7,000	\$ 76,000	\$ 7,141	\$ 76,000
Bonds payable	\$ 300,000	\$ 300,000	\$ 297,240	\$ 285,795
Loans payable	\$ 21,656	\$ 58,268	\$ 21,667	\$ 59,653

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

## **15. Other financial assets and financial liabilities (continued)**

### **15.4. Fair value (continued)**

The following methods and assumptions were used to estimate fair values:

- The carrying amount of certain financial assets, including cash, restricted cash, accounts receivable, and certain financial liabilities including accounts payable to suppliers and related parties, other current liabilities and line of credit due to their short maturity nature, is considered equal to their fair value.
- For bonds payable that are arranged at fixed interest rates and expose the Company to fair value interest rate risk, Management estimates the fair value of the Company's borrowings by discounting their future cash flows at market rates. They are classified at Level 2 in the hierarchy of fair value.
- The Company calculates the fair value of the loans based on information available as of the date of the consolidated statements of financial position. The fair value is estimated based upon interest rates and other features of the loan. These loans were contracted at a variable rate, therefore, the Company considers that its book value resembled is a close approximation of its fair value.
- For the calculation of fair value of embedded derivatives, the Company uses Excel as a valuation tool. The option model used to calculate the Company's embedded derivative is an option to exchange active multiples.

For derivatives, the income methodology is used, which consists of forecasting future cash flows based on contractual notional amounts and applicable and available market data as of the valuation date. The following assumptions are used in valuation models for derivative instruments:

- a) Market assumptions such as historic and spot prices, price projections, credit risk or observable rates;
- b) Discount rate assumptions such as risk-free rates, local and counterparty spreads (based on risk profiles and data available in the market);
- c) The model also incorporates variables such as volatilities, correlations, regression formulas and market spreads using observable market data and techniques commonly used by market participants;

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

## **15. Other financial assets and financial liabilities (continued)**

### **15.4. Fair value (continued)**

Future rates and prices are generally obtained from published information provided by pricing services for an instrument with the same duration as the derivative instrument being valued. When significant inputs are not observable, the Company uses relevant techniques to best estimate the inputs, such as regression analysis or from prices for similarly traded instruments available in the market.

The Company uses observable commodity data that are highly liquid and long-term data to estimate the models' future data, as long as they are closely related to the data being used for future prices in the valuation model. Credit risk is also incorporated in all of the derivative calculations and is estimated by the Company using credit margins and risk premiums that are observable in the market, as appropriate, or estimated loan costs based on information published by banks, industries and/or other financing executed in similar projects.

The assumptions used by the Company to calculate the fair value of derivative instruments fall under Level 2 of the hierarchy as of December 31, 2025 and 2024.

### **Hierarchy of fair value of reasonable financial instruments**

The Company has not made reclassifications of levels. Any difference between the balance as of December 31, 2025 and 2024, only represents changes in the fair value of the derivative instruments.

All assets and liabilities measured at fair value or on which the Company makes fair value disclosures are classified within the fair value hierarchy. Such classification is based on the lower level of information used to determine such value and which is significant for the determination of fair value as a whole. Derivative financial instruments recognized at fair value in the consolidated statement of financial position are classified according to the following hierarchies:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly (as price) or indirectly (as derived from a price).
- Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

*(Expressed in thousands of dollars of the United States of America)*

#### 16. Investment in associates

On May 29, 2019, the Company acquired a participation of 50% in Domi Trading S.L. and its subsidiary ENADOM.

Effective June 30, 2025, the Company holds a 50% stake in AES DR Renewable Holding, S.L. and its subsidiaries AES Dominicana Renewable Energy, S.A., Agua Clara, S.A.S. and IE DR Projects I, S.R.L.

Both investments are recorded using the equity method in the consolidated financial statements, as the Company does not have control, but rather significant influence.

As of December 31, 2025 and 2024, the investment in the affiliate is shown below:

<u>Associates</u>	<u>Activity</u>	<u>Participation</u>		<u>December 31</u>	
		<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Domi Trading S.L. and subsidiary	Natural gas commercialization	50.0%	50.0%	\$ 43,193	\$ 68,709
AES DR Renewable Holding, S.L. and subsidiaries	Electricity generation based on renewable sources	50.0%	—	104,347	—
<b>Total investment in associates</b>				<b>\$ 147,540</b>	<b>\$ 68,709</b>

#### As of December 31, 2025

<u>Associates</u>	<u>Assets</u>	<u>Liabilities</u>	<u>Equity</u>	<u>Revenues</u>	<u>Expenses</u>	<u>Net Gain (loss)</u>	<u>Other comprehensive</u>	<u>Equity Participation</u>
Domi Trading S.L. and subsidiary	\$358,592	\$ 270,481	\$ 88,111	\$ 76,161	\$ 43,072	\$33,089	\$ 3,819	\$ 16,545
AES DR Renewable Holding, S.L. and subsidiaries	552,264	407,889	144,375	33,176	39,996	(6,820)	(4,571)	(3,410)
<b>Total equity participation</b>	<b>\$910,856</b>	<b>\$ 678,370</b>	<b>\$232,486</b>	<b>\$ 109,337</b>	<b>\$ 83,068</b>	<b>\$26,269</b>	<b>\$ (752)</b>	<b>\$ 13,135</b>

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

#### 16. Investment in associates (continued)

As of December 31, 2024

<u>Associates</u>	<u>Assets</u>	<u>Liabilities</u>	<u>Equity</u>	<u>Revenues</u>	<u>Expenses</u>	<u>Net Gain</u>	<u>Other comprehensive</u>	<u>Equity Participation</u>
Domi Trading S.L. and subsidiary	\$369,227	\$ 229,754	\$139,472	\$ 71,250	\$ 47,112	\$24,138	\$ 10,074	\$ 12,069

As of December 31, 2025, the Company received dividends from ENADOM for \$2,043 (2024: \$19,750) and a capital reduction of \$37,054. As of December 31, 2025, capital contributions were made to ADRE for \$10,181.

#### Other comprehensive income - Equity

As of December 31, 2025, other comprehensive income includes losses from ENADOM of \$2,929 (2024: \$96) and gains from ADRE of \$1,014, corresponding to changes in the fair value of derivative instruments held to mitigate their exposure to economic risk associated with interest rate volatility.

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

*(Expressed in thousands of dollars of the United States of America)*

#### 17. Leases

Below are the carrying amounts of right-of-use assets recognized and the movements during the year:

	<b>Land</b>	<b>Corporate offices and parking lots</b>	<b>Total</b>
Balance as of January 1, 2024	\$ 14,153	\$ 205	\$ 14,358
More - Additions	577	714	1,291
Less - Amortization expense	(325)	(168)	(493)
Less- Capitalized amortization expense	(162)	—	(162)
Reclassification of assets held for sale (note 28)	(14,243)	—	(14,243)
Balance as of December 31, 2024	—	751	751
More - Additions	—	63	63
Less - Amortization expense	(199)	(241)	(440)
Derecognition ADRE Holding amortization expense <sup>1</sup>	199	—	199
<b>Balance as of December 31, 2025</b>	<b>\$ —</b>	<b>\$ 573</b>	<b>\$ 573</b>

<sup>1</sup>Transactions related to the ADRE Holding correspond to the period from January 1 to June 30, 2025, the date on the entity was deconsolidated (see note 28).

The book amounts of the lease liabilities and the movements made during the year are detailed below:

	<b>2025</b>	<b>2024</b>
Balance as of January 1	\$ 766	\$ 14,739
Additions	63	1,291
Accretion of interest	476	893
Derecognition ADRE Holding accretion of interest <sup>1</sup>	(435)	—
Payments	(955)	(1,259)
Derecognition ADRE Holding payments <sup>1</sup>	714	—
Reclassification of assets held for sale (note 28)	—	(14,898)
<b>Balance as of December 31</b>	<b>\$ 629</b>	<b>\$ 766</b>
Leases liabilities - current	<b>\$ 197</b>	<b>\$ 208</b>
Leases liabilities - non-current	<b>\$ 432</b>	<b>\$ 558</b>

<sup>1</sup>Transactions related to the ADRE Holding correspond to the period from January 1 to June 30, 2025, the date on the entity was deconsolidated (see note 28).

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

*(Expressed in thousands of dollars of the United States of America)*

#### 17. Leases (continued)

The maturity analysis of lease liabilities is disclosed in note 30.

The following amounts have been recognized in the consolidated statements of income for the years ended December 31, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Amortization expense of right-of-uses assets. (included in depreciation and amortization expenses).	\$ 440	\$ 493
Interest expense on lease liabilities (included in interest expense, net) (note 24)	476	893
Expense relating to leases of low-value assets and short- term lease (included in operating, general and maintenance expense) (note 23)	232	321
Amortization expense of right-of-uses assets capitalized (included in Construction in progress)	—	(162)
<b>Total amount recognized in consolidated statement of comprehensive income</b>	<u><u>\$ 1,148</u></u>	<u><u>\$ 1,545</u></u>

The following table presents a maturity analysis of accounts receivable, showing undiscounted lease payments to be received after the reporting date.

	<u>2025</u>	<u>2024</u>
Less than one year	\$ 1,400	\$ 1,400
One to two years	1,400	1,400
Two to three years	1,400	1,400
Three to four years	1,400	1,400
From the fourth year	52,600	53,200
Total of undiscounted lease payments	<u>58,200</u>	<u>58,800</u>
Unearned income	(42,450)	(42,919)
<b>Net investment as of December 31</b>	<u><u>\$ 15,750</u></u>	<u><u>\$ 15,881</u></u>
<b>Account receivables for finance lease - current</b>	<u><u>\$ 1,400</u></u>	<u><u>\$ 1,400</u></u>
<b>Account receivables for finance lease - non-current</b>	<u><u>\$ 14,350</u></u>	<u><u>\$ 14,481</u></u>

Finance lease income is allocated to accounting periods as to reflect a constant period rate of return on the Company's net investment in the lease.

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

#### **17. Leases (continued)**

The Company maintains lease agreements as lessee and lessor.

##### Lessee

For the years ended December 31, 2025 and 2024, the Company maintains the following lease agreements:

##### *Corporate offices and parking lots:*

- Andres DR maintains a lease agreement for its corporate offices and parking lots from March 2020, valid until September 30, 2024. A new contract was signed in April 2024, expiring in October 2029.

##### *Land:*

- Andres DR maintained a lease agreement since March 2021 for a portion of the land for the construction of the Santanasol solar park for 15 years, renewable for 20 additional years. In May 2022, this agreement was transferred to ADRE.
- The land associated with Agua Clara, S.A.S. and ADRE has been derecognized from the consolidated lease accounts due to the sale of ADRE Holding's businesses (see note 28).

##### *Lessor*

##### Lease - Enadom:

On September 2, 2020, Andres DR and ENADOM entered into a lease agreement for the rent of a portion of land, owned by Andres DR, located in Santo Domingo, Dominican Republic. The portion of land leased is 65,692.64 m<sup>2</sup> that will be used for the construction of the second LNG storage tank and 56,600.00 m<sup>2</sup> for temporary building just during the construction period.

The land must be exclusively used for the construction and operation of a second LNG storage tank with associated auxiliary system and additional bays for LNG truck loading station, which will be interconnected. The term is 10 years, automatically renewed for additional periods through the commercial operation life of the second tank, expected to be 50 years. If the commercial operation of the second tank expires, the contract will terminate automatically, without notifications.

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

#### 17. Leases (continued)

*Lessor (continued)*

*Lease - Enadom (continued):*

The rent of the leased land is required from an effective date (start of construction or notice to proceed date "NTP") and shall be determined as follow:

- From the start of construction or sign of the NTP until the commissioning (expected for 28 months since the NTP), \$300 per year, adjusted by CPI, (proportionately, \$200 corresponds to the portion of land leased for the construction of the second LNG storage tank and \$100 corresponds to the portion of land leased for the temporary building during construction period).
- After the commercial operation date of the second tank, \$600 per year, adjusted by CPI. The second tank began commercial operations on December 2023.

The contract is a finance lease, since ENADOM has the right to obtain substantially all of the economic benefits from using two portions of land leased and has the right to direct how and for what purpose the land is used throughout the period of use. Therefore, the Company had classified this lease as a financial lease.

For the year ended December 31, 2025, Andres DR recognized income of \$716 (2024: \$716) of which \$600 (2024: \$714) was reclassified to Account receivable for financial lease. Additionally, as of December 31, 2025, interest income was recognized for \$1,033 (2024: \$610).

*Lease - Generadora San Felipe Limited Partnership:*

On August 23, 2023, Andres DR signed a lease agreement with Generadora San Felipe Limited Partnership for a portion of land owned by Andres DR, located in Santo Domingo, Dominican Republic. The leased land comprises 92,135 m<sup>2</sup>, which will be used for the construction of a 500 MWh combined-cycle natural gas-fired electricity generating plant, and 77,195 m<sup>2</sup> for temporary buildings only during the construction period. The effective date or start of the lease agreement was announced on February 19, 2024. The rent for the leased land was set at a single price for both plots of land of \$800 per year, adjusted for inflation. Payments are made in advance each year. For the year ended December 31, 2025, revenue of \$644 (2024: \$546) was recognized related to this agreement and is presented in the statement of comprehensive income as other operating income.

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

#### 17. Leases (continued)

*Lessor (continued)*

*Lease - TSK Dominican Republic, S.R.L.:*

On September 27, 2024, Andres DR signed a lease agreement with TSK República Dominicana, S.R.L. ("TSK") for five light buildings located on a portion of land owned by Andres DR located in Santo Domingo, Dominican Republic. TSK is the contractor in charge of the engineering, procurement and construction of the combined cycle natural gas-fired electricity generating plant of Generadora San Felipe Limited Partnership. The established rent for the structures was defined in three partial deliveries included in the contract as follows: a) \$10 per month upon signing and delivery of two structures, b) \$5 per month for delivery of two structures, and c) \$5 per month for a third structure. For the year ended December 31, 2025, it was recognized in revenue \$120 (2024: \$30) related to this contract and is presented in the statement of comprehensive income as other operating income.

#### 18. Other non-current liabilities

As of December 31, the balance of other liabilities is detailed below:

	<u>2025</u>	<u>2024</u>
Long-term maintenance services agreement (see note 27)	\$ 1,800	\$ 1,800
Guarantee deposits	40	910
Long-term performance incentive	8	—
<b>Total</b>	<u>\$ 1,848</u>	<u>\$ 2,710</u>

#### 19. Equity

*Authorized capital*

Company's subscribed and paid-in capital amounts to \$18 and is made up of 182 common shares with a value of \$100 each in the name of AES Hispanola Holdings II B.V.

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

*(Expressed in thousands of dollars of the United States of America)*

#### 19. Equity (continued)

##### *Additional paid in capital*

Some Company employees are granted with a long-term compensation plan established by The AES Corporation Inc., which was made up of a cash amount for three years after they were granted if they still remain with the Company. This compensation is based on meeting certain financial targets managed by the Company. For the years ending December 31, 2025 and 2024, there was no additional capital increase or expense for this purpose.

##### *Restricted retained earnings*

With the first-time adoption of IFRS, the Company applied the fair value or revaluation option as a deemed cost to certain buildings and electric generation assets. As of December 31, 2025, the amount for this concept is \$10,044 (2024: \$11,003), net of effects of accumulated depreciation, asset disposals and deferred income tax transferred to retained earnings in 2025 for \$959 (2024: \$1,056).

#### 20. Net income per share, basic and diluted

Net income per share measures the performance of an entity over the reported period. It is calculated by dividing net income by the weighted average shares outstanding during the year. The issued and outstanding shares are 182 for 2025 and 2024 and there is no difference between basic and diluted profit.

For the years ended December 31, basic and diluted net earnings per share were calculated as follows:

	<u>2025</u>	<u>2024</u>
Number of shares issued and outstanding at the beginning and end of the year	182	182
<u>Basic calculation of earnings per share:</u>		
Net income	\$ 90,481	\$ 73,245
Total average shares	<u>182</u>	<u>182</u>
<b>Net income per share (expressed in dollars of the United States of America)</b>	<b><u>\$ 497</u></b>	<b><u>\$ 402</u></b>

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

*(Expressed in thousands of dollars of the United States of America)*

#### 21. Revenues

For the years ended as of December 31, 2025 and 2024, the revenues are detailed as follow:

	<u>2025</u>	<u>2024</u>
LNG sales	\$ 792,765	\$ 810,598
Electricity sales - contracts	388,180	446,256
Electricity sales - spot market	23,982	30,089
LNG transportation	9,334	13,336
Other operating income	5,960	5,479
<b>Total revenues</b>	<b><u>\$ 1,220,221</u></b>	<b><u>\$ 1,305,758</u></b>

#### 22. Cost of fuel, electricity purchases, transmission costs and others

For the year ended December 31, 2025 and 2024, the cost of fuel purchases, electricity, distribution costs and others is detailed below:

	<u>2025</u>	<u>2024</u>
Fuel purchased for resale and related costs	\$ 700,533	\$ 692,381
Fuel and related costs used for generation	220,546	230,131
Electricity purchases	104,850	128,204
Transmission charges	8,550	9,709
Gain on derivative financial instruments (note 15.3)	(2,183)	(429)
<b>Total costs of sales</b>	<b><u>\$ 1,032,296</u></b>	<b><u>\$ 1,059,996</u></b>

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

#### 23. Operating, general and maintenance expense

The operating, maintenance and general expenses for the years ended December 31, 2025 and 2024, consist of the following:

	<u>2025</u>		<u>2024</u>
Insurance (note 8)	\$ 25,357	\$	23,955
Salaries, wages and benefits	14,815		13,895
Administrative services (note 8)	12,511		15,162
Maintenance expenses	8,910		11,799
Facilities management expenses	2,502		2,276
Tax on assets (note 26)	2,297		1,528
Others	2,186		4,119
Other taxes	370		378
Consultants and legal fees	249		3,700
Expense related to short-term leases (note 17)	232		321
Donations (note 8)	162		336
<b>Total</b>	<u><u>\$ 69,591</u></u>	\$	<u><u>77,469</u></u>

Consultants and legal fees include expenses for professional audit services amounting to \$181 as of December 31, 2025 (2024: \$223).

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

*(Expressed in thousands of dollars of the United States of America)*

#### 24. Interest expense, net

Interest expenses - net for the years ended December 31, 2025 and 2024, are as follow:

	<b>2025</b>	<b>2024</b>
Interest expense - financial	\$ (48,218)	\$ (58,826)
Interest expense - related parties (note 8)	(2,583)	(2,495)
Debt commitment commission (note 14.2)	(516)	(1,885)
Interest expense - leases (note 17)	(476)	(893)
Interest capitalized to constructions in progress (note 10)	7,707	17,081
Subtotal	<b>(44,086)</b>	<b>(47,018)</b>
Interest income - related parties (note 8)	5,750	6,431
Interest income - financial	1,471	1,358
Interest income - leases (note 17)	1,033	610
Interest income - derivative instrument (note 15.3)	771	666
Interest income - commercial	765	1,497
Subtotal	<b>9,790</b>	<b>10,562</b>
Amortization of deferred financing costs (note 14.2)	<b>(3,272)</b>	<b>(3,437)</b>
Amortization of deferred financing costs - letters of credit (note 27)	(715)	(1,089)
<b>Total</b>	<b>\$ (38,283)</b>	<b>\$ (40,982)</b>

Accounts receivable and accounts payable within the electricity sector spot market, denominated in Dominican pesos, are subject to the local active interest rate for domestic currency plus a penalty of 18% as established in Article 355 of the General Law of Electricity Sector. The average interest rate applied to spot market accounts receivable and payables in US dollars as of December 31, 2025 was 7.73% (2024: 8.26%), and 14.57% in Dominican pesos as of December 31, 2025 (2024: 15.29%).

As of December 31, 2024, the deferred costs of letter of credit financing correspond to those in favor of Total Energies Gas & Power Limited with the Latin American Bank of Foreign Trade (BLADDEX) (see note 27).

Interest expense includes interest related to supplier financing agreements. For the year ended December 31, 2025, this amounted to \$11,017 (2024: \$2,625) (see note 13).

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

#### 24. Interest expense, net (continued)

Financing costs with certain criteria are capitalized and amortized using the effective interest rate method during the period and their amortization is presented in the consolidated statement of comprehensive income. During construction, amortization of deferred financing costs is included as part of the costs of construction in progress. Deferred financing costs are presented net of financing payable in the consolidated statement of financial position.

#### 25. Other income, net

For the year ended December 31, 2025 and 2024, other (expense) income, net is detailed below:

	<u>2025</u>	<u>2024</u>
Gain on sale of business (note 28)	\$ 58,940	\$ —
Loss on retirement of property, plant and equipment	(1,936)	(751)
Other income	97	1,748
Gain on retirement of property, plant and equipment	39	5,069
Other expenses	—	(10)
<b>Total</b>	<b><u>\$ 57,140</u></b>	<b><u>\$ 6,056</u></b>

- The gain on retirement of property, plant and equipment in 2024 corresponds to the land for the construction of the combined cycle natural gas electricity generation plant project of Generadora San Felipe Limited Partnership.
- Other income in 2024 includes payment received from insurance for legal claims won.

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

#### **26. Income tax**

AES España B.V. was a private limited liability company registered in the Netherlands. In January 2016, it changed its address to Madrid, Spain and became a statutory resident in Spain, and subject to Spanish income tax. In general, the worldwide taxable profits, including income and losses in foreign branches of AES España B.V., is subject to the Corporate Income Tax of Spain; however, the offsetting of taxes paid abroad and the exclusion of foreign source income are allowed in accordance with applicable tax laws.

The Subsidiary AES Andres DR, S.A. is also subject to the tax regime applicable to Dominican business activities, as provided in the Tax Code of the Dominican Republic, Law 11-92 of May 31, 1992 and its amendments.

##### *Current income tax*

Current income tax for the fiscal year ended December 31, 2016 at AES España B.V. was determined considering Law 27/2014 on Corporation Tax and its regulations. The tax rate applicable as of December 31, 2025 and 2024, was 25% of the net taxable income.

The current income tax in AES Andres DR, S.A., is calculated based in the Law 11-92, Tax Code of the Dominican Republic, its regulations and amendments. The tax rate used to determine the income tax as of December 31, 2025 and 2024 was 27% of the net taxable income on the respective dates.

##### *Tax on assets*

The tax on assets corresponds to 1% of taxable assets according to the Tax Code of the Dominican Republic. Taxable assets for electricity companies correspond to total property, plant and equipment, net of accumulated depreciation. The Company is subject to pay the income tax for the period based on the higher amount between 1% of taxable assets or the amount determined according to the net taxable income determined on the rate in force on each date.

This tax can be used as an income tax credit in the following way: if the income tax is higher than the tax on assets, there is no obligation to pay the latter, while otherwise, the difference between the liquidated income tax and the tax on assets must be paid. The Company recorded the tax on assets in the statement of comprehensive income in the line of general, operation and maintenance expenses.

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

#### **26. Income tax (continued)**

##### *Tax on assets (continued)*

As of June 30, 2025 and December 31, 2024, ADRE recognized \$2,297 and \$1,528, respectively, for tax on assets included in the consolidated statement of comprehensive income under the line of general, operating and maintenance expenses (see note 23). In ADRE the asset tax was higher than the current tax in the year 2025 and 2024. On June 30, 2025, the sale of ADRE was completed and it now collects the portion of results according to the equity method.

##### *Dividends*

Pursuant to Law 253-12 of November 13, 2012, the 10% withholding tax is established for branches and permanent establishments when they remit their profits to their Central Office or Main Offices. As a result of the application of the Agreement between the Dominican Republic and the Kingdom of Spain to avoid double taxation and tax evasion with respect to income taxes, dividends paid by subsidiary domiciled in the Dominican Republic to their parent company AES España B.V. are not subject to the 10% withholding tax because the latter is the beneficial owner with more than 75% of the share capital of the subsidiary that pays the dividends.

##### *Loss carryforward*

According to Article I of Law No. 557-05, which modifies letter K or Article No. 287 of the Tax Code of the Dominican Republic, applicable as of January 1, 2006, losses incurred by corporations in their economic activities may be compensated during the following fiscal periods, without exceeding five (5) years.

However, only 20% may be compensated per year. In the fourth year, this 20% may not exceed 80% of the net taxable income. In the fifth year, it must not exceed 70%. The portion not used each year cannot be used in the following periods.

As of December 31, 2025 and 2024, Andres DR does not have loss carryforwards.

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

*(Expressed in thousands of dollars of the United States of America)*

#### 26. Income tax (continued)

The income tax payable is detailed below:

	<u>2025</u>	<u>2024</u>
Income tax advances and others	\$ 33,478	\$ 37,978
Tax on assets (note 23)	(2,297)	(1,528)
Tax on assets of ADRE Holding <sup>1</sup>	2,297	—
Current income tax expense	(17,217)	(28,023)
Current income tax expense of ADRE Holding <sup>1</sup>	2,640	—
Reclassification of assets held for sale	—	666
<b>Total advance income tax</b>	<b><u>\$ 18,901</u></b>	<b><u>\$ 9,093</u></b>

<sup>1</sup>Transactions related to the ADRE Holding correspond to the period from January 1 to June 30, 2025, the date on the entity was deconsolidated (see note 28).

As of December 31, the deferred income tax is as follows:

	<u>2025</u>	<u>2024</u>
Assets:		
Other temporal differences	\$ 1,372	\$ 1,821
Accruals	262	357
<b>Total deferred tax asset</b>	<b><u>1,634</u></b>	<b><u>2,178</u></b>
Liabilities:		
Accelerated tax depreciation, asset revaluation and inflationary effects	(53,995)	(52,547)
Derivative financial instruments	(1,113)	(2,222)
Other temporary differences	149	(187)
<b>Total deferred tax liability</b>	<b><u>(54,959)</u></b>	<b><u>(54,956)</u></b>
<b>Total deferred tax liability, net</b>	<b><u>\$ (53,325)</u></b>	<b><u>\$ (52,778)</u></b>

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

*(Expressed in thousands of dollars of the United States of America)*

#### 26. Income tax (continued)

The deferred tax expense is detailed below:

	<u>2025</u>	<u>2024</u>
Net change in deferred tax balances	\$ 547	\$ 1,049
Exchange difference	(2,761)	(3,441)
Deferred tax for other comprehensive income (Derivative)	(69)	99
Deferred tax of ADRE Holding <sup>1</sup>	(2,293)	(2,693)
<b>Total deferred tax expense</b>	<b><u>\$ (4,576)</u></b>	<b><u>\$ (4,986)</u></b>

<sup>1</sup>Transactions related to the ADRE Holding correspond to the period from January 1 to June 30, 2025, the date on the entity was deconsolidated (see note 28).

The reconciliation between the statutory income tax rate with the effective income tax rate of the Company as a percentage of income before tax for the years ended December 31, 2025 and 2024, is detailed below:

	<u>2025</u>	<u>2024</u>
Statutory income tax rate	25 %	25 %
Permanent differences:		
Difference between statutory rate (Spain-Dominican Republic)	— %	2 %
Retention of remittance to Main Office	2 %	3 %
Foreign exchange effect	(1)%	— %
Other temporary differences	(7)%	1 %
<b>Effective income tax rate</b>	<b><u>19 %</u></b>	<b><u>31 %</u></b>

The income tax returns of the subsidiary of the Company, AES Andres DR, S.A. is subject to review by the tax authorities for the last three (3) years, including the year ended December 31, 2025 according to current tax regulations.

For the year ended December 31, the income tax expense is detailed below:

	<u>2025</u>	<u>2024</u>
Current	\$ 17,217	\$ 28,023
Deferred	4,576	4,986
<b>Total income tax expense</b>	<b><u>\$ 21,793</u></b>	<b><u>\$ 33,009</u></b>

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

#### **26. Income tax (continued)**

The Company's Management applied the fair value as an exception to the attributed cost and the adjustment of \$14,950 corresponding to the increase in the fair value of these assets recorded against restricted retained earnings. As established by IAS 12, it is required to record a deferred income tax liability on property, plant and equipment recorded at fair value. The deferred tax calculation for the period ended December 31, 2025 amounts to \$4,576 (2024: \$4,986). The application of the deferred income tax liability is made through the annual depreciation expense recorded in excess of the revalued assets, which is recorded in the consolidated statement of comprehensive income.

Dominican companies adjust their depreciable assets for inflation to determine their tax base, as permitted by the current tax code. Additionally, they take advantage of a tax benefit through the application of accelerated depreciation, according to the method established in current legislation, for tax purposes. Therefore, the difference between the tax and accounting bases of depreciable property, plant, and equipment, according to IFRS, includes both effects.

In compliance with current transfer pricing regulations, the Company reviewed related-party transactions and estimates that the transactions carried out during the years ended December 31, 2025, and 2024, did not have a significant impact on the income tax provision.

#### **27. Commitments and contingencies**

##### **Commitments**

##### ***Energy Purchase - Sale Agreement (PPA) - EDE Este / EDE Sur / EDE Norte***

In February 2017, as a result of the tender carried out by the Corporación Dominicana de Empresas Eléctricas Estatales (CDEEE), Andres DR signed power purchase agreements (PPA) that came into force as of April 20, 2017 for 5 years with the 3 electricity distribution companies in the country, EDE Norte (for 82.5 MWh), EDE Sur (for 110 MWh) and EDE Este (for 82.5 MWh). On April 19, 2022, an amendment was signed for its extension until April 19, 2024 and subsequently, on December 31, 2022, said contracts were canceled. On January 27, 2023, three new contracts were signed with these distribution companies for 24 months, with an effective date as of February 10, 2023. By notification letter dated September 26, 2024, Andres DR extended the contract term until December 31, 2025. On June 5, 2025, three new contracts were signed, effective from January 1, 2026 to December 31, 2027, in accordance with the clauses established in the contract.

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

#### **27. Commitments and contingencies (continued)**

##### **Commitments (continued)**

##### ***Energy Purchase - Sale Agreement (PPA) - EDE Este / EDE Sur / EDE Norte (continued)***

Andres DR is compensated for the contracted capacity and energy supplied, which is subject to the demand of these electricity distributors.

For the year ended December 31, 2025, revenues associated with contracts with distribution companies consist of sales of energy and capacity, EDE Este for \$91,222 (2024: \$106,046), EDE Norte for \$95,132 (2024: \$101,860) and EDE Sur for \$112,939 (2024: \$133,069).

##### ***Contract for the Sale and Transportation of Natural Gas***

As described in note 8, Andres DR signed agreements for the sale and transportation of natural gas with DPP.

Below are the main LNG sales contracts with third parties:

- Contract for the sale and supply of LNG Regasified with Transcontinental Capital Corporation (Bermuda), Ltd. (Seaboard), valid since November 2016, with annual renewal prior agreement between the parties. This contract expired on December 31, 2021, and a new contract began operations on January 1, 2022, after the commissioning of the Estrella del Mar III generation unit, with expiration date on December 31, 2031. On August 7, 2025, a new contract was signed with a validity until the year 2038 to cover the commissioning of the Estrella del Mar IV generation unit and the consumption of Estrella del Mar II. (see note 7).
- Liquefied natural gas supply contracts with the companies Soluciones en Gas Natural, S.A., Línea Clave Internacional, S.A., Tropigas Dominicana, S.R.L., Propanos y Derivados, S.A. and Platter Investment, S.A., which expired on December 31, 2021 and were renewed for a 5-year period beginning January 1, 2022.

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

#### **27. Commitments and contingencies (continued)**

##### **Commitments (continued)**

##### ***Contract for the Sale and Transportation of Natural Gas (continued)***

- Contract for the supply of LNG with Consorcio Energético Punta Cana-Macao, S.A., dated May 7, 2018, for 4 years, beginning as of January 2019. Through this contract, Andres DR undertook to deliver 3.3 TBTU per contract year with a minimum of 90% and a maximum of 110% of that amount. In January 2023, an extension of the contract was signed to supply the demand of the customer until 30 April 2023. In April 2023, an additional extension was signed to cover the demand until December 31, 2023. An extension was signed in December 2023 until December 2024 and subsequently, in December 2024, an extension was signed until December 2025. In December 2025, a new extension was signed until December 2026.
- Contract for the supply of LNG Regasified with Empresa Generadora de Electricidad Haina, S.A., on November 14, 2019, for 10 years, since the beginning of the commercial operations of the plant Quisqueya II actually converting to natural gas. With this contract, Andres DR promised to deliver a quantity not greater than 12 TBTU per contract year. The commercial launch of the agreement took place in August 2020.
- Contract for the supply of LNG Regasified to Pueblo Viejo Dominicana Corporation (“Barrick”) in May 2018, for 10 years, since the beginning of the commercial operations. With this contract, Andres DR to deliver a quantity between 9 and 12 TBTU per contract year. An extension until 2045 was signed on November 21, 2025 (see note 7).
- LNG supply contract with SIBA Energy Corporation, dated August 4, 2023, for 3 years until December 31, 2025. This generation plant is related to Empresa de Generación Electricidad de Haina S.A. Through this contract, the Company committed to deliver 2 TBTU in 2023 and 3 TBTU in 2024 and 2025. On December 23, 2024, an amendment to this contract was signed extending the validity until December 2027, establishing new volumes for these periods: 3 TBTU for 2025; 6.6 TBTU for 2026; and 3.6 TBTU for 2027.

##### ***Fuel Purchase obligation***

On November 29, 2016, the Company, ABS, and TotalEnergies Gas & Power Limited signed an agreement for the supply of LNG and its maritime transport and for the resale of LNG and regasified LNG to third parties. The maturity of this contract is subject to the annual confirmations of clients, which concluded as of December 31, 2021 that the expiration would be until 2032.

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

#### 27. Commitments and contingencies (continued)

##### Commitments (continued)

###### *Fuel Purchase obligation (continued)*

On December 27, 2022, Andres DR signed a new LNG supply contract for 11 years with TotalEnergies Gas & Power Limited, which begins on April 1, 2023 with the option to extend it for other 2 years with prior notification by Andres DR.

On August 7, 2025, the Company signed a 17-year LNG supply contract with Shell International Trading Middle East Limited FZE, effective as of on January 1, 2029.

The amounts presented in the following table represent the total contractual amounts up to 2046 for the term of the LNG contract as of December 31, 2025.

<u>Year</u>	<u>Future Commitment</u>
2026	\$ 119
2027	231
2028	225
2029-2046	3,746
<b>Total</b>	<u><u>\$ 4,321</u></u>

###### *Maintenance Agreement*

In 2018, Andres DR and Mitsubishi Hitachi Power Systems Americas, Inc. entered into a maintenance services agreement from 2018 to 2031. The total amount to be paid for this contract amounts to \$34,600 during its term.

As of December 31, 2025, Andres DR received \$23,186 (2024: \$22,564) of spare parts related to this contract, and has accounts payable of \$5,871 (2024: \$7,231) of which \$4,071 (2024: \$5,831) are current and \$1,800 are non-current (2024: \$1,800) (notes 13 and 18).

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

#### **27. Commitments and contingencies (continued)**

##### **Commitments (continued)**

###### ***Letters of Credit***

In April 2023, Andres DR obtained a new letter of credit in favor of Total Energies Gas & Power Limited with the Latin American Bank of Foreign Trade (BLADDEX) to guarantee the importation of natural gas for \$72,000, maturing on January 31, 2024. An extension of this letter of credit was signed in January 2025 for \$53,630, maturing on December 31, 2025. In January 2026, this letter of credit was extended for an amount of \$43,718, expiring on January 21, 2027. As of December 31, 2025, \$715 (2024: \$1,089) was amortized for deferred financing costs of this letter of credit, which is included in the net financial costs in the consolidated statement of results under the amortization of deferred financing costs - letters of credit (see note 24).

###### ***Guarantees***

Since December 13, 2016, the Company is a joint guarantor of a program of corporate bonds issued in the Dominican Republic in favor of its related party DPP for up to \$300,000. As of December 31, 2025, DPP has placed \$260,000.

###### ***Line of Credit***

As of December 31, 2025, the Company maintains a pre-approved, unused shared credit facility with its subsidiary, DPP, with Scotiabank for up to \$115,000 at a rate of 2.35% + 3-month SOFR rate. This credit facility will remain in effect until the parties mutually agree to terminate the agreement.

As of December 31, 2025, Andres DR maintains an unused pre-approved credit facility with Banco Múltiple BHD, S.A. for up to \$30,000 at an agreed-upon rate for each disbursement, for a maximum term of 12 months. This line of credit has a term of 60 months, maturing on November 22, 2027.

As of December 31, 2025, Andres DR maintains a pre-approved credit facility with CITIBANK for up to \$70,000 at an agreed rate on each disbursement made, for a maximum period of 12 months (see note 14.1).

As of December 31, 2025, the balances payable on lines of credit were \$7,000 (2024:\$76,000) (see note 14.1).

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

*(Expressed in thousands of dollars of the United States of America)*

#### 27. Commitments and contingencies (continued)

##### Commitments (continued)

##### *Severance benefits*

The Dominican Republic Labor Code requires severance benefits be paid to employees terminated without justified cause. This compensation depends on the time the employee has worked and other factors. The Company recognizes the expense for these severance benefits as incurred.

#### 28. Asset held for sale

Non-current assets expected to be recovered primarily through sales rather than through continuing use are classified as held for sale. On December 24, 2024, the Company entered into a purchase agreement for the renewable energy businesses of AES DR Renewable Holding, S.L. and its subsidiaries AES Dominican Renewable Energy, S.A., Agua Clara, S.A.S., and IE DR Project S.R.L. ("ADRE Holding") for 50%, which was formally completed on June 30, 2025, for \$102,961. The sale generated a gain of \$58,940, which is included in the consolidated statements of comprehensive income as part of other income, net (see note 25). As of that date, these businesses are no longer consolidated, and recognition is based on the equity method (see note 16).

As of December 31, 2024, ADRE Holding's renewable energy businesses held for sale met the criteria for being held for sale.

The following is the Income Statement of ADRE Holding as of December 31, 2024:

	<u>2024</u>
Income from the sale of electricity	\$ 34,785
Costs and operating expenses	<u>(23,481)</u>
<b>Operating income</b>	<b><u>\$ 11,304</u></b>
Interest expense, net	\$ (17,576)
Exchange gain, net	59
Other expense, net	<u>(177)</u>
<b>Loss before tax</b>	<b><u><u>\$ (6,390)</u></u></b>

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

*(Expressed in thousands of dollars of the United States of America)*

#### 28. Asset held for sale (continued)

The assets held for sale are detailed below:

<b><u>In the statements of financial position</u></b>	<b><u>2024</u></b>
<b>Assets held for sale:</b>	
<b>Current assets:</b>	
Cash	\$ 15,530
Cash restricted	3,423
Account receivable trade, net	6,491
Inventories, net	360
Other non-financial assets	726
Other financial assets	1,047
<b>Total current assets</b>	<b><u>27,577</u></b>
<b>Non-current assets:</b>	
Property, plant and equipment, net	406,494
Intangible assets, net	41,063
Right-of-use asset, net	14,243
Other financial assets	1,749
Other non-financial assets	2,560
<b>Total non-current assets</b>	<b><u>466,109</u></b>
<b>Total assets</b>	<b><u>\$ 493,686</u></b>
<b>Liabilities held for sale:</b>	
<b>Current liabilities:</b>	
Account payable suppliers and other liabilities	\$ 25,347
Account payable to related parties	1
Financial debt, net	14,015
Lease liabilities	748
Other financial liabilities	382
Income tax payable	666
<b>Total current liabilities</b>	<b><u>41,159</u></b>
<b>Non-current liabilities:</b>	
Financial debt, net	327,542
Lease liabilities	14,150
Other financial liabilities	3,013
Obligation for asset retirement	733
Deferred income tax	3,916
<b>Total non-current liabilities</b>	<b><u>349,354</u></b>
<b>Total liabilities</b>	<b><u>\$ 390,513</u></b>

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

*(Expressed in thousands of dollars of the United States of America)*

#### 28. Asset held for sale (continued)

The following details the movement of property, plant and equipment of ADRE Holding from January 1 to June 30, 2025:

	<u>2025</u>
Balance as of January 1	\$ 406,494
Additions	44,047
Depreciation	(5,575)
<b>Balance as of June 30</b>	<b><u>\$ 444,966</u></b>

#### 29. Segments

The balances of operating income costs and expenses, as well as assets and liabilities per segment, consist of:

	<u>2025</u>		
	<u>Sale of energy</u>	<u>Sale of LNG</u>	<u>Total segments</u>
<b>Revenues</b>	\$ 418,123	\$ 802,098	\$ 1,220,221
<b>Operating costs and expenses</b>			
Cost of fuel, electricity purchases, transmission costs and others	\$ (333,946)	\$ (698,350)	\$ (1,032,296)
<b>Operating income by segment</b>	<b><u>\$ 84,177</u></b>	<b><u>\$ 103,748</u></b>	<b><u>\$ 187,925</u></b>
<b><u>Assets and Liabilities</u></b>			
<b>Contract assets</b>	<b><u>\$ —</u></b>	<b><u>\$ 13,350</u></b>	<b><u>\$ 13,350</u></b>
<b>Accounts receivable</b>	<b><u>\$ 77,887</u></b>	<b><u>\$ —</u></b>	<b><u>\$ 77,887</u></b>
<b>Advances received from clients</b>	<b><u>\$ —</u></b>	<b><u>\$ (41,656)</u></b>	<b><u>\$ (41,656)</u></b>

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

*(Expressed in thousands of dollars of the United States of America)*

#### 29. Segments (continued)

The balances of operating income costs and expenses, as well as assets and liabilities per segment, consist of (continued):

	<b>2024</b>		
	<b>Sale of energy</b>	<b>Sale of LNG</b>	<b>Total segments</b>
<b>Revenues</b>	\$ 481,825	\$ 823,933	\$ 1,305,758
<b>Operating costs and expenses</b>			
Cost of fuel, electricity purchases, transmission costs and others	\$ (368,045)	\$ (691,951)	\$ (1,059,996)
<b>Operating income by segment</b>	<b>\$ 113,780</b>	<b>\$ 131,982</b>	<b>\$ 245,762</b>
<b>Assets and Liabilities</b>			
<b>Contract assets</b>	\$ —	\$ 15,793	\$ 15,793
<b>Accounts receivable</b>	\$ 123,557	\$ —	\$ 123,557
<b>Advances received from clients</b>	\$ —	\$ (41,718)	\$ (41,718)

According to Management, the Company is organized into two business units or operating segments, as follows:

- Sale of energy, which produces and sells energy, capacity and other related services.
- Sale of LNG, whose purpose is to resell the LNG and to obtain profit from its transportation.

Management analyzes the operating results of the segments separately, so that it can make decisions on the application of resources and the assessment of its performance. The segments' performance is assessed in relation to its operating results and is measured consistently with the operating results included in the consolidated statement of comprehensive income. However, the Company's financial costs and income, as well as its income tax, are assessed as a whole, that is, from the Company's point of view, and are not assigned to a particular segment.

Revenue from transactions with DPP related to natural gas sales and transportation of natural gas sales during the year ended December 31, 2025 amounted to \$200,596 (2024: \$218,569).

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

### **30. Risk and capital management**

The Company's main financial liabilities, excluding derivatives, include loans payable, interests and accounts payable. The main objective of these financial liabilities is to finance the Group's operations and offer guarantees to back its operations. The Company has cash, short-term deposits and accounts receivable that are the direct result of its operations. The Company is exposed to market risk, fuel price risk, exchange rate risk, credit risk and liquidity risk.

The Company's senior management oversees the management of these risks with the support of the Financial Risk Committee, which assesses financial risks, and the management framework used, guaranteeing that the identification, measurement and administration of financial risk is based on the policies and procedures established by the Company. All the activities with derivative instruments with risk management purposes are carried out by specialists' teams that have the knowledge, experience and adequate supervision. The Company has a policy not to trade derivative financial instruments with speculative purposes. Senior Management reviews and agrees on policies for managing each of these risks, which are summarized below.

#### *Market risk*

Market risk is the risk that the fair value or future cash flows for financial instruments fluctuate due to changes in market prices. For the Company, market risk is affected mainly by: fuel price risk, exchange rate risk, credit risk and liquidity risk.

#### *Fuel price risk*

The Company maintains contracts for the sale of energy and capacity with related companies, distribution companies and large clients to minimize the exposure to the risk of changes in the spot market prices.

Regarding the development of the natural gas market, the Dominican Government declared the use of natural gas a national priority in 2008. Andres DR has a competitive advantage over the other competitors in the market, as it has the only receiving dock with the capacity to receive and store this type of fuel. The Company is actively developing a natural gas market; therefore, on January 17, 2010, the Company began operating the first LNG distribution terminal. As of December 31, 2025 LNG sales to third parties unrelated to Andres DR amounted to \$601,676 (2024: \$603,874). The above amounts do not include taxes.

Company management monitors risk through appropriate short-term fuel purchase planning with suppliers.

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

### **30. Risk and capital management (continued)**

#### *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument fluctuate due to changes in market interest rates.

The Company issued bonds for \$300,000. These bonds were issued in the international market, maturing in May 2028 at a fixed annual interest rate of 5.70%, with only one payment upon maturity of the capital and semi-annual interest payments. The Company's profits and losses are not exposed to significant risk of interest rate fluctuations because it maintains a fixed interest rate for issued bonds.

During fiscal year 2025, financing is exposed to fluctuations in the SOFR rate as this is an international reference rate that fluctuates based on interbank market conditions. The Company does not expect significant impacts on its consolidated financial statements as a result of the volatility of the SOFR rate on the cash flows associated with this financing (see note 14). Additionally, the Company maintains interest rate hedging contracts to cover the exposure to the volatility of variable interest rates.

#### *Credit risk*

This is the risk that a debtor or issuer of a financial asset owned by the Company does not fulfill a payment, fully and on time, in conformity with the terms and conditions agreed at the time the Company acquired or originated the financial asset.

Energy distribution companies owned by the Government of the Dominican Republic (distros), and DPP (related company) are the main clients of the Company. Sales contracts to DPP represented 17% of total revenues during the years ended December 31, 2025 and 2024 and sales contracts to distros represented 79% of total revenues during the years ended December 31, 2025 and 2024. The balance of current accounts receivable from the distros represents 7% of total current assets as of December 31, 2025 (2024: 14%), and DPP represents 21% of total current assets as of December 31, 2025 (2024: 23%).

Additionally, DPP, Compañía de Electricidad de San Pedro de Macorís, S.A. (CESPM) and Pueblo Viejo Dominicana Corporation are Andres DR main clients, for the LNG sales segment, and sales of LNG under contracts represented 63% (2024: 40%) of the total revenues during the year ended December 31, 2025.

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

### **30. Risk and capital management (continued)**

#### *Credit risk (continued)*

Company's Management has financial instruments with a moderate risk, since it concentrates its sales in one distributor and a related company that in turn concentrates its sales on the same distributor, which depends on a subsidy granted by the Dominican government to cover its cash shortages. The Government is currently seeking self-sustainability for the electricity sector and attempting to achieve governmental efficiency; therefore, accounts receivable have not been penalized to date.

Financial instruments and cash deposits: the credit risk of balances with banks and financial institutions is managed by the treasury department in conformity with the Company's policy. Investments of fund surpluses are only conducted with authorized parties and within the credit limits assigned to each entity. Top senior management reviews these limits annually, and these may be updated during the year, subject to approval by the Finance Committee. These limits are established to minimize the concentration of risk and to mitigate potential financial losses from a counterpart's non-compliance.

The maximum exposure of the credit risk components of the consolidated statement of financial position as of December 31, 2025 and 2024 is the carrying amount.

#### *Liquidity risk*

This is the risk that the Company will be unable to fulfill all of its obligations due to impairment in the quality of the client portfolio, excessive concentration of liabilities, lack of liquidity of assets, or the financing of long-term assets with short-term liabilities, among others. Historically, in the Dominican Republic, distributors have had weak operating performance related to their levels of energy losses and collection from clients; these problems affect their payment capacity to generators. Thus, the electric sector is highly dependent on the government subsidy and decisions regarding its regulation.

To mitigate the risk of liquidity and credit concentration, the Company may make sales of accounts receivable due or near maturity. These sales are mainly made on the government portfolio at par value or with premium to cover the commitments generated by operations and reducing the use of cash provided by financing activities. During the year ended December 31, 2025 and 2024, there were not sales of accounts receivable.

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

*(Expressed in thousands of dollars of the United States of America)*

### 30. Risk and capital management (continued)

#### *Liquidity risk (continued)*

The Company monitors liquidity risk by planning cash flows and constant follow-up on the accounts receivable to ensure compliance with the commitments.

As of December 31, 2025, the Company had a balance of cash for \$56,519 (2024: \$80,291).

The following table summarizes the maturity of the Company's financial liabilities based on payment commitments:

	<i>Less than 3 months</i>	<i>From 3 to 12 months</i>	<i>From 1 to 5 years</i>	<i>Total</i>
<b>As of December 31, 2025</b>				
Accounts payable - suppliers and other liabilities	\$ 13,030	\$ 172,201	\$ —	\$ 185,231
Accounts payable - related parties	—	123,555	—	123,555
Loan and interests payable related parties	—	113	38,482	38,595
Line of credit	—	7,000	—	7,000
Loans payable	—	17,506	4,150	21,656
Lease liabilities	—	197	432	629
Bonds payable	—	—	300,000	300,000
Other financial liabilities	—	74	2,032	2,106
<b>Total</b>	<b>\$ 13,030</b>	<b>\$ 320,646</b>	<b>\$ 345,096</b>	<b>\$ 678,772</b>

	<i>Less than 3 months</i>	<i>From 3 to 12 months</i>	<i>From 1 to 5 years</i>	<i>Total</i>
<b>As of December 31, 2024</b>				
Accounts payable - suppliers and other liabilities	\$ 18,195	\$ 190,271	\$ —	\$ 208,466
Accounts payable - related parties	—	111,620	—	111,620
Loans payable related parties	—	36,012	—	36,012
Line of credit	—	76,000	—	76,000
Loans payable	—	24,612	33,656	58,268
Lease liabilities	—	208	558	766
Bonds payable	—	—	300,000	300,000
Other financial liabilities	—	1,518	2,980	4,498
<b>Total</b>	<b>\$ 18,195</b>	<b>\$ 440,241</b>	<b>\$ 337,194</b>	<b>\$ 795,630</b>

## AES España B.V. and Subsidiary

(An indirectly owned subsidiary of The AES Corporation)

### Notes to Special Purpose Consolidated Financial Statements

**December 31, 2025 and 2024**

*(Expressed in thousands of dollars of the United States of America)*

### 30. Risk and capital management (continued)

#### *Exchange rate risk*

Exchange rate risk is the risk that the fair value or future cash flows of financial instruments fluctuate due to a variation in exchange rates. The Company's exposure to exchange risk is mainly related to the operating activities (when revenues and expenses are denominated in a currency different from the functional currency).

However, given that the Company's functional currency is the dollar, and that its revenues, costs and investments in property, plant and equipment are determined mainly in US dollars, there is no significant exposure to exchange rate risk.

The main balance denominated in Dominican pesos correspond to accounts receivable from the spot market. For the years ended December 31, 2025 and 2024, approximately 98% of the Company's revenues were denominated in dollars.

The following table presents a sensitivity analysis of the effect on the Company's consolidated financial statements, derived from a reasonable variation in the exchange rate of the Dominican peso:

	<b>Exchange rate variation</b>	<b>Effect on income before income tax expense</b>	<b>Effect on total stockholders' equity</b>
<b>As of and for the year ended December 31, 2025</b>	5%	\$ 109	\$ (116)
	(5)%	\$ 250	\$ (257)
<b>As of and for the year ended December 31, 2024</b>	5%	\$ 102	\$ (111)
	(5)%	\$ 231	\$ (240)

#### *Capital management*

The main objective of the Company's capital management is to ensure that it maintains a solid credit rating and capital indicators to support the business and maximize value to the shareholders. The Company manages its capital structure and makes adjustments in light of the changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the payment of dividends to shareholders, capital returns to shareholders or issue new shares. No changes were made to the objectives, policies, and procedures during the year ended December 31, 2025.

## **AES España B.V. and Subsidiary**

(An indirectly owned subsidiary of The AES Corporation)

### **Notes to Special Purpose Consolidated Financial Statements**

**December 31, 2025 and 2024**

---

*(Expressed in thousands of dollars of the United States of America)*

#### **31. Subsequent events**

Below we indicate the following relevant subsequent events that occurred up to to April 28, 2026 that require disclosure:

##### ***Letters of Credit***

In January 2026, Andres DR signed an extension of a letter of credit for \$43,718, expiring on January 21, 2027, in favor of Total Energies Gas & Power Limited with the Latin American Foreign Trade Bank (BLADDEX) to guarantee the import of natural gas.

##### ***Line of credit***

In January 2026, AES España B.V. received a credit line disbursement of \$6,000 from Scotiabank.

##### ***Accounts Payable to Suppliers and Other Liabilities***

On February 27, 2026, Andres DR made a payment under a supplier financing agreement for \$37,562, which includes \$1,310 in interest.

In addition, the Company is not aware of any other relevant events that have occurred since the year-end closing date and the approval of the financial statements, which require disclosures or adjustments to the financial statements as of December 31, 2025.

\*\*\*\*\*