

Compañía de Transporte de Energía  
Eléctrica en Alta Tensión  
TRANSENER S.A.



March 2025

# Legal Disclaimer

The material that follows is a presentation of general information about TRANSENER as of the date indicated herein and is based on publicly available information. It is in summary form, does not purport to be complete, is not intended to be relied upon as advice to potential investors and may not be disclosed to any other person. No representation or warranty, express or implied, is made concerning, and no reliance should be placed on, the accuracy, fairness, or completeness of the information presented herein.

This presentation contains statements that are forward-looking within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended. Such forward-looking statements are only predictions and are not guarantees of future performance. Investors are cautioned that any such forward-looking statements are and will be, as the case may be, subject to many risks, uncertainties and factors relating to the operations and business environment of TRANSENER that may cause the actual results of TRANSENER to be materially and adversely different from any future results expressed or implied in such forward-looking statements. Although TRANSENER believes that the expectations and assumptions reflected in such forward-looking statements are reasonable based on information currently available to TRANSENER's management, such expectations and assumptions are necessarily speculative and subject to substantial uncertainty, and as a result, TRANSENER cannot guarantee future results or events. TRANSENER does not undertake any obligation to update any forward-looking statement or other information to reflect events or circumstances occurring after the date of this presentation or to reflect the occurrence of unanticipated events.

Securities may not be offered or sold in the United States unless they are registered or exempt from registration under the Securities Act. Any offering of securities to be made in the United States will be made by means of a private placement memorandum that may be obtained from the placement agents.

Securities may not be offered or sold within the United States or to U.S. persons, except to qualified institutional buyers (as defined in Rule 144A under the Securities Act) in reliance on the exemption from registration provided by Rule 144A under the Securities Act and to certain non-U.S. persons in offshore transactions in reliance on Regulation S.

**This presentation does not constitute and offer, or invitation, or solicitation or an offer, to subscribe for or purchase any securities. Neither this presentation nor anything contained herein shall form the basis of any contract or commitment whatsoever.**

# Industry Overview



# Industry Drivers

- Promote private ownership and market-based economic incentives
- Reward efficiency and penalize non-availability
- Regulate natural monopolies for transmission and distribution
- Guarantee open access and safety of the grid
- Protect rights of users and monitor quality of service



## Generation

- 456 Generators
- 43.351 MW installed capacity
  - 58% Thermal
  - 38% Renewable
  - 4% Nuclear



## Transmission

- One extra high voltage (500-220 kV) transmitter (Transener)
- 7 regional transmitters (including Transba) (220/132kV)
- 2 international transmitters



## Distribution

- 28 significant players
- 142.137 GWh/year



## Consumption

- Industrial (28%)
- Residential (43%)
- Commercial (29%)

# Argentine Electricity Market Players

- CAMMESA is responsible for, among other things, billing and collecting charges from WEM agents and making payments for transmission services.



# Company Overview

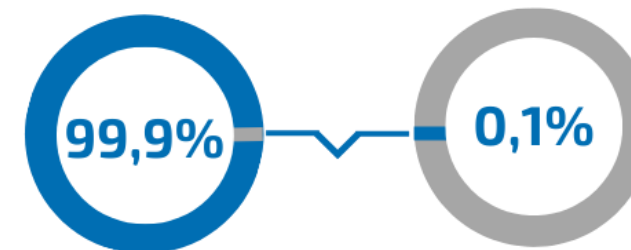




● Company Overview



- > CITELEC S.A: 1,65%
- > ANSES: 19,57%
- > INVERSORES: 27,78%



- > TRANSENER: 99,9999995216%
- > CITELEC: 0,0000004784%

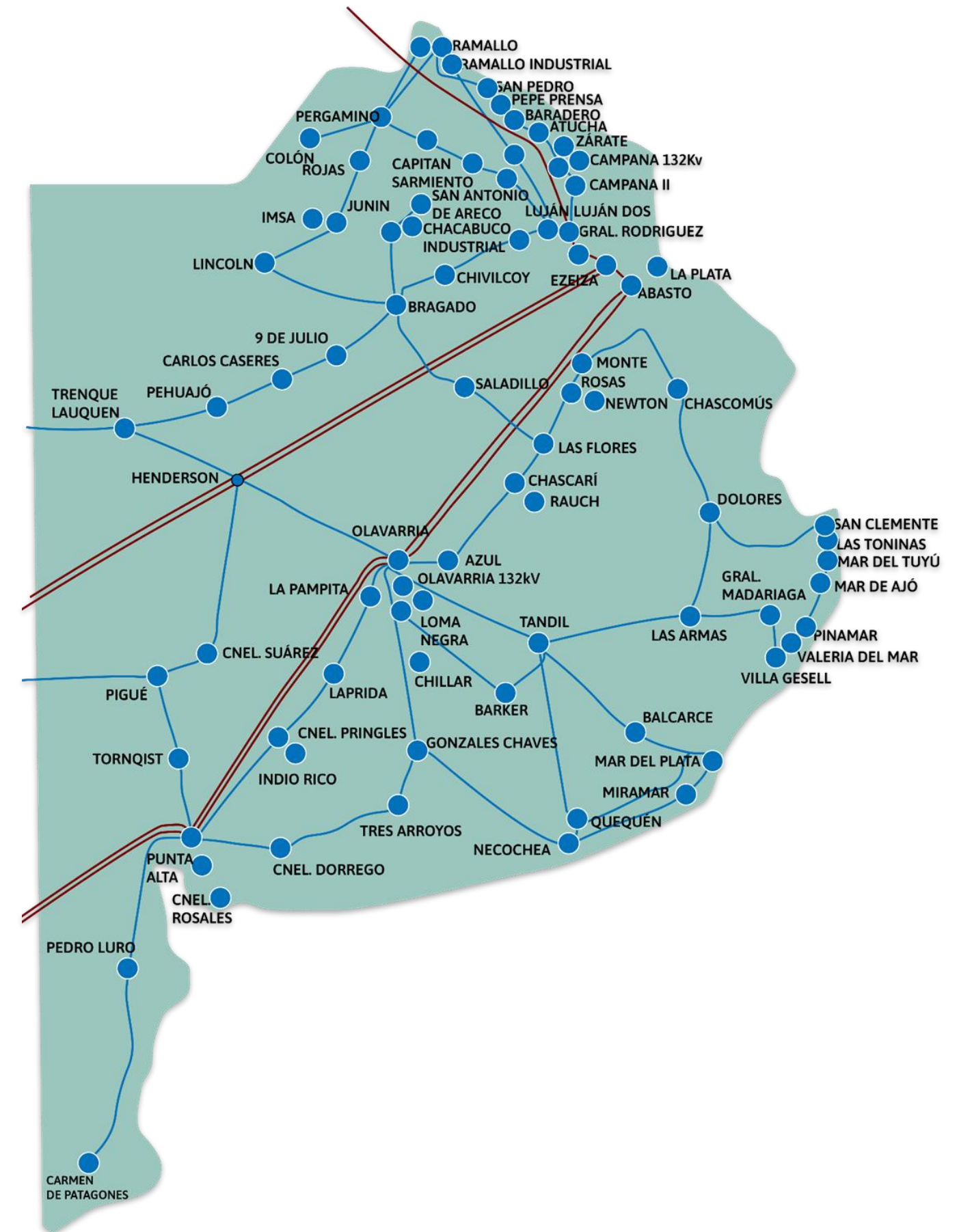




- Privatized in August 1997 with an exclusive 95-year concession to operate and maintain the transmission lines in the Province of Buenos Aires (~38% of Argentina's population), under the rights and obligations established in the Concession Agreement.
- One of seven regional transmission networks in Argentina with operations of over 6,988 km of 220 kV, 132 kV and 66 kV lines and 114 substations.

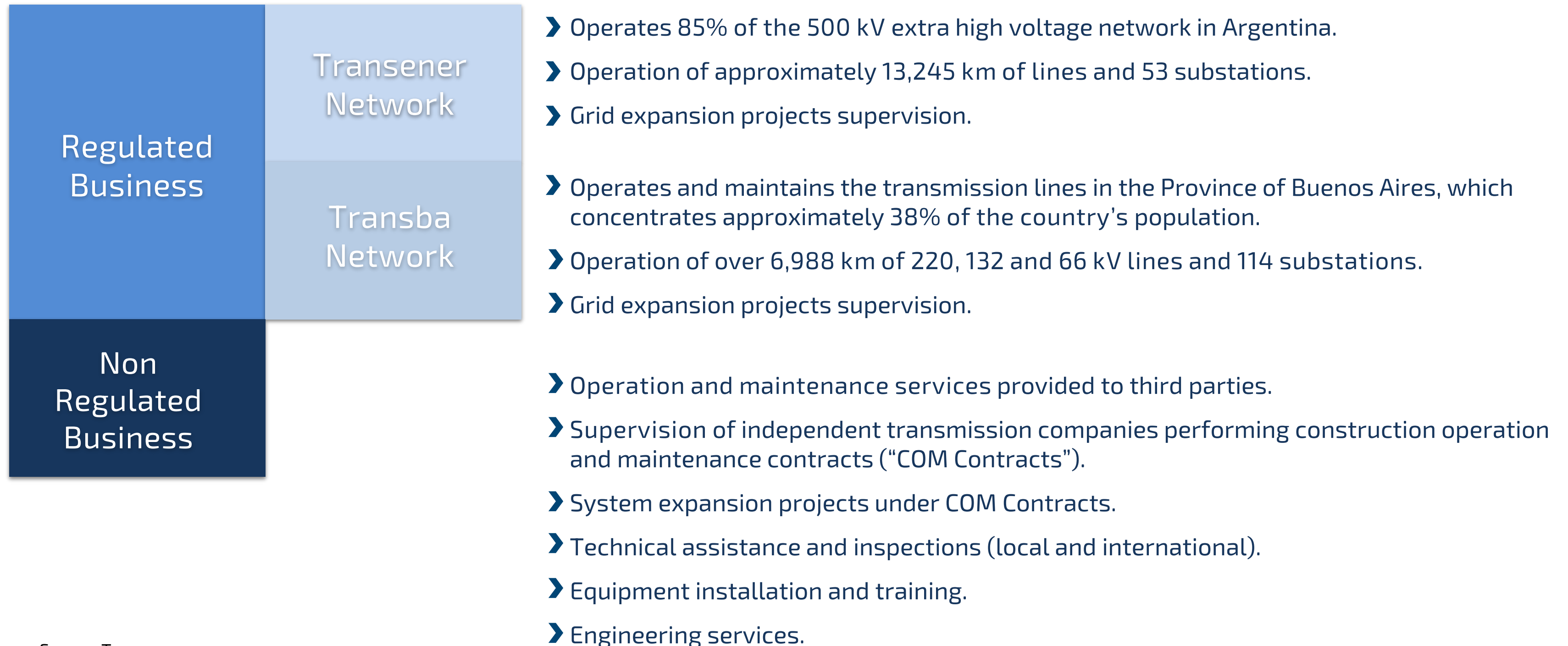
Links with National Interconnected System:

- Five connections of 500 kV
- Two connections of 220 kV
- Ten connections of 132 kV



# Business Overview

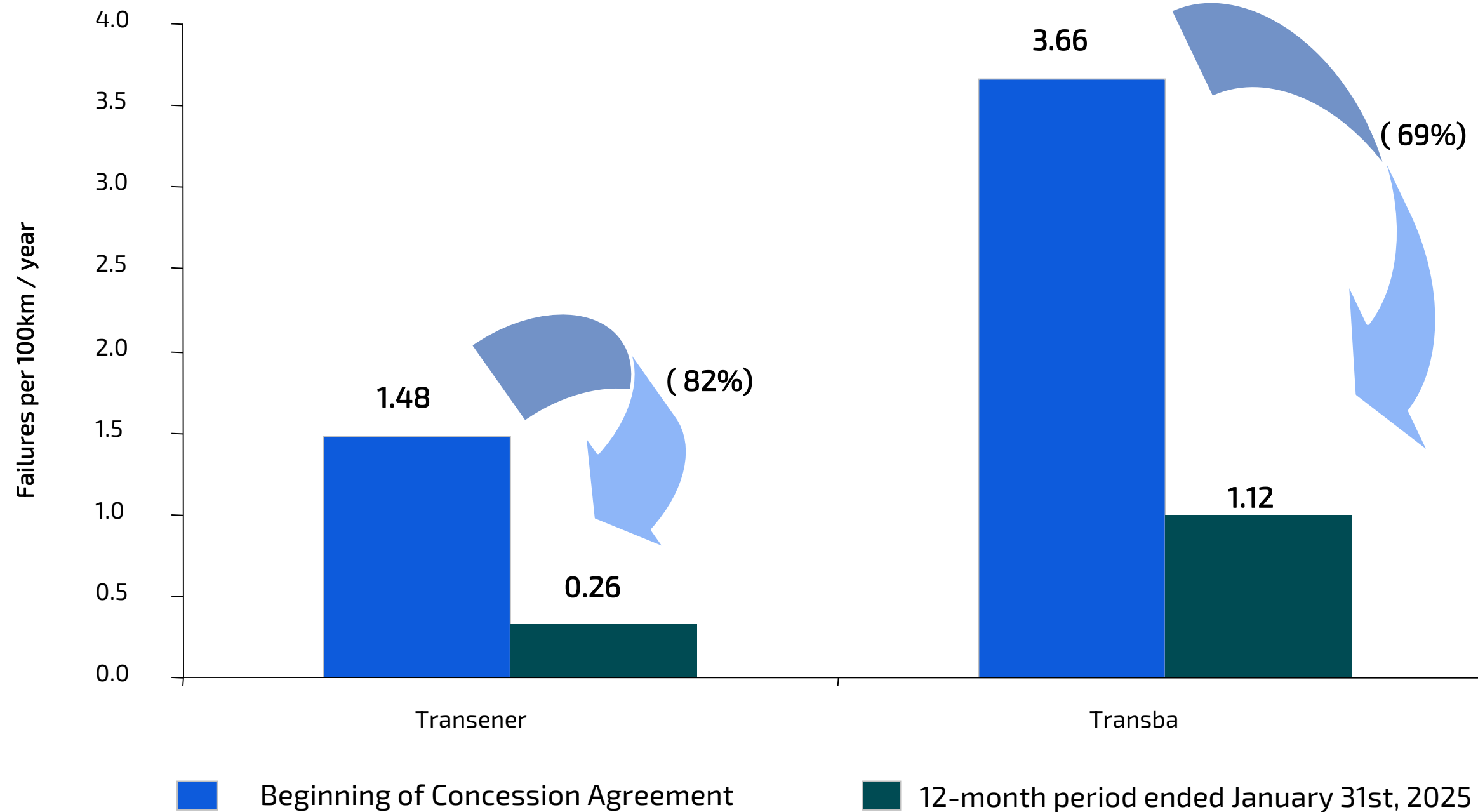
*Unique business in Argentina*



# Business Operations



# Significant improvement in Operating Performance

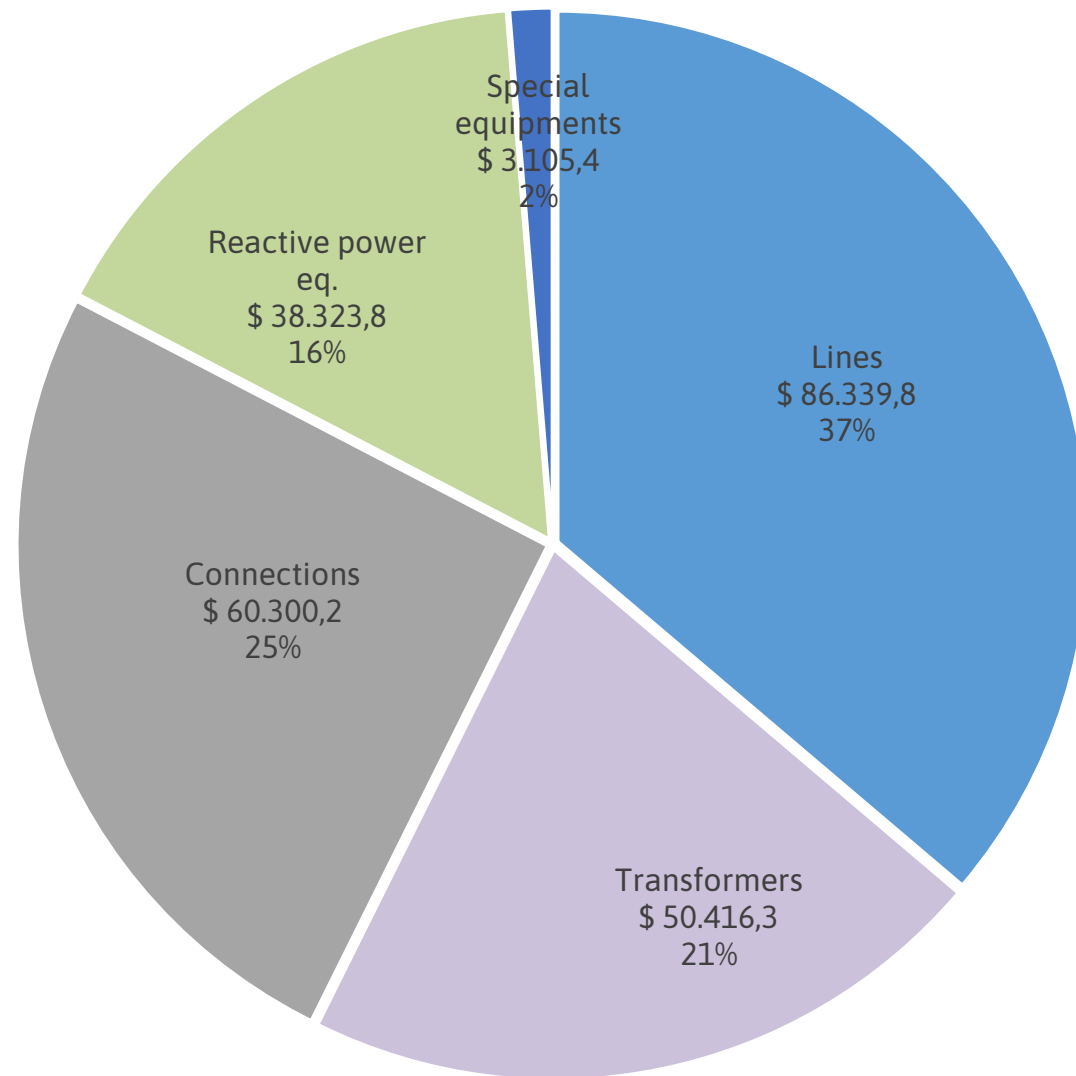


**Maximum amount as per concession agreement**  
Transener: 2.5 forced outages per 100km over a 12-month Period  
Transba: 7 forced outages per 100km over a 12-month period

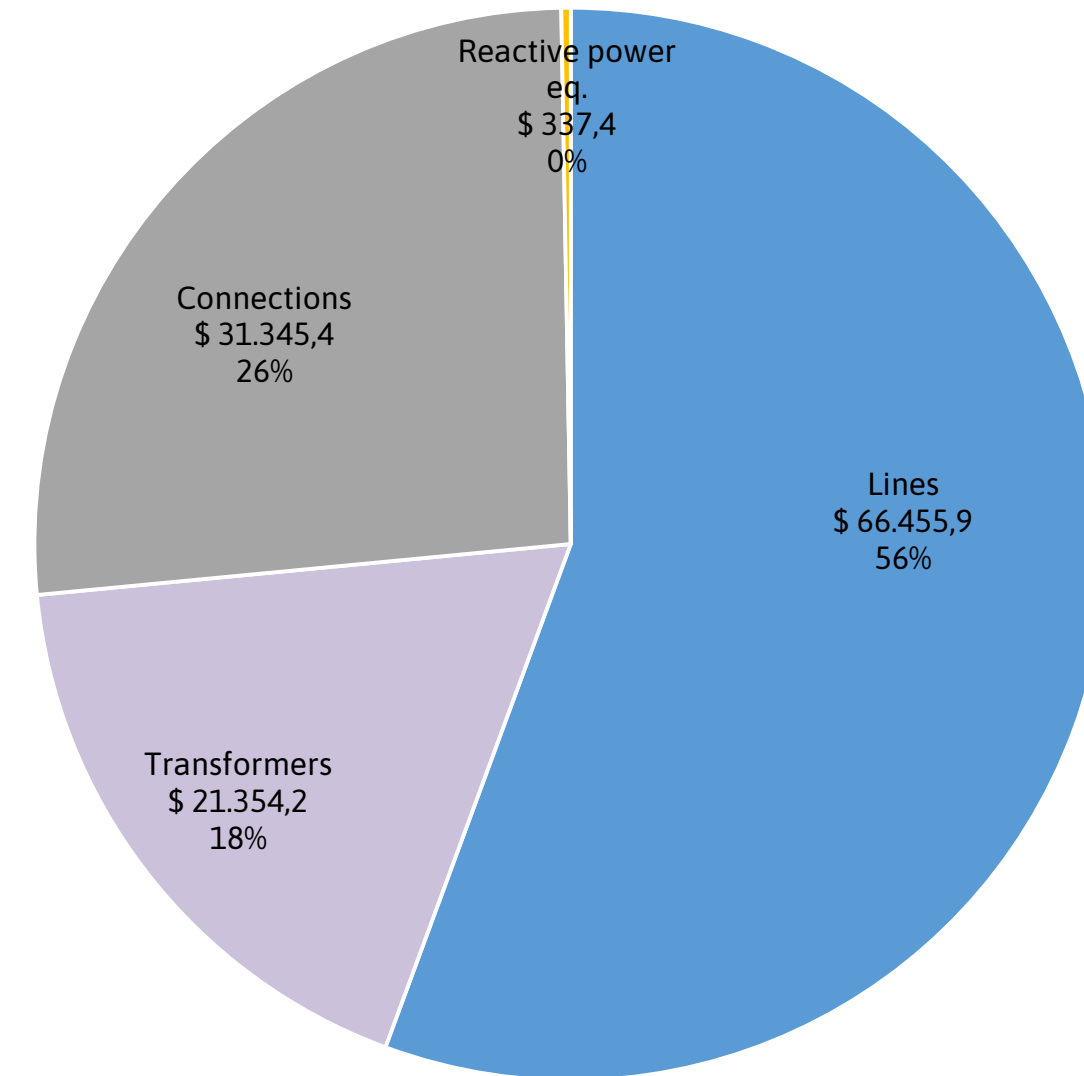
# Financial Overview



# Current Annual Regulated Revenues



Total AR\$ 238,485.5 millions



Total AR\$ 119,492.9 millions

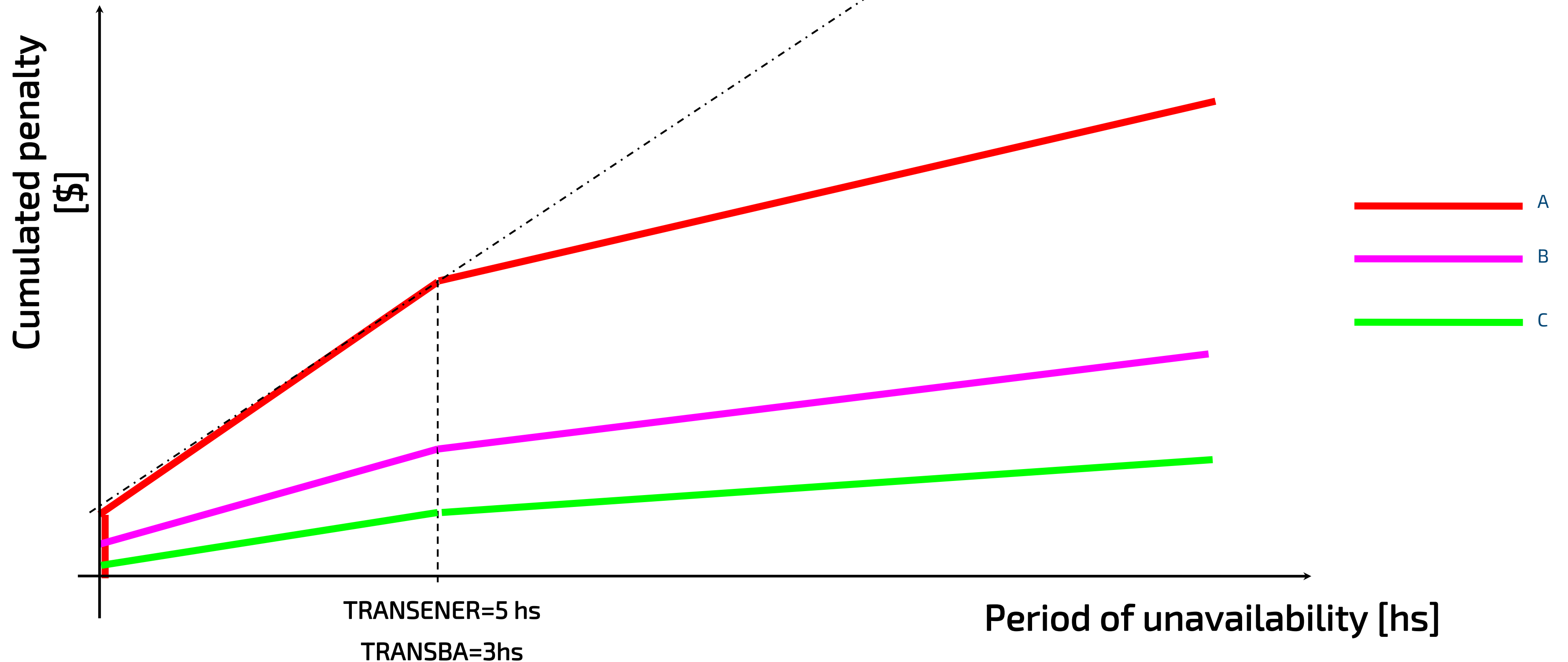
# Penalty System

- The Concession Agreements establish a system of penalties that we may incur if defined parts of the Networks are not available to transmit electricity.
- Non-availability is divided into two types:
  - Scheduled (which typically result from planned maintenance, incur a reduced penalty of 10% of the rate for forced outages)
  - Forced
- Penalties for forced outages are proportional to the connection and capacity revenues for the equipment involved, taking into account the following considerations:
  - (i) duration of the outage in hours;
  - (ii) number of previous forced outages during such year; and
  - (iii) increase in electricity costs caused by restrictions in the transmission system.
- The minimum amount of penalties levied for a forced outage of a transmission line is that corresponding to an outage of a 100 km transmission line, in the case, of Transener and of a 25 km transmission line, in the case of Transba.



# Penalty System

## Forced Unavailability of transmission lines





# Penalty System - Cap

- The penalties which Transener or Transba may be required to pay in respect of any calendar month cannot exceed:
  - 50% of Transener or Transba's non-consolidated monthly regulated revenue related to electricity transmission revenue, transmission capacity revenue and connection revenue (as determined by dividing annual regulated revenue by twelve)
  - and, in respect of any twelve-month period, 10% of such annual regulated revenue



# Transener Concession Agreement

➤ The Transener Concession Agreement may only be terminated:

- by the Government if Transener becomes bankrupt or
- by Transener if the Government breaches the Transener Concession Agreement

➤ On the Transener Transfer Date, Citelec created a pledge in favor of the Government over the Class A shares which constitute the Transener Controlling Stake

Upon the occurrence of certain events of default, the Government may enforce the Transener Pledge on our Class A shares, and sell the Transener Controlling Stake in a public bidding. Among others:

- (i) penalties in any 12-month period exceed 15% of our total regulated revenue during such 12-month period,
- (ii) a transmission line or connection equipment is out of service for more than 30 days,
- (iii) the Transener Network has on average, more than 2.5 forced outages per 100km over a 12-month period or
- (iv) a transformer is out of service for more than 30 days

# Current regulatory situation

- On January 2<sup>nd</sup>, 2024, under Resolution No. 3/2024, the ENRE scheduled a public hearing which was held on January 29<sup>th</sup>, 2024, in order to inform and listen to opinions regarding the proposals of the concessionaires of the public electric energy transmission service for a temporary adjustment of tariffs, prior to defining the rates to be applied by the concessionaires.
- Finally, the ENRE, by Resolutions No. 104/2024 and 105/2024, granted the hourly values of remuneration as from February 19<sup>th</sup>, 2024, establishing an increase of 179.7% and 191.1% for Transener and Transba, respectively, over the tariff values of November 2023. Likewise, it was determined a tariff adjustment formula, based on salaries rates, wholesale prices and consumer prices, to be applied monthly as from May 2024.
- Due to liquidity constraints as a consequence of the delays in the collection of the remuneration for the electricity transmission service, the Company required the ENRE and the Secretary of Energy to arbitrate the necessary measures in order to ensure the transmission companies the collection of 100% of the monthly remuneration, duly updated, within the deadlines established in the existing regulations.
- In this sense, on March 18<sup>th</sup>, 2024, through Resolution No. 34/2024, the Secretary of Energy modified the priority order of CAMMESA payments, prioritizing payments to transmission companies over generation companies.

# Current regulatory situation – recent events

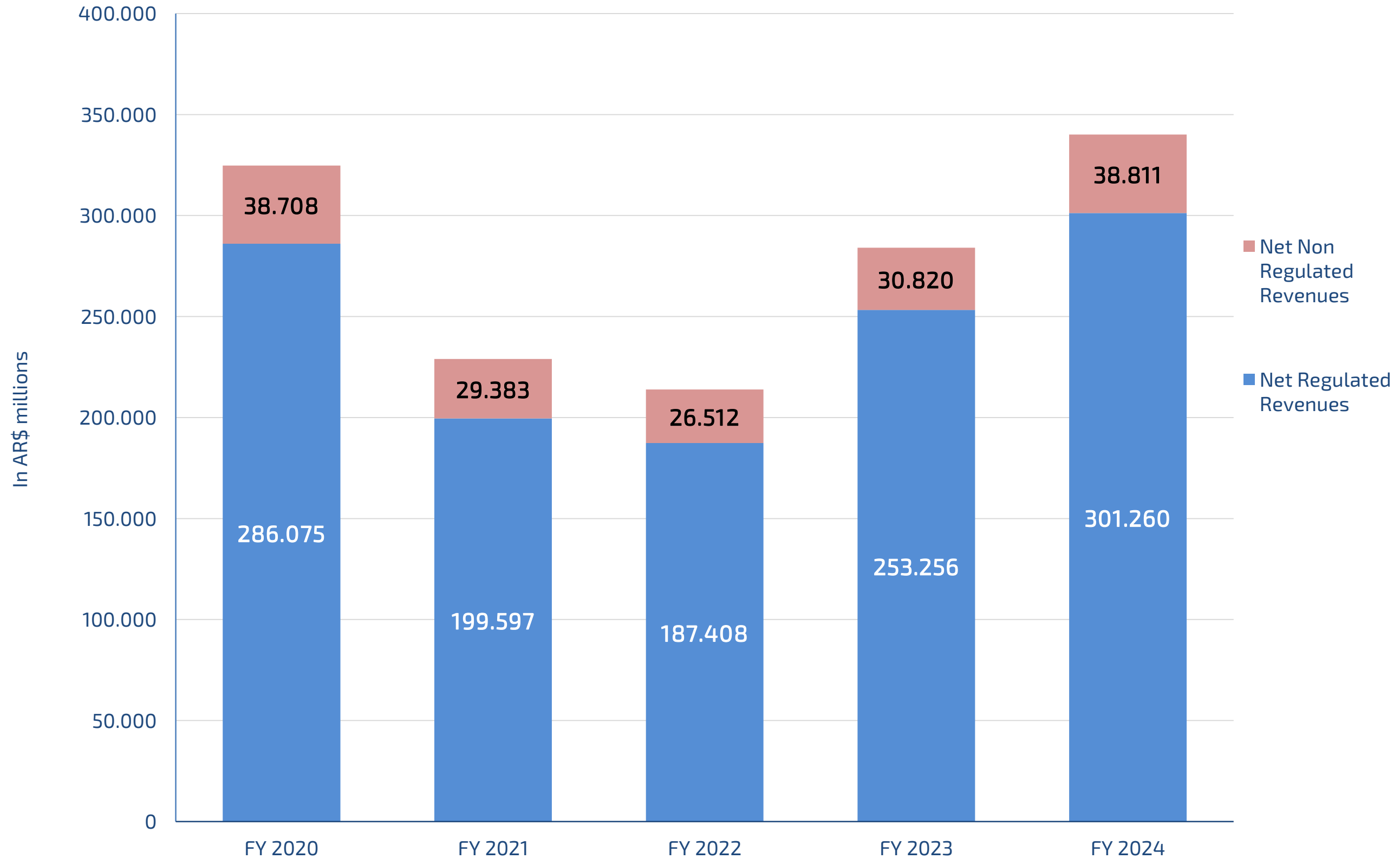
- On May 9th, 2024, the ENRE informed Transener and Transba that, following instructions from the Ministry of Economy, the updating of the tariff adjustment settled in Resolutions No. 104/2024 and 105/2024 for May, 2024, would be suspended. This decision was strongly opposed by Transener and Transba due to the adverse impact on their revenues, which are essential for service operation.
- On June 11th, 2024, the ENRE, following instructions from the Ministry of Economy, suspended the monthly tariff update for June 2024, and modified the tariff adjustment formula as from July 2024, based on the forecasted inflation for the semester July/December 2024. Transener and Transba reiterated their opposition to these measures due to the uncertainty in the methodology and undefined ratings calculation, requesting that the ENRE take appropriate actions to restore revenues in accordance with Resolutions No. 104/2024 and 105/2024.
- On July 2nd, 2024, the ENRE, following instructions from the Ministry of Economy, suspended the monthly tariff update for July 2024. This decision was once again rejected by Transener and Transba, requesting the ENRE to promptly regularize the revenues update.

Date (resolution)	Resolution ENRE		Effective from	Increase
	Transener	Transba		
8/5/2024	512/2024	513/2024	August 1 <sup>st</sup> , 2024	6,0%
8/30/2024	581/2024	580/2024	September 1 <sup>st</sup> , 2024	6,0%
10/1/2024	696/2024	692/2024	October 1 <sup>st</sup> , 2024	2,7%
11/1/2024	901/2024	902/2024	November 1 <sup>st</sup> , 2024	6,0%
11/29/2024	1016/2024	1015/2024	December 1 <sup>st</sup> , 2024	5,0%
12/27/2024	1065/2024	1066/2024	January 1 <sup>st</sup> , 2025	4,0%
1/30/2025	85/2025	87/2025	February 1 <sup>st</sup> , 2025	4,0%
2/28/2025	158/2025	154/2025	March 1 <sup>st</sup> , 2025	2,0%

# Quinquennial Tariff Review (QTR)

- On December 16<sup>th</sup>, 2023, aforementioned Decree No. 55/2023 that declared the emergency of the National Energy Sector, Art.3 determined the beginning of the Full Tariff Review according to art. 43 Law No. 24,065 regarding the generation, transmission and distribution of electric energy under federal jurisdiction, establishing that the entry into force of the resulting tariff schedules should not exceed December 31<sup>st</sup>, 2024.
- On April 15<sup>th</sup>, 2024, through Resolution No. 223/2024, the ENRE approved the “Program for the Tariff Review of Electricity Transmission in 2024”, establishing the methodology and criteria for the Quinquennial Tariff Review to be considered by the electricity transmission companies when submitting their tariff proposals to be applied as from January 1<sup>st</sup>, 2025. Information regarding capital base, operating costs, investment plans, historical costs, and existing facilities was submitted in May and September 2024.
- Resolution No. 554/2024 set the rate of return at 10.14% after taxes for high-voltage electric transmission companies for the 2025-2029 period. The ENRE called for a Public Hearing on November 5<sup>th</sup>, 2024, but postponed it on October 14<sup>th</sup> due to positive economic developments and inflation slowdown.
- On October 3<sup>rd</sup>, through Resolution No. 706/2024, the ENRE initiated the process to determine the remuneration of Independent Transmission Companies, including Transener and Transba, with proposals due by November 20<sup>th</sup>, 2024. However, on November 19<sup>th</sup>, the National Executive extended the energy sector emergency until July 9<sup>th</sup>, 2025.
- A new schedule was defined by Resolution No. 7/2025 on January 7<sup>th</sup>, 2025: tariff proposals by January 20<sup>th</sup>, Public Hearing on February 25<sup>th</sup>, and new tariffs effective April 1<sup>st</sup>, 2025.
- On January 10<sup>th</sup>, 2025, Resolution No. 28/2025 adjusted the rate of return to 6.10%, though Transener and Transba reaffirmed their proposals using the 10.14% rate. The ENRE scheduled two Public Hearings: February 25<sup>th</sup> for concessionaires and February 26<sup>th</sup> for Independent Transmission Companies.

# Revenue Breakdown

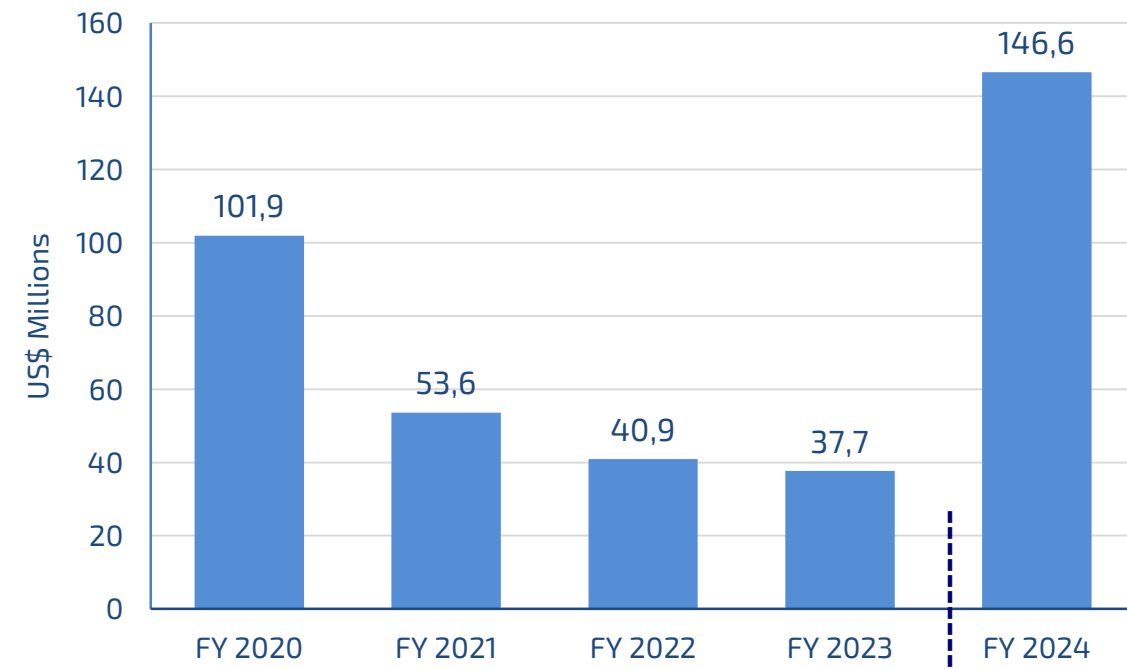


Values expressed in AR\$ adjusted by inflation as of December 2024.

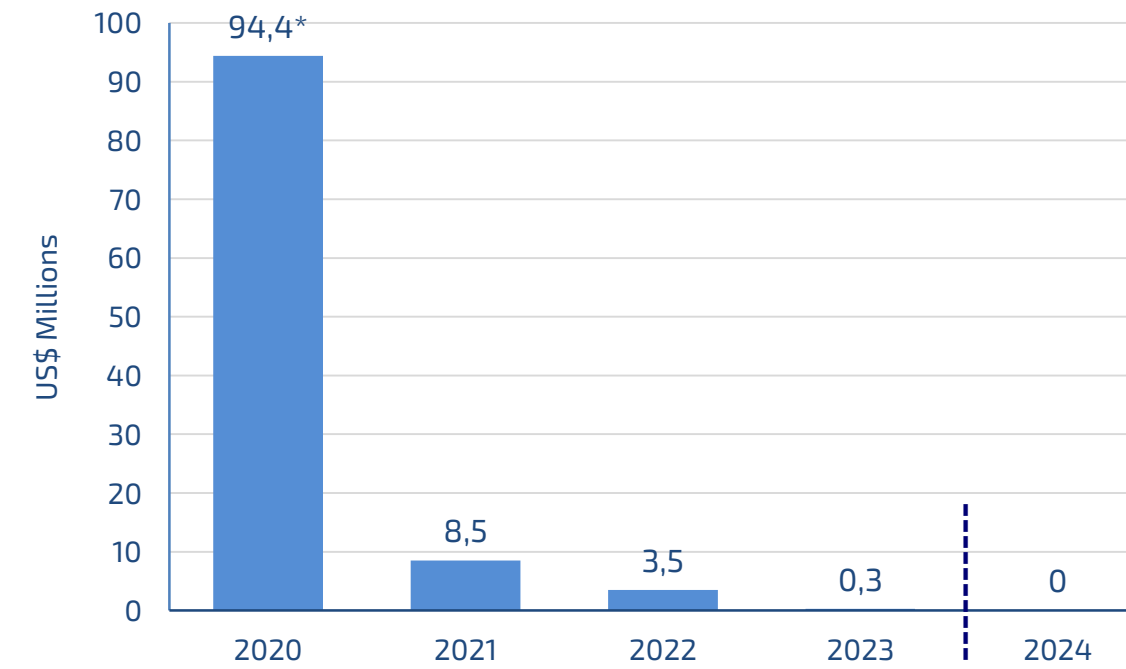
Source: Transener

# Leverage Profile

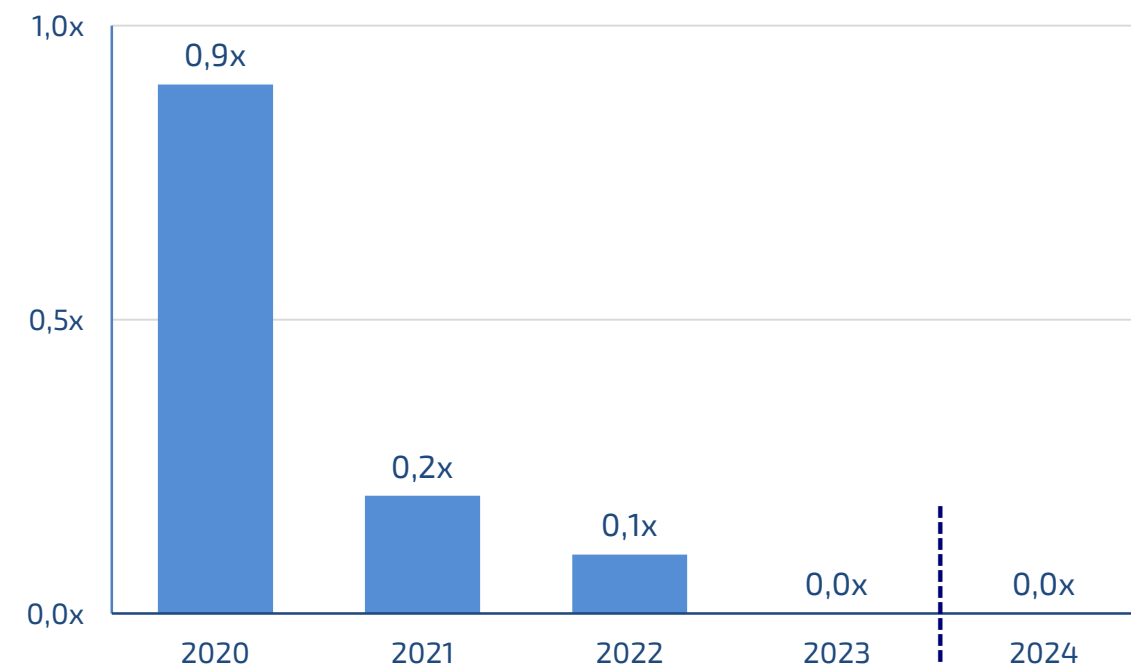
EBITDA



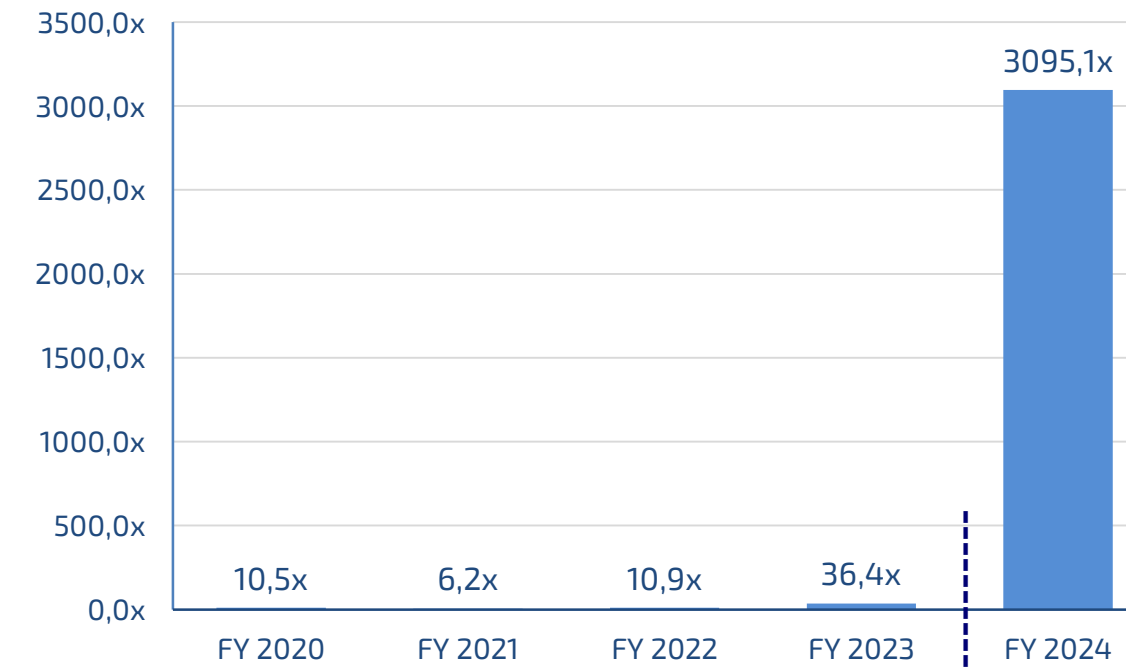
Total Financial Debt



Financial Debt to EBITDA



EBITDA to Interest Payment



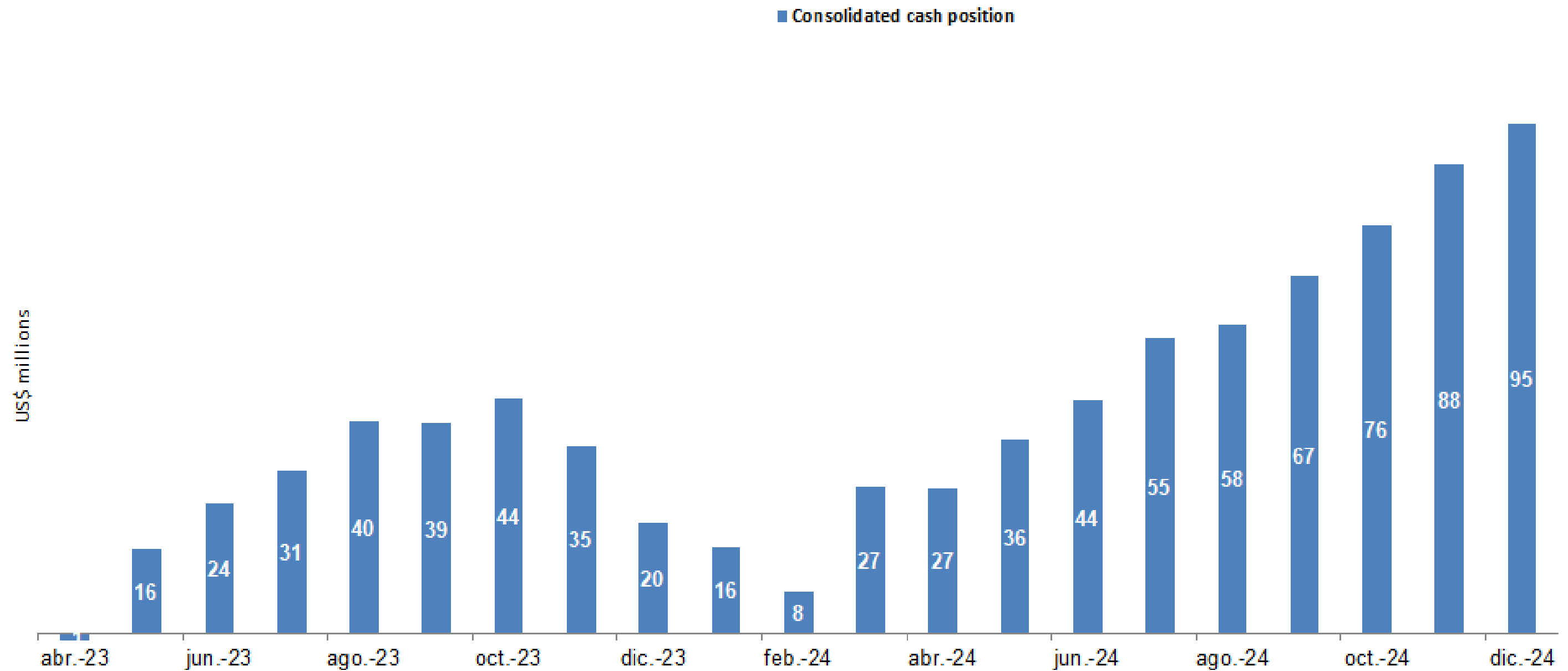
\* It does not include VN US\$ 12,5 MM notes in Transba's portfolio

# Annual cash flow in US\$ MM

CONSOLIDATED IN U\$SMM	2017	2018	2019	2020	2021	2022	2023	1Q 2024	2Q 2024	3Q 2024	4Q 2024
Regulated EBITDA +T.I.	180	155	143	96	44	34	32	19	34	41	40
Non Regulated EBITDA	8	6	8	6	10	7	6	5	3	2	3
Capex	-46	-74	-62	-48	-37	-23	-25	-6	-10	-14	-22
Income Tax	-37	-30	-29	-23	-14	-10	-5	0	-4	-1	-1
Working capital variation	-5	-2	-19	3	14	-16	-55	-16	-13	-11	2
<b>Consolidated operational cash flow</b>	<b>100</b>	<b>55</b>	<b>41</b>	<b>34</b>	<b>17</b>	<b>-9</b>	<b>-47</b>	<b>2</b>	<b>9</b>	<b>17</b>	<b>23</b>
Interests/Principal	-10	-10	-10	-10	-83	9	32	5	7	6	6
Dividends	0	-40	-74	0	0	0	0	0	0	0	0
Other financial items	-3	-9	-12	8	1	-3	0	0	0	0	0
<b>Net Cash Flow</b>	<b>88</b>	<b>-3</b>	<b>-54</b>	<b>32</b>	<b>-64</b>	<b>-3</b>	<b>-15</b>	<b>7</b>	<b>16</b>	<b>23</b>	<b>28</b>

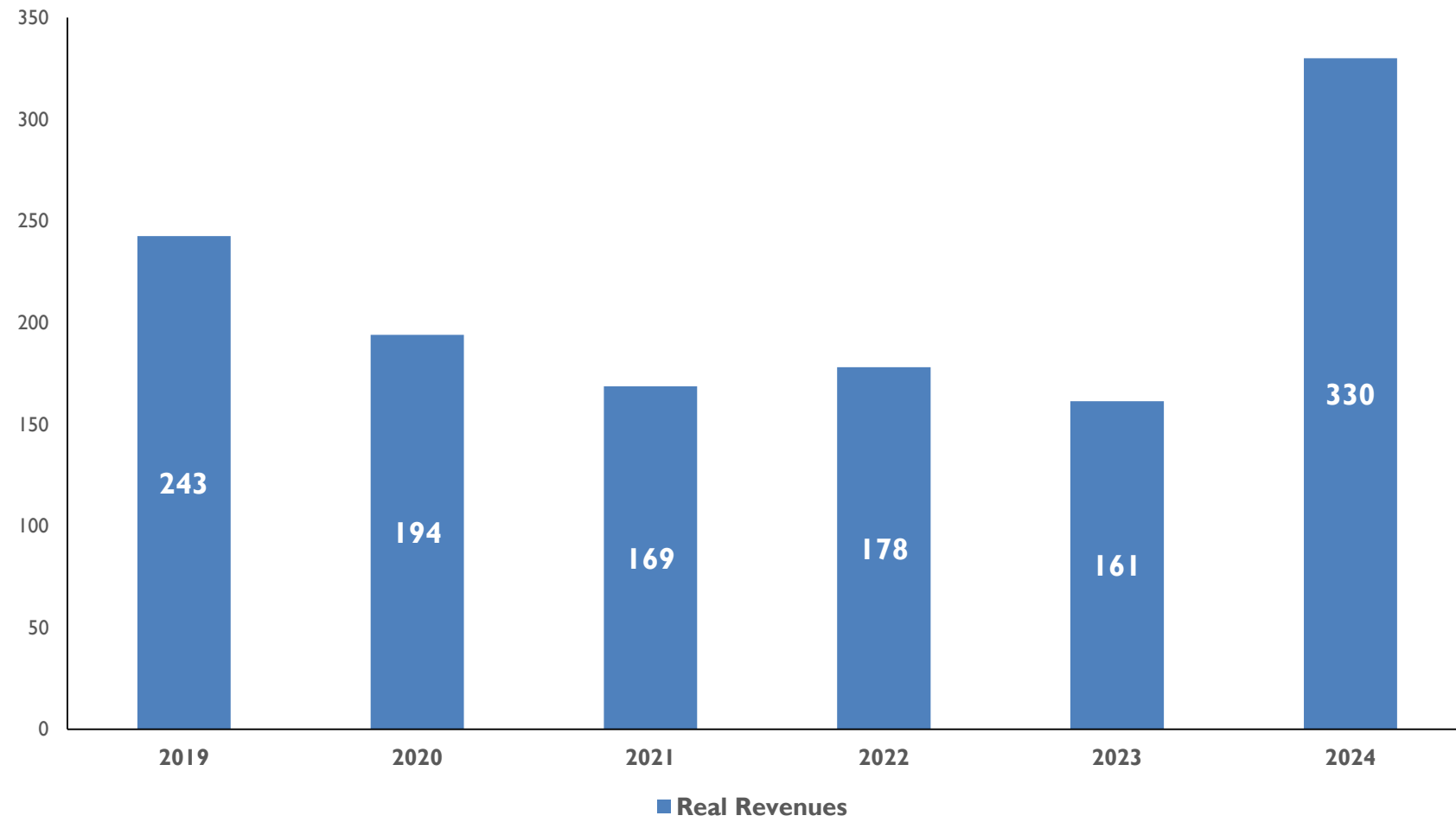


# Consolidated cash position - evolution

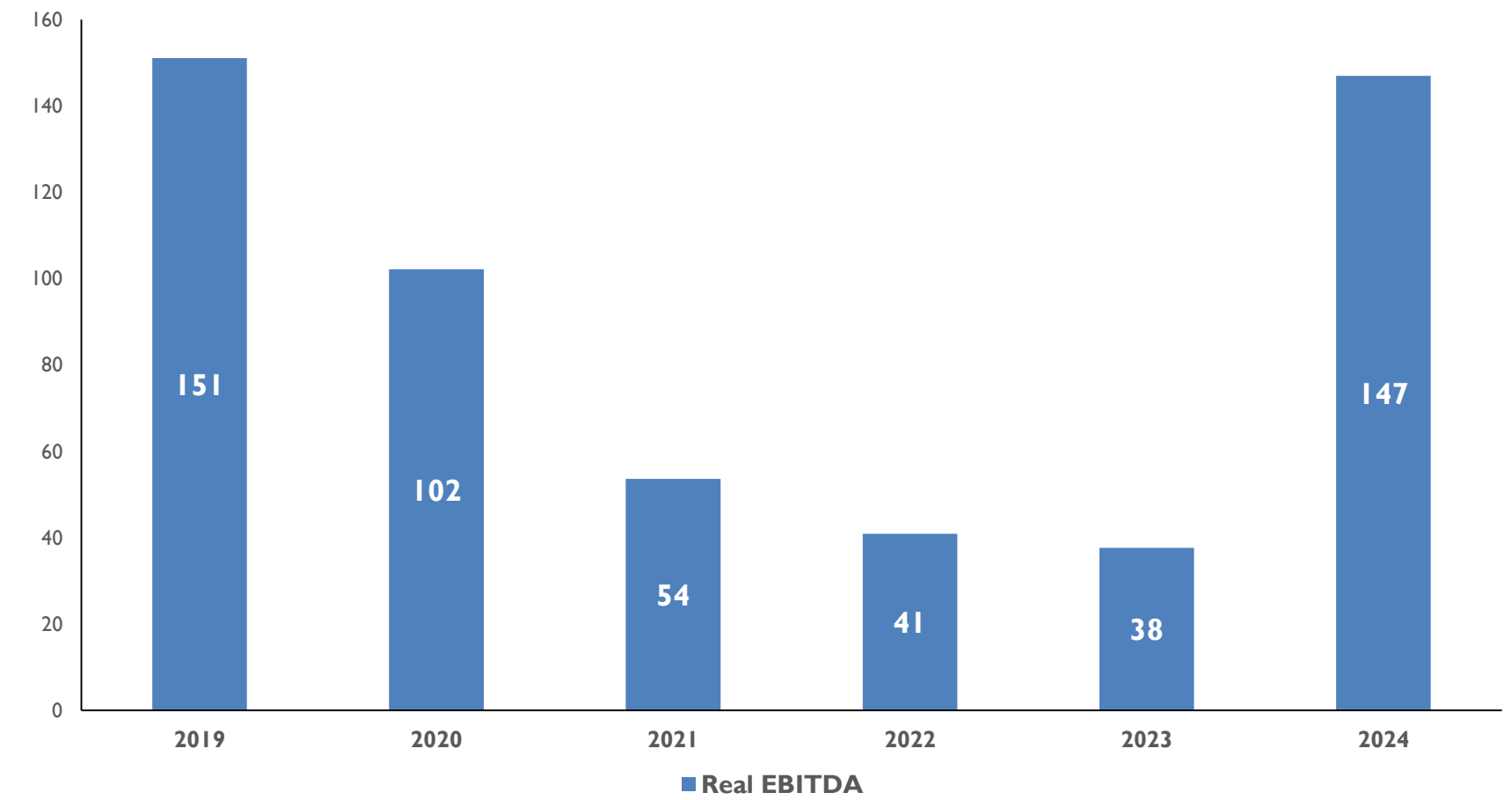


# Transition period

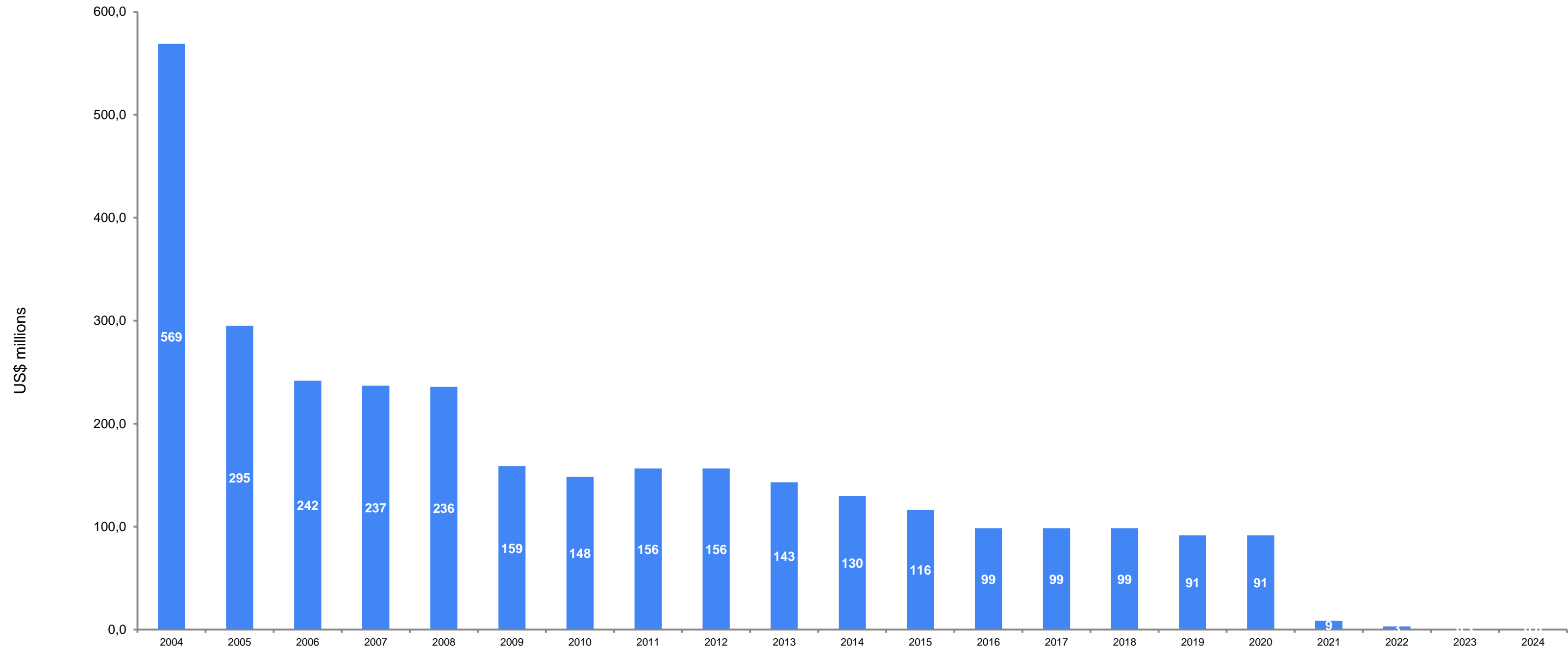
Total Revenues



Total Ebitda



# Financial debt evolution



Net of notes in Transener and/or Transba's portfolio

Source: Transener