

SETTLEMENT AGREEMENT. DISTRIBUTOR. GRANTING AUTHORITY

This Settlement Agreement is entered into between EMPRESA DISTRIBUIDORA DE ELECTRICIDAD DE MENDOZA SOCIEDAD ANONIMA, domiciled at Belgrano 815, City of Mendoza, Province of Mendoza, represented in this act by Neil A. Bleasdale, Argentine ID No. 93.480.977, in his capacity as President, hereinafter, the DISTRIBUTOR; and the Government of the Province of Mendoza, with domicile at Calle Peltier No. 351, City of Mendoza, Province of Mendoza, represented in this act by Natalio Luis Mema, Argentine Id. No. 31.587.911, in his capacity as Secretary of Public Services, (hereinafter, the "GRANTING AUTHORITY" and, together with the Distributor, "THE PARTIES").

The Parties give their full, free and informed consent to celebrate and sign this SETTLEMENT, subject to the terms and conditions established herein, and Sections 1641 and et seq. of the Civil and Commercial Code, as well as Section 2.C and 85 of the Procedural, Civil, Commercial and Tax Code of the Province of Mendoza.

TITLE ONE

BACKGROUND, AIM AND PURPOSE

Article I: BACKGROUND, AIM, PURPOSE. This settlement is the result of lengthy negotiations between the Parties.

This was in response to the claims made by the Distributor before the Granting Authority for the "Unearned Income" accrued during the 3rd to 5th Tariff Periods, which gave rise to various administrative files and judicial processes. The following is an enumeration for illustrative purposes only:

A-) Claim filed with the National Secretary of Energy identified as EX2017-25740968-APN-DDYME#MEM and extended on September 1, 2021, through instrument identified as EX2020-57977886-APN-DGD#mdp; B-) Province of Mendoza, Case File No. EX2021-04429436-GDEMZA-CCC; C-) Federal Court of Mendoza - Case File No. 13020/2020 captioned "EMPRESA DISTRIBUIDORA DE ELECTRICIDAD DE MENDOZA S.A. c/ COMPAÑÍA ADMINISTRADORA DEL MERCADO ELECTRICO MAYORISTA S.A y SECRETARIA DE ENERGIA DE LA NACIÓN s/ AMPARO CONTRA ACTOS DE PARTICULARES" originally heard by the Federal Court of Mendoza No. 2, Court Clerk's Office No. 5; D-) Supreme Court of Justice of Mendoza, Division I, Case File No. 133.309 captioned EDEMSA c/ Gobierno de la Provincia de Mendoza p/ Acción de Inconstitucionalidad (motion for unconstitutionality); E-) Supreme Court of Justice of Mendoza, Division II- Case File No. 97.003- captioned "EDEMSA c/ Gobierno de la provincia de Mendoza p/ acción de inconstitucionalidad" (motion for unconstitutionality); F-) Province of Mendoza, motion for revocation against Decree No. 1238/18 – Case File No. Nº 012-E-2017-09-80299 (Tariff Review 5th period); G-) EPRE - Motion for revocation - Resolutions No. 85/17 and 86/17 Decree No. 1163/17 – Case File No. 090-E-2017-0980299 (Tariff Review 4th period); H-) EPRE Motion for Clarification – Resolutions No 205/19 and 206/19 – Decree No. 1481/19 – Case File No. 321-E2018-09-80299 (adjustment procedure VAD 5th period); I-) EPRE Note - Observations on the tariff survey of the Regulatory Entity in the VAD adjustment procedure- February 2020: Decree No. 08/21 – Case File No. EX2020-00113416-GDEMZA-EPRE-SSP; J-) In addition, EDEMSA has filed different claims before EPRE itself, for the Unearned Income during the 5th tariff period, namely: 1) Note ARE No. 1829/18 dated October 19, 2018; 2) Note ARE No. 0006/20 dated January 7, 2020; 3) Note ARE No. 0788/20 dated July 28, 2020; 4) Note ARE No. 0123/21 dated January 29, 2021; 5) Note ARE No. 0706/21 dated January 29, 2021; 6) Note ARE No.

0190/22 dated January 29, 2022; 7) Note ARE No. 0830/22 dated July 28, 2022; 8) Note ARE No. 1660/22 dated December 13, 2022.

The claim amount for "Unearned Income" accrued during the 3rd to 5th Tariff Periods has been estimated by the Distributor, in accordance with the report prepared by the Faculty of Engineering of the University of Buenos Aires (FIUBA) in the sum of One Hundred Forty-Six Thousand One Hundred Fifty-Six Million Two Hundred Thirty-One Thousand (\$146,156,231,000.00). This amount was calculated as of December 31, 2022.

Section 9 of Law No. 7543 empowered the Executive Power to extend the term of the current concessions of the Electricity Distribution Public Service, up to a total of 50 years, after including the current concession term and the one added. This was agreed in the framework of renegotiation agreements between them.

The holder of Class "A" shares signed a special irrevocable power of attorney for the sale of the Pledged Shares in favor of the Granting Authority, as a whole with Sub-Annex 10 of the Service Concession Agreement, so that the latter may offer them to bid at the time the concession ends. The proceeds of said bid should be delivered to the former holder of the share package.

Within the framework of a concession extension, Section 14 of Law 6498 applies, which establishes that "if the holder of Class "A" shares of EDEMSA or EDESTESA appropriately declares in advance, within the term determined by the regulations, its intent to retain said ownership, the Executive Power may order not to call for bid and authorize its continuity in the management of the concession company".

Decree No. 197/98 establishes the procedure that must be followed at the end of the concession, determining valuation mechanisms for the concession companies at that time, as well as setting twenty (20) percent of the value that must be paid in such a scenario by the concession company in favor of the Granting Authority, pursuant to Section 16 of Law No. 6498.

The Provincial Electricity Regulatory Entity (EPRE), in compliance with its functions detailed in Law No. 6497 (Section 54 and related provisions) has calculated the value of the concession extension to the Distributor for twenty (20) years, estimating the same in the sum of Sixty-Four Thousand Three Hundred and Twenty-Two Million (\$64,322,000,000.00). The valuation has been made in accordance with the methods stipulated in Section 6 of Law 6498 and Section 10 of Decree No. 197/98. It is included in the file.

Section II. PURPOSE. The purpose of this SETTLEMENT is the full and final termination of any claim by the Distributor for "Unearned Income" accrued during the 3rd to 5th Tariff Periods, in the latter case exclusively until the date of execution of this agreement, through mutual concessions of the Parties. They are questioned by the Granting Authority, and the execution of this agreement does not imply any recognition of Factual and/or Legal aspects by any of the Parties.

TITLE TWO

CAUSE. MUTUAL WAIVERS

Section I. The Distributor, by virtue of and in consideration of the obligations and commitments assumed hereby by the Granting Authority and under the conditions contemplated in this agreement, expressly waives, with respect to the Granting Authority and EPRE, to any administrative or judicial claim -filed or not- for "Unearned Income" (i.e., income claimed in the

above-mentioned procedures and/or with the same nature or originated in them) accrued during the 3rd to 5th Tariff Periods, in the latter case, exclusively until the date of signing this document, and undertakes to submit this instrument before the relevant judicial and/or administrative authorities for the purpose of ensuring its effectiveness.

Section II. The Granting Authority, by virtue of the powers expressly conferred by Section 9 of Law 7543, hereby grants the Distributor "the extension of the concession agreement for the electricity distribution service" for an additional period of 20 years, as from the day after this concession expiration date, that is, as from August 1, 2028. In addition, it undertakes, within the framework of the 20-year extension granted, and pursuant to Section 14, Law No. 6498, not to call for bid for the award of Class A shares ownership, in view of the intent declared by the current holder to retain such ownership, and not to make any monetary claim against the Distributor for the extension of the concession agreement term hereby granted.

Section III. The Granting Authority, pursuant to Subsection 19.1 of Law 6497, reduces the concession fee from ten percent (10 %) to six percent (6 %) from the date this agreement becomes effective.

Section IV. The Distributor undertakes to execute the works plan attached hereto as Annex I in due time and form. The Annex is merely illustrative and its final version must be agreed with EPRE (for the same amount and execution period indicated therein) within 30 days as from the execution hereof. For this purpose, the Granting Authority undertakes to include the costs of the aforementioned plan in the determination of the future tariff charts, which must be adjusted in successive tariff adjustments. The amount received by the Distributor must be exclusively allocated to the execution of said works plan, and the Provincial Electricity Regulatory Entity (EPRE) must audit it.

Section V. The Granting Authority, as holder of Class "B" and "C" shares of EDEMSA, undertakes to carry out the necessary corporate actions for the purpose of "ensuring that the profits to which holders of Class "B" and "C" shares may be eventually entitled during the validity of the concession agreement be allocated to investments intended to expand the system and/or energy efficiency, with no other purpose than that". The investments made with the dividends of Class "B" and "C" shares will not be computed in the capital base to be remunerated to the Distributor. Notwithstanding the foregoing, during the economic period elapsing between 2022 and 2048, both inclusive, the Granting Authority and EPRE will not question the payment of dividends, in accordance with the accounting standards in force in the Argentine Republic, provided the service quality is not affected.

Section VI. The Distributor undertakes to obtain and deliver to the Granting Authority i) the ratification by the shareholders' meeting of EDEMSA, SODEMSA and SODEMSA's shareholders of the conditions of this settlement, with ii) express waiver of SODEMSA and its shareholders in the same terms as the Distributor, as regards both the Granting Authority and EPRE, to all administrative or judicial claim, whether or not filed to date. In particular, waiver to any claim – filed or not – before the International Center for Settlement of Investment Disputes (ICSID) against the Granting Authority and/or EPRE.

Section VII. The Granting Authority, by virtue of the claims waiver by the Distributor referred to above, undertakes, under the current regulatory framework, to comply with the tariff readjustment procedures under the concession agreement and the applicable legislation, and to recognize in the determination of the tariff charts the Payment Plans agreed between the Distributor, Compañía Administradora del Mercado Mayorista Eléctrico S.A. (CAMMESA), the

National Secretary of Energy and the Granting Authority, for the regularization of obligations of the Wholesale Electricity Market (MEM) resulting from the Deed Agreement signed on December 29, 2022, and the balance of the payment plan signed by the Distributor and CAMMESA on February 14, 2018.

Section VIII. The Parties agree that the discontinuance of the judicial and administrative claims that become ineffective by virtue of this agreement shall be instrumented with costs to be borne by the party who incurred them.

TITLE THREE

FORM

Section I. This agreement is being signed by the Granting Authority ad referendum and must be ratified by Decree issued by the Provincial Executive Branch.

Section II. This Settlement Agreement shall be ratified by the Distributor's shareholders' meeting in all its terms.

TITLE FOUR

CONDITIONS PRECEDENT AND TERMINATION UPON DEFAULT

Section I. Condition precedent. This settlement shall only be effective as from the moment of effective, written notice by the Distributor to the Granting Authority of the conditions required in Section I, Title II.

Section II. Condition precedent. This settlement shall only be effective as from the moment of effective, written notice by the Distributor to the Granting Authority of the conditions required in Section VI, Title II.

Section III. Condition precedent. This settlement shall only be effective as from the moment of effective ratification by means of Decree issued by the Governor of the Province of Mendoza, pursuant to Section I, Title III.

Section IV. Condition precedent. This settlement shall only be effective as from the moment of effective, written notice by the Distributor to the Granting Authority of the conditions required in Section II, Title III.

Section V. Condition precedent. This settlement shall only be effective as from the moment of effective, written notice by the holder of Class "A" shares to the Granting Authority of the condition required in Section II, Title II, in relation to its intent to retain the ownership of its shares.

Section VI. Termination upon default. The fulfillment of the obligations referred to in Sections I, II, III and V under Title II, is considered by the Parties of an essential nature, so that any breach of said obligations shall give the Non-Defaulting Party the right to require the Defaulting Party to remedy such breach within thirty (30) days under penalty of termination. If such term expires, and the breach has not been cured, this agreement shall be terminated without need of any other procedure.

Section VII. Specific performance. In case of breach of any of the other obligations contemplated herein, the Non- Defaulting Party may seek compliance through a formal notice to the Defaulting Party for a period of fifteen (15) days, and if said breach is not cured within

such term, the Non- Defaulting Party may seek compliance through the measures prescribed by law, preserving the validity of this agreement.

TITLE FIVE

DOMICILES, JURISDICTION

Section I. Domiciles. For the purposes of this agreement, the Parties establish the following special domiciles:

- the Granting Authority, at Calle Peltier 351 of the City of Mendoza, Province of Mendoza;
- the Distributor, at Calle Belgrano 815 of the City of Mendoza, Province of Mendoza.

All notices, whether court or out-of-court, that may be served to the Parties by virtue of this agreement, shall be fully valid and enforceable, even if the Party to be notified is not present at the time the notice arrives, until either Party does not notify in writing the change of special domicile; only as from this moment, such new domicile shall have the effects provided for in this clause.

Section II. Jurisdiction: For the purposes of any judicial action, the undersigned have set the special domiciles indicated herein, for the fulfillment of this agreement, expressly waiving the jurisdiction of the federal courts.

IN WITNESS WHEREOF, the Parties signed the number of copies prescribed by law, and each of them took a copy in this act, in the City of Mendoza on this 3rd day of January of 2023.