April 20, 2026

Edenor S.A.

Edenor (Empresa Distribuidora y Comercializadora Norte S.A.) is the largest electricity distribution company in Argentina, holding a concession that covers the northern area of the Autonomous City of Buenos Aires and Greater Buenos Aires. It serves an area of 4,637 km^2, with a total of 3.39 million customers and 42,916 km of electrical networks, representing approximately 20% of the national electricity market share.

51% of Edenor's shares are owned by South American Energy LLP, an investment consortium made up of three key figures in Argentina's energy sector: Daniel Vila, José Luis Manzano and Mauricio Filiberti. Of the remaining 49%, 26.8% is held by ANSES, while 22.1% is free float, traded both on ByMA and on the NYSE through ADRs

Operations

In 2025, total energy sales reached 22,952 GWh (+1.6% vs. 2024), mainly driven by higher demand from residential customers and small businesses. Edenor's customer base reached 3.39 million (+1% vs. 4Q24), primarily due to an increase in residential customers and mid-sized businesses.

Sales by Volume	2025		Chg. YoY %
	GWh	Share %	GWh
Residential	10621	46,30%	1,60%
Small businesses	2050	8,90%	0,10%
Mid-sized businesses	1527	6,70%	0,80%
Industrial	3409	14,90%	-2,70%
Tolling	3886	16,90%	2,00%
Public lighting	599	2,60%	2,30%
Low-income areas	859	3,70%	5,70%

Source: Sekoia Research based on Financial Statements.

Meanwhile, energy losses stood at 15.69%, the lowest level in the past eight years.

Results

As usual in our reports, we will analyze the company's financial statements in U.S dollars, using either the average or the closing wholesale exchange rate for each period, as appropriate.

Since late 2023, several regulatory changes have been implemented aimed at recomposing the tariffs at which the company purchases energy supply. The main regulatory changes from 2025 to date are outlined below:

jan-25	Edenor submitted a tariff proposal to ENRE to be evaluated at a Public Hearing.
feb-25	ENRE held a Public Hearing to define electricity distribution tariffs for the next five years (2025–2030).
apr-25	Approval of the Five-Year Tariff Review, including monthly adjustments of 0.42% above inflation, based on a formula weighted by CPI (33%) and WPI (67%).
may-25	Debt with CAMMESA was regularized and is currently being repaid through installment plans of 72 to 75 monthly payments.
oct-25	Edenor filed a claim for "Regulatory Asset" calculated by independent third parties. The Secretariat of Energy is currently reviewing it.
Jan 25-Dec 25	VAD increased by 37% (LTM), compared to CPI of 32% and FX devaluation of 41% (ARS/USD). 1% average VAD adjustment: monthly since August 2024
dec-25	ENRE authorized the company to change meter reading frequency from bi-monthly to monthly.
Jan 26 - Mar 26	The adjustment formula continues to be applied; in March 2026, the VAD increase was 2.5%.

Source: Sekoia Research based on Financial Statements.

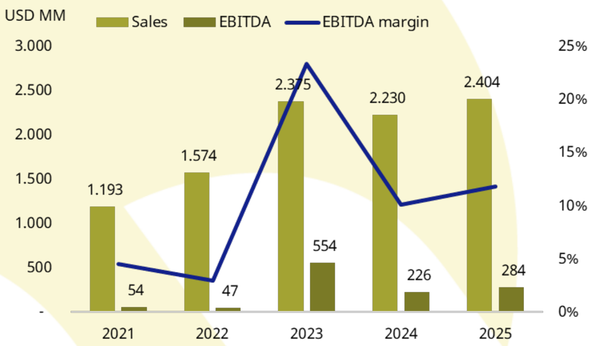
As a result, in 2025, revenue from services reached USD 2,404 million, up 8% YoY, mainly driven by tariff adjustments, including the February 2024 increase (319.2%) and monthly adjustments since August 2024 (averaging 3.1%). By the end of December 2025, the collection rate stood at 95.75%, with overdue balances totaling USD 65 million.

Conversely, costs (energy purchases) increased by 10% to USD 1,397 million over the same period, as a result of higher demand, increased generation prices, and a reduction in subsidies.

In this way, EBITDA reached USD 284 million (26% YoY), with an EBITDA margin of 12% (+200 bps. YoY). This excludes the USD 149 million payable in 72 installments, corresponding to the debt recognized with CAMMESA related to overdue energy purchases from November 2023 to March 2024.

USD MM	2025	2024	Chg. (%)
Revenue	2.404	2.230	8%
Cost of sales	1.397	1.273	10%
Operating Income	115	46	151%
EBITDA	284	226	26%
Net Income	192	297	-35%
Operating margin	5%	2%	132%
EBITDA margin	12%	10%	200 bps.

Annual Sales



Source: Sekoia Research based on Financial Statements.

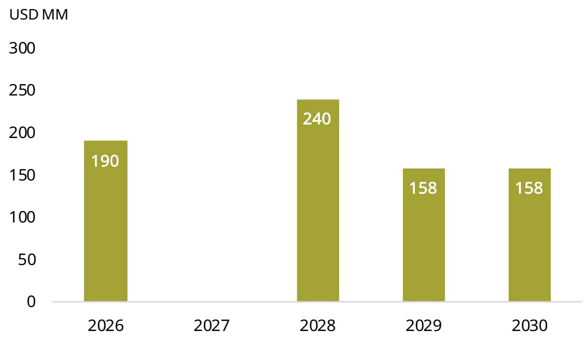
Debt profile

As of year-end 2025, the company reported total financial debt of USD 798 million, representing a 104% YoY increase. Of total debt, 79% corresponds to bonds, while the remaining 21% consists of bank loans and overdrafts.

Additionally, the company holds financial assets measured at fair value of USD 44 million, along with USD 142 million in cash and cash equivalents, resulting in net debt of USD 232 million, or net leverage of 0.8x.

USD MM	2025	2024	Chg. (%)
Financial Debt	798	392	104%
Financial Assets	424	352	21%
Cash & Cash Equivalents	142	23	513%
Net Debt	232	17	1291%
Net Leverage	0,8	0,1	0,7
Annual interest expense	29	34	-12%
Interest coverage	9,7	6,8	2,9

Maturity profile



Source: Sekoia Research based on Financial Statements.

Bonds

Edenor has a single bond governed by New York law with a total amount of USD 475 million. It matures in 2030, carries a 9.75% annual coupon paid semiannually, and amortizes in three equal, annual, and consecutive installments starting in 2028. The bond was originally issued for USD 300 million and was reopened last December for an additional USD 180 million.

Last April 15, the company launched a cash tender offer for this bond of up to USD 150 million. The offer includes an early tender option until April 28, 2026, at a price of USD 1.02 per bond, while at the expiration of the offer on May 13, 2026, the company will pay USD 0.99 per bond.

Bond	Price	YTM	DUR	Min. Piece	Amou Out	R
EDNAR 9 ¾ 10/24/30	101,22	9,33%	2,7	100	475	B-

At the same time, Edenor is offering a new bond under New York law for up to USD 500 million, with semiannual payments, a 7-year maturity, and amortization of 33% in year 5, 33% in year 6, and 33.34% in year 7. Price and coupon will be determined in the offering. The bond may be subscribed in local U.S. dollars (MEP), offshore U.S. dollars (cable), or through the delivery of EDNAR 9 ¾ 11/22/26 and EDNAR 9 ½ 08/05/28 at prices of 105.22 and 103.41 per 100 bonds, respectively. The offering is scheduled to begin on April 22, 2026.

Outlook

The company has been operating for many years with a low level of leverage. In recent quarters, thanks to the aforementioned tariff restructuring, the net debt-to-EBITDA ratio has stood at more than comfortable levels. Given the performance of its 2030 bond, we believe that the new 7-year bond should be issued with an estimated yield of around 9.50%.

We like the 9.50% bond; its premium over the Argentine corporate curve can only be explained by the risk of a potential return to tariff arrears practices by the government.

Thanks,

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