

## **Pampa Energía Q2 2025 Conference Call**

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Presenting:

Gustavo Mariani, CEO

Horacio Turri, head of oil and gas

Adolfo Zuberbühler, CFO

Lida Wang, IR & ESG Officer

Hello everyone, and thank you for joining our conference call. I will make a real quick summary of Q2 so we can have more time for questions with the management. For today's Q&A, we have our CEO, Mr. Gustavo Mariani, Mr. Horacio Turri, our head of oil and gas, and our CFO, Mr. Adolfo Zuberbühler.

Several key developments marked the second quarter of 2025. First, the successful production ramp-up at Rincón de Aranda, thanks to the tie-in of new pads in coordination with the commissioning of supporting infrastructure such as a temporary processing facility, internal and trunk pipelines. Also, the contribution of the new 140-MW wind farm PEPE 6 and higher spot prices boosted the quarter's figures. However, colder temperatures started in June, leading to a delayed spike in both power and gas demand. Petchem continued its gradual recovery, returning to positive EBITDA territory. Finally, in a proactive LM transaction, we extended 2029 notes to 2034 with a 340-million-dollar retap, issued at the lowest spread over U.S. Treasuries in Pampa's history.

Let's move into the quarter's financial results. The adjusted EBITDA amounted to 239 million dollars, a 17% decline year-on-year, driven by soft gas sales, falling petchem prices and higher operating expenses weighed on performance. These headwinds were partially offset by contributions from the new PEPE 6 wind farm, increased gas exports to Chile, and higher production at Rincón de Aranda. Quarter on quarter, EBITDA improved due to seasonality and growing output at Rincón de Aranda.

Capex surged 134% year-on-year, reaching 354 million dollars. The majority —249 million dollars— was invested in the development of Rincón de Aranda.

Moving on to slide 4, the oil and gas adjusted EBITDA was 87 million dollars in Q2, down 28% year-on-year, largely due to reduced domestic gas sales to retail and thermal power, as the colder weather arrived later than usual. The expiration of winter peak contracts between May and September under Plan Gas GSA also impacted results, though June performed strongly - as if GSAs had remained in place. Higher lifting costs, especially from Rincón de Aranda, also affected EBITDA performance. However, increased gas exports to Chile and stronger crude oil production at Rincón de Aranda helped to balance the decline.

The lease of temporary facilities at Rincón de Aranda and gas treatment pushed the lifting cost up to 7.6 dollars per boe. In particular, gas lifting cost rose to 1.1 dollars per million BTU, also influenced by lower output. Quarter-on-quarter, lifting cost per boe increased moderately, explained by the transition from trucking to in-house and leased facilities, offset by seasonality.

Total production averaged 84 thousand boe per day, down 7% year-on-year due to output decreases at El Mangrullo and non-operated blocks, partially offset by Rincón de Aranda and Sierra Chata gas field. Quarter-on-quarter, production is up 16%, explained by seasonality and shale oil.

The production mix continues to shift, with oil rising to 9% of total output and contributing 18% of O&G revenue, entirely due to Rincón de Aranda's ramp-up. Also, we tied in two shale oil wells targeting Vaca Muerta at Rio Neuquén —the block's first shale development— alongside new tight gas wells.

Crude oil prices averaged nearly 62 dollars per barrel in Q2, 14% lower than last year, mainly explained by Brent underperformance, affecting exports mostly. However, our hedging strategy around Rincón de Aranda's rising production helped mitigate the price drop.

Total gas sales fell 11% year-on-year to almost 13 million cubic meters per day, but rose 10% from Q1, as explained before by seasonality. El Mangrullo continued to lead output, though its share declined to 58% of

total Q2 gas volume. Meanwhile, Sierra Chata increased its share to 29%, with a 14% production gain year-on-year. In Sierra Chata, we drilled 4 wells and tied in 3 year-to-date. 57% of Q2's output was shale.

In line with our commitments in the exploratory block Parva Negra Este, we drilled a horizontal shale well, which is currently awaiting completion and testing. Pampa extended Parva Negra Este's license until 2027.

Gas prices averaged 4 dollars per million BTU for the quarter, remaining steady year-on-year due to lower Brent prices that affected export prices, offset by improved prices in retail and industrial segments. Half of our gas was delivered to CAMMESA for thermal power generation under the Plan Gas GSA. Since May, we have increased flows to Chile through two pipelines, capitalizing on the competitiveness of our gas relative to LNG. By June, exports had reached 1.1 million cubic meters per day – the same as today.

Though Q2 gas sales were soft, June rebounded sharply with the colder temperatures. On July 24, we hit a new all-time daily production record of 17.4 million cubic meters, driven by outstanding shale wells in Sierra Chata. The most recent tied-in pad of three wells peaked at 2.7 million cubic meters per day in June, highlighting its solid productivity and competitiveness.

Focusing now on Rincón de Aranda. Five pads had been drilled, four of which are online. During Q2, the block produced an average of 5.3 thousand barrels per day, exiting June at 8.8 thousand barrels per day. This growth was mainly driven by pads #2 and #4 – the latter began really producing in late June, so it did not completely clear out water by then. Currently, Rincón de Aranda is delivering almost 16 thousand barrels from 4 pads. The last 2 pads were tied in during July and are still under well testing. For 2025, we budgeted 800 million dollars in total capex, having already invested over 360 million dollars year-to-date. We expect to reach 20 thousand barrels per day at Rincón de Aranda by Q4, and aim to reach a 45 thousand barrels target by 2027, when Vaca Muerta Oil Sur is online.

To support this ramp-up, we secured trunk pipeline transportation agreements in VMOS and Duplicar. In June, Pampa applied to the RIGI framework for the Central Processing Facility, aka CPF, and all related infrastructure needed to evacuate the target production level, as shown in the video on the screen. The CPF, flowlines, pipelines, water treatment pools, all require an estimated investment of 426 million dollars, of which the CPF is slated to begin by late next year.

Switching to power generation on slide 9, we posted an adjusted EBITDA of 112 million dollars in Q2, a 5% increase year-on-year, mainly explained by PEPE 6 performance and higher spot prices measured in dollars, partially offset by increased operating costs and scheduled outages.

Generation volumes declined 7% year-on-year and availability stood at 92%, due to maintenance at Loma de la Lata, upgrade works at Barragán's CCGT efficiency and gas emissions, and the hydro Nihuiles' outage of two out of three dams since January this year. Still, increased gas supply and PEPE 6 helped to offset said decreases. Capacity payments, particularly under take-or-pay PPAs, continue to support 70% of the segment's EBITDA.

Turning to cash flow on slide 10, we show Restricted Group figures because they are aligned with the bond perimeter. In Q2, we posted a free cash outflow of 307 million dollars, mainly driven by capex at Rincón de Aranda, which accounted for 75% of total investment, along with an uptick in seasonal working capital, as gas sales peak during Q2 and Q3. As a result, cash and cash equivalents stood at 879 million dollars at quarter-end.

Finally, on the balance sheet, gross debt was nearly 1.6 billion dollars, down 23% since December 2024, thanks to the redemption of the 2027 and 2029 Notes. Net debt rose to 712 million dollars, 1.1 times net leverage, reflecting the cash outflow for capex and seasonal working capital. Our successful liability management efforts extended the debt average life from 4.2 years to 6.2 years, significantly improving our maturity profile amid the high drawdown in cash for Rincón de Aranda's development.

So, this concludes our presentation. Now, the floor is open for questions.