



London, March 25th 2021

1 South Quay,
Victoria Quays, Wharf Street,
Sheffield,
S2 5SY

Re. Invitation-Letter. Subscription of shares
of Andina Plc (Company No. 8095058) at a
subscription price of 18 pence per share.

Dear Gentlemen,

As you may know, the Annual Report and Financial Statements of Andina Plc (the “Company” or “Andina”) for the year ended December 31, 2019, reflects that as of that date the Company with its subsidiaries was indebted towards third parties in the amount of USD 16,735,000, in its capacity as co-debtor under loans and other financing obtained by those companies operating within the fields of power generation and power distribution where the Company holds significant equity participation.

After lengthy negotiations that took more than six months, and following the commencement of judicial foreclosure by some of the creditors, Andina, in its capacity as co-debtor, reached two settlement agreements as described in Notes 19 and 33 to the above mentioned Annual Report and Financial Statements, involving a debt-for-equity SWAP, where it was agreed that USD 10,706,475.80 of debt would be cancelled via issuance and allotment of Andina shares to the creditors, at a subscription price of 18p per share.

Notwithstanding that such a debt cancellation was a legal obligation of the Company, among other reasons that made it highly convenient for Andina to cancel that debt, the Company moved forward in reaching the settlements under the premise that it needed to obtain an equity structure, including but not limited to debt-to-equity ratio, that would allow it to participate as a significant equity investor in the acquisition of Empresa Distribuidora y Comercializadora Norte S.A (“EDENOR”), which is under way, with a closing expected to take place before the first half of this year. EDENOR is the largest electricity distribution company in Argentina in terms of number of customers and electricity sold. The company holds a concession to distribute electricity exclusively in the northwestern zone of the greater Buenos Aires metropolitan area and the northern part of the city of Buenos Aires, which has a population of approximately 9 million people and an area of 4,637 sq. km. Also, EDENOR is listed on the Buenos Aires Stock Exchange (BCBA: EDN) and its ADRs (American Depositary Receipts) shares (each ADR representing 20 Class “B” shares) are listed on the New York Stock Exchange (NYSE: EDN) since 2007.

Under such scenario, on December 30, 2020, the Board of Directors of the Company resolved the allotment of 44,853,670 new shares, treated as fully paid-up, within the framework of

settlement agreements with certain shareholders and creditors regarding the conversion of USD 10,706,475.80 of Company debt into equity (the “DFE SWAP”). The foregoing in terms consistent with the capital increase that was approved under the general shareholders’ meeting of September 30, 2020.

In addition to the DFE SWAP, on March 1, 2021, Board of Directors approved the issuance and allotment to an American company of 11,963,990 ordinary shares, for an aggregate value of USD 3,030,000, which was paid-in in full upon subscription (the “Additional Issuance”; and when referred to jointly with the DFE SWAP, both of them collectively referred to as the “Involved Issuances”). It must be noted that 8,739,610 of the shares comprised under the Additional Issuance are pending corporate approval and issuance, to which purpose a shareholders’ meeting shall be convened shortly for consideration of the applicable capital increase.

Under the terms of the Involved Issuances, the Company’s share capital has been increased from 96,156,112 shares to 152,973,772 shares, through issuance and allotment of ordinary shares at a subscription price of 18p per share, as per the following detail:

- (i) 12,868,091 shares have been issued and allotted to Crisscross International Development Inc., thus cancelling debt in the aggregate amount of USD 3,071,587.99;
- (ii) 4,131,472 shares have been issued and allotted to Stanhope Worldwide Services Inc., thus cancelling debt in the aggregate amount of USD 986,172.84;
- (iii) 9,993,457 shares have been issued and allotted to Generation Capital Investments S.A., thus cancelling debt in the aggregate amount of USD 2,385,418;
- (iv) 17,860,650 shares have been issued and allotted to South American Energy Development LLC, thus cancelling debt in the aggregate amount of USD 4,263,297;
- (v) 11,963,990 shares have been issued and allotted to EMA Electromechanics Inc., a company organized under the laws of Texas (USA), in exchange for USD 3,030,000.

Even though the nature of the DFE SWAP falls under the provisions of Section 565 of the Companies Act 2006 (the “Act”), hence constituting an issuance and allotment excepted from any pre-emption rights as provided under Section 561 et seq. of the Act, nonetheless the Company still wishes to offer you to subscribe shares as if you held pre-emption rights in respect to the above mentioned issuance and allotment.

Therefore, we are hereby submitting to you an irrevocable offer (the “Offer”), valid for a term of twenty (20) days as from the date hereof, for you to subscribe shares of the Company on similar terms and conditions, *mutatis mutandis*, to those of the Involved Issuances, which would result in allotting and issuing to you at a subscription price of 18p per share, a proportion of shares of Andina that is as nearly as practicable equal to the proportion in nominal value of the ordinary share capital of the Company held by you on a basis prior to the Involved Issuances.

Should you wish to accept this Offer, please kindly confirm your acceptance, by serving notice thereof to the Company at 1 South Quay Victoria Quays, Sheffield S2 5SY, with a copy via email to each of Valeria de Oliveira César, Chief Executive Officer voc@andinapl.com or

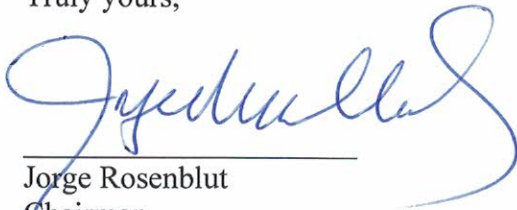
María Inés Anchelerguez, Company Secretary mia@andinapl.com, within the term of this Offer.

In case you accept the Offer, within five (5) days as from receiving your acceptance notice, we shall serve notice to you on: (i) the amount of shares of Andina Plc that you are entitled to subscribe pursuant to the Offer; (ii) the aggregate amount of pounds to be paid-in by you upon subscription; (iii) the wiring instructions pertaining to the Company's US Dollar bank account to which you shall have to wire transfer the subscription price; and (iv) the procedure for determination of the applicable exchange rate between US Dollars and Pound Sterling.

Furthermore, in case you accept the Offer, your subscription of shares thereunder will also result in the Company granting to you warrants at a rate of two (2) warrants for each share of the Company thus subscribed, which will consist in an option to subscribe Company shares at a rate of one share for each warrant, for a three-year term, at a subscription price of 25p GBP per share.

For any inquiries, please contact: Valeria de Oliveira César, Chief Executive Officer, at voc@andinapl.com or María Inés Anchelerguez, Company Secretary, at mia@andinapl.com +54 9 11 67573547.

Truly yours,



Jorge Rosenblut
Chairman
Andina Plc