

IMPORTANT NOTICE

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NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OF AMERICA OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

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CONFIRMATION OF YOUR REPRESENTATION: In order to be eligible to view the Offering Document or make an investment decision with respect to the securities, investors must be either (i) a “qualified institutional buyer,” within the meaning of and in reliance on Rule 144A under the Securities Act or (ii) a non “U.S. person” (as defined in Rule 902 under the Securities Act) in an offshore transaction in accordance with Regulation S under the Securities Act (either (i) or (ii) being an “Eligible Investor”). By opening the e-mail or accessing the Offering Document, you shall be deemed to have represented to the joint lead managers named in the Offering Document (the “Joint Lead Managers”) that (1) you and any customer you represent is an Eligible Investor; and (2) you consent to delivery of the Offering Document by electronic transmission. By receiving this Offering Document, you represent that you are not residing in a jurisdiction considered as non-cooperating (jurisdicción no cooperante) or paying for securities with funds transferred from accounts maintained in jurisdictions considered as non-cooperating, in each case as determined under applicable Argentine law or regulation.

The securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the “EEA”). For these purposes, a “retail investor” means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “MiFID II”); (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “Insurance Distribution Directive”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the “Prospectus Regulation”). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “PRIIPs Regulation”) for offering or selling the securities or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation. The Offering Document has been prepared on the basis that any offer of securities in any member state of the EEA will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of securities. The Offering Document is not a prospectus for the purposes of the Prospectus Regulation.

The securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the “UK”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“EUWA”); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, the “FSMA”) and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA (the “UK Prospectus Regulation”). Consequently, no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the “UK PRIIPs Regulation”) for offering or selling the securities or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the securities or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

In the UK, the Offering Document and any other material in relation to the securities described in the Offering Document are being distributed only to, and are directed only at, persons who are “qualified investors” (as defined in the UK Prospectus Regulation) who are (i) persons having professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the “Order”), or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order, or (iii) persons to whom it would otherwise be lawful to distribute them, all such persons together being referred to as “Relevant Persons.” In the UK, the securities are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire the securities will be engaged in only with, Relevant Persons. The Offering Document and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by any recipients to any other person in the UK. Any person in the UK that is not a Relevant Person should not act or rely on the Offering Document or its contents.

You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and, consequently, none of the Joint Lead Managers nor any person who controls any Joint Lead Managers or any of their directors, officers, employees or agents, or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any changes made without knowledge of such entity. You are reminded that the Offering Document has been delivered to you on the basis that you are a person into whose possession the Offering Document may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorized to, deliver the Offering Document to any other person. You will not transmit the Offering Document (or any copy or part thereof) or disclose, whether orally or in writing, any of the contents of the Offering Document to any other person except with the consent of the Joint Lead Managers.

US\$420,000,000



YPF ENERGÍA ELÉCTRICA S.A.
7.875% Senior Notes due 2032

We are offering US\$420,000,000 aggregate principal amount of our 7.875% senior notes due 2032 (the “Notes”). Interest on the Notes will accrue at a rate of 7.875% per year and will be payable semi-annually in arrears on April 16 and October 16 of each year, commencing on April 16, 2025. The principal in respect of the Notes will amortize in three consecutive annual installments with a final maturity on October 16, 2032.

The Notes will not be redeemable prior to maturity except as provided herein. We may redeem the Notes, at our option, in whole or in part, at any time prior to October 16, 2027 at a make-whole redemption price, plus accrued and unpaid interest thereon, if any, to, but excluding, the redemption date. We may redeem the Notes, at our option, in whole or in part, at any time on or after October 16, 2027, at the redemption prices set forth herein, plus accrued and unpaid interest thereon, if any, to, but excluding, the redemption date. At any time prior to October 16, 2027, we may redeem up to 35% of the original principal amount of the Notes with the proceeds of certain equity offerings at a redemption price of 107.875% of the principal amount of the Notes, plus accrued and unpaid interest, if any, to, but excluding, the date of redemption. In addition, we may redeem all the Notes, in whole but not in part, at par plus accrued and unpaid interest, if any, to, but excluding, the redemption date and any additional amounts in the event of certain changes in tax law.

The Notes will constitute our direct, unconditional, senior, unsecured obligations and will rank at all times equal in right of payment with all our other existing and future unsecured and unsubordinated indebtedness (other than obligations preferred by operation of law). The Notes will be effectively subordinated to any secured indebtedness to the extent of the value of the assets securing such indebtedness and to any indebtedness and other liabilities of our subsidiaries.

Investing in the Notes involves a high degree of risk. For a discussion of certain risks in connection with your investment in the Notes, see “Risk Factors” beginning on page 22.

Issue Price: 98.298% plus accrued interest, if any, from October 16, 2024

The Notes will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”). The Notes may not be offered or sold within the United States or to U.S. persons, except to qualified institutional buyers in reliance on the exemption from registration provided by Rule 144A under the Securities Act (“Rule 144A”) and to non-U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act (“Regulation S”). For a description of certain restrictions on the transfer of the Notes, see “Transfer Restrictions.”

The Notes will constitute non-convertible negotiable obligations under the Argentine Negotiable Obligations Law, as amended (the “Argentine Negotiable Obligations Law”), will be entitled to the benefits set forth therein and subject to the procedural requirements established in the Argentine Negotiable Obligations Law, and will be issued and placed in accordance therewith, the Argentine Capital Markets Law No. 26,831, as amended (the “Argentine Capital Markets Law”), Decree No. 471/2018, General Resolution No. 622/2013, as amended (the “CNV Rules”), issued by the Argentine Securities Commission (the *Comisión Nacional de Valores*, or “CNV”) and any other applicable laws and regulations. The CNV authorizations mean only that the information requirements of the CNV have been satisfied. The CNV has not rendered any opinion in respect of the accuracy of the information contained in this offering memorandum. In making an investment decision, all investors, including any Argentine investors who may acquire Notes from time to time, must rely on their own review and examination of the issuer.

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the “EEA”). For these purposes, a “retail investor” means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “MiFID II”); (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “Insurance Distribution Directive”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the “Prospectus Regulation”). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation. This offering memorandum has been prepared on the basis that any offer of Notes in any member state of the EEA will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of Notes. This offering memorandum is not a prospectus for the purposes of the Prospectus Regulation.

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the “UK”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“EUWA”); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, the “FSMA”) and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA (the “UK Prospectus Regulation”). Consequently, no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the “UK PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

In the UK, this offering memorandum and any other material in relation to the Notes described herein are being distributed only to, and are directed only at, persons who are “qualified investors” (as defined in the UK Prospectus Regulation) who are (i) persons having professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the “Order”), or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order, or (iii) persons to whom it would otherwise be lawful to distribute them, all such persons together being referred to as “Relevant Persons.” In the UK, the Notes are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire the Notes will be engaged in only with, Relevant Persons. This offering memorandum and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by any recipients to any other person in the UK. Any person in the UK that is not a Relevant Person should not act or rely on this offering memorandum or its contents.

We have applied to have the Notes listed on the Luxembourg Stock Exchange and admitted for trading on the Euro MTF Market (the “Euro MTF”) of the Luxembourg Stock Exchange. We also applied to have the Notes listed on the Bolsas y Mercados Argentinos S.A. (“BYMA”) and admitted for trading on the Mercado Abierto Electrónico S.A. (the Argentine over-the-counter market, or the “MAE”). We cannot assure you that these applications will be accepted or, if accepted, that they will be maintained. This Offering Memorandum constitutes a prospectus for the purpose of Part IV of the Luxembourg law on prospectuses for securities dated July 16, 2019.

The Notes are expected to be delivered in book-entry form through The Depository Trust Company (“DTC”) and its direct and indirect participants, including Euroclear Bank S.A./N.V. (“Euroclear”) and Clearstream Banking, *Société Anonyme* (“Clearstream”), on or about October 16, 2024.

Joint Lead Managers

Citigroup

Itaú BBA

J.P. Morgan

Santander

Local Placement Agents

Balanz Capital

Galicia

Santander
Argentina

SBS Trading

TPCG Valores

The date of this offering memorandum is October 9, 2024.

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You should rely only on the information contained in this offering memorandum. No person has been authorized to provide you with different information and neither we nor Citigroup Global Markets Inc., Itau BBA USA Securities Inc., J.P. Morgan Securities LLC and Santander US Capital Markets LLC (the “Initial Purchasers”) take any responsibility for any other information that anyone else may provide you. If anyone provides you with different or inconsistent information, you should not rely on it. Neither we nor any of the Initial Purchasers is making an offer to sell the Notes in any jurisdiction where the offer or sale is not permitted. You should not assume that the information contained in this offering memorandum is accurate as of any date other than the date on the front cover page of this offering memorandum. Our business, financial condition, results of operations and prospects may have changed since that date. Neither the delivery of this offering memorandum nor any sale of Notes made hereunder will, under any circumstances, imply that there has been no change in our affairs or that the information set forth in this offering memorandum is correct as of any date subsequent to the date of this offering memorandum.

This offering memorandum is intended solely for distribution and use outside of Argentina, and is being distributed or used by us and the Initial Purchasers solely outside of Argentina. This offering memorandum does not constitute an offer to sell, or a solicitation of an offer to buy, any Notes offered by this offering memorandum by any person in any jurisdiction in which it is unlawful for that person to make an offer or solicitation.

We have prepared this offering memorandum solely for use in connection with the offer of the Notes and take responsibility for its contents. We have furnished the information (including information from other sources we believe to be reliable) contained in this offering memorandum.

The Initial Purchasers are not making any representation or warranty as to the accuracy or completeness of the information contained in this offering memorandum.

You acknowledge that (i) you have been afforded an opportunity to request from us, and to review, all additional information considered by you to be necessary to verify the accuracy of, or to supplement, the information contained in this offering memorandum, (ii) you have not relied on us or the Initial Purchasers, or any person affiliated

with us or them, in connection with your investigation of the accuracy of the information or your investment decision, and (iii) no person has been authorized to give any information or to make any representation concerning us or the Notes other than as contained in this offering memorandum.

Neither the U.S. Securities and Exchange Commission (the “SEC”), nor any state securities commission nor any other regulatory authority in the United States has approved or disapproved the Notes, nor has any of the foregoing authorities passed upon or endorsed the merits of the offering or the accuracy or adequacy of this offering memorandum. Any representation to the contrary is a criminal offense in the United States.

You must (i) comply with all applicable laws and regulations in force in any jurisdiction in connection with the possession or distribution of this offering memorandum and the purchase, offer or sale of the Notes and (ii) obtain any consent, approval or permission required to be obtained by you for the purchase, offer or sale by you of the Notes under the laws and regulations applicable to you in force in any jurisdiction to which you are subject or in which you make such purchases, offers or sales. Neither we or the Initial Purchasers nor any of our or their affiliates shall have any responsibility therefor.

In making your decision whether to invest in the Notes, you must rely on your own examination of us and the terms of the offering, including the merits and risks involved. You should not construe the contents of this offering memorandum as legal, business, financial or tax advice. You should consult with your own advisors as to legal, tax, business, financial and related aspects of a purchase of the Notes.

The approval to conduct the offering of the Notes described in this offering memorandum is included in the authorization granted by the CNV to act under the Frequent Issuer Regime, in accordance with Section VIII, Chapter V, Title II of the CNV Rules. Neither this offering memorandum nor the Argentine pricing supplement have been previously reviewed or approved by the CNV.

The offering of the Notes described in this offering memorandum shall be conducted by means of an offering that qualifies as a public offering under Argentine law and the regulations of the CNV. In order to comply with those regulations, the placement of the Notes in Argentina will be made through a book-building process, in accordance with applicable CNV Rules. See “Plan of Distribution—Argentina—Book-Building.”

The Notes will be offered in Argentina by means of an Argentine pricing supplement in the Spanish language, in accordance with the CNV Rules containing substantially the same information as this offering memorandum, other than with respect to the currency of presentation of the financial information and the description of U.S. securities and tax laws that are relevant to the Notes, but in a different format, under the Frequent Issuer Regime No. 16 approved by CNV through the Disposition DI-2022-13-APN-GE#CNV dated May 5, 2022, Disposition DI-2023-26-APN-GE#CNV dated May 30, 2023, Disposition DI-2024-28-APN-GE#CNV dated May 2, 2024 and Disposition No. DI-2024-74-APN-GE#CNV dated September 26, 2024 (the “Frequent Issuer Regime”). The CNV authorization means only that the information requirements of the CNV have been satisfied. The CNV has not rendered any opinion in respect of the accuracy of the information contained in the Argentine pricing supplement or this offering memorandum.

The approval to conduct the offering of the Notes described in this offering memorandum is included in the authorization granted by the CNV to act under the Frequent Issuer Regime, in accordance with Section VIII, Chapter V, Title II of the CNV Rules. Neither this offering memorandum nor the Argentine pricing supplement have been previously reviewed or approved by the CNV.

NOTICE TO INVESTORS IN THE EUROPEAN ECONOMIC AREA

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “MiFID II”); (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “Insurance Distribution Directive”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the “Prospectus

Regulation”). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

NOTICE TO INVESTORS IN THE UNITED KINGDOM

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“EUWA”); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, the “FSMA”) and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA (the “UK Prospectus Regulation”). Consequently, no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the “UK PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

In the UK, this offering memorandum and any other material in relation to the Notes described herein are being distributed only to, and are directed only at, persons who are “qualified investors” (as defined in the UK Prospectus Regulation) who are (i) persons having professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the “Order”), or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order, or (iii) persons to whom it would otherwise be lawful to distribute them, all such persons together being referred to as “Relevant Persons.” In the UK, the Notes are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire the Notes will be engaged in only with, Relevant Persons. This offering memorandum and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by any recipients to any other person in the UK. Any person in the UK that is not a Relevant Person should not act or rely on this offering memorandum or its contents.

AVAILABLE INFORMATION

To permit compliance with Rule 144A in connection with resale of Notes, we have agreed that, while any Notes remain outstanding and are “restricted securities” as defined in Rule 144(a)(3) under the Securities Act, we will furnish, upon the request of a holder of a Note or a prospective purchaser designated by such holder, the information required to be delivered by Rule 144A(d)(A) under the Securities Act unless, at the time of such request, we are either a reporting company under Section 13 or Section 15(d) of the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”), or are furnishing to the SEC information required by Rule 12g3-2(b) under the Exchange Act. Any such request should be directed to us at our principal office at: YPF Energía Eléctrica S.A., Macacha Güemes 515, City of Buenos Aires, Argentina, Attention: Maria de los Milagros Grande; Antonio Fermin Principe.

We are also required periodically to furnish certain information in Spanish with the CNV, the BYMA and the MAE, including quarterly and annual reports and notices of material events (hechos relevantes). The documents filed with the CNV, the BYMA and the MAE, and any other information contained or accessible therein, are not a part of this offering memorandum and are not incorporated by reference herein.

FORWARD-LOOKING STATEMENTS

This offering memorandum contains certain information that is forward-looking, including but not limited to our expectations for conditions in Argentina and in our industry as well as our future performance, financial condition and results of operations, capital expenditures, liquidity and capital structure. Forward-looking statements may be identified by words such as “may,” “would,” “will,” “believe,” “expect,” “anticipate,” “project,” “plan,” “intend,” “should,” “seek,” “estimate,” “future,” “potential” or similar expressions. These statements include statements regarding our current expectations and assumptions and are not guarantees of future performance. While we consider these expectations and assumptions to be reasonable, forward-looking statements are subject to various risks and uncertainties, most of which are difficult to predict and many of which are beyond our control. When considering forward-looking statements, you should keep in mind the factors described in “Risk Factors” and other cautionary statements in this offering memorandum. These “Risk Factors” and other statements describe circumstances that could cause actual results to differ materially from those contained in any forward-looking statement. Accordingly, investors should not place undue reliance on forward-looking statements as a prediction of actual results.

The forward-looking statements appear throughout this offering memorandum and speak only as of the date of this offering memorandum, and we do not undertake any obligation to update any forward-looking statement or other information to reflect events or circumstances occurring after the date of this offering memorandum.

ENFORCEMENT OF JUDGMENTS AGAINST FOREIGN PERSONS

We are organized under the laws of Argentina. Substantially all of our directors and all of our officers, as well as the experts named herein, reside in Argentina. In addition, all or a substantial portion of our assets and the assets of our directors and officers are located outside of the United States. As a result, it may be difficult or impossible for investors to effect service of process within the United States upon us or such persons or to enforce judgments against us or them rendered in the United States or other non-Argentine courts.

We have been advised by our Argentine counsel, Bruchou & Funes de Rioja, that a substantial portion of our assets located in Argentina would not be subject to attachment or foreclosure if a court were to find that such properties are necessary to the provision of an essential public service, unless the Argentine government otherwise approves the release of such property. In accordance with Argentine law, as interpreted by the Argentine courts, assets which are necessary to the provision of an essential public service may not be attached, whether preliminarily or in aid of execution.

Our Argentine counsel has also advised us that judgments of United States courts for civil liabilities based upon the U.S. federal securities laws may be enforced in Argentina, provided that the requirements of Article 517 of the Argentine Civil and Commercial Procedure Code of Argentina (if enforcement is sought before federal courts) are met as follows: (i) the judgment, which must be final in the jurisdiction where rendered, was issued by a competent court in accordance with the Argentine principles regarding international jurisdiction and resulted from a personal action, or an in rem action with respect to personal property if such property was transferred to Argentine territory during or after the prosecution of the foreign action, (ii) the defendant against whom enforcement of the judgment is sought was personally served with the summons and, in accordance with due process of law, was given an opportunity to defend against foreign action, (iii) the judgment must be valid in the jurisdiction where rendered and meet authenticity requirements under Argentine law, (iv) the judgment does not violate the principles of public policy of Argentine law, and (v) the judgment is not contrary to a prior or simultaneous judgment of an Argentine court.

Subject to compliance with Article 517 of the Argentine Civil and Commercial Procedure Code described above, a judgment against us or the persons described above obtained outside Argentina would be enforceable in Argentina without reconsideration of the merits.

We have been further advised by our Argentine counsel that:

- original actions based on the U.S. federal securities laws may be brought in Argentine courts and that, subject to applicable law, Argentine courts may enforce liabilities in such actions against us, our directors, our officers and the experts named in this offering memorandum; and
- the ability of a creditor or other persons to satisfy a judgment by attaching certain assets of ours is limited by provisions of Argentine law.

See “Risk Factors—Risks Relating to the Notes—Holders of the Notes may find it difficult to enforce judgments against us, our directors, officers, controlling persons and certain experts.”

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Certain Defined Terms

In this offering memorandum, unless otherwise specified or the context otherwise requires, references to “YPF Luz,” the “Company,” “we,” “us,” “our” and words of similar import are to YPF Energía Eléctrica S.A. and its consolidated subsidiaries; and references to the “Issuer” are to YPF Energía Eléctrica S.A. excluding its consolidated subsidiaries. For certain other defined terms used in this offering memorandum, see “Technical and Regulatory Terms” and “Description of the Notes—Certain Definitions.”

Financial Statements

This offering memorandum includes our audited consolidated financial statements as of and for the years ended December 31, 2023 and 2022 (our “Audited Annual Financial Statements”). Our Audited Annual Financial Statements included in this offering memorandum have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and have been audited by Deloitte & Co. S.A., independent auditors, as stated in their report appearing herein.

This offering memorandum also includes our unaudited condensed interim consolidated financial statements as of June 30, 2024 and December 31, 2023 and for the six-month periods ended June 30, 2024 and 2023 (our “Unaudited Interim Financial Statements” and, together with our Audited Annual Financial Statements, our “Financial Statements”). Our Unaudited Interim Financial Statements have been prepared in accordance with International Accounting Standard (IAS) 34 – “Interim Financial Reporting.” The results for the six-month period ended June 30, 2024 are not necessarily indicative of results to be expected for the entire year ending December 31, 2024.

Functional and Currency Presentation

In this offering memorandum, references to “dollars,” “U.S. dollars” and “US\$” are to the currency of the United States and references to “Argentine pesos,” “pesos,” or “Ps.” are to the currency of Argentina.

We have defined the U.S. dollar as our functional currency and in this offering memorandum we use the U.S. dollar as the currency of presentation.

We present our consolidated financial statements in Argentine pesos as required under the CNV Rules, which are available in Spanish on the CNV’s website at <https://www.argentina.gob.ar/cnv> and on our website at <https://www.ypluz.com>. Information contained on, or accessible through, these websites is not incorporated by reference in, and shall not be considered part of, this offering memorandum.

Comparability of Historical Financial Information

On April 13, 2023, we acquired an additional 27.3% stake in Inversora Dock Sud S.A. (“IDS”), and, as a result, we own 70.16% equity interest in IDS, which owns 71.77% of the equity interest in Central Dock Sud S.A. (“CDS”), which owns the Central Dock Sud thermal power plant. Beginning with the second quarter of 2023, IDS and CDS are presented in our Financial Statements on a consolidated basis and no income/loss from equity interest in joint ventures is recorded with respect to such equity interests. For more information, see Note 4 to our Audited Annual Financial Statements. Consequently, our results of operations and financial condition as of and for the year ended December 31, 2023 may not be fully comparable to our results of operations and financial conditions as of and for the year ended December 31, 2022, and our results of operations for the six-month period ended June 30, 2024 may not be fully comparable to our results of operations for the six-month period ended June 30, 2023.

Non-IFRS Financial Measures

This offering memorandum discloses certain non-IFRS financial measures, being Adjusted EBITDA, Adjusted EBITDA Margin, Net Debt and Net Leverage Ratio.

Our Adjusted EBITDA has been calculated by adding back to our net profit for the year or period: (i) finance expense, net, (ii) depreciation of property, plant and equipment, (iii) depreciation of right of use of assets, (iv) amortization of intangible assets, (v) income tax, (vi) results from equity interest in joint ventures, (vii) gain from the acquisition of controlling equity interest, (viii) discontinued operations result, and (ix) impairment of property, plant and equipment (the “Adjusted EBITDA”). For a reconciliation of net profit to Adjusted EBITDA, see “Summary—Summary Financial and Operating Data—Non-IFRS Financial Data—Adjusted EBITDA and Adjusted EBITDA Margin.” Our Adjusted EBITDA Margin has been calculated as Adjusted EBITDA divided by revenues for the period.

Our Net Debt has been calculated as the sum of total current loans and non-current loans, net of (i) other financial assets, (ii) other receivables – trust, (iii) restricted cash and cash equivalents, and (iv) cash and cash equivalents. We calculate our Net Leverage Ratio as Net Debt divided by Adjusted EBITDA.

Our management believes that disclosure of Adjusted EBITDA, Adjusted EBITDA Margin, Net Debt and Net Leverage Ratio can provide useful supplemental information to investors and financial analysts in their review of our core operating results and financial condition. These non-IFRS measures are provided to enhance investors’ overall understanding of our current financial performance and its prospects for the future. Specifically, we believe the non-IFRS measures provide useful information to both management and investors by excluding certain expenses, gains and losses, as the case may be, that may not be indicative of our core operating results and business outlook.

Adjusted EBITDA, Adjusted EBITDA Margin, Net Debt and Net Leverage Ratio margin may not be comparable to other similarly titled measures of other companies and have limitations as an analytical tool and should not be considered in isolation or as a substitute for analysis of our operating results and financial condition as reported under IFRS. Non-IFRS measures, including Adjusted EBITDA, Adjusted EBITDA Margin, Net Debt and Net Leverage Ratio, are not measurements of our performance or liquidity under IFRS and should not be considered as alternatives to operating profit or net profit, or as alternatives to cash flow from operating activities, in accordance with IFRS. Our definitions of Adjusted EBITDA and Net Leverage Ratio may not be entirely the same as the definitions used in “Description of the Notes.”

Rounding

Certain figures (including percentage amounts) included in this offering memorandum have been rounded for ease of presentation. Percentage figures and totals included in this offering memorandum have, in some cases, been calculated on the basis of such figures prior to rounding. For this reason, certain percentage and total amounts in this offering memorandum may vary from those obtained by performing the same calculations using the figures in our Financial Statements and figures shown as total in certain tables may not be an exact arithmetic aggregate of the other figures in the table.

Industry and Market Data

Industry and market data presented in this offering memorandum is based on data collected by and available from the Ministry of Economy, the former Ministry of Energy, the Central Bank, the SE, the INDEC and CAMMESA (as these terms are defined in “Technical and Regulatory Terms”), among other sources. Certain data is also based on our estimates, which are derived from our review of internal surveys as well as independent sources. Although we believe these sources are reliable, we have not independently verified the information and cannot guarantee its accuracy or completeness.

Similarly, internal company surveys, industry forecasts and market research, which we believe to be reliable based upon management’s knowledge of the industry, have not been verified by any independent sources. Forecasts are particularly likely to be inaccurate, especially over long periods of time. In addition, we do not know what assumptions were used in preparing the forecasts cited.

TECHNICAL AND REGULATORY TERMS

In this offering memorandum,

- “AESAs” means A-Evangelista S.A.
- “AFIP” means the Argentine Public Revenue Administration (*Administración Federal de Ingresos Públicos*).
- “availability factor” means, with respect to a unit, the fraction, expressed in percentage, of a given period of time in which it is available without any outages.
- “BICE” means Banco de Inversión y Comercio Exterior S.A.
- “CAMMESA” means Compañía Administradora del Mercado Mayorista Eléctrico S.A., a nonprofit private stock corporation (*sociedad anónima*), owned by the Argentine government and four other associations that represent the WEM agents with a 20% ownership interest each, which is in charge of the administration of the WEM and the dispatch of electricity into the SADI.
- “Cañadón León” means the Cañadón León wind farm located in Cañadón Seco, in the Province of Santa Cruz.
- “CAPEX” means the Issuer’s capital expenditures.
- “CASA” means the CASA wind farm project under construction located in Olavarría, in the Province of Buenos Aires.
- “CDS” means Central Dock Sud S.A.
- “Central Bank” means the Argentine Central Bank (*Banco Central de la República Argentina*).
- “Central Dock Sud” means the two power generation plants, the Central Dock Sud Combined Cycle and the Central Dock Sud Simple Cycle, located in the district of Avellaneda, south of the Buenos Aires Metropolitan Area, in the Province of Buenos Aires, owned by CDS.
- “CNV” means the Argentine Securities Commission (*Comisión Nacional de Valores*).
- “COD” means, with respect to a power plant, the commercial operation date.
- “Cogeneration” means the process of combined production of electrical and/or mechanical energy, and heat, which is performed using natural gas or liquid fuel.
- “Combined Cycle” means a thermo-electrical turbine that is capable of using different fuels, including natural gas or gasoil, to drive an alternator that generates electricity, and that then uses the heat released in the process to produce steam and generate additional electricity through a steam turbine.
- “CPI” means the consumer price index.
- “El Bracho GT” means the gas turbine of the El Bracho thermal power plant.
- “El Bracho ST” means the steam turbine of the El Bracho thermal power plant.
- “El Quemado I” means the El Quemado I solar park project under construction located in Las Heras, in the Province of Mendoza.

- “Energía Base” means the remuneration scheme applicable to non-contracted power generation in the WEM set forth by means of Resolutions No. 1/2019, 31/2020, 440/2021, 238/2022, 826/2022, 750/2023, 869/2023, 9/2024, 99/2024, 193/2024 and 233/2024. See “The Argentine Electric Power Sector.”
- “Energía Plus” means the regulatory framework set forth in Resolution SE No. 1281/06, as amended and supplemented. See “The Argentine Electric Power Sector.”
- “ENRE” means the Argentine Electricity Regulatory Entity (*Ente Nacional Regulador de la Electricidad*).
- “EPC” means engineering, procurement and construction.
- “FODER” means the Trust Fund for Development of Renewable Energy Sources (*Fondo para el Desarrollo de Energías Renovables*), a fund whose assets are allocated to grant loans, make capital contributions and acquire any other financial instruments as required for the execution and financing of projects for the generation of electricity from renewable sources that meet the applicable eligibility requirements.
- “FONINMEM” means the Fund for Investments Required to Increase the Electric Power Supply. (*Fondo para Inversiones Necesarias que Permitan Incrementar la Oferta de Energía Eléctrica en el Mercado Eléctrico Mayorista*). See “The Argentine Electricity Power Sector”.
- “GE EFS” means GE EFS Power Investments B.V., an affiliate of GE Vernova.
- “General Electric” or “GE” means General Electric Corporation, Inc., or any of its subsidiaries and/or affiliates.
- “GE Vernova” means GE Vernova Inc.
- “General Levalle” means the General Levalle wind farm located in the municipality of General Levalle, in the Province of Córdoba.
- “GT” means gas turbine.
- “GUMAs” means major large users (*Grandes Usuarios Mayores*).
- “GUMEs” means minor large users (*Grandes Usuarios Menores*).
- “GUPAs” means particular large users (*Grandes Usuarios Particulares*).
- “GW” means gigawatts.
- “GWh” means gigawatts per hour.
- “IDS” means Inversora Dock Sud S.A.
- “IMF” means the International Monetary Fund.
- “INDEC” means the Argentine Institute of Statistics and Census of the Argentine Republic (*Instituto Nacional de Estadística y Censos de la República Argentina*).
- “kV” means kilovolts.
- “KW” means kilowatts.
- “KWh” means kilowatts per hour.

- “Load Factor” means the coefficient between the energy actually generated by a wind farm or solar park and the energy that such wind farm or solar park would generate if it operated full time.
- “Loma Campana Este” means the Loma Campana Este power plant located in the district of Añelo, Province of Neuquén.
- “Loma Campana I” means the Loma Campana I thermal power plant located in the district of Añelo, Province of Neuquén.
- “Loma Campana II” means the Loma Campana II thermal power plant located in the district of Añelo, Province of Neuquén.
- “Los Teros” means the Los Teros wind farm located in Azul, in the Province of Buenos Aires.
- “LPC I” means the Cogeneration plant located at YPF’s La Plata refinery, located in Ensenada, in the Province of Buenos Aires.
- “LPC II” means the Cogeneration plant located YPF’s La Plata Refinery, located in Ensenada, in the Province of Buenos Aires.
- “LVFVD” means sales receivables without a fixed due date (*liquidaciones de venta con fecha de vencimientos a definir*).
- “Manantiales Behr Power Plant” means the Manantiales Behr thermal thermal power plant located in Manantiales Behr, in the Province of Chubut.
- “Manantiales Behr Wind Farm” means the Manantiales Behr wind farm located in Manantiales Behr, in the Province of Chubut.
- “MATER” means the Renewable Energy Term Market (*Mercado a Término de Energía Renovable*).
- “Ministry of Energy” or “MEM” means the former Argentine Ministry of Energy and Mining (*Ministerio de Energía y Minería de la República Argentina*).
- “MM” means millions.
- “MW” means megawatts.
- “MWh” means megawatts per hour.
- “OPESSA” means Operadora de Estaciones de Servicios S.A.
- “PAT” means the Argentine personal asset tax.
- “PPA” means the capacity and/or power purchase agreements, as applicable, executed between us and our customers.
- “Reciprocating Engine” means a heat engine that uses one or more reciprocating pistons to convert pressure into a rotating motion to generate energy.
- “Renewable Energy Law” means the regime introduced by Law No. 26,190 and its modifications, particularly Law No. 27,191.

- “Resolution No. 21/2016” means Resolution No. 21/2016 of the former MEM’s Secretariat of Electric Energy.
- “Resolution No. 95/2013” means Resolution No. 95/2013 of the former MEM’s Secretariat of Energy.
- “Resolution No. 287/2017” means Resolution No. 287/2017 of the former MEM’s Secretariat of Electric Energy.
- “SADI” means the Argentine electricity grid (*Sistema Argentino de Interconexión*).
- “San Miguel de Tucumán” means the San Miguel de Tucumán Thermal Power Plant located in the district of El Bracho, approximately 22 kilometers south of San Miguel de Tucumán, Province of Tucumán.
- “Secretariat of Energy” or “SE” means the Argentine Secretariat of Energy.
- “SGE” means the Government Secretariat of Energy (formerly the Ministry of Electric Energy).
- “Shareholders’ Agreement” means the Shareholders’ Agreement dated March 20, 2018, between GE EFS, YPF, OPESSA and us.
- “Simple Cycle” means a thermo-electrical turbine that is capable of using different fuels, such as natural gas or gasoil, to operate an alternator that generates energy. Unlike Combined Cycle gas turbines, simple cycle gas turbines have only one energy cycle.
- “SIRA” means the Import System of Argentina, an electronic procedure used for the management of imports.
- “Spot Market” means electricity sold by generators to the WEM and remunerated by CAMMESA under the framework of Energía Base.
- “ST” means steam turbine without reheat.
- “Technical Resolutions” means the resolutions the CNV Rules refer in general as the “*Resoluciones Técnicas*” issued by the Argentine Federation of Professional Councils in Economic Sciences.
- “Thermal Power Plant” means a generation unit that uses heat power derived from fuel, such as natural gas or coal, as an energy source to drive the power generator.
- “Tucumán Complex” means the Tucumán Power Plant and the San Miguel de Tucumán Power Plant.
- “Tucumán Power Plant” means the Tucumán Thermal Power Plant located in the district of El Bracho, approximately 22 kilometers to the south of San Miguel de Tucumán, Province of Tucumán.
- “VAT” means Value Added Tax.
- “Vestas”, as required by the context, means Vestas Wind Systems A/S and Vestas Argentina S.A. or any of their respective affiliates.
- “WEM” or “Wholesale Electricity Market” means the Argentine Wholesale Electricity Market (*Mercado Eléctrico Mayorista de Argentina*).
- “WPI” means wholesale price index.
- “YPF” means YPF S.A.

- “Zonda” means the Zonda solar park located in Iglesia, in the Province of San Juan.

Unless otherwise indicated, statistics provided throughout this offering memorandum with respect to power generation units are expressed in MW, in the case of the installed capacity of such power generation units, and in GWh, in the case of the aggregate electricity production of such power generation units. One GW is equal to 1,000 MW and one MW is equal to 1,000 KW. Statistics relating to aggregate annual electricity production are expressed in GWh and are based on an 8,760-hour year.

SUMMARY

The following summary highlights certain important information in this offering memorandum. However, it does not contain all of the information that may be important to you in making a decision to invest in the Notes. We urge you to read and review carefully this entire offering memorandum, in particular, the sections entitled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our Financial Statements included herein, in order to fully understand our business and this offering.

Overview

We are a leading Argentine power company, primarily engaged in the development and generation of electric power from both conventional (thermal) and renewable (wind and solar) sources. We provide efficient and sustainable energy in a profitable manner, optimizing the use of natural resources and contributing to Argentina’s energy development through strategically diversified assets located across seven provinces of Argentina. As of the date of this offering memorandum, we own and operate fifteen power plant assets with a total net installed capacity of 3,299 MW, of which 559 MW correspond to renewable installed capacity.

The Company was formed in August 2013 as a result of a spin-off from Pluspetrol Energy S.A. and the contribution of two power plant assets and certain other assets by YPF as our shareholder. YPF is Argentina’s largest energy company with fully integrated oil and gas operations, and holds a leading market position in both upstream and downstream segments. The Argentine government owns 51% of the share capital of YPF and its shares have been listed on the Buenos Aires Stock Exchange and the New York Stock Exchange since 1993. Since our formation we have been focused on improving the operational efficiency and reliability of our power plants and developing new projects. As part of our strategy to continue to grow our business, in March 2018, an affiliate of General Electric, GE EFS, subscribed for 24.99% of our capital stock, with the remaining percentage held by YPF. On April 2, 2024, GE Vernova announced its spin-off from General Electric, as a result of which GE Vernova controls GE EFS. GE Vernova, which operates more than 7,000 gas turbines, the world’s largest gas turbine base, including approximately 55,000 wind turbines and leading-edge electrification technology, is involved in generating approximately 30% of the worldwide electricity. See “Principal Shareholders–Shareholders’ Agreement.”

For the six-month period ended June 30, 2024, we supplied more than 8% of the electricity in Argentina and have a market share of 24% and 26% in the MATER in terms of renewables installed capacity and renewable energy sold, respectively. We intend to strengthen our competitiveness and adapt to global decarbonization and electrification trends which are expected to continue to impact worldwide energy markets. We intend to become one of the main electricity generators in Argentina and a pioneer in renewable energy by adhering to world-class safety, environmental, innovation, efficiency and quality standards. While we have already achieved competitive efficiency levels across our operations, we are committed to continue to develop our processes by integrating advanced technologies into our systems.

Our current portfolio, which is comprised of thermal power plants and renewable plants, benefits from diversification of technology, offtakers and geographic locations within Argentina. Our thermal power plants include Combined Cycle turbines, Simple Cycle turbines, Cogeneration turbines and Reciprocating Engines. Our renewable generation portfolio includes wind farms and solar parks, which are strategically located to maximize their efficiency providing sustainable and competitive energy to private offtakers through long-term contracts. As of the date of this offering memorandum, our projects under construction consist of two wind farms and one solar park. Our power generation plants have PPAs with CAMMESA, YPF and more than fifty large private users, which we expect to become an increasingly important part of our client portfolio as we complete our renewable projects under construction.

During the six-month period ended June 30, 2024, we had revenues of US\$244.9 million, net profit of US\$70.5 million and Adjusted EBITDA of US\$163.4 million, with an Adjusted EBITDA Margin of 66.7%. During the year ended December 31, 2023, we had revenues of US\$490.1 million, net profit of US\$1.5 million and Adjusted EBITDA of US\$383.1 million, with an Adjusted EBITDA Margin of 78.2%. For a reconciliation of net profit to Adjusted EBITDA, see “—Summary Financial and Operating Data—Non-IFRS Financial Data—Adjusted EBITDA and Adjusted EBITDA Margin.”

We currently have ten thermal plants, four wind farms and one solar park in operation. The following table presents a brief description of our operating power plant assets.

Power Plant Asset	Location	Installed capacity (MW)	Regulatory Framework / Offtaker	Technology	COD	Commencement date of PPA(s)	Expiration date of PPA(s)
<i>Thermal Power Plants</i>							
Tucumán ⁽¹⁾	Province of Tucumán	447	Energía Base ⁽⁵⁾ and PPA with CAMMESA ⁽⁶⁾	Combined Cycle	1996/1997	March 2023	February 29, 2028
San Miguel de Tucumán ⁽¹⁾	Province of Tucumán	382	Energía Base ⁽⁵⁾ and PPA with CAMMESA ⁽⁶⁾	Combined Cycle	1995/2000	March 2023	February 29, 2028
El Bracho ⁽¹⁾	Province of Tucumán	473	PPA with CAMMESA ⁽⁷⁾ (8)	Combined Cycle	2018/ 2020	January 2018/October 2020	January 26, 2028/October 23, 2035
Loma Campana I	Province of Neuquén	105	PPA with YPF ⁽⁹⁾	Simple Cycle	2017	November 2017	November 6, 2032
Loma Campana II	Province of Neuquén	107	PPA with CAMMESA ⁽⁷⁾	Simple Cycle	2017	November 2017	November 29, 2027
Loma Campana Este ⁽²⁾	Province of Neuquén	17	PPA with YPF ⁽⁹⁾	Reciprocating Engines	2017	July 2017	May 20, 2026
LPC I ⁽³⁾	Province of Buenos Aires	128	Energía Base ⁽⁵⁾ and PPA with YPF ⁽⁹⁾	Cogeneration	1997	January 2018	January 4, 2033
LPC II ⁽³⁾	Province of Buenos Aires	90	Energía Base ⁽⁵⁾ and PPAs with CAMMESA ⁽⁸⁾ and YPF ⁽⁹⁾	Cogeneration	2020	October 2020	October 26, 2035
Manantiales Behr	Province of Chubut	58	PPA with YPF ⁽⁹⁾	Reciprocating Engines	2021	March 2021	March 27, 2041
Central Dock Sud ⁽⁴⁾	Province of Buenos Aires	933	Energía Base ⁽⁵⁾ and PPA with CAMMESA ⁽⁶⁾	Combined Cycle/ Simple Cycle	2001	March 2023	February 29, 2028
<i>Renewables</i>							
Manantiales Behr Wind Farm	Province of Chubut	99	PPAs with YPF and other industrial clients ⁽¹⁰⁾	Wind farm	2018	December 2018	Several PPAs ⁽¹⁰⁾
Los Teros Wind Farm	Province of Buenos Aires	175	PPAs with YPF and other industrial clients ⁽¹¹⁾	Wind farm	2020/ 2021	September 2020	Several PPAs ⁽¹¹⁾
Cañadón León Wind Farm	Province of Santa Cruz	123	PPAs with CAMMESA ⁽⁶⁾ and YPF ⁽⁹⁾	Wind farm	2021	December 2021	September 2036
Zonda Power Solar Park	Province of San Juan	100	PPAs with industrial clients ⁽¹²⁾	Solar park	May 2023	May 2023	Several PPAs ⁽¹²⁾
General Levalle Wind Farm	Province of Córdoba	62 ⁽¹³⁾	PPAs with industrial clients ⁽¹⁴⁾	Wind farm	August 2024	August 2028	Several PPAs ⁽¹⁴⁾
Total		3,299					

(1) Part of the “Tucumán Complex.”

(2) Not connected to the SADI. See “Business—Our Power Plant Assets—Our Thermal Power Plants—Loma Campana Este.”

(3) The LPC I and LPC II power plants also produce between 190 and 210 tons of steam per hour, and between 190 and 200 tons of steam per hour, respectively, which are sold to YPF.

(4) As of the date of this offering memorandum, we own 70.16% equity interest in IDS, which owns 71.77% of the equity interest in CDS, which owns the Central Dock Sud thermal power plant.

(5) Resolution No. 233/2024.

(6) Resolution No. 59/2023.

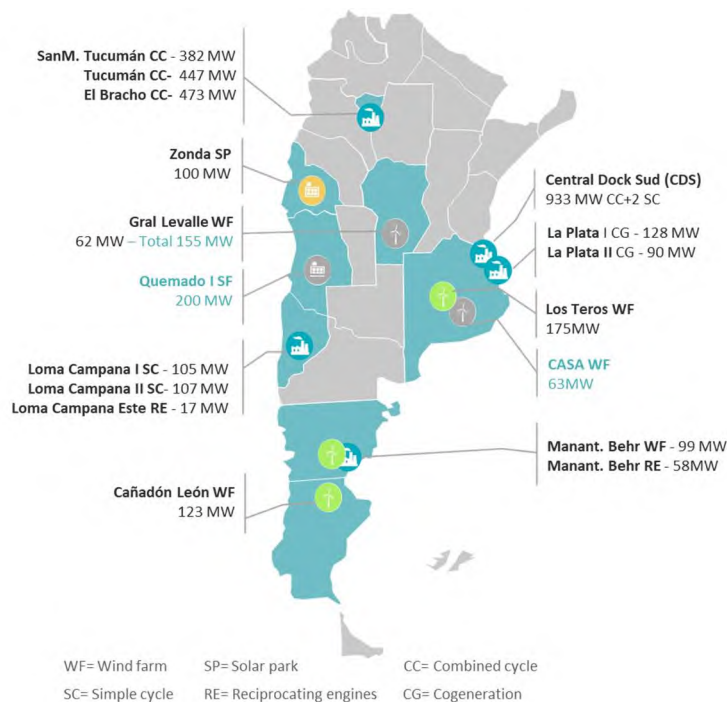
- (7) Resolution No. 21/2016.
- (8) Resolution No. 287/2017.
- (9) We were authorized to operate our Loma Campana I power plant as a self-power generator under Resolution No. 307/2016. We entered into a PPA with YPF for the sale of the power generated by our Loma Campana I power plant under the regulatory framework applicable to self-power generators under Resolution No. 269/08.
- (10) The generation under this wind farm is committed under nine PPAs with the private sector. The terms of such PPAs are from five to 21 years with a weighted average term of 6.8 years.
- (11) The generation under this wind farm is committed under twenty PPAs with the private sector. The terms of such PPAs are from five to 20 years with a weighted average term of 9.2 years.
- (12) The generation under this solar park is committed under twenty-three PPAs with the private sector. The terms of such PPAs are from three to 10 years with a weighted average term of 5 years.
- (13) The first stage of the General Levalle wind farm commenced operations in August 2024 with an installed capacity of 24.8 MW. In September 2024, the installed capacity of the General Levalle wind farm increased to 62 MW. Full commercial operations with a total of 155 MW of installed capacity are expected to commence during the fourth quarter of 2024.
- (14) The generation under this wind farm is committed under twenty-four PPAs with the private sector. The terms of such PPAs are from one to 10 years with a weighted average term of 7 years.

We have developed a robust pipeline of new energy projects supported by teams that have significant expertise in the entire cycle of electrical power generation, from prospecting and developing projects to constructing and operating and marketing power plants for both conventional and renewable generation. We currently have three renewable projects under construction, which consist of our General Levalle and CASA wind farms, and our El Quemado I solar park. Our General Levalle wind farm, which is located in the Province of Córdoba, commenced operating in August 2024 and is scheduled to commence its full commercial operations with a total of 155 MW of installed capacity during the fourth quarter of 2024. Our CASA wind farm is located in the Province of Buenos Aires and is expected to add 63 MW of installed capacity to our portfolio. Our El Quemado I solar park is located in the Province of Mendoza, is expected to add 200 MW of installed capacity to our portfolio, and will be developed through our fully owned subsidiary Luz del Campo. As of the date of this offering memorandum, more than 80% of the capacity of our General Levalle wind farm has been committed under PPAs with private offtakers within the MATER, and more than 44% of the capacity of our CASA Wind Farm has been committed under a PPA with Cementos Avellaneda S.A., and the capacity of our El Quemado I solar park has not been committed yet. These three renewable projects under construction require an estimated total investment of US\$510 million, of which approximately US\$210 million has been invested as of the date of this offering memorandum. The following table presents a brief description of our projects under construction.

Plant	Location	Additional Installed Capacity (MW)	Offtaker	Technology	Expected COD	Estimated Total Capital Expenditures
General Levalle Wind Farm	Province of Córdoba	93 ⁽¹⁾	MATER	Wind farm	4 th quarter 2024	US\$260 million ⁽²⁾
CASA Wind Farm	Province of Buenos Aires	63	MATER	Wind farm	1 st quarter 2026	US\$80 million
El Quemado I Solar Park	Province of Mendoza	200	MATER	Solar park	2 nd quarter 2026	US\$170 million
Total		356				US\$510 million

- (1) The first stage of the General Levalle wind farm commenced operations in August 2024 with an installed capacity of 24.8 MW. In September 2024, the installed capacity of the General Levalle wind farm increased to 62 MW. Full commercial operations with a total of 155 MW of installed capacity are expected to commence during the fourth quarter of 2024.
- (2) Includes the investment of US\$210 million made as of the date of this offering memorandum for the construction of the General Levalle Wind Farm.

Our power generation assets are reliable and efficient for Argentina's energy sector. Our power generation plants are located in the provinces of Tucumán, in the northern region of Argentina, San Juan and Mendoza, in the western region of Argentina, Neuquén, Chubut and Santa Cruz, in the southern region of Argentina, and Buenos Aires and Córdoba, in the center of the country, which allows us to deliver energy through multiple nodes of the SADI. The following map shows the location of power generation assets and projects under construction.



During the year ended December 31, 2023, our revenues under our PPAs with CAMMESA, our PPAs with YPF, our PPAs with other industrial clients, and Energía Base accounted for 49.1%, 15.9%, 11.7% and 15.4% of our revenues, respectively. During the six-month period ended June 30, 2024, our revenues under our PPAs with CAMMESA, our PPAs with YPF, our PPAs with other industrial clients, and Energía Base accounted for 49.2%, 14.5%, 12% and 16.9% of our revenues, respectively. The remaining revenues come mainly from our fuel sales and other services. In 2023 and the six-month period ended June 30, 2024, our revenues from sales of renewable energy represented approximately 25% of our total revenues.

We have entered into long-term PPAs with CAMMESA for our Tucumán, San Miguel de Tucumán, El Bracho, Loma Campana II, LPC II and Central Dock Sud power plants, and with YPF for Loma Campana I, Loma Campana Este, LPC I, LPC II and Manantiales Behr power plants. As of the date of this offering memorandum, the weighted average remaining life of our PPAs for all of our operating thermal power plants is approximately 7.3 years. In addition, we have entered into long-term PPAs with CAMMESA for our Cañadón León wind farm, with YPF for our Manantiales Behr, Los Teros, and Cañadón León wind farms, and with other industrial clients for our Manantiales Behr, Los Teros, and General Levalle wind farms and our Zonda solar park. As of the date of this offering memorandum, the weighted average remaining life of our PPAs for all of our renewable plants is approximately 8.3 years. For all of our PPAs the revenues-weighted average remaining life as of the date of this offering memorandum is approximately 8 years.

Our Tucumán, San Miguel de Tucumán, LPC I, LPC II and Central Dock Sud power plants are dispatched under Energía Base. Energía Base applies typically to older plants in Argentina. Under Energía Base, the energy generator is compensated primarily on the availability of the plants and receives variable payments based on the actual electricity dispatched. Tariffs under Energía Base are paid by CAMMESA and adjusted by resolution of the Secretary of Energy. The remuneration under Energía Base is currently denominated in Argentine pesos. The fuel required to produce the energy we generate is currently supplied by CAMMESA free of charge, and the price we receive as generators is determined without accounting for the natural gas or fuel CAMMESA supplies.

We also produce steam in our LPC I and LPC II power plants, which have an installed capacity of between 190 and 210 tons of steam per hour, and between 190 and 200 tons of steam per hour, respectively. We sell the steam produced in our LPC I and LPC II power plants to YPF under 15-year steam supply agreements, which we entered into in January 2018 and October 2020, respectively. Our revenues from steam sales for the year ended December 31, 2023 and the six-month period ended June 30, 2024 were US\$38.1 million and US\$17.9 million, respectively

(3,013,832 metric tons and 1,562,769 metric tons, respectively), which represented 8% and 7%, respectively, of our revenues for those periods.

Our Strengths

Reliable high-quality generation assets which are technologically and geographically diverse. We have ten high-quality operating thermal assets, four wind farms and one solar park. As of the date of this offering memorandum, our wind farms rank among the best of their type in Argentina in terms of generation records. Our thermal plants have relatively high efficiency levels due to the use of modern technologies combined with regular maintenance conducted by our highly trained employees and prime technology and maintenance suppliers. Our thermal power plants had a weighted average availability factor of 79.1% and 84.7% during the year ended December 31, 2023 and the six-month period ended June 30, 2024, respectively. Moreover, our wind farms and solar park are located in areas with very favorable wind and solar conditions and they recorded Load Factors of approximately 50% and 25%, respectively, during the year ended December 31, 2023, and approximately 49% and 27%, respectively, during the six-month period ended June 30, 2024. Our power generating assets are located in the northern, central and southern regions of Argentina, which provides us flexibility to dispatch energy into the WEM at different interconnection points and protect our portfolio from transmission restrictions in the SADI derived from system failures and the installation of new capacity.

Strong cash flow generation mainly denominated in U.S. dollars. Our revenues mainly derive from long-term U.S. dollar-denominated PPAs. Revenues from our thermal power plants are primarily derived from U.S. dollar denominated PPAs with CAMMESA and YPF, with terms ranging from 3 to 20 years. Our existing PPAs for our thermal power plants remunerate primarily for available capacity and for electricity effectively generated and dispatched. Revenues from our wind farms and our solar park are derived from U.S. dollar denominated PPAs with CAMMESA, YPF and other industrial clients, with terms ranging from 5 to 20 years. Our existing PPAs for our wind farms and solar park remunerate for the power effectively generated and dispatched, which depends on the wind conditions and solar irradiance. The remuneration under Energía Base is currently denominated in Argentine pesos and accounted for 15.4% and 16.9% of our revenues for the year ended December 31, 2023 and the six-month period ended June 30, 2024, respectively.

Strong focus on renewable energies. We seek to be leaders in the renewable generation market in Argentina with a strong focus on the development and operation of wind farms and solar parks. Our portfolio of renewable generation assets consists of four wind farms, namely, our Manantiales Behr, Los Teros, Cañadón León and General Levalle wind farms, and one solar park, our Zonda solar park. In addition, our renewable projects under construction consist of three projects, namely, our General Levalle Wind Farm, which commenced operating in August 2024 and is scheduled to commence its full commercial operations during the fourth quarter of 2024, and our CASA wind farm and El Quemado I solar park, which are scheduled to commence operations during the first quarter of 2026 and the second quarter of 2026, respectively. As of the date of this offering memorandum, our market share in the renewable generation market in Argentina based on installed capacity is 9.26%, which positions us as the third major renewable energy generator in Argentina.

High operational efficiency and low capital expenditures. We have sustained profitability with high operational efficiency and low levels of capital expenditures. All of our asset plants are automated and powered by electricity generated by our own power plants. These features make our asset plants some of the most technologically advanced and operationally efficient plants in Latin America. We have expanded our portfolio, with an investment peak in 2019 when we successfully completed six power plant projects simultaneously. From 2020, our capital expenditures have stabilized in an annual range of US\$200 million to US\$250 million, with average regular maintenance capital expenditures of approximately US\$60 million per year.

Renowned local and international sponsors. YPF and GE Vernova are, directly or indirectly, beneficial owners of 75.01% and 24.99% of our capital stock, respectively, and hold the control of the Company under the terms of the Shareholders' Agreement. YPF is Argentina's largest energy company operating a fully integrated oil and gas chain, with leading market positions in both upstream and downstream segments. YPF is majority state-owned and its shares have been listed on the Buenos Aires Stock Exchange and on the New York Stock Exchange since 1993. GE Vernova, which operates more than 7,000 gas turbines, the world's largest gas turbine base, including approximately

55,000 wind turbines and leading-edge electrification technology, is involved in generating approximately 30% of the world's electricity. GE Vernova has more than 80,000 employees across more than 100 countries.

New projects to support growth and increase profitability. Our successful track record with respect to industrial clients and YPF, and in auctions held by the Argentine government, together with the timely construction and commencement of operations of our power plants and our operating efficiency and safety, have proven our ability to source, win and develop new projects at competitive energy prices, meet construction deadlines, and operate and maintain our power plants in accordance with industry standards. Our revenues from long-term PPAs with CAMMESA, YPF and other private clients, and sale steam contracts with YPF, accounted for 84.5% and 83.0% of our revenues for the year ended December 31, 2023 and the six-month period ended June 30, 2024, respectively. We currently have 356 MW of capacity under construction consisting of renewable energy, which is expected to begin commercial operation between the fourth quarter of 2024 and the second quarter of 2026.

Strong management team and high-quality workforce. Our management team has extensive industry and financial experience, including over 25 years of experience in the Argentine energy sector. We believe that our management team has been successful in identifying attractive investment opportunities, structuring innovative business plans and completing complex transactions efficiently, as demonstrated by our considerable expansion since our inception in 2013 (from 829 MW of installed capacity at our inception in 2013 to 3,299 MW as of the date of this offering memorandum). We also believe that our workforce has the adequate experience, knowledge and training to operate and maintain our operating assets while improving our efficiency levels. This combination of experienced management and a highly skilled technical and operative workforce contributes to our ability to efficiently operate our assets, identify and evaluate high-quality growth opportunities and integrate new businesses that are acquired or developed, and, therefore, make our company efficient and profitable.

Our Strategy

Our mission is to be a profitable, efficient and sustainable power company, focused on optimizing natural resources and contributing to the development of the energy industry in Argentina and the markets in which we operate. Our vision is to be one of the major companies in the country's electricity generation sector, a leader in renewable energies with worldwide safety, technology, efficiency and quality standards.

Throughout our 11 year history operating in the Argentine electricity market, we have generated a results-oriented culture based on the values of commitment, sustainability, passion, teamwork and agility, and we have managed to become one of the major players in the Argentine power generation sector. We are strongly committed to addressing Argentina's expected growth in demand in the long term and to the creation of value for our shareholders and other stakeholders. We plan to continue to invest in growing our generation asset portfolio in a balanced, diversified and integrated manner by taking advantage of available opportunities that provide competitive returns.

Our strategic plan is based on significantly increasing our installed capacity of efficient thermal and renewable generation both through new developments and opportunistic acquisitions, based on the following three strategic business pillars:

- Operational excellence and efficiency: Operate and manage in an efficient, profitable and safe manner, under standards of global excellence;
- Growth in the electric market: Profitable growth through the development of new projects and the acquisition of market opportunities; and
- Business development in new energies: Embrace and integrate innovative technologies and business models for the long-term sustainability of the Company.

The strategic objectives are grouped into four categories, as follows:

Financial:

- Optimize and increase profitability of existing assets;
- Support growth prospects in a sustainable and profitable way; and
- Maintain a strong financial discipline to accompany growth opportunities with a prudent financial approach.

Market:

- Strengthen our market share position in Argentina with leadership in renewables;
- To be a reliable and efficient provider of energy solutions to YPF;
- Generate integrated and sustainable energy solutions, with high added value to our customers, that allow the development and ensure the sustainability of the Company; and
- Play a key role in the energy transition of Argentina.

Internal processes:

- Ensure operational excellence with high standards and continuous improvement;
- Effectively manage our relationship with our stakeholders;
- Provide efficient energy solutions for our customers; and
- Achieve excellence in social and environmental sustainability and corporate governance.

Human resources:

- Equal opportunities and respect for diversity;
- Talented and knowledgeable management to retain technical knowledge and experience;
- Strong empowerment and accountability; and
- Generate pride to be part of the Company.

Environmental, Social and Governance

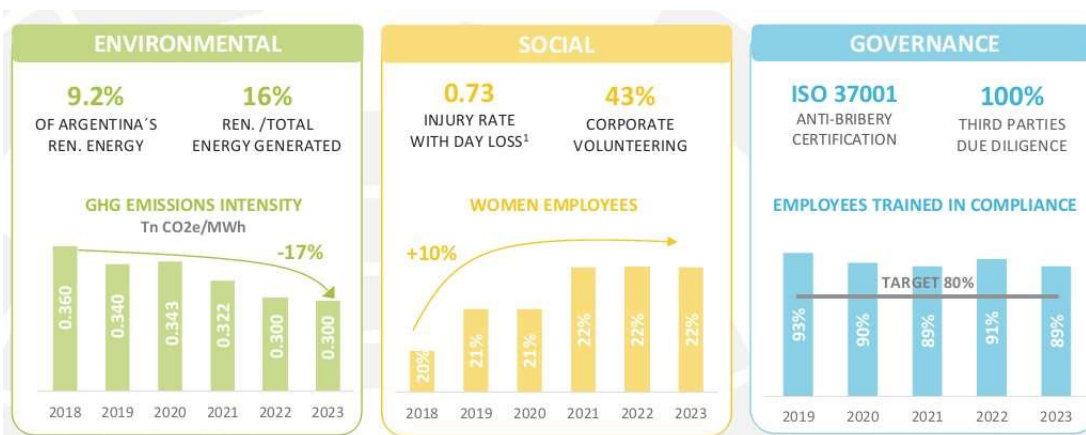
Sustainability is one of our corporate values and a strategic pillar for the performance of our business. Our environmental, social and governance (“ESG”) strategy is aligned with our sustainability policy. In order to assess our compliance with our ESG strategy, we manage and report annually our material ESG impacts according to the guidelines published by Global Reporting Initiatives and the Sustainability Accounting Standards Board. We identify environmental, social, integrity and governance impacts and risks related to our business and work with third parties to minimize and manage these risks and promote the implementation of our ESG practices.

Our ESG strategy is made up of the following five pillars which are integrated into our business: (i) environmental commitment, (ii) caring for our people, (iii) operational excellence, (iv) social commitment, and (v) integrity. We use these pillars to perform responsible commercial operations and strengthen our competitiveness in the long term.

Our 2023 sustainability report established our ESG objectives for 2025. Regarding environmental commitment, we have already surpassed our 2025 target by reducing our greenhouse gas emissions in 2023 by 13% compared to 2020. We have also achieved our integrity goal with over 80% of our employees completing compliance trainings and by achieving ISO 37001 anti-bribery certifications. With respect to our operational excellence strategy, we are on track to achieve our commitment of reaching 700 MW of renewable energy by 2025 with the construction of our renewable asset projects. We continue to work diligently to achieve our social commitment with our communities. Additionally, we recorded a decrease in the injury rates of our employees and increased our employee participation in our corporate volunteering program. Below is a chart summarizing the status of our ESG objectives for 2025.

	ENVIRONMENTAL COMMITMENT	OUR PEOPLE	OPERATIONAL EXCELLENCE	SOCIAL COMMITMENT	INTEGRITY
KPI	GHG emissions intensity	Women employees	Renewable installed capacity	Social investment /EBITDA	Employees trained in compliance
2025 AMBITIONS VS 2020	-8%	25%	700 MW	0.2%	+80%
2023 RESULTS	-13%	22%	497 MW	0.15%	85%
STATUS	ACHIEVED	IN PROGRESS	IN PROGRESS	IN PROGRESS	ACHIEVED

Below is a chart summarizing our environmental, social and governance accomplishments from 2018 to 2023.



(1) Accidents with loss of labor day per million hours worked.

Corporate Structure

The following chart summarizes our corporate structure as of the date of this offering memorandum:



(1) Luz del León S.A. will be an Unrestricted Subsidiary under the Notes as of the Issue Date.

Recent Developments

Resolution No. 285/2024

On September 27, 2024, the Secretariat of Energy issued Resolution No. 285/2024, and introduced significant updates to the WEM remuneration mechanisms in force under Energía Base. This resolution aims to ensure a reliable and efficient electricity supply by establishing a maximum price for spot transactions from October 2024.

In the context of the National Energy Sector emergency declared by Decree No. 55/2023, and the public emergency in various areas, including energy, declared by Decree No. 70/2023, the resolution seeks to redefine the WEM's operation to promote competition and economic sustainability.

The resolution establishes a maximum spot price of Ps.10,358 / MWh for sales in the WEM, beginning from October 1, 2024. This measure is exceptional and provisional until the necessary regulatory mechanisms for an autonomous and competitive market operation are gradually implemented. Resolution No. 285/2024 provides a detailed framework for the remuneration of different types of electricity generation, namely:

- *Remuneration of Enabled Thermal Generation:* Defines the base prices for the remuneration of power according to the technology and scale of the enabled thermal generators, establishing differentiated prices for the guaranteed power offered (DIGO) and the remuneration for generated and operated energy.
- *Remuneration of Enabled Hydroelectric Generation and Other Energy Sources:* Details the remuneration structure for hydroelectric generators and other energy sources, including payments for available power, generated energy, operated energy, and peak hour generation. It includes specific prices for different types of generators and considerations for scheduled maintenance.
- *Remuneration of Hydroelectric Plants Managed by Binational Entities:* Establishes the transactional conditions and prices for the energy and power generated by the binational hydroelectric plants

Yacyretá and Salto Grande. It defines specific prices for binational hydroelectric power and energy, as well as adjustment factors for scheduled maintenance.

- *Repayment/Refund of Financing for Major and/or Extraordinary Maintenance:* Describes the procedure for the repayment of financing granted for non-recurring maintenance by enabled generators. It establishes the calculation method for credit deductions until the total financing is canceled.

Resolution No. 294/2024

On October 1, 2024, the Secretariat of Energy issued Resolution No. 294/2024, establishing a contingency plan to address the energy supply challenges in the country. This resolution responds to the national energy sector emergency previously declared by Decree No. 55/2023 and focuses on the segments of energy generation, transmission, and distribution. The resolution highlights several critical issues in the Argentine energy system, including insufficient investments in generation and transportation and equipment obsolescence. To mitigate these problems, several key measures have been implemented:

- *Energy Generation:* An additional remuneration scheme under Energía Base was introduced to incentivize the availability of thermal generation plants during critical months, from December 2024 to March 2026. This scheme includes fixed and variable remunerations based on available power and effective generation. Additionally, energy imports from neighboring countries will be promoted during high demand periods.
- *Energy Transmission:* Regulatory modifications have been proposed to encourage investments in the expansion of electricity transmission systems. An integral preventive availability scheme will also be implemented to ensure the connection of reserve transformers at critical nodes.
- *Energy Distribution:* Distribution companies must present a “Contingency Attention Program” to manage unavailability in their concession areas. This program will include preventive maintenance actions, the availability of mobile generation units, and a proactive user attention scheme.
- *Demand Management:* A voluntary and remunerated mechanism has been created for the load reduction of GUMAs in the WEM. This mechanism will allow GUMAs to offer scheduled load reductions during supply risk moments, with a maximum price established for the energy associated with each load reduction offer.

Additionally, a Contingency Plan Implementation Monitoring Committee has been established, which will conduct continuous monitoring and periodic evaluations to ensure the effectiveness of the adopted measures. The resolution also invites provinces to implement similar measures in their jurisdictions to mitigate the impact on the distribution sector.

Communication “A” 8112 of the Central Bank

On October 3, 2023, the Central Bank issued Communication “A” 8112, which established that those who access the foreign exchange market to prepay debts in the context of certain refinancing, repurchase or redemption transactions may also access the foreign exchange market to: (i) pay up to the equivalent of 5% of the principal amount of the repurchased or redeemed debt as a repurchase, early redemption, or similar premium, provided that the settlement of funds received outside of Argentina through the issuance of new debt securities exceeds the prepaid principal amount by at least the amount of the premium paid; (ii) pay the accrued interest on the repurchased or redeemed debt up to the closing date of the repurchase or redemption transaction, without the need for a settlement of funds for the equivalent amount; or (iii) pay, on the closing date of the repurchase or redemption transaction, without the need for a settlement of funds for the equivalent amount, the issuance expenses or other services provided by non-Argentine residents derived from the issuance of new debt securities, the repurchase or the redemption transaction.

Communication “A” 8112 also established that the requirement for entry and settlement provided in section 3.5.1. of the Foreign Exchange Regulations (as defined below) will be fulfilled for the portion of the new debt securities delivered by an Argentine resident to their creditors in the context of an exchange, repurchase or early redemption transaction of existing debt securities, subject to certain conditions.

In addition, Communication “A” 8112 established that entities may also accept an affidavit from their clients stating that their holdings correspond to funds deposited in bank accounts outside of Argentina originated in the subscription of a new debt security abroad in the last 60 calendar days and that these funds will be used to perform refinancing, repurchase or early redemption transactions of debt securities or foreign financial debts.

General Levalle Wind Farm

On August 8, 2024, *Banco Nación Argentina* granted a loan to the Company for a total amount of Ps.10,000 million with quarterly interest payments at a fixed rate of 35% and final maturity on July 4, 2025. The principal of the loan amortizes in quarterly installments beginning on October 7, 2024. The proceeds from the loan were used to finance the development of the General Levalle wind farm.

In August 2024, the first stage of the General Levalle wind farm commenced operating with an installed capacity of 24.8 MW. In September 2024, the installed capacity of the General Levalle wind farm increased to 62 MW. Full commercial operations with a total of 155 MW of installed capacity are expected to commence during the fourth quarter of 2024.

Exchange Market Regulation

On September 2, 2024, through the publication of Decree No. 777/2024, the rate of the Impuesto PAIS for the import of goods and freight was reduced from 17.5% to 7.5%.

Summary Financial and Operating Data

The following tables present summary financial and operating data as of June 30, 2024 and for the six-month periods ended June 30, 2024 and 2023, which financial data is derived from our Unaudited Interim Financial Statements, and summary financial and operating data as of and for the years ended December 31, 2023 and 2022, which financial data is derived from our Audited Annual Financial Statements. The summary financial and operating data included herein is qualified in its entirety and should be read together with our Financial Statements as well as the sections entitled “Presentation of Financial and Other Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

Summary Financial Data

Consolidated Statements of Income and Other Comprehensive Income

	For the six-month period ended June 30,		For the year ended December 31,	
	2024	2023	2023	2022
	(in thousands of US\$)			
Revenues	244,854	241,612	490,125	471,116
Production costs.....	(134,649)	(110,920)	(239,791)	(203,008)
Gross profit	110,205	130,692	250,334	268,108
Administrative and selling expenses	(22,367)	(21,534)	(46,696)	(35,992)
Gain from the acquisition of controlling equity interest ⁽¹⁾	-	69,505	69,505	-
Other operating income, net	31,151	22,730	47,299	49,907
Impairment of property, plant and equipment.....	-	(46,800)	(46,800)	(40,660)
Loss on financial assets ⁽²⁾	(33,990)	-	-	-
Operating profit.....	84,999	154,593	273,642	241,363
Loss from equity interest in joint ventures	-	(590)	(590)	(6,077)
Finance income.....	53,213	88,890	330,694	116,450
Finance expense	(60,380)	(148,991)	(411,366)	(205,799)
Finance expense, net	(7,167)	(60,101)	(80,672)	(89,349)
Profit before income tax	77,832	93,902	192,380	145,937
Income tax	(7,301)	12,270	(190,915)	(12,241)
Net profit for the period /year	70,531	106,172	1,465	133,696
Other comprehensive (loss) income for the period/year				
Items that may be reclassified to net profit or loss				
Joint ventures’ net monetary position	-	(85,464)	(85,464)	39,253
Translation differences from joint ventures	-	63,418	63,418	(30,038)
Fair value changes on derivatives instruments, net of tax effect	-	-	-	45
Total of other comprehensive (loss) income for the period/ year.....	-	(22,046)	(22,046)	9,260
Total comprehensive income (loss) for the period/ year.....	70,531	84,126	(20,581)	142,956
Net profit for the period/ year attributable to owners of the Company	60,290	103,149	17,292	133,696
Net profit (loss) for the period/ year attributable to non-controlling interest	10,241	3,023	(15,827)	-
Total comprehensive income (loss) for the period/ year attributable to owners of the Company.....	60,290	81,103	(4,754)	142,956
Total comprehensive income for the period/ year attributable to non-controlling interest	10,241	3,023	(15,827)	-

(1) Relates to the acquisition of additional 27.3% stake in IDS. See “Presentation of Financial and Other Information–Comparability of Historical Financial Information.”

(2) During the six-month period ended June 30, 2024, we recorded an impairment charge with respect to certain trade receivables with CAMMESA in the amount of US\$34.0 million as a result of the payment by CAMMESA of its defaulted payments under Energía Base and the agreements entered into by CAMMESA with us through Argentine sovereign bonds which had an estimated fair market value of approximately 50% of the amount of the defaulted payments. See Note 5 to our Unaudited Interim Financial Statements and “Risk Factors–Risks Relating to the Electric Power in Argentina–CAMMESA may alter or delay payments to electric power generators.”

Consolidated Statements of Financial Position

	As of June 30,	As of December 31,	
	2024	2023	2022
	(in thousands of US\$)		
Assets			
Non-current Assets			
Property, plant and equipment.....	1,987,144	2,008,894	1,696,032
Intangible assets	8,013	8,144	7,866
Right of use asset	13,663	14,821	17,138
Investments in joint ventures	11	11	74,587
Other receivables	42,707	44,802	12,354
Other financial assets	348	-	-
Deferred income tax assets, net	21,322	24,868	30,857
Total non-current assets	2,073,208	2,101,540	1,838,834
Current Assets			
Other receivables	53,965	38,644	37,473
Trade receivables	115,193	113,644	140,772
Other financials assets.....	42,934	-	-
Restricted cash and cash equivalents.....	26,903	11,903	11,903
Cash and cash equivalents	233,010	102,439	82,328
Total current assets	472,005	266,630	272,476
Total Assets.....	2,545,213	2,368,170	2,111,310
Shareholders' Equity			
Shareholders' contributions.....	452,480	452,480	452,480
Reserves, other comprehensive income and retained earnings	588,770	528,480	580,109
Total Shareholders' Equity attributable to Owners of the Company	1,041,250	980,960	1,032,589
Non-controlling interest	142,412	132,171	-
Total Shareholders' Equity	1,183,662	1,113,131	1,032,589
Liabilities			
Non-current Liabilities			
Provisions.....	3,645	2,885	3,124
Deferred income tax liability, net.....	164,278	175,538	93,471
Lease liabilities	7,951	6,712	10,839
Loans.....	746,609	713,685	710,148
Other liabilities.....	4,210	4,210	-
Contract liabilities.....	41,303	20,652	-
Total Non-current liabilities.....	967,996	923,682	817,582
Current Liabilities			
Provisions	138	10	-
Taxes payable	6,036	1,218	3,193
Income tax payable	2,834	7,240	5,828
Salaries and social security payables.....	9,666	11,652	10,027
Lease liabilities	2,579	4,738	2,340
Loans.....	273,424	183,418	147,841
Other liabilities	948	774	-
Trade payables	97,930	122,307	91,910
Total current liabilities	393,555	331,357	261,139
Total Liabilities	1,361,551	1,255,039	1,078,721
Total Liabilities and Shareholders' Equity	2,545,213	2,368,170	2,111,310

Non-IFRS Financial Data

Adjusted EBITDA and Adjusted EBITDA Margin

	For the six-month period ended June 30,		For the year ended December 31,	
	2024	2023	2023	2022
	(in thousands of US\$, except percentages)			
Adjusted EBITDA ⁽¹⁾	163,438	194,970	383,145	389,281

Adjusted EBITDA Margin ⁽²⁾	66.7%	80.7%	78.2%	82.6%
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- (1) We calculate Adjusted EBITDA by adding back to our net profit for the year or period: (i) finance expense, net, (ii) depreciation of property, plant and equipment, (iii) depreciation of right of use of assets, (iv) amortization of intangible assets, (v) income tax, (vi) results from equity interest in joint ventures, (vii) gain from the acquisition of controlling equity interest, (viii) discontinued operations result, and (ix) impairment of property, plant and equipment. Adjusted EBITDA is not a presentation made in accordance with IFRS. Adjusted EBITDA may not be comparable to other similarly titled measures of other companies and has limitations as an analytical tool and should not be considered in isolation or as a substitute for analysis of our operating results as reported under IFRS. Our definition of Adjusted EBITDA may not be entirely the same as the definition used in “Description of the Notes.”
- (2) Adjusted EBITDA Margin has been calculated by dividing Adjusted EBITDA by revenues for the year or period.

The following table reconciles our net profit to Adjusted EBITDA and Adjusted EBITDA Margin for the periods shown:

	For the six-month period ended June 30,		For the year ended December 31,	
	2024	2023	2023	2022
	(in thousands of US\$, except percentages)			
Net profit for the period/ year.....	70,531	106,172	1,465	133,696
<i>Plus:</i>				
Finance expense, net	7,167	60,101	80,672	89,349
Depreciation of property, plant and equipment ...	77,150	61,793	129,629	104,912
Depreciation of right of use of assets.....	1,158	1,158	2,317	2,084
Amortization of intangible assets	131	131	262	262
Income tax.....	7,301	(12,270)	190,915	12,241
Results from equity interest in joint ventures	-	590	590	6,077
Gain from the acquisition of controlling equity interest	-	(69,505)	(69,505)	-
Discontinued operations result	-	-	-	-
Impairment of property, plant and equipment	-	46,800	46,800	40,660
Adjusted EBITDA	163,438	194,970	383,145	389,281
Revenues	244,854	241,612	490,125	471,116
Adjusted EBITDA Margin	66.7%	80.7%	78.2%	82.6%

Net Debt and Net Leverage Ratio

	For the six-month period ended June 30,	For the year ended December 31,	
	2024	2023	2022
	(in thousands of US\$, except ratios)		
Net Debt ⁽¹⁾	717,186	782,761	763,758
Net Leverage Ratio ⁽²⁾	2.0x	2.0x	2.0x

- (1) We calculate Net Debt as the sum of total current loans and non-current loans, net of (i) other financial assets, (ii) other receivables – trust, (iii) restricted cash and cash equivalents, and (iv) cash and cash equivalents. Net Debt is not a presentation made in accordance with IFRS. Net Debt may not be comparable to other similarly titled measures of other companies and has limitations as an analytical tool and should not be considered in isolation or as a substitute for analysis of our operating results as reported under IFRS.
- (2) We calculate our Net Leverage Ratio as Net Debt divided by Adjusted EBITDA. Our definition of Net Leverage Ratio may not be entirely the same as the definition used in “Description of the Notes.”

The following table reconciles our current loans and non-current loans to Net Debt and Net Leverage Ratio for the periods shown:

	For the six-month period ended		For the year ended	
	June 30,		December 31,	
	2024	2023	2023	2022
	(in thousands of US\$, except ratios)			
Current loans	273,424	183,418	147,841	147,841
Non-Current loans	746,609	713,685	710,148	710,148
<i>Net of:</i>				
Other financial assets.....	(42,934)	-	-	-
Other receivables – Trust.....	-	-	-	-
Restricted cash and cash equivalents	(26,903)	(11,903)	(11,903)	(11,903)
Cash and cash equivalents	(233,010)	(102,439)	(82,328)	(82,328)
Net Debt	717,186	782,761	763,758	763,758
Adjusted EBITDA	352,176⁽¹⁾	383,145	389,281	389,281
Net Leverage Ratio.....	2.0x	2.0x	2.0x	2.0x

(1) Corresponds to Adjusted EBITDA for the twelve-month period ended June 30, 2024.

Operating Data

The following table presents certain of our operating data for the periods indicated.

	For the six-month period ended		For the year ended	
	June 30,		December 31,	
	2024	2023	2023	2022
Availability Factor (%)				
<i>Thermal</i>				
Tucumán Power Plant	87%	85%	88%	86%
San Miguel de Tucumán Power Plant	87%	91%	80%	97%
El Bracho GT Power Plant	93%	94%	93%	95%
El Bracho ST Power Plant.....	96%	98%	95%	98%
Loma Campana I Power Plant ⁽¹⁾	0%	62%	31%	73%
Loma Campana II Power Plant.....	78%	37%	21%	92%
Loma Campana Este Power Plant	100%	100%	100%	100%
LPC I Power Plant.....	89%	87%	82%	59%
LPC II Power Plant	108%	111%	112%	108%
Manantiales Behr Power Plant	70%	65%	62%	66%
Central Dock Sud Power Plant ⁽²⁾	79%	62%	77%	76%
<i>Renewable</i>				
Manantiales Behr Wind Farm	93%	96%	96%	97%
Los Teros Wind Farm	88%	98%	96%	96%
Cañadón León Wind Farm	99%	99%	98%	87%
Zonda Solar Park.....	100%	66%	86%	-
Energy Sales (GWh)				
<i>Thermal</i>				
Tucumán Power Plant	833.5	549.5	991.3	1,162.4
San Miguel de Tucumán Power Plant	180.7	348.0	363.4	355.7
El Bracho GT Power Plant	843.0	974.8	1,962.1	2,035.0
El Bracho ST Power Plant.....	557.7	712.0	1,359.0	1,414.6
Loma Campana I Power Plant.....	-	282.5	282.5	660.8
Loma Campana II Power Plant.....	163.8	145.8	146.4	542.2
Loma Campana Este Power Plant	37.1	35.0	72.2	69.5
LPC I Power Plant.....	432.7	439.2	885.5	673.4
LPC II Power Plant	307.9	311.9	606.0	587.7
Manantiales Behr Power Plant	225.2	158.2	329.7	381.7
Central Dock Sud Power Plant ⁽²⁾	2,476.7	958.8	3,293.8	-

Renewable⁽³⁾

Manantiales Behr Wind Farm	235.8	269.1	508.4	509.5
Los Teros Wind Farm	340.1	351.6	754.5	797.1
Cañadón León Wind Farm	261.9	304.7	547.6	512.1
Zonda Solar Park	120.0	31.0	158.4	-
Total energy sales	7,016.1	5,872.1	12,260.8	9,701.7

- (1) Our Loma Campana I power plant was not in operation from May 2023 to August 2024 as a result of the malfunctioning of the power turbines installed in the plant. See “Risk Factors–Risks Relating to the Company–Our business and operations are highly dependent on certain key suppliers and third parties to maintain our thermal power plants and renewable energy plants, and we will rely on third parties to complete the procurement, engineering, construction, testing and commissioning of our projects under construction.”
- (2) We own 70.16% equity interest in IDS, which owns 71.77% of the equity interest in CDS, which owns the Central Dock Sud thermal power plant, located in the Province of Buenos Aires with an installed capacity of 861 MW and 72 MW of installed capacity for two Simple Cycle turbines (36 MW each).
- (3) The General Levalle wind farm is excluded from this table since it had not commenced commercial operations during the periods shown. The first stage of the General Levalle wind farm commenced operations in August 2024 with an installed capacity of 24.8 MW. In September 2024, the installed capacity of the General Levalle wind farm increased to 62 MW. Full commercial operations with a total of 155 MW of installed capacity are expected to commence during the fourth quarter of 2024.

The Offering

The following summary contains basic information about the Notes and is not intended to be complete. For a more complete understanding of the Notes, see "Description of the Notes" in this offering memorandum.

Issuer	YPF Energía Eléctrica S.A.						
Notes Offered	US\$420,000,000 aggregate principal amount of 7.875% senior notes due 2032						
Issue Date	October 16, 2024						
Issue Price	98.298% of the principal amount, plus accrued interest, if any, from October 16, 2024						
Final Maturity Date	October 16, 2032						
Principal Amortization	The principal in respect of the Notes will amortize in three consecutive annual installments in an amount equal to the percentage of principal amount set forth below opposite to the applicable payment date: <table><tr><td>33%</td><td>October 16, 2030</td></tr><tr><td>33%</td><td>October 16, 2031</td></tr><tr><td>34%</td><td>October 16, 2032</td></tr></table>	33%	October 16, 2030	33%	October 16, 2031	34%	October 16, 2032
33%	October 16, 2030						
33%	October 16, 2031						
34%	October 16, 2032						
Interest Rate	7.875% per year. Interest will be computed on a 360-day year and 30-day month basis.						
Interest Payment Dates.....	Interest will accrue from the issue date and will be paid on April 16 and October 16 of each year, commencing on April 16, 2025.						
Status and Ranking.....	The Notes will constitute " <i>obligaciones negociables simples no convertibles en acciones</i> " under Argentine law, and will be issued pursuant to, and in compliance with, all the requirements of Argentine Negotiable Obligations Law, the CNV Rules and any other applicable Argentine laws and regulations. The Notes will be the Issuer's direct, unconditional, unsecured and unsubordinated obligations and will: <ul style="list-style-type: none">• rank equal in right of payment with all of the Issuer's existing and future unsecured and unsubordinated indebtedness (except those obligations preferred by statute operation of Argentine law, including without limitation labor and tax claims);• rank senior in right of payment to any future subordinated indebtedness of the Issuer;• be effectively subordinated to all of the Issuer's existing and future secured indebtedness to the extent						

of the value of the assets securing such indebtedness;
and

- be effectively subordinated to all existing and future indebtedness and other liabilities of the Issuer's subsidiaries.

As of June 30, 2024, we had unsecured outstanding loans for US\$954 million and secured outstanding loans for US\$66 million, for an aggregate amount of US\$1,020 million, including working capital loans, fees and accrued interest. See "Management's Discussion and Analysis of Financial Conditions and Results of Operations—Indebtedness". We will provide notice to redeem in full our 10.000% Senior Notes due 2026 (the "2026 Notes") substantially concurrently with the settlement of this offering, subject to consummation thereof.

Withholding Taxes; Additional Amounts The Issuer will make payments in respect of Notes without withholding or deductions for any taxes imposed by or on behalf of Argentina or any political subdivision or taxing authority thereof, except as required by applicable law. In the event that such withholdings or deductions are required by law, the Issuer will, subject to specified exemptions and limitations, pay such Additional Amounts (as defined under "Description of the Notes—Payments of Additional Amounts") as are necessary to ensure that the holders receive the same amount as the holders would otherwise have received in respect of payments on the Notes in the absence of such withholdings or deductions. See "Description of the Notes—Payments of Additional Amounts."

Optional Redemption At any time prior to October 16, 2027, the Issuer may, at its option, redeem the Notes, in whole or in part, at a make-whole price plus accrued and unpaid interest, if any, to, but excluding, the date of redemption.

On and after October 16, 2027, the Issuer may, at its option, redeem the Notes, in whole or in part, at the redemption prices set forth in this offering memorandum, plus accrued and unpaid interest, if any, to, but excluding, the date of redemption.

At any time prior to October 16, 2027, the Issuer may, at its option, redeem up to 35% of the original principal amount of the Notes with the proceeds of certain equity offerings at a redemption price of 107.875% of the principal amount of the Notes, plus accrued and unpaid interest, if any, to, but excluding, the date of redemption.

The Issuer may, at its option, redeem the Notes, in whole but not in part, at a price equal to 100% of the principal amount, plus accrued and unpaid interest to, but excluding, the date of redemption and any Additional Amounts upon the occurrence of specified tax events.

See "Description of the Notes—Redemption and Repurchase."

Change of Control Offer Upon the occurrence of a Change of Control Repurchase Event, the Issuer will make an offer to purchase all of the Notes at a purchase price in cash equal to 101% of the principal amount of the Notes, plus accrued and unpaid interest, if any, to, but excluding, the date of purchase. See “Description of the Notes—Redemption and Repurchase—Repurchase Offer upon a Change of Control Repurchase Event.”

Covenants..... The Indenture will, among other things, limit the Issuer’s ability and the ability of its Restricted Subsidiaries (as defined under “Description of the Notes”) to:

- incur additional indebtedness;
- pay dividends or make distributions or repurchase or redeem stock;
- make loans and investments;
- sell assets;
- incur or permit to exist certain Liens; and
- consolidate, amalgamate, merge or sell all or substantially all of our assets.

These covenants will be subject to a number of exceptions and qualifications. For more details, see “Description of the Notes—Certain Covenants.”

If, following the issue date, the Notes achieve Investment Grade ratings (as defined under “Description of the Notes”), certain covenants under the Indenture will cease to apply to the Notes. See “Description of the Notes—Certain Covenants—Suspension of Certain Covenants.”

Additional Notes In the future, the Issuer may issue additional Notes (“Additional Notes”) from time to time and without notice to or the consent of holders of the Notes; provided that such Additional Notes have the same terms and conditions in all respects as the Notes described herein (except for the issue date, the issue price and, if applicable, the first interest payment date); provided, further, that Additional Notes may not bear the same CUSIP number, ISIN number or other identifying number as the Notes, unless such Additional Notes are fungible with the Notes for U.S. federal income tax purposes. In that case, any such Additional Notes will constitute a single series with the Notes offered hereby.

Use of Proceeds..... We intend to use the net proceeds from this offering in accordance with Section 36 of the Argentine Negotiable Obligations Law, (i) refinancing of indebtedness, including repurchasing, redeeming or repaying our outstanding 2026 Notes and paying any expenses related thereto, and (ii) for other general corporate purposes, including repayment of

indebtedness and working capital. Pending application, the proceeds may be invested in short-term investments. See “Use of Proceeds.”

Transfer Restrictions We have not registered, and will not register, the Notes under the Securities Act, and the Notes may not be transferred except in compliance with the transfer restrictions set forth in “Transfer Restrictions.”

Form and Denomination of the Notes The Notes will initially be issued in the form of one or more global notes without interest coupons, registered in the name of The Depository Trust Company (“DTC”) or its nominee. The Notes will be issued in minimum denominations of US\$1,000 and integral multiples of US\$1,000 in excess thereof.

Listing and Trading The Notes are a new issue and there is no current trading market for the Notes. We have applied to have the Notes listed on the Luxembourg Stock Exchange and admitted for trading on the Euro MTF of the Luxembourg Stock Exchange. We also applied to have the Notes listed on the BYMA and admitted for trading on the MAE. We cannot assure you that these applications will be accepted or, if accepted, that they will be maintained.

Clearance and Settlement The Notes will be issued in book-entry form through the facilities of DTC for the accounts of its direct and indirect participants, including Euroclear Bank S.A. N.V., as the operator of the Euroclear System (“Euroclear”), and Clearstream Banking, société anonyme (“Clearstream”), and will trade in DTC’s same-day funds settlement system. Beneficial interests in Notes held in book-entry form will not be entitled to receive physical delivery of certificated Notes, except in certain limited circumstances. For a description of certain factors relating to clearance and settlement, see “Form of Notes, Clearing and Settlement.”

Governing Law Law of the State of New York; *provided* that all matters relating to the due authorization, execution, issuance and delivery of the Notes by us, and matters relating to the legal requirements necessary in order for the Notes to qualify as “*obligaciones negociables simples no convertibles en acciones*” under Argentine law, and certain matters related to holders meetings, including quorums, majorities and calls, will be governed by the Argentine Negotiable Obligations Law together with the Argentine General Companies Law No. 19,550 (the “Argentine General Companies Law”) and other applicable Argentine laws and regulations.

Jurisdiction The Issuer will irrevocably submit to the non-exclusive jurisdiction of any state or federal court sitting in the Borough of Manhattan, City of New York, United States of America, and any Argentine court sitting in the City of Buenos Aires, Argentina. Notwithstanding the foregoing, in accordance with Section 46 of the Argentine Capital Markets Law, holders of Notes may submit disputes regarding the Notes to the

non-exclusive jurisdiction of the Arbitral Tribunal of the MAE or the ordinary courts for commercial matters.

Summary Executive Proceedings.....	Under the terms of Section 29 of the Argentine Negotiable Obligations Law, Notes constituting “ <i>obligaciones negociables simples no convertibles en acciones</i> ” grant their holders the right to institute summary executive proceedings to seek to obtain the payment of principal and interest amounts that are overdue under the Notes (including any additional amounts), which right may not be impaired or affected without such holder’s prior consent. In accordance with Section 129 of the Argentine Capital Markets Law, any beneficial owner who presents a certificate issued by the relevant depository in respect of the Notes represented by a global note may institute proceedings before any competent court in Argentina, including summary executive proceedings, to obtain any overdue amount under the Notes.
Initial Purchasers.....	Citigroup Global Markets Inc., Itau BBA USA Securities, Inc., J.P. Morgan Securities LLC and Santander US Capital Markets LLC.
Billing and Delivery Bank.....	Itau BBA USA Securities, Inc.
Trustee, Co-Registrar, Principal Paying Agent and Transfer Agent.....	The Bank of New York Mellon
Luxembourg Listing Agent	Matheson LLP
Local Placement Agents.....	Balanz Capital Valores S.A.U., Banco de Galicia y Buenos Aires S.A.U., Banco Santander Argentina S.A. SBS Trading S.A. and TPCG Valores S.A.U.
Registrar, Argentine Paying Agent, Transfer Agent and Representative of the Trustee in Argentina	Banco Santander Argentina S.A.
Risk Factors.....	Investing in the Notes involves significant risks and uncertainties. See “Risk Factors” and other information included in this offering memorandum for a discussion of factors you should carefully consider before deciding to purchase any Notes.

RISK FACTORS

Investing in the Notes involves significant risks. Prior to investing in the Notes, you should carefully consider the risks described below, in addition to the other information contained in this offering memorandum. We also may face additional risks and uncertainties that are not presently known to us, or that as of the date of this offering memorandum we deem immaterial, which may impair our business. If any of these events occur, the trading price of the Notes could decline, and we may not be able to pay all or part of the interest or principal on the Notes, and you may lose all or part of your investment.

Risks Relating to Argentina

Our business is largely dependent upon economic conditions in Argentina.

All of our operations, properties and customers are located in Argentina and, as a result, our business is to a large extent dependent upon economic conditions prevailing in Argentina. You should make your own assessment about Argentina and prevailing conditions in the country before making an investment decision with respect to the Notes.

Argentine economic conditions are dependent on a variety of factors, including the following: international demand and prices for Argentina's commodity exports; competitiveness and efficiency of domestic industries and services; stability and competitiveness of Argentine pesos against foreign currencies; high levels of inflation resulting in wage and price controls; foreign and domestic investment and financing; the level of foreign exchange reserves in the Central Bank which may cause changes in currency values and exchange and capital control regulations (including to import equipment, service our cross border indebtedness and other necessities relevant for operations); high level of sovereign indebtedness; high interest rates; adverse external economic shocks; changes in economic or fiscal policies implemented by the Argentine government; labor disputes and work stoppages; the level of expenditure by the Argentine government and the ability to reach and sustain fiscal balance; the level of unemployment; political instability, and social tensions.

Changes in economic, political and regulatory conditions in Argentina and measures taken by the Argentine government have had and are expected to continue to have a significant impact on us. We cannot predict the impact of any measures that the Argentine government may adopt, or whether those measures will have the effects sought. Uncertainty with respect to government policies may lead to additional volatility of Argentine stock market prices including companies that operate in the energy sector, given the degree of state regulation this industry has historically faced. Additionally, we cannot assure you that the current policies that apply to the energy sector will not be modified in the future.

The Argentine economy has experienced significant volatility in past decades, including numerous periods of low or negative growth and high and variable levels of inflation and currency devaluation. No assurances can be given that the Argentine economy will grow in the future on a sustainable basis. If economic conditions in Argentina were to deteriorate, if inflation were to increase further, if Argentina is not able to refinance its debt, if federal fiscal balances remained negative affecting the Argentine government's ability to access long term financing, or if the Argentine government's measures to attract or retain foreign investment and international financing in the future to incentivize domestic economy activity are unsuccessful, such events could adversely affect Argentina's economic growth and in turn affect our business, financial condition and results of operations.

According to a Morgan Stanley Capital International ("MSCI") release of June 2021, Argentina was considered an emerging market until June 2021, when it was classified as a "standalone market". Economic and market conditions in Argentina and in emerging market countries, especially those in Latin America, influence the market for securities issued by Argentine companies. Volatility in securities markets in Latin America and in emerging market countries, as well as potential increases in interest rates in the United States and other developed countries, may have a negative impact on the trading price of our Notes and on our ability and the terms on which we are able to access international capital markets. In addition, standalone markets are considered to present additional risks such as government restrictions that may limit investments and risks associated with political developments.

There are outstanding claims against the Argentine government before the International Centre for Settlement of Investment Disputes (“ICSID”) and New York courts which may entail new awards or judgments against the Argentine government, which in turn could have a substantially adverse effect on the Argentine government’s ability to implement reforms and to foster economic growth. We cannot assure you that in the future the Argentine government will not breach its obligations. If the Argentine government were to default on its debt payment obligations, this would likely result in an impairment of economic activity, an increase in interest rates, additional pressure on the foreign exchange market and an increase in inflation rates, which in turn could adversely affect our operations and financial position.

We cannot assure you the perception of risk in Argentina will not have a material adverse effect on our ability to raise capital, including our ability to refinance our debt at maturity, which would negatively affect our investment plans and consequently our business, financial condition and results of operations, and also have a negative impact on the trading price of our Notes.

The measures implemented by the current Argentine government may affect our business and results of operations.

On November 19, 2023, a presidential runoff election took place in Argentina between Javier Milei, candidate of “La Libertad Avanza”, and Sergio Massa, candidate of “Union por la Patria”, with Javier Milei being elected President of Argentina with 55.69% of the votes. Following the 2023 elections, La Libertad Avanza has 7 of the 72 representatives in the Senate and 41 of the 257 representatives in the Chamber of Deputies.

The new Argentine administration faces significant macroeconomic challenges, such as reducing the inflation rate, achieving commercial and fiscal surpluses, accumulating reserves, supporting the peso, eliminating exchange controls, refinancing debt owed to private creditors, and improving the competitiveness of the Argentine economy. Since the new Argentine administration took office, a large number of measures aimed at deregulating the Argentine economy and limiting government intervention in the private sector have been implemented, including the suspension of public work tenders and reduction in energy and transport subsidies, and it is expected that further measures will be adopted in the future. However, several of these measures are being challenged in Congress and submitted to judicial proceedings.

The Argentine executive branch has enacted Decree No. 70/2023 contemplating several measures to reduce the size of the public administration and public expenses and to de-regularize the economy. In addition, on December 27, 2023, the Argentine executive branch sent to the Congress a draft bill entitled “Bases and Starting Points for the Freedom of the Argentine People”, the final text of which was approved by the Congress on June 28, 2024 (the “*Ley de Bases*”). The *Ley de Bases* declares a public emergency in administrative, economic, financial, and energy matters for a period of one year, and delegates a series of legislative powers to the Argentine executive branch for such period. The *Ley de Bases* also establishes a series of legal, institutional and tax reforms affecting various sectors of the economy, amends the Law No. 17,319 on Hydrocarbons and the Law No. 26,741 on Fiscal Oil Fields (*Yacimientos Petrolíferos Fiscales*), and establishes measures to comply with greenhouse gas emission targets.

We cannot predict the impact that these measures, and any future measures that may be adopted by the Argentine government, will have on the Argentine economy in general and on the energy sector in particular. Political uncertainty in Argentina regarding the policies adopted and that may be adopted in the future by the government could lead to further volatility in the market prices of the securities of Argentine issuers and could have a material adverse effect on the economy, which in turn could adversely affect our business, financial condition and results of operations.

Argentina’s ability to obtain international financing could be limited which may have an impact on our ability to access international financing.

During recent years Argentina has experienced financial distress, leading to an increase in the incurrence of public debt.

On January 28, 2022 the Argentine government and the International Monetary Fund (the “IMF”) reached understandings on key policies as part of their ongoing discussions within the framework of an IMF-supported financing program. On March 17, 2022 by means of Law No. 27,668, the Argentine government approved the entering

into a 30-month agreement (the “IMF Agreement”) between the IMF and the Argentine executive branch in order to refinance US\$44.0 billion of debt incurred between 2018 and 2019 under a stand-by agreement which was originally scheduled to be paid between 2021 and 2023. The IMF Agreement includes ten quarterly reviews during two and a half years to ensure compliance by the Argentine government with the targets established for each review period, with disbursements being made available after each review. The repayment term for each disbursement is ten years, with a grace period of four and a half years, starting in 2026 and ending in 2034. On June 13, 2024, the IMF concluded its eighth review, after which the IMF disbursed approximately US\$800 million to the Argentine government to support the decrease of inflation in Argentina, and rebuild fiscal and external reserves. As of the date of this offering memorandum, the IMF has disbursed more than US\$4.7 billion to the Argentine government under the IMF Agreement.

We cannot assure that the Argentine government will meet the targets of the upcoming reviews of the IMF. We cannot assure that the IMF’s conditions will not affect Argentina’s ability to implement reforms and public policies and boost economic growth. We also cannot predict the impact of the implementation of the IMF Agreement on Argentina’s (and indirectly our) ability to access the international capital markets.

In spite of the restructuring of the Argentine public debt carried in 2020, the international markets continue showing signs of doubts as to whether Argentina’s debt is sustainable, therefore country risk indicators remain high. If Argentina’s access to international private financing or financing from multilateral organizations is restricted, or the inflows of foreign direct investments is limited, Argentina may be unable to comply with its obligations and financing from multilateral financial entities may further be limited or become unavailable. Additionally, a limitation on Argentina’s ability to obtain financing in international markets may have, in the future, an adverse effect on our ability to access international credit markets at standard market rates in order to finance our operations.

Likewise, there can be no assurances that Argentina’s credit ratings will be maintained or that they will not be downgraded, suspended or cancelled. Any credit rating downgrade, suspension or cancellation for Argentina’s sovereign debt may have an adverse effect on the Argentine economy, our ability to access international capital markets and our business. As such, any adverse effect on our business due to changes in Argentina’s credit rating may adversely affect the market price and trading of our Notes.

The Argentine economy has been and could be adversely affected by economic developments in other markets.

Financial and securities markets in Argentina and the Argentine economy are influenced by the effects of global or regional financial crisis and market conditions in other markets worldwide. Global economic instability and uncertainty about global trade policies could impact the Argentine economy and jeopardize Argentina’s ability to stabilize its economy, such as the deterioration of economic conditions in Brazil (Argentina’s main trading partner) and of the economies of other major trading partners of Argentina, such as China or the United States, increases in the interest rates in the United States and other developed countries, geopolitical tensions among the United States and other countries, regional conflicts such as the ones between Russia and Ukraine and between Israel and Hamas, the conflict of Israel in the Middle East, decisions by the Organization of Petroleum Exporting Countries (“OPEC”) and other non-OPEC oil-producing nations with respect to oil production that affect crude oil prices, political and social discords, terrorist attacks, sovereign debt downgrades and a pandemic disease. Although economic conditions vary from country to country, investors’ reactions to events occurring in one country sometimes demonstrate a “contagion” effect in which an entire region or class of investment is disfavored by international investors.

Consequently, there can be no assurance that the Argentine economy and securities markets will not be adversely impacted by events affecting developed economies, emerging markets or any of Argentina’s major trading partners, which could in turn adversely affect our business, financial condition and results of operations, and the market value of the Notes. Furthermore, a significant devaluation of the currencies of our trading partners or trade competitors may adversely affect the competitiveness of Argentina and consequently, adversely affect Argentina’s economy and our business, financial condition and results of operations.

A decrease in international prices for the main commodities exported by Argentina could negatively affect Argentina's economic condition.

Argentina's economic recovery since the crisis of 2001 and 2002 occurred in the context of a significant increase in the international prices of the country's main exportable goods, such as soybeans. The high prices of commodities have contributed to increasing Argentine export revenues since the third quarter of 2002, as well as to increasing Argentine government tax revenues, mainly due to revenues derived from export taxes.

Inflationary pressures, the war between Russia and Ukraine, supply chain disruptions, among other circumstances, can affect the price of commodities such as soybeans, wheat, and corn, as well as the price of oil.

If the international prices for agricultural and oil commodities decrease as a result of, among others, an international recession, Argentina's economy could be adversely affected. In addition, a decline in international prices for agricultural and oil commodities could have a negative impact on the government's tax revenues, including its ability to repay its debt, and on the availability of foreign currency. Moreover, agriculture production—which represents an important source of Argentina's export income—could be negatively affected due to adverse climate conditions. Any such developments may adversely affect Argentina's economy and, as a result, our business and operation.

Continuing high inflation may adversely affect the Argentine economy.

Argentina continues to face high inflationary pressures. In 2022, the INDEC registered an increase in CPI of 94.8%, while the WPI increased by 94.8%. In 2023, the INDEC registered an increase in CPI of 276.4%, while the WPI increased by 211.4%. From January through August 2024, the CPI increased by 20.6%, 13.2%, 11.0%, 8.8%, 4.2%, 4.6%, 4.0% and 4.2%, respectively, while, from January through August 2024, the WPI increased by 18.0%, 10.2%, 5.4%, 3.4%, 3.5%, 2.7%, 3.1% and 2.1%, respectively.

In the past, inflation has undermined the Argentine economy and the government's ability to create conditions conducive to growth. A high inflation rate environment can negatively affect Argentina's international competitiveness, real wages, employment rates, consumption rates and interest rates. The high level of uncertainty regarding such economic variables, and the general lack of stability in terms of inflation could lead to reduced contract terms and affect the ability to plan ahead and make strategic decisions. This situation may have a negative impact on economic activity, which could materially and adversely affect our business, results of operations, and financial condition.

We may be exposed to fluctuations in foreign exchange rates.

The continued devaluation of the Argentine peso during the past years has had a negative impact on the economy and has also led to an increase in inflation, which in turn has a direct impact on real wages. In addition, our results of operations are exposed to currency fluctuations and any devaluation of the Argentine peso against the U.S. dollar and other hard currencies may adversely affect our business and results of operations.

The value of the peso has fluctuated significantly in the past. As of December 31, 2023, the value of the Argentine peso amounted to Ps.808.4833 per US\$1.00 which represented a decrease in the exchange rate between the Argentine peso and the U.S. dollar of 356% during the year. As of September 30, 2024, the peso was valued at Ps.970.9167 per US\$1.00, a decrease of approximately 16.7% against the U.S. dollar, compared to December 31, 2023. The main effects of the devaluation of the Argentine peso on our net profit are related to (i) our revenues from Energía Base are denominated in Argentine pesos, (ii) some of our operating costs are denominated in Argentine pesos, (iii) deferred income tax related mainly to fixed assets, which we expect would have a negative effect; (iv) current income tax, (v) increased depreciation and amortization resulting from the remeasurement in pesos of our fixed and intangible assets, and (vi) exchange rate differences as a result of our exposure to the peso, which we expect would have a positive effect due to the fact that our functional currency is the U.S. dollar. In addition, regarding our financial position, the majority of our debt is denominated in currencies other than the peso; consequently, a devaluation of the peso against such currencies will increase the amount of pesos we need to comply with the terms of our debt. For more information on the value of the Argentine peso, see "Exchange Controls".

On the other hand, a substantial increase in the value of the Argentine peso against the U.S. dollar could adversely affect Argentina's economic competitiveness. A significant real appreciation of the Argentine peso would adversely affect exports and reduce Argentina's trade surplus or cause a trade deficit, which could have a negative effect on Gross Domestic Product ("GDP") growth and employment.

The remuneration under our PPAs with CAMMESA are denominated in U.S. dollars and payable in Argentine pesos, and CAMMESA currently covers any exchange rate fluctuation effects during the first 42 days after the billing date. As a result, with respect to our PPAs with CAMMESA we are exposed to devaluation risk if a devaluation of the Argentine peso occurs after such 42-day period. In recent years, those payments have at times been delayed to more than 100 days on average. As of the date of this offering memorandum, CAMMESA's average term for making payments to power generators, including the Company, is between 50 and 65 days from the end of the relevant month, however, such term could be significantly longer in the future. See "–Risks Relating to the Electric Power Sector in Argentina–CAMMESA may alter or delay payments to electric power generators." According to applicable regulations, CAMMESA is required to pay interest for late payments to power generators. Our results of operations have been affected and will continue to be affected by the fluctuation of the U.S. dollar/Argentine peso exchange rate.

As a result of the Argentine peso's increased volatility, the Argentine government and the Central Bank implemented several measures and regulations to stabilize its value. We cannot predict whether, and to what extent, the value of the Argentine peso may continue to depreciate or appreciate against the U.S. dollar or other foreign currencies, and the impact that such variations may have on our results of operations and financial condition.

We are subject to exchange and capital controls.

The Argentine government and the Central Bank have implemented certain measures that control and restrict the ability of companies and individuals to access the foreign exchange market to purchase foreign currencies and to transfer such currencies abroad. Those measures include restricting access to the Argentine foreign exchange market for the payment of dividends to non-resident stakeholders, restrictions on the acquisition of any foreign currency to be held as cash in Argentina, requiring exporters to repatriate and settle in Argentine pesos in the local exchange market, limitations on the transfer of securities into and from Argentina, establishing certain mandatory refinancing of debt maturities, the implementation of taxes on certain transactions involving the acquisition of foreign currency, among others.

Under current regulations, we would have access to the Argentine official foreign exchange market (the "MLC") to acquire U.S. dollars for the repayment of indebtedness under the Notes, provided that we (i) have settled the proceeds resulting from the issuance of the Notes through the MLC, (ii) have reported such indebtedness, and (iii) have complied with the additional general requirements for outflow of funds through the MLC, in each case according to the applicable foreign exchange regulations.

There is no assurance that the Central Bank or other government agencies will not increase or relax such controls or restrictions, make modifications to these regulations, impose further mandatory refinancing plans related to our indebtedness payable in currencies other than pesos, establish more severe restrictions on currency exchange, or maintain the current foreign exchange regime or create multiple exchange rates for different types of transactions, substantially modifying the applicable exchange rate at which we acquire currency to pay imports and/or to service our outstanding liabilities denominated in currencies other than pesos, all of which could affect our ability to comply with our financial obligations when due, raise capital, refinance our debt at maturity, obtain financing, execute our capital expenditure plans, and/or undermine our ability to pay dividends to foreign shareholders. Consequently, these exchange controls and restrictions could materially adversely affect our business, financial condition and results of operations.

Changes in Argentine tax laws and/or the implementation of new taxes and import regulations could adversely affect our business.

We cannot assure that the Argentine government will not adopt changes to tax regulations and reforms in tax matters, nor that these changes will not adversely affect our business, financial condition and results of operations.

We cannot assure you that taxes and import regulations will not be modified in the future or that other new taxes or import regulations will not be imposed, which may adversely affect our business, financial condition and results of operations.

The Argentine government introduced changes to the corporate income tax rate and distribution of dividends tax rate in the last few years. We cannot assure you that the Argentine government will not adopt additional changes and reforms in the income tax rate, nor that these reforms and those that may be adopted in the future will not adversely affect our business, financial condition and results of operations.

Risks Relating to the Electric Power Sector in Argentina

The Argentine government has intervened in the past, and is likely to continue intervening, in the electric power sector.

Historically, the Argentine government has played an active role in the electric power industry through the ownership and management of state-owned companies engaged in the generation, transmission and distribution of electric power. In 1992, following the enactment of Law No. 24,065 and the privatization of several state-owned companies, the Argentine government reduced its control over the industry and created a free competition market in the power generation sector. Nevertheless, since such date, several laws have been enacted which have subjected the Argentine electricity sector to state intervention.

In response to the economic crisis that Argentina experienced between 2001 and 2002, the Argentine government declared various public emergencies in the context of which a series of significant measures were introduced to the regulatory framework applicable to the electricity sector which deviated from the free market principles set forth by Law No. 24,065. These measures have had significant adverse effects on electricity generation, distribution and transmission companies and included, among others, the imposition of price caps on energy paid to generators, the freezing of capacity payments, the withholding of receivables from generators, the transfer of subsidies to distribution tariffs, the prohibition of inflation adjustment mechanisms and other indexing mechanisms, the limitation on the ability of electricity distribution companies to pass on to consumers cost increases resulting from regulatory charges, and the modification of the spot price-setting mechanism in the WEM.

Traditionally, Argentine electricity prices were calculated in U.S. dollars and margins were adjusted periodically to reflect variations in relation to costs. In January 2002, Law No. 25,561 (the “Public Emergency Law”) authorized the Argentine government to renegotiate its public utility contracts. Under this law, the Argentine government revoked provisions in the public utility contracts related to the adjustment and inflation indexation mechanism. Moreover, the tariffs on such contracts were frozen and converted from their original U.S. dollar values to Argentine pesos at a rate of Ps.1.00 per US\$1.00. For further information on the changes to the legal framework of the Argentine electric power industry caused by the Public Emergency Law, see “The Argentine Electric Power Sector.”

Between 2015 and 2017, the Argentine government intervened in the electricity sector through various measures, such as the creation of charges to raise funds for investments in infrastructure and programs for building new plants and expanding networks, the implementation of changes in price-setting mechanisms, special remuneration regimes, and the Energía Plus and RenovAr programs, and dollarizing prices for power generators. In 2019, Law No. 27,541 (the “Solidarity Law”) was enacted, delegating to the Argentine executive branch the authority to restructure tariffs and intervene in regulatory entities, and additional changes in remuneration schemes and tariff renegotiation processes were adopted. In 2023, as a result of an emergency declared by the Argentine government in generation, transmission, and distribution of energy, the Argentine government further restructured the distribution tariffs. On January 3, 2024, through Resolutions No. 2/2024 and 3/2024, ENRE resolved to call public hearings for the temporary adjustment of transmission and distribution tariffs. For more information, see “The Argentine Electric Power Sector.”

Despite the plans of the new administration to deregulate the economy and the energy market, we cannot assure you that such measures will correct problems in the generation, transportation and distribution of energy in Argentina. Similarly, we cannot assure you that certain other regulations or measures that may be adopted by the Argentine government will not have a material adverse effect on our business and operational results or that the Argentine government will not adopt further emergency legislation or other similar regulations in the future that may

increase our obligations, including increased taxes, unfavorable modifications to our tariff structures or remuneration scheme, and other regulatory obligations.

CAMMESA may alter or delay payments to electric power generators.

We receive payments from CAMMESA, whose payments could be delayed or altered. We collect funds from CAMMESA for energy and capacity sold under our PPAs with CAMMESA as well as under Energía Base. During the year ended December 31, 2023, our revenues under our PPAs with CAMMESA and Energía Base accounted for 49.1% and 15.4% of our revenues, respectively, and during the six-month period ended June 30, 2024, our revenues under our PPAs with CAMMESA and Energía Base accounted for 49.2% and 16.9% of our revenues, respectively. CAMMESA, in turn, supplies this energy to the distributors, who must make payments to CAMMESA for the electricity provided and are currently indebted to CAMMESA for substantial sums owed for the energy supplied. Payments to generators should be settled within 42 days from the end of each month, however, in recent years those payments have been delayed in average to more than 100 days per year. As of the date of this offering memorandum, CAMMESA's average term for making payments to power generators, including the Company, is between 50 and 65 days from the end of the relevant month, however, such term could be significantly longer in the future.

Resolution No. 31/2020 altered the remuneration framework by setting Energía Base prices in Argentine pesos and introducing a price adjustment mechanism based on CPI and WPI, which was later suspended. In the past, the Secretary of Electric Energy instructed CAMMESA to pay defaulted payments corresponding to January and February 2024 under Energía Base and the PPAs entered into by CAMMESA with thermal power generators, including us, through Argentine sovereign bonds. However, the estimated fair market value of such sovereign bonds was approximately 50% of the amount of the defaulted payments. As a result of this measure, during the six-month period ended June 30, 2024, we recorded an impairment charge with respect to certain trade receivables with CAMMESA in the amount of US\$34.0 million. This measure or alternative measures regarding overdue payments could be reimplemented by the Argentine government in the future.

We cannot assure you that CAMMESA will be able to pay us for generation capacity and for dispatched energy, or that CAMMESA will not unilaterally cancel outstanding balances under our PPAs. CAMMESA's inability to make payments, or to do so in a timely or complete manner, may adversely affect our business, operating results and financial condition.

Electricity demand may be affected by tariff increases, which could lead generation companies like us to record lower revenues.

Any significant increase in energy prices to consumers (whether through a tariff increase or through a cut in consumer subsidies) or a further decline of economic activity could result in a decline in demand for the energy that we generate. A significant reduction in the demand for electricity or an increase in delinquency in the payment of energy by consumers and distributors could lead us to record lower revenues and results, which could adversely affect our business, results of our operations, and financial condition.

Argentina has certain energy transmission limitations that adversely affect the capacity of electric power generators to deliver the energy they are able to produce, which results in reduced sales.

The energy that generators dispatch to the transmission system for delivery to the distribution system at all times depends on the capacity of the transmission system. At certain times of the year, or in certain operational conditions, the transmission system restricts the capacity of generators to deliver available energy. As a result, the amount of energy generated is larger than what the transmission and distribution systems are capable of transmitting or distributing. Any transmission limitation for generators could increase costs or reduce revenues, which could adversely affect our business, results of operations and financial condition.

We cannot predict whether transmission and distribution facilities will be expanded or updated in the country generally, or in the specific markets where we operate or seek to operate, to accommodate competitive access to those markets. If the demand for energy continues to increase in the future, the current levels of power transmission and distribution or the installed technology may not be sufficient to meet the demand and may cause disruptions. A

sustained increase in disruptions in the electrical system could generate future shortages and could prevent us from delivering the electricity we produce and sell, which, in turn, could adversely affect our business, results of operations and financial condition.

Currently, our Manantiales Behr, Los Teros and Cañadón León wind farms have a priority of dispatch of 99 MW, 175 MW, and 101.5 MW, respectively, and our Zonda solar park has a priority of dispatch of 53 MW. In addition, our General Levalle and CASA wind farm projects and El Quemado I solar park project under construction have a priority of dispatch of 128 MW, 31 MW and 150 MW, respectively, and the energy generated by these renewable projects is expected to be sold to industrial clients within the MATER. However, we cannot assure you that our new renewable energy projects will obtain priority in the dispatch of renewable energy projects, in full or in part, or whether our operating renewable assets will maintain such priority. If such priority is not obtained or maintained, such lack of priority could adversely affect the operations of such projects and adversely affect our results of operations and financial condition.

Our ability to generate electricity at our thermal generation plants partially depends on the availability of natural gas and, to a lesser extent, diesel fuel, and fluctuations in the supply or price of natural gas and diesel fuel could materially adversely affect our results of operations.

The supply and price of natural gas and diesel fuel used in our thermal generation plants has been and may from time to time continue to be affected by, among other things, the availability of natural gas and diesel fuel in Argentina, its transportation, and the potential need to import natural gas and diesel oil at prices higher than those applicable to domestic supply. We cannot ensure that there will be sufficient production and transportation capacity for natural gas to supply our thermal power plants.

Under our PPAs with CAMMESA for our thermal power plants, CAMMESA may supply natural gas or diesel oil to us, or reimburse us for the cost of such supply. Under our PPAs with YPF for LPC I, Loma Campana I, Loma Campana Este, and Manantiales Behr power plants, YPF must supply to us the natural gas or diesel fuel to operate the plants.

If CAMMESA or YPF stops providing us with either natural gas or diesel fuel and we are unable to purchase natural gas and diesel fuel at prices that are favorable to us or fully reimbursable by CAMMESA or YPF, or if the supply of natural gas or diesel fuel is reduced, our costs could increase or our ability to profitably operate our thermal generation facilities could be impaired. Such a disruption to our thermal generation business would, in turn, have a material adverse effect on our activity, financial condition, results of operations, and ability to pay our debts.

Our ability to operate our renewable power plants in a profitable manner depends, to a large extent, on adequate wind and other climatic conditions.

The amount of energy generated by, and the profitability of, wind farms and solar parks are highly dependent on climate conditions, particularly wind and solar conditions, which can vary materially across locations, seasons and years. Variations in wind and solar conditions at wind farm and solar park sites occur as a result of daily, monthly and seasonal fluctuations in wind currents and solar irradiance and, over the longer term, as a result of more general climate changes and shifts. Because turbines and solar parks will only operate when wind speeds and solar irradiance fall within certain specific ranges that vary by type and manufacturer, if wind speeds and solar irradiance fall outside or towards the lower end of these ranges, energy output at our wind farms and solar parks would decline.

During the development phase and prior to the construction of any renewable power plant, a wind and solar irradiance resource study to evaluate the potential wind and solar irradiance resource of the site is typically conducted. These wind and solar studies have been conducted by our own team and independent technical consultants with respect to the estimated Load Factor resulting from our wind and solar studies and the model of turbines and solar power generation technology used. We base our core assumptions and investment decisions on the findings of these studies. We cannot assure you that observed climate conditions at a project site will conform to the assumptions that were made during the project development phase on the basis of these studies, and, therefore, we cannot assure that our wind farms, solar park or renewable projects will be able to meet their anticipated production levels. It is possible that future wind or solar resource patterns and electricity production at our wind or solar parks will not reflect the historical

wind resource patterns at the respective sites or the projections, and wind and solar resource patterns at each site will change over time.

If in the future the wind and solar resource in the areas where our wind farms and renewable power plants are located is lower than expected, electricity production at such renewable power plants would be lower than expected and consequently could materially adversely affect our results of operations and expose us and our subsidiaries to potential penalties under PPAs with CAMMESA, YPF and other industrial clients.

We may face increased competition.

The power generation market in which we operate is characterized by numerous strong and capable participants, many of which may have extensive and diversified developmental or operating experience (including both domestic and international) and financial resources similar to or significantly greater than ours. See “Business—Competition.” In addition, our competitors may consolidate or merge their operations which could result in larger players with better financial and operational resources. An increase in competition could cause reductions in prices and increase acquisition prices for fuel, raw materials and existing assets and, therefore, adversely affect our results of operations and financial condition.

We and our competitors are connected to the same electrical grid. On the other hand, the Argentine government (or the transportation and/or distribution licensee) might not make the necessary investments to increase the system’s capacity, which, in the event there is an increase of energy output, would allow us and existing and new generators to efficiently dispatch our energy to the grid and to our customers. In August 2024, the new Argentine administration implemented the Incentive Regime for Large Investments (“RIGI”) through the *Ley de Bases* and Decree No. 592/2024 to provide tax, customs and exchange incentives during a period of two years, subject to extensions, to large investment projects across various sectors, including forestry, tourism, infrastructure, mining, technology, steel, gasoil, and energy. Projects that are subject to the RIGI will be declared of national interest in Argentina. As a result, an increase in competition coupled with transmission restrictions could affect our ability to deliver our product to our customers, which would adversely affect our business, results of operations and financial condition.

We compete with other generation companies for the installed capacity that is allocated by means of bidding processes for new generation capacity (including priority dispatch) and, as a result, we cannot predict whether we will be awarded the projects we submit for in these bids or access to the required electric transmission network for such projects.

We operate in a heavily regulated sector that imposes significant costs on our business, and we could be subject to fines and liabilities that could have a material adverse effect on our results of operations.

We are subject to a wide range of federal, provincial and municipal regulations and supervision, including laws and regulations pertaining to tariffs, labor, social security, public health, consumer protection, the environment and competition. Furthermore, Argentina has 23 provinces and one autonomous city (the City of Buenos Aires), each of which, under the Argentine National Constitution, has the power to enact legislation concerning taxes, environmental matters and the use of public space. Within each province, municipal governments can also have powers to regulate such matters. Although the generation of electric power is considered an activity of general interest (*actividad de interés general*) subject to federal legislation, due to the fact that our facilities are located throughout various provinces, we are also subject to provincial and municipal legislation. Future developments in the provinces and municipalities concerning taxes (including sales, security and health and general services taxes), environmental matters, the use of public space or other matters could have a material adverse effect on our business, results of operations and financial condition. Compliance with existing or future legislation and regulations could require us to make material expenditures and divert funds away from planned investments in a manner that could have a material adverse effect on our business, results of operations and financial condition.

In addition, our failure to comply with existing regulations and legislation, or reinterpretations of existing regulations and new legislation or regulations, such as those relating to fuel and other storage facilities, volatile materials, cyber security, emissions or air quality, hazardous and solid waste transportation and disposal and other

environmental matters, or changes in the nature of the energy regulatory process may subject us to fines and penalties and have a significant adverse impact on our financial results.

The demand for electricity is seasonal, mainly due to climatic factors.

Energy demand fluctuates according to the season and climate conditions may materially and adversely impact energy demand. During the summer (December through March), energy demand may increase significantly due to the need for air conditioning, and, during the winter (June through August), energy demand may fluctuate according to the needs for lighting and heating. As a result, seasonal changes could materially and adversely affect the demand for energy and, consequently, affect our results of operations and financial condition.

Risks arise for our business from technological change in the energy market.

The energy market is subject to far-reaching technological change, both on the generation side and on the demand side. For example, with respect to energy generation, these new technologies include, among others, the development of energy storage devices (battery storage in the megawatt range) or facilities for the temporary storage of power through conversion to gas (so-called “power-to-gas-technology”), the increase in energy supply due to new technological applications such as fracking or the digitalization of generation and distribution networks.

New technologies to increase energy efficiency and improve heat insulation, for the direct generation of power at the consumer level, or that improve refeeding (for example, by using power storage for renewable generation) may, on the demand side, lead to structural market changes in favor of energy sources with low or zero carbon dioxide emissions or in favor of decentralized power generation, for instance, via small-scale power plants within or close to residential areas or industrial facilities or the installation of domestic solar panels.

If we are unable to react to changes caused by new technological developments and the associated changes in market structure, our results of operations, financial position, or business, could be materially and adversely affected.

We may be subject to expropriation, nationalization or similar risks.

All of our assets are located in Argentina. We are engaged in the business of power generation and, as such, our business or our assets may be considered by the government to be a public service or essential for the provision of a public service. Therefore, our business is subject to political uncertainties, including expropriation or nationalization of our business or assets, loss of concessions, renegotiation or annulment of existing contracts, and other similar risks.

In such an event, we may be entitled to receive compensation for the expropriation, nationalization or regulatory taking of all or part of our assets. However, the price received may not be the market price or sufficient to repay our liabilities, or we may need to take legal actions to claim appropriate compensation or to receive such compensation. If part of our assets are expropriated or nationalized, our business, as currently conducted, our financial condition or our results of operations could be adversely affected.

Climate change regulations and restrictions on greenhouse gas emissions may negatively affect the results of our operations.

Our business includes thermal power generation (in addition to renewable energy), which is largely associated with greenhouse gas emissions. In 2015, the G7 countries agreed to the goal of the substantially complete decarbonization of the world economy by the end of the 21st century. Decarbonization is the transition of energy economics towards a lower carbon uptake. According to the targets set at the World Climate Conference in Paris, France, which took place at the end of 2015, greenhouse gas emissions should be reduced globally by 40-70% by 2050, compared to 2010 levels. Consequently, several countries, including Argentina, have adopted or are considering adopting regulatory measures aimed at reducing greenhouse gas emissions which include the adoption of carbon taxes, higher efficiency standards and incentives or mandates for renewable energy. In 2019, the Argentine Congress enacted Law No. 27,520 on Minimal Standards on Global Climate Change Adaptation and Mitigation, focusing on

implementing policies, strategies, actions, programs and projects to prevent, mitigate or minimize the damages or impacts associated with climate change. During 2021, the Secretariat of Energy issued Resolution No. 1,036/2021 approving the Guidelines for an Energy Transition Plan to 2030 in order to comply with its new national decarbonization commitments. If additional requirements were adopted in Argentina, these requirements could increase our production costs (including compliance related costs such as for monitoring or reducing emissions) and adversely impact our competitiveness and may also shift demand toward low-carbon sources, such as renewable energies.

Decarbonization is an important aspect of the current and future direction of our business activities. For example, we consider energy policy objectives when planning the operational life of existing power plants that release carbon when generating energy, as well as when building new power plants. However, these measures may not be sufficient, or government measures aimed at decarbonization could be implemented sooner than currently expected.

Compliance with changes in laws, regulations and obligations related to climate change, including as a result of international or local agreements, could increase our costs related to the operation and maintenance of our thermal power plants and require the installation of new emission controls, acquiring provisions or paying taxes related to their greenhouse gas emissions, or obliging us to manage and administer a greenhouse gas emissions program, which in turn could negatively affect our business and operating results.

Should the decarbonization of the energy industry be implemented earlier than expected, our business, financial condition and results of operations could be adversely affected.

Risks Relating to the Company

Our results and cash flows depend to a large extent on the compensation received from CAMMESA.

Our PPAs with CAMMESA set our remuneration but we cannot give you assurances that those PPAs will be renewed upon expiration. Since tariffs set under Energía Base are not tied to the generation cost or the generator's cost structure, these tariffs may not fully offset the costs or provide an adequate margin of the generators. During the year ended December 31, 2023, our revenues under our PPAs with CAMMESA and Energía Base accounted for 49.1% and 15.4% of our revenues, respectively, and during the six-month period ended June 30, 2024, our revenues under our PPAs with CAMMESA and Energía Base accounted for 49.2% and 16.9% of our revenues, respectively.

CAMMESA's ability to make payments to us depends on CAMMESA receiving payments from other agents in the Argentine electricity market, such as electric power distribution companies and the Argentine government. In the past, electric power distribution companies incurred significant payment defaults, made only partial payments, or made payments with significant delays, which in turn affected CAMMESA's ability to meet its payment obligations under its agreements with electricity generators, including us. See "–Risks Relating to the Electric Power Sector in Argentina–CAMMESA may alter or delay payments to electric power generators."

As a result, a substantial portion of our revenues are highly dependent on actions taken by regulatory authorities. Any further change in the current system could have a material adverse effect on our revenues and our results of operations.

Our business and operations are highly dependent on certain key customers and we may not be able to renew our PPAs or enter into new PPAs for the sale of firm capacity and electricity in the future, or such PPAs may be unilaterally modified or terminated.

We sell the majority of the power generated by our power plants to two strategic customers, CAMMESA and YPF. As of the date of this offering memorandum, the weighted average remaining life of our PPAs with CAMMESA for our thermal power plants and renewables plants are approximately 7 and 12 years, respectively, and the weighted average remaining life of our PPAs with YPF and other industrial clients for our thermal power plants and renewables plants are approximately 11.5 and 7 years, respectively.

In connection with the existing PPAs, we may not be able to renew our PPAs or enter into new PPAs with our current clients on favorable terms or at all. Moreover, the terms and conditions of such PPAs with CAMMESA may be modified or terminated unilaterally, or even be subject to breach of contract for reasons beyond our control.

In addition, we sell a portion of our electricity generated by our Los Teros, Cañadón Leon and General Levalle wind farms and our Zonda Solar park, and we expect to sell the electricity generated by our renewable farm projects under construction, under PPAs with large users in the MATER. However, we may not be able to enter into PPAs with new or existing customers or enter into PPAs for the sale of such capacity on favorable terms.

The failure to enter into new PPAs for our new capacity, the non-renewal, termination or amendment in a manner materially adverse to our interests of any of our existing PPAs could have a material adverse effect on our business and results of operations.

Failure to perform under our PPAs or early termination under our PPAs and governmental authorizations could materially and adversely affect our results of operations and our capacity of making payments on the Notes.

If we breach our obligations under our PPAs or fail to obtain and maintain any required governmental approvals, or we do not comply with applicable rules and regulations in Argentina, we may be subject to sanctions by the SGE or other relevant governmental agencies, including warnings, fines, provisional administration, early termination of the PPAs or the relevant governmental approvals. For example, continued and material failures to supply when requested by CAMMESA may be an event of default under our PPAs with CAMMESA. CAMMESA may terminate our PPAs at its option and as of a date of its choosing upon the occurrence of any of the events of default set forth therein, and for as long as the alleged event of default has not been cured. We may also terminate our PPAs with CAMMESA upon an event of default of CAMMESA. No assurance can be given that the amounts we are entitled to receive under the PPAs or applicable law in connection with any early termination of the PPAs will be received, or if received, will be sufficient to compensate us for our loss.

As a result, sanctions may have a material adverse effect on our business, results of operations and financial condition, and could impair our ability to make payments under the Notes.

The operation of power plants involves operating risks, availability risks, technology risks and other risks beyond our control.

The operation of power plants involves risks, including, among others:

- the possibility that our power plants will perform below expected levels of output efficiency or fail to conform to their design specifications;
- the failure to meet, or the decrease of, plant capacity, due to high ambient temperatures or degradation due to age, which decrease the operable capacity and efficiency;
- interruptions or prolonged shutdowns of operations due to wear and tear, defects, design errors or the breakdown, malfunction or failure of equipment or processes, unexpected maintenance or future construction requirements, or shortages of replacement equipment;
- unanticipated costs of operations and maintenance, including in the case of thermal plants, the cost of fuel in excess of the guaranteed heat rate of the generating units installed in each power plant (the “Guaranteed Heat Rate”) or due to excessive dispatch;
- labor disputes or labor shortages, including our inability to hire and retain personnel with the necessary expertise to operate the plants;
- our failure to obtain or renew required governmental permits;

- our inability to comply with the operating standards and limits established by our governmental permits, or with current or future environmental, health and or regulations;
- operator errors that could result in loss of life, bodily injury or destruction of property, and/or the decrease of availability of the plant and/or production;
- disruption or failure of our information and processing systems;
- the effects of actions by third parties, such as generation companies and other transmission companies, maintenance contractors and users;
- adequate wind, sun and other climatic conditions, in the case of our renewables power plants;
- force majeure events, such as catastrophic events including fires, earthquakes, lightning, explosions, droughts, floods, terrorist acts, sabotage, acts of war or other occurrences that could result in personal injury, loss of life, environmental damage or severe damage to, or destruction of, the power plants, and suspension of its operations;
- government exercise of eminent domain power or similar events of expropriation, the compensation for which may be insufficient to compensate us for our losses;
- changes in law or governmental permit requirements, including, but not limited to, required changes in the fees we receive for our generating capacity and output, other terms and conditions of our agreements with governmental suppliers and offtakers, the imposition or modification of our obligations with respect to third parties, the modification of the terms on which CAMMESA supplies fuel and/or compensates fuel costs, and the imposition of obligations to increase the generating capacity of our power plants;
- existence of liens, encumbrances, and other imperfections in title affecting our real estate interests;
- inflation and cost increases in excess of our expectations; and
- litigation or claims against us.

The occurrence of any of the foregoing or other events could temporarily or permanently disrupt our operations, significantly reduce or eliminate our revenues or significantly increase the costs of operating the power plants, including maintenance and repair costs, or require us to make substantial capital expenditures, thereby impairing our ability to make payments on the Notes. The proceeds of any available insurance and limited warranties may not be adequate to cover our lost revenues or increased costs.

Our business and operations are highly dependent on certain key suppliers and third parties to maintain our thermal power plants and renewable energy plants, and we will rely on third parties to complete the procurement, engineering, construction, testing and commissioning of our projects under construction.

Our operations depend on the supply of certain services by third parties. We have entered into maintenance and supply agreements with our strategic supplier General Electric for our Tucumán, San Miguel de Tucumán, El Bracho, Loma Campana I, Loma Campana II, LPC I and LPC II thermal power plants, as well as our Los Teros, Cañadón León and General Levalle wind farms. We have also entered into maintenance and supply agreements with Sulzer, Innio and Wartsila for our Tucumán, Loma Campana Este and Manantiales Behr power plants, with Vestas for our Manantiales Behr and General Levalle wind farms, and with Nordex for our CASA wind farm project under construction. Accordingly, the availability and operation of our thermal power plants, wind farms and solar park, and the progress of the construction of our wind farm projects under construction, depend on factors beyond our control, including the quality and continuity of the services provided by our third-party suppliers, the continued performance of the technology that these suppliers provide, and the fulfillment of these suppliers' contractual obligations in a timely manner.

We entered into an operation and maintenance agreement with certain affiliates of GE Vernova for our Loma Campana I power plant. Our Loma Campana I was not in operation from May 2023 to August 2024 as a result of the malfunctioning of the power turbines installed in the plant. In connection with this malfunctioning, we have been conducting negotiations to achieve an agreement with GE Vernova and on August 29, 2024, we filed for a request for arbitration against the affiliates of GE Vernova. As of the date of this offering memorandum, our Loma Campana I power plant resumed partial energy generation and we are conducting negotiations with GE Vernova to settle this claim. Additionally, as a result of the inactivity of our Loma Campana I power plant, YPF may terminate the PPA entered into with us, in which case we may need to procure alternative uses for the Loma Campana I. The termination of the PPA by YPF or any claims from YPF arising out of the inactivity of our Loma Campana I power plant could negatively impact our business, financial condition or results of operations.

If any entity upon which we depend to meet our obligations under our PPAs breaches its obligations to us, or if a counterparty to any of our material contracts is declared bankrupt or insolvent, our ability to complete the expansion of our generation capacity, and consequently our ability to meet our obligations under the PPAs would be impaired. Shortages of critical spare parts, maintenance service and new equipment and machinery required for the operation, expansion and conversion of our power plants could also adversely affect our business, results of operations and financial condition. Unless we are able to enter into replacement contracts to obtain the needed services and equipment from alternative sources (and on reasonable terms), any such event could materially adversely affect our our business and results of operations, and our ability to make payments on the Notes.

Our power plants are subject to the risk of mechanical or electrical failures and any resulting unavailability may affect our ability to fulfill our contractual and other commitments and thus adversely affect our business and financial performance.

Our power generation units are at risk of mechanical or electrical failure and may experience periods of unavailability affecting our ability to generate electric power. Under the majority of our PPAs related to our thermal power plants and under Energía Base we are mainly compensated for the availability of our thermal power plants and, to a lesser extent, for the energy we dispatch. In turn, under our PPAs related to our renewable energy plants we are compensated for the energy we actually dispatch to the WEM through the SADI. If the availability of any or all of our thermal power plants falls below certain thresholds, we may be subject to penalties. Therefore, any unplanned unavailability of our generation facilities may adversely affect our ability to perform under our PPAs or Energía Base, which may adversely impact our financial condition or results of operations.

The construction agreements to which we are or may become a party contain limitations on liability and damages that could prevent us from being fully compensated for defects, delays, and other adverse outcomes attributable to contractors.

We have entered into certain construction agreements with affiliates of General Electric, Vestas, Wartsila, AESA and Nordex, among others and we are currently negotiating new construction agreements to complete the procurement, engineering, construction, testing and commissioning of certain of our projects.

Under the construction agreements executed with our contractors, their liability is limited, and excludes loss of profits or anticipated profits, and consequential and other indirect damages. We expect that the construction agreements under negotiation will include similar limitations. In the event that for reasons attributable to our contractors or other providers the construction of our power plants suffers from delays, defects, damage, or failure to conform to designs or performance standards, we may incur significant costs of completion or repair, in addition to significant penalties under, or termination of, certain of our PPAs. Because of the liability limits contained in these construction agreements, damages available from our contractors could, in many cases, be insufficient to compensate us for our losses.

Further, certain causes of delays and/or damages are completely excluded from our contractors' liability, such as actions of governmental authorities which may include equipment delays in clearing Argentine customs.

As a result, damages under our construction agreements or other agreements that we expect to enter into are unlikely to be sufficient to compensate us for any losses, which may materially and adversely affect our ability to make payment on the Notes.

Disputes among our shareholders, or between us and our shareholders, may affect our management and our shareholders' meetings.

As of the date of this offering memorandum, YPF and GE Vernova are beneficial owners of 75.01% and 24.99% of our capital stock, respectively. Pursuant to the Shareholders' Agreement, GE Vernova's consent is required with respect to certain actions or decisions. See "Principal Shareholders–Shareholders' Agreement." If disputes among our shareholders were to occur in the future, it is not possible to predict if they would result in a deadlock or distract our management.

Additionally, as a result of our arbitration proceeding against affiliates of GE Vernova, our relationship with GE Vernova could be negatively affected. See "Our business and operations are highly dependent on certain key suppliers and third parties to maintain our thermal power plants and renewable energy plants, and we will rely on third parties to complete the procurement, engineering, construction, testing and commissioning of our projects under construction."

We may not be able to resolve any potential conflicts among our shareholders, or between us and our shareholders, and even if we do, the resolution of these disputes may be unfavorable to us.

Our activities will require significant capital expenditures to satisfy ongoing maintenance requirements and the expansion of our installed capacity.

We will need to make capital expenditures to finance ongoing maintenance requirements that will allow us to continue generating energy and carry out our operations, as well as to improve our plants' ability to generate electricity. Moreover, investments in capital goods will also be required to finance the cost of the present and future expansion of our generation capacity. If we are not able to finance such investments or fail to do so on satisfactory terms, our activities, financial condition, and the results of our operations may be adversely affected. Our financial ability could be adversely affected by market restrictions in terms of availability of financing for Argentine companies.

Our insurance policies may not fully cover damage, and we may not be able to obtain insurance against certain risks.

We maintain insurance coverage to mitigate the principal risks inherent in the industry in which we operate. Insurance policies to cover some risks, such as environmental risks, are not currently available in Argentina. We cannot assure you of the availability or adequacy of the risk coverage in relation to any particular risk or loss. If an accident or other event occurs that is not covered by our current insurance policies, if the losses exceed the amount for which we are insured, or if insurance companies fail to compensate us for losses that are covered under our insurance policies, we may experience significant losses or be required to disburse significant amounts of our own funds, all of which could adversely affect our business, results of operations and financial condition. We cannot assure you that we will not be adversely affected by insufficiency in our insurance policies.

We may experience difficulties obtaining the performance bonds or guarantees that we may be required in the normal course of our operations or may face challenges in meeting potential reimbursement obligations arising therefrom.

We may be required to obtain and maintain performance bonds to secure compliance with our obligations under our PPAs with CAMMESA either until reaching commercial operation or throughout their term, and to secure our bids in bidding processes for new generation capacity or for dispatch priority granted in the MATER and we may experience difficulties obtaining or maintaining them. In addition, we may be subject to obligations to reimburse amounts drawn with respect to any such instruments in the event there is a drawdown on any such instrument due to our failure to satisfactorily perform our obligations under our PPAs or the agreements to which such instruments may be issued.

Failure to maintain or provide performance bonds or other forms of guarantees, or any failure to reimburse potential obligations arising from a drawdown thereunder, could have a material adverse effect on our business and results of operations.

Circumstances beyond our control may prevent us from achieving, or delay, the commercial operation of our projects under construction.

We have expansion projects under construction for wind farms and one solar park which, once completed, will increase our installed generation capacity. In addition, we have participated and we will continue participating in bidding processes for both renewable and thermal energy sources announced by the Argentine government and the private sector. However, we cannot assure you that our bids will be successful or that we will be able to enter into new PPAs in the future.

Delays in construction or commencement of operations of our expansion projects could lead to an increase in our financial needs and also cause our financial returns on new investments to be lower than expected, which could adversely affect our results of operations and financial condition. Factors that may impact our ability to build, or commence operations at, our new plants include: (i) the failure of contractors to complete or commission the facilities or auxiliary facilities by the agreed upon date or within budget; (ii) the unexpected delays of third parties in providing or agreeing to project milestones in the construction or development of necessary infrastructure linked to our generation business; (iii) the delays or failure by our turbine suppliers in providing fully operational turbines in a timely manner; (iv) difficulty or delays in obtaining the necessary financing in terms satisfactory to us or at all; (v) delays in obtaining regulatory approvals, including environmental permits; (vi) court rulings against governmental approvals already granted, such as environmental permits; (vii) shortages or increases in the price of equipment reflected through change orders, materials or labor; (viii) opposition by local and/or international political, environmental and ethnic groups; (ix) strikes; (x) adverse changes in the political and regulatory environment in Argentina; (xi) unforeseen engineering, environmental and geological problems; and (xii) natural disasters and severe weather and health conditions (including lightning strike, blade icing, earthquakes, tornados, extreme winds, severe storms, wildfires, pandemics and epidemics), accidents or other unforeseen events.

We cannot assure you that construction projects will not be delayed for reasons beyond our control, that we will obtain financing at terms convenient for us, that we will obtain all the necessary approvals in time (or at all), or that cost overruns would not be material.

Our equipment, facilities and operations are subject to environmental, health and safety regulations and our generation operations require us to handle hazardous elements, which might have an impact on the business.

Our generation business is subject to federal and provincial laws, as well as to the supervision of governmental agencies and regulatory authorities in charge of enforcing environmental laws and policies. We operate in compliance with applicable laws and in accordance with directives issued by the relevant authorities and CAMMESA; however, it is possible that we could be subject to regulations, which could result in penalties being imposed on us. Future environmental regulations could require us to make investments to comply with the requirements set by the authorities, instead of making other scheduled investments and, as a result, could have a material adverse effect on our financial condition and our results of operations.

In addition, as part of our business, we handle, store and manage in our facilities the fuels and materials that are used in our thermal power plants and renewable energy plants. Any accident involving fuels or other materials could have adverse environmental consequences, cause bodily injuries to our personnel, and could damage our business, results of operations and financial condition.

We may be exposed to lawsuits and administrative proceedings that could adversely affect our financial condition and results of operations.

Our business may expose us to litigation relating to labor, regulatory, environmental, tax and administrative proceedings, governmental investigations, tort claims, contract disputes and criminal prosecution, among other matters. In the ordinary course of our business we enter into agreements with customers, offtakers, contractors, providers and other parties that could derive in disputes. Even though we do not currently have any material litigation or administrative proceeding, litigation and/or regulatory proceedings are inherently unpredictable, and excessive verdicts do occur. Adverse outcomes in lawsuits and investigations could result in significant monetary damages, including indemnification payments, or injunctive relief that could adversely affect our ability to conduct our business and may have a material adverse effect on our financial condition and results of operations.

We may undertake acquisitions and investments to expand or complement our operations that could result in operating difficulties or otherwise adversely affect our financial conditions and results of operations.

In order to expand our business, from time to time, we may carry out acquisitions and investments which offer added value and are consistent with or complementary to our business strategy. In connection with potential acquisition and investment transactions, we may be exposed to various risks, including those arising from: (i) not having accurately assessed the value, future growth potential, strengths, weaknesses and potential profitability of potential acquisition targets; (ii) difficulties in successfully integrating, operating, maintaining or managing newly-acquired operations, including personnel; (iii) unexpected costs of such transactions; (iv) lack of financing to fund such acquisition, or (v) unexpected contingent or other liabilities or claims that may arise from such transactions. If any of these risks were to materialize, it could adversely affect our business, results of operations and financial condition.

If we were to acquire another energy company in the future, such acquisition could be subject to the Argentine Antitrust Authority's approval.

If we decide to acquire another company in the energy sector in the future, such acquisition could be subject to the approval of the Argentine Antitrust Authority pursuant to the Argentine Competition Defense Law No. 27,442. The Argentine Antitrust Authority will determine whether any acquisition subject to its approval negatively impacts competitive conditions in the markets in which we compete or adversely affects consumers in these markets. A business combination executed by us could be rejected by the Argentine Antitrust Authority, or the later could take actions to impose conditions or performance commitments on us as part of the approval process. If so, it could adversely affect our business, results of operations and financial condition and prevent us from achieving the anticipated benefits of such acquisition.

We depend on senior management and other key personnel for our current and future performance.

Our current and future performance, the successful implementation of our strategy and the operation of our business depend on our qualified senior management team and key personnel. Competition for senior management personnel and key personnel is intense, and we may not be able to retain our personnel or attract additional qualified personnel, such as senior management, technical personnel and other employees, or to do so in a timely manner. Furthermore, our ability to retain our qualified senior management team and key personnel depends on our ability to attract, train and motivate this personnel. The loss of a member of senior management may require the remaining executive officers to divert immediate and substantial attention to fulfilling his or her duties and to seeking a replacement. Our failure to retain key personnel or the inability to fill vacancies in our senior executive positions on a timely basis could have a material adverse effect on our business, financial condition and results of operations.

We could be affected by material actions taken by labor unions.

Labor claims are common in the Argentina energy sector, and in the past, unionized employees have blocked access and caused damages to the facilities of various companies in the industry. Moreover, we have no insurance coverage for business interruptions caused by workers' actions or in the event such interruptions materially damage our facilities, which could have an adverse effect on our results of operations. We may face significant pressures from labor unions to increase salaries and other benefits, particularly in the event of inflation. An increase of salaries or other employee benefits may have a material adverse effect on our results of operations. In addition, strikes, stoppages and other labor actions may have a material adverse effect on our business and results of operations.

We are subject to anti-corruption, anti-bribery, anti-money laundering and other laws and regulations.

We are subject to anti-corruption, anti-bribery, anti-money laundering and other laws and regulations. We have developed a comprehensive compliance program and have internal policies and procedures designed to ensure compliance with laws and regulations against fraud, anti-bribery, and anti-corruption. Our internal policies and procedures have been designed to reasonably prevent or detect inappropriate practices, fraud, or violations of such laws and regulations by our employees, directors, officers, partners, agents, and suppliers. Non-compliance with such laws and regulations could have a materially adverse effect on our business, reputation, operational results, and

financial condition. Furthermore, we may be subject to enforcement actions, investigations, and proceedings by authorities for alleged breaches of these laws, which could result in penalties, fines, sanctions, or other forms of liability and could have a materially adverse effect on our reputation, business, financial condition, and operational results.

Our operations can have a negative impact on local communities and may encounter significant opposition from different groups.

Our operations can have a negative impact on local communities. Failure to manage relationships with local communities, governments and non-governmental organizations may harm our reputation as well as our ability to bring development projects into production. In addition, the costs and management time required to comply with standards of social responsibility, community relations and sustainability may increase substantially over time.

The development of new and existing power plants may face opposition from several stakeholders, such as, environmental groups, land owners, farmers, local communities and political parties, among others, all of which may impact our reputation and goodwill. The operation of our current thermal power plants may also affect our goodwill with stakeholders, due to the emissions of effluent liquids, sounds, water steam, natural gas, particulate matter and gas emissions, such as sulfur dioxide, carbon dioxide and nitrogen oxides. The operation of power generation plants can also affect interest groups as a result of noise, intermittency, or other impacts resulting from the operation. Damage to our relationship with stakeholders could prevent us from continuing to operate our current assets or prevent us from winning and developing new projects, which, in turn, could adversely affect our business, results of operations and financial condition.

Our business is subject to risks arising from natural disasters, catastrophic accidents and terrorist attacks.

Our generation facilities, or the third-party fuel transportation or electric power transmission infrastructure that we rely on, may be damaged by flooding, fires, earthquakes and other catastrophic disasters arising from natural or accidental or intentional human causes. We could experience severe business disruptions, significant decreases in revenues based on lower demand arising from catastrophic events, or significant additional costs to us not otherwise covered by business interruption insurance clauses. There may be a significant time lag between a major accident, catastrophic event or terrorist attack and our definitive recovery from our insurance policies, which typically carry non-recoverable deductible amounts, and in any event are subject to caps per event. In addition, any of these events could cause adverse effects on the energy demand of some of our customers and of consumers generally in the affected market. Some of these considerations could have a material adverse effect on our business, financial condition and our result of operations.

We could be harmed by a failure or interruption of our information technology systems or automated machinery, including cyberattacks.

We rely on our information technology systems and automated machinery to effectively manage our generating processes. Even advanced technology systems and machinery, however, are subject to defects, interruptions and breakdowns. In addition, our information technology systems and automated machinery may be vulnerable to damage or interruption from circumstances beyond our control, including fire, natural disasters, system failures, viruses and security breaches, including breaches of our production processing systems. Any failure of our information technology systems and automated machinery to perform as we anticipate could disrupt our operations, reduce our efficiency, or result in damage to our equipment. As a result, we may not be able to generate electrical power as and when required by our PPAs, or we may fail to meet the fuel efficiency standards which determine the amount CAMMESA will compensate us for our fuel costs. We may incur significant penalties and lost revenues under our PPAs, and may incur significant costs to repair or upgrade our information technology systems and automated machinery. As a result, any such interruption or damage could have a material adverse effect on our business results and could impair our ability to make payments under the Notes.

In addition, information security risks have generally increased in recent years as a result of the proliferation of new technologies and the increased sophistication and activities of cyber-attacks. We have increasingly connected our equipment and systems to the internet. Because of the critical nature of our infrastructure and the increased accessibility enabled through connection to the internet, we may face a heightened risk of cyber-attack. In the event

of such an attack, we could have our business operations disrupted, property damaged and customer information stolen; experience substantial loss of revenues, response costs and other finance loss; and be subject to increased litigation and damage to our reputation. A cyber-attack could adversely affect our business, results of operations and financial condition.

Risks Relating to the Notes

The Notes may not be a suitable investment for all investors.

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained in this offering memorandum or any applicable supplement;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes; understand thoroughly the terms of the Notes and be familiar with the behavior of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Our indebtedness could adversely affect our financial condition and prevent us from fulfilling our obligations, including our obligations under the Notes.

As of June 30, 2024, we had unsecured outstanding loans for US\$954 million and secured outstanding loans for US\$66 million, for an aggregate amount of US\$1,020 million, including working capital loans, fees and accrued interest. Moreover, we may incur additional debt to finance our expansion strategy.

The level of our indebtedness could have important consequences to you, including the following:

- it may limit our ability to borrow money to fund our working capital needs and capital expenditures;
- it may limit our flexibility in planning for, or reacting to, changes in our business and industry sector, in particular our ability to take advantage of future business opportunities;
- it may make us more vulnerable to a downturn in our business or industry sector, as well as in the Argentine or international economy, including increases in interest rates, foreign currency exchange rate fluctuations and market volatility;
- it may place us at a competitive disadvantage compared to our competitors with lower levels of indebtedness;
- it may make more difficult for us to generate sufficient cash flow to satisfy our obligations with respect to the Notes;
- a material portion of our cash flow from operations will be dedicated to the repayment of our indebtedness, and will not be available for other purposes; and

- there would be a material adverse effect on our business and financial condition if we were unable to service our indebtedness or obtain additional financing as needed.

Although the Indenture will restrict our ability to incur additional indebtedness, these restrictions are subject to a number of qualifications and exceptions, and the indebtedness we may incur in compliance with these restrictions could be significant. For more information about the restrictive covenant related to limitation on debt, see “Description of the Notes—Certain Covenants—Limitation on Indebtedness”.

We may not be able to generate the significant amount of cash flow needed to pay interest and principal amounts on all of our debts as they become due, including principal and interest on the Notes and any future indebtedness, which could result in our inability to fulfill our obligations under the Notes. In addition, we may be required to refinance our indebtedness as it becomes due, including the Notes, and we cannot assure you that we will be able to do so.

The Indenture will impose significant operating and financial restrictions on us which may prevent us from capitalizing on business opportunities.

The Indenture will contain covenants that will, among other things, limit our ability to:

- incur additional indebtedness;
- pay dividends or make distributions or repurchase or redeem stock;
- prepay, redeem or repurchase certain indebtedness;
- make loans and investments;
- sell assets;
- incur liens; and
- consolidate, merge or sell all or substantially all of our assets.

These covenants will be subject to a number of exceptions and qualifications. For more details, see “Description of the Notes—Certain Covenants.” Notwithstanding, these restrictions could limit our ability to seize attractive growth opportunities for our businesses that are currently unforeseeable, particularly if we are unable to incur financing or make investments to take advantage of these opportunities. In addition, the breach of any of these covenants or the failure to meet any of such conditions could result in a default under the Notes. Our ability to comply with these covenants may be affected by events beyond our control, including prevailing economic, financial and industry conditions and the authorizations used in our business.

We may incur additional obligations ranking equal to the Notes or senior to the Notes as a result of flexibility provided to us in the Description of Notes.

The Indenture will permit the Issuer and any of its restricted subsidiaries to incur additional obligations, including borrowed money, bonds, debentures, notes or other similar instruments and certain other obligations. In order to incur additional indebtedness, we will be subject to certain customary permitted indebtedness items. Within our debt incurrence capacity, we are permitted to incur certain customary permitted liens.

If we incur additional obligations that rank on an equal and ratable basis with the Notes, the beneficiaries of those obligations would be entitled to share ratably with the holders of the Notes in any proceeds that may be distributed upon our insolvency, liquidation, reorganization, dissolution or other winding up. This would reduce the amount of any liquidation proceeds that would be available to be paid to the holders of the Notes. Furthermore, if we incur secured obligations that rank senior to the Notes, the secured creditors would be entitled to the proceeds upon an insolvency before the holders of the Notes to the extent of the value of the assets securing such secured obligations

and would significantly reduce the amount of any liquidation proceeds that would be available to the holders of the Notes.

We may be unable to make scheduled payments on and to refinance our indebtedness, including the Notes.

Our ability to make scheduled payments on and to refinance our indebtedness, including the Notes, depends on and is subject to our financial and operating performance, which in turn is affected by general and regional economic, financial, competitive, business and other factors, including the availability of financing in the banking and capital markets as well as the other risks described herein. We cannot assure you that our business will generate sufficient cash flow from operations or that future borrowings will be available to us in an amount sufficient to enable us to service our debt, including the Notes, to refinance our debt or to fund our other liquidity needs. If we are unable to meet our debt obligations or to fund our other liquidity needs, we will need to restructure or refinance all or a portion of our debt, including the Notes, which could cause us to default on our debt obligations and impair our liquidity. Any refinancing of our indebtedness could be at higher interest rates and may require us to comply with more onerous covenants which could further restrict our business operations.

Developments in other emerging markets may adversely affect the market value of the Notes.

The market price of the Notes may be adversely affected by developments in the international financial markets and world economic conditions. Argentine securities markets are influenced, to varying degrees, by economic and market conditions in other countries, especially those in Latin America and other emerging markets. Although economic conditions are different in each country, investor reaction to the developments in one country may affect the securities of issuers in other countries, including Argentina. We cannot assure you that the market for the securities of Argentine issuers will not be affected negatively by events elsewhere or that such developments will not have a negative impact on the market value of the Notes. For example, an increase in the interest rates in a developed country, such as the United States, or a negative event in an emerging market, may induce a significant capital outflow from Argentina and depress the trading price of the Notes.

There is no established trading market for the Notes and the market value of the Notes is uncertain.

We have applied to have the Notes listed on the Official List of the Luxembourg Stock Exchange and admitted for trading on the Euro MTF. We also applied to have the Notes listed on the BYMA and admitted for trading on the MAE. However, we cannot assure you that any such applications would be approved or that a market for the Notes will develop or, if one does develop, that it will be maintained.

If a trading market does not develop or is not maintained, you may experience difficulty in reselling the Notes or may be unable to sell them at an attractive price or at all. Further, even if a market develops, the liquidity of any market for the Notes will depend on the number of holders of the Notes, the interest of securities dealers in making a market in the Notes and other factors. Furthermore, the market value and liquidity of, and trading markets for, the Notes may be materially and adversely affected by changes in interest rates and declines and volatility in the markets for similar securities and in the overall economy, as well as by any changes in our financial condition or results of operations. We cannot assure you that the Notes will not trade at a discount from their initial trading price, whether for reasons related or unrelated to us. The Initial Purchasers are not under any obligation to make a market with respect to the Notes. Accordingly, no assurance can be given as to the development or liquidity of any trading market for the Notes. If an active market for the Notes does not develop or is interrupted, the market price and liquidity of the Notes may be adversely affected.

The market price of an investment in the Notes may be subject to a significant degree of volatility.

The market price of an investment in the Notes may be subject to significant fluctuations in response to actual or anticipated variations in market interest rates, our operating results, adverse business developments, changes to the regulatory environment in which we operate, changes in financial estimates by securities analysts and/or the actual or expected sale by us of other debt securities, as well as other factors, including the trading market for debt issued by Argentine governmental entities. In addition, in recent years the global financial markets have experienced significant

price and volume fluctuations that, if repeated in the future, might adversely affect the market price of an investment in the Notes without regard to our financial condition or results of operations.

The Notes are not registered securities in the United States, and they will be subject to transfer restrictions that may adversely affect the value of the Notes and limit your ability to resell the Notes.

The Notes have not been registered under the Securities Act or any state securities laws, and we are not required to and currently do not plan on making any such registration in the immediate future. The Notes may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Such exemptions include offers and sales that occur outside the United States for non-U.S. persons in compliance with Regulation S and in accordance with any applicable securities laws of any other jurisdiction, and sales to U.S. qualified institutional buyers as defined under Rule 144A. You should be aware that investors may be required to bear the financial risks of this investment for an indefinite period of time and there may be additional restrictions under the laws of other jurisdictions where the Notes may be sold. See “Transfer Restrictions” for a more detailed explanation of such restrictions.

The ratings of the Notes may be downgraded or withdrawn depending on various factors, including the rating agency’s assessments of our financial strength and Argentina’s sovereign risk.

We have been assigned credit ratings from certain rating agencies for the Notes. Ratings address the timely payment of interest on each interest payment date and principal at maturity. Such ratings are limited in scope, and do not address all material risks relating to an investment in the Notes, but rather reflect only the views of the rating agencies at the time the ratings are issued. The ratings of the Notes are not a recommendation to purchase, hold or sell the Notes, may be changed, suspended or withdrawn by the rating agency at any time and do not comment on market price or suitability of the Notes as an investment for a particular investor. Our current ratings and the rating outlooks currently assigned to us are, and any ratings attributed to the Notes will be, dependent upon economic conditions and other factors affecting credit risk that are outside our control. Each rating should be evaluated independently of the others. Detailed explanations of the ratings may be obtained from the rating agencies. We cannot assure you that such credit ratings will remain in effect for any given period of time or that such ratings will not be lowered, suspended or withdrawn entirely by the rating agencies, if, in the judgment of such rating agencies, circumstances so warrant. Negative developments in our business, financial condition and results of operations or other factors could cause the ratings agencies to lower the credit ratings, or ratings outlook, of our short- and long term debt, which may impair our ability to raise new financing or refinance our current borrowings and increase our costs of issuing any new debt instruments. A rating’s downgrade or the removal of ratings could have an adverse effect on the price and marketability of the Notes.

The Notes will be effectively subordinated to our existing and future secured indebtedness and certain claims preferred by law and other liabilities of our subsidiaries.

The Notes will be unsecured obligations and will be effectively subordinated to existing and future secured indebtedness. For more information on our secured debt, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Indebtedness.” Moreover, under Argentine bankruptcy law, the Notes are subordinated to certain statutory preferences, including claims for salaries, wages, social security, taxes and court fees and expenses.

To finance our expansion strategy, we intend to incur additional indebtedness, some of which will be secured by certain of our assets and those of our subsidiaries. Although the Indenture contains restrictions on our ability to incur secured debt, these restrictions are subject to significant exceptions. For more information, see “Description of the Notes—Limitations on Liens.”

If we become insolvent or are liquidated, or if payment under any secured debt is accelerated, the lenders thereunder would be entitled to exercise the remedies available to a secured lender. Accordingly, the lender would have priority over any claim for payment under the Notes to the extent of the value of the assets that constitute its collateral. If this were to occur, it is possible that there would be no assets remaining from which claims of the holders of the Notes could be satisfied. Further, if any assets did remain after payment of these lenders, the remaining assets might be insufficient to satisfy the claims of the holders of the Notes and holders of other unsecured debt that is

deemed the same class as the Notes, and potentially all other general creditors who would participate ratably with holders of the Notes.

The Notes will be structurally subordinated to all existing and future debt and other liabilities of our subsidiaries. In the event of a bankruptcy, liquidation or reorganization of any of our subsidiaries, holders of their indebtedness and their creditors will generally be entitled to payment of their claims from the assets of those subsidiaries before any assets are made available for distribution to us and, in turn, to our creditors, including holders of the Notes.

We may not be able to repurchase the Notes upon a change of control.

Upon the occurrence of a Change of Control Repurchase Event as described in “Description of the Notes—Repurchase Offer upon a Change of Control Repurchase Event” we will be required to offer to repurchase all outstanding Notes at 101% of their principal amount plus accrued and unpaid interest, if any, to the repurchase date and certain of our indebtedness could be subject to mandatory prepayment events triggered by such change of control. The source of funds for any such purchase of the Notes will be our available cash or cash generated from our subsidiaries’ operations or other sources, including borrowings, sales of assets or sales of equity. We may not be able to repurchase the Notes upon a Change of Control Repurchase Event because we may not have sufficient financial resources to purchase all of the Notes that are tendered upon a Change of Control Offer. Our failure to repurchase the Notes upon a Change of Control Repurchase Event would cause a default under the Indenture. We cannot assure you that our future indebtedness will not prohibit us from purchasing Notes in the event of a change of control, provide that a change of control is a default or require repurchase upon a change of control. Moreover, the exercise by the holders of Notes of their right to require us to purchase the Notes offered hereby under the Indenture could cause a default under other debt, even if the change of control itself does not, due to the financial effect of the purchase on us.

We may redeem the Notes prior to maturity.

The Notes are redeemable at our option under certain circumstances specified in “Description of the Notes—Redemption and Repurchase.” We may choose to redeem the Notes at times when prevailing interest rates may be relatively low. Accordingly, an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the Notes.

Holders of the Notes may find it difficult to enforce judgments against us, our directors, officers, controlling persons and certain experts.

We are organized under the laws of Argentina. Substantially all of our directors and all of our officers, as well as many of the experts named in this offering memorandum, reside in Argentina. In addition, a substantial portion of our assets and the assets of our directors and officers are located outside of the United States. As a result, it may be difficult or impossible for holders of the Notes to effect service of process within the United States on us or on such persons. Based on the opinion of our Argentine counsel, there is doubt as to the enforceability against us and such persons in Argentina, whether in original actions or in actions to enforce judgments of U.S. courts or other non-Argentine courts. See “Enforcement of Judgments Against Foreign Persons.”

In addition, Argentine courts will not order the attachment prior to execution and attachment in aid of execution on any property located in Argentina and determined by such courts to be essential for the provision of public services. The assets related to our power generation business are considered part of an activity of general interest (*actividad de interés general*) and attachment thereon is not restricted as a matter of law. If an Argentine court were to make such a determination with respect to any of our assets, unless the Argentine government expressly grants a waiver to the extent permitted under applicable law, such assets would not be subject to attachment, execution or other legal processes as long as the determination stands, and, as a result, the ability of our creditors to enforce a judgment against such assets may be adversely affected. See “Enforcement of Judgments against Foreign Persons.”

In the event of reorganization proceedings or an out-of-court reorganization agreement, noteholders might vote differently from other creditors.

In the event we are subject to judicial reorganization proceedings, out-of-court reorganization agreements (*acuerdos preventivos extrajudiciales*) and/or similar proceedings, current Argentine law applicable to the Notes (including, without limitation, the provisions of the Argentine Negotiable Obligations Law) will be subject to the provisions of Argentine Law No. 24,522 (the “Argentine Bankruptcy Law”), as amended, and other regulations applicable to business restructuring proceedings and, consequently, certain terms and conditions of the Notes may not be enforced. Argentine bankruptcy procedures pursuant to the Argentine Bankruptcy Law differ from those applied in the United States.

The Argentine Bankruptcy Law establishes a different voting procedure for noteholders from that used by other unsecured creditors for purposes of calculating the majorities required by the Argentine Bankruptcy Law (which requires the absolute majority of creditors representing two-thirds of the unsecured debt). Under this system, noteholders may have significantly less bargaining power than our other financial creditors in the event of reorganization.

Moreover, Argentine case law has provided that those noteholders who fail to attend a meeting at which a vote is held in order to vote or who abstain from voting are not to be counted for purposes of calculating such majorities. As a result of these reorganization proceedings, the bargaining power of noteholders may be lessened vis-à-vis our other financial and trade creditors.

In the event we become subject to a bankruptcy or liquidation reorganization proceeding or if we enter into an out-of-court reorganization agreement and/or similar proceedings, certain terms and conditions of the Notes may not apply under Argentine law.

In the event we are subject to judicial reorganization proceedings, out-of-court reorganization agreements and/or similar proceedings related to us, current Argentine regulations applicable to the Notes (including, without limitation, the provisions of the Argentine Negotiable Obligations Law) will be subject to the provisions of the Argentine Bankruptcy Law as amended, and other laws and regulations applicable to business reorganization proceedings and, consequently certain terms and conditions of the Notes may not apply (*e.g.*, unanimous approval of holders to amend certain provisions of the Notes). Argentine bankruptcy procedures pursuant to the Argentine Bankruptcy Law differ from those applied in the United States.

Specifically, the Argentine Bankruptcy Law establishes that, in the case of securities issued in series, such as the Notes, the holders thereof will participate in the voting to obtain the necessary consent to approve an agreement with creditors and/or the restructuring of our debts subject to a procedure for the calculation of majorities different from those required with respect to other unsecured creditors. Under this procedure: (i) a meeting of holders will be called by the trustee or the competent judge, as applicable; (ii) the holders present in such meeting will vote in favor or against the proposed restructure plan indicating the selected option, in case the plan is approved; (iii) the plan will be considered approved or rejected considering the aggregate principal amount voting in favor and the aggregate principal amount voting against the proposal plus the agreement of the other creditors; (iv) the decision will be stated for the record by the trustee or the person appointed to such end by the meeting and evidenced by the meeting minutes; (v) a meeting of holders may not be called if the applicable laws or regulations permit a different method for obtaining the consent of creditors satisfactory to the judge; (vi) in the event the trustee were considered the creditor pursuant to the relevant proof of claims, as established in Section 32 of the Bankruptcy Law, it may divide its vote, voting in favor of the proposed plan with respect to the principal amount held by the beneficiary holders, who are also entitled to participate in the meeting, instructing it to accept the same as established in the Indenture or the applicable law and against it with respect to those instructing it to reject it. The proposal will be considered accepted or rejected based on the majority vote; (vii) the preceding provisions will also apply in case of proxies representing several holders duly admitted under Section 32 of the Bankruptcy Law and the provisions set forth in point (vi) will be applicable to the voting regime; (viii) in all cases, the judge may order specific measures to ensure the participation of the creditors and the legality of the voting procedure; and (ix) when calculating the votes related to the proposal in the meeting of holders all the positive votes are deemed to be in favor of the proposal and all the negative votes are deemed to be against the proposal.

In addition, noteholders not present at the meeting in person or by proxy or abstaining from voting will not be considered when calculating the required majority. As a consequence of the mechanism by which the majority is calculated, in the event of a restructuring of our indebtedness, the negotiation power of the noteholders may be reduced as compared to other creditors.

Payments of judgments against us on the Notes could be in pesos.

In the event that proceedings are brought against us in Argentina, either to enforce a judgment or as a result of an original action brought in Argentina, we may not be required to discharge those obligations in a currency other than pesos or the then applicable currency of Argentina. As a result, investors may suffer a U.S. dollar shortfall if they obtain a judgment or a distribution in bankruptcy in Argentina if the investors are not able to acquire in the Argentine foreign exchange market the equivalent U.S. dollars at the prevailing exchange rate. Under existing exchange control regulations, foreign investors are not allowed to acquire U.S. dollars in the official exchange markets with the proceeds of the collection of pesos received (whether from the debtor or through the enforcement of claims against the assets of the debtor) in payment of interest or principal of debt.

Variations in interest rates on our current and/or future financing arrangements may result in significant increases in our borrowing costs.

Under our financing arrangements, we are permitted to borrow funds to finance the purchase of assets, incur capital expenditures, repay other obligations and finance working capital. A substantial variation in interest rates could result in significant changes in the amount required to cover our debt service obligations and in our interest expense, thus affecting our results and financial condition.

Exchange controls and restrictions on transfers abroad may impair your ability to receive payments on the Notes or repatriate your investment in the Notes.

The Argentine government and the Central Bank have implemented certain exchange controls and transfer restrictions, substantially limiting the ability of companies to retain foreign currency or make payments abroad. The restrictions include limitations for exports and imports of goods and services, foreign assets, non-resident transactions, financial debt, debts between residents, profits and dividends, and information systems, among others (including, in the recent past, mandatory refinancing plans).

In the past the Central Bank issued new regulations setting forth certain limitations on the flow of foreign currency into and from the Argentine foreign exchange market, aimed both at generating economic stability and supporting the country's economic recovery. Under the foreign currency exchange regulations currently in force, access to the Argentine foreign exchange market in order to make prepayments of principal and interest of any kind more than three days in advance of the due date thereof requires prior Central Bank approval or be subject to certain mandatory requirements. Even though the access to the Argentine foreign exchange market is currently permitted for debtors to purchase foreign currency for the payment of principal or interest of debt payable to non-resident creditors (such as holders of the Notes), to the extent certain requirements are met (including, that the Issuer (i) has settled the proceeds resulting from the issuance of the Notes through the foreign exchange market, (ii) has reported such indebtedness, and (iii) has complied with the additional general requirements for outflow of funds through the foreign exchange market, in each case, according to the applicable foreign exchange regulations in force at the time the local resident is accessing the foreign exchange market), we cannot guarantee that further restrictions for purchase or transfer thereof will not be established in the future. In such situation, the Central Bank may not authorize these operations and, thus, impair us from servicing our foreign currency denominated debt obligations, including the Notes.

We cannot guarantee that further restrictions for purchase or transfer thereof will not be established in the future. In such situation, the Central Bank may not authorize these operations and, thus, impair us from servicing our foreign currency denominated debt obligations, including the Notes.

Publicly available information about public companies in Argentina is generally less detailed and not as frequently updated as the information that is regularly published by or about listed companies in the United States.

Publicly available information on the issuers of securities registered with the CNV, such as us, provides less detail in certain respects than the information that is regularly published by or about listed companies in the United States and certain other countries. In addition, regulations governing the Argentine securities market are not as extensive as those in effect in the United States and other major world markets. As a result, there may be less publicly available information about Argentine companies than is regularly published by or about companies in the United States and certain other countries.

There is uncertainty in respect of the tax treatment of the Notes for holders in certain jurisdictions and as a result payments to investors in certain “non-cooperating” jurisdictions or that channeled their investment through such jurisdictions may be subject to withholding.

In December 2017, Argentina introduced a comprehensive tax reform that has an impact on the tax treatment of the Notes for holders in “non-cooperating” jurisdictions. Although the United States and many other developed countries are currently not considered “non-cooperating” jurisdictions, there is no assurance that the list of jurisdictions considered as “non-cooperating” will not change in the future. Payments of interest to holders of the Notes resident in those jurisdictions or that channeled their investment through such jurisdictions will be subject to a 35% withholding tax, and we will not gross those holders up in such circumstances. For more information, see “Taxation—Certain Argentine Tax Considerations” and “Description of the Notes—Payments of Additional Amounts.” As a result of this uncertainty, the Notes could face reduced liquidity, which could adversely affect the market price and marketability of the Notes.

EXCHANGE CONTROLS

Exchange Rates

From 1991 until the end of 2001, Law No. 23,928 (“Convertibility Law”) established a fixed exchange rate of Ps.1 per US\$1. On January 6, 2002, the Public Emergency Law formally put an end to that U.S. dollar-Argentine peso parity. Following a brief period during which the Argentine government established a temporary dual exchange rate system pursuant to the Public Emergency Law, the Argentine peso has been allowed to float freely against other currencies since February 2002, although the Argentine government has the power to intervene by buying and selling foreign currency on its own account, a practice in which it engages on a regular basis. On December 23, 2019, the Solidarity Law declared again the public emergency until December 31, 2020. See “Risk factors—Risks relating to Argentina—We may be exposed to fluctuations in foreign exchange rates”.

Exchange controls that tightened restrictions on capital flows, exchange controls, and the official exchange rate between the Argentine peso and the U.S. dollar and transfer restrictions that substantially limit the ability of companies to retain foreign currency or make payments abroad are currently in place in Argentina and have been for alternating periods during the past years. By means of Decree No. 609/2019 dated September 1, 2019, as amended, the Argentine executive branch reinstated foreign exchange controls and authorized the Central Bank to: (a) regulate access to the Foreign Exchange Market for the purchase of foreign currency and outward remittances; and (b) set forth regulations to avoid practices and transactions aimed at eluding, through the use of securities and other instruments, the measures adopted through the Decree No. 609/2019. As of the date of this Offering Memorandum, foreign exchange regulations have been (i) extended indefinitely, and (ii) consolidated in a single set of regulations, Communication “A” 8035, as subsequently amended and supplemented from time to time by the Central Bank. See “—Foreign Exchange Regulations”.

The Central Bank requested the CNV to implement measures aligned to avoid elusive practices and operations. In this regard, the CNV, in line with the provisions of Section 3 of the Decree No. 609/2019, established various measures to avoid such elusive practices and operations.

The following table, for the periods indicated, sets forth the low, high, average and period-end exchange rates, expressed in nominal Argentine peso per U.S. dollar, based on the average between the buying and selling exchange rates quoted by the Central Bank (Communication “A” 3500). The Federal Reserve Bank of New York does not report a noon buying rate for the Argentine peso.

Year ended December 31,	Low	High	Average⁽¹⁾	Period End
	(pesos per U.S. dollar)			
2019.....	37.04	60.00	49.23	59.90
2020.....	59.82	84.15	71.62	84.15
2021.....	84.70	102.75	95.80	102.75
2022.....	103.04	177.13	133.55	177.13
2023.....	178.14	808.48	317.16	808.48
Month				
January 2024.....	810.65	826.25	818.34	826.25
February 2024.....	826.85	842.25	834.91	842.45
March 2024.....	842.75	857.41	850.34	8567.41
April 2024.....	861.25	876.75	868.96	876.75
May 2024.....	878.25	895.25	886.86	895.25
June 2024.....	896.42	911.75	903.78	911.75
July 2024.....	914.50	932.75	923.77	932.75
August 2024.....	949.25	951.26	950.26	951.23
September 2024.....	952.75	970.92	961.83	970.92
October 2024 (as of October 3, 2024).....	971.25	972.75	971.92	972.75

- (1) Calculated using the average of exchange rates on the last day of each month during the period (for annual periods) and the average of daily exchange rates during the period (for monthly periods).

No representation is made that Argentine peso amounts have been, could have been or could be converted into U.S. dollars at the foregoing rates on any of the dates indicated.

Foreign Exchange Regulations

For the purposes of this section, (i) “foreign currency” means any currency other than the Argentine peso; and (ii) “Foreign Exchange Regulations” means the foreign exchange regulations issued by the Central Bank pursuant to Communication “A” 8035 as amended and supplemented from time to time.

Specific provisions for income from the foreign exchange market

Entry and settlement of the proceeds from the export of goods through the foreign exchange market

Proceeds from exports of goods must be entered and settled in pesos through the foreign exchange market within a certain timeframe for the good in question. Regardless of these maximum settlement terms, the Foreign Exchange Regulations also established that payments for exports must be entered and settled through the foreign exchange market within five business days following their payment.

Decree No. 28/2023 published on December 13, 2023, established that in connection with: (i) the export countervalue of the services included in subsection c) of paragraph 2 of Section 10 of Law No. 22,415 (“Customs Code”) and its amendments (which refers to services rendered in the country, with effective use or exploitation carried out abroad); and (ii) the countervalue of the export of goods included in the Common Nomenclature of MERCOSUR (“NCM”), including the cases of pre-financing and/or post-financing of exports from abroad or a liquidation advance; 80% of such countervalue must be brought into the country in foreign currency and/or negotiated through the foreign exchange market, and for the remaining 20% must be carried out through purchase and sale transactions with negotiable securities acquired with liquidation in foreign currency and sold with liquidation in local currency.

In the case of funds received or credited abroad, the deposit and liquidation for the amount equivalent to the usual expenses debited by the financial entities abroad for the transfer of funds to the country may be considered as completed.

There are some exceptions to the obligation to settle through the foreign exchange market, including, but not limited to: (i) collections from exporters under the Regime for the Promotion of Knowledge Economy Exports (established by Decree No. 679/2022); and (ii) certain collections from exports of services by physical persons, as established by Section 2.2.2.1. of the Foreign Exchange Regulations.

Amounts collected in foreign currency for claims related to exported goods must also be entered and settled in Argentine pesos in the foreign exchange market, up to the amount of the insured exported goods.

The exporter must designate a financial entity to follow up each export transaction. The obligation to enter and settle foreign currency through the foreign exchange market corresponding to a shipment permit will be considered satisfied when the financial entity designated to follow up certifies that the entry and settlement have taken place.

Local charges for exports under the regime of farms to foreign-flagged means of transport

With respect to local charges for exports under the regime of farms to foreign-flagged means of transport, it will be considered as fully or partially compliant with the follow-up of the shipping permit, for an amount equivalent to that paid locally in Argentine pesos and/or in foreign currency to the exporter by a local agent of the company owning the foreign-flagged means of transport, provided that the following conditions are met:

- (i) The documentation shows that the delivery of the exported goods has taken place in the country, that the local agent of the company owning the foreign-flagged means of transport has made the payment to the exporter locally and the currency in which such payment was made.

- (ii) The company has a certification issued by a financial entity stating that the referred local agent would have had access to the foreign exchange market for the equivalent amount in foreign currency that is intended to be imputed to the permit. The financial entity issuing such certification must previously verify compliance with all the requirements established by the exchange regulations for access to the foreign exchange market by Section 3.2.5.2. of Foreign Exchange Regulations, with the exception of the provisions of Section 3.16.1 of such regulations and have an affidavit from the referred local agent stating that it has not transferred and will not transfer funds abroad for the proportional part of the transactions included in the certification.
- (iii) In the event that the amounts have been received in the country in foreign currency, the company has the certification of settlement of the funds in the foreign exchange market.

The local agent of the company owning the foreign-flagged means of transport must not have used this mechanism for an amount exceeding US\$2,000,000 in the charged calendar month.

Obligation to settle foreign currency from exports of services

Payments received for the provision of services by residents to non-residents must be entered and settled through the foreign exchange market within 5 business days from the date of its collection abroad or in the country or its crediting to foreign accounts.

In the case of funds received or credited abroad, the collection and liquidation may be considered completed for the amount equivalent to the usual expenses debited by the financial entities abroad for the transfer of funds to the country.

The aforementioned provisions of Decree No. 28/2023 are also applicable to the export of services (see “— Entry and settlement of the proceeds from the export of goods through the foreign exchange market”).

Application of export revenues

The Foreign Exchange Regulations authorizes the application of export revenues to the repayment of: (i) pre-financing of exports and export financing granted or guaranteed by local financial entities; (ii) pre-financing of exports and export advances settled in the foreign exchange market, provided that the corresponding transactions have been executed through public deeds or public registries; (iii) financial indebtedness under contracts entered into prior to August 31, 2019 that provide for the cancellation thereof through the application abroad of export funds; (iv) other foreign financial indebtedness subject to certain requirements as set forth in Sections 7.9 and 7.10 of the Foreign Exchange Regulations; and (v) advances, pre-financing and post-financing from abroad with partial liquidation under the provisions of Decrees No. 492/2023, No. 549/2023, No. 597/2023 and No. 28/2023. Likewise, it allows keeping export revenues abroad to guarantee the payment of new indebtedness, provided certain requirements are met.

Financial indebtedness with foreign countries

According to Section 2.4 of the Foreign Exchange Regulations for resident debtors to be able to access the foreign exchange market to repay financial indebtedness with foreign countries disbursed as from September 1, 2019, the loan proceeds must have been settled through the foreign exchange market and the transaction must have been declared in the External Assets and Liabilities Survey (“Relevamiento de Activos y Pasivos Externos”). Accordingly, although settlement of the loan proceeds is not mandatory, failure to settle will preclude future access to the foreign exchange market for repayment purposes.

Access to the foreign exchange market to make such payments more than three days in advance of the due date is, as a general rule, subject to the Central Bank’s prior authorization. Prepayments made with funds from new foreign loans duly settled or in connection with debt refinancing or liability management processes may be exempt from such prior authorization from the Central Bank to the extent they comply with several requirements as set forth in Section 3.5 of the Foreign Exchange Regulations.

Until December 31, 2024, prior Central Bank approval is required for local residents to access the foreign exchange market to make principal and interest payments under cross-border financial borrowings with related parties. Certain specific exceptions apply and are included in item 3.5.6. of the Foreign Exchange Regulations.

In this regard, Communication “A” 8059 from the Central Bank dated July 4, 2024, repealed the requirement of prior conformity of the Central Bank provided for in section 3.3. of the Foreign Exchange Regulations for access to the foreign exchange to make interest payments on commercial debts for the import of goods and services with related foreign counterparties as long as the interest maturity occurs as from 5 July, 2024.

Said communication also established that the prior approval of the Central Bank provided for in sections 3.3. and 3.5.6. of the Foreign Exchange Regulations shall not be required for the access to the foreign exchange market to make interest payments on commercial debts not included in the previous paragraph and of interest on financial indebtedness, when the creditor is a counterparty related to the debtor, to the extent that the other applicable requirements are met and the payment is made simultaneously with the settlement for an amount not less than the amount of interest for which the foreign exchange market is accessed: (i) new financial indebtedness abroad with an average life of not less than 2 (two) years and which contemplate at least 1 (one) year grace period for the payment of principal, in both cases counted from the date on which the access to the market is materialized; (ii) new direct investment contributions from non-residents.

New financial indebtedness abroad and new foreign direct investment contributions used within the aforementioned framework: (i) may be entered and settled by the debtor of the indebtedness abroad whose interest is cancelled or by another resident company related to the debtor and its economic group; (ii) may not be computed for the purposes of other mechanisms considered in the Foreign Exchange Regulations.

Specific provisions on access to the foreign exchange market

General requirements

As a general rule, and in addition to the specific rules of each transaction for access, certain general requirements must be complied with by a local company or individual to access the foreign exchange market for the purchase of foreign currency or its transfer abroad (i.e., payments of imports and other purchases of goods abroad; payment of services rendered by non-residents; distribution of profits and dividends; payment of principal and interest on foreign indebtedness; interest payments on debts for the import of goods and services, among others) without requiring prior approval from the Central Bank. In this regard, the local company or individual must file an affidavit stating that:

- (a) (i) At the time of access to the foreign exchange market, all of its foreign currency holdings in the country are deposited in accounts in financial institutions, and (ii) at the beginning of the day on which it requests access to the foreign exchange market, it does not hold Argentine certificates of deposit (for its acronym in Spanish, “CEDEARs”) representing foreign shares and/or available liquid foreign assets that together have a value greater than US\$ 100,000 (funds deposited abroad that constitute reserve or guarantee funds under debt contracts with foreign countries, or funds granted as guarantee for derivatives arranged abroad are excluded from this limit). If the customer is a local government, foreign currency holdings deposited with local financial institutions must also be accounted up to December 31, 2024. For these purposes, “liquid foreign assets” are considered to be holdings of banknotes and coins in foreign currency, cash in gold coins or bars of good delivery, demand deposits in financial institutions abroad and other investments that allow immediate availability of foreign currency. On the other hand, funds deposited abroad that cannot be used by the client because they are reserve or guarantee funds created by virtue of the requirements set forth in foreign debt contracts or funds created as guarantee for derivative transactions arranged abroad should not be considered as liquid foreign assets available. In the event that the client is a local government and exceeds the established limit, the institution may also accept an affidavit from the client stating that the excess was used to make payments for the foreign exchange market through swap and/or arbitrage operations with the deposited funds.
- (b) It undertakes the obligation to settle in the foreign exchange market, within five business days of its availability, the funds received abroad from the collection of loans granted to third parties, time deposits, or

the sale of any type of asset, to the extent that the asset subject to the sale was acquired, the deposit constituted or the loan granted after May 28, 2020.

- (c) On the date of access to the foreign exchange market and in the previous 90 calendar days, it: (i) did not arrange sales in the country of securities with settlement in foreign currency; (ii) did not exchange securities issued by residents for foreign assets, (iii) did not transfer securities to depository entities abroad, (iv) did not acquire in the country securities issued by non-residents with settlement in Argentine pesos, (v) did not acquire CEDEARs representing foreign shares, (vi) did not acquire securities representing private debt issued in foreign jurisdiction, and (vii) did not deliver funds in local currency or other local assets (except funds in foreign currency deposited in local financial institutions) to any entity (whether physical or legal, resident or non-resident, related or not), receiving as prior or subsequent consideration, directly or indirectly, by itself or through a related, controlled or controlling entity, foreign assets, crypto-assets or securities deposited abroad.
- (d) It undertakes the obligation not to enter into any of the transactions described in paragraph (c) above from the time it requests access to the foreign exchange market and for 90 calendar days thereafter.
- (e) Section 3.16.3 of the Foreign Exchange Regulations adds that, in the event that the customer requesting access to the exchange market is a legal entity, in order for the transaction not to be covered by the requirement of prior approval by the Central Bank must be submitted to the corresponding financial institution:
 - (A) an affidavit evidencing that within the term provided in section 3.16.3.4. (90 days prior to accessing the foreign exchange market) it has not delivered in the country any funds in local currency or other liquid local assets, except funds in foreign currency deposited in local financial institutions, to any person or legal entity, except those directly associated with regular transactions in the course of its business (this affidavit shall be called "Affidavit - Section 1"); or
 - (B) (i) as required by Section 3.16.3.3. of the Foreign Exchange Regulations, an affidavit stating details of the physical or legal persons exercising a direct control relationship over the client and of other legal persons with which it is part of the same economic group. In determining the existence of a direct control relationship, the types of relationships described in item 1.2.2.1 of the Large Exposures rules should be considered. Companies sharing a control relationship of the type defined in items 1.2.1.1 and 1.2.2.1 of the Large Exposures rules should be considered as members of the same "economic group" (the "Economic Group Description Affidavit"); and
 - (ii) that on the day on which it requests access to the market and in the 90 days prior to that date, it has not delivered in the country any funds in local currency or other liquid local assets, except funds in foreign currency deposited in local financial institutions, to any individual or legal entity that exercises a direct control relationship over it, or to other companies with which it is part of the same economic group, except those directly associated with regular transactions between residents for the acquisition of goods and/or services (the "Affidavit of Non-Delivery of Pesos to the Economic Group").
 - (C) The provisions of item 3.16.3.4. (as detailed in (B)(ii) above) may be deemed to have been complied with if the customer seeking access has submitted:
 - (i) an affidavit initialed by each physical or legal person detailed in item 3.16.3.3. to whom the client has delivered funds under the terms provided in item 3.16.3.4., recording what is required in items 3.16.3.1., 3.16.3.2. and 3.16.3.4.; or
 - (ii) an Economic Group Affidavit of each person or legal entity declared in the affidavit indicated in item 3.16.3.3. (i.e., all Direct Controlling Entities and the declared members of the economic group), stating the provisions of Sections 3.16.3.1. and 3.16.3.2. of the Foreign Exchange Regulations; or

- (iii) a statement from each of the individuals or legal entities declared in the affidavit indicated in item 3.16.3.3.3 (i.e., all the Direct Controlling Entities and the declared members of the economic group), stating that within the term set forth in item 3.16.3.4. has not received in the country any funds in local currency or other liquid local assets, except for funds in foreign currency deposited in local financial entities, except for those directly associated to usual transactions between residents for the acquisition of goods and/or services, which have come from the client or from any person detailed in item 3.16.3.3. to whom the client has delivered funds under the terms set forth in item 3.16.3.4.

Section 3.16.4 of the Foreign Exchange Regulations establishes that companies shall require the prior approval of the Central Bank to grant access to the foreign exchange market to individuals or legal entities included by the AFIP in the database of invoices or equivalent documents classified as apocryphal by such agency. This requirement will not be applicable for access to the foreign exchange market for the cancellation of foreign currency financing granted by local financial institutions, including payments for foreign currency consumption made by credit or purchase cards.

Communication "A" 8108, which was enacted on September 19, 2024, established that transfers to foreign depository entities of securities made or to be made for the purpose of participating in a debt securities repurchase operation issued by an Argentine resident should not be considered in the affidavits prepared to comply with sections 3.16.3.1. and 3.16.3.2. of the Foreign Exchange Regulations.

Imports payments

Section 3.1 of the Foreign Exchange Regulations allows access to the foreign exchange market for the payment of imports of goods, establishing different conditions depending on whether they are payments of imports of goods with customs entry registration, or payments of imports of goods with pending customs entry registration.

It also provides for the reestablishment of the "SEPAIMPO", the import payment tracking system, for the purpose of monitoring import payments, import financing and the demonstration of the entry of goods into the country.

In addition, the local importer must designate a local financial entity to act as a monitoring bank, which will be responsible for verifying compliance with applicable regulations, including, among others, the settlement of import financing and the entry of imported goods.

Communication "A" 7917 issued on December 13, 2023, later amended by Communication "A" 8035 issued on July 30, 2024, substantially modified the regime of access to the foreign exchange market for the payment of imports of goods and services, establishing the following regarding the access to the foreign exchange market for the payment of imports of goods, effective as of December 13, 2023:

The SIRA in "EXIT" status shall not be a requirement for access to the foreign exchange market

- 1.1. It shall not be necessary for access to the foreign exchange market to have a declaration made through the SIRA in "SALIDA" status as a requirement for access to the foreign exchange market, nor to validate the operation in the "Single Current Account for Foreign Trade" computer system.

Payments for imports of goods with customs entry registration as from December 13, 2023

- 1.2. Entities may provide access to the foreign exchange market without prior Central Bank approval to make deferred payments for imports of goods with customs entry registration as from December 13, 2023, when in addition to the other applicable regulatory requirements, it is verified that the payment complies with the following schedule, according to the type of goods:
 - (i) from its customs entry registration, the payment of the FOB value corresponding to the following goods may be made: (a) petroleum or bituminous mineral oils, their preparations and residues (subchapters 2709, 2710 and 2713 of the NCM); (b) petroleum gases and other gaseous hydrocarbons (subchapter 2711 of the NCM); (c) bituminous coal without agglomeration (subchapters 2701.12.00 of the NCM), when the importation is

carried out by an electric generation plant; (d) electric energy (subchapters 2716.00.00 of the NCM); and (e) imports formalized from April 15, 2024 of natural uranium, enriched uranium and their compounds (subchapters 2844.10.00 and 2844.20.00 of the NCM), heavy water (subchapter 2845.10.00 of the NCM), or zirconium and its manufactures when corresponding to subchapter 8109.91.00 of the NCM, that are intended for the production of energy or fuels, formalized from April 15, 2024.

- (ii) from 30 days from the date of registration of customs entry, payment of the FOB value corresponding to the following goods may be made: (a) pharmaceutical products and/or inputs used in their local processing, other goods related to health care or food for human consumption covered by the provisions of the Section 155 Tris of the Argentine Food Code, whose tariff positions according to the NCM are detailed in Section 12.3. of the Foreign Exchange Regulations; (b) fertilizers and/or phytosanitary products and/or inputs that may be intended for local processing, whose tariff positions are detailed in Section 12.2. of the Foreign Exchange Regulations; (c) imports formalized from March 15, 2024, corresponding to basic consumer goods whose subchapter of the NCM are detailed in section 12.4. of the Foreign Exchange Regulations; and (d) imports formalized from April 15, 2024, by individuals or legal entities that qualify as MiPyMe according to the provisions of the "Determination of the condition of micro, small, and medium-sized enterprises" regulations, provided that they do not correspond to goods included in section 10.10.1.3 of the Foreign Exchange Regulations. The entity must have the importer's affidavit stating that the goods will be used for the purposes foreseen in this section, except when dealing with operations covered under item (c).
- (iii) from 180 calendar days from the date of registration of customs entry, payment of the FOB value corresponding to the following goods may be made: (a) finished automobiles (subchapter 8703 of the NCM); (b) those corresponding to the tariff positions detailed in Section 12.1 of the Foreign Exchange Regulations that are not covered in the preceding Sections, regardless of their FOB unit value.

On June 27, 2024, the Central Bank issued Communication "A" 8054, by virtue of which it was established that access to the foreign exchange market to make deferred payments for imports formalized from June 28, 2024, corresponding to the goods covered in this section, may be made as from 120 calendar days from the customs entry registration of the goods.

Likewise, on July 23, 2024, the Central Bank issued Communication "A" 8074, by virtue of which it was established that access to the foreign exchange market to make deferred payments for the FOB value of imports formalized from August 1, 2024, corresponding to goods covered in this section, may be made as from 90 calendar days from the customs entry registration of the goods. Pursuant to Communication "A" 8108 issued by the Central Bank on September 19, 2024, and for imports formalized on or after September 20, 2024, such payments can be made within 60 calendar days from the customs entry registration of the goods.

- (iv) for the remaining goods, the payment of their FOB value may be made within the following terms counted from the registration of the customs entry of the goods:
 - (a) 25% after 30 calendar days.
 - (b) An additional 25% after 60 calendar days.
 - (c) An additional 25% after 90 calendar days.
 - (d) The remaining 25% as from 120 calendar days.

The aforementioned Communication "A" 8074 from the Central Bank also established that access to the foreign exchange market to make deferred payments for the FOB value of imports formalized from August 1, 2024, corresponding to the goods covered in this section, may be made for 50% of the FOB value as from 30 calendar days from the customs entry registration of the goods and the remaining 50% as from 60 calendar days from the same moment.

- (v) Freight and insurance as part of the purchase condition agreed with the seller may be paid in full as from the first date on which the importer has access to make deferred payments by virtue of the transported goods, except when related to the goods covered in section 10.10.1.3 of the Foreign Exchange Regulations, for which access to the foreign exchange market to cancel their value will be available as from 30 calendar days from the customs entry registration of the goods.

1.3. Entities may also grant access to the foreign exchange market without the prior approval of the Central Bank to make deferred payments for new imports of goods with customs entry registration as from December 13, 2023 before the terms set forth in item (a) above when, in addition to the other applicable regulatory requirements, the payment falls within the situations set forth in item 10.10.2. of the Foreign Exchange Regulations, as amended by Communication “A” 8094 dated August 22, 2024.

1.4. Access to the foreign exchange market to make payments with pending customs registration shall require the prior approval of the Central Bank except when, in addition to the other applicable requirements, the payment falls within the situations foreseen in item 10.10.2. of the Foreign Exchange Regulations.

Payments of imports with pending customs entry registration or before the deadlines set forth in the preceding sections

The rule allows access to the foreign exchange market to make payments with pending customs entry registration or deferred payments before the terms set forth in section 1.2., when the remaining applicable requirements are met, only in the case of financing, new pre-financing or advance payments or under specific benefits.

Stock of debt. Imports of Goods

Access to the foreign exchange market to make import payments for goods whose customs entry registration occurred up to December 12, 2023, in addition to the remaining applicable requirements, shall require the prior conformity of the Central Bank except when they are transactions financed by financial entities or official credit agencies or international organizations; among other situations.

Access to financial entities to cancel obligations derived from letters of credit or guaranteed letters issued or granted as from December 13, 2023, within the framework of an import in which it is required to have a SIRA declaration will be conditioned to the entity having documentation that proves, at the date of issuance or granting, the guaranteed transaction was compatible with the terms and conditions set forth above.

Payment of foreign debts for the import of goods and/or for services effectively rendered and/or accrued

On December 22, 2023, the Central Bank issued Communication “A” 7925 establishing the requirements for importers who have outstanding debts with foreign countries for the import of goods with customs entry registration until December 2023 and/or for services effectively rendered and/or accrued until that date (the “Import Debt Stock”), to subscribe Bonds for the Reconstruction of a Free Argentina (“BOPREAL”).

Importers of goods may subscribe the BOPREALs for up to the amount of the outstanding debt for their imports of goods with customs entry registration up to and including December 12, 2023. The amount of the BOPREALs that importers may subscribe will be adjusted to the outstanding amount registered in the Central Bank’s SEPAIMPO system. Importers of services accrued up to December 12, 2023, may also subscribe the BOPREALs for up to the amount of the outstanding debt for such transactions. Importers of goods and services that, prior to January 31, 2024, subscribe the series offered (maturity in 2027), and for an amount equal to or greater than 50% of the outstanding amount of the Stock of Import Debt, will be able to access the foreign exchange market as from February 1, 2024 to pay the Stock of Import Debt for the equivalent of 5% of the amount subscribed of such series.

Likewise, access to the foreign exchange market is authorized for the payment of the Stock of Import Debt by means of an exchange and/or arbitrage with the funds deposited in a local bank account and originated in collections of principal and interest in foreign currency of the BOPREALs.

Importers subscribing to BOPREAL may sell them with settlement in foreign currency in the country or abroad or transfer them to depositories abroad, for up to the amount acquired in the primary subscription without limiting their ability to access the foreign exchange market. Likewise, Communication "A" 7935 established that those who have subscribed BOPREAL in primary bidding may, as from April 1, 2024, carry out sales transactions of securities against foreign currency for the difference between the nominal value bid and the sale price in the secondary market obtained from the sale of BOPREAL, without violating the affidavits set forth in sections 3.16.3.1. and 3.16.3.2. of the Foreign and Exchange Regulations.

In turn, through Communication "A" 8055 dated June 28, 2024, it was established that if clients complete a sale operation with a repurchase obligation using BOPREAL acquired in primary bidding:

- (1) The sale of the securities at the origin of the transaction should not be considered for purposes of preparing the affidavit provided for in sections 3.16.3.1. and 3.16.3.2. of the Foreign and Exchange Regulations, in line with the provisions of the first paragraph of section 4.7.2. Foreign and Exchange Regulations.
- (2) The aforementioned sale will not enable the client to complete securities' transactions for the difference between the value obtained from the sale and the nominal value of the securities.
- (3) Once the client has regained possession of the BOPREAL, the securities will receive the same treatment as those acquired in primary bidding.

Payment for services rendered by non-residents

Pursuant to Section 3.2 of the Foreign Exchange Regulations, entities may access the foreign exchange market to make payments for services rendered by non-residents as long as they have documentation to support the existence of the service.

In the case of commercial debts for services, access is granted as from the expiration date, provided that it is verified that the operation is declared, if applicable, in the last due presentation of the "External Assets and Liabilities Survey".

Communication "A" 7953 issued on January 26, 2024 and Communication "A" 8035 issued on June 30, 2024, substantially modified the regime of access to the foreign exchange market for the payment of imports of goods and services. The aforementioned Communications established the following regarding access to the foreign exchange market for the payment of imports of services, effective as of December 13, 2023:

The approved SIRASE will not be a requirement for access to the foreign exchange market.

It shall not be necessary to have a declaration made through the System of Imports of the Argentine Republic and Payment of Services Abroad (SIRASE) in "approved" status or to validate the operation in the "Single Current Account for Foreign Trade" computer system.

Access to the foreign exchange market for the payment of services.

Entities may provide access to the foreign exchange market to make payments for non-residents services that were or will be rendered as of December 31, 2023, when, in addition to the other applicable regulatory requirements, the transaction falls within one of the situations detailed below:

- (i) The payment corresponds to a transaction that falls under the following concept codes:
 - S03. Passenger transportation services.
 - S06. Travel (excluding transactions associated with withdrawals and/or consumption with resident cards with non-resident suppliers or non-resident cards with Argentine suppliers).

- S23. Audiovisual services.
 - S25. Government services.
 - S26. Health services by travel assistance companies.
 - S27. Other health services.
 - S29. Transactions associated with withdrawals and/or consumptions with resident cards with non-resident suppliers or non-resident cards with Argentine suppliers.
- (ii) Expenses paid to foreign financial entities for their usual operations.
 - (iii) The payment corresponds to an operation that falls under the concept "S30. Freight services for goods import operations" for services rendered or accrued as from December 13, 2023 and the payment is made after a period equivalent to that in which the transported good could start to be paid, as per item 1.2, has elapsed since the date of rendering of the service. This is with the exception of the freight services for goods covered in section 10.10.1.3 of the Foreign Exchange Regulations, for which access to the foreign exchange market to cancel their value will be available as from 30 calendar days since the date of rendering of the service.
 - (iv) The payment corresponds to an operation that falls under item "S24. Other personal, cultural and recreational services" rendered or accrued as from December 13, 2023 and the payment is made after a period of 90 calendar days from the date of rendering or accrual of the service has elapsed.
 - (v) The payment corresponds to a transaction corresponding to a service not included in items 2.2.i) to 2.2.iv) and rendered by a counterparty not related to the resident as of December 13, 2023 and is made after 30 calendar days from the date of rendering or accrual of the service. This deadline will also apply to transfers abroad by local agents for their collection in the country of funds corresponding to services provided by non-residents to residents.
 - (vi) The payment corresponds to a transaction corresponding to a service not included in items 2.2.i) to 2.2.iv) and rendered by a counterparty related to the resident as of December 13, 2023 and the payment is made after 180 (one hundred and eighty) calendar days have elapsed from the date of rendering or accrual of the service. Transactions originating from the provision of services by related counterparties will continue to be subject to this requirement even if there is a change in the creditor or debtor that results in no longer having a relationship between the creditor and the resident debtor.

Stock of debt of Imports of Services

Access to the foreign exchange market for payments for non-resident services rendered and/or accrued up to December 12, 2023, in advance of the deadlines foreseen in Sections 13.2.3 to 13.2.6 of the Foreign Exchange Regulations is admissible when in addition to the other applicable requirements, the following situations are verified:

- (i) The customer accesses the foreign exchange market with funds originated from a financing of imports of services granted by a local financial institution from a foreign line of credit to the extent that the maturity dates and the amounts of principal to be paid of the financing granted are compatible with those provided for in Section 13.2 of the Foreign Exchange Regulations.
- (ii) If the financing is granted prior to the date of rendering or accrual of the service, the terms set forth in Section 13.2 of the Foreign Exchange Regulations shall be computed as from the estimated date of rendering or accrual plus 15 calendar days.
- (iii) The customer has access to the foreign exchange market simultaneously with the settlement of funds for advances or pre-financing of exports from abroad or pre-financing of exports granted by local financial

entities with funding in foreign credit lines, to the extent that the stipulations of Section 13.3.1 of the Foreign Exchange Regulations regarding maturity dates and the amounts of principal to be paid for the financing are complied with.

- (iv) The customer accesses the foreign exchange market simultaneously with the settlement of funds originated in a financial indebtedness abroad, to the extent that the provisions of Section 13.3.1 of the Foreign Exchange Regulations regarding maturity dates and principal amounts payable on the financing are complied with.
- (v) The portion of the financial indebtedness abroad that is used by virtue of the provisions of this item may not be computed for the purposes of other specific mechanisms that enable access to the foreign exchange market as from the entry and/or settlement of this type of transactions.
- (vi) In the case that the payment for imports of services is performed within the framework of the mechanism provided for in Section 7.11 of the Foreign Exchange Regulations.
- (vii) The customer has a “Certification for the regimes of access to foreign currency for the incremental production of oil and/or natural gas (Decree No. 277/2022)” issued within the framework of the provisions of Section 3.17 of the Foreign Exchange Regulations.
- (viii) The payment corresponds to the cancellation of transactions financed or guaranteed prior to December 13, 2023, by local or foreign financial entities.
- (ix) The payment corresponds to the cancellation of transactions financed or guaranteed prior to December 13, 2023, by international organizations and/or official credit agencies.

Payments of services abroad up to December 12, 2023

The Central Bank’s prior approval shall be required for access to the foreign exchange market to make payments for non-resident services rendered or accrued up to December 12, 2023, except when in addition to the other applicable requirements, the entity verifies the Sections 13.4.1 to 13.4.8 of the Foreign Exchange Regulations.

External financial indebtedness

As was previously commented, in order for resident debtors to be able to access the foreign exchange market to cancel foreign financial indebtedness disbursed as of September 1, 2019, it is necessary that the loan proceeds have been settled through the foreign exchange market and that the transaction has been declared in the External Assets and Liabilities Survey.

Repayment of foreign currency debt among residents

Access to the foreign exchange market for the repayment of debts and other obligations in foreign currency between residents, contracted as of September 1, 2019, is prohibited.

However, it establishes as exceptions the cancellation as from its maturity of principal and interest of:

- Financing in foreign currency granted by local financial entities (including payments for consumption in foreign currency through credit cards).
- Foreign currency liabilities between residents instrumented through public registries or deeds on or before August 30, 2019.
- Issuances of debt securities made on or after September 1, 2019, with the purpose of refinancing foreign currency obligations between residents instrumented through public registries or public deeds before August 30, 2019, and involving an increase in the average life of the obligations.

- The payment, at maturity, of the principal and interest services of new issues of debt securities made on or after November 29, 2019, with public registration in the country, denominated and payable in foreign currency in the country, to the extent that: (i) they are denominated and subscribed in foreign currency; (ii) the respective principal and interest services are payable in the country in foreign currency; and (iii) the totality of the funds obtained with the issue are settled through the foreign exchange market.
- Promissory notes with a public offering issued under General Resolution CNV No. 1003/24 (detailed below) and related regulations, denominated and subscribed in foreign currency whose principal and interest services are payable in the country in foreign currency, provided that all the funds obtained have been settled through the foreign exchange market.
- Issues made as from January 7, 2021 of debt securities with public registration in the country denominated in foreign currency and whose services are payable in foreign currency in the country, to the extent that they have been delivered to creditors to refinance pre-existing debts with extension of the average life, when it corresponds to the amount of the refinanced capital, interest accrued up to the refinancing date and, to the extent that the new debt securities do not mature before 2023, the amount equivalent to the interest that would accrue until December 31, 2022 on the indebtedness that is refinanced early and/or on the deferral of the refinanced principal and/or on the interest that would accrue on the amounts so refinanced.
- The issuance of debt securities with public registry in the country that were included in Section 7.11.1.5 of the Foreign Exchange Regulations, to the extent that the record of customs entry of goods for a value equivalent to the financing received is demonstrated.

Principal payments under related counterparty debt until December 31, 2024

Central Bank's prior approval is required to access the foreign exchange market to make payments abroad of principal and interest of financial debts when the creditor is a counterparty related to the debtor. This requirement is applicable until December 31, 2024, in accordance with Section 3.5.6 of the Foreign Exchange Regulations. Likewise, these debts will continue to be subject to prior approval even if there is a change in the creditor or the debtor which means that there is no longer a link between the creditor and the resident debtor.

The Central Bank's prior approval shall not be required:

- (i) in the case of local financial institutions' own transactions;
- (ii) in the case of a financial indebtedness abroad with an average life of not less than two years and the funds have been deposited and settled through the foreign exchange market as from October 2, 2020; and
- (iii) in the case of a financial indebtedness abroad that meets all of the following conditions: (a) the funds have been used to finance projects within the framework of the Plan for the Promotion of Argentine Natural Gas Production - Supply and Demand Scheme 2020-2024 established in Section 2 of Decree No. 892/2020 ("Plan GasAr 2020-2024"), (b) the funds have been deposited and settled through the foreign exchange market as from November 16, 2020, (c) the indebtedness has an average life of not less than two years.

Likewise, the aforementioned conformity shall not be applicable when:

- (1) the client has a "Certification of Increase of Exports of Goods" for the years 2021 to 2023, issued within the framework of the provisions of Section 3.18 of the Foreign Exchange Regulations for the equivalent of the amount of capital to be paid,
- (2) in the case of a financial indebtedness abroad with an average life of not less than 2 years, settled between August 21, 2021 and December 12, 2023, and which was originally used to pay commercial

debts for the import of goods and services that originated the issuance of a Certificate of Entry of New Financial Indebtedness Abroad within the framework of Section 3.19 of the Foreign Exchange Regulations;

- (3) in the case of a financial indebtedness abroad with an average life of not less than 2 years originated between August 27, 2021 and December 12, 2023, originated in a refinancing with the creditor of commercial debts for the importation of goods and services within the framework of the provisions of Section 3.20 of the Foreign Exchange Regulations; the entity must have a certification for access to the foreign exchange market issued within the 5 previous business days, by the entity that registered with the Central Bank within the concept code “P17. Registration of refinancing of commercial debt under item 20 of Communication “A” 7626”;
- (4) the customer has a Certification for the regimes of access to foreign currency for the incremental production of oil and/or natural gas, issued within the framework of the provisions of Section 3.21 of the Foreign Exchange Regulations, for the equivalent of the amount of capital to be paid; and
- (5) it is a financial indebtedness abroad included in the mechanism of Section 7.11 of the Foreign Exchange Regulations and the access date is consistent with the conditions required to be included in such mechanism.

Section 3.5.4 of the Foreign Exchange Regulations establishes that, as long as the requirement to obtain prior approval to access the foreign exchange market to pay, at maturity, the principal and interests of external financial indebtedness, such requirement will not be applicable when the use of the funds has been the financing of projects within the framework of the Plan GasAr 2020-2024; when the funds have been deposited and settled through the foreign exchange market as from November 16, 2020 and the average life of the indebtedness is not less than two years.

Access to the foreign exchange market for the payment of new issues of debt securities

Entities may access to the foreign exchange market for the payment of principal and services of debt securities denominated and publicly registered abroad when the debtor has settled through the foreign exchange market an amount equivalent to the face value of the external indebtedness.

The aforementioned requirement will be deemed to be met for the portion of debt securities publicly registered abroad issued as from January 7, 2021, intended to refinance pre-existing debt by extending their average life, for an amount equivalent to the refinanced principal, and provided that the new securities do not have a principal maturity schedule within two years, for interest accrued through the date of refinancing and, interest that would accrue during the first two years on the refinanced indebtedness and/or on the deferral of the refinanced principal and/or interest that would accrue on the refinanced amounts.

Duly registered securities that are denominated and payable in foreign currency in Argentina

Pursuant to Section 2.5 of the Foreign Exchange Regulations, resident debt issuers will have access to the foreign exchange market for the payment at maturity of principal and interest of duly registered debt security issues that are denominated and payable in foreign currency in Argentina, to the extent that (i) they are fully subscribed in foreign currency, and (ii) provided that the proceeds of the issue are previously settled through the foreign exchange market.

On June 28, 2024, the Central Bank issued Communication “A” 8055, by virtue of which it established that financial entities may also grant access to the foreign exchange market to their resident clients for the cancellation in the country or abroad of the principal and interest installments of debt securities denominated in foreign currency, provided that the remaining applicable requirements are met, as long as the securities have been fully subscribed abroad and all the funds obtained have been settled in the foreign exchange market.

In the event that the payment must be made abroad, access to the foreign exchange market may be granted up to 3 business days before the due date of the principal and/or interest.

Additionally, it established that if clients complete a sale operation with a repurchase obligation using BOPREAL bonds acquired in primary bidding:

1. The sale of the securities at the origin of the transaction should not be considered for the purposes of preparing the affidavit provided for in sections 3.16.3.1. and 3.16.3.2. of the Foreign Exchange Regulations in line with the provisions of the first paragraph of section 4.7.2. of said regulations.
2. The mentioned sale will not enable the client to complete securities transactions for the difference between the value obtained from the sale and the nominal value of the securities contemplated in the second paragraph of the aforementioned section.
3. Once the client has regained possession of the BOPREAL bonds, the securities will receive the same treatment as those acquired in primary bidding.

Non-resident access to the foreign exchange market

Pursuant to section 3.13 of the Foreign Exchange Regulations, the prior approval of the Central Bank will be required for access to the foreign exchange market by non-residents for the purchase of foreign currency, with the exception of the following situations:

- (i) international organizations and institutions that perform the functions of official export credit agencies;
- (ii) diplomatic representations and consular and diplomatic personnel accredited in the country for transfers made in the exercise of their functions;
- (iii) representatives of courts, authorities or offices, special missions, commissions or bilateral organizations established by treaties or international agreements, to which the Argentine Republic is a party, to the extent that the transfers are made in the exercise of their functions;
- (iv) transfers abroad on behalf of persons who are beneficiaries of retirement and/or pensions paid by the National Administration of Social Security ("ANSES"), for up to the amount paid by such agency in the calendar month and to the extent that the transfer is made to a bank account owned by the beneficiary in his/her registered country of residence;
- (v) purchase of foreign currency bills by non-resident individuals for expenses related to tourism and travel, up to a maximum amount of US\$100 across all entities, to the extent that the financial institution can verify in the online system implemented by the Central Bank that the customer has settled an amount equal to or greater than the amount to be purchased within the 90 days prior to the transaction. This transaction will be enabled once the sale of foreign currency settled by the client has been registered with the Central Bank by the intervening entity according to the usual guidelines (framed settlements, during their validity, in the transaction with securities on behalf of and for the account of non-resident tourists will not be taken into account for the purposes of this section);
- (vi) transfers to offshore bank accounts of persons who are beneficiaries of pensions granted by the National State in accordance with Laws No. 24,043, No. 24,411, No. 25,914 and complementary laws;
- (vii) repatriations of direct investments of non-residents in companies that are not controlling companies of local financial entities, to the extent that the capital contribution has been entered and settled

through the foreign exchange market as from October 2, 2020 and the repatriation takes place at least two years after its entry;

- (viii) repatriations of direct investments by non-residents up to the amount of investment contributions entered and settled through the foreign exchange market from November 16, 2020, provided that all of the following conditions are met: (a) the destination of the funds has been the financing of projects framed within the Plan GasAr 2020-2024; (b) the entity has documentation proving the effective entry of the direct investment into the resident company; and (c) access occurs no earlier than 2 calendar years from the date of settlement in the foreign exchange market of the transaction that allows for compliance with this section;
- (ix) repatriations of direct investments by non-residents in companies that are not controlling companies of local financial entities, provided they have a "Certification for the Foreign Exchange Access Regimes for Incremental Oil and/or Natural Gas Production (Decree No. 277/22)," issued under the provisions of section 3.17 of the Foreign Exchange Regulations, for the equivalent amount to be repatriated; and
- (x) repatriations of portfolio investments by non-residents originating from profits and dividends collected in the country since September 1, 2019, from distributions determined by the shareholders' meeting for closed and audited balances, provided that the transaction is carried out through an exchange and/or arbitration with funds deposited in a local account and originating from collections in foreign currency of principal or interest on BOPREAL bonds.

On September 19, 2024, the Central Bank issued Communication "A" 8108 which establishes that access to the foreign exchange market may be granted for the repatriation of direct investments by non-Argentine residents made through Argentine residents who participate in the capital stock of an Argentine company. This access must be granted simultaneously with the transfer of funds from outside of Argentina for financial indebtedness that has an average life of at least four years and includes a minimum three-year grace period for capital repayment. Additionally, the Argentine company must belong to a specific economic sector, including forestry, tourism, infrastructure, mining, technology, steel, energy, oil, and gas.

Access to the foreign exchange market for savings or investment purposes by individuals

Pursuant to Section 3.8 of the Foreign Exchange Regulations, Argentine residents may access the foreign exchange market for purposes of asset formation abroad, family assistance and derivative transactions (with some expressly stated exceptions) for up to US\$200 (through debits to local bank accounts) or US\$ 100 (in cash) per person per month through all authorized exchange entities. If the access involves a transfer of funds abroad, the destination account must be an account owned by the same person.

In all cases, the general requirements detailed under "—Specific Provisions on Access to the Foreign Exchange Market - General Requirements" apply.

Purchases in Argentine pesos made abroad with debit cards and amounts in foreign currency acquired by physical persons in the foreign exchange market as from September 1, 2020, for the payment of obligations between residents within the framework of Section 3.6 of the Foreign Exchange Regulations, including payments for purchases with credit cards in foreign currency, will be deducted, as from the following calendar month, from the monthly quota of US\$ 200. If the amount of such purchases exceeds the quota available for the following month or such quota has already been absorbed by other purchases made since September 1, 2020, such deduction shall be made from the quotas of the following months until the amount of such purchases is completed.

The corresponding entity will verify in the online system implemented by the Central Bank whether the person has not reached the limits set for the corresponding calendar month or has not exceeded them in the previous calendar month and, therefore, is entitled to perform the exchange transaction.

In addition, by means of Communication "A" 7606, the Central Bank established that users of public utilities that requested and obtained the subsidy in the tariffs derived from the supply of natural gas and/or electric energy, as well as those that had obtained it automatically, and those that maintain the subsidy in the potable water tariffs, may not, while maintaining the mentioned benefit: (i) access the foreign exchange market to make purchases of foreign currency by physical persons for the formation of foreign assets of residents, remission of family aid and for operations with derivatives, under the terms of Section 3.8. of the Foreign Exchange Regulations; nor (ii) to carry out the transactions set forth in Section 4.3.2. of the Foreign Exchange Regulations.

Finally, through Communication "A" 7609 the Central Bank established, effective as from September 20, 2022, that customers who are legal persons residing in the country engaged in agricultural activities who sell goods within the framework of Decree No. 576/2022 to those who export them directly or as a result of a productive process carried out in the country may not: (i) access the foreign exchange market to make purchases of foreign currency by physical persons for the formation of foreign assets of residents, remission of family assistance and for transactions with derivatives, under the terms of Section 3.8. of the Foreign Exchange Regulations; nor (ii) to carry out the transactions set forth in Section 4.3.2. of the Foreign Exchange Regulations. These last provisions are not applicable to physical persons. On February 22, 2024, by virtue of Communication "A" 7968, section 4.3.2.7. of the Foreign Exchange Regulations (that established that resident legal entities engaged in agricultural activities that sold goods under Decree No. 576/22 could not carry out the operations listed in sections 3.16.3.1. and 3.16.3.2. of the Foreign Exchange Regulations) was revoked.

Access to the foreign exchange market by other residents -excluding entities- for the formation of foreign assets and for derivative transactions

Pursuant to Section 3.10 of the Foreign Exchange Regulations, access to the foreign exchange market for the constitution of foreign assets and for derivative transactions by local governments, investment funds, other universalities established in Argentina, requires the prior authorization of the Central Bank.

Access to the foreign exchange market by guarantee trusts for the payment of principal and interest

Pursuant to Section 3.7 of the Foreign Exchange Regulations, Argentine guarantee trusts created to guarantee principal and interest payments of resident debtors may access the foreign exchange market to make such payments at their scheduled maturity, to the extent that, in accordance with the applicable regulations in force, the debtor would have had access to the foreign exchange market to make such payments directly. Also, under certain conditions, a trustee may access the foreign exchange market to guarantee certain principal and interest payments on foreign financial debt and anticipate access to the foreign exchange market.

Derivative transactions

Section 3.12 of the Foreign Exchange Regulations requires that, as from September 11, 2019, the settlement of futures transactions in regulated markets, "forwards", options and any other type of derivatives entered into in the country, be made in Argentine pesos.

Likewise, access to the foreign exchange market will be allowed for the payment of premiums, constitution of guarantees and cancellations corresponding to interest rate hedging contract transactions for the obligations of residents abroad declared and validated, as applicable, in the Relevance of Foreign Assets and Liabilities, provided that such guarantees do not cover risks higher than the foreign liabilities incurred by the debtor at the interest rate of the risk being hedged through such transaction. The client that access the local market through this mechanism must designate an authorized institution to operate in the foreign exchange market that will do the follow up the operation and will submit an affidavit committing to repatriate and settle the funds corresponding to it as a consequence of such operation or as a consequence of the release of the money from the guarantee, within 5 business days following the date on which such payment or release occurs.

Profit and dividend payment

Pursuant to Section 3.4 of the Foreign Exchange Regulations, access to the foreign exchange market for the transfer of foreign currency abroad for the payment of dividends and profits to non-resident shareholders is subject to the prior approval of the Central Bank, unless the following requirements are met:

- (i) Dividends must correspond to closed and audited balance sheets.
- (ii) The total amount paid to non-resident shareholders shall not exceed the amount in Argentine pesos that correspond according to the distribution determined by the shareholders' meeting.
- (iii) If applicable, the External Assets and Liabilities Survey must have been complied with for the transactions involved.
- (iv) The company falls within one of the following situations and fulfills all the conditions stipulated in each case:
 - (a) Records direct investment contributions settled as of January 17, 2020. In which case, (i) the total amount of transfers made in the foreign exchange market for the payment of dividends to non-resident shareholders may not exceed 30% of the total value of the capital contributions made in the relevant local company that have entered and been settled through the foreign exchange market as of January 17, 2020, (ii) access will only be granted after the expiration of a term of not less than 30 calendar days as from the settlement date of the last capital contribution taken into account to determine the aforementioned 30% capital cap, and (iii) the definitive capitalization of the capital contributions must be accredited or, failing that, the filing of the registration procedure of the capital contribution with the Public Registry must be evidenced. In this case, the accreditation of the definitive capitalization must be made within 365 calendar days following the date of the initial filing with the Public Registry.
 - (b) Profits generated in projects under the Plan GasAr 2020-2024. In this case, (i) the profits generated by the foreign direct investment contributions entered and settled through the foreign exchange market as from November 16, 2020, destined to the financing of projects framed within the Plan GasAr 2020-2024. If the client is a direct beneficiary of Decree No. 277/2022, the value of the benefits of the client, directly or indirectly, shall be deducted from the amount allowed in the preceding paragraph, (ii) the access to the foreign exchange market occurs no earlier than two years from the date of settlement in the foreign exchange market of the contribution that allows the framing in this section, and (iii) the client must submit the documentation supporting the definitive capitalization of the contribution.
 - (c) The client must have a Certification of Increased Exports of Goods for years 2021 to 2023 issued under section 3.18 of the Foreign Exchange Regulations, for the equivalent value of the profits and dividends being paid.
 - (d) It has a "Certification for the Foreign Exchange Access Regimes for Incremental Oil and/or Natural Gas Production (Decree No. 277/22)" issued under the provisions of section 3.17. of the Foreign Exchange Regulations, for the equivalent value of the profits and dividends being paid.
 - (e) The client carries out an exchange and/or arbitration transaction with funds deposited in a local account and originating from collections in foreign currency of principal or interest on BOPREAL.

Cases that do not comply with the above conditions will require the prior approval of the Central Bank to access the foreign exchange market for the purchase of foreign currency for the distribution of profits and dividends.

On April 30, 2024, through Communication "A" 7999, the Central Bank established that clients may subscribe BOPREAL for up to the equivalent amount in local currency of the profits and dividends pending payment to non-resident shareholders according to the distribution determined by the shareholders' meeting. The entity that completes the subscription offer on behalf of the client must verify compliance with the established requirements.

Additionally, among other provisions, clients may access the foreign exchange market for the payment of profits and dividends, provided that the applicable requirements are met, by carrying out an exchange and/or arbitration with funds deposited in a local account and originating from collections of principal and interest in foreign currency of BOPREAL.

Finally, regarding the profits and dividends collected in pesos in the country by non-residents from September 1, 2019, and which have not been remitted abroad, it established, among other things, that non-resident clients may subscribe BOPREAL for up to the equivalent amount in local currency of the profits and dividends collected from September 1, 2019, according to the distribution determined by the shareholders' meeting, adjusted by the latest available CPI published by the INDEC at the subscription date. The entity that completes the subscription offer on behalf of the client must have documentation that supports and verifies compliance with the indicated conditions.

Other specific provisions

Swaps, arbitrage and securities transactions

Financial institutions may carry out foreign exchange operations and arbitrage operations with their clients in the following cases:

- (i) An individual transfers funds from his local accounts (which are already in foreign currency) to his own bank accounts outside of Argentina.
- (ii) The transfer of foreign currency abroad by local common depositaries of marketable securities in connection with income received in foreign currency on account of principal and interest services on Argentine treasury bonds or Central Bank bonds when such transaction is part of the payment procedure at the request of foreign common depositaries.
- (iii) Foreign currency transfers abroad made by individuals from their local accounts denominated in foreign currency to offshore collection accounts up to an amount of US\$500 in any month, provided that the individual submits an affidavit stating that the transfer is made to assist in the support of Argentine residents who were forced to remain abroad in compliance with the measures adopted in response to the COVID-19 pandemic.
- (iv) Arbitrage transactions not originating in transfers from abroad may be carried out without any restriction, to the extent that the funds are debited from a foreign currency account held by the customer with a local financial institution. To the extent that the funds are not debited from a foreign currency account held by the customer, these transactions may be carried out by individuals, without the prior approval of the Central Bank, up to the amount allowed for the use of cash under Sections 3.8. and 3.13 of the Foreign Exchange Regulations.
- (v) Exchange and arbitration transactions with funds deposited in a local account and originating from collections of principal and interest in foreign currency of BOPREAL, provided that the applicable requirements are met, intended for: (a) The payment of commercial debts for imports of goods with customs entry registration up to December 12, 2023, eligible according to the provisions of section 4.4. of the Foreign Exchange Regulations; (b) The payment of commercial debts for services rendered or accrued up to December 12, 2023, eligible according to the provisions of section 4.5. of the Foreign Exchange Regulations; (c) The payment of debts to non-resident shareholders for profits and dividends eligible according to the provisions of section 4.6.1. of the Foreign Exchange Regulations; and (d) The repatriation of portfolio investments by non-residents originating from profits and dividends collected in the country since 1 September, 2019, from distributions determined by the shareholders' meeting

for closed and audited balances, eligible according to the provisions of section 4.6.2. of the Foreign Exchange Regulations.

- (vi) Transfer of foreign currency abroad by a local government from its foreign currency holdings deposited in local financial entities, including those constituting a surplus as provided in section 3.16.2 of the Foreign Exchange Regulations, provided that the regulatory requirements applicable to the type of operation to be carried out in the case that it is processed against pesos are met.
- (vii) All other exchange and arbitration operations can be carried out by clients without prior approval from the Central Bank as long as they would be permitted without such approval according to other foreign exchange regulations. This also applies to local common depositaries of securities with respect to income received in foreign currency as payments of principal and interest on foreign currency securities paid in Argentina.

If the transfer is made in the same currency in which the account is denominated, the financial institution will credit or debit the same amount as that received or sent from abroad. When the financial institution charges a commission or fee for these transactions, it will be instrumented in a specifically designated item.

Securities transactions

CNV General Resolution No. 988/2023, as amended, established a minimum holding period of 1 business day counted as of its accreditation at the Central Depository Agent of Negotiable Securities (“Agente Depositario Central de Valores Negociables”) for:

- a) sales of securities with settlement in foreign currency, regardless of jurisdiction or issuance law, to the extent that the purchase of said securities has been made with Argentine pesos;
- b) transfers of securities acquired with settlement in local currency to foreign depository entities, regardless of issuance law, unless their accreditation (i) results from a primary placement of securities issued by the National Treasury or by the Central Bank, in the framework of the Communication “A” 7918, as amended, (ii) refers to transactions under Articles 3.16.3.6 sections (v) and 4.7.2.2. of the Foreign Exchange Regulations, or (iii) refers to Argentine shares and/or certificates of deposit (CEDEAR) traded in markets regulated by the CNV.
- c) applying securities from foreign depository entities to transactions with settlement in foreign currency.

Intermediaries and trading agents must verify compliance with the aforementioned minimum holding periods.

Transfers of securities to foreign depository entities made by the client for the purpose of participating in a debt securities exchange issued by the Argentine government, local governments, or resident private sector issuers are not included in the aforementioned provisions. The client must present the corresponding certification for the exchanged debt securities.

Pursuant to currently applicable CNV rules, prior to executing or registering any of the aforementioned securities trade in CNV-authorized markets, local brokers must:

- (a) if the trade is to be performed by non-resident clients that do not qualify as foreign brokers: (i) ensure that the trades are for such client’s own portfolio and financed with its own funds, and (ii) ensure the trades do not exceed Ps. 200 million per day;
- (b) if the trade is to be performed by non-resident clients that qualify as foreign brokers, whether acting for their own portfolio or on behalf of Argentine clients, ensure that the trades do not exceed Ps. 200 million per client per day. If the foreign broker is acting as a depository of shares issued by local

issuers and carries out the trade for purposes of paying dividends to holders of ADRs, GDRs or similar certificates held in custody abroad, it is not subject to this requirement;

- (c) if the trade is to be performed by resident clients, acting on behalf of resident or non-resident third parties, ensure that the trades do not exceed Ps. 200 million per client per day; and
- (d) if the trade is to be performed by resident clients acting for their own portfolio and financed with their own funds, the above-mentioned daily trading limit does not apply.

Exceptions to the trade restrictions mentioned above apply to BOPREAL acquired in primary bidding and to the sale of securities with settlement in foreign currency and in local jurisdiction previously acquired in pesos by individual or corporate resident clients with funds from UVA mortgage loans granted by financial entities authorized to act as such under the terms of Law No. 21.526, up to the amount of the referred credits and provided that the proceeds from these sales are applied to the purchase of real estate in the country within the framework of the mentioned credits.

Communication “A” 8099

Communication “A” 8099 of the Central Bank regulates the foreign exchange benefits for Single Project Vehicles (“VPU” for its acronym in Spanish) adhering to the RIGI. The Central Bank has established (i) exceptions to the mandatory inflow and settlement of export proceeds in foreign currency made by a VPU adhering to the RIGI; (ii) exceptions to the mandatory inflow and settlement of foreign currency arising from export of services; (iii) access to the foreign exchange market to make payments of certain expenses; (iv) access to the foreign exchange market to make payment of dividends to non-resident shareholders; (v) application abroad of proceeds from exports of goods; and (vi) exchange stability applicable to the VPU, on the date of adherence to the RIGI.

Central Bank Information Regime

On December 28, 2017, the Central Bank replaced the information regimes established in Communications “A” 3602 and “A” 4237 with Communication “A” 6401 (and the complementary Communication “A” 6795), a unified regime applicable from December 31, 2017 (the “External Assets and Liabilities Survey”). The reporting requirements under the information regime vary depending upon the final balance of foreign assets and liabilities:

- For individuals or entities for whom the balance or the acquisition or sale of external assets and liabilities at the end of a given calendar year are equal to or exceed the equivalent of US\$50 million, a quarterly declaration prior to the end of each quarter and an annual declaration, which permits the correction, affirmation or update of quarterly declarations, must be filed.
- For individuals or entities for whom the balance or the acquisition or sale of external assets and liabilities at the end of a given calendar year are equal to or greater than US\$10 million, but less than US\$50 million, only an annual declaration is required.
- For individuals or entities for whom the balance or the acquisition or sale of external assets and liabilities at the end of a given calendar year are equal to or greater than US\$1 million but less than US\$10 million, only a simplified annual declaration is required.

There is no reporting obligation for individuals or entities for whom the balance or the acquisition or sale of foreign assets and liabilities at the end of a given calendar year are less than US\$1 million.

Access to the foreign exchange market for the repayment of foreign financial debt and other operations is conditioned on the debtor's compliance with the External Assets and Liabilities Survey. See “—Specific Provisions on Access to the Foreign Exchange Market— External financial indebtedness”.

Advance Notice of Foreign Exchange Operations

Entities authorized to operate with foreign currency must provide the Central Bank, at the end of each business day and with two business days' notice, information on outgoing operations through the Foreign Exchange Market for daily amounts equal to or greater than the equivalent of US\$10,000. Clients must inform financial entities in advance so that they can comply with the requirements of this information regime and, consequently, as long as other requirements established in the foreign exchange regulations are simultaneously met, they can process foreign exchange transactions.

On August 8, 2024, the Central Bank issued Communication "A" 8085, which established that from August 14, 2024, the daily amount from which compliance with this information regime will be required as a prerequisite for access to the foreign exchange market will be increased to the equivalent of US\$ 100,000. Additionally, it indicated that as of August 9, 2024, the "Foreign Exchange Information Registry for Exporters and Importers of Goods" provided for in section 3.16.5. of the Foreign Exchange Regulations will be revoked.

Foreign Exchange Criminal Regime

The Foreign Exchange Regulations establish that transactions that do not comply with the foreign exchange regulations established by said regulatory body will be subject to the Foreign Exchange Criminal Regime (Law No. 19,359 and its amendments).

For further information regarding all the current foreign exchange restrictions and control regulations, investors should seek advice from their legal advisors and read the applicable rules mentioned herein, as well as its amendments and complementary regulations, which are available at the website: <http://www.infoleg.gob.ar/>, or the Central Bank's website: www.bkra.gov.ar, as applicable. None of the information on or connected to such websites is incorporated by reference into this offering memorandum.

USE OF PROCEEDS

We estimate that the gross proceeds from the sale of the Notes will be approximately US\$412,851,600, before deducting the Initial Purchasers' discount and estimated offering expenses.

We intend to use the net proceeds from the sale of the Notes in accordance with the requirements of Section 36 of the Argentine Negotiable Obligations Law and other applicable laws and regulations in effect in Argentina as follows:

- refinancing of indebtedness, including repurchasing, redeeming or repaying our outstanding 2026 Notes and paying any expenses related thereto; and
- for other general corporate purposes, including repayment of indebtedness and working capital.

Pending application, the proceeds may be invested in short-term investments.

For more information on our indebtedness, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Indebtedness."

Certain of the Initial Purchasers and their affiliates may hold our 2026 Notes. To the extent that our 2026 Notes are repurchased, redeemed or repaid with the proceeds from the sale of the Notes, such Initial Purchasers or their affiliates would receive a portion of the proceeds from the sale of the Notes in respect of our 2026 Notes.

CAPITALIZATION

The table below sets forth our current debt, non-current debt and capitalization as of June 30, 2024, (i) on an actual basis and (ii) as adjusted to give effect to this offering, including the use of proceeds. See “Use of Proceeds” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations–Liquidity and Capital Resources.”

This information should be read in conjunction with our Financial Statements included elsewhere in this offering memorandum and with the information under “Presentation of Financial and Other Information.”

	As of June 30, 2024	
	Actual	As adjusted ⁽¹⁾
	(In thousands of US\$)	
Current debt		
Loans.....	273,424	257,797
Lease liabilities	2,579	2,579
Total current debt	276,003	260,376
Non-current debt		
Loans.....	746,609	347,107
Lease liabilities	7,951	7,951
Notes offered hereby	-	410,421
Total non-current debt.....	754,560	765,479
Total current and non-current debt	1,030,563	1,025,855
Total shareholders’ equity	1,183,662	1,171,956
Total capitalization.....	2,214,225	2,197,811

(1) Reflects the repurchase, redemption or repayment in full of our outstanding 2026 Notes.

Except as described above, there have been no material changes to our capitalization since June 30, 2024, other than as set forth in “Summary–Recent Developments–General Levalle Wind Farm.”

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations is based on, and should be read together with, our Financial Statements included elsewhere in this offering memorandum, as well as the information set forth in "Presentation of Financial and Other Information". This discussion includes forward-looking statements reflecting our current expectations which involve risks and uncertainties, as described in "Forward-Looking Statements". Actual results and the timing of events could differ materially from those discussed in our forward-looking statements as a result of many factors, including those set forth under "Risk Factors" and elsewhere in this offering memorandum. You should review the Risk Factors set forth elsewhere in this offering memorandum for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained herein.

Overview

We are a leading Argentine power company, primarily engaged in the development and generation of electric power from both conventional (thermal) and renewable (wind and solar) sources. We provide efficient and sustainable energy in a profitable manner, optimizing the use of natural resources and contributing to Argentina's energy development through strategically diversified assets located across seven provinces of Argentina. As of the date of this offering memorandum, we own and operate fifteen power plant assets with a total net installed capacity of 3,299 MW, of which 559 MW correspond to renewable installed capacity.

We currently have ten thermal plants, four wind farms and one solar park in operation. The following table presents a brief description of our operating power plant assets.

<u>Power Plant Asset</u>	<u>Location</u>	<u>Installed capacity (MW)</u>	<u>Regulatory Framework / Offtaker</u>	<u>Technology</u>	<u>COD</u>	<u>Commencement date of PPA(s)</u>	<u>Expiration date of PPA(s)</u>
<i>Thermal Power Plants</i>							
Tucumán ⁽¹⁾	Province of Tucumán	447	Energía Base ⁽⁵⁾ and PPA with CAMMESA ⁽⁶⁾	Combined Cycle	1996/1997	March 2023	February 29, 2028
San Miguel de Tucumán ⁽¹⁾	Province of Tucumán	382	Energía Base ⁽⁵⁾ and PPA with CAMMESA ⁽⁶⁾	Combined Cycle	1995/2000	March 2023	February 29, 2028
El Bracho ⁽¹⁾	Province of Tucumán	473	PPA with CAMMESA ⁽⁷⁾ ⁽⁸⁾	Combined Cycle	2018/2020	January 2018/October 2020	January 26, 2028/October 23, 2035
Loma Campana I.....	Province of Neuquén	105	PPA with YPF ⁽⁹⁾	Simple Cycle	2017	November 2017	November 6, 2032
Loma Campana II.....	Province of Neuquén	107	PPA with CAMMESA ⁽⁷⁾	Simple Cycle	2017	November 2017	November 29, 2027
Loma Campana Este ⁽²⁾	Province of Neuquén	17	PPA with YPF ⁽⁹⁾	Reciprocating Engines	2017	July 2017	May 20, 2026
LPC I ⁽³⁾	Province of Buenos Aires	128	Energía Base ⁽⁵⁾ and PPA with YPF ⁽⁹⁾	Cogeneration	1997	January 2018	January 4, 2033
LPC II ⁽³⁾	Province of Buenos Aires	90	Energía Base ⁽⁵⁾ and PPAs with CAMMESA ⁽⁸⁾ and YPF ⁽⁹⁾	Cogeneration	2020	October 2020	October 26, 2035

Power Plant Asset	Location	Installed capacity (MW)	Regulatory Framework / Offtaker	Technology	COD	Commencement date of PPA(s)	Expiration date of PPA(s)
Manantiales Behr.....	Province of Chubut	58	PPA with YPF ⁽⁹⁾	Reciprocating Engines	2021	March 2021	March 27, 2041
Central Dock Sud ⁽⁴⁾	Province of Buenos Aires	933	Energía Base ⁽⁵⁾ and PPA with CAMMESA ⁽⁶⁾	Combined Cycle/ Simple Cycle	2001	March 2023	February 29, 2028
<i>Renewables</i>							
Manantiales Behr Wind Farm.....	Province of Chubut	99	PPAs with YPF and other industrial clients ⁽¹⁰⁾	Wind farm	2018	December 2018	Several PPAs ⁽¹⁰⁾
Los Teros Wind Farm.....	Province of Buenos Aires	175	PPAs with YPF and other industrial clients ⁽¹¹⁾	Wind farm	2020/2021	September 2020	Several PPAs ⁽¹¹⁾
Cañadón León Wind Farm.....	Province of Santa Cruz	123	PPAs with CAMMESA ⁽⁶⁾ and YPF ⁽⁹⁾	Wind farm	2021	December 2021	September 2036
Zonda Power Solar Park..	Province of San Juan	100	PPAs with industrial clients ⁽¹²⁾	Solar park	May 2023	May 2023	Several PPAs ⁽¹²⁾
General Levalle Wind Farm.....	Province of Córdoba	62 ⁽¹³⁾	PPAs with industrial clients ⁽¹⁴⁾	Wind farm	August 2024	August 2028	Several PPAs ⁽¹⁴⁾
Total.....		3,299					

- (1) Part of the “Tucumán Complex.”
- (2) Not connected to the SADI. See “Business—Our Power Plant Assets—Our Thermal Power Plants—Loma Campana Este.”
- (3) The LPC I and LPC II power plants also produce between 190 and 210 tons of steam per hour, and between 190 and 200 tons of steam per hour, respectively, which are sold to YPF.
- (4) As of the date of this offering memorandum, we own 70.16% equity interest in IDS, which owns 71.77% of the equity interest in CDS, which owns the Central Dock Sud thermal power plant.
- (5) Resolution No. 233/2024.
- (6) Resolution No. 59/2023.
- (7) Resolution No. 21/2016.
- (8) Resolution No. 287/2017.
- (9) We were authorized to operate our Loma Campana I power plant as a self-power generator under Resolution No. 307/2016. We entered into a PPA with YPF for the sale of the power generated by our Loma Campana I power plant under the regulatory framework applicable to self-power generators under Resolution No. 269/08.
- (10) The generation under this wind farm is committed under nine PPAs with the private sector. The terms of such PPAs are from 5 to 21 years with a weighted average term of 6.8 years.
- (11) The generation under this wind farm is committed under twenty PPAs with the private sector. The terms of such PPAs are from 5 to 20 years with a weighted average term of 9.2 years.
- (12) The generation under this solar park is committed under twenty-three PPAs with the private sector. The terms of such PPAs are from 3 to 10 years with a weighted average term of 5 years.
- (13) The first stage of the General Levalle wind farm commenced operations in August 2024 with an installed capacity of 24.8 MW. In September 2024, the installed capacity of the General Levalle wind farm increased to 62 MW. Full commercial operations with a total of 155 MW of installed capacity are expected to commence during the fourth quarter of 2024.
- (14) The generation under this wind farm is committed under twenty-four PPAs with the private sector. The terms of such PPAs are from 1 to 10 years with a weighted average term of 7 years.

Key Factors Affecting our Operations

Our results of operations have been affected and will continue to be affected by numerous factors, including the factors described in this section, some of which are outside of our control.

Argentine Macroeconomic Conditions

As all of our operations, facilities and customers are located in Argentina, we are affected by macroeconomic conditions in the country, including changes in economic, political and regulatory conditions, such as inflation and fluctuations in foreign exchange rates. The volatility in the Argentine economy and the measures taken by the Argentine government have had, and are expected to continue to have, a significant impact on our business. See “Risk Factors—Risks Relating to Argentina—Our business is largely dependent upon economic conditions in Argentina.”

On November 19, 2023, presidential elections were held, and Javier Milei was elected President of Argentina with 55.69% of the votes. The current Argentine administration faces significant macroeconomic challenges, such as reducing the inflation rate, achieving commercial and fiscal surpluses, accumulating U.S. dollar reserves, supporting the Argentine peso, eliminating exchange controls, refinancing debt owed to private creditors, and improving the competitiveness of the Argentine economy. Since the Argentine administration took office, a large number of policies aimed at deregulating the Argentine economy and limiting government intervention in the private sector have been implemented, including the suspension of public work tenders and reduction in energy and transport subsidies, and it is expected that further measures will be adopted in the future. However, several of these measures are being challenged in Congress and submitted to judicial proceedings, and the existing uncertainty as to the economic measures the Argentine administration will adopt and their effect on the economy may result in volatility in the market prices for Argentine companies’ securities, including, in particular, energy companies, such as us, due to the high level of regulation and government intervention inherent to the sector.

The following table sets forth key economic indicators in Argentina during the periods indicated:

	2023	2022	2021	2020	2019
Economic Activity					
Real GDP (pesos of 2004) (% change) as % of GDP ⁽¹⁾	(1.66)%	5.3%	10.4%	(9.9)%	(2)%
Real GDP (in billions of pesos of 2004) ⁽¹⁾	640,591	632,770	487,227	385,540	447,755
Price indexes and exchange rate information					
Consumer Price Index (INDEC CPI) (% change)	211.14%	94.8%	50.9%	36.1%	53.8%
Wholesale Price Index (WPI) (% change)	276.4%	94.8%	51.3%	35.4%	58.5%
Nominal Exchange Rate ⁽²⁾ (in Ps./US\$ at fiscal year-end)	806.95	177.06	102.62	84.05	59.79

Sources: Argentine Ministry of Economy, Central Bank and INDEC.

(1) Information provided by INDEC.

(2) Wholesale reference exchange rates quoted by the Central Bank (Communication “A” 3500 of Central Bank).

Inflation

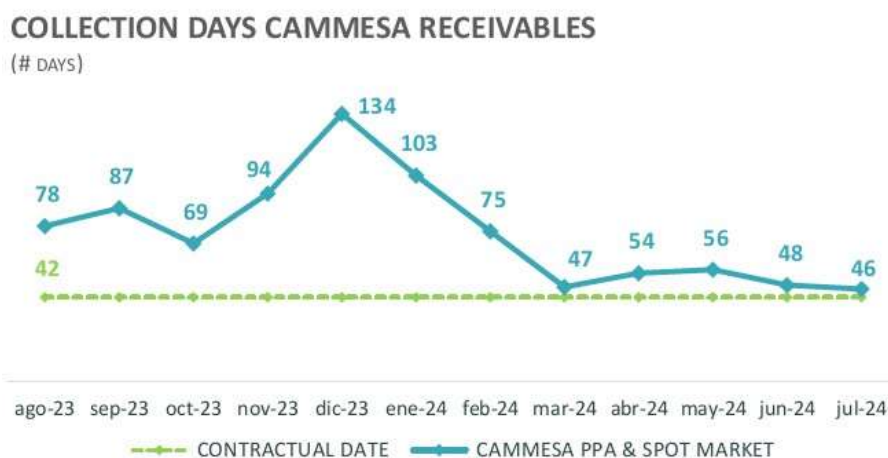
Argentina has confronted and continues to confront high inflationary pressures. In 2020, the CPI and WPI increased 36.1% and 35.4%, respectively, compared to 2019. In 2021, the CPI and WPI increased 50.9% and 51.3%, respectively, compared to 2020. In 2022, the CPI and WPI increased 98.4% and 94.8%, respectively, compared to

2021. In 2023, the CPI and WPI increased 211.14% and 276.4%, respectively, compared to 2022. From January through August 2024, inflation remained at high levels, and the CPI increased on a monthly basis by 20.6%, 13.2%, 11%, 8.8%, 4.2%, 4.6%, 4.0% and 4.2%, respectively, compared to increases of 6.0%, 6.6%, 7.7%, 8.4%, 7.8%, 6.0%, 6.3% and 12.4%, respectively, during the same period in 2023.

Inflation in Argentina has had a significant impact on our results of operations. In particular, inflation typically adversely impacts, unless offset by the depreciation of the Argentine peso, our construction costs and our cost of sales and administrative expenses, in particular our payroll and social security charges.

Exchange Rate Fluctuation

The remuneration under Energía Base is denominated and payable to us in Argentine pesos. The remuneration under our PPAs with CAMMESA are denominated in U.S. dollars and payable in Argentine pesos, and CAMMESA currently covers any exchange rate fluctuation effects during the first 42 days after the billing date. As a result, with respect to our PPAs with CAMMESA, we are exposed to devaluation risk if a devaluation of the Argentine peso occurs after such 42-day period. In recent years, those payments have at times been delayed to more than 100 days on average. As of the date of this offering memorandum, CAMMESA’s average term for making payments to power generators, including the Company, is between 50 and 65 days from the end of the relevant month, however, such term could be significantly longer in the future. We have also entered into U.S.-dollar denominated PPAs with YPF and various private sector users, under which the rates are payable to us in U.S. dollars. See “Risk Factors–Risks Relating to Argentina–We may be exposed to fluctuations in foreign exchange rates” and “Risk Factors–Risks Relating to the Electric Power Sector in Argentina–CAMMESA may alter or delay payments to electric power generators.” Below is a chart showing the number of days of delay in the payments made by CAMMESA under Energía Base and the PPAs entered into with CAMMESA from August 2023 until July 2024.



Our results of operations have been affected and will continue to be affected by the fluctuation of the Argentine peso/U.S. dollar exchange rate. The devaluation of the peso typically results in lower costs in U.S. dollars; however, the effect may be offset by increased inflation in Argentina.

Electricity Demand and Supply

According to Bloomberg, projected global demand is expected to increase 40% between 2016 and 2040. Specifically, demand in non-OECD (Organization for Economic Co-operation and Development) countries is expected to almost double by 2050 due to strong consumption growth and increased electrification fueled by more than US\$10 trillion of expected power generation investments between 2016 and 2040.

Demand for electricity depends in Argentina, to a large extent, on the prevailing macroeconomic conditions and on seasonal factors. In general terms, industrial demand for prevailing electricity varies depending on

developments in the Argentine economy, while residential consumption is strongly linked to temperature and other climatic factors, as well as the prices perceived by users.

Since the 2001-2002 economic crisis, the demand for electricity in Argentina experienced sustained growth year after year, driven by the economic upturn and tariff freezing, except in specific cases such as during the global financial crisis between 2008 and 2009, the COVID-19 pandemic and the economic recession in Argentina between 2022 and 2024.

As of December 31, 2023, Argentina had an installed capacity of 43,774 MW, which represents approximately 847 MW more than in 2022. 58% of this capacity corresponds to thermal sources, 25% to hydroelectric plants, 13% to non-conventional renewable energies, including wind farms, solar park and renewable hydroelectric and biofuels, and 4% to nuclear plants. During 2023, approximately 917 MW were added to the system, of which approximately 607 MW corresponded to renewable sources (396 MW to wind farms, 280 MW to solar park and 9 MW to renewable hydroelectric and biofuels) and the rest corresponds to new thermal capacity. However, approximately 70 MW went out of service due to the existence of inefficient thermal plants and diesel engines that ceased to be engaged by CAMMESA.

In 2023, power generation reached 141,396 GWh which represents an increase of 1.9% compared to 2022, mainly due to higher electricity demand during the year. Electricity consumption reached 140,884 GWh which represented an increase of 1.5% compared to 2022, when electricity consumption was 138,775 GWh, surpassing the decline caused by the COVID-19 pandemic and returning to historical natural growth levels. In 2023, residential demand, large users demand and demand from small commercial and industrial users accounted for 46%, 26% and 28% of the total system demand, respectively. In 2023, residential and commercial users demand increased 3.4% and 1.1%, respectively, compared to 2022, and large and industrial users demand decreased 1.1% compared to 2022. In 2023, thermal generation and hydroelectric generation continued to be the main energy sources used by electricity demand, and 52% and 28% of the electricity demand during the year was generated by thermal power and hydroelectric generation, respectively.

In 2023, non-conventional renewable energy generation increased by 3.9% compared to 2022, however, it represented 14% of the total generation in 2023, not reaching the target of 16% established by Law No. 27,191. Wind generation was the main source of non-conventional renewable energy in Argentina, representing 72.1% of such renewable energy, followed by solar power with 16.2%, renewable hydroelectric with 5.9%, and biofuels with 5.8%. Hydroelectric generation increased by 30.3% compared to 2022 due to higher river flows for generation. The capacity factor for each renewable technology was 88%, 47.7%, 29.6%, 25.5% for biofuels, wind, solar and renewable hydroelectric plants, respectively. Nuclear energy increased 20% compared to 2022 due to the higher availability of nuclear plants during the year, and represented 6% of the total generation in 2023.

In 2023, natural gas represented 85% of all the fuel sources used for thermal generation, which represents an increase compared to 76.8% in 2022. The other sources were liquid fuels and coal.

In 2023, Argentina imported 6,241 GWh of electric power from Brazil (approximately 93%), Uruguay (approximately 4%), Paraguay (approximately 2%), Bolivia (approximately 1%) and Chile (approximately 1%) mainly from hydraulic, thermal, and low-cost surplus renewable sources. In 2023, exports from Argentina reached 97.7 GWh which represents an increase of 213% compared to 2022. The exported power was mainly supplied to Brazil (approximately 80%) and Uruguay (approximately 20%).

Our Revenues

Below we summarize key aspects of our most significant sources of revenue, which include our revenues derived from: (i) PPAs, (ii) Energía Base, and (iii) steam sales. During the years ended December 31, 2023 and 2022, (i) our revenues under our PPAs accounted for 76.7% and 78.5% of our revenues, respectively, (ii) our revenues under Energía Base accounted for 15.4% and 14.0% of our revenues, respectively, and (iii) our revenues under steam sales accounted for 7.8% and 6.7% of our revenues, respectively. During the six-month periods ended June 30, 2024 and 2023, (i) our revenues under our PPAs accounted for 75.7% and 77.2% of our revenues, respectively, (ii) our revenues under Energía Base accounted for 16.9% and 15.1% of our revenues, respectively, and (iii) our revenues under steam

sales accounted for 7.3% and 7.5% of our revenues, respectively. In 2023 and the six-month period ended June 30, 2024, our revenues from sales of renewable energy represented approximately 25% of our total revenues.

Our PPAs

Our revenues mainly derive from long-term U.S. dollar-denominated PPAs with CAMMESA and YPF, with terms ranging from 3 to 20 years. All our existing PPAs for our thermal power plants provide for payments for firm capacity based on the electricity effectively delivered. In addition, our existing PPAs with YPF for our Loma Campana I, Loma Campana Este, LPC I, LPC II and Manantiales Behr thermal power plants, and our existing PPAs with CAMMESA for our Tucumán, San Miguel de Tucumán, El Bracho, Loma Campana II, LPC II and Central Dock Sud thermal power plants, provide for payments for firm capacity based on the availability of our plants.

The fuel needed to produce power under our PPAs with YPF is supplied by YPF. The fuel needed to produce power under our PPAs with CAMMESA is supplied by CAMMESA, but limited by the specific guaranteed consumption of the generator units installed in each plant. The fuel consumed by the generating units that exceeds the specific guaranteed consumption is deducted monthly from the payments made by CAMMESA at the prices established by CAMMESA.

Revenues from wind farms derive from PPAs with YPF and other industrial clients, such as Profertil S.A., Coca-Cola FEMSA de Buenos Aires S.A., Toyota Argentina S.A., Nestle Argentina S.A. and Roca Argentina S.A, among others, and CAMMESA. In addition, we have entered into PPAs with industrial clients in connection with our Zonda solar park, including Ford, Renova, Accenture and Molinos Rio de la Plata. Although under PPAs for renewable energy we are compensated based on the amount of energy delivered, our wind farms and our solar park benefit from dispatch priority granted by CAMMESA and from favorable wind and solar conditions. Our PPAs related to renewable energy are denominated in U.S. dollars.

Below are details regarding the installed capacity of each of our thermal power plants committed under our PPAs with CAMMESA and YPF.

Power Plant Asset	Offtaker	Committed Capacity (MW)	Average Price for Capacity (US\$/MW/Month) ⁽¹⁾	Average Price for Electricity (US\$/MW) ⁽¹⁾	Type of fuel	Term (in years)	COD	Expiration Date
Tucumán	CAMMESA	447	5.252 ⁽²⁾	3.5	Natural gas ⁽³⁾	5	1996/1997	February 29, 2028
San Miguel de Tucumán	CAMMESA	382	5.252 ⁽²⁾	3.5	Natural gas ⁽³⁾	5	1995/2000	February 29, 2028
El Bracho GT	CAMMESA	261.28	13.100	11.82	Natural gas ⁽³⁾	10	2018	January 26, 2028
El Bracho ST	CAMMESA	198	22.200	5	Natural gas ⁽³⁾	15	2020	October 23, 2035
Loma Campana I	YPF	105	N/A	29.88	Natural gas ⁽⁴⁾	15	2017	November 14, 2032
Loma Campana II	CAMMESA	105.22	10.000	9.35	Natural gas ⁽³⁾	10	2017	November 29, 2027
Loma Campana Este	YPF	8	N/A	28/16.51 ⁽⁵⁾	Natural gas ⁽⁴⁾	3	2017	May 20, 2026
LPC I	YPF	60	N/A	29.71	Natural gas and liquid fuel ⁽⁴⁾	12	2018	January 4, 2033
LPC II	CAMMESA and YPF	80.62 ⁽⁶⁾ /71.95 ⁽⁷⁾	18.600	8	Natural gas and liquid fuel ⁽⁴⁾	15	2020	October 26, 2035

Power Plant Asset	Offtaker	Committed Capacity (MW)	Average Price for Capacity (US\$/MW/Month) ⁽¹⁾	Average Price for Electricity (US\$/MW) ⁽¹⁾	Type of fuel	Term (in years)	COD	Expiration Date
Manantiales Behr	YPF	58	23.33	8.53	Natural gas ⁽⁴⁾	20	2021	March 27, 2041
Central Dock Sud	CAMMESA	933	5.252 ⁽²⁾	3.5	Natural gas and liquid fuel ⁽⁴⁾	5	2001	February 29, 2028

(1) As of June 2024.

(2) The average price per capacity is received for reaching 85% of the monthly availability, implementing a price curve for values below this threshold, and establishing a minimum price of US\$600 for availabilities below 55%. See “Business—Our Remuneration—Our PPAs and Other Long-Term Sale Agreements—Thermal Power Plants—PPAs Entered with CAMMESA—Central Dock Sud, San Miguel de Tucumán and Tucumán PPAs.”

(3) Pursuant to the terms of the PPAs, fuel is supplied by CAMMESA free of charge.

(4) Pursuant to the terms of the PPAs, fuel is supplied by YPF free of charge for power generation.

(5) Corresponds to the price paid for the availability of the power plant.

(6) Committed capacity during winter months (May to October).

(7) Committed capacity during summer months (November to April).

Below are details regarding the installed capacity of each of our renewable plants committed under our PPAs with CAMMESA and YPF.

Power Plant Asset ⁽¹⁾	Offtaker	Installed Capacity (MW)	Term (in years)	COD	Expiration Date	Load Factor ⁽²⁾
Manantiales Behr Wind Farm	YPF	99	15	2018	July 2033	54%
Los Teros Wind Farm	YPF	175	15	2020/ 2021	August 2035	44%
Cañadón León Wind Farm	CAMMESA and YPF	123	15	2021	September 2036	48%

(1) Our PPAs with other industrial clients related to our Manantiales Behr, Los Teros and General Levalle wind farms, and our Zonda solar park, are not described in the table since the terms and conditions of the PPAs entered into with private large users may vary significantly. For more information about the PPAs entered into with private large users for our Manantiales Behr, Los Teros and General Levalle wind farms, and our Zonda solar park, see “Business—Our Remuneration—Our PPAs and Other Long-Term Sale Agreements—Renewable Energy—PPAs Entered with YPF and Other Industrial Clients in the MATER.”

(2) For the six-month period ended June 30, 2024.

Energía Base

Our Tucumán, San Miguel de Tucumán, LPC I, LPC II and Central Dock Sud power plants operate under Energía Base. During 2022 and 2023, we commercialized approximately 5,708 GWh and 5,270 GWh of electric energy under Energía Base, respectively. During the six-month periods ended June 30, 2023 and June 30, 2024, we commercialized approximately 2,706 GWh and 3,684 GWh of electric energy under Energía Base, respectively. These revenues accounted for 15.4% and 14.0% of our revenues for the years ended December 31, 2023 and December 31, 2022, respectively, and 15.1% and 16.9% for the six-month periods ended June 30, 2023 and June 30, 2024, respectively.

On February 2, 2017, Resolution No. 19/17 established a pricing arrangement for existing generators, providing incentives to increase the capacity, efficiency and power not committed under sale agreements, including contracts executed under the Energía Plus program. Under Resolution No. 19/17, the prices under the Energía Base

program were set in U.S. dollars and payable in pesos at the exchange rate published by the Central Bank on the date immediately before the payment date.

On February 28, 2019, Resolution No. 01/2019, which replaced Resolution No. 19/17, modified the remuneration of existing generators by introducing the concept of Guaranteed Power Availability (“DIGO”) and establishing mechanisms to recover amounts associated with financing granted in a timely manner for the execution of non-recurring, major, and/or extraordinary maintenance.

On February 26, 2020, Resolution No. 31/2020, which replaced Resolution No. 01/19, modified the remuneration of the existing generators under Energía Base. Pursuant to Resolution No. 31/2020, the prices under Energía Base are set in Argentine pesos. Although Resolution No. 31/2020 established a mechanism to adjust the prices under Energía Base based on the variation of the CPI and the Internal Wholesale Price Index, Note NO2020-19204126-APN-DGDOMEN#MHA of the SGE, suspended such adjustment mechanism.

In addition, a new remuneration scheme was established for thermal power generation during high demand hours which creates incentives to generate power during these hours. During the winter and summer, the remuneration consists of Ps.1,800 per MWh for the 25 hours of highest demand, and Ps.900 per MWh for the following 25 hours. During the rest of the year, the remuneration consists of Ps.300 per MWh for the 25 hours of highest demand. Higher differential remuneration was established for thermal plants with an installed capacity of less than 42 MW which are proven to be necessary for the normal power supply in an area.

In May 2021, through Resolution No. 440/2021, the SGE adjusted the tariffs by approximately 29%. In October 2021, through Resolution No. 1037/2021 and its regulations starting from Note SE NO-2021-108163338-APN-SE#MEC, the SGE implemented a temporary improvement in the remuneration to agents under the remuneration scheme established by Resolution No. 440/2021, with the exception of hydroelectric plants managed by binational entities. On April 18, 2022, Resolution No. 238/2022 was published, which replaced the usage factor and increased the remuneration established by Resolution No. 440/2021 by 30%.

On December 12, 2022, the SGE published Resolution No. 826/2022, which updated the remuneration scheme established by Resolution No. 238/2022. The prices under Energía Base were updated by 20% as of September 2022, by 10% as of December 2022, by 25% as of February 2023, and by 28% as of August 2023. The remuneration for high thermal efficiency hours remained unchanged, however, Resolution No. 826/2022 introduced a new remuneration concept called “peak hour generation remuneration”, which sets higher prices for the 5 peak hours of each day (i.e., from 6:00 p.m. to 11:00 p.m.). In addition, the remuneration scheme for DIGO is no longer compared against the actual power availability and is calculated as the product of the actual availability, the Kfm factor, and the DIGO power price. The differentiation in thermal power price for thermal power plants with an installed capacity of less than 42 MW was eliminated. Additionally, under Resolution No. 826/2022, CAMMESA must perform power availability controls to verify the effective operations of the thermal power plants.

On February 5, 2023, the SGE published Resolution No. 59/2023, which authorized power generators categorized as Combined Cycle to enter into agreements to incentivize investments for major and minor maintenance works related to power plants. These contracts promote investments for the execution of scheduled maintenance to improve the availability of the MEM. Combined Cycles entering those contracts must commit to an availability of 85% of the total installed capacity. The remuneration scheme of these contract is as follows:

- *Payment for committed power:* a 35% reduction in the DIGO power price set forth in Resolution No. 826/2022 is applied during the summer and winter months, and a reduction of 15% is applied during the rest of the year. In addition, between Ps.600 and Ps.2,000 per MW are paid monthly depending on the plant’s power availability.
- *Payment for generated energy:* a remuneration price for the generated energy is set at US\$3.5 per MWh for energy generated with natural gas, US\$6.1 per MWh for energy generated with gasoil or fuel oil, and US\$8.7 per MWh for energy generated with biofuels.

On September 8, 2023, the SGE published Resolution No. 750/2023, which replaced Resolution No. 826/2023 and increased by 23% all remuneration concepts for Energía Base plants. On October 30, 2023 and February 8, 2024, the SGE published Resolutions No. 869/2023 and 9/2024, respectively, which replaced Resolution 826/2023 and increased all remuneration concepts for Energía Base plants by 28% effective from November 2023 and 74% effective from February 2024.

On June 18, 2024, Resolution No. 99/2024 of the Secretariat of Energy, which updates by 25% all the remuneration concepts of power plants that are not under contract effective as of June 2024, was published in the Official Gazette.

On August 2, 2024, Resolution No. 193/2024 of the Secretariat of Energy, which updates the remuneration established by Resolution No. 99/2023 by 3%, effective as of the economic transactions corresponding to the month of August 2024, was published in the Official Gazette. Additionally, the spot price of the electricity market was updated to Ps.9,606/MWh (US\$10.3/MWh).

On August 29, 2024, the Secretariat of Energy published Resolution No. 233/2024, pursuant to which the remuneration of power plants operating under the Energía Base framework was increased by 5%, effective as of September 2024.

Generation Capacity Expansion

We currently have three renewable projects under construction, which consist of our General Levalle and CASA wind farms, and our El Quemado I solar park. Our General Levalle wind farm, which is located in the Province of Córdoba, commenced operating in August 2024 and is scheduled to commence its full commercial operations with a total of 155 MW of installed capacity during the fourth quarter of 2024. Our CASA wind farm and El Quemado I solar park are located in the Provinces of Buenos Aires and Mendoza, respectively, and are expected to add 63 MW and 200 MW of installed capacity, respectively, to our portfolio. These three renewable projects under construction require a total investment of approximately US\$510 million, of which approximately US\$210 million has been invested as of the date of this offering memorandum.

The following table presents a brief description of our projects under construction:

Plant	Location	Additional Installed Capacity (MW)	Offtaker	Technology	Expected COD	Estimated Total Capital Expenditures
General Levalle Wind Farm	Province of Cordoba	93 ⁽¹⁾	MATER	Wind farm	4 th quarter 2024	US\$260 million ⁽²⁾
CASA Wind Farm	Province of Buenos Aires	63	MATER	Wind farm	1 st quarter 2026	US\$80 million
El Quemado I Solar Park	Province of Mendoza	200	MATER	Solar park	2 nd quarter 2026	US\$170 million
Total		356				US\$510 million

(1) The first stage of the General Levalle wind farm commenced operations in August 2024 with an installed capacity of 24.8 MW. In September 2024, the installed capacity of the General Levalle wind farm increased to 62 MW. Full commercial operations with a total of 155 MW of installed capacity are expected to commence during the fourth quarter of 2024.

(2) Includes the investment of US\$210 million made as of the date of this offering memorandum for the construction of the General Levalle Wind Farm.

Availability and Dispatch

Substantially all of our revenues from our thermal power plants are derived from selling firm capacity and electricity effectively delivered. However, the compensation we receive from electricity effectively delivered from our thermal power plants is principally to cover operating costs. As a result, in our power generation from conventional sources segment, our profit is mainly driven by the availability factor of our thermal power plants.

The table below shows the availability factor for our thermal power plants. Since our renewable plants are not remunerated based on their availability, our renewable plants are not included in the table below.

	Six-month period ended June 30,		Year ended December 31,	
	2024	2023	2023	2022
Tucumán Power Plant.....	87%	85%	88%	86%
San Miguel de Tucumán Power Plant.....	87%	91%	80%	97%
El Bracho GT Power Plant	93%	94%	93%	95%
El Bracho ST Power Plant.....	96%	98%	95%	98%
Loma Campana I Power Plant.....	0%	62%	31%	73%
Loma Campana II Power Plant.....	78%	37%	21%	92%
Loma Campana Este Power Plant.....	100%	100%	100%	100%
LPC I Power Plant.....	89%	87%	82%	59%
LPC II Power Plant.....	108%	111%	112%	108%
Manantiales Behr Power Plant.....	70%	65%	62%	66%
Central Dock Sud Power Plant ⁽¹⁾ ..	79%	62%	77%	76%

(1) We own 70.16% equity interest in IDS, which owns 71.77% of the equity interest in CDS, which owns the Central Dock Sud thermal power plant, located in the Province of Buenos Aires with an installed capacity of 861 MW and 72 MW of installed capacity for two Simple Cycle turbines (36 MW each).

Our Loma Campana I was not in operation from May 2023 to August 2024 and as of June 30, 2024, the availability factor of our Loma Campana I power plant was 0%, as a result of the malfunctioning of the power turbines installed in the plant. As of the date of this offering memorandum, our Loma Campana I power plant resumed partial energy generation. Although we are conducting negotiations with GE Vernova to settle our claims related to this malfunctioning, on August 29, 2024, we filed for a request for arbitration against the affiliates of GE Vernova in connection with this malfunctioning. See “Risk Factors–Risks Relating to the Company–Our business and operations are highly dependent on certain key suppliers and third parties to maintain our thermal power plants and renewable energy plants, and we will rely on third parties to complete the procurement, engineering, construction, testing and commissioning of our projects under construction.”

Weather Conditions Affect our Wind Farms and Solar Park

Our wind farms and solar park are located in areas with very favorable wind and solar conditions and they recorded Load Factor of approximately 50% and 25%, respectively, during the year ended December 31, 2023, and approximately 49% and 27%, respectively, during the six-month period ended June 30, 2024. Below are details regarding the historical Load Factor of our wind farms and solar park since their respective COD.

Plant	COD	Historical Load Factor
Manantiales Behr Wind Farm	July/December 2018	58.96%
Los Teros Wind Farm	September 2020/June 2021	49.85%
Cañadón León Wind Farm	December 2021	47.83%
Zonda Solar Park	May 2023	28.0%

The capacity to generate and deliver electricity from our wind farms and solar park depends and will depend on weather conditions which are beyond our control, particularly, wind speeds and solar irradiance. For more information on the impact of wind speed and risks associated with weather conditions, see “Risk Factors–Risks related to the electric power sector in Argentina–Our ability to operate our renewable power plants in a profitable manner depends, to a large extent, on adequate wind and other climatic conditions.”

Critical Accounting Policies

Our Financial Statements have been prepared in accordance with IFRS. For our critical accounting policies under IFRS, see Note 2 to our Audited Annual Financial Statements.

The preparation of our consolidated financial statements requires our management to make material estimates and assumptions that affect the recorded amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent assets and liabilities as of the end of each fiscal year. In this sense, the uncertainties related to the estimates and assumptions adopted could give rise in the future to final gains or losses that could differ from those estimates and require material adjustments to the amounts of the assets and liabilities affected.

The key assumptions concerning the future and other key sources of estimation as of the end of each fiscal year that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below. Our accounting assumptions and material estimates are based on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond our control. Such changes are reflected in the assumptions when they occur.

The material accounting estimates and judgments used by our management are mentioned below:

- *Recoverability of property, plant and equipment.* At each reporting date we assess if there is an indicator that property, plant and equipment may be impaired. Impairment exists when the carrying value of an asset exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The value in use calculation is based on a Discounted Cash Flow (“DCF”) method which uses a discount rate that reflects current market assessments of the time value of money. The cash flows cover the useful life of the assets. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows.
- *Determination of income tax and deferred income tax.* The proper assessment of income tax expenses depends on several factors, including interpretations related to tax treatment for transactions and/or events that are not expressly provided for by current tax law, as well as estimates of the timing and realization of deferred income taxes. In addition, the collections and payments actually incurred of income tax expenses may differ from these estimates due to, among others, changes in applicable tax regulations and/or their interpretations, as well as unanticipated future transactions affecting our tax balances.
- *Functional Currency.* Our management applies its professional judgment to determine its functional currency and that of our subsidiaries. The judgment is made mainly with respect to the currency which influences and determines the sales prices, the generating costs, materials, investments and other costs, as well as the financing and collections resulting from their operating activities.
- *Business combination.* The application of the acquisition method involves the measurement at fair value of the identifiable assets acquired and the liabilities assumed in the business combination at the date of acquisition. To determine the fair value of identifiable assets and liabilities, we use the valuation approach that is considered most representative for each item. These include: (i) the revenue approach, which uses valuation techniques to convert future amounts into a single present amount (i.e., discounted), (ii) the market approach using the comparable transaction methodology, and (iii) the cost approach through the use of depreciated replacement values.

In selecting the approach to be used and estimating future cash flows, critical judgment is required on the part of our management. Actual cash flows and values may vary significantly from projected future cash flows and related values obtained through the above valuation techniques.

Main Items of the Statement of Income and Other Comprehensive Income

Set forth below is a brief description of the main items of our statement of income and other comprehensive income:

Revenues

Revenues mainly correspond to our sales of energy and power (both under PPA and Energía Base revenues) and includes our steam sales and other revenues from services.

Revenues are recognized based on the energy and steam delivered, the availability of effective capacity of some of our plants, and an account receivable is also recognized. These accounts receivable represent our unconditional right to receive the consideration owed by the customers of the energy generated by our plants. The billing of the service is performed on a monthly basis and interests are accrued in case of delays in the collection of credits. As of the date of this offering memorandum, CAMMESA's average term for making payments to power generators, including the Company, is between 50 and 65 days from the end of the relevant month. See "Risk Factors relating to the electric power sector—CAMMESA may alter or delay payments to electric power generators." The opportunity to satisfy the performance obligation occurs over time because the client receives and simultaneously consumes the benefits provided by the performance of our obligation.

Revenues from the sale of energy and steam and the availability of effective capacity of some of our plants, including additional remuneration and non-recurring maintenance receivables, are calculated at the prices set in the relevant PPAs or the Energía Base regulations.

Production costs

Our production costs include costs related to the generation of electricity and steam, such as depreciation of property, plant and equipment, depreciation of right of use assets, amortization of intangible assets, salaries and social security taxes, other personnel expenses, fees and compensation for services, transportation, products and charges, insurance, real estate and equipment rentals, taxes, rates and other contributions, preservation, repair and maintenance, operation services and other service contracts, fuel, gas, energy and miscellaneous, consumable materials and supplies, research and development costs, and other costs. See Note 20 to our Unaudited Interim Financial Statements and Note 20 to our Audited Annual Financial Statements.

Administrative and selling expenses

Our administrative and selling expenses include indirect expenses, such as salaries and social security taxes, other personnel expenses, fees and compensation for services, transportation expenses, real estate and equipment rentals, taxes, rates and other contributions, preservation, repair and maintenance, publicity and advertising expenses, fuel, gas, energy and miscellaneous, consumable materials and supplies. See Note 20 to our Unaudited Interim Financial Statements and Note 20 to our Audited Annual Financial Statements.

Gain from the acquisition of controlling equity interest

Gain from the acquisition of controlling equity corresponds to the result generated by our acquisition of a controlling interest in IDS through our fully owned subsidiary Y-Luz Inversora S.A.U. For more information, see Note 4 to our Audited Annual Financial Statement.

Other operating income, net

Other operating income, net, mainly includes interest on late payment of CAMMESA, the results generated by contractual fines and recovered penalties. For more information, see Note 27 to our Audited Annual Financial Statements.

Impairment of property, plant and equipment

Impairment of property, plant and equipment corresponds to the impairment charges recorded for our Loma Campana II power plant in 2023 and our Cañadon Leon wind farm in 2022. For more information, see Note 8 to our Audited Annual Financial Statements.

Loss on financial assets

Loss on financial assets corresponds to the loss on the balances of trade receivables with CAMMESA. For more information, see Note 5 to our Unaudited Interim Financial Statements.

Loss from equity interest in joint ventures

Loss from equity interest in joint ventures includes the gains and losses from our equity interest in joint ventures. For more information, see Note 11 to our Audited Annual Financial Statements.

Finance expense, net

Finance expense, net results include the net value of profits or losses for interest income and expenses, profit from financial assets valuation at fair value and exchange differences and other finance results.

Income tax

Current income tax assets and liabilities are measured at the amounts expected to be recovered from or paid to the tax authorities. The tax rates used to calculate these amounts are those that are enacted or substantively enacted at the end of the fiscal year. For the years ended December 31, 2023 and 2022 and for the six-month period ended June 30, 2024 and 2023, the statutory tax rate was 35%.

Current income tax relating to items recognized directly in equity is recognized in equity and not in the consolidated statement of income and other comprehensive income.

Our management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and recognizes provisions when appropriate.

Deferred income tax is provided for using the liability method on temporary differences at the end of the fiscal year between the tax basis of assets and liabilities and their related carrying amounts. Deferred income tax liabilities are recognized for all taxable temporary differences, with certain exceptions. Deferred income tax assets are recognized for all deductible temporary differences and tax loss carry forwards losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and/or the tax losses carry forward can be utilized, with certain exceptions.

The carrying amount of deferred income tax assets is reviewed as of the end of each fiscal year and reduced through the comprehensive income or other comprehensive income, to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized. Unrecognized deferred income tax assets are reassessed as of the end of each fiscal year and are recognized through the statement of income and other comprehensive income for the fiscal year, as the case may be, to the extent that it has become probable that future taxable profits will allow the deferred income tax assets not previously recognized to be recovered.

Deferred income tax assets and liabilities are measured at undiscounted nominal value at the tax rates that are expected to apply in the fiscal year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of the fiscal year. See Note 30 to our Audited Annual Financial Statements.

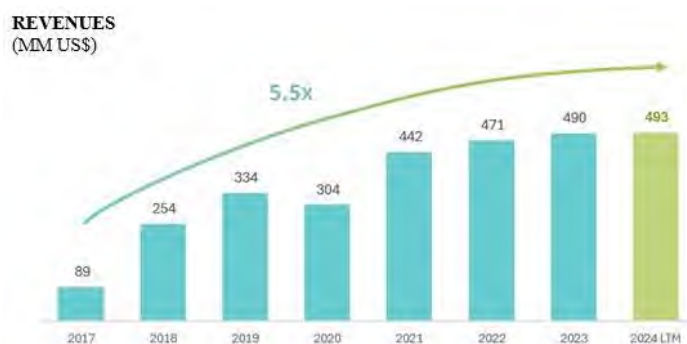
Historical Trends

We have grown significantly since our creation, becoming one of the largest and most profitable power generation companies in Argentina, while maintaining a prudent financial discipline.

Revenues, Adjusted EBITDA and Adjusted EBITDA Margin

From 2017 to the last twelve-month period ended June 30, 2024, our revenues increased by 5.5 times as a result of our continuous expansion strategy which is based on constructing new thermal and renewable assets and acquiring thermal assets. During that period, our Adjusted EBITDA increased by more than 6 times and during the last twelve-month period ended June 30, 2024 we achieved an Adjusted EBITDA Margin of 71%. For a reconciliation of net profit to Adjusted EBITDA in Argentine Pesos and U.S. dollars from the year ended December 31, 2017 to the twelve-month period ended June 30, 2024, see “—Historical Reconciliation of Adjusted EBITDA.” For a reconciliation of net profit to Adjusted EBITDA in U.S. dollars for the years ended December 31, 2023 and 2022, and for the six-month periods ended June 30, 2024 and 2023, see “Summary—Summary Financial and Operating Data—Non-IFRS Financial Data—Adjusted EBITDA and Adjusted EBITDA Margin.”

The charts below show our revenues and Adjusted EBITDA in millions of U.S. dollars, and our Adjusted EBITDA Margin, for the years ended December 31, 2017, 2018, 2019, 2020, 2021, 2022 and 2023, and for the twelve-month period ended June 30, 2024. Additionally, the table below shows our revenues and Adjusted EBITDA in millions of U.S. dollars and in millions of Argentine pesos for comparison reasons for the years ended December 31, 2017, 2018, 2019, 2020 and 2021. The figures in U.S. dollars included in the charts and in the table below result from the convenience translation of the figures in Argentine pesos included in the table below (using the annual average exchange rates quoted by *Banco de la Nación Argentina*), which figures in Argentine pesos derive from our consolidated financial statements as of the end of each corresponding year that we issue for statutory purposes in Argentina and file with the CNV (which statements are not included in this offering memorandum). As of December 31, 2017, 2018, 2019, 2020 and 2021, such annual average exchange rate was Ps.16.53, Ps.28.06, Ps.48.18, Ps.70.53 and Ps.95.06 per U.S. dollar, respectively. The figures in U.S. dollars for the years ended December 31, 2023 and 2022 included in the charts below derive from our Audited Annual Financial Statements. The figures in U.S. dollars for the twelve-month period ended June 30, 2024 were obtained by (i) subtracting from our Audited Annual Financial Statements the figures for the six-month period ended June 30, 2023 included in our Unaudited Interim Financial Statements, and (ii) adding to the figures resulting from such subtraction the figures for the six-month period ended June 30, 2024 included in our Unaudited Interim Financial Statements.



ADJUSTED EBITDA AND ADJUSTED EBITDA MARGIN
(MM US\$)



Year ended December 31,

	2017	2018	2019	2020	2021
Revenues					
In millions of Ps.....	1,471	7,125	16,114	21,416	42,023
In millions of US\$	89	254	334	304	442
Adjusted EBITDA					
In millions of Ps.....	920	5,458	10,743	16,176	30,533
In millions of US\$	56	195	223	229	321

Historical Reconciliation of Adjusted EBITDA

The following table reconciles our net profit to Adjusted EBITDA in Argentine pesos for the years ended December 31, 2017, 2018, 2019, 2020 and 2021:

	Year ended December 31,				
	2017	2018	2019	2020	2021
	(In millions of Ps.)				
Net profit for the year.....	847	4,505	4,227	5,911	6,318
Finance (income) expense, net	(12)	1,323	2,060	2,015	6,747
Income tax.....	269	417	2,359	3,797	8,049
Depreciation of property, plant and equipment.....	77	1,280	2,807	4,662	8,989
Depreciation of right of use of assets.....	-	-	69	147	151
Amortization of intangible assets.....	-	-	-	-	29
Discontinued operations result.....	(194)	(13)	-	-	-
Results from equity interests in joint ventures.....	(68)	(268)	(778)	(356)	250
Gain from the acquisition of controlling equity interest.....	-	(1,785)	-	-	-
Adjusted EBITDA.....	920	5,458	10,743	16,176	30,533

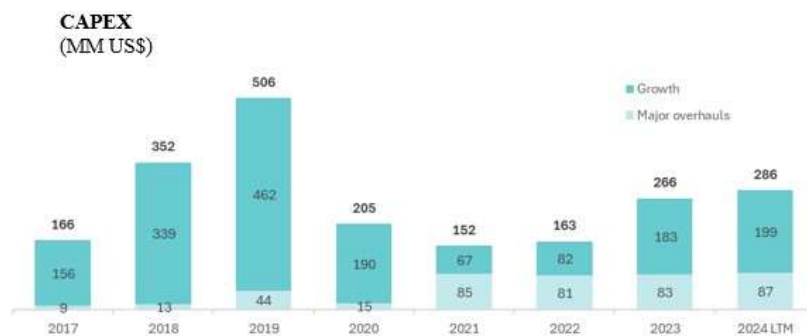
The following table reconciles our net profit to Adjusted EBITDA in U.S. dollars for the years ended December 31, 2017, 2018, 2019, 2020, 2021, 2022, 2023, and for the twelve-month period ended June 30, 2024:

	Year ended December 31,							Twelve-month period ended
	2017	2018	2019	2020	2021	2022	2023	June 30, 2024
	(In millions of US\$)							
Net profit for the year.....	51	161	88	84	66	134	1	(34)
Finance (income) expense, net.....	(1)	47	43	29	71	89	81	28
Income tax.....	16	15	49	54	85	12	191	210
Depreciation of property, plant and equipment.....	5	46	58	66	94	105	130	146
Depreciation of right of use of assets.....	-	-	2	2	2	2	2	2
Amortization of intangible assets.....	-	-	-	-	-	-	-	-
Impairment of property, plant and equipment.....	-	-	-	-	-	41	47	-
Discontinued operations result.....	(12)	(0)	-	-	-	-	-	-
Results from equity interests in joint ventures.....	(4)	(10)	(16)	(5)	3	6	1	-
Gain from the acquisition of controlling equity interest.....	-	(64)	-	-	-	-	(70)	-
Adjusted EBITDA.....	56	195	223	229	321	389	383	352

Capital Expenditures

We define capital expenditures as the amount of additions to property, plant and equipment. The evolution of our capital expenditures from 2017 to the last twelve-month period ended June 30, 2024 was aligned with the development of our pipeline and we recorded an investment peak in 2019 when we successfully completed six power plant projects simultaneously, with regular Major overhauls (as defined below) of approximately US\$60 million per year on average. From 2020, our capital expenditures stabilized in an annual range of US\$200 million to US\$250 million.

The chart below shows our capital expenditures in millions of U.S. dollars for the years ended December 31, 2017, 2018, 2019, 2020, 2021, 2022 and 2023, and for the twelve-month period ended June 30, 2024, including our capital expenditures related to our new projects (“Growth”) and our capital expenditures related to items of major overhauls made in each year (“Major overhauls”). Additionally, the tables below show our capital expenditures in millions of U.S. dollars and in millions of Argentine pesos for comparison reasons for the years ended December 31, 2017, 2018, 2019, 2020 and 2021. The figures in U.S. dollars included in the chart and in the tables below result from the convenience translation of the figures in Argentine pesos included in the tables below (using the annual average exchange rates quoted by *Banco de la Nación Argentina*), which figures in Argentine pesos derive from our consolidated financial statements as of the end of each corresponding year that we issue for statutory purposes in Argentina and file with the CNV (which statements are not included in this offering memorandum). The figures in U.S. dollars for the years ended December 31, 2023 and 2022 included in the chart below derive from our Audited Annual Financial Statements. The figures in U.S. dollars for the twelve-month period ended June 30, 2024 were obtained by (i) subtracting from our Audited Annual Financial Statements the figures for the six-month period ended June 30, 2023 included in our Unaudited Interim Financial Statements, and (ii) adding to the figures resulting from such subtraction the figures for the six-month period ended June 30, 2024 included in our Unaudited Interim Financial Statements.



	Year ended December 31,				
	2017	2018	2019	2020	2021
	(In millions of Ps.)				
Growth	2,585	9,520	22,239	13,388	6,371
Major overhauls	151	358	2,136	1,046	8,112
CAPEX.....	2,736	9,878	24,375	14,434	14,483

	Year ended December 31,				
	2017	2018	2019	2020	2021
	(In millions of US\$)				
Growth	156	339	462	190	67
Major overhauls	9	13	44	15	85
CAPEX.....	166	352	506	205	152

Net Debt and Net Leverage Ratio

From 2017 to the last twelve-month period ended June 30, 2024, we deleveraged substantially from a Net Leverage Ratio of 3.8x in 2017 to a Net Leverage Ratio of 2.0x as of June 30, 2024. The chart below shows the evolution of our Net Debt and Net Leverage Ratio for the periods indicated. For a reconciliation of current loans and non-current loans to Net Debt in Argentine Pesos and U.S. dollars for the years ended December 31, 2017, 2018, 2019, 2020, 2021, 2022, 2023, and for the twelve-month period ended June 30, 2024, see “—Historical Reconciliation of Net Debt.” For a reconciliation of current loans and non-current loans to Net Debt in U.S. dollars for the years ended December 31, 2023 and 2022, and for the six-month periods ended June 30, 2024 and 2023, see “Summary—Summary Financial and Operating Data—Non-IFRS Financial Data—Net Debt and Net Leverage Ratio.”

The chart below shows our Net Debt in millions of U.S. dollars, and our Net Leverage Ratio, for the years ended December 31, 2017, 2018, 2019, 2020, 2021, 2022 and 2023, and for the twelve-month period ended June 30, 2024. Additionally, the table below shows our Net Debt in millions of U.S. dollars and in millions of Argentine pesos for comparison reasons for the years ended December 31, 2017, 2018, 2019, 2020 and 2021. The figures in U.S. dollars included in the chart and in the table below result from the convenience translation of the figures in Argentine pesos included in the table below (using the annual average exchange rates quoted by *Banco de la Nación Argentina*), which figures in Argentine pesos derive from our consolidated financial statements as of the end of each corresponding year that we issue for statutory purposes in Argentina and file with the CNV (which statements are not included in this offering memorandum). The figures in U.S. dollars for the years ended December 31, 2023 and 2022 included in the chart below derive from our Audited Annual Financial Statements. The figures in U.S. dollars for the twelve-month period ended June 30, 2024 were obtained by (i) subtracting from our Audited Annual Financial Statements

the figures for the six-month period ended June 30, 2023 included in our Unaudited Interim Financial Statements, and (ii) adding to the figures resulting from such subtraction the figures for the six-month period ended June 30, 2024 included in our Unaudited Interim Financial Statements.



	Year ended December 31,				
	2017	2018	2019	2020	2021
Net Debt					
In millions of Ps.	3,942	18,553	42,911	68,843	75,267
In millions of US\$....	212	493	718	819	733

Historical Reconciliation of Net Debt

The following table reconciles our current loans and non-current loans to Net Debt in Argentine pesos for the years ended December 31, 2017, 2018, 2019, 2020 and 2021:

	Year ended December 31,				
	2017	2018	2019	2020	2021
	(In millions of Ps.)				
Current loans	992	6,514	9,770	29,031	19,723
Non-Current loans	3,089	18,257	50,735	58,856	65,854
<i>Net of:</i>					
Other financial assets	-	(1,489)	-	-	-
Other receivables – Trust	-	(27)	(445)	(1,006)	(376)
Restricted cash and cash equivalents	-	-	(2,448)	(3,741)	(945)
Cash and cash equivalents.....	(139)	(4,701)	(14,700)	(14,297)	(8,989)
Net Debt.....	3,942	18,553	42,911	68,843	75,267

The following table reconciles our current loans and non-current loans to Net Debt in U.S. dollars for the years ended December 31, 2017, 2018, 2019, 2020, 2021, 2022, 2023, and for the six-month period ended June 30, 2024:

	Year ended December 31,							Six-month period ended
	2017	2018	2019	2020	2021	2022	2023	June 30, 2024

	(In millions of US\$)							
Current loans	53	173	163	345	192	148	183	273
Non-Current loans	166	486	849	700	642	710	714	747
<i>Net of:</i>								
Other financial assets	-	(40)	-	-	-	-	-	(43)
Other receivables – Trust	-	(1)	(7)	(12)	(4)	-	-	-
Restricted cash and cash equivalents	-	-	(41)	(45)	(9)	(12)	(12)	(27)
Cash and cash equivalents.....	(7)	(125)	(246)	(170)	(88)	(82)	(102)	(233)
Net Debt	212	493	718	819	733	764	783	717

Results of Operations

Comparison of the results of operations for the six-month period ended June 30, 2024 and 2023

	For the six-month period ended June 30,		Change (%)
	2024	2023	
	(in thousands of US\$)		
Revenues	244,854	241,612	1.3%
Production costs.....	(134,649)	(110,920)	21.4%
Gross profit	110,205	130,692	(15.7)%
Administrative and selling expenses.....	(22,367)	(21,534)	3.9%
Gain from the acquisition of controlling equity interest	-	69,505	(100.0)%
Other operating income, net	31,151	22,730	37.0%
Impairment of property, plant and equipment	-	(46,800)	(100.0)%
Loss on financial assets	(33,990)	-	(100.0)%
Operating profit.....	84,999	154,593	(45.0)%
Loss from equity interests in joint ventures	-	(590)	(100.0)%
Finance expense, net.....	(7,167)	(60,101)	(88.1)%
Profit before income tax	77,832	93,902	(17.1)%
Income tax	(7,301)	12,270	(159.5)%
Net profit for the period	70,531	106,172	(33.6)%

The following table presents our financial information as a percentage of revenues for the periods indicated:

	For the six-month period ended June 30,	
	2024	2023
	(percentage of revenues)	
Revenues.....	100.0%	100.0%
Production costs.....	(55.0)%	(45.9)%
Gross profit	45.0%	54.1%
Administrative and selling expenses.....	(9.1)%	(8.9)%
Gain from the acquisition of controlling equity interest	-	28.8%
Other operating income, net.....	12.7%	9.4%
Impairment of property, plant and equipment	-	(19.4)%
Loss on financial assets	(13.9)%	-
Operating profit	34.7%	64.0%
Loss from equity interests in joint ventures	-	(0.2)%
Finance expense, net.....	(2.9)%	(24.9)%
Profit before income tax	31.8%	38.9%
Income tax	(3.0)%	5.1%
Net profit for the period	28.8%	43.9%

Revenues

<u>Type of good or service</u>	For the six-month period ended June 30,		Change (%)
	2024	2023	
	(in thousands of US\$)		
Energía Base	41,391	36,546	13.3%
Revenues under PPA.....			
Revenues under PPA entered with CAMMESA	120,414	117,337	2.6%
Revenues under PPA entered with YPF	35,489	43,920	(19.2)%
Revenues under PPA entered with other private offtakers	29,331	25,349	15.7%
Steam Sales ⁽¹⁾	17,935	18,010	(0.4)%
Other income for services	294	450	(34.7)%
Total	244,854	241,612	1.3%

(1) Corresponds to steam sales under our steam supply agreements with YPF. See “Business–Our Remuneration–Steam Purchase Agreements of Cogeneration Plants.”

<u>By Customer</u>	For the six-month period ended June 30,		Change (%)
	2024	2023	
	(in thousands of US\$)		
CAMMESA	161,805	153,883	5.1%
YPF	53,424	61,930	(13.7)%
UT Loma Campana	1,060	862	23.0%
Profertil S.A.	4,821	5,439	(11.4)%
Coca- Cola FEMSA de Buenos Aires S.A.	1,654	1,447	14.3%
Toyota Argentina S.A.	2,533	2,529	0.2%
CT Barragán S.A.	260	450	(42.2)%
Holcim Argentina S.A.	2,941	3,732	(21.2)%
Nestlé Argentina S.A.	1,233	1,324	(6.9)%
Ford Argentina S.C.A.	1,416	1,027	37.9%
Other	13,707	8,989	52.5%
Total	244,854	241,612	1.3%

Revenues for the six-month period ended June 30, 2024 were US\$244.9 million, representing a 1.3% increase as compared to our revenues of US\$241.6 million for the six-month period ended June 30, 2023. This increase was mainly attributable to an increase of US\$4.8 million, or 13.3% in revenues from Energía Base in the six-month period ended June 30, 2024 compared to the same period in 2023, mainly due to the increase of revenues from Energía Base generated by our Central Dock Sud Power Plant as a result of the increase and consolidation of our indirect interest in CDS, the increase in the prices under Energía Base pursuant to Resolutions No. 869/2023, 9/2024 and 99/2024, and an improvement in the availability of our Tucumán complex. This increase was partially offset by a decrease of US\$1.4 million, or 0.7%, in revenues under our PPAs in the six-month period ended June 30, 2024 compared to the same period in 2023, mainly because some of our plants were out of service during the period due to scheduled maintenance, repairs and severe weather conditions.

Production Costs

The following table presents, for each of the six-month periods indicated, a breakdown of our production costs:

	For the six-month period ended June 30,		Change (%)
	2024	2023	
	(in thousands of US\$)		
Depreciation of property, plant and equipment	76,650	61,301	25.0%
Depreciation of right of use assets.....	888	888	-
Amortization of intangible assets	131	131	-
Consumable materials and supplies.....	4,317	2,431	77.6%
Rentals.....	10	163	(93.9)%
Fees and compensation for services	41	45	(8.9)%
Preservation, repair and maintenance	10,006	9,192	8.9%
Insurance	7,320	5,376	36.2%
Salaries and social security taxes, and other personnel expenses	12,247	11,373	7.7%
Operation services and other contracts	1,520	946	60.7%
Transportation, products and charges	7,137	5,777	23.5%
Fuel, gas, energy and miscellaneous	13,571	12,640	7.4%
Taxes, rates and contributions	768	560	37.1%
Miscellaneous.....	43	97	(55.7)%
Total	134,649	110,920	21.4%

Production costs for the six-month period ended June 30, 2024 were US\$134.6 million, representing a 21.4% increase as compared to our production costs of US\$110.9 million for the six-month period ended June 30, 2023. This increase was mainly due to an increase in the depreciation of property, plant and equipment, higher costs associated with the maintenance of our Central Dock Sud Power Plant, higher costs of fuel, gas, energy and transportation due to the increase in rates set forth by Decree No. 55/2023, and an increase in salaries and social security charges due to the strong inflationary pressures registered in Argentina.

Our production costs represented 55.0% and 45.9% of our revenues in the six-month periods ended June 30, 2024 and 2023, respectively.

Administrative and selling expenses

The following table presents, for each of the six-month periods indicated, a breakdown of our administrative and selling expenses:

	For the six-month period ended June 30,		Change (%)
	2024	2023	
	(in thousands of US\$)		
Depreciation of property, plant and equipment	500	492	1.6%
Depreciation of right of use assets.....	270	270	-
Consumable materials and supplies.....	108	91	18.7%
Banking expenses.....	140	43	225.6%
Rentals.....	5	30	(83.3)%
Fees and compensation for services	1,086	1,125	(3.5)%
Preservation, repair and maintenance	218	769	(71.7)%
Insurance	20	40	(50.0)%
Salaries and social security taxes, and other personnel expenses	13,769	11,318	21.7%
Operation services and other contracts	2,385	1,876	27.1%
Transportation, products and charges	18	20	(10.0)%
Taxes, rates and contributions	3,660	5,022	(27.1)%
Publicity and advertising expenses.....	22	299	(92.6)%

	For the six-month period ended June 30,		Change (%)
	2024	2023	
Miscellaneous.....	166	139	19.4%
Total	22,367	21,534	3.9%

Administrative and selling expenses for the six-month period ended June 30, 2024, were US\$22.4 million, representing a 3.9% increase as compared to our administrative and selling expenses of US\$21.5 million for the six-month period ended June 30, 2023. This increase was mainly attributable to the increase in salaries and social security charges due to the strong inflationary pressures registered in Argentina.

Gain from the acquisition of controlling equity interest

We had a gain from the acquisition of controlling equity interest for the six-month period ended June 30, 2023 of US\$69.5 million derived from our acquisition of a controlling interest in IDS. For more information, see Note 4 to our Audited Annual Financial Statement.

Other operating income, net

Other operating income, net for the six-month period ended June 30, 2024 was US\$31.2 million, representing a 37.0% increase as compared to our other operating income, net of US\$22.7 million for the six-month period ended June 30, 2023. This increase was mainly due to an increase of US\$5.4 million in commercial interest income related to trade receivables with CAMMESA and an insurance recovery in the amount of US\$10.2 million recorded in 2024 related to our Loma Campana I power plant and Los Teros wind farm, partially offset by a decrease of US\$7.0 million in income related to contractual penalties recorded in 2023.

Impairment of property, plant and equipment

Impairment of property, plant and equipment for the six-month period ended June 30, 2023 was US\$46.8 million related to our Loma Campana II power plant. During the the six-month period ended June 30, 2024 no impairment charge was recorded.

Loss on financial assets

Loss on financial assets for the six-month period ended June 30, 2024 was US\$34.0 million, representing a 100% increase as compared to the six-month period ended June 30, 2023. This increase was due to a loss on the balances of trade receivables with CAMMESA as a result of the defaulted payments by CAMMESA corresponding to January and February 2024 under Energía Base and the agreements entered into by CAMMESA with us through Argentine sovereign, bonds which had an estimated fair market value of approximately 50% of the amount of the defaulted payments. For more information, see Note 5 to our Unaudited Interim Financial Statements.

Operating profit

Due to the factors described above, operating profit for the six-month period ended June 30, 2024 was US\$85.0 million, representing a 45.0% decrease as compared to our operating profit of US\$154.6 million for the six-month period ended June 30, 2023.

Operating margin for the six-month period ended June 30, 2024 was 34.7%, representing a 45.7% decrease as compared to our operating margin of 64.0% for the six-month period ended June 30, 2023.

Loss from equity interest in joint ventures

Our loss from equity interests in joint ventures amounted to US\$0.6 million for the six-month period ended June 30, 2023. For the six-month period ended June 30, 2024, no results from equity in companies were recorded, mainly due to our consolidation of the results of CDS with the purchase of shares of IDS on April 13, 2023.

Finance expense, net

Finance expense, net for the six-month period ended June 30, 2024 was a loss of US\$7.2 million, representing a 88.1% decrease as compared to a loss of US\$60.1 million for the six-month period ended June 30, 2023, mainly attributable to lower exchange differences due to a lower monetary asset position in pesos from mutual funds and trade receivables, and a lower devaluation in 2024.

Income Tax

Our income tax for the six-month period ended June 30, 2024 was an expense of US\$7.3 million, a 159.5% decrease as compared to a tax gain of US\$12.3 million for the six-month period ended June 30, 2023, mainly attributable to the impact of the adjustment for fiscal inflation on monetary items, which was partially offset by the decrease in deferred liabilities related to property, plant and equipment.

Net profit for the period

For the above reasons, our net profit for the six-month period ended June 30, 2024 amounted to US\$70.5 million, a 33.6% decrease as compared to the US\$106.2 million of net profit for the six-month period ended June 30, 2023.

Comparison of the results of operations for the fiscal years ended December 31, 2023 and 2022

	For the fiscal year ended December 31,		Change (%)
	2023	2022	
	(in thousands of US\$)		
Revenues	490,125	471,116	4.0%
Production costs	(239,791)	(203,008)	18.1%
Gross profit	250,334	268,108	(6.6)%
Administrative and selling expenses	(46,696)	(35,992)	29.7%
Gain from the acquisition of controlling equity interest.....	69,505	-	100.0%
Other operating income, net	47,299	49,907	(5.2)%
Impairment of property, plant and equipment	(46,800)	(40,660)	15.1%
Operating profit	273,642	241,363	13.4%
Loss from equity interests in joint ventures.....	(590)	(6,077)	(90.3)%
Finance expense, net	(80,672)	(89,349)	(9.7)%
Profit before income tax	192,380	145,937	31.8%
Income tax	(190,915)	(12,241)	1,459.6%
Net profit for the year	1,465	133,696	(98.9)%

The following table presents our financial information as a percentage of revenues for the fiscal years indicated:

	For the fiscal year ended December 31,	
	2023	2022
	(percentage of revenues)	
Revenues	100.0%	100.0%
Production costs	(48.9)%	(43.1)%
Gross profit	51,1%	56,9%
Administrative and selling expenses	(9.5)%	(7.6)%
Gain from the acquisition of controlling equity interest	14.2%	-
Other operating income, net	9.7%	10.6%
Impairment of property, plant and equipment	(9.5)%	(8.6)%
Operating profit	55.8%	51.2%
Loss from equity interests in joint ventures	(0.1)%	(1.3)%
Finance expense, net	(16.5)%	(19.0)%
Profit before income tax	39.3%	31.0%
Income tax	(39.0)%	(2.6)%
Net profit for the year	0.3%	28.4%

Revenues

The following table presents, for the fiscal years indicated, revenues per type of good or service and per customer.

<u>Type of good or service</u>	For the fiscal year ended December 31,		Change (%)
	2023	2022	
	(in thousands of US\$)		
Energía Base	75,686	66,099	14.5%
Revenues under PPA			
Revenues under PPA entered with CAMMESA	240,697	228,938	5.1%
Revenues under PPA entered with YPF	77,843	95,159	(18.2)%
Revenues under PPA entered with other private offtakers	57,364	45,555	25.9%
Steam Sales ⁽¹⁾	38,051	31,715	20.0%
Other income for services	484	3,650	(86.7)%
Total	490,125	471,116	4.0%

(1) Corresponds to steam sales under our steam supply agreements with YPF. See “Business—Our Remuneration—Steam Purchase Agreements of Cogeneration Plants.”

<u>By Customer</u>	For the fiscal year ended December 31,		Change (%)
	2023	2022	
	(in thousands of US\$)		
CAMMESA	316,383	295,037	7.2%
YPF	115,894	126,874	(8.7)%
UT Loma Campana	1,940	1,675	15.8%
Profertil S.A.	11,346	12,395	(8.5)%
Coca-Cola FEMSA de Buenos Aires S.A.	2,875	2,746	4.7%
Toyota Argentina S.A.	4,712	4,862	(3.1)%
CT Barragán S.A.	450	1,800	(75.0)%
CAF	-	1,850	(100.0)%
Holcim Argentina S.A.	7,725	8,535	(9.5)%

Nestlé Argentina S.A.....	2,772	2,856	(2.9)%
Ford Argentina S.C.A.	2,645	1,905	38.8%
Other	23,383	10,581	121.0%
Total	490,125	471,116	4.0%

Our revenues for the year ended December 31, 2023 were US\$490.1 million, a 4.0% increase compared to our revenues of US\$471.1 million for the year ended December 31, 2022. This increase was mainly attributable to:

- an increase of US\$9.6 million or 14.5% in revenues from Energía Base for the year ended December 31, 2023 compared to the year ended December 31, 2022, mainly due to our consolidation of the revenues from Energía Base generated by our Central Dock Sud Power Plant as a result of our acquisition of the control of CDS with the purchase of shares of IDS on April 13, 2023, and the increase of the prices of Energía Base pursuant to Resolutions No. 750/2023 and 869/2023;
- an increase of US\$6.3 million or 1.7% in revenues under PPAs for the year ended December 31, 2023 compared to the year ended December 31, 2022, mainly due to commencement of commercial operations of our Zonda Solar Park in May 2023 and the entering into force of Resolution No. 59/2023 pursuant to which a portion of our revenues for the energy generated by our Tucumán, San Miguel de Tucumán and El Bracho power plants that we received under Energía Base is paid under our PPAs with CAMMESA; and
- an increase of US\$6.3 million or 20.0% in revenues from steam sales for the year ended December 31, 2023 compared to the year ended December 31, 2022, mainly due to an increase in the demand for the steam generated by our LPC I and LPC II power plants.

Production Costs

The following table presents, for each of the fiscal years indicated, a breakdown of our production costs:

	For the years ended December 31		Change (%)
	2023	2022	
	(in thousands of US\$)		
Depreciation of property, plants and equipment.....	128,605	104,169	23.5%
Depreciation of right of use assets.....	1,777	1,544	15.1%
Amortization of intangible assets	262	262	-
Consumable materials and supplies.....	5,000	5,612	(10.9)%
Rentals.....	290	77	276.6%
Fees and compensation for services	81	185	(56.2)%
Other personnel expenses	528	359	47.1%
Preservation, repair and maintenance	21,200	18,040	17.5%
Insurance	13,073	8,646	51.2%
Salaries and social security taxes.....	24,984	18,172	37.5%
Operation services and other contracts.....	2,274	3,445	(34.0)%
Transportation, products and charges.....	11,328	11,958	(5.3)%
Fuel, gas, energy and miscellaneous.....	29,115	29,858	(2.5)%
Taxes, rates and contributions	1,204	492	144.7%
Publicity and advertising	-	11	n.m.
Miscellaneous.....	70	178	(60.7)%
Total.....	239,791	203,008	18.1%

“n.m.” means not meaningful.

Production costs for the year ended December 31, 2023 amounted to US\$239.8 million, an increase of 18.1% compared to the US\$203.0 million of production cost for the year ended December 31, 2022, mainly due to our consolidation of the results of CDS due to the purchase of shares of IDS on April 13, 2023, and an increase in the

depreciation of property, plants and equipment mainly due to commencement of operations of our Zonda Solar Park in May 2023.

Our production costs represented 48.9% and 43.1% of our revenues in the years ended December 31, 2023 and 2022, respectively.

Administrative and selling expenses

The following table presents, for each of the years indicated, a breakdown of our administrative and selling expenses:

	For the year ended December 31,		Change (%)
	2023	2022	
	(in thousands of US\$)		
Depreciation of property, plants and equipment....	1,024	743	37.8%
Depreciation of right of use assets.....	540	540	-
Consumable materials and supplies.....	201	141	42.6%
Banking expenses.....	104	103	1.0%
Rentals.....	41	75	(45.3)%
Fees and compensation for services	2,597	2,359	10.1%
Other personnel expenses.....	4,159	3,517	18.3%
Preservation, repair and maintenance.....	631	469	34.5%
Insurance	18	73	(75.3)%
Salaries and social security taxes	21,987	14,823	48.3%
Operation services and other contracts.....	4,167	3,123	33.4%
Transportation, products and charges.....	37	58	(36.2)%
Allowance for doubtful receivables.....	1,054	-	(100.0)%
Taxes, rates and contributions	9,193	9,041	1.7%
Publicity and advertising expenses.....	598	580	3.1%
Miscellaneous.....	345	347	(0.6)%
Total.....	46,696	35,992	29.7%

Administrative and selling expenses for the year ended December 31, 2023, were US\$46.7 million, representing a 29.7% increase compared to administrative and selling expenses of US\$36.0 million for the year ended December 31, 2022, mainly as a result of the increase in salaries and social securities and tax expenses.

Gain from the acquisition of controlling equity interest

Gain from the acquisition of controlling equity interest for the year ended December 31, 2023 was a gain of US\$69.5 million derived from our acquisition of a controlling interest in IDS. For more information, see Note 4 to our Audited Annual Financial Statements.

Other operating income, net

Other operating income, net for the year ended December 31, 2023 was US\$47.3 million, representing a 5.2% decrease as compared to our other operating income, net of US\$49.9 million for the year ended December 31, 2022. This decrease was mainly due to a decrease of US\$12.0 million in compensations related to settlements with affiliates in relation to the availability of our Loma Campana I and Loma Campana II power plants and Cañadon Leon and Los Teros wind farms, and insurance repayments in the amount of US\$9.0 million in relation to our Loma Campana I power plant and Los Teros wind farm, partially offset by an increase of US\$17.0 million in commercial interest income related to trade receivables with CAMMESA.

Impairment of property, plant and equipment

Impairment of property, plant and equipment for the year ended December 31, 2023 was US\$46.8 million, representing a 15.1% increase as compared to our impairment of property, plant and equipment of US\$40.7 million for the year ended December 31, 2022. For more information, see Note 8 to our Audited Annual Financial Statements.

Operating profit

Due to the factors described above, operating profit for the year ended December 31, 2023 was US\$273.6 million a 13.4% increase compared to operating profit of US\$241.4 million in the year ended December 31, 2022.

Operating margin for the year ended December 31, 2023, was 55.8%, representing a 9.0% increase compared to operating margin of 51.2% in the year ended December 31, 2022.

Loss from equity interest in joint ventures

Loss from equity interests in joint ventures for the year ended December 31, 2023, was US\$0.6 million, a decrease of 90.3% compared to the year ended December 31, 2022. This decrease was mainly due to the effect of our consolidation of the results of CDS.

Finance expense, net

Finance expense, net for the year ended December 31, 2023 was a loss of US\$80.7 million, representing a 9.7% decrease compared to a loss of US\$89.3 million in the year ended December 31, 2022. This decrease was mainly due to our consolidation of the results of CDS as a result of our acquisition of the control of CDS.

Income tax

Our income tax expense for the year ended December 31, 2023 was US\$190.9 million, compared to US\$12.2 million in the year ended December 31, 2022. This represents a 1,459.6% increase, primarily as a result of an increase in the deferred liability related to property, plant and equipment due to its remeasurement in the Company's functional currency, which was partially offset by the income related to the tax effects of the impairment of property, plant and equipment and higher foreign exchange differences during the year ended December 31, 2023.

Net profit for the year

For the above reasons, our net profit for the year ended on December 31, 2023 was US\$1.5 million, a 98.9% decrease compared to the US\$133.7 million of net profit for the year ended in December 31, 2022.

Liquidity and Capital Resources

Our capital requirements are primarily for operational and maintenance costs related to our operating assets, capital expenditures related to the construction of new power generation assets, acquisitions and debt service payments. Our primary sources for liquidity and capital resources are funds generated by our operating businesses, primarily power generation, finance income from the investment of our cash and available funds, and access to debt capital markets and the bank lending market.

Cash flow

The table below presents information on our cash flows for the periods/years indicated:

	For the six-month period ended June 30,		For the year ended December 31,	
	2024	2023	2023	2022
	(In thousands of US\$)			
Net cash flows from operating activities	144,152	160,744	360,003	259,343
Net Cash flows used in investing activities	(110,655)	(87,505)	(235,145)	(163,347)
Net Cash flows from (used in) financing activities	89,938	(5,586)	(72,243)	(88,315)
Net increase of cash and cash equivalents	123,435	67,653	52,615	7,681
Effect of exchange difference variations and financial results on cash and cash equivalents	7,136	2,387	(32,504)	(12,949)
Cash and cash equivalents at the beginning of the period /year	102,439	82,328	82,328	87,596
Cash and cash equivalents at the end of the period/year	233,010	152,368	102,439	82,328

Six-month periods ended June 30, 2024 and June 30, 2023

Operating cash and cash equivalents for the six-month period ended June 30, 2024 amounted to US\$144.2 million, a 10.3% decrease compared to the six-month period ended June 30, 2023. This US\$16.6 million decrease resulted from the decrease in operating profit (without considering depreciation, amortization, impairment of property, plant and equipment or gain from the acquisition from the controlling of equity interest), which was partially offset by the variation in working capital.

Cash flows used in investing activities were US\$110.7 million for the six-month period ended June 30, 2024, an increase of 26.5% compared to the six-month period ended June 30, 2023, mainly due to acquisition of property, plant and equipment (including advances to suppliers) related to our investments for the construction of our General Levalle Wind Farm.

In addition, as a result of its financing activities, net cash flows increased US\$95.5 million. This variation was mainly generated by higher net borrowing and the absence of dividend payments during the six-month period ended June 30, 2024.

The net increase explained above substantially gives rise to a position in cash and cash equivalents of US\$233.0 million as of June 30, 2024.

Years ended December 31, 2023 and December 31, 2022

Our cash flows generated from operating activities for the year ended December 31, 2023 amounted to US\$360.0 million, a 38.8% increase compared to the previous year. This US\$100.7 million increase was mainly attributable to the increase in operating profit (without considering depreciation, amortization, impairment of property, plant and equipment and gain from the acquisition of controlling equity interest), which was partially offset by the variation in working capital.

Our cash flows used in investing activities for the year ended December 31, 2023 amounted to US\$235.1 million, a 44.0% increase compared to the previous year, mainly attributable to higher levels of acquisitions of property, plant and equipment mainly due to the investments for the construction of our Zonda Solar Park and our General Levalle Wind Farm, and the purchase of equipment for future maintenance works.

As a result of our financing activities, during the year ended December 31, 2023, we recorded a net decrease in cash flows of US\$16.1 million. This decrease was mainly due to the repayment of Class VI Negotiable Obligations and a loan with Citibank, N.A. during 2023, and a higher payment of interests and dividends, which were partially offset by the issuance of Negotiable Obligations in February 2023.

Contractual Obligations

The following table (prepared on the basis of our internal information) contains information about our contractual obligations under existing contracts as of June 30, 2024:

Contractual obligations ⁽¹⁾	Total	Less than 1			More than 5 years
		year	1-3 years	3-5 years	
		(in millions of US\$) ⁽⁵⁾			
Loans ⁽²⁾	1,151.2	352.1	685.2	75.9	38.0
O&M Services ⁽³⁾	428.2	38.6	66.2	82.9	240.5
Other Liabilities ⁽⁴⁾	177.2	120.1	47.9	1.9	7.3
Total	1,756.7	510.8	799.4	160.6	285.9

- (1) The expected timing for payments of the obligations in the preceding table is estimated based on current information. Timing of payments and actual amounts paid may be different, depending on the time of receipt of goods or services, or changes to agreed upon amounts for some obligations.
- (2) These projected amounts include interest due during all the periods presented. Interest on floating rate instruments is calculated using the rate as of June 30, 2024.
- (3) Includes payments under agreements for operation and maintenance services for all of our plants.
- (4) Includes accounts payable, leases liabilities, salaries and social security, taxes payable, provisions and other liabilities.
- (5) Amounts originally denominated in Argentine pesos were translated using closing exchange rate as of June 30, 2024.

Indebtedness

	As of June 30,	As of December 31,
	2024	2023
	(In thousands of US\$)	
<u>Current loans and leases liabilities:</u>		
Loans	273,424	183,418
Lease liabilities	2,579	4,738
Total current loans and lease liabilities	276,003	188,156
<u>Non-current loans:</u>		
Loans	746,609	713,685
Lease liabilities	7,951	6,712
Total non-current loans and lease liabilities	754,560	720,397
Total loans and leases liabilities	1,030,563	908,553

Total loans outstanding as of June 30, 2024 was US\$1,020.0 million, consisting of current loans (including the current portion of non-current loans) of US\$273.4 million and non-current loans of US\$746.6 million. Total loans outstanding as of December 31, 2023 was US\$897.1 million, consisting of current loans (including the current portion of non-current loans) of US\$183.4 million and non-current loans of US\$713.7 million.

As of June 30, 2024 and December 31, 2023, all our indebtedness was denominated in U.S. dollars.

The following table summarizes the principal terms and conditions of our outstanding loans and bonds as of June 30, 2024.

Loans and Bonds	Outstanding principal as of June 30, 2024	Interest Rate	Date	Maturity
Inter-American Investment Corporation and Inter-American Development Bank [Tranche 1]	US\$7,750,124	Different rates (see further details below)	December 2016	November 2025
Inter-American Investment Corporation and Inter-American Development Bank [Tranche 2]	US\$17,189,876	3-month SOFR + 4.8%	December 2016	November 2025
BNP Paribas – Euler Hermes Aktiengesellschaft ⁽¹⁾	US\$78,670,122	3.31%	February 2020	September 2034

Loans and Bonds	Outstanding principal as of June 30, 2024	Interest Rate	Date	Maturity
HSBC USA N.A. Loan	US\$8,504,126	1.1% + SOFR	March 2020	September 2025
Intercompany Loan GE I	US\$7,300,108	0%	February 2023	June 2025
Intercompany Loan GE II	US\$10,662,339	0%	June 2023	June 2025
International Bonds	US\$400,000,000	10%	July 2019	July 2026
Local Bonds Class IX	US\$13,108,227	3.5%	August 2021	August 2024
Local Bonds Class X	US\$63,870,000	0%	February 2022	February 2032
Local Bonds Class XI	US\$35,000,000	0%	August 2022	August 2024
Local Bonds Class XII	US\$85,000,000	3%	August 2022	August 2026
Local Bonds Class XIII	US\$130,000,000	6%	February 2023	February 2025
Local Bonds Class XIV	US\$18,043,469	2%	February 2024	February 2027
Local Bonds Class XV	US\$11,287,656	5.9%	February 2024	February 2027
Local Bonds Class XVI	US\$97,512,007	2%	June 2024	December 2024
Local Bonds Class XVII	US\$10,199,945	5.9%	June 2024	June 2025

(1) The borrower under this loan is Luz del León S.A., a subsidiary of the Company, expected to be an Unrestricted Subsidiary under the Notes as of the Issue Date.

As of June 30, 2024, we had outstanding loans in an aggregate principal amount of US\$994 million, excluding working capital loans, fees and accrued interest, all of which were unsecured except for the BNP Loan Agreement (as defined below).

Loan from Inter-American Development Bank and Inter-American Investment Corporation

In December 2016, the Company and the Inter-American Investment Corporation, on behalf of the Inter-American Development Bank, signed an agreement (the “Inter-American Loan”) to finance the construction of our Manantiales Behr Wind Farm. The original aggregate amount of the loan is US\$200 million, however, on November 15, 2022, we paid the tranche B of the Inter-American Loan in the amount US\$100 million. The capital amortization of the tranche A of the Inter-American Loan is performed in quarterly payments maturing in November 2025, according to the following detail:

Tranche	US\$	Rate
A (Variable)	31,075,076	3 month SOFR + 0.26161% + 5.125%
A (Fixed)	12,539,359	7.16%
A (Fixed)	18,000,032	7.05%
A (Fixed)	19,506,895	7.27%
A (Fixed)	18,878,638	7.87%
Total	100,000,000	

Loan from BNP Paribas – Euler Hermes Aktiengesellschaft

In January 2020, Luz del León S.A., which will be an Unrestricted Subsidiary under the Notes as of the Issue Date, entered into a loan agreement (the “BNP Loan Agreement”) with DFC and BNP Paribas Fortis SA/NV (hereinafter “BNP Paribas”) for up to US\$150 million. Under this agreement the tranche corresponding to BNP Paribas

is guaranteed by the German export credit agency Euler Hermes Aktiengesellschaft. In February 2020, Luz del León S.A. received the first disbursement under the agreement from BNP Paribas in an amount of approximately US\$80.5 million. In February 2022, BNP Paribas made the last disbursement for US\$15.4 million, with a fixed interest rate of 3.31% and a maturity date on September 15, 2034.

Loan from HSBC

In March 2020, the Company and HSBC USA N.A. entered into a loan in the amount of US\$27.4 million with quarterly interest payments at a variable rate of 6-month SOFR 6M plus 1.52826% and final maturity on September 27, 2025. The principal amount of this loan amortizes in ten semi-annual installments beginning on March 27, 2021. The funds from such loan were used to finance the construction of our Manantiales Behr power plant. We are subject to customary financial covenants under this loan, including the compliance with interest coverage ratios and a leverage ratio.

Loan from GE EFS Power Investments B.V.

On February 27, 2023, the Company entered into a loan agreement with GE EFS Power Investments B.V. (“GE EFS”) in the amount of US\$7.3 million, with a fixed interest rate of 0% and a maturity on December 16, 2023. On December 13, 2023, the Company entered into an amendment to the loan agreement to extend the maturity date of the loans until June 30, 2025.

On June 30, 2023, the Company entered into a loan agreement with GE EFS in the amount of US\$10.6 million, with a fixed interest rate of 0% and a maturity on June 30, 2025.

Program for the Issuance of Corporate Bonds

On March 16, 2018, our shareholders approved our US\$1,500,000,000 million global notes program (the “Program”) pursuant to the Argentine Corporate Bonds Law (“*Ley de Obligaciones Negociables*”), as amended, and certain terms of the Program were approved by our Board of Directors on March 16, 2019 by delegation of authority granted by our shareholders on March 16, 2018. The Program was authorized by the CNV pursuant to Resolution No. RESFC-2019-20192-APN-DIR#CNV, dated April 17, 2019.

International Bond Issuances under the Program

On July 25, 2019, under the terms of the Program, we issued US\$400 million of 2026 Notes. Under the 2026 Notes, we make semi-annual interest payments in arrears on each interest payment date starting on January 25, 2020. We will provide notice to redeem in full our 2026 Notes substantially concurrently with the settlement of this offering, subject to consummation thereof.

Local Bond Issuances under the Program

On August 30, 2021, under the terms of the Program, we issued US\$27.7 million of Class IX bonds due August 2024 with a 3.5% coupon under Argentine law. Under the terms of these bonds, which have already been paid, we made quarterly interest payments in arrears on each interest payment date starting on November 30, 2021. On February 3, 2022, we issued US\$10.9 million of additional Class IX bonds due August 2024 with an effective negative rate of 0.26% under Argentine law. Under the terms of these bonds, we made quarterly interest payments in arrears on each interest payment date starting on February 28, 2022.

On February 3, 2022, under the terms of the Program, we issued US\$63.9 million of Class X green bonds due 2032 with a 5% coupon under Argentine law. Under the terms of these bonds, we make semi-annual interest payments in arrears on each interest payment date starting on August 3, 2022.

On August 29, 2022, under the terms of the Program, we issued US\$15 million of Class XI bonds due 2024 with a negative effective rate of 4% under Argentine law. On the same date, under the terms of the Program, we issued US\$85 million of Class XII bonds due 2026 with a negative effective rate of 0% coupon under Argentine law.

On February 10, 2023, under the terms of the Program, we issued US\$20 million of additional Class XI bonds due 2024 with a negative effective rate of 1.15% under Argentine law. On the same date, under the terms of the Program, we issued US\$130 million of Class XIII bonds due 2026 with a negative effective rate of 0.05% under Argentine law.

On February 27, 2024, under the terms of the Program, we issued US\$18 million of Class XIV bonds due 2027 with a coupon of 3% under Argentine law. On the same date, under the terms of the Program, we issued US\$11.3 million of Class XV bonds due 2027 with a coupon of 6% under Argentine law.

On June 13, 2024, under the terms of the Program, we issued US\$97.5 million of Class XVI bonds due 2025 with a negative effective rate of 1% under Argentine law. On the same date, under the terms of the Program, we issued US\$10.2 million of Class XVII bonds due 2027 with a coupon of 5.9% under Argentine law.

Loan from BNP PARIBAS

In May 2024, the Company entered into a loan agreement with BNP PARIBAS for up to US\$15 million in order to finance the construction of our CASA Wind Farm. This loan is guaranteed by a guarantee granted by our subsidiary Y-LUZ Inversora S.A.U. As of June 30, 2024, BNP PARIBAS has not disbursed funds to the Company under this loan agreement.

Capital Expenditures

The following table shows our capital expenditures for each activity for the six-month periods ended June 30, 2024 and 2023, and fiscal years 2023 and 2022.

	For six-month period ended		For the year ended December 31,			
	June 30,		2023		2022	
	2024					
(in thousands of US\$, except percentages)						
Capital Expenditures						
Energy						
Power plants and wind farms and solar parks ⁽¹⁾	47,158	78.3%	216,540	81.5%	142,819	87.6%
Materials and spare parts ⁽²⁾	13,025	21.6%	48,327	18.2%	19,581	12.0%
Other ⁽³⁾	67	0.1%	769	0.3%	608	0.4%
Total	60,250	100%	265,636	100%	163,008	100%

(1) Includes production facilities, machinery, equipment and spare parts of power plants and work in progress.

(2) Includes materials and equipment in warehouse.

(3) Includes land, buildings and transportation equipment and furniture, fixtures, computer and communication equipment.

Off-balance Sheet Agreements

We do not have any material off-balance sheet agreements.

Qualitative and Quantitative Information about Market Risk

Below is our quantitative and qualitative information on financial instruments to which we are a party as of June 30, 2024, and from which we may derive gains or incur losses due to changes in the market, interest rates or foreign exchange rates.

This information contains forward-looking statements that are subject to risks and uncertainties. Actual results could significantly vary as a result of a number of factors including those set forth in “Risk Factors.” For more information, see Note 5 to our Unaudited Interim Financial Statements.

THE ARGENTINE ELECTRIC POWER SECTOR

The following is a summary of certain matters relating to the electric power industry in Argentina, including provisions of Argentine laws and regulations applicable to the electric power industry and to us. This summary is not intended to constitute a complete analysis of all laws and regulations applicable to the electric power industry. Investors are advised to review the summary of such laws and regulations published by the current SGE (www.argentina.gob.ar/Energía), CAMMESA (www.cammesa.com.ar), and ENRE (www.enre.gob.ar) and to consult their respective business and legal advisors for a more detailed analysis. None of the information on or connected to such websites is incorporated by reference into this offering memorandum.

History

During the majority of the second half of the 20th century, the assets and operations of the Argentine electric power sector were controlled by the Argentine government. By 1990, virtually all the electric power supply in Argentina was controlled by the public sector (97% of total generation). The Argentine government had assumed responsibility for the regulation of the industry at the national level and controlled all the national electric power companies. In addition, several Argentine provinces operated their own electric power companies. As part of the economic plan adopted by former President Carlos Menem, the Argentine government undertook an extensive privatization program of all major state-owned industries, including those in the electric power generation, transmission and distribution sectors. Argentine Law No. 23,696 passed in 1989 (the “Federal Reform Law”) declared a state of emergency for all public services and authorized the Argentine government to reorganize and privatize public companies. The privatization had two ultimate objectives: first, to reduce tariffs and improve service quality through free competition in the market, and second, to avoid the concentration of control of each of the three subsectors of the market in a small group of participants and thereby reduce their ability to fix prices. Separate limitations and restrictions for each subsector were imposed in order to reach these goals. In accordance with the Federal Reform Law, Decree No. 634/1991 established guidelines for the decentralization of the electric power industry, for the basic structure of the electric power market, and for the participation of private sector companies in the generation, transmission, distribution and trading subsectors.

General Overview of Legal Framework

Key Statutes and Complementary Regulations

The body of rules that constitutes the basic regulatory framework of the Argentine electric power sector currently in force are the following: (i) Law No. 15,336, enacted on September 20, 1960, as amended by Law No. 24,065, passed on December 19, 1991, partially promulgated by Decree No. 13/92, and regulated by Decree No. 1398/92 and Decree No. 186/95 (collectively, the “Regulatory Framework”), (ii) Law 24,065 which implemented privatizations of government-owned companies in the electric power sector and separated the industry vertically into four categories: generation, transmission, distribution and demand, and it also provided for the organization of the WEM (described in greater detail below) based on the guidelines set forth in Decree No. 634/91; and (iii) Decree No. 186/95 also created the notion of “participant,” among which it is worth mentioning the “trader,” which is defined as a company that is not a WEM agent but trades electric power in bulk. On June 28, 2024, Law No. 27,743 was approved establishing a regime for the regularization of tax, customs, and social security obligations, allowing taxpayers to adhere to installment or cash payment plans with benefits such as remission of interest and penalties. Law No. 27,743 also mandates tax transparency for consumers, exempts small taxpayers from withholding tax on electronic collections, and increases royalties from mining activities. The law aims to boost provincial revenues and encourage investments in the mining sector.

Procedures for the Programming of Operation, Dispatch and Price Calculation

For the purposes of implementing the provisions set forth in the Regulatory Framework, a set of regulatory provisions were issued, through Resolution No. 61 of April 29, 1992 of the former Secretariat of Electric Energy, which are referred to as the “Procedures for the Programming of Operation, Dispatch and Price Calculation” (the “Procedures”). The Procedures have been amended, supplemented and extended by subsequent resolutions issued by the relevant authorities.

Provincial Regulatory Powers

Argentine provinces regulate the electrical system within their territories and are enforcement authorities in charge of granting and controlling electric power distribution concessions therein. Nonetheless, if a provincial electric power market participant is connected to the SADI, it must also comply with federal regulations (pursuant to Section 6 of Law 15,336, as amended). In general terms, provinces have followed federal regulatory guidelines and have established similar regulatory institutions. In addition, isolated provincial electric power systems are very rare, and most provincial market participants are connected to the SADI and buy and sell electric power in the WEM, which falls within the regulatory powers of the Argentine government.

ENRE

Law No. 24,065 created the ENRE as an autonomous entity within the scope of the Ministry of Economy. Its main duties are as follows: (a) enforcing the Regulatory Framework and controlling the rendering of public services and the performance of the obligations set forth in the concession contracts at a national level; (b) issuing the regulations applicable to the WEM agents; (c) prevent anti-competitive, monopolistic, and discriminatory behaviors among participants in the WEM; (d) setting forth the basis for calculation of tariffs and approving the tariff schedules of transmission and distribution companies holding national concessions; (e) impose sanctions as provided by the Regulatory Framework and concession contracts; (f) authorizing electrical conduit easements; (g) authorizing the construction of new facilities; and (h) arbitrate conflicts between agents of the WEM. Besides, Law No. 24,065 has entrusted ENRE with a jurisdictional activity.

Pursuant to article 58 of Law No. 24,065, regulated by Decree No. 1398/92, ENRE's board of directors should be composed of five members, who shall be elected through a selection procedure by open call (*convocatoria abierta*) among professionals who have the required background.

However, in 2019, Section 6 of the Solidarity Law authorized the Argentine executive branch to intervene the ENRE's board for one year. As a result, the ENRE was intervened by virtue of Decree No. 277/2020 until December 31, 2020, Such intervention was subject to numerous extensions that remain in force to the date of this offering memorandum, by means of Decrees No. 1020/2020, 871/2021, 815/2022 and recently, Decree No. 55/2023 issued by Javier Milei's new administration, which ordered the intervention of the ENRE as from January 1, 2024, until the new members of the board of Directors are appointed.

On July 8, 2024, law No. 27,742 was published in Argentina's Official Gazette, declaring a public emergency in administrative, economic, financial, and energy matters for one year and delegating several powers to the Argentine executive branch during this emergency period. Among other things, this law creates the Ente Nacional Regulador del Gas y la Electricidad, which will replace ENRE and ENARGAS once constituted.

Furthermore, to determine the profiles of the candidates for the office of President of the ENRE's board of directors, in order to comply with the provisions set forth in section 58 of Law No. 24,065 and section 54 of Law No. 24,076, who shall be the same as those approved during the open call set forth by Resolution No. 204-E/2016 of such Ministry, a contest was called for the position of President of the Board through the Resolution No. 205-E/2017. Finally, the Decree No. 84/2018 designated the President, Vice President and Second and Third Voting Member of the ENRE Board.

The Secretariat of Energy

In addition to the ENRE, one of the main regulatory entities in Argentina is the Secretariat of Energy. Currently, pursuant to Decree No. 50/2019 (as amended), the Secretariat of Energy is the enforcement authority of the Regulatory Framework.

Its role is defined in Law No. 24,065 and Decree No. 50/2019. According to Decree No. 50/2019 (as amended, particularly by Decree No. 480/2022), the Secretariat of Energy, currently under the jurisdiction of the Ministry of Economy, is responsible for organizing the electricity industry and establishing applicable policies, among

other objectives according to Decree No. 293/2024. Within the scope of the Secretariat of Energy, there is the Undersecretariat of Electric Energy, in charge of assisting the enforcement authority.

CAMMESA

The creation of the WEM made it necessary to create an entity in charge of the management of the WEM and the dispatch of energy into the SADI. These duties were entrusted to CAMMESA, created by virtue of Decree 1192/1992, as a non-profit corporation. Each of the shareholders of CAMMESA hold twenty percent of its shares and are as follows: the Argentine government (represented by the Secretariat of Energy) and the four associations representing the different segments of the electric power sector (generation, transmission, distribution and large users).

CAMMESA is managed by a board of directors composed of ten regular directors and up to ten alternate directors, which are appointed by its shareholders. Each of the associations that represent the different segments of the electric power sector is entitled to appoint two regular directors and two alternate directors. The two remaining regular directors of CAMMESA are the current Secretariat of Energy, who serves as chairman of the board and an independent member who acts as vice chairman, appointed at a meeting of the shareholders. The decisions adopted by the board of directors of CAMMESA require the affirmative vote of a majority of the directors present at the meeting, including the affirmative vote of the chairman of the board.

CAMMESA's operating costs are financed by mandatory contributions from WEM agents. CAMMESA is responsible for managing the SADI in accordance with the Regulatory Framework, among other functions. Additionally, pursuant to Resolution No. 95/2013, CAMMESA has been entrusted with the role of acquiring and supplying the fuel for the electric power sector free of cost to the generators.

It should be noted that, pursuant to Resolution SE No. 2022/2005, the Secretariat of Energy used to define the regulatory instructions and mandates that could be issued by the Secretariat of Energy to CAMMESA in accordance with Law SE No. 24,065. However, Resolution 2022/2005 was repealed by Resolution No. 150/2024 published in the Official Gazette on July 10, 2024. The purpose of this was to gradually channel the National Electric Sector towards the guiding principles of the Regulatory Framework (especially Laws No. 15,336 and 24,065) and reduce the intervention of the Argentine government in the electric power market.

By means of Resolution SE No. 2022/2005, the Secretariat of Energy instructed CAMMESA to procure natural gas for thermal power generation on behalf of the so-called "unified fund" which, pursuant to Law 24,065, is funded with the surplus from power sales generated by energy companies that are partially or totally owned by the Argentine government. As of the date of this offering memorandum, Resolution SE No. 2022/2005 has been repealed.

WEM (Wholesale Electricity Market)

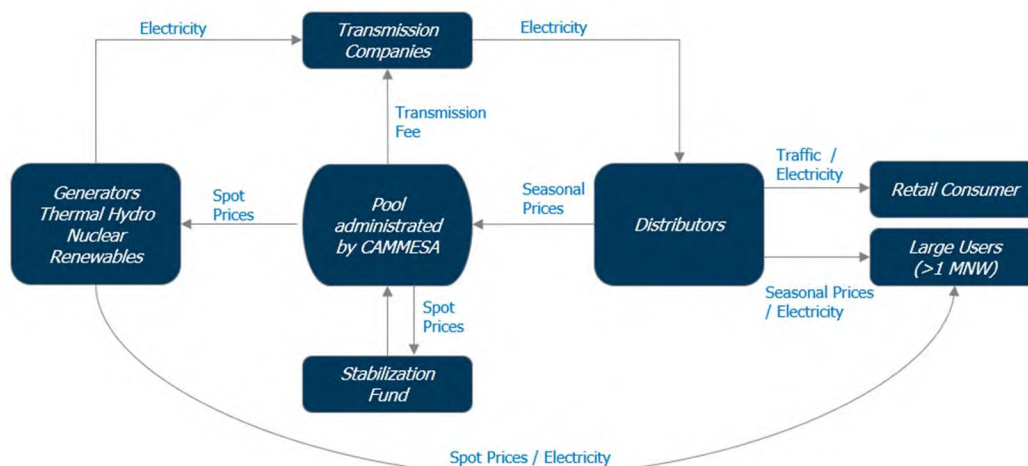
Transactions among different participants in the electricity industry take place in the WEM, administrated by CAMMESA, which clears all transactions as a power pool administrator. The WEM was originally conceived as a competitive market in which generators, distributors and certain large users of electricity could buy and sell electricity at prices determined by supply and demand, and were also allowed to enter into medium and long-term power purchase contracts. In the case of the distributors, they had seasonal fixed prices, that is, they were set for six-month periods calculated by CAMMESA and approved by the Secretariat of Energy, with a quarterly review.

The WEM consists mainly of:

- a term market, where contractual quantities, prices and conditions were freely agreed upon among sellers and buyers; however, it should be noted that Resolution SE No. 95/2013 established the suspension of the incorporation of new contracts in the term market (for thermal machine contracts), with the exception of those contracts entered into under certain special regimes, and those contracts that have a differential remuneration regime (this suspension remains in effect to this day). Since then, large users of the WEM must purchase their electricity demand directly from CAMMESA, except in the case of contracts entered into under the excepted regimes;

- a spot market, where prices were established on an hourly basis based on the economic production cost, represented by the short-term marginal cost measured at the system's load center (market node) (however, in practice, this system has suffered significant regulatory distortions since the year 2002). Purchases made in the Spot Market vary according to the nature of the buyer: large users, generators and self-generators pay the Spot Price, while distributors pay a seasonal price calculated by CAMMESA and approved by the Secretariat of Energy. Seasonal prices are periodically established by the Secretariat of Energy based on the programming made by CAMMESA, and maintained for six-month periods (subject to quarterly adjustments), in order for distributors to pay a stabilized price, and thus be able to transfer it to the tariffs paid by end users. It should be noted that since 2002, this price is not transferred in full to demand agents of the WEM, which in turn leads to relevant deficits in the stabilization fund administered by CAMMESA. Finally, the electricity remuneration values for generators (Spot Sales) are set by the Argentine executive branch; and
- a quarterly stabilization system of Spot Market prices, managed by CAMMESA, intended for the purchases of electric power by distributors. The Stabilization Fund absorbs the differences between the distributors' purchases at seasonal prices and the payments to the generators for the sale of energy at the spot price, created to stabilize the price paid by end users.

The following chart shows the relationships among the various actors in the WEM:



Structure of the Industry

Generation

According to Law No. 24,065, electric power generation is classified as an activity of general interest associated with the provision of the public service of transmission and distribution of electric power but conducted within the framework of a competitive market.

Thermal electric power generators (i.e., generation using natural gas, liquid fuels derived from oil, such as gasoil and fuel oil, coal, solar panels or wind turbines) and renewable energy do not need a concession granted by the government to operate, whereas hydroelectric power generators do need a concession granted by the government to be able to use water sources. Typical terms included in concession agreements include the right to use water resources and facilities for a fixed amount of time (e.g., thirty years), in cases where the dam is owned by the Argentine government or an Argentine provincial government, and the option to extend or renew the concession period for a fixed number of years. Usually, the concessionaire must make a one-time initial payment to the Argentine government or an Argentine provincial government in exchange for the rights granted in the concession and periodically must pay

a fee and/or royalties to the respective provincial government where the river is located in exchange for the use of this water resource. Normally, these periodic fees vary according to the amount of energy generated.

As of the date of this Offering Memorandum, following the enactment of Resolution SE No. 95/2013, the incorporation of new PPAs in the term market was suspended, except for those power purchase agreements executed under certain special regimes. See “—Remuneration Scheme” below.

In addition, it should be noted that in recent years, Argentina has prioritized the generation of electric power from renewable sources. In such regard, it has not only issued regulations intended to regulate and incorporate this type of energy into the WEM, but it has also promoted it by granting incentives in the form of tax benefits and preferential or subsidized tariffs.

In this regard, through the enactment of Law No. 26,190 in December 2006, amended and supplemented by Law No. 27.191, both regulated by Decree No. 531/2016 (as amended by Decrees No. 471/2017 No. 962/2017 and No. 476/2019), the generation of electric energy from the use of renewable energy sources for public service provision was declared to be of national interest. See “—Renewable Energy” below.

Within this framework, the Argentine government launched a series of bidding processes for the development of renewable power generation projects, and implemented the Renewable Energy Term Market by means of Resolution No. 281-E/2017 of the former Ministry of Energy and Mining. See “—RenovAR (Round 1, Round 1.5 and Round 2): Bidding Process for Renewable Energy Generation Projects” and “The Renewable Energy Term Market in Argentina—Resolution No. 281-E/17.”

Transmission and Distribution

Pursuant to Law No. 24,065, transmission and distribution activities are regulated as public services due to the fact that they are natural monopolies. The Argentine government has granted concessions to private entities conducting these activities, subject to certain conditions, such as service quality standards and fixing the tariffs they are entitled to collect for their services.

Electricity transmission is comprised of (i) a high-voltage transmission system, operated by the company Transener, which connects the main electric power production and consumption areas allowing the transmission of electric power between different Argentine regions and (ii) several regional trunk systems, which transmit electric power within a particular region and connect the generators, distributors and large users that operate in such region.

There are other forms under which the electricity transmission activity may be conducted (as an independent transmission company, or an “Independent Transmission Company”), but since they are subject to different rules they are not included in the category of transmission company. The figure of the Independent Transmission Company is distinguished from the transmission due to the lack of the enabling title set forth by Law No. 24,065 to provide such public service activity, which is the concession of the public transmission service. Independent Transmission Companies are under the supervision of a transmission company under a “Technical License”, and their facilities are integrated into the respective transport system; the remuneration system combines the building, amortization, operation and maintenance stages.

Transmission services are rendered by concessionaires that operate and use high and medium voltage transmission lines. Transmission services consist of the transformation and transmission of electric power from generators’ delivery points to distributors or large users’ reception points. Law No. 24,065 provides that electricity transmission companies must be independent from other WEM participants and prohibits them from purchasing or selling electricity.

Electricity distribution is regulated only at the federal level for the City of Buenos Aires and the districts in the metropolitan areas of Greater Buenos Aires. EDENOR operates in the northern area of both the City of Buenos Aires and Greater Buenos Aires, and EDESUR operates in the southern area of both the City of Buenos Aires and Greater Buenos Aires. In the rest of the country, the electric power distribution service is regulated at the provincial level and subject to concession granted by provincial authorities.

Distribution companies are in charge of supplying electric power to end-users who cannot contract with an independent electric power supply source due to their consumption levels, such as residential end-users.

The main characteristics of concession contracts for the transmission and distribution of electric power are: (i) service quality standards with penalties that are applied in case of breach; (ii) a concession term of 95 years for the monopoly of the supply service in a supply area or network, divided into “management periods,” with an initial term of 15 years and subsequent terms of ten years (at the end of each management period, the Argentine government must call for bids to sell the majority stake of the corresponding transmission or distribution company); and (iii) tariffs fixed based on economic criteria with a price cap system and predefined processes regarding their calculation and adjustment.

On December 18, 2023, Decree No. 55/2023 declared an emergency in the generation, transportation, and distribution of electric power and natural gas under federal jurisdiction until December 31, 2024, instructing the Secretariat of Energy to implement necessary actions to ensure continuous service provision. Public hearings for tariff adjustments were held in January 2024, and subsequent resolutions established specific tariffs and update formulas for various energy companies. In addition, the ENRE approved programs for tariff reviews and investment plans for 2024, setting criteria for tariff studies and penalties for non-compliance. Different resolutions also detailed hourly values for regulated equipment and remuneration updates for transporters, aiming to improve service quality and ensure effective execution of investment plans.

Large Users

The WEM classifies large users of energy into three categories: (i) GUMAs, (ii) GUMEs, and (iii) GUPAs. GUMAs are users with a maximum capacity equal to or greater than 1 MW and a minimum annual energy consumption of 4,380 MWh. Their transactions in the Spot Market are invoiced by CAMMESA. GUMEs are users with a maximum capacity ranging from 0.03 to 2.0 MW. They are not required to have any minimum annual demand. These users must contract their entire demand and do not operate in the Spot Market. GUPAs are users with a minimum capacity of 0.030 MW and a maximum of 0.1 MW. They are not required to have any minimum annual demand. These users must contract their entire demand and do not operate in the Spot Market.

Traders

Since 1997, traders have been authorized to participate in the WEM by intermediating block sales of energy. Since 2013, through Resolution No. 95/2013, the Secretariat of Energy restricted the operation of traders since the large users of the MEM had to acquire their demand for electrical energy from CAMMESA in accordance with the conditions established by the Secretariat of Energy.

Vertical and Horizontal Restrictions

The WEM agents are subject to vertical restrictions, pursuant to Law No. 24,065 and Decree No. 1398/92, according to which:

- neither a generation or distribution company nor a large user or any of its controlled companies or its controlling company, can be an owner or a majority shareholder of a transmission company or the controlling entity of a transmission company. Nevertheless, the Argentine executive branch may authorize a generation or distribution company or a large user to build, at its own cost and for its own need, a transport network for which it will establish the modality and form of operation.
- the holder of a distribution concession cannot be the owner of generation units; however, the shareholders of the electric power distributor may own generation units, either by themselves or through any other entity created with the purpose of owning or controlling generation units; and
- no transmission company may purchase or sell electricity.

Section 33 of the Argentine Corporate Law states that “companies are considered as controlled by others when the holding company, either directly or through another company: (1) holds an interest, under any circumstance, that grants the necessary votes to control the corporate will in board meetings or ordinary shareholders’ meetings; or (2) exercises a dominant influence as a consequence of holding shares, quotas or equity interest or due to special linkage between the companies”. However, we cannot assure you that the electric power regulators will apply this standard of control in implementing the restrictions described above. According to the ENRE resolutions, a company controlled by or controlling an electric power transmission company is a company that owns more than 51.00% of the voting shares of the controlled company and exercises a majority control.

Both electric power transmitters and distributors are also subject to horizontal restrictions. The horizontal restrictions applicable to transmission companies are the following:

- two or more transmission companies can merge into or be part of a same economic group only if they obtain an express approval from the ENRE; such approval is also necessary when a transmission company intends to acquire shares in another electric power transmission company;
- pursuant to the terms of the concession agreement that govern the transmission of electric power through transmission lines above 132 kv and below 140 kv, the transmission service is rendered exclusively in the specific areas indicated in such agreement; and
- pursuant to the terms of the concession agreement of the company that renders electric power transmission services through lines with voltage equal to or higher than 220 kv, the service must be rendered exclusively and without territorial restrictions, throughout Argentina.

The horizontal restrictions applicable to electric power distribution companies are the following:

- two or more distribution companies can merge into or be part of a same economic group only if they obtain an express approval from the ENRE; such approval is also necessary when a distribution company intends to acquire shares in another electric power distribution company; and
- the distribution service is rendered within the areas specified in the respective concession contracts.

Import and Export Transactions

Pursuant to Decree No. 974/97, import and export transactions are conducted through the TEII (Sistema de Transporte de Energía Eléctrica de Interconexión Internacional), a public service subject to the concession granted by the former Secretariat of Electric Energy. Under such system, through Resolution No. 348/99, the former Secretariat of Electric Energy granted Interandes Sociedad Anónima a concession for the TEII through the Güemes Transmission System, which connects the Central de Salta Thermal Generation plant located in Güemes, Salta, with the Sico Border Crossing, on the border with the Republic of Chile.

All import and export transactions conducted through the term market require the prior authorization of the Secretariat of Energy and CAMMESA.

Electricity Dispatch and Spot Market Pricing prior to Resolution SE No. 95/13

According to the Regulatory Framework, an electric power generator’s remuneration was a function of two components: (1) a variable component, based on quantity of energy sold in the market, and (2) a fixed component that aims to remunerate the generator for each MW of capacity of its units available per hour in the WEM, regardless of the consumption of the electric power generated by such units. The value of the fixed component depended on, among other things, the connection node to which the unit connects to the SADI.

In accordance with the Spot Market that was in place prior to spot sales, electric power was traded at prices reflecting supply and demand. CAMMESA dispatched the available power units based on the variable costs of production determined by the generation agents, either based on the cost of fuel or the price of water determined,

dispatching the most efficient power units first. The Spot Market price was determined by CAMMESA on an hourly basis at a specific geographic location, referred to as the “market node,” which is located in the system’s load center at Ezeiza, Province of Buenos Aires. The energy price consisted of a value referred to as the “marginal system price” or “market price,” and represented the economic cost of generating the next MWh to satisfy an increase in demand at the same value. The seasonal price fixing system was directly related to the quarterly average prices of the Spot Market.

However, in practice, the Spot Market pricing mechanisms have suffered significant changes since 2002, and by means of Resolution of the Secretariat of Energy No. 95/2013, relevant changes were made to the remuneration of the generation sector, transforming the system into a “cost plus” regime, in which generators were remunerated on the basis of variable “non-fuel” costs, fixed costs and an additional margin. In addition, Resolution No. 95/2013 prohibited generators to purchase their own fuel, with CAMMESA being the only buyer and administrator of fuel.

The remuneration regime for electricity generation was modified and supplemented by numerous resolutions in the years that followed: (i) Resolution SE No. 529/14, (ii) Resolution SE No. 482/2015, (iii) Resolution SEE No. 22/2016, (iv) Resolution No. 19/17 (which established a remuneration scheme in U.S. dollars); (v) Resolution 1/19 of the former Ministry of Finance (which maintained the scheme in U.S. dollars).

Subsequently, Resolution 1/19 was amended by (i) Resolution 31/20 (which reestablished a remuneration regime valued in Argentine pesos), (ii) Resolution 440/21, (iii) Resolution 238/22, (iv) Resolution 826/22, (v) Resolution 750/23, (vi) Resolution No. 869/23, (vii) Resolution 9/24, (viii) Resolution 99/2024, (ix) Resolution 193/2024, published in the Official Gazette on August 2, 2024 and (x) Resolution 233/2024, published in the Official Gazette on August 30, 2024.

The Stabilization Fund

Energy prices are passed on to end-users through the public utility distribution companies. To fix prices for end-users, CAMMESA analyzes electric power supply and demand for the period for which the price is being calculated. The seasonal price is a fixed quarterly price. The Regulatory Framework created the Stabilization Fund that absorbs the differences between the seasonal price and the spot price in the WEM. When the seasonal price is higher than the spot price, there is an accumulated surplus in the Stabilization Fund. Any surplus is used to offset any losses resulting from periods during which the spot price has been higher than the seasonal price. However, due to tariffs’ public policies, the Stabilization Fund has been in deficit since 2003.

Tariffs

The tariffs charged by electric power transmission companies include: (i) a connection charge, (ii) a transmission capacity charge and (iii) a charge for actually transmitted energy. In addition, transmission companies may receive income derived from the expansion of the system. Transmission tariffs are passed on to final users through the distributors.

The amounts that distribution companies charge to end-users include: (i) the price for the purchase of energy in the WEM (the seasonal price as described above), (ii) transmission costs, (iii) the value-added for distribution (“VAD”), which compensates the distributor, and (iv) taxes. The VAD is the marginal cost of providing services, including the network development and investment costs, operation maintenance and commercialization costs, as well as depreciation and a reasonable return on the invested capital. The tariffs determined as set forth above must enable an efficient distributor to cover its operating costs, finance the renovation and improvement of its facilities, satisfy increasing demand, comply with established quality standards and obtain a reasonable return, while also enabling such distributor to comply with certain operating efficiency standards and operate in a manner consistent with the amounts it has invested and the national and international risks inherent in its operations.

Please note that tariffs have been impacted by subsequent emergencies of the power sector, as described in the following section.

Emergency of the Electric Power Sector

The electric power sector has been significantly affected by the Public Emergency Law enacted on January 6, 2002, and the measures adopted as a consequence thereof. As a result of the law, electric power transmission and distribution tariffs were converted into pesos and frozen for more than six years. They were only subject to limited and small-scale increases.

Since the approval of the Public Emergency Law, a series of temporary provisions amended the original mechanism for the determination of prices in the WEM. The measures adopted pursuant to the Public Emergency Law also distorted this mechanism. In spite of an increase in the spot price, the seasonal price remained frozen for all users until 2004, when a partial adjustment was adopted that did not affect residential demand. As a result, the amounts collected based on seasonal prices have been lower than the amounts based on spot prices, therefore increasing the Stabilization Fund deficit.

In addition, the remuneration to power generators was maintained at artificial low levels through regulations that, among other measures, sets a cap on spot prices freezing the capacity payments.

On December 15, 2015, through Decree 134/2015 the Argentine executive branch declared a state of emergency with respect to the Argentine electric power sector until December 31, 2017.

On December 20, 2019, the Solidarity Law was enacted, which once again declared a public emergency in tariff and energy matters, extending such declaration to the economic, financial, fiscal, administrative, pension, health, and social fields, delegating to the Argentine executive branch a variety of powers to fulfill the objectives envisaged in the regulation.

The Solidarity Law implemented the following measures related to the power sector: (i) it suspended increases in transportation and distribution rates for 180 days, which was later subject to extensions by means of Decree No. 543/2020 and Decree No. 1020/2020; (ii) it instructed the initiation of a tariff renegotiation process, which was initiated by means of Decree No. 1020/2020 (for a term of two years), and was extended by means of Decree No. 815/2022 (for a term of one year); and (iii) it granted the Argentine executive branch broad powers to intervene the ENRE, initially until December 2020. However, the intervention was also subject to extensions throughout the entire Fernández Administration, by means of Decree No. 277/2020, Decree No. 1020/2020, Decree No. 871/2021 and Decree No. 815/2022.

On June 16, 2022, with the publication of Decree No. 332/2022, a subsidy segmentation regime for residential users of electricity and natural gas public services by network was established, starting from June 2022, with the aim of achieving reasonable energy values and susceptible to be applied with criteria determined by the regulatory authority (the Secretariat of Energy).

On December 18, 2023, the Argentine executive branch issued Decree No. 55/2023 which resolved:

- Regarding the emergency:
 - declare a state of emergency in the segments of electricity generation, transmission, and distribution, as well as in the transmission and distribution of natural gas under federal jurisdiction until December 31, 2024.
 - instruct the Secretariat of Energy to develop, implement, and enforce a program of necessary actions. The objective is to establish price sanction mechanisms under conditions of competition, maintain income levels, and cover investment needs to ensure the continuous provision of public services for the transmission and distribution of electricity and natural gas.
- Regarding tariff review:

- initiate the tariff review for providers of electricity and natural gas transmission and distribution services.
- the resulting new tariff schedules shall not enter into force until after December 31, 2024.
- until the tariff review process is completed, temporary tariff adjustments and periodic adjustments may be approved, aiming at the continuity and normal provision of the involved public services, on account of the tariff review outcome.
- establish mechanisms for citizen participation in the temporary tariff adjustment process.
- Regarding the intervention of ENRE and ENARGAS:
 - order the intervention of ENRE and ENARGAS as of January 1, 2024, until the appointment of new members of the Board of Directors.
 - grant the Secretariat of Energy the authority to appoint the interveners of ENRE and ENARGAS.
 - grant the interveners the authority to conduct the tariff review process.
 - the Secretariat of Energy must initiate the process of selecting members of the Board of Directors of ENARGAS within 180 days. It must also review and/or redirect and/or confirm and/or annul the process of selecting members of the Board of Directors of ENRE.

On December 20, 2023, through Decree No. 70/2023, the Argentine executive branch resolved, among other matters, to:

- empower the Secretariat of Energy to redetermine the current subsidy structure in order to ensure that end-users have access to basic and essential electricity and natural gas consumption. For this purpose, it must consider the income of the household group.
- empower the Secretariat of Energy to define specific mechanisms that materialize the allocation and effective perception of subsidies, determining the roles and tasks to be performed by public actors, concessionaire companies, and other relevant actors or agents.

On January 3, 2024, through Resolutions No. 2/2024 and 3/2024 of ENRE, it was resolved to convene a public hearing to be held on January 26, 2024 and January 29, 2024, respectively, for the temporary adjustment of transportation and distribution tariffs (of EDENOR, EDESUR, Transener S.A, Transba S.A, Transpa S.A, Transco S.A, Transnea S.A, Transnoa S.A, Distrocuyo S.A, EPEN).

Consequently, on February 16, 2024, by means of Resolutions No. 101/2024 and 102/2024 of ENRE (modified by Resolutions No. 115/2024, 198/2024 and 199/2024) the Tariff Schedule for residential users Level 1, Level 2, Level 3 and other tariff categories was approved.

In addition, through Resolution No. 270/2024, published in the Official Gazette on May 9, 2024, the ENRE established the “Program for the Distribution Tariff Review in 2024”. The criteria and methodological aspects to be followed by EDENOR and EDESUR distributors to carry out the tariff studies in the Tariff Review process were established therein (pursuant to the provisions of Decree No. 55/2023, Section 45 of Law No. 24,065 and its regulations, and the respective Concession Agreements).

Also, within the framework of Resolutions No. 58/2024, 66/2024 and 77/2024 of the Energy Secretariat, issued in relation to CAMMESA debts for the economic transactions of December 2023, and January and February 2024, on May 23, 2024, the Company entered into an agreement with CAMMESA, by virtue of which the debts will be paid by CAMMESA to the Company as follows:

- those corresponding to the economic transactions of the months of December 2023 and January 2024, will be paid through the delivery of sovereign bonds “BONOS DE LA REPÚBLICA ARGENTINA EN DOLARES ESTADOUNIDENSES STEP UP 2038” (BONO USD 2038 L.A.) within TEN (10) business days from the date of signing the agreement, and
- those corresponding to the economic transaction for the month of February 2024 will be paid with the funds available in the bank accounts enabled in CAMMESA within 48 hours as from the signing of the agreement.

The aforementioned payment agreements do not affect the ordinary course of our business or our ability to pay and obtain financing.

On May 27, 2024, Decree No. 465/2024 determined the restructuring of the energy subsidy regimes of national jurisdiction in order to ensure a gradual, orderly and predictable transition towards a scheme that allows: (i) the transfer to users of the real costs of energy; (ii) the promotion of energy efficiency; and (iii) ensuring vulnerable residential users access to the necessary consumption of electricity, gas through networks and bottled gas. A Transition Period towards Targeted Energy Subsidies was established, from June 1 to November 30, 2024.

Law No. 27,742, on the other hand, and within the framework of the energy emergency declared in its Section 1, empowers the Argentine executive branch to adjust the Regulatory Framework for a period of one year, in order to:

- promote the opening of international trade of electric energy, guaranteeing safety and reliability.
- ensure free commercialization and competition in the industry, allowing end users to choose their supplier.
- promote the economic dispatch of energy transactions based on hourly economic costs.
- adjust energy tariffs according to the real costs of supply in order to guarantee investment and the continuous provision of public services.
- explain the payment concepts for the end user and establish the distributor as the agent for the collection and withholding of amounts.
- guarantee the development of energy transportation infrastructure through open and competitive processes.
- modernize and professionalize the structures of the electric sector, reorganizing the Federal Electric Energy Council as a non-binding advisory body.

The FONINVEMEM and Similar Programs

In 2004, the Argentine government, seeking to increase generation capacity, created the FONINVEMEM (Resolution SE No. 712/2004, as amended), a fund to be administered by CAMMESA. To provide capital for the FONINVEMEM, the former Secretariat of Electric Energy invited all WEM participants holding LVFVDs (Liquidaciones de Venta con Fecha de Vencimiento a Definir, as per Resolution SE No. 406/2003 and 943/2003) that originated from amounts owed by CAMMESA’s to generators from the period January 2004 to December 2006, to contribute these credits to the FONINVEMEM. In the initial stages of the FONINVEMEM, generators had to participate in the construction of two new 800 MW combined cycle thermal generation plants. Consequently, on December 13, 2005, the generation companies TMB and TJSM were created. Subsequently the generators also contributed the LVFVDs from 2007 to said projects.

The FONINVEMEM reimburses the private sector contributors the amount of their contributed receivables in 120 equal, consecutive monthly installments starting from the commercial launch date of the plants, converted into U.S. dollars at the rate effective as of the date of the applicable agreement, with interest at the interest rate specified

in the applicable agreement for each project. For further information, see “The FONINVEMEM and Similar Programs”.

Subsequently, in 2010, a new agreement with WEM generators was entered into to promote new electric power generation to satisfy the increase in the energy and capacity demand and also to facilitate the settlement of the LVFVDs for electric power sales.

Energía Plus

In September 2006, the Secretariat of Energy issued Resolution No. 1281/06 which created the Energía Plus Service, to respond to the sustained increase in energy demand and to foster new private sector interested parties to invest fresh capital into the energy sector in order to generate new energy sources.

The resolution provided that:

- the energy available in the market will be used primarily to serve residential customers, public lighting, public entities and industrial and commercial users whose energy demand is at or below 300 kW and that have not entered into term contracts.
- GUMAs, GUMEs and large customers of distribution companies (in all cases with consumption equal or higher than 300 kilowatts) are allowed to satisfy any consumption in excess of their base demand (equal to their demand in 2005) with energy from the Energía Plus service, consisting of the supply of additional energy generation from new generators and generation agents, cogenerators or self-generators that are not agents of the WEM or who, as of the date of publication of the resolution, were not interconnected with the WEM. The price required to pay for excess demand, if not previously contracted for under the Energía Plus, was originally fixed to be equal to the marginal cost of operation. The marginal cost is equal to the generation cost of the last generation unit transmitted to supply the incremental demand from electric power at any given time. With the Energía Plus, the price has been amended to for GUMAs and GUMEs and has been maintained for large customers of distribution companies for their excess demand (Note No. 111/16 issued by the former Secretariat of Electric Energy).

PPAs for additional generation and associated energy from generation and Resolution No. 220/07

Pursuant to Resolution No. 220/07, the Secretariat of Energy authorized the execution of PPAs between the WEM (represented by CAMMESA) and companies that offer additional generation to the system (*i.e.*, the so-called offer of additional generation and associated energy from generation, Cogeneration and self-generation agents that, as of the date of publication of the resolution, were not WEM agents or did not have the generation facilities to commit to such supply). PPAs are applicable to all such projects for additional energy generation that involved the participation of the Argentine government or ENARSA or those that be determined by the former Ministry of Federal Planning, Public Investment and Services (currently, the Secretariat of Energy).

Resolution No. 220/07 sets forth the standard terms of PPAs, including:

- *Effective Term*: Maximum of ten years.
- *Parties*: The company whose offer has been approved by the former Secretariat of Electric Energy, as seller, and the WEM as a whole, represented by CAMMESA, as buyer.
- *Remuneration*: To be determined based on the costs accepted by the former Secretariat of Electric Energy and approved by the former Ministry of Planning.
- *Delivery Point*: The connection node of the plant with the SADI.

- *Remedies:* The PPAs must include remedies for breach based on the effect that the unavailability of the units committed under the PPAs may have on the proper supply of the electric power demand in the SADI.
- *Dispatch:* The machines and plants assigned to the PPAs will generate electric power to the extent they are dispatched by CAMMESA.

Call for Bids for New Thermal Generation Capacity and Associated Electricity Generation

By means of Resolution SEE No. 21/16, the former Secretariat of Electric Energy called for bids for thermal generation capacity and associated electric power generation. The energy was to be made available in the WEM to meet essential demand requirements beginning with the following seasons: summer 2016/2017, winter 2017 and summer 2017/2018.

The agent whose bid was finally accepted was required to enter into a contract for the sale of electric power generation capacity availability and the related generated electric power in the WEM (a “wholesale demand contract”) with the distribution agents and large users of the WEM represented by CAMMESA.

Resolution No. 21 sets forth the guidelines for wholesale demand contracts, which included, among other things, the following terms: (i) the contractual term is required to be between five and ten years; (ii) the maximum specific consumption of each generating unit by type of fuel used is required to be lower than 2,500 kilocalories per kilowatt-hour; (iii) a set of remedies are required to be defined for failures to comply with the committed availability of generation capacity; (iv) the supply of and recognition of the cost of fuel used by the machines and power plants involved is required to be included in accordance with applicable regulations; (v) contracts are required to have first priority in payment and rank equally with existing supply agreements with the BICE in its role as trustee of the trusts “Central Termoelectrica Manuel Belgrano” and “Central Termoelectrica Timbúes” since January and February 2010, respectively, and priority in payment must rank equally with payment obligations in respect of liquid fuel purchases for electric power generation; and (vi) the contracts are required to include other features stemming from the provisions of Resolution No. 21.

In accordance with Resolution No.21, the former Secretariat of Electric Energy received bids for 6,611 MW and awarded an aggregate amount of 2,871 MW.

Pursuant to Resolution No. 155/16 and Resolution No. 216/16, the former Secretariat of Electric Energy authorized CAMMESA to subscribe the wholesale demand contracts with every winning bidder, for 1,915 MW with an average price of US\$21.833/MW-month, and for 956 MW with an average price of US\$19.907/MW-month, respectively. In addition, through Resolution No. 387/16, the former Secretariat of Electric Energy authorized CAMMESA to execute additional wholesale demand contracts for two generation projects (one for 100 MW and the other for 137 MW).

Thermal Power Tender Offer and Resolution No. 287-E/2017

Through Resolution No. 287-E/2017, of May 11, 2017, the former Secretariat of Electric Energy called for a new thermal power tender for the execution of long-term power purchase agreements. The tender focuses on combined cycle conversion projects and Cogeneration project.

The main features of the tender were as follows (further requirements and conditions apply):

- combined cycle conversion projects had to be related to thermal power plants (i) existing at that time or near to reach commercial operation in simple cycle mode; (ii) with low specific consumption; (iii) with the possibility of improving its efficiency once converted into a combined cycle; (iv) that its conversion did not affect the current grid transmission capacity (being any required expansion to be borne by the bidder); (v) which had the appropriate fuel infrastructure system to guarantee permanent operation of the combined cycle; and (vi) with, in principle, a maximum construction term of 30 months.

- Cogeneration projects (i) had to be efficient, (ii) did not affect the current grid transmission capacity, (iii) had to guarantee its own principal and alternative permanent fuel supply, and (iv) had to entail, in principle, a maximum construction term of 30 months.
- 15-year PPAs extension.
- CAMMESA-as the offtaker, acting on behalf of distributors and large users of the Argentine Wholesale Electricity Market. The PPAs might be proportionally assigned to large users and distributors at a later stage.
- the generator would receive both a fixed capacity payment (subject to power availability) and a variable payment for actual power supplied to the grid.
- prices under the PPAs should be established in U.S. dollars. However, CAMMESA should make payment in Argentine pesos at the prevailing exchange rate on the business day immediately before the payment date established in the sales liquidation document issued by CAMMESA.
- payments under the PPAs will benefit from a priority payment mechanism (equal to the one established for the payment of fuel costs for power generation).
- within three months after execution of the PPAs, CAMMESA had to constitute a Payment Guarantee Fund to guarantee the obligations undertaken under each PPA. It should cover six months of the estimated capacity payments under each PPA. The Secretariat of Electricity should provide the specifics with respect to the Fund's constitution and administration.

PPAs were awarded to different projects, by means of Resolution SE No. 820/2017 and Resolution SEE 926/2017.

Renewable Energy

Renewable Energy Program

In recent years, Argentina has prioritized the generation of electric power from renewable sources. In such regard, it has not only issued regulations intended to regulate and incorporate this type of energy into the WEM, but it has also promoted it by granting incentives in the form of tax benefits and preferential or subsidized tariffs.

To promote renewable energy, Law No. 26,190 was enacted in December 2006 and approved the Argentine Promotional Regime for the Use of Sources of Renewable Energy destined to Power Generation (the "Promotional Regime"). The renewable energy sources provided for in this system include wind, solar, geothermal, tidal, hydraulic (hydroelectric power plants up to 30 MW), biomass, landfill gas, sewage-treatment plant gas and biogas (except for the uses provided for in Law No. 26,093 on biofuels). The purpose of Law No. 26,190 is to increase the proportion of energy provided by renewable energy sources to 8% of the national electric power consumption within ten years from its effective date. Law No. 26,190 also established a system of investments for the construction of new works intended to generate electric power from renewable energy sources, which will remain in force for a term of ten years. The system set forth by Law No. 26,190 has been excluded from the general remuneration scheme regulated by Resolution SE No. 95/13 as amended (as described below).

The beneficiaries of this system are individuals and legal entities that hold investments and concessions for new renewable energy generation works in Argentina that have been approved by the enforcement authority. The energy must be intended for the WEM and the project must be related to the rendering of public services.

Law No. 26,190 was amended by Law No. 27,191, enacted on September 23, 2015, to increase investments in renewable energies and foster the diversification of the electric power generation mix, increasing the participation of renewable sources. The amendments establish:

- renewable energy consumption targets for all of Argentina’s electric power consumers, with minimum percentages that progressively increase from 8% in 2017 to 20% in 2025;
- expansion of the tax benefits for eligible projects;
- creation of the FODER, a trust fund for which the Argentine government serves as the trustor and trustee, BICE serves as the fiduciary and the owners of the approved investment projects are the beneficiaries. The trust fund will be dedicated to the financing of eligible projects involving electric power generation from renewable sources; and
- obligations for large users and large demand (higher than 300 KW) to meet gradual goals through self-generation or by purchasing electric power from generators (directly or through electric power distributors or brokers or from the wholesale market operator CAMMESA), with regulated prices until March 2018, and thereafter at a price determined by the former Ministry of Energy and Mining. Resolution 281/2017 allows large users to purchase renewable energy from private generating companies.

Additionally, Decree No. 531/16 established the general guidelines and principles for the development of energy projects in Argentina and delegated to the former Ministry of Energy and Mining, now the Secretariat of Energy, the procedures for compliance with energy goals, bids or auctions for the implementation of the FODER. The most important aspects of these regulations are as follows:

- the Secretariat of Energy will be the enforcement authority of the law.
- the system is applicable to projects for the construction of new facilities or for expanding or upgrading existing ones, the acquisition of new or second-hand equipment, to the extent new assets, works and other services are used for the project and are directly connected to the project. Access to the system is allowed for projects for which, after having been selected under Resolutions Nos. 220/2007, 712/2009 and 108/2011 set forth by the Secretariat of Energy, construction has not yet begun and that have been selected by the enforcement authority and the executed agreement is terminated. Projects for which construction has begun may also be eligible to the extent amendments to the executed contracts are allowed, as required by the enforcement authority. The enforcement authority must establish the merit order for projects that have been approved and determine the granting of the promotional benefits for each project.
- renewable energy consumption targets will be audited annually starting December 31, 2018, with a 10% margin of error allowed.
- the enforcement authority will allocate FODER funds to projects that develop the local manufacturing value chain for renewable energy equipment, parts, or components.

Tax Benefits Under Law No. 26,190

The former regime includes the following tax benefits:

- early refund of the VAT on the project’s new depreciable assets or infrastructure works: the VAT as invoiced to the beneficiaries on the purchase, production, manufacture or final import of capital goods or the execution of infrastructure works shall be credited against other taxes by the AFIP as soon as at least three fiscal periods have elapsed, as counted from the fiscal period in which the investments were made, or it shall be recoverable in the term provided upon approving the project, under conditions and with the guarantees set forth in that respect.
- accelerated asset depreciation for purposes of income tax: the beneficiaries may apply depreciations on the investments associated with the projects subsequent to their approval and under the terms set forth therein. These depreciations are subject to a differential treatment depending on their timing, within the

first, second or third twelve-month period after project approval. This alternative is subject to the condition that the assets are to remain as property of the project holder for at least three years.

- non-calculation of the minimum presumed income tax provided by Law No. 25,063 (repealed for fiscal periods beginning on or after January 1, 2019) on the assets allocated to the projects initiated under the system created by the renewable energy law: this benefit applies to the three fiscal periods preceding the completion of the relevant project. The assets must be connected to the relevant project and must be acquired by the company after the approval of the project.

Tax benefits under Law No. 27,191

Law No. 26,190, as amended by Law No. 27,191, together with Decree No. 531/2016 and the regulations of the former Ministry of Mining and Energy, set forth the Promotional Regime. The Promotional Regime includes the following tax benefits:

- early refund of VAT and accelerated depreciation of assets for income tax purposes, with beneficiaries being able to apply for both benefits simultaneously, subject to reduced benefits based on the actual commencement date of the project's execution.
- extension to ten years of the tax loss carry forward term. Tax loss carry forwards arising from the promoted activity may only be set off against net income arising from the same activity.
- exclusion of assets connected to the activity subject to the Promotional Regime from the taxable base related to the minimum presumed income tax until the eighth fiscal year following the project's commencement (inclusive of the first year). Excluded assets are those connected to the project subject to the Promotional Regime and included in the owner's net worth after the approval of such project. Pursuant to Law No. 27,260, the minimum presumed income tax was repealed effective as of the fiscal periods beginning on or after January 1, 2019.
- a 10% exemption on tax on the dividends distributed by the companies that own the projects subject to the Promotional Regime, which are reinvested in new infrastructure projects within Argentina. This tax was eliminated under the terms of Law No. 27,260. The exemption would not apply to the tax applicable to the net gain derived from dividends and profits distributed by Argentine entities to individuals, undivided estates, and beneficiaries abroad, established by the enactment of Law No. 27,430 and amendments, currently subject to a 7% withholding tax on the amount of such dividends.
- tax certificate applicable to the payment of income tax, VAT, minimum presumed income tax and excise taxes for an amount equal to 20% of the value of components of electromechanical facilities made in Argentina, provided that at least 60% of the components (excluding civil works) are made in Argentina. Where there is insufficient or a lack of production in Argentina, the percentage is reduced to 30%. The tax credit certificate may be transferred to third parties only once. The assignment of the tax certificate is conditioned upon the fact that the taxpayer cannot have liquidated debts due and payable to the AFIP.
- other benefits, including the possibility of shifting increased costs arising from tax increases established after the execution of said contracts to the price of the renewable energy sold. In the contracts executed by CAMMESA, the generator has the right to request recognition of a new price for the energy supplied when there are increases in taxes, rates, contributions or federal, provincial or municipal charges. For such purposes, CAMMESA must be provided with the information and documentation necessary to assess the adjustment of the value of the energy supplied. Decree No. 531/2016 details the definition and scope of the above-mentioned fiscal increases. The request for recognition of the new price due to fiscal increases, together with proof of the information and documentation, is subject to an automatic expiration period.

- exemption from import duties and the statistical rate for the import of new capital assets, special equipment and related parts and components that are necessary for, among other things, the execution of the project. This benefit was valid until December 31, 2017.
- exemption from special taxes, fees and royalties of any jurisdiction imposed on the access to and use of renewable sources of energy within participating jurisdictions until December 31, 2025, excluding potential fees payable on the use of the state-owned land where the projects are based. Those who wish to participate in the Promotional Regime must waive the benefits afforded by previous systems under Laws No. 25,019 and 26,360, and the projects that benefitted from such systems may only have access to the Promotional Regime if the works committed under the contracts executed thereunder have not commenced as of the date of the application.

Those interested in joining the Renewable Energy Promotion Regime must renounce the benefits provided for in previous regimes under Laws No. 25,019 and 26,360, while projects that have benefited from such regimes can only access the Renewable Energy Promotion Regime if the works agreed upon under the relevant contracts have not commenced as of the date of submission of the application.

The Renewable Energy Term Market in Argentina - Resolution No. 281-E/17

On August 22, 2017, the former Ministry of Energy and Mining published Resolution No. 281-E/17 (“Resolution No. 281”) for the Renewable Energy Term Market (private PPAs between generators and large users, self-generation, Cogeneration, traders and distributors). Resolution No. 281 was later modified by means of Resolutions SE No. 230/2019, No. 551/2021 and No. 14/2022, Resolution No. 370/2022 issued by the Ministry of Economy, SE Resolution No. 360/2023 and SE Resolution No. 167/2024.

Resolution No. 281 seeks to promote and encourage a dynamic participation in the term market and to foster the increase of private agreements between the WEM’s agents and participants. Its aim is to provide a feasible alternative for the purchase of energy to tenders by CAMMESA.

Resolution No. 281 makes it possible for large users to comply with their renewable energy consumption quotas through either (i) the joint purchase system (i.e., through CAMMESA), (ii) the execution of a private PPA or (iii) the development of a self-generation project or a Cogeneration project.

As a general principle, PPAs executed in the term market (outside the joint purchase system) may be freely negotiated between the parties with respect to term, priorities, prices and other contractual conditions.

Section 7 of Resolution No. 281 provides that, in the case of curtailment, the following power generation plants will have (i) equal dispatch priority between them and (ii) first dispatch priority over renewable generation projects operating in the term market without an assigned dispatch priority:

- run-of-the-river hydropower plants and renewable power plants having commenced commercial operation prior to January 1, 2017;
- power plants supplying energy pursuant to PPAs executed in connection with Resolution SE No. 712/2009 or No. 108/2011 having commenced commercial operation prior to January 1, 2017;
- renewable power plants supplying energy pursuant to PPAs executed with CAMMESA through the RenovAr Program;
- renewable power plants supplying energy pursuant to Resolution MINEM No. 202/2016 of the former Ministry of Energy and Mining; and
- renewable power plants operating in the term market (e.g., private PPAs) which have obtained dispatch priority in accordance with the regime established pursuant to Resolution No. 281.

Furthermore, Resolution No. 281 created the National Registry of Electrical Energy Generation Projects from Renewable Sources (for its acronym in Spanish, “RENPER”) for the registration of all the power generation, Cogeneration and self-generation projects from renewable sources.

Through Resolution No. 360/2023, new Dispatch Priority Assignment alternatives were established:

- the possibility of requesting “Dispatch Priority Associated to Joint Projects of Incremental Demand with New Renewable Generation” is incorporated (new art. 6 bis, Annex I, Resolution No. 281).
- the assignment of dispatch priority to new renewable generation projects that have an agreement with future large incremental power demands is allowed. It will be considered as “*Incremental Demand Associated Projects with New Renewable Generation*” those whose incremental power demand is greater than or equal to 10 MW.
- the priority is intended for large future demands that seek to ensure their expected consumption of electric energy totally or partially by means of renewable generation and that, due to their expected influence on the transmission grid, produce an increase in the dispatch priority assignable capacities over the existing capacities at the time of the request.
- CAMMESA will make the associated dispatch priority allocations only for the incremental transmission capacity associated with the entry of the aforementioned joint projects, provided that it does not compromise the transmission capacity allocated to other projects and/or existing generation plants or those that are expected to enter.
- the figure of “*Dispatch Priority for Expansions Associated to MATER Projects*” is incorporated (new article 6 ter, Annex I, Resolution No. 281).
- the purpose is for generators to build and pay for transmission expansions in order to commercialize their energy under the MATER. Thus, the dispatch priority over the incremental transmission capacity may be reserved to renewable generation projects that carry out the expansion works at their own cost.
- the “*Dispatch Priority for Expansions Associated with MATER Projects*” is incorporated (new art. 6 ter, Annex I, Resolution 281).
- the purpose is for generators to construct and finance transport expansions to commercialize their energy under MATER. Thus, dispatch priority over incremental transport capacity may be reserved for renewable generation projects that carry out expansion works at their own cost.
- CAMMESA is instructed to implement, for corridors where there is no availability to assign dispatch priority fully and for all hours of the year, a mechanism of “*Referential Type A Dispatch Priority Assignment*”. The mechanism will allow generators to obtain Referential Type A Dispatch Priority, in which they foresee circumstantial limitations for their evaluations that allow them to inject energy with an expected probability of 92% over their characteristic annual energy under the foreseen operating conditions of the different nodes and corridors of the SADI, until transport works are carried out to avoid limitations. The conditions for assignment and maintenance of Referential Type A Dispatch Priority shall be governed by the same mechanisms used for the assignment and maintenance of current Dispatch Priority.
- generators who, prior to the first call for Referential Type A Dispatch Priority, have commercially enabled capacity above their assigned Dispatch Priority, may adhere to this regime for their inclusion in the priority assignment for up to that difference.

Non-compliance with requirements to maintain priority: In case of non-compliance with the committed deadline for entry or payments for the maintenance of dispatch priority, project owners who have requested extensions will not be able to reiterate the request for dispatch priority for the following four (4) quarters. Additionally, projects

that have not obtained commercial enablement for the entirety of the assigned capacity, once the committed deadline plus any extensions have expired, will automatically lose dispatch priority for the capacity resulting from the difference between (i) the assigned priority capacity and (ii) the commercially enabled capacity, without any right to claim for payments made (new art. 9 bis, Annex I, Resolution 281).

Extensions to obtain commercial enablement: The maximum period of twenty-four (24) months, or the commercial enablement period declared in case dispatch priority has been assigned by tiebreaker with the mechanism prior to Resolution No. 14/2022, may be extended by CAMMESA under certain conditions (new article 11, Annex I, Resolution 281 incorporated by Resolution No. 230/2019).

Use of proceeds: Proceeds collected by CAMMESA for payments made by generators corresponding to dispatch priority reservations, extensions, relocations, and MATER adhesions shall be allocated to a Separate Account for the Expansion of the Transport System associated with renewable energies, administered by CAMMESA through the Trust for Electric Supply Transport Works (FOTAE) (new art. 13, Resolution No. 230/2019).

Partial enablement of projects with dispatch priority: Those who have obtained dispatch priority and carry out partial commercial enablements regarding the total capacity assigned with priority shall pay the Dispatch Priority Reservation fee exclusively for the capacity that has not obtained commercial enablement at the beginning of the corresponding payment obligation period. For this, the accumulated commercially enabled capacity must be at least 50% of the capacity assigned with dispatch priority (art. 20 Disposition 1/2019 of the former Subsecretariat of Renewable Energies).

RenovAR (Round 1, Round 1.5 and Round 2): Bidding Process for Renewable Energy Generation Projects

Resolution No. 136-E/16, issued by the former Ministry of Energy and Mining and published in the Official Gazette on July 26, 2016, launched the public auction process for submitting bids for Round 1 of the RenovAR Program. Resolution No. 136-E/16 also approved both the bidding terms and conditions of the above-mentioned auction and the PPAs with CAMMESA.

According to the terms and conditions of such bid, the relevant PPAs shall include the following features and provisions:

- *Purpose:* The purpose of the agreement must be to supply the amount of electric power associated with the new equipment for electric power generation from renewable sources to the WEM beginning on the date on which the power plant is permitted to operate in the WEM until the termination of the contractual term.
- *Seller:* The generation, Cogeneration or self-generation agent of the WEM whose bid is accepted pursuant to the provisions of this resolution and supplementary regulations set forth by the former Secretariat of Electric Energy, but through the offer of energy generated from renewable sources.
- *Buyer:* CAMMESA, on behalf of the distribution agents and large users of the WEM (until such role is reassigned among distribution agents or large users of the WEM), to meet the goals of renewable energy source contribution set since December 31, 2017, for the demand of electric power in the WEM.
- *Term:* Up to twenty years from the date on which operations commence.
- type and technology of the energy to be supplied.
- electricity committed to be delivered per year.
- generation capacity of each unit and total installed capacity committed.
- remuneration to be received by the seller and paid by the buyer for the electric power to be supplied, determined on the basis of the bid price in U.S. dollars per megawatt/hour (US\$/MWh).

- the terms and conditions of the seller's contractual performance guarantee.
- the point of delivery of the electric power purchased shall be the connection node to the SADI.
- the remedies for contractual breach.
- the enforcement of the guarantee for payment through FODER's escrow account.
- contracts for the purchase of electric power shall have first priority in payment and rank equally with payments to the WEM.

Pursuant to Resolution No. 213/16 of the former Minister of Energy and Mining, the results of the tender were published on October 7, 2016. A total of 29 projects with a total installed capacity of 1,141.51 MW, located in nine different provinces were awarded:

- 12 wind projects for a total installed capacity of 707 MW, with a weighted average price of US\$59.39/MWh, a minimum price of US\$49.10/MWh and a maximum price of US\$67.20/MWh;
- four solar projects for total installed capacity of approximately 400 MW, with a weighted average price of US\$59.75/MWh, a minimum price of US\$59.00/MWh and a maximum price of US\$60.00/MWh;
- five small hydro projects for total installed capacity of 11.37 MW, all at a price of US\$105/MWh;
- six biogas projects with a total installed capacity of approximately 8.64 MW, with a weighted average price of US\$154 /MWh, a minimum price of US\$118/MWh and a maximum price of US\$160/MWh; and
- two biomass projects, for a total installed capacity of 14.5 MW, both at a price of US\$110/MWh.

Round 1.5 of the RenovAr Program: Public Bid Process for New Renewable Energy Generation Units

In October 2016, the former Ministry of Energy and Mining also issued Resolution No. 252-E/16, calling for national and international bids under round 1.5 of the RenovAr Program to auction an additional 600 MW of renewable energy (400 MW of wind and 200 MW of solar). On November 11, 2016, CAMMESA began analyzing the technical aspects of the bids that were filed, which included 47 projects totaling 2,486.4 MW.

Pursuant to Resolution No. 281-E/16 of the Minister of Energy and Mining, the results of the tender were published on November 25, 2016. A total of 30 projects with a total installed capacity of 1,281.53 MW, located in 12 different provinces were awarded:

- ten wind projects for a total installed capacity of 765.35 MW, with a weighted average price of US\$53.34/MWh, a minimum price of US\$46/MWh and a maximum price of US\$59.38/MWh; and
- 20 solar projects for total installed capacity of approximately 516.18 MW, with a weighted average price of US\$54.94/MWh, a minimum price of US\$48.00/MWh and a maximum price of US\$59.20/MWh.

Round 2 of the RenovAr Program: Public Bid Process for New Renewable Energy Generation Units

Following Rounds 1 and 1.5 of the RenovAR Program, the former Ministry of Energy and Mining pursuant to Resolution No. 275/17, launched Round 2 of the program on August 17, 2017 and granted awards in the amount of 2,043 MW of renewable power capacity.

Round 2.5 of the RenovAr Program: Public Bid Process for New Renewable Energy Generation Units

After Round 2.0, the former Ministry of Energy and Mining issued Resolution No. 473-E/2017 of November 30, 2017, which launched Round 2.5. The companies invited to participate in this new round were those companies that filed bids in Round 2.0 and were unsuccessful due to a small margin.

As a result of Round 2.5 by means of Resolution No. 488-E/2017 of the former Ministry of Energy and Mining, issued on December 19, 2017, 22 additional projects (totaling 634.3 MW of projected power) were awarded.

Round 3.0 of the RenovAr Program: Public Bid Process for New Renewable Energy Generation Units

Through Resolution No. 100/2018, dated November 14, 2018, the former Secretariat of Energy launched Round 3.0 of the RenovAr program and issued the bidding terms and conditions ruling such bidding contest.

In this new round, participants could submit bids with respect to electricity projects of no more than 10 MW of capacity each, regardless of the applicable technology (wind, solar, etc.). The total capacity to be awarded in this round is 400 MW of renewable energy.

On August 2, 2019, pursuant to Disposition SSERyEE 91/2019 the awarding of the PPAs was decided for a total of 259 MW.

Remuneration Scheme

The Current Remuneration Scheme for generators (Spot Sales)

On February 27, 2020, the Secretariat of Energy issued Resolution 31/20 (amended by Resolution 440/21, Resolution 238/22, Resolution 826/22, Resolution 59/23, Resolution 750/23, Resolution 869/23, Resolution 9/24, Resolution 99/2024, and Resolution 193/2024), establishing a remuneration scheme in Argentine pesos applicable as from February 1, 2020 for Authorized Generators in the Wholesale Electricity Market. According to the emergency declared by Decree No. 55/2023, on August 1, 2024, the Secretariat of Energy issued Resolution No. 193/2024, replacing (starting from August 1, 2024) Annex I, II, III, IV and V of Resolution 99/2024 and established (i) the values to be applied to determine the remuneration of thermal generation within the MEMSTDF; (ii) the remuneration of authorized thermal generation; (iii) the remuneration of authorized hydroelectric generation and from other energy sources (e.g. renewables); (iv) the remuneration of hydroelectric plants managed by Binational Entities, and (v) the criteria applicable to the repayment/refund of financing for major and/or extraordinary maintenance.

Through Resolution 59/2023 published in the Official Gazette on February 7, 2023, the Secretariat of Energy authorized generating agents who are owners of thermal power generation plants classified as “Combined Cycles” according to the provisions of Resolution No. 826, and who are not bound by electricity supply contracts, to adhere to a “Power Availability and Efficiency Improvement Agreement” with CAMMESA (on behalf of distributors and large users of the wholesale electricity market) with the aim of incentivizing the necessary investments in Major and Minor Maintenance of the machinery.

Agents who subscribed to the aforementioned agreement were required to submit the corresponding application to CAMMESA within 90 calendar days from the publication of Resolution 59/2023. Through Resolution No. 233/2024, the remuneration of power plants operating under the Energía Base framework was increased by 5%, effective as of September 2024.

The following is a chronological list of the latest Secretariat of Energy Resolutions for the Spot Market:

Secretariat of Energy Resolution #/year	Valid From	Through
Res.440/2021	February 2021	January 2022

Res.238/2022	February 2022	October 2022
Res.826/2022	November 2022	August 2023
Res.750/2023	Septemebr 2023	October 2023
Res.869/2023	November 2023	January 2024
Res.09/2024	February 2024	May 2024
Res.99/2024	June 2024	July 2024
Res.193/2024	August 2024	August 2024
Res.233/2024	September 2024	N/A

Remuneration of thermal generators

Regarding generation from thermal sources, that authorized thermal generators will be remunerated for (i) monthly available capacity and (ii) energy.

Remuneration for Available Power (DRP) for generators that do not declare DIGO (Base Remuneration) compensates, at the Base Price, the average monthly available power (excluding scheduled maintenance hours agreed with CAMMESA) of the unit to those generators that do not declare a DIGO. The Base Price is established by technology and unit scale.

Remuneration for the DIGO for generators that declare DIGO compensates, at the DIGO Price, the average monthly available power (excluding scheduled maintenance hours agreed with CAMMESA) of the unit to those generators that declare a DIGO. The DIGO Price is established according to the season: summer/winter, and the others. A change is introduced in the determination of the remuneration, compared to Resolution 238/2022, whereby the remuneration price is independent of the achieved available power value each month.

Remuneration for energy will be the sum of two items: (i) Generated Energy and (ii) Operated Energy (associated to the rotating power in each hour). The hourly volume of Operated Energy must correspond with the optimal dispatch for the fulfilment of energy and reserves assigned. Remuneration for energy is determined at the connection node of the generator.

Finally, there is an additional remuneration concept for energy during peak-hours, which consists of recognizing income equivalent to twice the price for energy generated every day between 6:00 pm and 11:00 pm during the summer and winter months, and once the price for the energy generated during the same hours, during the spring and autumn months.

The price to remunerate capacity from thermal sources will be determined pursuant to the following values of capacity base price (PrecBasePot), and price of guaranteed capacity (PrecPotDIGO):

Technology / Scale	PrecBasePot (Ps./MW-month)							
	Res.826/23 feb	Res.826/23 aug	Res.750/23 sep	Res.869/23 nov	Res.9/24 feb	Res.99/24 jun	Res.193/24 aug	Res.233/24 sep
Combined-cycle Large > 150 MW	306,355	392,135	482,326	617,377	1,073,619	1,342,619	1,382,285	1,451,399
Combined-cycle Small <= 150 MW	341,509	437,132	537,672	688,220	1,196,815	1,496,019	1,540,900	1,617,945

Technology / Scale	PrecBasePot (Ps./MW-month)							
Steam Turbine Large > 100 MW	436,932	559,273	687,906	880,520	1,531,224	1,914,030	1,971,451	2,070,024
Steam Turbine Small <= 100 MW	522,308	668,555	822,323	1,052,573	1,830,424	2,288,030	2,356,671	2,474,505
Gas Turbine Large > 50 MW	356,577	456,419	561,395	718,586	1,249,621	1,562,026	1,608,887	1,689,331
Gas Turbine Small <= 50 MW	462,042	591,414	727,439	931,122	1,619,221	2,024,026	2,084,747	2,188,984
Internal Combustion Engines>42 MW	522,308	668,555	822,323	1,052,573	1,830,424	2,288,030	2,356,671	2,474,505

Technology / Scale	PrecPotDIGO Summer/Winter (Ps./MW-month)							
	Res.826/23 feb	Res.826/23 aug	Res.750/23 sep	Res.869/23 nov	Res.9/24 feb	Res.99/24 jun	Res.193/24 aug	Res.233/24 sep
Combined-cycle Large > 150 MW	1,095,752	1,402,562	1,725,151	2,208,193	3,840,051	4,944,062	4,944,062	5,191,265
Combined-cycle Small <= 150 MW	1,095,752	1,402,562	1,725,151	2,208,193	3,840,051	4,944,062	4,944,062	5,191,265
Steam Turbine Large > 100 MW	1,095,752	1,402,562	1,725,151	2,208,193	3,840,051	4,944,062	4,944,062	5,191,265
Steam Turbine Small <= 100 MW	1,095,752	1,402,562	1,725,151	2,208,193	3,840,051	4,944,062	4,944,062	5,191,265
Gas Turbine Large > 50 MW	1,095,752	1,402,562	1,725,151	2,208,193	3,840,051	4,944,062	4,944,062	5,191,265
Gas Turbine Small <= 50 MW	1,095,752	1,402,562	1,725,151	2,208,193	3,840,051	4,944,062	4,944,062	5,191,265
Internal Combustion Engines>42 MW	1,095,752	1,402,562	1,725,151	2,208,193	3,840,051	4,944,062	4,944,062	5,191,265

Technology / Scale	PrecPotDIGO Remaining Periods (Ps./MW-month)							
	Res.826/23 feb	Res.826/23 aug	Res.750/23 sep	Res.869/23 nov	Res.9/24 feb	Res.99/24 jun	Res.193/24 aug	Res.233/24 sep
Combined-cycle Large > 150 MW	821,814	1,051,922	1,293,864	1,656,146	2,880,038	3,708,049	3,708,049	3,893,451
Combined-cycle Small <= 150 MW	821,814	1,051,922	1,293,864	1,656,146	2,880,038	3,708,049	3,708,049	3,893,451
Steam Turbine Large > 100 MW	821,814	1,051,922	1,293,864	1,656,146	2,880,038	3,708,049	3,708,049	3,893,451
Steam Turbine Small <= 100 MW	821,814	1,051,922	1,293,864	1,656,146	2,880,038	3,708,049	3,708,049	3,893,451
Gas Turbine Large > 50 MW	821,814	1,051,922	1,293,864	1,656,146	2,880,038	3,708,049	3,708,049	3,893,451
Gas Turbine Small <= 50 MW	821,814	1,051,922	1,293,864	1,656,146	2,880,038	3,708,049	3,708,049	3,893,451
Internal Combustion Engines>42 MW	821,814	1,051,922	1,293,864	1,656,146	2,880,038	3,708,049	3,708,049	3,893,451

In addition to the abovementioned, the remuneration for available capacity will also depend on the actual available capacity (DRP), which is the average monthly availability corresponding to the “m” month of each generation unit (“g”) that is not under programmed and agreed maintenance and that will be calculated for authorized

thermal generators considering the hourly values registered during the month. The application in the calculation for the “m” month will be made taking into consideration the values registered during the month.

Following the abovementioned, Resolution 440/21 sets forth that the monthly remunerating for available capacity shall be proportional to the monthly availability, the Utilization Factor of the generation unit and capacity price. Capacity price depends on the option taken by the generator regarding DIGO declaration or Base capacity price.

In case of generators that do not declare DIGO, their capacity remuneration is determined by:

$$\text{REM BASE (Ps./month)} = \text{PrecBasePot} * \text{DRP (MW)} * \text{kFM}$$

Being

kFM: hours of the month outside agreed maintenance/hours of the month

In case of generators that declare DIGO, their capacity remuneration is determined by using the following:

For Resolution 193/2024:

If $\text{DRP} \geq \text{DIGO}$

$$\text{REM DIGO (Ps./month)} = (\text{DRP} - \text{DIGO}) (\text{MW}) * \text{kFM} * \text{PrecMinPot} + \text{DIGO (MW)} * \text{kFM} * \text{PrecPotDIGO}$$

Where:

If $\text{DRP} < \text{DIGO}$

$$\text{REM DIGO (Ps./month)} = \text{MAX} \{ \text{REM BASE}; \text{DRP (MW)} * \text{kFM} * \text{PrecPotDIGO} * \text{DRP} / \text{DIGO} \}$$

Where:

kFM = hours of the month outside of agreed maintenance period/hours of the month

$$\text{REM DIGO (Ps./month)} = \text{DRP (MW)} * \text{kFM} * \text{PrecPotDIGO}$$

The total remuneration for available capacity of generators will depend on whether they declared DIGO or not.

Energy Remuneration

Energy remuneration is comprised of two items: (i) generated energy and (ii) operated energy. This remuneration is determined at the connection node of the generator.

Remuneration for Generated Energy

For conventional thermal generation, a maximum value (depending on the kind of fuel used by the generation unit “g”) will be considered in concept of non-fuel variable costs (*CostoOYMxComb*), as indicated in the below chart, for the energy delivered in each hour:

Energy price - Resolution No. 193/24 (aug. 2024)

Technology/Scale	CostoOYMxComb			
	Natural Gas (Ps./MWh)	FuelOil/GasOil (Ps./MWh)	BioComb (Ps./MWh)	Mineral Coal (Ps./MWh)
Combined-cycle Large > 150 MW	3,299	5,772	8,241	-

Technology/Scale	CostoOYMxComb			
	Natural Gas (Ps./MWh)	FuelOil/GasOil (Ps./MWh)	BioComb (Ps./MWh)	Mineral Coal (Ps./MWh)
Combined-cycle Small <= 150 MW	3,299	5,772	8,241	-
Steam Turbine Large > 100 MW	3,299	5,772	8,241	9,889
Steam Turbine Small <= 100 MW	3,299	5,772	8,241	9,889
Gas Turbine Large > 50 MW	3,299	5,772	8,241	-
Gas Turbine Small <= 50 MW	3,299	5,772	8,241	-
Internal Combustion Engines > 42 MW	3,299	5,772	8,241	-

Remuneration for Operated Energy

Operated Energy remuneration applies to the addition of rotating capacity along the month. When a generating unit is operating under forced condition, requested by the generator, Operated Energy remuneration will be determined considering only 60% of its installed capacity. The Prices for Operated Energy for 2024 are included below.

	Operated energy (Ps./MWh)
Resolution No. 238/22 (jun)	154
Resolution No. 826/22 (sep)	185
Resolution No. 826/22 (dec)	204
Resolution No. 826/22 (feb)	255
Resolution No. 826/22 (aug)	326
Resolution 750/23 (sep)	401
Resolution 869/23 (nov)	512
Resolution 9/24 (feb)	892
Resolution 99/24 (jun)	1,115
Resolution 193/24 (aug)	1,148
Resolution 233/24 (sep)	1,205

Peaking Hours Generation

Peaking Hours Generation Remuneration applies to the generation achieved every day, during peak hours (6PM-11PM).

Peaking Hours Price would be two times the corresponding abovementioned energy price (CostoOYMxComb) in Winter and Summer months, and, once the energy price (CostoOYMxComb) for the rest of the months.

Other generating technologies in the Spot Market

Energy generated from non-conventional resources (solar, eolic, biomass, biogas) will be priced:

	Generated energy (Ps./MWh)
Resolution No. 440/21 (jan)	2,167
Resolution No. 238/22 (feb)	2,817
Resolution No. 238/22 (jun)	3,099
Resolution No. 826/22 (sep)	3,719
Resolution No. 826/22 (dec)	4,090
Resolution No. 826/22 (feb. 2023)	5,113
Resolution No. 826/22 (aug. 2023)	6,545
Resolution No. 750/23 (sep)	8,050
Resolution No. 869/23 (nov)	10,304
Resolution No. 9/24 (feb)	17,919
Resolution No. 99/24 (jun)	23,071
Resolution No. 193/24 (aug)	23,071

Following this, the Non-Conventional Energy Remuneration will be calculated by the hourly integration in the month of the energy generated by generation unit “g” in each hour “h” (EGengh) by PENC in that hour:

$$\text{REM ENC (\$/month)} = \sum \text{h.month (pENC * EGengh)}$$

Generation coming from units that are in a stage prior to commercial authorization will be granted 50% of the corresponding remuneration until reaching such authorization.

In February 2023, through Resolution No. 59/2023 the Secretariat of Energy authorized generators with combined cycle units to adhere to an agreement aimed at encouraging investments for major and minor maintenance activities in connection with these facilities (the “Agreement on Availability of Power and Improvement of Efficiency”). Through the Agreement on Availability of Power and Improvement of Efficiency, the adhering thermal generators undertake to achieve at least 85.00% availability of average monthly power in exchange for a new power and generation price in both U.S. dollars and Argentine pesos.

In the case of power, the price was set at 2,000 US\$/MW-month plus (i) 85.00% of the remuneration of power set forth in Resolution 826/22 (and subsequent resolutions) in Argentine pesos (during spring and autumn) or (ii) 65.00% of the remuneration of power set forth in Resolution No. 826/22 in Argentine pesos (during summer and winter). In the case of energy, the price was set at 3.5 US\$/MWh for units that use gas and at 6.1 US\$/MWh for units that use alternative fuels (i.e., diesel).

Regarding 2024, the remuneration scheme applicable to generating agents has been updated by Resolutions No. 869/2023, 9/2024, 99/2024 and 193/2024. This latest resolution updated energy and power prices by 60% as of August.

Evolution of Supply and Demand in the Argentine Energy Sector Structure

Structural Characteristics of the Energy Sector

The evolution of the demand and the energy consumption in Argentina is correlated with the evolution of the GDP, which implies that the higher the economic growth, the higher the energy demand. For example, the historical compound annual growth rate (CAGR) of energy consumption was of 3.52% annually over the past 30 years, with an annual average of 2.63% since 2004, although between 2004 and 2022 the economic growth rose to an average of 2.51% annually (including exports and losses).

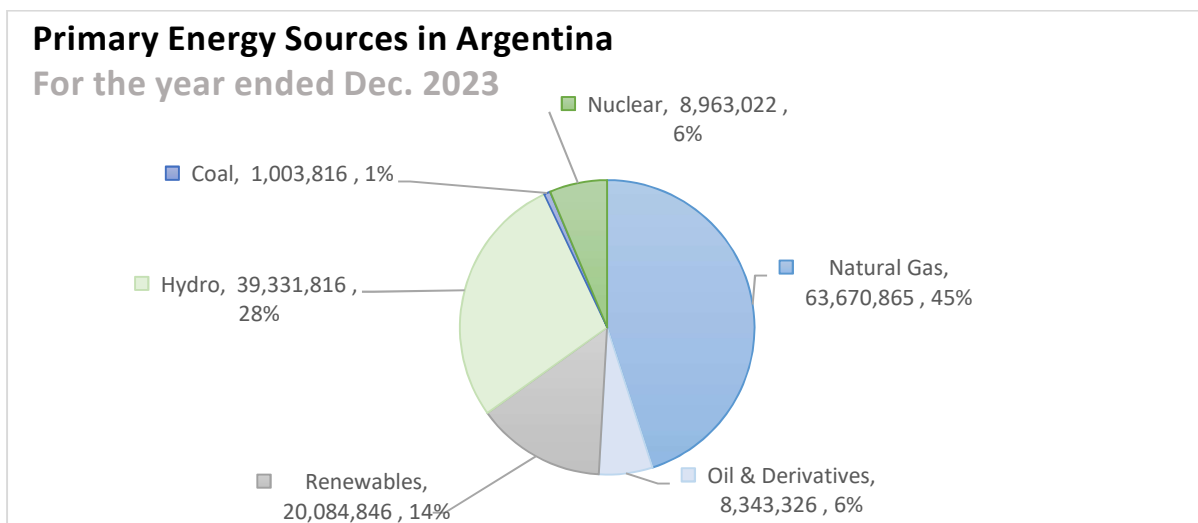
The growth of energy consumption during the last decade is similar to the historical average, since it was not driven by a large increase in consumption of the industrial sector, but predominantly by that of the residential and commercial sectors, as noted in the consumption parameters of gas, gasoline and especially electric power.

The elasticity of energy consumption in relation to the GDP during the last two decades is lower than in earlier decades, so restrictions on energy demand or the need for energy imports, if domestic supply is insufficient, could increase if the industrial sector expands in the future.

The restrictions on the supply of certain energy products such as natural gas in the last cycle of high economic growth and the relatively moderate growth in energy demand in broad terms, are based primarily on problems related to the supply of these energy products and also on a significant growth of the demand of the residential and commercial segments in a context of weak industrial activity with few new expansions of greater productive capacity for large energy consumers.

The structure of electric energy consumption in Argentina is strongly dependent on hydrocarbons, at approximately 51.64% in 2023, compared to 58.92% in 2022, 63.52% in 2021, 61.36% in 2020, 61.06% in 2019 and 63.86% in 2018. Large amounts of natural gas liquefied natural gas and gasoil are imported in order to try to satisfy demand. During 2019 such imports decreased, mainly due to an increase in the domestic production of natural gas. However, demand for natural gas is usually unsatisfied during the winter in the industrial segment and in the thermoelectric generation segment. In certain circumstances, the Argentine government has imposed restrictions on consumption because of the lack of adequate supply of gas to supply other segments that do not have the capacity to replace natural gas with other fuels (among others, propane, butane and fuel).

Although current energy consumption in Argentina signals a dependence on hydrocarbons, we believe that Argentina is currently undergoing an important shift to a more modern and diversified energy mix arising from the inclusion of renewable energy into the mix, in accordance with the requirements set forth in Law No. 27,191 of 2015.



Source: Secretariat of Energy

As a summary, the following characteristics are specific to energy demand and supply in Argentina:

- Atypical structure, with a bias towards oil and gas, which is a characteristic of countries with large reserves of hydrocarbons such as Middle Eastern countries, Russia, African oil-producing countries, and Venezuela.
- 47.00% of the energy supply is dependent on natural gas, which is higher than in most countries that have a large *surplus* production of natural gas.
- Stagnation in the local energy supply since investments in recent years in the oil and gas sector have been insufficient to effectively increase domestic supply enough to satisfy the demand.
- Enhanced demand due to the abnormally low prices of gas and electric power in the residential and commercial sectors during the 2012-2016 period, which caused the growth rate of residential energy consumption to be higher than the usual trend, which was partially reverted during the 2017-2019 period.

Structure of the Electric Power Supply in Argentina

The nominal installed capacity in Argentina was reported by CAMMESA to be 43,774 MW as of December 31, 2023. Availability estimated by CAMMESA for thermal units is approximately 73.21% due to the lack of proper fuel supply, difficulties in achieving nominal efficiency and unavailability of several generating units under maintenance. Moreover, the generation supply depends heavily on liquid fuel use that diminishes capacity availability and there are certain transmission restrictions.

Over recent decades, the Argentine government (spanning administrations with different ideological orientation) has favored the deployment of thermoelectric generating units. One reason for this is that these units require smaller capital investments and take less time to deploy compared to other types of generating units. The increased dependency on hydrocarbons for these new power plants was not considered a disadvantage since the required fuels have always been produced in Argentina and the production has always been predictable and growing. However, the constant deployment of thermoelectric generation has increased the demand for fossil fuels, particularly those based on natural gas, and has led to shortages and the imposition of certain restrictions on the provision to thermal generators of locally produced fuels.

During the 1990s, private sector investors also concentrated their investments in thermoelectric generation, almost without exception. The economic crisis of 2002 accelerated even more the tendency to invest in thermoelectric plants, given their lower cost of startup. After the crisis of 2002, investments in the electrical sector continued mainly with state intervention, expanding the installed capacity based on thermoelectric generation but without meeting the increasing demand. The financial constraints of the Argentine government in the last decades, the high amount of capital needed and the long periods necessary to develop the projects have negatively impacted on the decision of the Argentine government to invest and deploy hydroelectric and nuclear power plants. In addition, the recurrent fiscal crises of the recent past have forced the Argentine government to delay or cancel major projects that would have increased and diversified Argentina's generation capacity.

Nominal Power Generation Capacity

Nominal power generation capacity is dominated by thermoelectric generation. A considerable number of thermoelectric power units experience high levels of unavailability, especially during the winter, due to fuel provision restrictions.

In the summer of 2023, the maximum power consumed reached 29,105 MW on March 13.

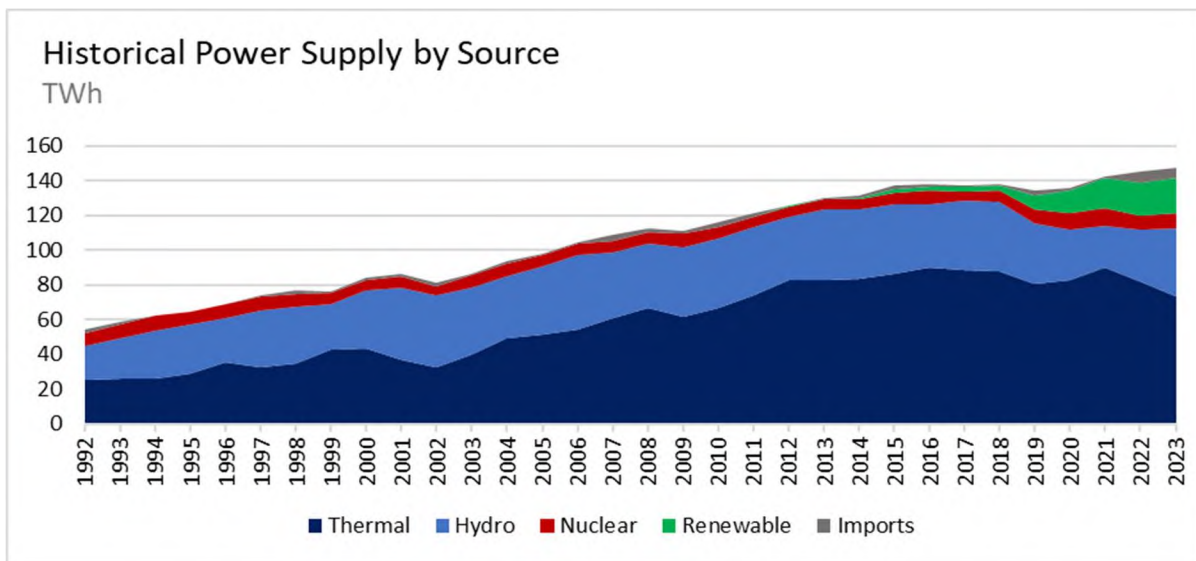
There are three main centers of electric power supply in Argentina:

- Buenos Aires-Greater Buenos Aires-Coastline
- Comahue
- Northeast Argentina

Electric power supply and demand were linked in the past by a radial system to Buenos Aires. This system presented risks of instability in various regions whose demand had grown but had insufficient local generation (e.g., Cuyo, Northwest Argentina in Salta, Central and Greater Buenos Aires). For this reason, the Argentine government changed the system and now is using a peripheral system. The Argentine government has made very large investments in a substantial expansion of electric transmission, totaling 500 kV. Such investments include laying peripheral high voltage lines totaling 550 kV (that may not have an immediate economic impact but will have positive effects on the system in the long-term) in the following locations:

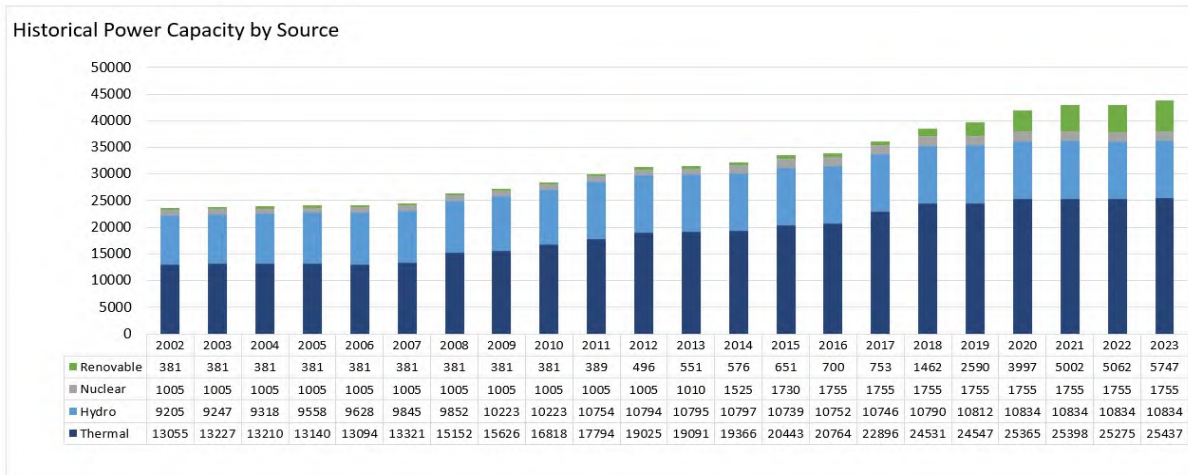
- Northeast and northwest Argentina
- Comahue-Cuyo
- Southern Patagonia

The following chart shows the development of electric power generation by type of source:



Source: CAMMESA

The following chart shows the development of electric power generation capacity by type of source:

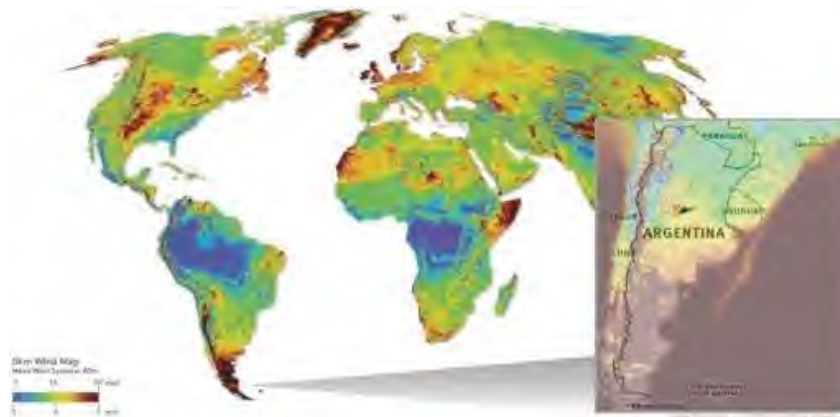


Source: CAMMESA

Renewable Energy Generation in Argentina

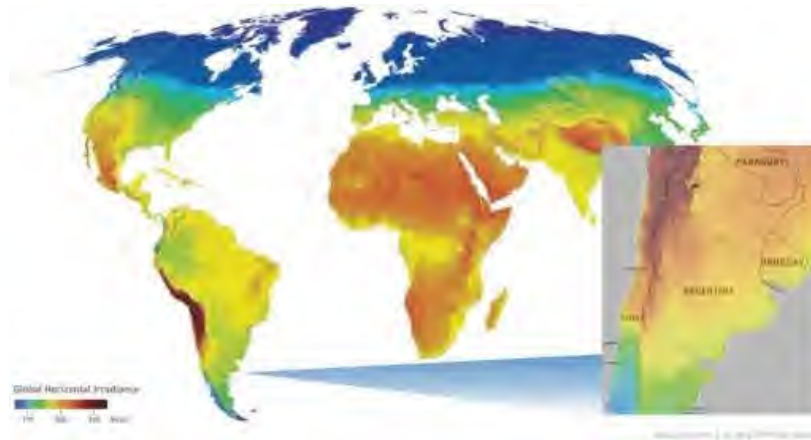
Certain regions of Argentina benefit from levels of wind or sunlight that provide a strong potential for renewable energy generation. The maps below show the mean wind speed at 80 meters of elevation and the average global horizontal irradiance in Argentina, respectively.

Average Wind Speeds



Source: Vaisala - 3Tier

Average Global Horizontal Solar Irradiance (GHI)



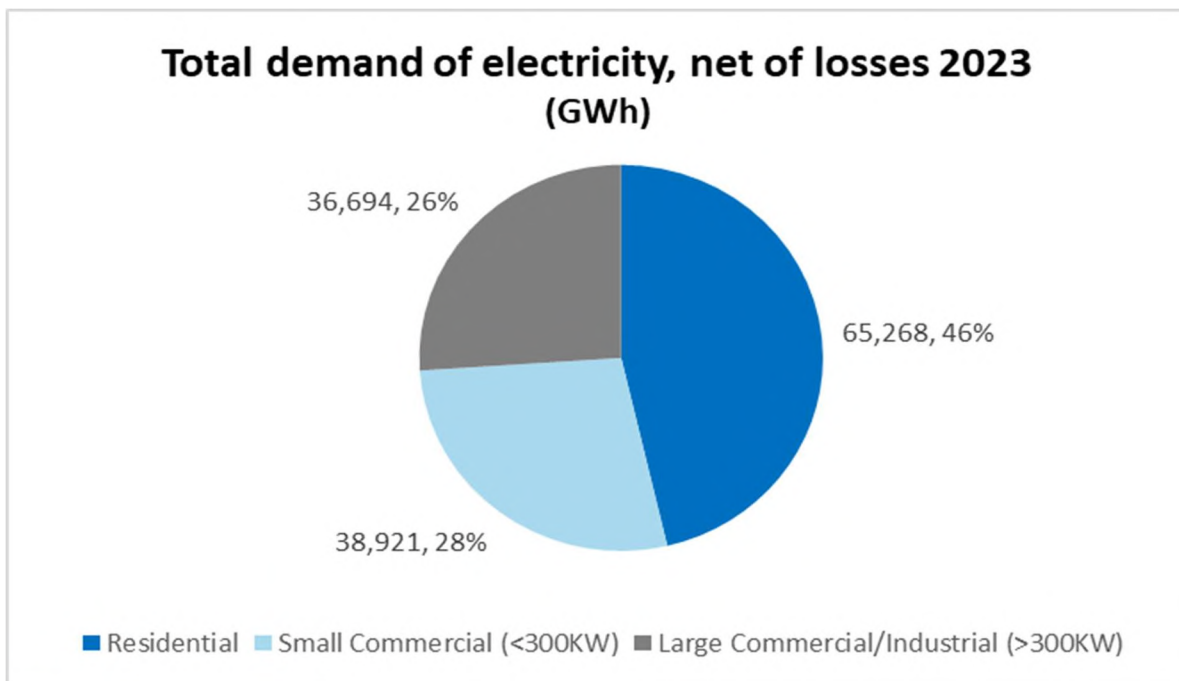
Source: Vaisala - 3Tier

The Structure of Electric Power Demand in Argentina

Electric power demand depends to a significant extent on economic and political conditions prevailing from time to time in Argentina, as well as seasonal factors. In general, the demand for electric power varies depending on the performance of the Argentine economy, as businesses and individuals generally consume more energy and are better able to pay their bills during periods of economic stability or growth. For example, the historical compound annual growth rate (CAGR) of energy consumption was 3.37% annually over the past 30 years, with an annual average of 2.58% since 2004, while between 2004 and 2023 the GDP rose to an average of 2.48% annually (including exports and losses).

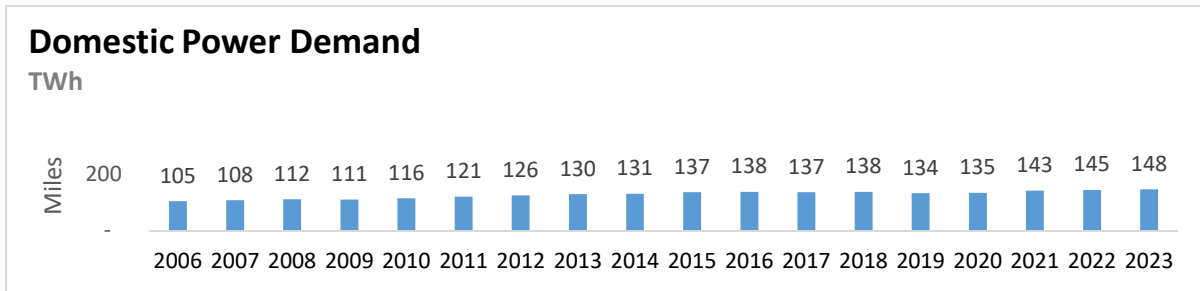
As a result, electric power demand is affected by actions by the Argentine government concerning the economy, including with respect to inflation, interest rates, price controls, foreign exchange controls, taxes and energy tariffs.

The following chart shows the demand for electric power in 2023 by customer type:



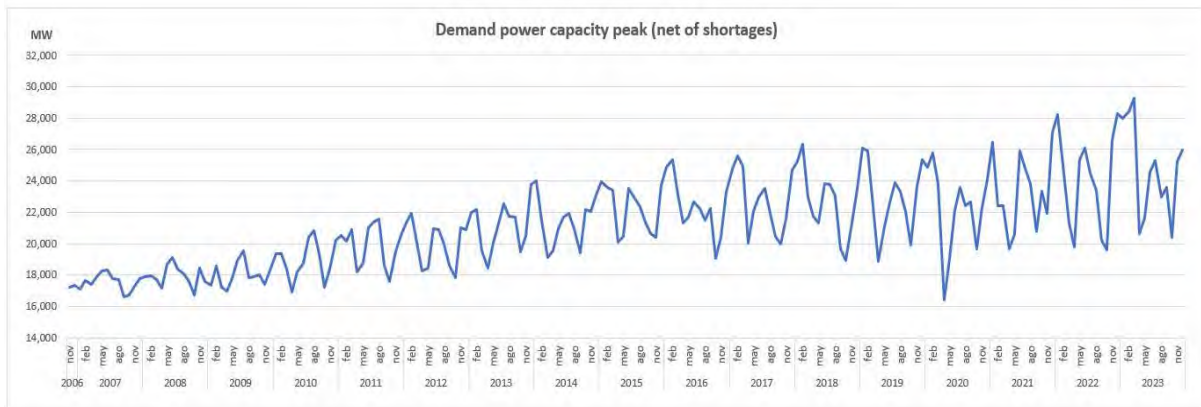
Source: CAMMESA

The following chart shows the evolution of the demand for electric power over the last several years:



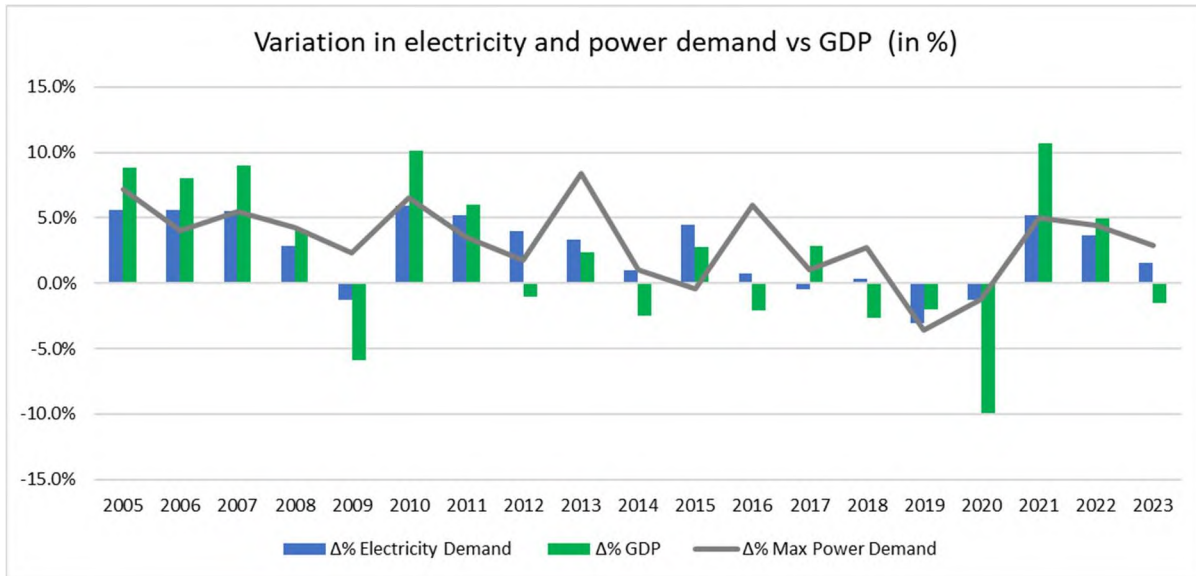
Source: CAMMESA

The following chart shows the power demand from November 2006 to November 2023:



Source: CAMMESA

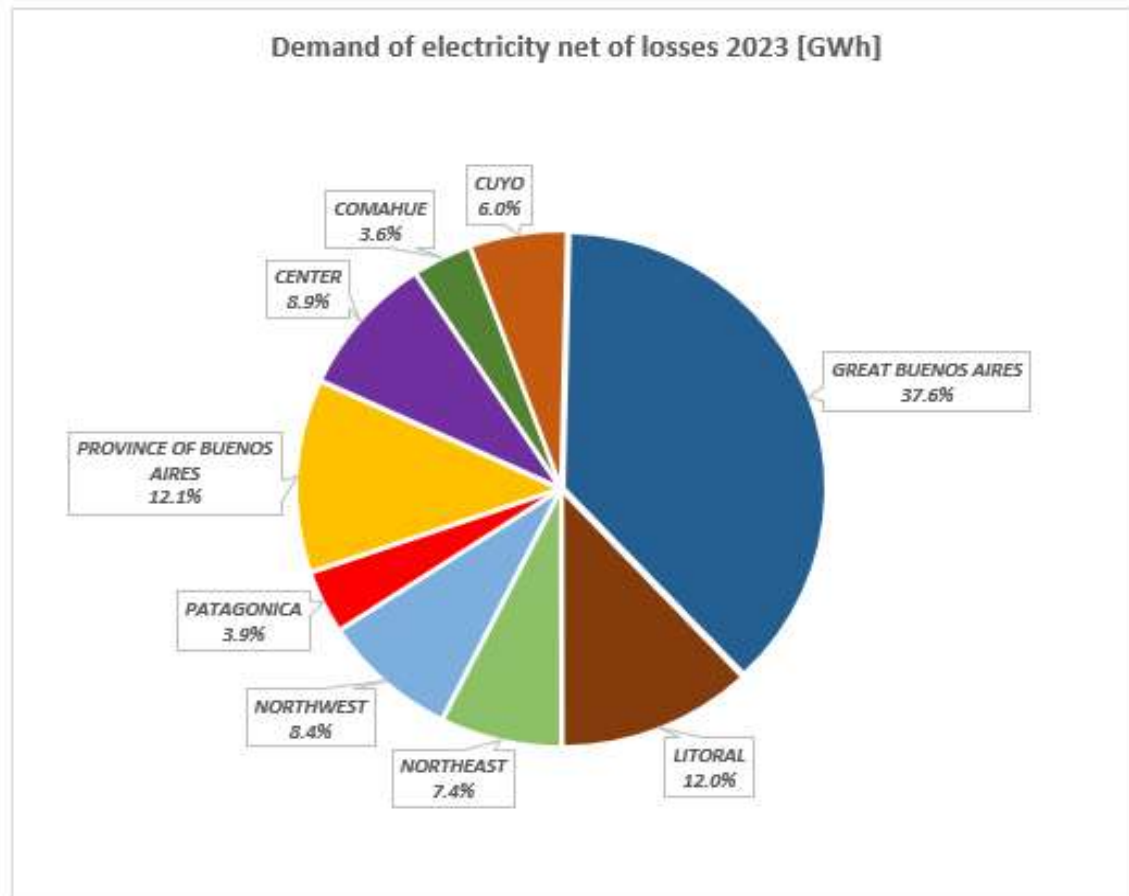
The correlation between the evolution of GDP and electric power demand is strong, although when there is a strong reduction of the GDP, electric power demand falls relatively little. It should also be noted that, in an environment of low economic growth, electric power demand grows at rates higher than the GDP, as shown below:



Source: CAMMESA, INDEC

CAMMESA divides Argentina into regions that have similar characteristics in terms of demand, socio-economic characteristics and electric subsystems. Such regions are: (i) the City of Buenos Aires and its suburbs, (ii) the Province of Buenos Aires, (iii) Santa Fe and Northwest Buenos Aires, (iv) the Center, (v) the Northwest, (vi) Cuyo, (vii) the Northeast, (viii) Comahue and (ix) Patagonia.

Demand is significantly concentrated in the areas of the City of Buenos Aires, the Province of Buenos Aires, Santa Fe and Northwest Buenos Aires, which comprises approximately 61.76% of the demand. Changes to the concentration of the demand structure are not substantial over the period of measurement. The chart below shows electricity demand by region for 2023:



Source: CAMMESA

Seasonality also has a significant impact on the demand for electric power, with electric power consumption peaks in summer and winter. The impact of seasonal changes in demand is registered primarily among residential and small commercial customers. The seasonal changes in demand are attributable to the impact of various climatological factors, including weather and the amount of daylight time, on the usage of lights, heating systems and air conditioners.

The impact of seasonality on industrial demand for electric power is less pronounced than on the residential and commercial sectors for several reasons. First, different types of industrial activity by their nature have different seasonal peaks, such that the effect of climate factors on them is more varied. Second, industrial activity levels tend to be more significantly affected by the economy, and with different intensity levels depending on the industrial sector.

Between 2016 and 2018, electricity demand remained stable and decreased in 2019 due to a general decrease of the economic activity in Argentina. For 2020, electricity demand continued to decrease due to a decline in economic activity and the impact of COVID-19. In 2021, electricity demand recovered from the previous year, mainly due to an increase in industrial demand. During year 2023, residential and small commercial demand increased 3.34% and 1.1% respectively compared to the previous year, mainly due to the lack of substantial tariff increases for the residential demand.

A direct annual analysis—as opposed to a twelve-month moving average, which is useful to show inertial trend changes (i.e., the underlying trend that includes only a few months and therefore better shows gradual changes to stability)—shows growth rates in energy demand during 2010 and early 2011, with an abrupt slowdown (including negative values) in 2012 and, after the winter of 2012, an increase in energy demand during 2013. In December 2013 and January 2014, there was exponential growth in demand by residential and commercial consumers due to the heat wave that hit the central region of Argentina during those periods. In December 2014, the demand growth trend was

reversed with a sharp drop in demand with the return of normal temperatures. The demand for electric power in the residential sector resumed a high growth trend in 2015. In 2016, residential consumers demand increased 3%, despite moderate increases in rates to a small portion of consumers. During 2017, 2018, 2019 and 2020, residential demand decreased 2.03%, increased 1.99%, decreased 2.61%, and increased 8.00%, respectively, as compared to the same period the previous year, in the case of the decrease during 2019. In 2020, due to the COVID-19 pandemic, the quarantine and other restrictive measures taken by the Argentine government, citizens had to work remotely and thus staying at their houses for longer periods of time. Schools and universities were closed for most part of 2020. On the other hand, during 2020 there was no residential electricity tariff increase and services cuts due to non-payment was suspended, which may have contributed to residential users consuming more electricity. During 2021, as a consequence of the removal of restrictive measures associated with the COVID-19 pandemic, demand of electricity recovered from the previous year (+5.34%), mainly due to a 13.20% increase in industrial demand and a 4.45% increase in commercial demand. Residential demand in 2021 increased 1.27% compared to 2020. During year 2023, residential and small commercial demand increased 3.34% and 1.00%, respectively, compared to the previous year, mainly due to the lack of substantial tariff increases for the residential demand.

In addition to the growth of energy demand during the 2011-2016, which placed pressure on the supply of fuels to thermal plants, demand also affects the availability of generation plants to meet peak demand for power at nighttime during the winter or during the afternoon in the summer.

To minimize the risks of sudden interruptions to the residential and commercial segment in 2013, there were scheduled supply interruptions in December 2013 and January 2014, which was similar to what occurred in the winter of 2010 and 2011 but did not reach the extraordinary levels of the winter of 2007. No interruptions were necessary in 2012. During the summer and winter of 2015, it was not necessary to apply restrictions to industrial consumers to supply residential electric power demand, although there were some forced interruptions due to certain problems with electrical distribution. However, during February 2016, certain restrictions to consumption of an approximate amount of 1,000 MW were applied by CAMMESA and the Ministry of Energy and Mining due to the above average temperatures recorded in February 2016.

During January and February 2016 there were successive high peaks of consumption of electric power for a business day, after two years of not surpassing the previous record reached in January 23, 2014. A peak of consumption of 25,380 MW was reached on February 12, 2016, but restrictions were implemented to the demand of the distributors of Buenos Aires, Greater Buenos Aires and La Plata. New peaks of consumption of 26,320 MW/544.4GWh were reached on January 29, 2019, on December 12, 2022 of 28,283 MW and lastly on May 13, 2023, with a consumption of 29,105 MW/590.7GWh without major demand restrictions.

Power and energy consumption records						
New records		Previous records			Variation (%)	Variation (MW)
Peak of electric power capacity (MW)						
Working day	Mar 13, 2023	29,105	Dec 6,2022	28,283	2.91%	822
Saturday.....	Mar 11, 2023	27,203	Jan 15, 2022	26,719	1.81%	484
Sunday.....	Mar 12, 2023	25,739	Dec 11, 2021	23,724	8.49%	2,015
Energy (GWh)						
Working day	Mar 13, 2023	590.7	Jan 14, 2022	575.9	2.57%	14.80
Saturday.....	Mar 11, 2023	599.8	Jan 15, 2022	559.0	7.30%	40.80
Sunday.....	Mar 12, 2023	543.6	Jan 16, 2022	478.9	13.51%	64.70

Source: CAMMESA

The peak demand of power of March 13, 2023, was covered with a thermal supply of 16,836 MW, a hydroelectric supply of 6,878 MW, nuclear supply of 959 MW, renewable energy supply of 2,028 MW, and imports of 2,402 MW.

As with the case of natural gas, the strong seasonality of electric power demand in Argentina—both in terms of energy and power—influences the needs for investment since investments are made to meet the maximum peak winter demand, which generates significant surpluses at other times of the year that cause lower costs and competition in those periods. The maximum demand for electric power is during the afternoon or evening hours in summer. In the case of winter, the maximum demand is generally during the evening, due to the high use of electric heaters that are preferred by consumers because of the differential cost and simplicity in comparison with natural gas heaters.

Not all the generation capacity is available at times of peak demand. Both in summer and especially in winter, there is an effective generation capacity to meet the demand. The effective capacity available (which means the capacity available) is significantly lower than the nominal installed capacity.

Despite all efforts, it is unlikely for there to be complete nominal capacity available at any given time. Instead, the power generation capacity industry generally anticipates and considers a percentage of unavailability that can range between approximately 20.00% and 25.00%.

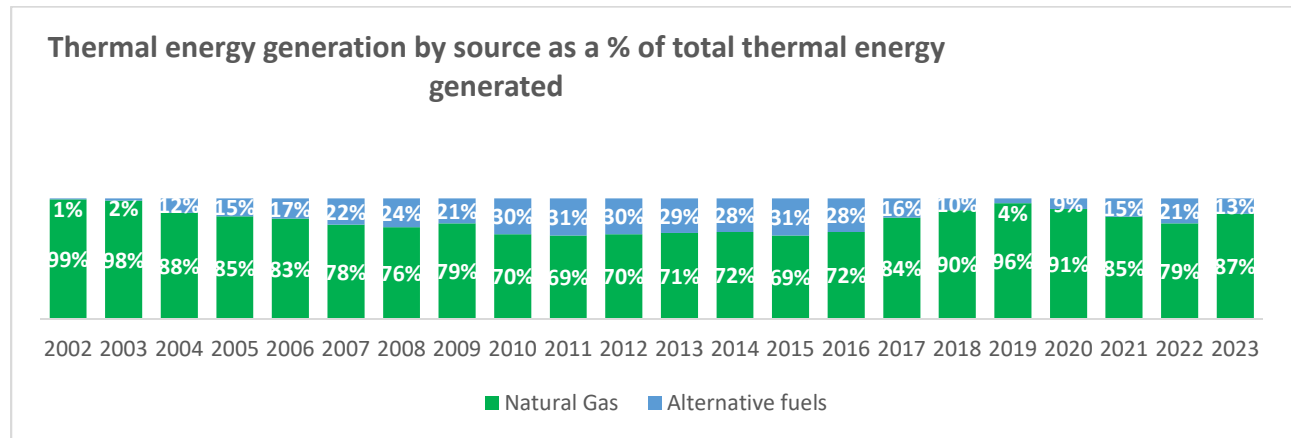
This critical variable is central to the efforts made by CAMMESA and the generators to invest in the proper maintenance of the units. Although the unavailability factor over the long-term in the thermal plants in Argentina has historically been approximately 30.00%, it fell below 20.00% for a period in the early 2000s. In general, the unavailability factor of the hydroelectric plants in Argentina is not significant. The Yacretá hydropower plant capacity considers the available power for Argentina, 2,745 MW. The total capacity of Yacretá is 3100 MW, achievable at maximum level and with the units at full capacity. In the nuclear sector, historical unavailability has been important because of the periodic maintenance that units have to go through. In particular, the Embalse nuclear plant commenced, starting in January 1, 2016, a two-year period in which it was not in operation. Additionally, the Atucha II nuclear plant, which was generating energy on a trial basis since 2015, received its commercial authorization during the first half of 2016, adding a nominal capacity of 745 MW to the SADI. In 2022 the Atucha I Nuclear Plant was out of service for almost 3 months due to maintenance. In 2023, Atucha II Nuclear Plant was out of service most of the year due to seasonal maintenance followed by a technical failure which was re-commissioned on August 2023. Embalse Nuclear Plant also had seasonal maintenance that lasted for almost 2 months.

In 2023, hydro generation grew 30% in comparison to 2022, which led to an overall decrease in fossil fuels demand for power generation. However, the newer rounds of the Plan Gas.Ar, coupled with the enabling of additional natural gas transportation capacity through the first stage of the President Nestor Kirchner Gas Pipeline since July 2023, led to an overall increase in natural gas availability, which resulted in a significant decrease in fuel oil (-40%) and gasoil consumption (-47%) for power generation.

Energy generation may be influenced by the physical and economic capacity to provide fuel to thermoelectric generators. In recent years and until 2014 fuel prices increased the generating cost, although the fall in oil and fuel prices significantly reduced such cost in 2015 and 2016. The lack of local production of natural gas led to an increased use of fuel oil and gasoil in those generating plants with TS and GT units, in addition to imports of gas and LNG. Most of the TS units are shipped with fuel oil, and only the Central Térmica San Nicolas can burn coal, in addition to fuel oil or natural gas. TS or GT groups that operate in combined-cycle are included in this area in previous tables.

Fuel availability is a factor that contributes to technical unavailability. The costs and logistics for importing and supplying fuel oil, gasoil, and coal instead of natural gas are key to the future availability of thermal units and will continue to be important if the current international conditions are maintained. Since 2007 the limited supply of natural gas in winter caused a large increase in consumption of fuel oil and gasoil, with record prices in the first half of 2008. Prices of liquid fuels decreased in 2009 due to the international crisis and then increased between 2010 and mid-2014 from the third quarter of 2014 until the first quarter of 2016, liquid fuel prices decreased sharply, with moderate increases after that (while remaining lower than the first half of 2014). Prices generally recovered through the years up to the first half of 2018, and since then have decreased. In the first quarter of 2020, there was a sudden drop in the prices due to COVID-19. In 2022, during the first half of the year, there was a global rise in the prices of liquid fuels as a consequence of the international sanctions imposed on Russia after the invasion of Ukraine. Nevertheless, fuel oil prices were less affected by the war than gasoil prices in almost every country. In addition, the scarcity of natural gas in Argentina also contributed to the substantial increase in the dispatch of our steam turbines with fuel oil in 2022.

Fuel Consumption for Commercial Electric Power Generation



Source: CAMMESA

In 2023, 43% of the energy supply was generated with natural gas, which is higher than in most countries that have a large surplus production of natural gas.

The price for generation of CAMMESA constitutes an effective price only to certain segments of the electric power market, especially industrial consumers, with the exception of those that are commercially supplied by electric power distributors.

BUSINESS

Business Overview

We are a leading Argentine power company, primarily engaged in the development and generation of electric power from both conventional (thermal) and renewable (wind and solar) sources. We provide efficient and sustainable energy in a profitable manner, optimizing the use of natural resources and contributing to Argentina's energy development through strategically diversified assets located across seven provinces of Argentina. As of the date of this offering memorandum, we own and operate fifteen power plant assets with a total net installed capacity of 3,299 MW, of which 559 MW correspond to renewable installed capacity.

The Company was formed in August 2013 as a result of a spin-off from Pluspetrol Energy S.A. and the contribution of two power plant assets and certain other assets by YPF as our shareholder. YPF is Argentina's largest energy company with fully integrated oil and gas operations, and holds a leading market position in both upstream and downstream segments. The Argentine government owns 51% of the share capital of YPF and its shares have been listed on the Buenos Aires Stock Exchange and the New York Stock Exchange since 1993. Since our formation we have been focused on improving the operational efficiency and reliability of our power plants and developing new projects. As part of our strategy to continue to grow our business, in March 2018, an affiliate of General Electric, GE EFS, subscribed for 24.99% of our capital stock, with the remaining percentage held by YPF. On April 2, 2024, GE Vernova announced its spin-off from General Electric, as a result of which GE Vernova controls GE EFS. GE Vernova, which operates more than 7,000 gas turbines, the world's largest gas turbine base, including approximately 55,000 wind turbines and leading-edge electrification technology, is involved in generating approximately 30% of the worldwide electricity. GE Vernova has more than 80,000 employees across more than 100 countries. As of the date of this offering memorandum, YPF and GE Vernova hold the control of the Company. See "Principal Shareholders—Shareholders' Agreement."

For the six-month period ended June 30, 2024, we supplied more than 8% of the electricity in Argentina and have a market share of 24% and 26% in the MATER in terms of renewables installed capacity and renewable energy sold, respectively. We intend to strengthen our competitiveness and adapt to global decarbonization and electrification trends which are expected to continue to impact worldwide energy markets. We intend to become one of the main electricity generators in Argentina and a pioneer in renewable energy by adhering to world-class safety, environmental, innovation, efficiency and quality standards. While we have already achieved competitive efficiency levels across our operations, we are committed to continue to develop our processes by integrating advanced technologies into our systems.

Our current portfolio, which is comprised of thermal power plants and renewable plants, benefits from diversification of technology, offtakers and geographic locations within Argentina. Our thermal power plants include Combined Cycle turbines, Simple Cycle turbines, Cogeneration turbines and Reciprocating Engines. Our renewable generation portfolio includes wind farms and solar parks, which are strategically located to maximize their efficiency providing sustainable and competitive energy to private offtakers through long-term contracts. As of the date of this offering memorandum, our projects under construction consist of two wind farms and one solar park. Our power generation plants have PPAs with CAMMESA, YPF and more than fifty large private users, which we expect to become an increasingly important part of our client portfolio as we complete our renewable projects under construction.

During the six-month period ended June 30, 2024, we had revenues of US\$244.9 million, net profit of US\$70.5 million and Adjusted EBITDA of US\$163.4 million, with an Adjusted EBITDA Margin of 66.7%. During the year ended December 31, 2023, we had revenues of US\$490.1 million, net profit of US\$1.5 million and Adjusted EBITDA of US\$383.1 million, with an Adjusted EBITDA Margin of 78.2%. For a reconciliation of net profit to Adjusted EBITDA, see "—Summary Financial and Operating Data—Non-IFRS Financial Data—Adjusted EBITDA and Adjusted EBITDA Margin."

We currently have ten thermal plants, four wind farms and one solar park in operation. The following table presents a brief description of our operating power plant assets.

Power Plant Asset	Location	Installed capacity (MW)	Regulatory Framework / Offtaker	Technology	COD	Commencement date of PPA(s)	Expiration date of PPA(s)
<i>Thermal Power Plants</i>							
Tucumán ⁽¹⁾	Province of Tucumán	447	Energía Base ⁽⁵⁾ and PPA with CAMMESA ⁽⁶⁾	Combined Cycle	1996/1997	March 2023	February 29, 2028
San Miguel de Tucumán ⁽¹⁾	Province of Tucumán	382	Energía Base ⁽⁵⁾ and PPA with CAMMESA ⁽⁶⁾	Combined Cycle	1995/2000	March 2023	February 29, 2028
El Bracho ⁽¹⁾	Province of Tucumán	473	PPA with CAMMESA ^{(7) (8)}	Combined Cycle	2018/2020	January 2018/October 2020	January 26, 2028/October 23, 2035
Loma Campana I.....	Province of Neuquén	105	PPA with YPF ⁽⁹⁾	Simple Cycle	2017	November 2017	November 6, 2032
Loma Campana II.....	Province of Neuquén	107	PPA with CAMMESA ⁽⁷⁾	Simple Cycle	2017	November 2017	November 29, 2027
Loma Campana Este ⁽²⁾	Province of Neuquén	17	PPA with YPF ⁽⁹⁾	Reciprocating Engines	2017	July 2017	May 20, 2026
LPC I ⁽³⁾	Province of Buenos Aires	128	Energía Base ⁽⁵⁾ and PPA with YPF ⁽⁹⁾	Cogeneration	1997	January 2018	January 4, 2033
LPC II ⁽³⁾	Province of Buenos Aires	90	Energía Base ⁽⁵⁾ and PPAs with CAMMESA ⁽⁸⁾ and YPF ⁽⁹⁾	Cogeneration	2020	October 2020	October 26, 2035
Manantiales Behr.....	Province of Chubut	58	PPA with YPF ⁽⁹⁾	Reciprocating Engines	2021	March 2021	March 27, 2041
Central Dock Sud ⁽⁴⁾	Province of Buenos Aires	933	Energía Base ⁽⁵⁾ and PPA with CAMMESA ⁽⁶⁾	Combined Cycle/ Simple Cycle	2001	March 2023	February 29, 2028
<i>Renewables</i>							
Manantiales Behr Wind Farm.....	Province of Chubut	99	PPAs with YPF and other industrial clients ⁽¹⁰⁾	Wind farm	2018	December 2018	Several PPAs ⁽¹⁰⁾
Los Teros Wind Farm.....	Province of Buenos Aires	175	PPAs with YPF and other industrial clients ⁽¹¹⁾	Wind farm	2020/2021	September 2020	Several PPAs ⁽¹¹⁾
Cañadón León Wind Farm.....	Province of Santa Cruz	123	PPAs with CAMMESA ⁽⁶⁾ and YPF ⁽⁹⁾	Wind farm	2021	December 2021	September 2036

Power Plant Asset	Location	Installed capacity (MW)	Regulatory Framework / Offtaker	Technology	COD	Commencement date of PPA(s)	Expiration date of PPA(s)
Zonda Power Solar Park..	Province of San Juan	100	PPAs with industrial clients ⁽¹²⁾	Solar park	May 2023	May 2023	Several PPAs ⁽¹²⁾
General Levalle Wind Farm.....	Province of Córdoba	62 ⁽¹³⁾	PPAs with industrial clients ⁽¹⁴⁾	Wind farm	August 2024	August 2028	Several PPAs ⁽¹⁴⁾
Total.....		3,299					

- (1) Part of the “Tucumán Complex.”
- (2) Not connected to the SADI. See “Business—Our Power Plant Assets—Our Thermal Power Plants—Loma Campana Este.”
- (3) The LPC I and LPC II power plants also produce between 190 and 210 tons of steam per hour, and between 190 and 200 tons of steam per hour, respectively, which are sold to YPF.
- (4) As of the date of this offering memorandum, we own 70.16% equity interest in IDS, which owns 71.77% of the equity interest in CDS, which owns the Central Dock Sud thermal power plant.
- (5) Resolution No. 233/2024.
- (6) Resolution No. 59/2023.
- (7) Resolution No. 21/2016.
- (8) Resolution No. 287/2017.
- (9) We were authorized to operate our Loma Campana I power plant as a self-power generator under Resolution No. 307/2016. We entered into a PPA with YPF for the sale of the power generated by our Loma Campana I power plant under the regulatory framework applicable to self-power generators under Resolution No. 269/08.
- (10) The generation under this wind farm is committed under nine PPAs with the private sector. The terms of such PPAs are from 5 to 21 years with a weighted average term of 6.8 years.
- (11) The generation under this wind farm is committed under twenty PPAs with the private sector. The terms of such PPAs are from 5 to 20 years with a weighted average term of 9.2 years.
- (12) The generation under this solar park is committed under twenty-three PPAs with the private sector. The terms of such PPAs are from 3 to 10 years with a weighted average term of 5 years.
- (13) The first stage of the General Levalle wind farm commenced operations in August 2024 with an installed capacity of 24.8 MW. In September 2024, the installed capacity of the General Levalle wind farm increased to 62 MW. Full commercial operations with a total of 155 MW of installed capacity are expected to commence during the fourth quarter of 2024.
- (14) The generation under this wind farm is committed under twenty-four PPAs with the private sector. The terms of such PPAs are from 1 to 10 years with a weighted average term of 7 years.

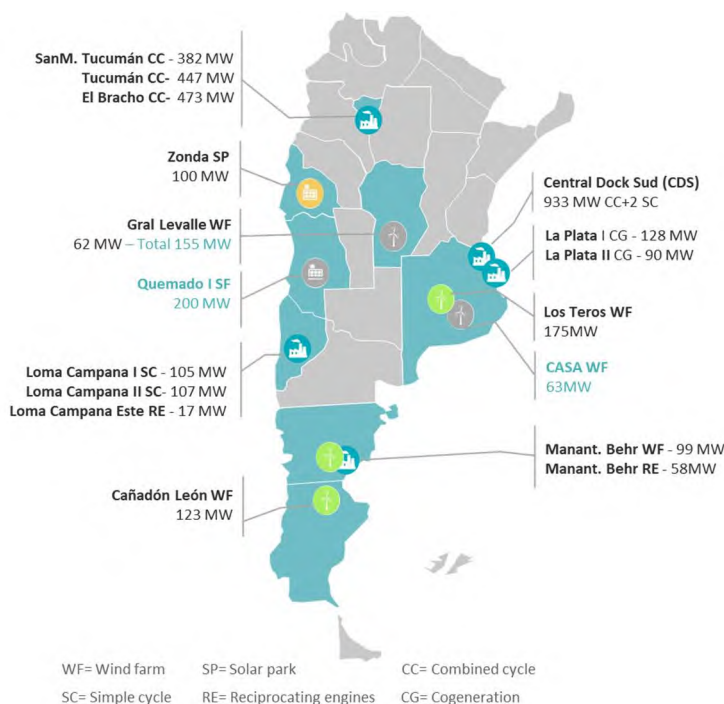
We have developed a robust pipeline of new energy projects supported by teams that have significant expertise in the entire cycle of electrical power generation, from prospecting and developing projects to constructing and operating and marketing power plants for both conventional and renewable generation. We currently have three renewable projects under construction, which consist of our General Levalle and CASA wind farms, and our El Quemado I solar park. Our General Levalle wind farm, which is located in the Province of Córdoba, commenced operating in August 2024 and is scheduled to commence its full commercial operations with a total of 155 MW of installed capacity during the fourth quarter of 2024. Our CASA wind farm is located in the Province of Buenos Aires and is expected to add 63 MW of installed capacity to our portfolio. Our El Quemado I solar park is located in the Province of Mendoza, is expected to add 200 MW of installed capacity to our portfolio, and will be developed through our fully owned subsidiary Luz del Campo. As of the date of this offering memorandum, more than 80% of the capacity of our General Levalle wind farm has been committed under PPAs with private offtakers within the MATER, and more than 44% of the capacity of our CASA Wind Farm has been committed under a PPA with Cementos Avellaneda S.A., and the capacity of our El Quemado I solar park has not been committed yet. These three renewable projects under construction require an estimated total investment of US\$510 million, of which approximately US\$210 million has been invested as of the date of this offering memorandum. The following table presents a brief description of our projects under construction.

Plant	Location	Additional Installed Capacity (MW)	Offtaker	Technology	Expected COD	Estimated Total Capital Expenditures
General Levalle Wind Farm	Province of Cordoba	93 ⁽¹⁾	MATER	Wind farm	4 th quarter 2024	US\$260 million ⁽²⁾

Plant	Location	Additional Installed Capacity (MW)	Offtaker	Technology	Expected COD	Estimated Total Capital Expenditures
CASA Wind Farm	Province of Buenos Aires	63	MATER	Wind farm	1 st quarter 2026	US\$80 million
El Quemado I Solar Park	Province of Mendoza	200	MATER	Solar park	2 nd quarter 2026	US\$170 million
Total		356				US\$510 million

- (1) The first stage of the General Levalle wind farm commenced operations in August 2024 with an installed capacity of 24.8 MW. In September 2024, the installed capacity of the General Levalle wind farm increased to 62 MW. Full commercial operations with a total of 155 MW of installed capacity are expected to commence during the fourth quarter of 2024.
- (2) Includes the investment of US\$210 million made as of the date of this offering memorandum for the construction of the General Levalle Wind Farm.

Our power generation assets are reliable and efficient for Argentina's energy sector. Our power generation plants are located in the provinces of Tucumán, in the northern region of Argentina, San Juan and Mendoza, in the western region of Argentina, Neuquén, Chubut and Santa Cruz, in the southern region of Argentina, and Buenos Aires and Córdoba, in the center of the country, which allows us to deliver energy through multiple nodes of the SADI. The following map shows the location of power generation assets and projects under construction.



During the year ended December 31, 2023, our revenues under our PPAs with CAMMESA, our PPAs with YPF, our PPAs with other industrial clients, and Energía Base accounted for 49.1%, 15.9%, 11.7% and 15.4% of our revenues, respectively. During the six-month period ended June 30, 2024, our revenues under our PPAs with CAMMESA, our PPAs with YPF, our PPAs with other industrial clients, and Energía Base accounted for 49.2%, 14.5%, 12% and 16.9% of our revenues, respectively. The remaining revenues come mainly from our fuel sales and other services.

We have entered into long-term PPAs with CAMMESA for our Tucumán, San Miguel de Tucumán, El Bracho, Loma Campana II, LPC II and Central Dock Sud power plants, and with YPF for Loma Campana I, Loma Campana Este, LPC I, LPC II and Manantiales Behr power plants. As of the date of this offering memorandum, the weighted average remaining life of our PPAs for all of our operating thermal power plants is approximately 7.3 years. In addition, we have entered into long-term PPAs with CAMMESA for our Cañadón León wind farm, with YPF for

our Manantiales Behr, Los Teros, and Cañadón León wind farms, and with other industrial clients for our Manantiales Behr, Los Teros, and General Levalle wind farms and our Zonda solar park. As of the date of this offering memorandum, the weighted average remaining life of our PPAs for all of our renewable plants is approximately 8.3 years. For all of our PPAs the revenues-weighted average remaining life as of the date of this offering memorandum is approximately 8 years.

Our Tucumán, San Miguel de Tucumán, LPC I, LPC II and Central Dock Sud power plants are dispatched under Energía Base. Energía Base applies typically to older plants in Argentina. Under Energía Base, the energy generator is compensated primarily on the availability of the plants and receives variable payments based on the actual electricity dispatched. Tariffs under Energía Base are paid by CAMMESA and adjusted by resolution of the Secretary of Energy. The remuneration under Energía Base is currently denominated in Argentine pesos. The fuel required to produce the energy we generate is currently supplied by CAMMESA free of charge, and the price we receive as generators is determined without accounting for the natural gas or fuel CAMMESA supplies.

We also produce steam in our LPC I and LPC II power plants, which have an installed capacity of between 190 and 210 tons of steam per hour, and between 190 and 200 tons of steam per hour, respectively. We sell the steam produced in our LPC I and LPC II power plants to YPF under 15-year steam supply agreements, which we entered into in January 2018 and October 2020, respectively. Our revenues from steam sales for the year ended December 31, 2023 and the six-month period ended June 30, 2024 were US\$38.1 million and US\$17.9 million, respectively (3,013,832 metric tons and 1,562,769 metric tons, respectively), which represented 8% and 7%, respectively, of our revenues for those periods.

Our Tucumán Power Plant is Combined Cycle with two Siemens gas turbines, a General Electric steam turbine and two Nooter Eriksen's heat recovery steam generators with a total installed capacity of 447 MW. Our San Miguel de Tucumán Power Plant is also Combined Cycle with two General Electric gas turbines, an Alstom steam turbine and two CMI heat recovery steam generators with a combined installed capacity of 382 MW. Our Tucumán and San Miguel de Tucumán power plants had a combined availability factor of 84.6% during the year ended December 31, 2023. Our Tucumán Power Plant and San Miguel de Tucumán Power Plant had an availability factor of 88.4% and 80.1%, respectively, during the year ended December 31, 2023.

Our El Bracho power plant, which is located in the Province of Tucumán and is part of our Tucumán Complex, consists of two stages. The first stage, named El Bracho GT, has one gas turbine provided by General Electric with an installed capacity of 274 MW. El Bracho GT reached commercial operation on January 27, 2018 and achieved an availability factor of 93% for the year ended December 31, 2023. The second stage, named El Bracho ST, has one steam turbine provided by General Electric with an installed capacity of 199 MW. El Bracho ST reached commercial operation on October 23, 2020 and achieved an availability factor of 95% for the year ended December 31, 2023.

Our Loma Campana I, Loma Campana II and Loma Campana Este power plants, located in the area of unconventional hydrocarbons exploitation known as "Vaca Muerta" in the Province of Neuquén, began commercial operations on November 15, 2017, November 30, 2017 and July 13, 2017, respectively, and have an installed capacity of 105 MW, 107 MW and 17 MW, respectively. In Loma Campana I and Loma Campana II we operate General Electric Simple Cycle aeroderivative gas turbines, model LMS-100, which are connected to the SADI, while in Loma Campana Este, located within YPF's premises in Neuquén, we operate Jenbacher gas Reciprocating Engines, model J-420, which are not connected to the SADI since we provide the energy they produce, as self-generator, directly to YPF. Our Loma Campana I, Loma Campana II and Loma Campana Este power plants had an availability factor of 31%, 21% and 100%, respectively, during the year ended December 31, 2023. Our Loma Campana I power plant was not in operation from May 2023 to August 2024 as a result of the malfunctioning of the power turbines installed in the plant. See "Risk Factors—Risks Relating to the Company—Our business and operations are highly dependent on certain key suppliers and third parties to maintain our thermal power plants and renewable energy plants, and we will rely on third parties to complete the procurement, engineering, construction, testing and commissioning of our projects under construction."

LPC I, a power plant located in the Province of Buenos Aires and within YPF's refinery, has an installed capacity of 128 MW and produces from 190 to 210 tons of steam per hour. This plant has a single GE MS-9001E combustion turbine, and a single-pressure Nooter Eriksen heat recovery steam generator. The gas turbine and

complementary pipeline burners are mainly fueled with natural gas. When natural gas is no longer available, mainly due to seasonal factors, it is replaced with diesel fuel. LPC II, a power plant located in the Province of Buenos Aires, has an installed capacity of 90 MW and produces from 190 to 200 tons of steam per hour. This plant has a gas turbine, an electric generator and a boiler to generate steam by heat recovery. The gas turbine, which is a General Electric brand, model 6F.03, is of the dual type and uses natural gas and gasoil. Our LPC I and LPC II had an availability factor of 82% and 112%, respectively, during the year ended December 31, 2023.

Our Manantiales Behr Power Plant, which is located in the Manantiales Behr concession area, in the Province of Chubut, has five Wärtsilä W20V31SG Reciprocating Engines with an installed capacity of 58 MW. This plant reached its full commercial operation on April 6, 2021, and achieved an availability factor of 62% for the year ended December 31, 2023.

We own 70.16% equity interest in IDS, which owns 71.77% of the equity interest in CDS, which owns the Central Dock Sud thermal power plant, located in the Province of Buenos Aires with an installed capacity of 861 MW and 72 MW of installed capacity for two Simple Cycle turbines (36 MW each). Our Central Dock Sud power plant had an availability factor of 77% during the year ended December 31, 2023.

Our Manantiales Behr Wind Farm, which is located inside the Manantiales Behr reservoir, in the Province of Chubut, has an installed capacity of 99 MW. It has thirty wind turbines, an 84-meter high hub and a 112-meter swept area, which are distributed across an area of 20 square kilometers, which is equal to 200 m² per wind turbine. Our Manantiales Behr Wind Farm had an availability factor of 96% and a Load Factor of 58.6% during the year ended December 31, 2023.

Our Los Teros wind farm is located in Azul, in the Province of Buenos Aires, and has 45 General Electric wind turbines, respectively. The first stage of our Los Teros wind farm, which is named Los Teros I, commenced its commercial operations in October 2020 and has dispatch priority for 123 MW of its installed capacity to supply the MATER. We have contracted all its available energy generated through PPAs entered into with YPF and various private sector users, with terms ranging from 5 to 20 years. The second stage of our Los Teros wind farm, which is named Los Teros II, commenced its commercial operations in June 2021 and has dispatch priority for 52 MW of its installed capacity to supply the MATER. Our Los Teros wind farm had an availability factor of 96% and a Load Factor of 50% during the year ended December 31, 2023.

Our Cañadón León wind farm is located approximately 25 kilometers from the city of Caleta Olivia in the Province of Santa Cruz and has 29 wind turbines. Cañadón León wind farm commenced its commercial operations in December 2021 and has an installed capacity of 123 MW. Our Cañadón León wind farm had an availability factor of 98% and a Load Factor of 51% during the year ended December 31, 2023.

Our Zonda solar park is located in the Department of Iglesia, in the Province of San Juan. It was built on single-axis tracking structures and has a high voltage line that is connected to the SADI. The Zonda power plant has 170,880 solar panels which generate over 300 GWh annually to supply the MATER, commenced its full commercial operations in May 2023 and has an installed capacity of 100 MW. Our Zonda solar park had an availability factor of 86% and a Load Factor of 27.5% during the year ended December 31, 2023.

Our General Levalle wind farm is located in the municipality of General Levalle, in the Province of Córdoba. The first stage of the General Levalle wind farm commenced operations in August 2024 with an installed capacity of 24.8 MW. In September 2024, the installed capacity of the General Levalle wind farm increased to 62 MW. Full commercial operations with a total of 155 MW of installed capacity are expected to commence during the fourth quarter of 2024. In order to achieve the installed capacity of 155 MW, we expect to install twenty-five Vestas wind turbines, model V162-6.2 MW HH125, in the General Levalle wind farm.

History and development

We were formed in August 2013 as a result of the spin-off from PlusPetrol Energy S.A. and the contribution of certain power generation assets by YPF, mainly the San Miguel de Tucumán power plant, together with certain

legacy oil and gas operations in the Ramos Area. In March 2018, GE EFS Power Investments B.V., an affiliate of Ge Vernova, subscribed 24.99% of our capital stock.

From 2013 to the second quarter of 2024, we have experienced significant growth in our installed capacity, reflecting our strategic expansion and commitment to provide reliable energy. In 2013, our installed capacity was approximately 0.8 GW. By the end of 2017, our installed capacity had increased to approximately 1.4 GW, and by the end of 2019, it had increased to approximately 1.8 GW, with 1.7 GW corresponding to thermal sources and 0.1 GW corresponding to renewable sources. In 2020, we further increased our installed capacity to approximately 2.2 GW, with 2.0 GW corresponding to thermal sources and 0.2 GW corresponding to renewable sources and by the end of 2022, our installed capacity reached approximately 2.5 GW, with 2.1 GW corresponding to thermal sources and 0.4 GW corresponding to renewable sources. In 2023, our installed capacity increased to approximately 3.2 GW, with 2.7 GW corresponding to thermal sources and 0.5 GW corresponding to renewable sources. As of the second quarter of 2024, our total installed capacity is approximately 3.3 GW, with 2.7 GW corresponding to thermal sources and 0.6 GW corresponding to renewable sources.

During 2017 and 2018, we completed the construction of our Loma Campana Este Power Plant, Loma Campana I, Loma Campana II power plants and our Manantiales Behr Wind Farm, and we completed the acquisition of our LPC I and LPC II power plants.

In 2019, as part of our ongoing efforts to access capital markets and support our expansion plans, we issued two bonds in an aggregate amount of US\$500 million. We allocated the proceeds that we obtained through the issuance of these bonds to invest in new and existing energy projects, and to improve our sustainable growth and financial stability.

During 2020 and 2021, we completed the construction of our El Bracho ST, LPC II and Manantiales Behr power plants, and our Los Teros and Cañadón León wind farms. These projects added a total of 645 MW to our installed capacity and represented an aggregate investment of approximately US\$900 million. This significant milestone underscored our commitment to enhancing our energy infrastructure and supporting the growing demand for reliable power supply.

In February 2022, we issued our first green bond to finance our investments in our Zonda Solar Park, and as part of our commitment towards environmental sustainability and our goal to reduce our carbon footprint. We obtained proceeds in the amount of US\$63.9 million through the issuance of this green bond.

In April 2023, we increased our interest in the Central Dock Sud thermal power plant, located in the Province of Buenos Aires which has an installed capacity of 861 MW for its Combined Cycle turbines, and 72 MW of installed capacity for two Simple Cycle turbines (36 MW each).

In May 2023, our Zonda solar park commenced its operations. The Zonda solar park is located in the Province of San Juan and has 170,880 solar panels which have the capacity to generate over 300 GWh annually to supply the MATER.

On April 2, 2024, GE Vernova announced its spin-off from General Electric. As a result of this spin-off, General Electric ceased to control GE EFS and GE Vernova controls GE EFS.

As of the date of this offering memorandum, our main activity consists of generating electric energy through our thermal power plants, wind farms and solar park which are located in the Argentine provinces of Tucumán, Neuquén, Chubut, Buenos Aires, San Juan, Córdoba and Santa Cruz. We are in the process of constructing two wind farms and one solar park in the Argentine provinces of Buenos Aires, Córdoba and Mendoza.

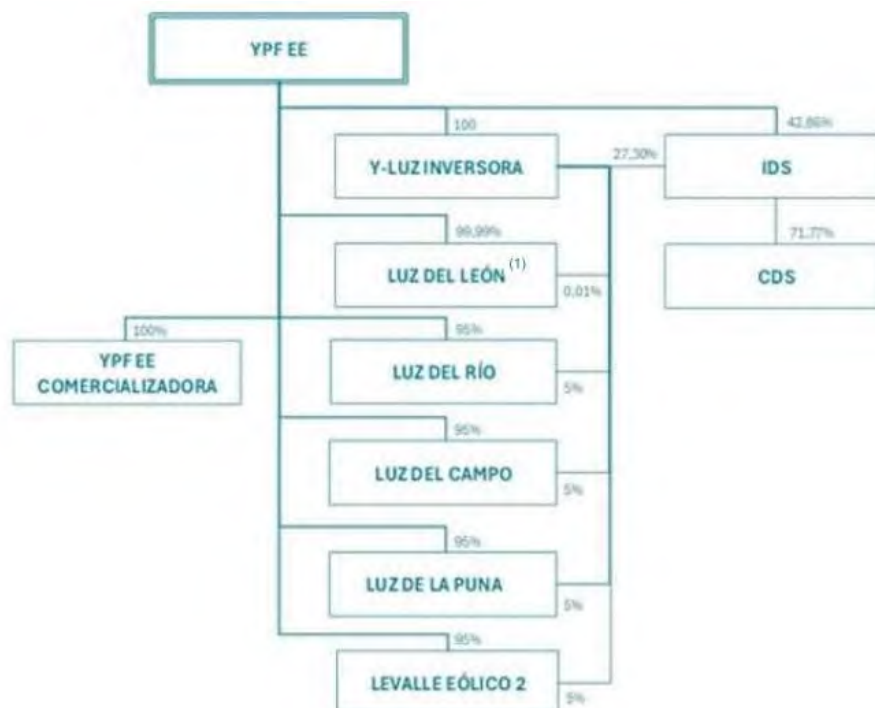
The following chart summarizes the key milestones in our history.

MAIN MILESTONES



Corporate Structure

The following chart summarizes our corporate structure as of the date of this offering memorandum:



(1) Luz del León S.A. will be an Unrestricted Subsidiary under the Notes as of the Issue Date.

Our Strengths

Reliable high-quality generation assets which are technologically and geographically diverse. We have ten high-quality operating thermal assets, four wind farms and one solar park. As of the date of this offering memorandum, our wind farms rank among the best of their type in Argentina in terms of generation records. Our thermal plants have relatively high efficiency levels due to the use of modern technologies combined with regular maintenance conducted by our highly trained employees and prime technology and maintenance suppliers. Our thermal power plants had a weighted average availability factor of 79.1% and 84.7% during the year ended December 31, 2023 and the six-month period ended June 30, 2024, respectively. Moreover, our wind farms and solar park are located in areas with very favorable wind and solar conditions and they recorded Load Factors of approximately 50% and 25%, respectively, during the year ended December 31, 2023, and approximately 49% and 27%, respectively, during the six-month period ended June 30, 2024. Our power generating assets are located in the northern, central and southern regions of Argentina, which provides us flexibility to dispatch energy into the WEM at different interconnection points and

protect our portfolio from transmission restrictions in the SADI derived from system failures and the installation of new capacity.

Strong cash flow generation mainly denominated in U.S. dollars. Our revenues mainly derive from long-term U.S. dollar-denominated PPAs. Revenues from our thermal power plants are primarily derived from U.S. dollar denominated PPAs with CAMMESA and YPF, with terms ranging from 3 to 20 years. Our existing PPAs for our thermal power plants remunerate primarily for available capacity and for electricity effectively generated and dispatched. Revenues from our wind farms and our solar park are derived from U.S. dollar denominated PPAs with CAMMESA, YPF and other industrial clients, with terms ranging from 5 to 20 years. Our existing PPAs for our wind farms and solar park remunerate for the power effectively generated and dispatched, which depends on the wind conditions and solar irradiance. The remuneration under Energía Base is currently denominated in Argentine pesos and accounted for 15.4% and 16.9% of our revenues for the year ended December 31, 2023 and the six-month period ended June 30, 2024, respectively.

Strong focus on renewable energies. We seek to be leaders in the renewable generation market in Argentina with a strong focus on the development and operation of wind farms and solar parks. Our portfolio of renewable generation assets consists of four wind farms, namely, our Manantiales Behr, Los Teros, Cañadón León and General Levalle wind farms, and one solar park, our Zonda solar park. In addition, our renewable projects under construction consist of three projects, namely, our General Levalle Wind Farm, which commenced operating in August 2024 and is scheduled to commence its full commercial operations during the fourth quarter of 2024, and our CASA wind farm and El Quemado I solar park, which are scheduled to commence operations during the first quarter of 2026 and the second quarter of 2026, respectively. As of the date of this offering memorandum, our market share in the renewable generation market in Argentina based on installed capacity is 9.26%, which positions us as the third major renewable energy generator in Argentina.

High operational efficiency and low capital expenditures. We have sustained profitability with high operational efficiency and low levels of capital expenditures. All of our asset plants are automated and powered by electricity generated by our own power plants. These features make our asset plants some of the most technologically advanced and operationally efficient plants in Latin America. We have expanded our portfolio, with an investment peak in 2019 when we successfully completed six power plant projects simultaneously. From 2020, our capital expenditures have stabilized in an annual range of US\$200 million to US\$250 million, with average regular maintenance capital expenditures of approximately US\$60 million per year.

Renowned local and international sponsors. YPF and GE Vernova are, directly or indirectly, beneficial owners of 75.01% and 24.99% of our capital stock, respectively, and hold the control of the Company under the terms of the Shareholders' Agreement. YPF is Argentina's largest energy company operating a fully integrated oil and gas chain, with leading market positions in both upstream and downstream segments. YPF is majority state-owned and its shares have been listed on the Buenos Aires Stock Exchange and on the New York Stock Exchange since 1993. GE Vernova, which operates more than 7,000 gas turbines, the world's largest gas turbine base, including approximately 55,000 wind turbines and leading-edge electrification technology, is involved in generating approximately 30% of the world's electricity. GE Vernova has more than 80,000 employees across more than 100 countries.

New projects to support growth and increase profitability. Our successful track record with respect to industrial clients and YPF, and in auctions held by the Argentine government, together with the timely construction and commencement of operations of our power plants and our operating efficiency and safety, have proven our ability to source, win and develop new projects at competitive energy prices, meet construction deadlines, and operate and maintain our power plants in accordance with industry standards. Our revenues from long-term PPAs with CAMMESA, YPF and other private clients, and sale steam contracts with YPF, accounted for 84.5% and 83.0% of our revenues for the year ended December 31, 2023 and the six-month period ended June 30, 2024, respectively. We currently have 356 MW of capacity under construction consisting of renewable energy, which is expected to begin commercial operation between the fourth quarter of 2024 and the second quarter of 2026.

Strong management team and high-quality workforce. Our management team has extensive industry and financial experience, including over 25 years of experience in the Argentine energy sector. We believe that our management team has been successful in identifying attractive investment opportunities, structuring innovative business plans and completing complex transactions efficiently, as demonstrated by our considerable expansion since

our inception in 2013 (from 829 MW of installed capacity at our inception in 2013 to 3,299 MW as of the date of this offering memorandum). We also believe that our workforce has the adequate experience, knowledge and training to operate and maintain our operating assets while improving our efficiency levels. This combination of experienced management and a highly skilled technical and operative workforce contributes to our ability to efficiently operate our assets, identify and evaluate high-quality growth opportunities and integrate new businesses that are acquired or developed, and, therefore, make our company efficient and profitable.

Our Strategy

Our mission is to be a profitable, efficient and sustainable power company, focused on optimizing natural resources and contributing to the development of the energy industry in Argentina and the markets in which we operate. Our vision is to be one of the major companies in the country's electricity generation sector, a leader in renewable energies with worldwide safety, technology, efficiency and quality standards.

Throughout our 11 year history operating in the Argentine electricity market, we have generated a results-oriented culture based on the values of commitment, sustainability, passion, teamwork and agility, and we have managed to become one of the major players in the Argentine power generation sector. We are strongly committed to addressing Argentina's expected growth in demand in the long term and to the creation of value for our shareholders and other stakeholders. We plan to continue to invest in growing our generation asset portfolio in a balanced, diversified and integrated manner by taking advantage of available opportunities that provide competitive returns.

Our strategic plan is based on significantly increasing our installed capacity of efficient thermal and renewable generation both through new developments and opportunistic acquisitions, based on the following three strategic business pillars:

- Operational excellence and efficiency: Operate and manage in an efficient, profitable and safe manner, under standards of global excellence;
- Growth in the electric market: Profitable growth through the development of new projects and the acquisition of market opportunities; and
- Business development in new energies: Embrace and integrate innovative technologies and business models for the long-term sustainability of the Company.

The strategic objectives are grouped into four categories, as follows:

Financial:

- Optimize and increase profitability of existing assets;
- Support growth prospects in a sustainable and profitable way; and
- Maintain a strong financial discipline to accompany growth opportunities with a prudent financial approach.

Market:

- Strengthen our market share position in Argentina with leadership in renewables;
- To be a reliable and efficient provider of energy solutions to YPF;
- Generate integrated and sustainable energy solutions, with high added value to our customers, that allow the development and ensure the sustainability of the Company; and

- Play a key role in the energy transition of Argentina.

Internal processes:

- Ensure operational excellence with high standards and continuous improvement of our processes;
- Effectively manage our relationship with our stakeholders;
- Provide efficient energy solutions for our customers; and
- Achieve excellence in social and environmental sustainability and corporate governance.

Human resources:

- Equal opportunities and respect for diversity;
- Talented and knowledgeable management to retain technical knowledge and experience;
- Strong empowerment and accountability; and
- Generate pride to be part of the Company.

Our Energy Generation Assets

We own and operate ten thermal power plants, four wind farms and one solar park as of the date of this offering memorandum. We also have two wind farm projects and one solar park project under construction. The following table shows key information about our assets in operation and our renewable projects under construction:

Power Plants	Location	Installed capacity (MW)	Technology	COD / Expected COD
<i>Operating</i>				
Thermal:				
Tucumán Power Plant ⁽¹⁾	Province of Tucumán	447	Combined Cycle	1996/1997
San Miguel de Tucumán Power Plant ⁽¹⁾ ..	Province of Tucumán	382	Combined Cycle	1995/2000
El Bracho Power Plant ⁽¹⁾	Province of Tucumán	473	Combined Cycle	January 2018/October 2020
Loma Campana I Power Plant	Province of Neuquén	105	Simple Cycle	November 2017
Loma Campana II Power Plant	Province of Neuquén	107	Simple Cycle	November 2017
Loma Campana Este Power Plant ⁽²⁾	Province of Neuquén	17	Reciprocating Engine	June 2017
LPC I Power Plant ⁽³⁾	Province of Buenos Aires	128	Cogeneration	January 2018
LPC II Power Plant	Province of Buenos Aires	90	Cogeneration	October 2020
Manantiales Behr Power Plant	Province of Chubut	58	Reciprocating Engine	April 2021
Central Dock Sud Power Plant.....	Province of Buenos Aires	933	Combined Cycle / Simple Cycle	March 2023
Renewables:				
Manantiales Behr Wind Farm.....	Province of Chubut	99	Wind Farm	July/December 2018
Los Teros Wind Farm	Province of Buenos Aires	175	Wind Farm	September 2020/June 2021
Cañadón León Wind Farm.....	Province of Santa Cruz	123	Wind Farm	December 2021
Zonda Solar Park.....	Province of San Juan	100	Solar Park	May 2023
General Levalle Wind Farm.....	Province of Córdoba	62 ⁽⁴⁾	Wind Farm	August 2024
<i>Projects</i>				
General Levalle Wind Farm.....	Province of Córdoba	93 ⁽⁴⁾	Wind Farm	Expected 4 th quarter 2024

Power Plants	Location	Installed capacity (MW)	Technology	COD / Expected COD
CASA Wind Farm	Province of Buenos Aires	63	Wind Farm	Expected 1 st quarter 2026
El Quemado I Solar Park	Province of Mendoza	200	Solar Park	Expected 2 nd quarter 2026

(1) Part of the “Tucumán Complex.”

(2) Not connected to the SADI. See “–Our Power Plant Assets–Our Thermal Power Plants–Loma Campana Este.”

(3) The LPC I and LPC II power plants produce between 190 and 210 tons of steam per hour, and between 190 and 200 tons of steam per hour, respectively. Steam produced by these plants is sold to YPF.

(4) The first stage of the General Levalle wind farm commenced operations in August 2024 with an installed capacity of 24.8 MW. In September 2024, the installed capacity of the General Levalle wind farm increased to 62 MW. Full commercial operations with a total of 155 MW of installed capacity are expected to commence during the fourth quarter of 2024.

The table below provides the availability factor and net generation of our assets in operation, and the Load Factor of our renewable plants in operation, for the six-month period ended June 30, 2024 and the years ended December 31, 2023 and 2022.

	Six-month period ended		Year ended December 31,	
	June 30,		2023	2022
	2024			
<u>Thermal:</u>				
Tucumán				
Availability Factor	87%		88%	86%
Net Generation (GWh).....	834.11		1,004.12	1,172.94
San Miguel de Tucumán				
Availability Factor	87%		80%	97%
Net Generation (GWh).....	180.69		364.95	359.50
El Bracho				
Availability Factor	96%		94%	96%
Net Generation (GWh).....	1,401.10		3,321.49	3,448.42
Loma Campana I				
Availability Factor ⁽¹⁾	0%		31%	73%
Net Generation (GWh).....	0		282.65	660.79
Loma Campana II				
Availability Factor	78%		21%	92%
Net Generation (GWh).....	164.09		146.50	541.87
Loma Campana Este				
Availability Factor	100%		100%	100%
Net Generation (GWh).....	37.06		67.00	65.75
LPC I				
Availability Factor	89%		82%	59%
Net Generation (GWh).....	420.93		892.23	667.98
LPC II				
Availability Factor	108%		112%	108%
Net Generation (GWh).....	319.63		623.49	611.27
Manantiales Behr				
Availability Factor	70%		62%	66%
Net Generation (GWh).....	190.7		342.08	379.65
Central Dock Sud⁽²⁾				
Availability Factor	79%		77%	76%
Net Generation (GWh).....	2,476.8		3,933.2	3,879.9
<u>Renewables:</u>				
Manantiales Behr Wind Farm				
Availability Factor	93%		96%	97%
Net Generation (GWh).....	237.92		508.4	513.46

	Six-month period ended		Year ended December 31,	
	June 30,		2023	2022
	2024			
Load Factor.....	54.0%		58.6%	58.7%
Los Teros Wind Farm				
Availability Factor	88%		96%	96%
Net Generation (GWh).....	353.86		768.03	807.47
Load Factor.....	44.25%		50.06%	51.6%
Cañadón León Wind Farm				
Availability Factor	99%		98%	87%
Net Generation (GWh).....	267.02		526.45	509.01
Load Factor.....	48.5%		50.8%	47.5%
Zonda Solar Park				
Availability Factor	100%		86%	-
Net Generation (GWh).....	120.37		159.26	-
Load Factor.....	27.52%		26.2%	-

- (1) Our Loma Campana I power plant was not in operation from May 2023 to August 2024 as a result of the malfunctioning of the power turbines installed in the plant. See “Risk Factors–Risks Relating to the Company–Our business and operations are highly dependent on certain key suppliers and third parties to maintain our thermal power plants and renewable energy plants, and we will rely on third parties to complete the procurement, engineering, construction, testing and commissioning of our projects under construction.”
- (2) We own 70.16% equity interest in IDS, which owns 71.77% of the equity interest in CDS, which owns the Central Dock Sud thermal power plant, located in the Province of Buenos Aires with an installed capacity of 861 MW and 72 MW of installed capacity for two Simple Cycle turbines (36 MW each).

Our Power Plant Assets

Our Thermal Power Plants

Tucumán Complex

We own the following thermal power plants in the Province of Tucumán, which jointly conform the “Tucumán Complex”: (i) Tucumán Power Plant, (ii) San Miguel de Tucumán Power Plant and (iii) El Bracho, which has an operating gas turbine installed at El Bracho GT and a steam turbine installed at El Bracho ST.

Tucumán Power Plant

The Tucumán plant is a Combined Cycle plant located in El Bracho, 22 kilometers south of San Miguel de Tucumán, Province of Tucumán. It has an installed capacity of 447 MW and is comprised of two Siemens V94.2 gas turbines (GT), a dual-pressure GE Series D steam turbine without reheat (ST), and two Nooter Eriksen heat recovery steam generators. The Combined Cycle unit heat rate is approximately 7.355kJ /MWh, with an efficiency ratio of 49%. This plant is fueled with natural gas which, pursuant to Resolution No. 12/2019, is supplied by CAMMESA and distributed by GasNor. The Tucumán plant is connected to the SADI at 132 kV voltage.

The plant water cooling system consists of an air-cooled condenser (33%) and a 4-cell draft cooling tower (66%). The first gas turbine became operational in 1996 and the second one in 1997. The Combined Cycle commenced operations in 1999.

The Tucumán plant is wholly-owned and operated by us. The power and capacity generated by the Tucumán plant is delivered to CAMMESA pursuant to Energía Base (Resolution No. 233/2024) and a five-year term PPA under Resolution No. 59/2023.

San Miguel de Tucumán Power Plant

The San Miguel de Tucumán Power Plant has an installed capacity of 382 MW and is comprised of two GE 9001E gas turbines (GT), with evaporative cooling, a dual-pressure Alstom steam turbine without reheat (ST), and two CMI heat recovery steam generators, with supplementary burners operating as Combined Cycle. The heat rate of

the Combined Cycle plant is approximately 7.830kJ /MWh with an efficiency of 47%. This plant is fueled with natural gas which, pursuant to Resolution No. 12/2019, is supplied by CAMMESA. The plant is connected to the SADI at 500 kV and 132 kV voltages.

The first gas turbine became operational in 1995 as an Simple Cycle. The second gas turbine and the operation of the Combined Cycle commenced in 2002.

The San Miguel de Tucumán plant is wholly-owned and operated by us. The power and capacity generated by the plant is delivered to CAMMESA pursuant to Energía Base (Resolution No. 133/2024) and a five-year term PPA under Resolution No. 59/2023.

El Bracho Power Plant

El Bracho power plant is part of our Tucumán Complex and has an installed capacity of 473 MW. It consists of a first stage named El Bracho GT, which has a GE 9FA.04 gas turbine with a capacity of 274 MW, and a second stage named El Bracho ST, which has a D650 steam turbine with a capacity of 199 MW. The plant was built by General Electric under a turnkey contract and began commercial operations in January 2018.

El Bracho ST power plant also has an A74 Top Air TEWAC generator (255 MVA, 18 kV), a three-pressure reheat heat recovery steam generator, and all necessary auxiliary equipment. The D650 steam turbine was developed in October 2020 to complete the Combined Cycle of the El Bracho power plant and includes a heat recovery steam generator, a steam turbine, a water-cooled condenser, a generator, a cooling tower system, and other equipment, which increased the installed capacity of the El Bracho GT power plant by 199 MW to a total of 473 MW.

The plant operates on natural gas only, as it is conveniently located near to the natural gas injection points and the pipelines inside the project site. The power is connected to the SADI at 500 kV located in the surrounded area.

We have entered into PPAs with CAMMESA for the sale of the power and capacity generated by each of El Bracho GT and El Bracho ST. The power and capacity generated by the El Bracho GT is sold to CAMMESA pursuant to PPAs under Resolution No. 21/2016 and the power and capacity generated by the El Bracho ST is sold to CAMMESA pursuant to PPAs entered into under Resolution No. 287/2017. The fuel is supplied by CAMMESA pursuant to the terms of the PPAs.

Loma Campana I

Loma Campana I is a Simple Cycle plant with an installed capacity of 105 MW, located in Añelo, Province of Neuquén and was built on land we lease from YPF. The plant was built under a turnkey contract entered into with General Electric, which was in charge of the supply of the equipment and civil works. This plant began commercial operations in November 2017.

The plant relies on a General Electric LMS100 gas turbine and is connected to the SADI at 132kV voltage through the EPEN transformer station and, for the provision of fuel, the plant is connected to the Gasoducto del Pacífico.

Loma Campana I is wholly-owned and operated by us. Through Resolution No. 307/2016, we were authorized to operate our Loma Campana I power plant as a self-power generator. We entered into a PPA with YPF for the sale of the power generated by our Loma Campana I power plant under the regulatory framework applicable to self-power generators under Resolution No. 269/08. Pursuant to this PPA, YPF is responsible for the gas supply to Loma Campana I.

Loma Campana II

Loma Campana II is a Simple Cycle plant with an installed capacity of 107 MW, located in Añelo, Province of Neuquén and was built on land we lease from YPF. The plant was built under a turnkey contract with General

Electric, which was in charge of the supply of the equipment and civil works. This plant began commercial operations in November 2017.

The plant relies on a General Electric LMS100 GT turbine connected to the SADI at 132 kV transformer station located 2.2 kilometers to the north. This project began commercial operations in November 2017. This plant uses the same transmission line of 132 kV as Loma Campana I which is connected to the substation of the EPEN. The connection and transmission connections from Loma Campana I and Loma Campana II are independent.

Loma Campana II is wholly-owned and operated by us. The power and capacity generated by the plant is sold to CAMMESA pursuant to PPAs entered into under Resolution No. 21/2016. Pursuant to such PPA, the natural gas used by the plant is supplied by CAMMESA, at its expense.

Loma Campana Este

Loma Campana Este is a Reciprocating Engine power plant with an installed capacity of 17 MW. It is located within the Loma Campana oil and gas production concession block, in Añelo, Province of Neuquén and has 12 Jenbacher J420 power generating units in place (alternative motors). This plant began commercial operations in July 2017.

We operate our Loma Campana Este power plant under an agreement entered into with YPF. Pursuant to the terms of this agreement, the natural gas for this plant is supplied by YPF according to its power supply needs. The agreement has a term of three years, renewable up to five years. The Loma Campana Este Thermal Power Plant operates as a power self-generator for YPF, and is not connected to the SADI.

Effective in June 2020, the supply contract with YPF was modified to provide for a power supply of 5 MW, and the plant began a process of structure optimization to adjust costs and search for synergy, which led to the implementation of remote operation of the plant from the Loma Campana I and II facilities. Subsequently, in July 2021, the contracted power was increased to 8 MW until May 20, 2026, although we have the possibility to extend this period for two more years.

LPC I

Effective as of January 5, 2018, we acquired the LPC I Cogeneration power plant from Central Puerto S.A. The plant is located inside the La Plata Refinery owned by YPF, in the Province of Buenos Aires, and has an installed capacity of 128 MW. The plant began commercial operations in 1997 and is fully owned and operated by us.

The plant is located in La Plata, Province of Buenos Aires, and is comprised of a single GE MS-9001E combustion turbine and a Nooter Eriksen single pressure heat recovery steam generator that produces up to 200 tons of steam per hour, which is sold to YPF. In December 2021, a PPA was signed with YPF to supply the La Plata Refinery with electric energy with the power generated by our LPC I power plant. The rest of the power and electric capacity generated by the plant is delivered to CAMMESA in accordance with Resolution No. 233/2024.

The gas turbine and supplementary duct burners are mainly fueled with natural gas. Natural gas is replaced for liquid fuel in times of shortages primarily due to seasonal factors. The natural gas for power generation is currently supplied by CAMMESA, according to Resolution No. 12/2019, and the natural gas for steam generation is supplied by YPF.

LPC II

The LPC II Cogeneration power plant, which is located at the La Plata Refinery, in the Province of Buenos Aires, has a gas turbine, a generator, and a heat recovery steam generator. The dual-fuel 6F.03 gas turbine has a generation capacity of 85 MW, using natural gas as the primary fuel and liquid fuel as an alternative fuel. The heat recovery steam generator produces between 190 and 200 tons of steam per hour. The LPC II power plant is connected to the SADI through a 33 kV busbar at the SE 193 substation within the La Plata Refinery. We operate our LPC II power plant under an agreement for the maintenance of the plant entered into between us and General Electric. The

LPC II power plant commenced its commercial operation on October 10, 2020, for gas use, and on October 27, 2020, for liquid fuel use.

The power and capacity generated by our LPC II power plant is delivered to CAMMESA pursuant to Energía Base (Resolution No. 133/2024) and a 15-year term PPA under Resolution No. 287/2017 which we entered into in October 2020. The steam generated by our LPC II power plant is sold to YPF under a 15-year steam supply agreement which we entered into in December 2020.

Manantiales Behr Thermal Power Plant

The Manantiales Behr Power Plant has an installed capacity of 58 MW and is located in the Manantiales Behr concession area, in the Province of Chubut. We constructed this plant with the primary objective of optimizing our electricity supply costs by using high-efficiency equipment, ensuring the availability, reliability, and quality of the energy supply. The Manantiales Behr Thermal Power Plant has five Wärtsilä model W20V31SG engine-generators, each with a nominal power of 11.76 MW, and a guaranteed minimum efficiency of 8,182 kJ/kWh.

We operate our Manantiales Behr Power Plant under an agreement for the maintenance of the plant entered into between us and Wärtsilä. The Manantiales Behr Thermal Power Plant commenced its commercial operations for three of its five engine generators on March 27, 2021, and for the remaining two engine generators on April 6, 2021, reaching a net power output of 57.735 MW. The energy offtakers of this plant is YPF.

Central Dock Sud

We and Y-Luz Inversora S.A.U. directly own 70.16% equity interest in IDS, which directly owns 71.77% of the equity interest in CDS, which owns the Central Dock Sud thermal power plant. CDS owns two power generating plants, the Central Dock Sud Combined Cycle plant and the Central Dock Sud Simple Cycle plant. These plants are located in the town of Avellaneda in the province of Buenos Aires.

Central Dock Sud Combined Cycle Plant

The Central Dock Sud Combined Cycle plant has an installed capacity of 933 MW and has two General Electric GT 26AB gas turbines, a General Electric steam turbine, and two heat recovery steam generators Babcock Wilcox Espanola. This plant is fueled with natural gas, liquid fuel and biodiesel and is connected to the SADI under an interconnection agreement entered into with EDESUR S.A. The plant is fully owned by CDS and operated by CDS, and began its full commercial operations in June 2001. During 2023, the Central Dock Sud Combined Cycle plant had major maintenance works and an upgrade of its assets which increased its capacity to 861 MW. The efficiency of the Central Dock Sud Combined Cycle plant ensures a consistent base-load dispatch of energy.

The power generated by the Central Dock Sud Combined Cycle plant is supplied under Energía Base (Resolution No. 233/2024) and to CAMMESA pursuant to a 5-year term PPA (Resolution No. 59/2023).

Central Dock Sud Simple Cycle Plant

The Central Dock Sud Simple Cycle plant has an installed capacity of 72 MW and is comprised of two General Electric Frame 6B gas turbines (GT). The plant is fueled with natural gas or liquid fuel. The plant is connected to the SADI under an interconnection agreement entered into with EDESUR S.A. The plant is fully owned and operated by CDS. The Central Dock Sud Simple Cycle plant began commercial operations in July 1989.

The power and capacity generated by the Central Dock Sud Simple Cycle plant is delivered to CAMMESA under Energía Base (Resolution No. 233/2024) and the natural gas is supplied by CAMMESA.

Participation of Central Dock Sud in Other Power Plants

Through our participation in CDS, we hold indirect interests in power plants constructed under the FONINVEMEM program. In particular, CDS holds direct interests in: (i) a 6.4% interest in the Vuelta de Obligado

thermal power plant which has an installed capacity of 846.56 MW, (ii) a 0.423% stake in San Martín thermal power plant, and (iii) a 0.471% stake in the Manuel Belgrano thermal power plant. The Vuelta de Obligado thermal power plant, the San Martín thermal power plant and the Manuel Belgrano thermal power plant are private, non-listed companies engaged in managing equipment procurement and constructing, operating, and maintaining the plants built under the FONINMEM program. The Vuelta de Obligado, San Martín and Manuel Belgrano thermal power plants are operated by Enel Américas S.A.

Our Renewable Energy Plants

Manantiales Behr Wind Farm

This wind farm is located in the Golfo San Jorge Basin, inside the Manantiales Behr reservoir, in the Province of Chubut, approximately 40 kilometers to the northwest of the City of Comodoro Rivadavia. The Manantiales Behr Wind Farm has an installed capacity of 99 MW. The installation has been completed in two stages of 49.5 MW each. A total of thirty 3.3 MW Vestas IEC IB Class V-112 wind turbines have been installed, with an 84-meter high hub and a 112-meter swept area, which are distributed across an area of 20 square kilometers, which is equal to 200 m² per wind turbine.

This wind farm benefits from the natural wind conditions prevailing in the area and had a Load Factor of 59% in 2022 and 2023.

Los Teros Wind Farm

Los Teros wind farm is located in Azul, Province of Buenos Aires, and consists of a wind farm with 45 General Electric wind turbines, with an installed capacity of 175 MW. This wind farm is connected to the SADI at 132KV through a break in the 132KV Olavarría-Tandil line, which crosses the farm's property and is located approximately 52 kilometers away from the city of Olavarría, at a new substation built for this purpose.

Los Teros wind farm received partial commercial authorization to begin its commercial operations on September 17, 2020, and full authorization on June 3, 2021. This wind farm has dispatch priority for 175 MW of its installed capacity to supply the MATER.

We have contracted all the available energy generated through Los Teros wind farm through PPAs entered into with YPF and various private sector users, with terms ranging from 5 to 20 years.

Cañadón León Wind Farm

In 2017, we participated in the second bidding round conducted by CAMMESA under the RenovAR 2.0 Program. In this bidding round, we were awarded a PPA for the Cañadón León Wind Farm project with an installed capacity of 123 MW. Cañadón León wind farm is located approximately 25 kilometers from the city of Caleta Olivia in the Province of Santa Cruz, and has a 20 year-term PPA with CAMMESA for 99 MW. The additional generation capacity of 23 MW is sold through a PPA with YPF.

Zonda Solar Park

In February 2022, we began the construction of the first stage of the Zonda solar park which is located in the Iglesia department, Province of San Juan. In this first stage, 100 MW were built on single-axis tracking structures and the High Voltage Line that connects the Zonda solar park to the SADI. The Zonda solar park has 170,880 solar panels which generate over 300 GWh annually to supply the MATER.

The Zonda solar park received authorization to commence its commercial operations of the first phase with an initial net power to be injected into the SADI of up to 31 MW from April 18, 2023, and completed its 100 MW total power on May 30, 2023.

General Levalle Wind Farm

In February 2023, we began the construction of our General Levalle wind farm which is located in the municipality of General Levalle, in the Province of Córdoba. The first stage of the General Levalle wind farm commenced operations in August 2024 with an installed capacity of 24.8 MW. In September 2024, the installed capacity of the General Levalle wind farm increased to 62 MW. Full commercial operations with a total of 155 MW of installed capacity are expected to commence with 25 wind turbines during the fourth quarter of 2024.

We have entered into PPAs with industrial clients for our General Levalle wind farm and, once it achieves its full commercial operations, the offtakers for this wind farm are expected to be private large users in the MATER. In addition, we have entered into other commercial agreements for our General Levalle wind farm, including: (i) an agreement with Vestas Mediterranean A/S for the supply of equipment and ancillary materials, (ii) an agreement with Vestas Argentina S.A. for the assembly, commissioning, and start-up of the wind turbines, (iii) an agreement with Vestas Mediterranean A/S and Vestas Argentina S.A. for other services, (iv) an agreement with Vestas Argentina S.A. for maintenance services, and (v) an agreement with Distrocuyo S.A. and José J. Chediack S.A.I.C.A. for civil and electromechanical works and the construction of the transformer substation and high voltage line.

Renewable Energy Assets Under Construction

General Levalle Wind Farm

Our General Levalle wind farm is scheduled to commence its full commercial operations with a total of 155 MW of installed capacity during the fourth quarter of 2024. For more information, see “—Our Renewable Energy Plants—General Levalle Wind Farm.”

CASA Wind Farm

The CASA wind farm is located in Olavarría, Province of Buenos Aires. The CASA wind farm is expected to have nine wind turbines and an installed capacity, of 63 MW of which 28 MW will be used for self-generation by Cementos Avellaneda S.A. and the remaining 35 MW will be supplied to industrial users in the MATER. The CASA wind farm will be located at approximately 10 kilometers of the City of Buenos Aires within the properties of Cementos Avellaneda S.A. The CASA Wind Farm will cover an area of approximately 450 hectares and will have nine wind turbines, including Nordex Delta technology with 7 MW of power per turbine. The construction of the CASA wind farm requires an estimated total investment of approximately US\$80 million.

The CASA wind farm is expected to commence its operations during the first quarter of 2026 and to have an estimated Load Factor of 47%. As of the date of this offering memorandum, we have entered into a PPA with Cementos Avellaneda S.A. for our CASA wind farm project for an installed capacity of 28 MW.

El Quemado I Solar Park

The El Quemado I solar park is a project to be operated by YPF Luz and is located in Las Heras, in the Province of Mendoza and is expected to have an installed capacity of 200 MW. The El Quemado I solar park is expected to commence its operations during the second quarter of 2026 with 330,000 solar panels and to have an estimated Load Factor of 31% based on wind studies. We expect to sell the energy generated by the El Quemado I solar park to industrial clients within the MATER. The construction of the El Quemado I solar park requires an estimated total investment of approximately US\$170 million.

Our Remuneration

Our PPAs and Other Long-Term Sale Agreements

Below is a description of our PPAs and long-term sale agreements for our thermal and renewable power plants, excluding our energy delivered under the Energía Base framework, which is described further below.

Thermal Power Plants

Our PPAs with YPF for our thermal power plants are denominated, and the rates under such PPAs are payable to us, in U.S. dollars. Our PPAs with CAMMESA for our thermal power plants are denominated in U.S. dollars, however, the rates under such PPAs are payable to us in Argentine pesos. The below table sets forth details of the PPAs and other long-term sale agreements entered into for the commitment of the capacity of each of our thermal power plants.

Power Plant Asset	Offtaker	Committed Capacity (MW)	Average Price for Capacity (US\$/MW/Month) ⁽¹⁾	Average Price for Electricity (US\$/MW) ⁽¹⁾	Type of fuel	Term (in years)	COD	Expiration Date
Tucumán	CAMMESA	447	5.252 ⁽²⁾	3.5	Natural gas ⁽³⁾	5	1996/1997	February 29, 2028
San Miguel de Tucumán	CAMMESA	382	5.252 ⁽²⁾	3.5	Natural gas ⁽³⁾	5	1995/2000	February 29, 2028
El Bracho GT	CAMMESA	261.28	13.100	11.82	Natural gas ⁽³⁾	10	2018	January 26, 2028
El Bracho ST	CAMMESA	198	22.200	5	Natural gas ⁽³⁾	15	2020	October 23, 2035
Loma Campana I	YPF	105	N/A	29.88	Natural gas ⁽⁴⁾	15	2017	November 14, 2032
Loma Campana II	CAMMESA	105.22	10.000	9.35	Natural gas ⁽³⁾	10	2017	November 29, 2027
Loma Campana Este	YPF	8	N/A	28/16.51 ⁽⁵⁾	Natural gas ⁽⁴⁾	3	2017	May 20, 2026
LPC I	YPF	60	N/A	29.71	Natural gas and liquid fuel ⁽⁴⁾	12	2018	January 4, 2033
LPC II	CAMMESA and YPF	80.62 ⁽⁶⁾ /71.95 ⁽⁷⁾	18.600	8	Natural gas and liquid fuel ⁽⁴⁾	15	2020	October 26, 2035
Manantiales Behr	YPF	58	23.33	8.53	Natural gas ⁽⁴⁾	20	2021	March 27, 2041
Central Dock Sud	CAMMESA	933	5.252 ⁽²⁾	3.5	Natural gas and liquid fuel ⁽⁴⁾	5	2001	February 29, 2028

(1) As of June 2024.

(2) The average price per capacity is received for reaching 85% of the monthly availability, implementing a price curve for values below this threshold, and establishing a minimum price of US\$600 for availabilities below 55%. See “–Our Remuneration–Our PPAs and Other Long-Term Sale Agreements–Thermal Power Plants–PPAs Entered with CAMMESA–Central Dock Sud, San Miguel de Tucumán and Tucumán PPAs.”

(3) Pursuant to the terms of the PPAs, fuel is supplied by CAMMESA free of charge.

(4) Pursuant to the terms of the PPAs, fuel is supplied by YPF free of charge for power generation.

(5) Corresponds to the price paid for the availability of the power plant.

(6) Committed capacity during winter months (May to October).

(7) Committed capacity during summer months (November to April).

PPAs Entered with CAMMESA

Tucumán, San Miguel de Tucumán and Central Dock Sud PPA

In March 2023, we entered into a five-year PPA with CAMMESA pursuant to Resolution No. 59/2023 for the supply to CAMMESA of the energy generated by the Tucumán, San Miguel de Tucumán and Central Dock Sud power plants.

Under this PPA CAMMESA must pay US\$2,000 per MW per month for each Combined Cycle if the power plant asset meets 85% of its availability. The PPA sets forth a price curve if the plant does not meet 85% of its availability and establishes a minimum price of US\$600 per MW per month for each Combined Cycle for availability of less than 50%. During the summer and winter months, CAMMESA must pay 65% of the price of the power made available by the power plant asset, while during the rest of the months CAMMESA must pay 85% of the price.

Loma Campana II and El Bracho GT PPAs

On March 22, 2016, by way of Resolution No. 21/2016, the Secretary of Electric Energy announced a bidding process for the installation of new generation capacity to be available between November 2016 and April 2017, May 2017 and October 2017, or November 2017 and April 2018. As a result of such bidding, we were awarded the following two PPAs for a term of 10 years, with prices denominated in U.S. dollars:

- a PPA for our Loma Campana II power plant, entered into with CAMMESA on August 4, 2016 (the “Loma Campana II PPA”); and
- a PPA for our El Bracho GT power plant, entered into with CAMMESA on July 1, 2016 (the “El Bracho GT PPA”).

According to the terms of each PPA and the applicable laws and regulations, the price payable to us by CAMMESA is made up of two main components:

- a payment for fixed capacity (the “Fixed Capacity Payment”), which comprises a fixed price per MW per month for the contracted capacity under each PPA (the “Contracted Capacity”). In order to receive the entire Fixed Capacity Payment, the Contracted Capacity must be fully available, upon CAMMESA’s request, to deliver energy (excluding schedule maintenance periods, restrictions on fuel supply imposed by CAMMESA, or reduced transmission), as per monthly measurements; and
- a variable payment (the “Variable Payment”), which comprises a fixed price per MW/h delivered upon CAMMESA’s request and a variable price which is conceived to cover the operational and maintenance costs (excluding fuel consumption) incurred by us on the basis of the amount of power we generate and the type of fuel we use.

The Fixed Capacity Payment is reduced to US\$5 per MW per hour for any portion of our Contracted Capacity which is not made available when so required by CAMMESA to deliver the service (“Unavailability Charge”), with a multiplier factor to be applied in the first and second year of two and 1.5 times, respectively. Such Unavailability Charges increase to US\$10 per MW per hour if unavailability takes place upon a system power outage. The total Unavailability Charges applied in any month may not exceed 50% of the applicable Fixed Capacity Payment. However, any substantial, repeated or lengthy failure to supply the Contracted Capacity may purport to an event of default under the applicable PPA and may entitle CAMMESA, at its discretion, to terminate the applicable PPA.

The PPAs do not set forth payment terms; instead, such agreements make reference to the applicable rules and regulations set forth by Secretariat of Electric Energy Resolution No. 61/1992, as amended and modified (the “Rules and Regulations”), which may be subject to changes from time to time. Following a review of the PPAs, the Rules and Regulations and informal inquiries to CAMMESA, the understanding is that payments will be made by CAMMESA within 39 days (plus two business days required to make the necessary wire transfers) based on the sales receivables (liquidaciones de venta), with the amounts being adjusted (up or down) in pesos, on the basis of the reference U.S. dollar exchange rate prevailing on the business day previous to the day in which such payment is due and, if the amounts are paid later than the due date, interests are accrued until the date of payment. However, the fact

that payment terms are not specifically set forth in the PPAs, but rather contained in (and subject to) the applicable Rules and Regulations (which are subject to change), entails a risk of change in the applicable law in respect of the PPA payment terms.

In accordance with Section 5 of the applicable Rules and Regulations, CAMMESA shall make all payments to the WEM creditors out of its available funds, and - in respect of each liability - it shall first settle interest accrued on outstanding principal and then the outstanding principal. In addition, the oldest liabilities are required to be settled first (in the order as incurred). If CAMMESA's funds are not sufficient to settle overdue payments, Section 3.14 of Resolution No. 21 sets forth that the effective PPAs entered into with CAMMESA shall have the same payment priority as the effective PPAs entered into with BICE as trustee.

Under the Loma Campana II PPA and El Bracho GT PPA, the Fixed Capacity Payment (US\$ per MW per month) and the Variable Payment (US\$ per MWh) are determined according to such PPAs.

Under these PPAs, the fuel required for the operation of our power plants is natural gas, which will be supplied by CAMMESA. The inability of our power plants bound by these PPAs to make available the Contracted Capacity by reason of CAMMESA's failure to supply fuels will not result in a reduced monthly capacity availability calculation or in the application of Unavailability Charges.

Under each PPA, CAMMESA's obligation to supply or reimburse the fuel to us is limited to the Guaranteed Heat Rate as follows:

- According to the Loma Campana II PPA, the Guaranteed Heat Rate of each unit is 2,072 kcal/kWh in winter and 2,093 kcal/kWh in summer running on natural gas as liquid fuel.
- According to the El Bracho GT PPA, the Guaranteed Heat Rate of each unit is 2,248 kcal/kWh for natural gas.

The fuel used by the generating units in excess of the Guaranteed Heat Rate is deducted monthly from the payments made by CAMMESA at the purchase prices established by CAMMESA.

The effective term of each PPA commences on the date committed under the respective PPA for the respective COD of each power plant and will expire within 10 years from the committed date. The effective term of Loma Campana II PPA commenced on November 30, 2017, its committed date, and will expire on November 29, 2027. The effective term of El Bracho GT PPA commenced on January 27, 2018, four days before its committed date (expected to take place on January 31, 2018), and will expire on January 26, 2028.

LPC II and El Bracho ST PPAs

By way of Resolution No. 287/2017, the Secretary of Electric Energy announced a bidding process for tenders from interested parties in selling electricity generated from newly installed capacity, using either (a) Closing Combined Cycle, or (b) Cogeneration technology, with the commitment of making it available to meet the WEM demand. As a result of such bidding, we were awarded the following: (i) a Cogeneration PPA with a capacity of 80.62 MW in winter months and 71.95 MW in the summer months for the LPC II power plant (the "LPC II PPA") and (ii) a PPA for the El Bracho closing cycle, with a contracted power of 198 MW (the "El Bracho ST PPA").

According to the terms of each PPA and the applicable laws and regulations, the price payable to us is made up of two main components:

- a fixed capacity payment (the "Fixed Capacity Payment") which consists of a fixed price per MW per month for our contracted capacity under each PPA (the "Contracted Capacity"). In order to receive the entire Fixed Capacity Payment, our Contracted Capacity must be fully available, upon CAMMESA's request, to deliver the energy (excluding schedule maintenance periods, restrictions on fuel supply imposed by CAMMESA, or reduced transmission), as per monthly measurements, and

- a variable payment (the “Variable Payment”), which comprises a fixed price per MW/h delivered upon CAMMESA’s request and a variable price which is conceived to cover the operational and maintenance costs (excluding fuel consumption) incurred by us on the basis of the amount of power we generate and the type of fuel we use.

The Fixed Capacity Payment is reduced to US\$5 per MW per hour for any portion of our Contracted Capacity which is not made available when so required by CAMMESA to deliver the service (“Unavailability Charge”). Such Unavailability Charges increase to US\$10 per MW per hour if unavailability takes place upon a system power outage. The total Unavailability Charges applied in a given month may not exceed 50% of the applicable Fixed Capacity Payment in any month and 100% of the applicable Fixed Capacity Payment in a year. However, any substantial, repeated or lengthy failure to supply the Contracted Capacity may purport to an event of default under the applicable PPA and may entitle CAMMESA, at its discretion, to terminate the applicable PPA.

Under these PPAs, the fuel required for the operation of our Cogeneration plant (natural gas or liquid fuel) will be supplied by YPF under an agreement pursuant to which we acquire natural gas for our LPC II and the El Bracho ST power plants, at 82% of CAMMESA Reference Fuel Price and liquid fuel at 95% of CAMMESA reference fuel price. The inability of our power plants to make available the Contracted Capacity due to YPF’s failure to make such fuels available will result in a reduced monthly capacity availability calculation or in the application of unavailability charges.

Under each of these PPAs, CAMMESA’s obligation to supply or reimburse the fuel to us is limited to the Guaranteed Heat Rate, as follows:

- According to the LPC II PPA, the Guaranteed Heat Rate of each unit is 1,680 kcal/kWh for natural gas and 1,820 kcal/kWh for liquid fuel.
- According to the El Bracho ST PPA, the Guaranteed Heat Rate of each unit is 1,530 kcal/kWh for gas natural (working as Combined Cycle).

The fuel used by the generating units in excess of the Guaranteed Heat Rate is deducted monthly from the payments made by CAMMESA at the purchase prices established by CAMMESA.

Under the El Bracho ST PPA, the Fixed Capacity Payment is equal to US\$22.200 per MW per month and we will receive a Variable Payment of US\$5 per MW/h for sales of electricity generated from natural gas.

Under the LPC II PPA, the Fixed Capacity Payment is equal to US\$18.600 per MW per month and we will receive a Variable Payment of US\$8 per MWh for sales of electricity generated from natural gas or liquid fuel.

The effective term of each PPA commenced on the date committed under the respective PPA for the respective COD of each power plant and will expire within 15 years from the committed date or the actual date of commercial enablement, whichever occurs first, of each power plant. Our El Bracho ST and LPC II power plants commenced its commercial operations on October 23, 2020 and October 27, 2020, respectively.

PPAs Entered with YPF

Loma Campana I PPA

By way of Resolution No. 307/2016, the Secretary of Electric Energy authorized us to act as distributed self-generator for the WEM in respect of the 105 MW Loma Campana I power plant. Accordingly, a power availability agreement was entered into with YPF involving the entire nominal capacity of the power plant, which will be allocated to YPF’s several consumption points (the “Loma Campana I PPA”).

Loma Campana I operates with natural gas, which is supplied by YPF, at its exclusive expense, according to the consumption needs at each identified point.

The Loma Campana I PPA provides for compensation in case of termination at YPF's fault, making up for the revenues remaining under the contract for the unexpired term.

The Loma Campana I PPA provides for a 15-year term as of November 15, 2017, the date committed under the PPA for the respective COD and will expire 15 years after the committed date, on November 6, 2032.

Loma Campana Este PPA

The original agreement for availability of 12 MW, with a guaranteed power of 8 MW, generated by Loma Campana Este was entered into as a result of having been awarded the bidding process launched by YPF for the supply of distributed power in the area of Loma Campana reservoir (the "Loma Campana Este PPA").

According to the Loma Campana Este PPA, the price payable to us is made up of two main components:

- a fixed capacity payment (the "Fix Capacity Payment"), which consists of a fixed price per MW per month for our contracted capacity under the PPA (the "Contracted Capacity"). In order to receive the entire Fixed Capacity Payment, our Contracted Capacity must be fully available, upon YPF's request, to deliver the energy; and
- a variable payment (the "Variable Payment"), which comprises a fixed price per MW/h delivered upon YPF's request and a variable price which is conceived to cover the operational and maintenance costs (excluding fuel consumption) incurred by us on the basis of the amount of power we generate and the type of fuel we use.

Loma Campana Este operates with natural gas, which is supplied by YPF, at its exclusive expense, according to the consumption needs at each identified point.

The original agreement was for a term of 36 months commencing on July 11, 2017. On July 21, 2020, following YPF's request to extend the Loma Campana Este PPA, the agreement was amended to a guaranteed power of 5 MW. Pursuant to the amended agreement, we initiated a process to optimize our costs and on January 1, 2021 we implemented remote operation mechanisms in the facilities of the Loma Campana I and Loma Campana II. In July 2021, the contracted power was increased to 8 MW until May 20, 2026, although we have the possibility to extend this period for two more years.

LPC I and LPC II PPAs

On December 29, 2021, we entered into a U.S. dollars denominated PPA with YPF for the power generated by our LPC I power plant. Under the agreement, which expires on January 4, 2033, we have the ability to freely market any surplus energy not supplied to YPF. In October 2020, we entered into a PPA with YPF for the supply of the steam generated by our LPC II power plant. For more information, see "–Steam Purchase Agreements of Cogeneration Plants."

Manantiales Behr PPA

The Manantiales Behr thermal plant operates as a distributed self-generator for the WEM in respect of its 58 MW, pursuant to Secretary of Electric Energy Resolution No. 269/2008. To such end a PPA was entered into with YPF involving the entire nominal capacity of the power plant (the "Manantiales Behr PPA").

The Manantiales Behr thermal plant operates with natural gas, supplied by YPF at its exclusive expense based on YPF's electricity consumption needs at each identified point. The agreement is for a term of 20 years, denominated in U.S. dollars and commenced on November 26, 2020.

Renewable Energy

Our PPAs with YPF and other industrial clients for our renewable plants are denominated, and the rates under such PPAs are payable to us, in U.S. dollars. The weighted average life for our PPAs entered into with private clients is 7.5 years. Our PPAs with CAMMESA for our renewable plants are denominated in U.S. dollars, however, the rates under such PPAs are payable to us in Argentine pesos.

Below is a detail of our renewable energy generation assets committed under our PPAs.

Power Plant Asset ⁽¹⁾	Offtaker	Installed Capacity (MW)	Term (in years)	COD	Expiration Date	Load Factor ⁽²⁾
Manantiales Behr Wind Farm	YPF	99	15	2018	July 2033	54%
Los Teros Wind Farm	YPF	175	15	2020/ 2021	August 2035	44%
Cañadón León Wind Farm	CAMMESA and YPF	123	15	2021	September 2036	48%

(1) Our PPAs with other industrial clients related to our Manantiales Behr, Los Teros and General Levalle wind farms, and our Zonda solar park, are not described in the table since the terms and conditions of the PPAs entered into with private large users may vary significantly. For more information about the PPAs entered into with private large users for our Manantiales Behr, Los Teros and General Levalle wind farms, and our Zonda solar park, see “Business—Our Remuneration—Our PPAs and Other Long-Term Sale Agreements—Renewable Energy—PPAs Entered with YPF and Other Industrial Clients in the MATER.”

(2) For the six-month period ended June 30, 2024.

PPAs Entered with YPF and Other Industrial Clients in the MATER

In August 2018, we entered into a 15-year PPA with YPF for a capacity of 49.5 MW and a power delivery commitment of 210,240 MWh/year (the “Manantiales Behr PPA”). The Manantiales Behr PPA entered into force in August 2018 on the COD of the Manantiales Behr Wind Farm first phase. The Manantiales Behr PPA is structured on a take-or-pay basis, with an annual adjustment factor denominated in U.S. dollars and payable in Argentine pesos at the prevailing exchange rate –selling spot-of the immediately preceding business day of the payment date. The Manantiales Behr PPA provides for compensation in case of termination at YPF’s fault, making up for the revenues remaining under the contract for the unexpired term.

We have entered into a PPA with YPF for an installed power capacity of 29.3 MW from the Manantiales Behr Wind Farm second stage, for a term of seven years. This agreement entered into force on November 22, 2018, payable in Argentine pesos at the prevailing exchange rate corresponding to the immediately preceding business day of the payment date. The remaining installed power capacity of the Manantiales Behr Wind Farm is committed to diverse private sector entities (Roca Argentina S.A., Coca-Cola FEMSA de Buenos Aires S.A., Toyota Argentina S.A., Profertil S.A., Nestlé Argentina S.A. and Eco de los Andes S.A., among others).

As established by Resolution No. 281/2017 enacted by the former Ministry of Energy, since the fourth quarter of 2017, the Manantiales Behr Wind Farm has been awarded priority dispatch in the MATER for its 99 MW installed capacity.

In 2019, we entered into a fifteen-year term PPA with YPF for the supply of 60.40 MW generated by the Los Teros Wind Farm, effective as of September 2020. In addition, we have entered into PPAs with other private sector users (including Toyota, Profertil, Ford, Roca, Cladd, Hyatt, YPF and Holcim) for the supply of energy generated by our Los Teros wind farm, which have been allocated 175 MW of dispatch priority in the transport capacity for the MATER. These PPAs have an average term of 9.2 years and are denominated in U.S. dollars.

In December 2021, we entered into a fifteen-year term PPA with YPF for the supply of 21.15 MW generated by the Cañadón León Wind Farm. This PPA is denominated in U.S. dollars and became effective after the date of COD of the Cañadón León Wind Farm.

We have entered into PPAs with private sector large users (including Claro, FORD, Molinos Río de La Plata and Renova) for the supply of power generated by the General Levalle wind farm, which have been allocated 145 MW of dispatch priority in the transport capacity for the MATER. These PPAs have an average term of 7 years and are denominated in U.S. dollars. As of the date of this offering memorandum, more than 80% of the capacity of our General Levalle wind farm has been committed under these PPAs with private offtakers within the MATER.

In addition, we have entered into PPAs with private sector large users (including Claro, FORD, Molinos Río de La Plata and Renova) for the supply of power generated by the Zonda Solar Park, which have been allocated 99 MW of dispatch priority in the transport capacity for the MATER. These PPAs have an average term of 5.5 years and are denominated in U.S. dollars.

PPA Entered with CAMMESA

The Cañadón León wind farm, with a nominal capacity of 122.67 MW, was awarded in the RenovAr 2.0 tender a PPA for 99 MW with CAMMESA for 20 years (the “Cañadón León PPA”). The Cañadón León PPA was executed on November 23, 2018, with a sale price of US\$41.50 /MWh, to be multiplied by an adjustment factor and an incentive factor, both set forth in the bidding terms and conditions of the RenovAr 2.0 Program.

Due to certain delays in the construction of the Cañadón León wind farm, our subsidiary Luz del León requested from CAMMESA, in accordance with Resolution No. 52/2019, an extension of the commercial enablement date for the 99 MW corresponding to the Cañadón León wind farm committed under the RenovAr 2 program, by accepting a reduction in the term of the PPA equivalent to six times the delay, and a reduction in the incentive factor.

Projects Under Construction

CASA Wind Farm

As of the date of this offering memorandum, 28 MW of the capacity which is expected to be generated by our CASA Wind Farm has been committed under a 25 year-term PPA entered into with Cementos Avellaneda S.A.

Energía Base

Our Tucumán, San Miguel de Tucumán, LPC I, LPC II and Central Dock Sud power plants operate under Energía Base. During 2022 and 2023, we commercialized approximately 10,082 GWh and 11,594 GWh of electric energy under Energía Base, respectively. These revenues accounted for 15.4%, 14.0% and 16.9% of our revenues for the years ended December 31, 2023 and December 31, 2022 and for the six-month period ended June 30, 2024, respectively.

On February 2, 2017, Resolution No. 19/17 established a pricing arrangement for existing generators, providing incentives to increase the capacity, efficiency and power not committed under sale agreements, including contracts executed under the Energía Plus program. Under Resolution No. 19/17, the prices under the Energía Base program were set in U.S. dollars and payable in pesos at the exchange rate published by the Central Bank on the date immediately before the payment date.

On February 28, 2019, Resolution No. 01/2019, which replaced Resolution No. 19/17, modified the remuneration of existing generators by introducing the concept of DIGO and establishing mechanisms to recover amounts associated with financing granted in a timely manner for the execution of non-recurring, major, and/or extraordinary maintenance.

On February 26, 2020, Resolution No. 31/2020, which replaced Resolution No. 01/19, modified the remuneration of the existing generators under Energía Base. Pursuant to Resolution No. 31/2020, the prices under

Energía Base are set in Argentine pesos. Although Resolution No. 31/2020 established a mechanism to adjust the prices under Energía Base based on the variation of the CPI and the Internal Wholesale Price Index, Note NO2020-19204126-APN-DGDOMEN#MHA of the SGE, suspended such adjustment mechanism.

In addition, a new remuneration scheme was established for thermal power generation during high demand hours which creates incentives to generate power during these hours. During the winter and summer, the remuneration consists of Ps.1,800 per MWh for the 25 hours of highest demand, and Ps.900 per MWh for the following 25 hours. During the rest of the year, the remuneration consists of Ps.300 per MWh for the 25 hours of highest demand. Higher differential remuneration was established for thermal plants with an installed capacity of less than 42 MW which are proven to be necessary for the normal power supply in an area.

In May 2021, through Resolution No. 440/2021, the SGE adjusted the tariffs by approximately 29%. In October 2021, through Resolution No. 1037/2021 and its regulations starting from Note SE NO-2021-108163338-APN-SE#MEC, the SGE implemented a temporary improvement in the remuneration to agents under the remuneration scheme established by Resolution No. 440/2021, with the exception of hydroelectric plants managed by binational entities. On April 18, 2022, Resolution No. 238/2022 was published, which replaced the usage factor and increased the remuneration established by Resolution No. 440/2021 by 30%.

On December 12, 2022, the SGE published Resolution No. 826/2022, which updated the remuneration scheme established by Resolution No. 238/2022. The prices under Energía Base were updated by 20% as of September 2022, by 10% as of December 2022, by 25% as of February 2023, and by 28% as of August 2023. The remuneration for high thermal efficiency hours remained unchanged, however, Resolution No. 826/2022 introduced a new remuneration concept called “peak hour generation remuneration”, which sets higher prices for the 5 peak hours of each day (i.e., from 6:00 p.m. to 11:00 p.m.). In addition, the remuneration scheme for DIGO is no longer compared against the actual power availability and is calculated as the product of the actual availability, the Kfm factor, and the DIGO power price. The differentiation in thermal power price for thermal power plants with an installed capacity of less than 42 MW was eliminated. Additionally, under Resolution No. 826/2022, CAMMESA must perform power availability controls to verify the effective operations of the thermal power plants.

On February 5, 2023, the SGE published Resolution No. 59/2023, which authorized power generators categorized as Combined Cycle to enter into agreements to incentivize investments for major and minor maintenance works related to power plants. These contracts promote investments for the execution of scheduled maintenance to improve the availability of the MEM. Combined Cycles entering those contracts must commit to an availability of 85% of the total installed capacity. The remuneration scheme of these contract is as follows:

- *Payment for committed power:* a 35% reduction in the DIGO power price set forth in Resolution No. 826/2022 is applied during the summer and winter months, and a reduction of 15% is applied during the rest of the year. In addition, between Ps.600 and Ps.2,000 per MW are paid monthly depending on the plant’s power availability.
- *Payment for generated energy:* a remuneration price for the generated energy is set at US\$3.5 per MWh for energy generated with natural gas, US\$6.1 per MWh for energy generated with gasoil or fuel oil, and US\$8.7 per MWh for energy generated with biofuels.

On September 8, 2023, the SGE published Resolution No. 750/2023, which replaced Resolution No. 826/2023 and increased by 23% all remuneration concepts for Energía Base plants. On October 30, 2023 and February 8, 2024, the SGE published Resolutions No. 869/2023 and 09/2024, respectively, which replaced Resolution 826/2023 and increased all remuneration concepts for Energía Base plants by 28% effective from November 2023 and 74% effective from February 2024.

On June 18, 2024, Resolution No. 99/2024 of the Secretariat of Energy, which updates by 25% all the remuneration concepts of power plants that are not under contract effective as of June 2024, was published in the Official Gazette.

On August 2, 2024, Resolution No. 193/2024 of the Secretariat of Energy, which updates the remuneration established by Resolution No. 99/2023 by 3%, effective as of the economic transactions corresponding to the month of August 2024, was published in the Official Gazette. Additionally, the spot price of the electricity market was updated to Ps.9,606/MWh (US\$10.3/MWh).

On August 29, 2024, the Secretariat of Energy published Resolution No. 233/2024, pursuant to which the remuneration of power plants operating under the Energia Base framework was increased by 5%, effective as of September 2024.

Steam Purchase Agreements of Cogeneration Plants

Our Cogeneration assets committed under long-term sale agreements are listed below:

Power Plant Asset	Counterparty under Agreement	Contracted Volume	TOP/DOP	Fuel	Term (in years)	Commencement Date	Expiration Date
LPC I	YPF	190/210 TN/h	100%	Natural Gas supplied by YPF	15	January 1, 2018	January 4, 2033
LPC II	YPF	190/200 TN/h	100%	Natural Gas supplied by YPF through tolling arrangement	15	December 30, 2020	December 30, 2035

(1) Such price is adjusted as per an updating formula.

In February 2018, effective as of January 1, 2018, we started to supply steam to YPF from our LPC I power plant, pursuant to a steam sale agreement subject to a 15-year term. Pursuant to this agreement, we agreed to deliver a volume from 190 tn/h to 210 tn/h, subject to a take or pay agreement by YPF equal to 190 tn/h, and YPF supplies any necessary fuel for generation of energy and the resulting steam.

In December 2020, we began supplying to YPF steam generated by our LPC II power plant pursuant to a fifteen-year term agreement with YPF which we entered into in October 2020. According to this agreement, we committed to deliver a volume of between 190 tn/h to 200 tn/h, with a take or pay by YPF of 200 tn/h, and YPF committed to supply the necessary fuel for the generation of the steam.

Environmental, Social and Governance

Sustainability is one of our corporate values and a strategic pillar for the performance of our business. Our ESG strategy is aligned with our sustainability policy. In order to assess our compliance with our ESG strategy, we manage and report annually our material ESG impacts according to the guidelines published by Global Reporting Initiatives and the Sustainability Accounting Standards Board. We identify environmental, social, integrity and governance impacts and risks related to our business and work with third parties to minimize and manage these risks and promote the implementation of our ESG practices.

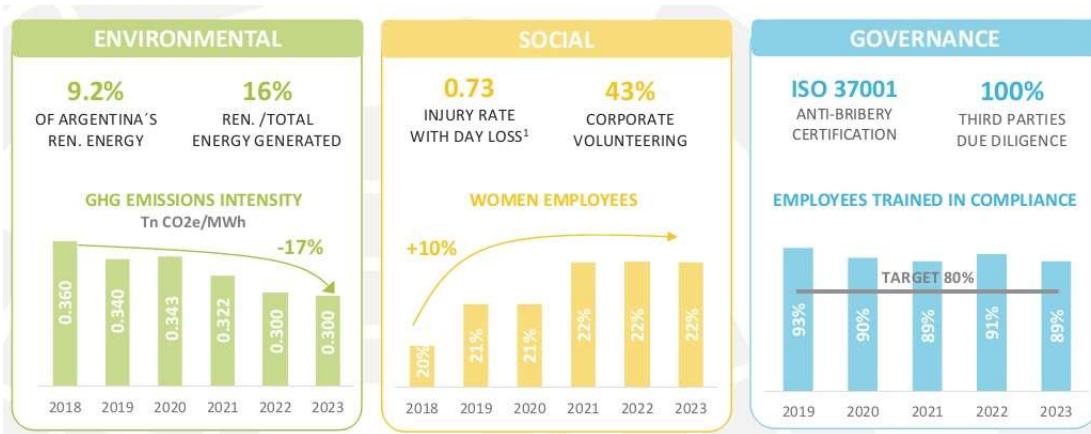
Our ESG strategy is made up of the following five pillars which are integrated into our business: (i) environmental commitment, (ii) caring for our people, (iii) operational excellence, (iv) social commitment, and (v) integrity. We use these pillars to perform responsible commercial operations and strengthen our competitiveness in the long term.

Our 2023 sustainability report established our ESG objectives for 2025. Regarding environmental commitment, we have already surpassed our 2025 target by reducing our greenhouse gas emissions in 2023 by 13% compared to 2020. We have also achieved our integrity goal with over 80% of our employees completing compliance trainings and by achieving ISO 37001 anti-bribery certifications. With respect to our operational excellence strategy, we are on track to achieve our commitment of reaching 700 MW of renewable energy by 2025 with the construction of our renewable asset projects. We continue to work diligently to achieve our social commitment with our communities. Additionally, we recorded a decrease in the injury rates of our employees and increased our employee

participation in our corporate volunteering program. Below is a chart summarizing the status of our ESG objectives for 2025.

	ENVIRONMENTAL COMMITMENT	OUR PEOPLE	OPERATIONAL EXCELLENCE	SOCIAL COMMITMENT	INTEGRITY
KPI	GHG emissions intensity	Women employees	Renewable installed capacity	Social investment /EBITDA	Employees trained in compliance
2025 AMBITIONS VS 2020	-8%	25%	700 MW	0.2%	+80%
2023 RESULTS	-13%	22%	497 MW	0.15%	85%
STATUS	ACHIEVED	IN PROGRESS	IN PROGRESS	IN PROGRESS	ACHIEVED

Below is a chart summarizing our environmental, social and governance accomplishments from 2018 to 2023.



(1) Accidents with loss of labor day per million hours worked.

Below are some important highlights about our ESG strategy:

Environmental:

- ISO 14.001:2015 (*Environmental Management System*) implemented and certified in all our assets;
- assessment of social and environmental impact as a decision-making tool to implement projects with proper environmental and social licenses;
- commitment to reduce greenhouse gas emissions in 8% by the end of 2025; and
- implementation of programs to minimize water and waste usage in our operations.

Social:

- ISO 45.001:2018 (*Occupational Health and Safety Management System*) implemented and certified in all our assets;
- implementation of a corporate volunteering program to support the communities in which we operate;

- implementation of wellness and training programs for our employees;
- implementation of ESG trainings to value chain and inclusive purchases program; and
- plan to reach 25% women employees by the end of 2025.

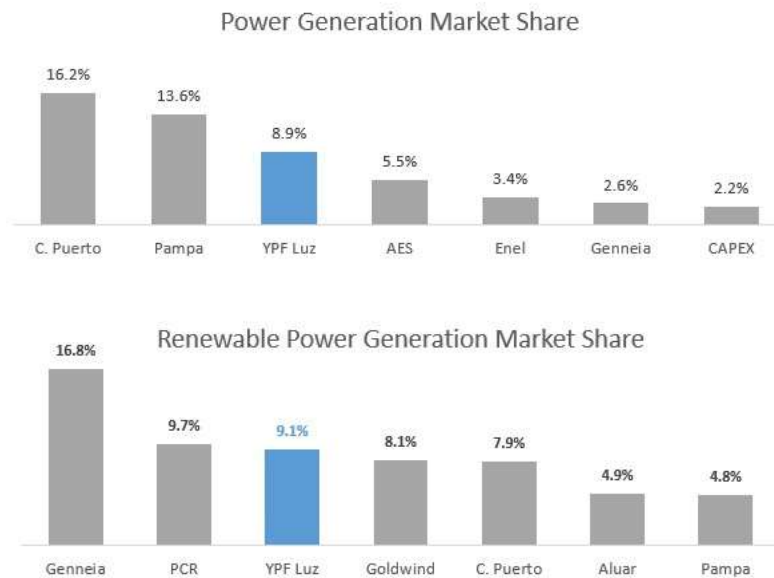
Governance:

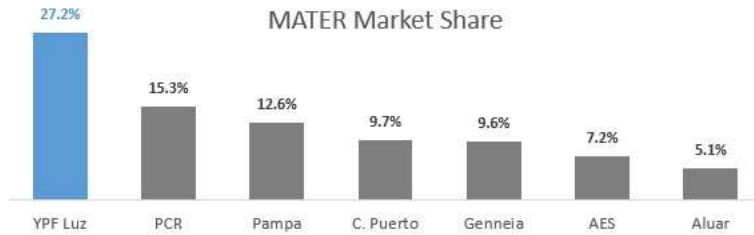
- ISO ISO 37001:2016 (*Anti-Bribery Management System*) certification implemented in the Company;
- implementation of strong compliance program with high employee training; and
- performance of third-party due diligence on all our suppliers.

Competition

The demand for energy and power in Argentina is satisfied by several public and private generating companies and there has been no material competitive pressure in the Argentine electricity industry between 2002 and 2015. Since 2015, the addition of new installed capacity through various projects (both thermal and renewable) and moderate demand growth has introduced new participants into the Argentine energy sector.

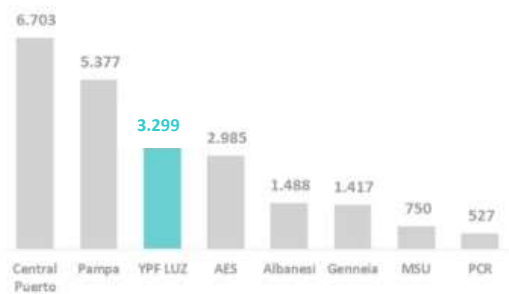
In the electricity generating market, we face competition from widely renowned companies operating on a permanent basis, such as Pampa Energía S.A., Central Puerto S.A., AES Argentina Generación S.A., Genneia S.A. and Albanesi S.A. The following charts show our share in the power generation market, the renewable power generation market, and the MATER in terms of renewables installed capacity, in each case for the six months ended June 30, 2024, compared to the share of our competitors.





The following charts show the market shares in terms of installed capacity and installed renewable capacity as of the date of this offering memorandum, compared to the share of our competitors.

INSTALLED CAPACITY [MW]



INSTALLED RENEWABLE CAPACITY [MW]



In order to meet the goals of incorporation of renewable energies into the energy system as established by the Renewable Energy Law, the former Ministry of Energy launched the RenovAr Program, which as of the date of this offering memorandum included two bidding rounds for the award of renewable energy purchase agreements with CAMMESA subject to a 20-year term and prices denominated in U.S. dollars.

For bidding processes involving renewable energy, greater competition was observed, mainly including many new domestic and foreign players which expressed their interest in the bidding processes.

As a result of such awards, new competitors entered the renewable energy market such as Latinoamericana de Energía S.A., 360 Energy S.A., Petroquímica Comodoro Rivadavia S.A. and Genneia S.A.

Integrated Management System

Our integrated management system allows us to manage the quality, environment, health and safety of our plants and projects. This system is based on the following three principles: (i) ensuring safe working conditions by implementing the best internationally recognized practices, (ii) minimizing our environmental impact, and (iii) maintaining a healthy working environment. We apply these principles by implementing three integrated management system programs, which consist of our program on safety and health objectives and actions, our program on environmental objectives and actions and our program on quality objectives and actions.

Environmental Management

As of the date of this offering memorandum, we are not a party to any pending legal proceedings or aware of any threatened legal proceedings involving environmental matters.

In addition, we have obtained the environmental permits required by applicable environmental laws and regulations and have environmental management plans approved by the relevant regulatory authorities. In order to maintain the highest environmental standards, we perform regular controls the results of which fall within the limits permitted by current laws and regulations.

We operate in accordance with our sustainability policy in order to improve our management processes and to become a profitable, efficient and sustainable electric energy company. Sustainability is integrated transversally in all our business areas, ensuring the availability of the necessary resources and maximizing shareholder and company value.

We have also developed a comprehensive environmental compliance and management program subject to internal and external periodic audits by TÜV Rheinland, Bureau Veritas and IRAM. To comply with these policies, we periodically obtain certifications of our environmental management systems. The following table sets forth the ISO standard certifications which we have secured as of the date of this offering memorandum for each of our plants following the performance of audits.

ISO 9001	ISO 14001	ISO 50001	ISO 45001	ISO 55001	ISO 37001
✓	✓	✓	✓		
✓	✓	✓	✓		
✓	✓	✓	✓		
✓	✓	✓	✓		
✓	✓	✓	✓		
✓	✓	✓	✓	✓	
✓	✓	✓	✓	✓	
✓	✓	✓	✓	✓	
✓	✓	✓	✓	✓	
✓	✓	✓	✓		✓
✓	✓		✓		
✓	✓		✓		
✓	✓		✓		
✓	✓		✓		

Safety and Health

Occupational safety, hygiene and health management are intended to preserve the integrity of people as well as our own and third parties' property, on the assumption that:

- all workplace accidents and diseases are preventable;
- compliance with workplace safety, hygiene and health standards is the responsibility of all people engaged in performance of works at the power plants and wind farms; and
- raising awareness contributes to achieving well-being at the workplace and better personal and collective development of those who are members of the labor community.

In order to comply with these policies, we secure quality assurance certifications from time to time. See “– Environmental Management.” Commitment towards “Ongoing Improvement” policies requires us to make changes in this policy and goals so that they always conform to the changes required by the market and current laws and regulations.

Quality Management

We aim to continuously improve the suitability, adequacy, and effectiveness of our management systems. Processes, goods, and services must be improved by considering:

- changes in the organizational context;
- the need for change, the benefits of the change (KPIs and objectives), the resources necessary for implementation, and the risks of the change;
- ensuring that the quality management system achieves its intended outcomes;
- promoting continuous improvement and innovation to maintain customer satisfaction; and
- managing deviations occurring during service development to avoid reducing service quality or making errors that could affect customer satisfaction.

We review the adequacy of our policies and objectives to ensure that they remain aligned with market changes and current legislation. In 2022, we were awarded the Argentine Quality Award and received a special mention for people management in the large service companies category.

Insurance

We maintain full-risk coverage against all insurable risks, including machinery breakdowns and business interruptions. This insurance provides coverage for damages and losses arising from earthquakes, hail, fire, lighting, floods and explosions for all our thermal plants, wind farms and solar park, among other events. We also maintain civil liability coverage for damages caused by us to third parties of up to \$100 million. We maintain full-risk coverage for our vehicles, buildings, personal property and electronic equipment. In addition, we usually acquire insurance against construction and assembling risks, with civil liability coverage, for the capital investment projects we undertake. We also maintain D&O insurance for civil liability as required by Argentine law.

We believe that the level of insurance coverage that we maintain is reasonably appropriate for the risks that our businesses face and are comparable to the level of insurance and reinsurance coverage maintained by other companies of comparable size operating in the businesses in which we are engaged.

Employees

Our labor force consists of permanent and temporary personnel which as of December 31, 2023 and 2022, totaled 479 and 366 employees, respectively. As of June 30, 2024, our labor force totaled 482 employees.

Our team consists of qualified professionals, technicians and experts with experience in the generation industry. Nearly 50% of our employees hold positions that are not subject to collective bargaining agreements, while

the remaining 50% is unionized under the following unions: (i) Federación Argentina de Trabajadores de Luz y Fuerza; (ii) Sindicato de Luz y Fuerza de Capital Federal; (iii) Sindicato Regional de Luz y Fuerza de la Patagonia; (iv) Asociación de Profesionales Universitarios del Agua y la Energía; (v) Asociación del Personal Jerárquico del Agua y la Energía; and (vi) Asociación del Personal Superior de Empresas de Energía.

The following chart shows a breakdown of our payroll by geographic area and union as of December 31, 2023. As of the date of this offering memorandum, we maintain excellent relationships with each of the union representatives, fostering productive and efficient operations.

	Tucumán	City of Buenos Aires	Province of Buenos Aires	Province of Neuquén	Province of Chubut	Total
Non-unionized...	27	137	36	13	14	227
Unionized	99	5	106	24	18	252
Total.....	126	142	142	37	32	479

The chart below shows the classifications of such personnel based on positions in effect as of December 31, 2023.

Classification	Amount
Management	38
Professional	59
Administrative	88
Technical-operative	294
Total	479

We believe the professional training of each employee is key to the ongoing organizational growth. For this reason, and to ensure that a high level of compromise and personnel motivation is maintained, we hold specific technical and generic training events, language programs, have management and leadership programs in place, among other actions.

Legal Proceedings

Except for the request for arbitration against the affiliates of GE Vernova referred to in “Risk Factors–Risks Relating to the Company–Our business and operations are highly dependent on certain key suppliers and third parties to maintain our thermal power plants and renewable energy plants, and we will rely on third parties to complete the procurement, engineering, construction, testing and commissioning of our projects under construction,” from time to time, we might be involved in arbitration proceedings and/or litigation in the ordinary course of business, including certain third-party claims, environmental claims, labor disputes and tax-related disputes with certain Argentine provinces and the federal tax authorities. To the best of our knowledge, there are no pending actions, investigations, suits or proceedings against us or any of our properties that could have a material adverse effect on our financial condition or our ability to perform our obligations under the Notes.

MANAGEMENT

Board of Directors

In accordance with the provisions set forth in Article 12 of our bylaws and applicable law, we are managed by our board of directors which is currently composed of eight directors and up to eight alternate directors. Holders of Class A shares and holders of Class B shares have the right to appoint six and two directors, respectively, and up to six and two alternates, respectively. Directors are appointed for a term of three years and may be reelected for subsequent terms of three years indefinitely but, in any case, must remain in office until new directors are appointed by our shareholders meeting. See “Principal Shareholders–Shareholders’ Agreement.” All the members of our board of directors were elected at a shareholders’ meeting held on April 29, 2024. The terms of all of the members of our board of directors expire on December 31, 2027.

Our board of directors meets at least once every month and whenever the chairman of the board deems it necessary or at the request of the majority of our directors or of our supervisory committee. Extraordinary meetings of the board of directors may be called by any of the directors. Quorum for a meeting of the board of directors requires the presence of the majority of our directors, present in person by conference call or videoconference or any other means of communication that allows participants to hear each other, as set forth in Article 13 of our bylaws. Resolutions may be adopted by a majority of directors voting in person or cast by the means of communication referred to above, except for restricted matters contemplated in our Shareholders’ Agreement. See “Principal Shareholders–Shareholders’ Agreement.”

As long as Class A shareholders hold at least 24.5% of our capital stock, Class A shareholders shall have the right to appoint the Chairman of the board of directors and, as long as Class B shareholders hold at least 24.5% of our capital stock, Class B shareholders have the right to appoint the Vice Chairman of the board of directors.

Pursuant to section 59 of the Argentine General Companies Law, directors have the obligation to perform their duties with the loyalty and the diligence of a prudent business person. Directors are jointly and severally liable to the company, the shareholders and third parties for the breach of their duties, the applicable law, our bylaws, and for any damage to these parties caused by fraud, abuse of authority or negligence, as provided for in Section 274 of the Argentine General Companies Law.

Under the Argentine General Companies Law, our board of directors is in charge of our administration and, therefore, makes any and all decisions in connection therewith, as well as those decisions expressly provided for in the Argentine General Companies Law, our bylaws and other applicable regulations. Furthermore, our board of directors is generally responsible for the execution of the resolutions passed by shareholders’ meetings and for the performance of any particular task expressly delegated by the shareholders. Under the Argentine General Companies Law, the duties and responsibilities of an alternate director, when acting in the place of a director on a temporary or permanent basis, are the same as those discussed above for directors, and they have no other duties or responsibilities as alternate directors.

The business address of our Class A directors is Macacha Güemes 515, C1106BKK, City of Buenos Aires, Argentina, and the business address of our Class B directors is Leandro N. Alem 882, C1001AAQ, City of Buenos Aires, Argentina. For more information regarding the governance of our board of directors, see “Principal Shareholders—Shareholders’ Agreement.”

Our directors and alternate directors as of the date of this offering memorandum are as follows:

Name	Position	Class Designation⁽¹⁾	Date of Appointment
Santiago Martínez Tanoira.....	Chairman and Director	Class A	April 29, 2024
Patrick Leahy.....	Vice-Chairman and Director	Class B	April 29, 2024
Patricio Da Ré.....	Director	Class A	April 29, 2024
Santiago Julián Fidalgo.....	Director	Class A	April 29, 2024
Paula Dutto.....	Director	Class A	April 29, 2024
Pablo Rizzo.....	Director	Class A	April 29, 2024

Name	Position	Class Designation ⁽¹⁾	Date of Appointment
Jonathan Zipp	Director	Class B	April 29, 2024
Marco Alejandro Bramer Markovic.....	Director	Class A	April 29, 2024
María Eugenia Bianchi Pintos	Alternate Director	Class A	April 29, 2024
Edward Chao	Alternate Director	Class B	April 29, 2024
Carlos Alberto San Juan	Alternate Director	Class A	April 29, 2024
Fernando Gómez Zanou.....	Alternate Director	Class A	April 29, 2024
Gastón Marcelo Laville Bissio.....	Alternate Director	Class A	April 29, 2024
Gabriela Dietrich	Alternate Director	Class B	April 29, 2024
Santiago Sacerdote.....	Alternate Director	Class A	April 29, 2024

(1) Refers to the class of shareholder that appointed such director. For a summary of the differences between our Class A and Class B shares, see “Principal Shareholders.”

Below is a summary of the professional background of each of our directors.

Santiago Martínez Tanoira. Mr. Martínez obtained his engineering degree from the Buenos Aires Technological Institute (Instituto Tecnológico de Buenos Aires) and holds an MBA from the Austral University (Universidad Austral). Mr. Martínez has taken specialization courses at Darden, Wharton, and Harvard Universities in the United States. He joined YPF in 1998 in the Business Development area of the Petrochemical Division. He was responsible for marketing and served as planning and development manager within the Industrial Products and Chemicals Unit of Argentina between December 2002 and April 2008. In May 2008, he became the Director of Basic Petrochemicals and Intermediates at Repsol Química in Spain. He served as the Director of Chemicals at YPF from August 2011 to 2012 and was also a board member of Profertil. From 2012 to September 2016, he served as Executive Manager of the Mendoza Regional Office, overseeing Upstream operations, and as Executive Vice President of Upstream from October 2016 to August 2017. Mr. Martínez has been an Alternate Director of YPF since April 2017 and Executive Vice President of Gas and Energy since May 2020. Since May 22, 2020, he has held the position of Director and President of Compañía Mega S.A.

Patrick Leahy. Mr. Leahy is an accountant (CFA Charterholder-Chartered Financial Analyst) and the Managing Director and Global Head of Energy at GE Energy Financial Services. He is responsible for leading the team that executes the gas-generated electricity investment unit across North America, Europe, Asia, the Middle East, North Africa and Turkey, Sub-Saharan Africa, and Latin America. Mr. Leahy joined GE Energy Financial Services in 2006 and has subsequently taken on roles of increasing responsibility. Recently, he has acted as the Executive Leader for the United States, responsible for leading the team that executes over US\$1 billion in conventional and renewable energy investments annually in the United States. Mr. Leahy has over 20 years of experience in energy and financial services. He began his career in the energy industry as a project developer for Enron in Latin America. He has provided professional services to multiple Fortune 500 companies and the World Resources Institute to catalyze corporate demand for 1,000 MW of renewable energy. In this role, Mr. Leahy worked with leading companies to successfully analyze, develop and execute renewable energy projects and strategies.

Patricio Da Re. Mr. Da Re holds a public accountant degree from the University of Belgrano (Universidad de Belgrano). He holds a postgraduate degree in oil and natural gas economics from the Buenos Aires Technological Institute, and in Negotiation and Conflict Resolution from ESEADE (Escuela Superior de Economía y Administración de Empresas) Business School. He currently serves as Planning and Business Development Manager at YPF. He served as Planning and Business Development Manager in YPF, and other positions within the natural gas industry since he joined YPF in 2002. He currently serves as Vice-Chairman of the Board of Directors of Metrogas S.A., and as director of Compañía Mega S.A. and other companies affiliated to YPF.

Santiago Julián Fidalgo. Mr. Fidalgo is an economist graduated from the Argentine Catholic University (Pontificia Universidad Católica de Argentina) and a lawyer graduated from the University of Buenos Aires (Universidad de Buenos Aires). He has various postgraduate studies in finance, quality management, and environmental management. He has taught undergraduate and postgraduate courses at the Argentine Catholic University and the Center for Studies of Energy Regulatory Activity (CEARE, of the University of Buenos Aires). He has worked in the energy industry since 1987, holding various positions at Astra C.A.P.S.A. and later at YPF. He is currently in charge of Participated Management in the Vice Presidency of Gas and Energy at YPF.

Paula Dutto. Ms. Dutto obtained her degree in public accounting and business administration from the Argentine Catholic University and her degree in accounting, administration, and business management from the University of San Andres (*Universidad de San Andrés*). She participated in the business management program developed jointly by the Austral University Business School (*IAE*) and the University of Buenos Aires. She has taught undergraduate courses at the Argentine Catholic University and the University of Buenos Aires. She currently serves as Department Manager of Accounting and Reporting at YPF, previously serving as Accounting Manager, UTs Manager, and other positions in the industry since she joined YPF in 2004.

Pablo Rizzo. Mr. Rizzo is a petroleum engineer from the National University of Cuyo (*Universidad Nacional de Cuyo*), and a safety and hygiene engineer from the National Technological University (*Universidad Tecnológica Nacional*). He has 29 years of experience in the petrochemical and oil refinancing industry. Mr. Rizzo currently works as executive manager of downstream technical solutions at YPF and served as director of Profertil S.A. In the past, he held managerial positions at the La Plata Industrial Complex from 2020 to 2022, the Lujan de Cuyo Industrial Complex from 2017 to 2020, the Plaza Huincul Industrial Complex from 2011 to 2017.

Jonathan Zipp. Mr. Zipp is a business administration graduate from Ohio State University. He also holds an MBA in finance and accounting from Fordham University. Since 2004, Mr. Zipp has been part of General Electric, holding various positions within YPF Luz and being involved in major global transactions. He currently serves as Senior Vice President and is responsible for leading transactional teams that implement and manage energy investments executed by GE Energy Financial Services.

Marco Alejandro Bramer Markovic. Mr. Bramer is a business administration graduate from the University of San Andres and has worked in the financial sector for over 15 years, 10 of which abroad, at Chase Manhattan Bank and BNP Paribas. He joined YPF as executive finance manager in March 2024.

María Eugenia Bianchi Pintos. Ms. Bianchi holds a law degree from the Argentine Catholic University and she is a master degree candidate in business law from the University of San Andrés and has a postgraduate degree in oil and natural gas law from the University of Buenos Aires. In addition, she attended the executive program on renewable energy from UCES University (*Universidad de Ciencias Empresariales y Sociales*). She is a lawyer in the natural gas and energy management group of YPF Legal Services Senior Management department. Ms. Bianchi also serves as regular statutory auditor of CDS and IDS.

Edward Chao. Mr. Chao holds a Bachelor of Arts, minor in computer science from Cornell University, and a Master of Business from the University of Michigan. Since 2006 he worked at GE Energy Financial Services, where he currently serves as Senior Vice President, and has held the positions of Vice President, Assistant Vice President and Associate. Mr. Chao also worked at the World Bank from 2005 to 2006 as a short-term consultant, at Siebel Systems from 1999 to 2003 as a product line manager, and at Merrill Lynch&Co. as an analyst.

Carlos Alberto San Juan. Mr. San Juan holds a law degree from the University of Buenos Aires. He was an associate at Nicholson y Cano Abogados law firm from 1994 to 2000 and was a sole practitioner from 2000 to 2003. In 2003, he joined the Legal Services Management group of YPF's Refining & Commercialization Department. From 2009 to 2014, he served as Neuquén-Río Negro Legal Services Manager, and between 2015 and 2017 he served as Legal Services Manager of Affiliates. Since September 2017, he serves as Natural Gas and LPG Legal Services Manager of the Legal Services Vice-Presidency of YPF.

Fernando Gómez Zanou. Mr. Gómez holds a law degree from the University of Buenos Aires, a master's degree in Economics and in Business Administration from ESEADE Business School, and holds several postgraduate degrees in oil and gas. He joined YPF in 2004 and he currently holds the position of Corporate Legal Services Manager and was appointed director in several companies in the industry. He was previously a lawyer at different private companies, including Citibank, N.A. Sucursal Argentina, BASF Argentina S.A. and Auchan Argentina S.A.

Gastón Marcelo Laville Bisio. Mr. Laville holds a degree in economics from the University of Buenos Aires, where he graduated *cum laude* in 2008. He has a decade of experience in the energy industry, holding positions related to market, investors, competence intelligence, asset and portfolio valuation, focused on upstream. In addition, he took training courses in project management, leadership and decision making and risk analysis, among others. Mr. Laville is currently working on the Gas and Energy Strategical Planning team of YPF.

Gabriela Dietrich. Ms. Dietrich holds a degree in business administration from the Getulio Vargas Foundation, in Brazil (*Fundação Getulio Vargas*) with a specialization in banking and financial services from New York University. Ms. Dietrich joined General Electric in 2011 and has coordinated the development and execution of the strategic transaction in project finance within the energy, oil and gas and transportation units in Brazil. He is currently responsible for overseeing capital market efforts to raise capital from third parties and manage portfolios within Latin America. Prior to holding these positions, Ms. Dietrich worked at ABN AMRO and Santander in the investment banking sector.

Santiago Sacerdote. Mr. Sacerdote is an industrial engineer graduated from the Buenos Aires Technological Institute and holds a master's degree in political science from the Francisco de Vitoria University in Madrid, Spain. He currently works as executive manager of the energy business at YPF, and has been CEO of Y-TEC, the technological arm of YPF in association with the National Council of Science and Technology (CONICET), for 7 years. Previously, he had extensive experience in positions linked to the management of innovation, technology and business development, such as vice president of technological affairs of CONICET, director of programs and services of the Argentine Industrial Union and strategy consultant for leading companies in Latin America.

Senior Management

Our senior management is in charge of the implementation and execution of our overall short-term and strategic objectives and reports to our chief executive officer. The table below sets forth our senior managers as of the date of this offering memorandum.

Name	Position	Date of Appointment (*)
Héctor Martín Mandarano.....	Chief Executive Officer	March 2018
Pedro Luis Kearney	Chief Financial Officer	April 2024
Santiago Matías Sajaroff.....	Chief Operations Officer	March 2018
Sebastián Pablo Torres.....	Chief Compliance Officer	May 2018
Carlos Dionisio Maria Ariosa	Legal Services Manager	April 2021
Alejandro Avayú.....	Procurement and Supply Manager	March 2018
María de los Milagros Daniela Grande .	Finance Manager	June 2024
Jorge Esteban Ravlich.....	Electric Business Manager	March 2018
Carlos Mafia del Castillo	Innovation and Technology Manager	February 2019
Paola Gardella.....	Administration Manager	October 2020
Mariana Iribarne	Institutional Relationship Manager	June 2018
Gonzalo Gastón Seijo	Projects and Engineering Manager	October 2021
Gisela Elisa Fanciotti.....	Human Resources Manager	August 2013

(*) Date of admission or assignment of labor agreement to YPF Luz.

A brief biographical description of each of our senior managers is set forth below.

Héctor Martín Mandarano. Mr. Mandarano holds an electrical engineer degree from Universidad Tecnológica Nacional (UTN) in Buenos Aires, with a Master in business administration from the Argentine Enterprise Institute (IAE) and a Master in Management of the Wholesale Electricity Market from the Buenos Aires Technological Institute (ITBA). He has held different positions in the Argentine electricity and energy sectors, participating in studies of power systems and operation of high voltage networks in SACME (1997-2000), and dispatch and movement of energy in Perez Companc (2000-2002). Mr. Mandarano was Manager of the Electricity Business Division at Petrobras Energía S.A. between 2001 and 2011, and Director of Manuel Belgrano and San Martín Thermal Power Plants between 2002 and 2011. He joined YPF in 2011, as Manager of the Electrical Business Unit. He was Director in Metrogas between 2014 and 2016 and is Chairman of the Board of Central Dock Sud since 2012. In 2016 he became Executive Manager of the Electric and Renewable Business at YPF. He has served as General Manager of YPF Energía Eléctrica S.A. since 2013 and as CEO of YPF Luz since March 2018.

Pedro Luis Kearney. Mr. Kearney is a public accountant from the Argentine Catholic University and holds an MBA from the Torcuato Di Tella University. He has developed his career performing finance and planning roles within the YPF group. He joined YPF in 2003 and throughout his first years in the company he held different positions in the areas of strategy, planning and control, both in Buenos Aires and in Madrid, where he reached in 2018 the role of Controller of YPF's Downstream business. Subsequently, between 2020 and March 2024, he served as Executive Manager of Planning and Finance at YPF, where he was in charge of strategic planning, controlling, financial structuring, treasury and Investor Relations. Additionally, since 2022 and before joining as CFO of YPF Luz, he was part of the Board of Directors of YPF Luz. He is currently Chief Financial Officer of YPF Luz.

Santiago Matías Sajaroff. Mr. Sajaroff holds a degree in electrical engineering from Universidad Tecnológica Nacional of Argentina, a master's degree in Electrical Market Management from the Buenos Aires Technological Institute, and a master's degree in business administration (MBA) from the Argentine Catholic University. Before joining YPF, Mr. Sajaroff served as Senior Operations Manager of CDS for almost 10 years, and before that, he held different positions at the same company. At YPF he served as commercial manager of Central Dock Sud, electrical business commercial manager of the YPF Gas and Energy Vice-Presidency, and technical manager and projects and constructions manager of the electrical business of the YPF Gas and Energy Vice-Presidency. Since 2018 he has been serving as our Chief Operations Officer. Currently, he serves as director of the Argentine Chamber of Renewal Energy.

Sebastián Pablo Torres. Mr. Torres holds a law degree from Morón University (Arg.), a master's degree in business and commercial law from Buenos Aires University (Arg.) and postgraduate studies in Energy Management and Renewable Energy Management from Pontifical Catholic University of Argentina and Austral University (Arg.). Prior to joining us in May 2018, Mr. Torres had served in different positions in the Compliance and Legal areas of GE since 2001, including (i) Legal and Compliance Manager of GE Capital Argentina, (ii) Senior Compliance Integration Leader Central America & Caribbean (based in San José - Costa Rica), (iii) Chief Compliance Officer Latin America in GE Global Operations Finance, and (iv) Executive Compliance Manager Latin America in GE Global Law & Policy. Since May 2018, he serves as our Chief Compliance Officer. In addition, in January 2019 he took over the Internal Auditing Management. Also, since 2018 Mr. Torres serves as an alternate director of CDS.

Carlos Dionisio Maria Ariosa. Mr. Ariosa holds a law degree from the Universidad Católica Argentina and a postgraduate degree in Oil and Natural Gas Law (UBA Law School, 1995) and another one in Electricity and Natural Gas Market Management (ITBA, 2001). He serves as our Legal Services Manager since April 2021. Prior to joining us he worked for 10 years as Legal Affairs Manager at Edenor S.A., and before that as Legal Affairs Director at Transportadora de Gas del Sur S.A. and Gas and Energy Legal Manager at Petrobras Energia S.A. Mr. Ariosa has been the head statutory auditor for the last 25 years in several energy companies such as Edesur S.A., Transener S.A., Compañía Mega S.A., Transportadora de Gas del Sur S.A. and Saeme S.A., among others, and alternate director at Edenor S.A. Since April 2022, he has been a director of Central Dock Sud S.A.

Alejandro Avayú. Mr. Avayú holds a public accountant degree from the University of Buenos Aires, holds a master's degree in business administration from the Bolivian Catholic University in conjunction with Harvard University, and a postgraduate degree in business management from the Austral University Business School. He joined YPF in 1997, serving in Bolivia, Iran, Dubai and Iraq as finance controller and financial advisor. From 2013 to 2017, Mr. Avayú served as Administration Manager of Marketing Companies of YPF. In August 2017, he joined us and in March 2018 he was appointed as our Procurement and Supply Manager.

María de los Milagros Daniela Grande. Mrs. Grande holds a degree in Economy from Universidad de Buenos Aires and a post-graduate degree in Finance from Universidad de San Andrés. She joined the Company as head of finance in 2022 and today is the Company's Finance Manager. Previously she worked at Central Puerto S.A. for three years as Financial Manager and as Director of certain of its subsidiaries, and at Grupo Albanesi for 13 years as Finance Manager.

Jorge Esteban Ravlich. Mr. Ravlich holds a public accounting degree with a major in finance from the University of Buenos Aires. He also holds an executive MBA degree from Austral University Business School. Mr. Ravlich developed his career in the energy sector, with various roles in commercial, planning and business development in Perez Companc, Petrobras and Pampa Energía. He joined the YPF Luz team in 2017 as Strategic Planning and Development Manager. Since September 2021, he has served as Business Development and Commercial Manager.

Carlos Mafia del Castillo. Mr. Mafia del Castillo obtained his degree in industrial engineer at the University of Buenos Aires, a postgraduate degree in strategic management at the University of Belgrano, and an executive MBA at the Austral University Business School. He began his professional career in 2005 at Edenor, passing through Duke Energy and Energy Consulting Services. Mr. Mafia joined YPF Luz in February 2019 to work in the commercial management as head of models and studies and then as head of strategic planning in the electrical business management. In January 2021, he began working as commercial manager of Central Dock Sud. Since February 2023, he has served as innovation and technology manager.

Paola Julieta Gardella. Ms. Gardella obtained her degree in public accounting from the Argentine Catholic University. He began his professional career in 1998 at Arthur Andersen, where she worked in the area of external auditing of leading companies in the energy industry. In 2003, she joined Petrobras Argentina S.A. where she held leadership positions in the administration management and corporate accounting and reporting areas. Ms. Gardella worked as financial controller and administration and finance manager at the President Energy Oil & Gas Group, based in London, United Kingdom. Since October 2020, she has served as administration manager of YPF Luz.

Mariana Iribarne. Ms. Iribarne holds a degree in political science and economics from the University of Wake Forest, North Carolina, and a master's degree in public administration from Columbia University in New York. She started her career in 1995 at the Ministry of Economy as a consultant in the National Secretary of Public Investment. Between 1997 and 2004 she was an economic advisor at the Embassy of Australia and between 2004 and 2008 she was an economic and commercial advisor of the European Union in Argentina. In 2008, she became corporate affairs manager of Intel Southern Cone, and between 2012 and 2017 she worked as public affairs manager at General Electric Argentina, giving support to all of the business areas of that company. Between 2017 and 2018 she was the public affairs manager at Visa for the Southern Cone. Mariana joined YPF Luz in June 2018 as the Institutional Relations Manager.

Gonzalo Gastón Seijo. Mr. Seijo obtained his degree in electronic engineering from the National University of Tucumán and his master's degree in energy from the Center for Studies of Energy Regulatory Activity (CEARE, of the University of Buenos Aires). Among other positions, he served at YPF as project engineer at the Lujan de Cuyo refinery, head of instrumentation and control maintenance at the La Plata refinery, and project manager for the New Coke A in the engineering department. He also worked as project manager at YPF Luz in the El Bracho combined cycle and La Plata Cogeneration power plants. He subsequently served as construction manager at YPF Luz until his appointment as project and works engineering manager in October 2021.

Gisela Elisa Fanciotti. Mrs. Fanciotti obtained a bachelor's degree in psychology from the National University of Tucumán, and a postgraduate specialization in strategic human resources management from the University of San Andrés. She held different positions in the energy sector, serving as Human Resources Business Partner at Gasmart from 2007 to 2011, gas marketer at the Argentine Northwest and Pluspetrol Energy from 2011 to 2013 and Human Resources Business Partner at YPF Energía Eléctrica for the plants located in El Bracho until 2017. In 2017, she assumed the role of Manager of Training and Development until 2021. She also worked as Manager of the Center of Expertise in People and Culture. Mrs. Fanciotti is currently working as People and Culture Manager at YPF Luz.

Supervisory Committee

Our bylaws provide for a supervisory committee (*comisión fiscalizadora*) composed of three statutory auditors (*síndicos*) and three alternate statutory auditors that serve for one fiscal year and may be reelected indefinitely. Pursuant to the Argentine General Companies Law, only lawyers and accountants admitted to practice in Argentina or joint liability companies composed of such persons may serve as statutory auditors in an Argentine *sociedad anónima*.

The primary responsibilities of our supervisory committee are to monitor the management's compliance with applicable laws, our bylaws, and our shareholders' resolutions, and to perform other functions, including, but not limited to: (i) supervise and inspect the corporate books and records whenever necessary, but at least quarterly; (ii) attend meetings of the directors and shareholders; (iii) prepare an annual report concerning our financial condition and submit it to our shareholders at the ordinary annual meeting; (iv) call an extraordinary shareholders' meeting when necessary, on its own initiative or at the request of the shareholders, or an ordinary one when our board of directors

fails to do so; (v) supervise and monitor our compliance with applicable laws, our bylaws and the shareholders’ resolutions; and (vi) investigate written complaints made by shareholders representing at least 2% of the capital stock.

In performing these functions, the supervisory committee does not control our operations or assess the merits of the decisions made by the directors.

The following list includes the members of our statutory supervisory committee as of the date of this offering memorandum, who were appointed at the shareholders’ meeting held on April 29, 2024, and whose terms expire in December 2024. Members of the supervisory committee will nonetheless remain in office until new members are appointed.

Name	Position	Class Designation	Date of Appointment	Member Until
Luis Rodolfo Bullrich.....	Member	A	April 29, 2024	December 2024
Marcela Inés Anchava.....	Member	A	April 29, 2024	December 2024
Santiago Carregal.....	Member	B	April 29, 2024	December 2024
Nicolás Perkins.....	Alternate	A	April 29, 2024	December 2024
Francisco Muruzeta.....	Alternate	A	April 29, 2024	December 2024
Diego Agustín Chighizola.....	Alternate	B	April 29, 2024	December 2024

All of the members of our Supervisory Committee are independent pursuant to the provisions set forth in the Technical Resolutions and, consequently, pursuant to the CNV Rules.

For more information regarding our Supervisory Committee, see “Principal Shareholders—Shareholders’ Agreement.”

Below is a summary of the professional background of each of the members and alternate members of the Supervisory Committee:

Luis Rodolfo Bullrich. Mr. Bullrich holds a law degree from the School of Law of the University of Buenos Aires, and holds a postgraduate degree in economics from ESEADE Business School at the Argentine Chamber of Commerce. He is a member of the Bar Association of the City of Buenos Aires. He has been recognized as a Leading Individual by the international publication Chambers & Partners, The Client’s Guide, 2016 in the Dispute Resolution section. Since 2001, has been a partner at Nicholson y Cano law firm, in charge of the Arbitration and Litigation department. He gives advice on legal issues to companies such as YPF, HSBC, ICBC, The Bank of Tokyo, Sancor, Ledesma, QBE, Zurich, Schlumberger, Mitsubishi and Panasonic, among other corporate clients.

Marcela Inés Anchava. Ms. Anchava holds a law degree from the University of Buenos Aires. In the past, she was a partner at Cárdenas law firm and, since 2013, she is a partner at Nicholson y Cano. Her areas of expertise are the corporate and antitrust fields. Ms. Anchava is a statutory auditor of several companies affiliated to YPF.

Santiago Carregal. Mr. Carregal holds a law degree from the University of Buenos Aires and a master’s degree in law from the University of Illinois in the United States. He has worked as a foreign associate at Shearman & Sterling law firm, in New York, served as Vice-President and Assistant General Counsel at JPMorgan, Buenos Aires branch, and was partner at Carregal & Funes de Rioja law firm. He is currently partner and chairman at Marval, O’Farrell & Mairal and the head of its banking and finance department. He is a member of the Bank Lawyers Committee of the Argentine Republic, and is a postgraduate professor at the University of Buenos Aires, Austral University and the Argentine Catholic University.

Nicolás Perkins. Mr. Perkins holds a law degree from the University of Buenos Aires, a master’s degree in Comparative Jurisprudence from the New York University School of Law and an executive master’s degree in Business Administration from Austral University Business School (magna cum laude). He is partner at Nicholson y Cano Abogados law firm, mainly focused on commercial and natural resources law. He was a director and member

of the Audit Committee of Petrobras Energía S.A. (2004-2007), and since 2016 has been a director of Sociedad Anónima Importadora y Exportadora de la Patagonia (La Anónima), among other companies.

Francisco Muruzeta. Mr. Muruzeta holds a law degree from the Argentine Catholic University. He is a partner at Nicholson y Cano Abogados law firm, mainly focused on corporate and antitrust law.

Diego Agustín Chighizola. Mr. Chighizola holds a law degree from the Argentine Catholic University, a master's degree in law from Columbia Law School, and a master's degree in Finance from the University of CEMA. He was a foreign associate at Cleary, Gottlieb, Steen & Hamilton in New York. He is currently a partner at Marval, O'Farrell & Mairal, and is a specialist in banking and finance, capital markets, mergers and acquisitions, and development and financing of real estate projects. He is a Business Law professor at the University of San Andrés, and gives lectures in the University of CEMA and Austral University.

Compensation

The Argentine General Companies Law provides that the compensation payable to all directors (including those directors who are also members of senior management) and members of the supervisory committee in a fiscal year may not exceed 5% of net profit for such fiscal year, if the company is not paying dividends in respect of such net profit. The Argentine General Companies Law increases the annual limitation on director compensation to up to 25% of net profit if all the net profit for such year is distributed as dividend. The compensation payable to directors and members of the supervisory committee requires approval of the ordinary general shareholders' meeting. If one or more directors exercise special commissions or technical administrative functions and the compensation of such directors exceeds the limits referred to above, the compensation of such directors may only be paid in excess of those limits if approved by the shareholders' meeting.

For the fiscal year ended December 31, 2023, the members of our Board of Directors and the Supervisory Committee have waived their right to receive compensation for performance of their duties. During 2023, our performance-based compensation programs included bonus scheme for approximately 227 non-unionized employees and 252 unionized employees.

Neither we nor any of our subsidiaries have entered into any other agreement that provides for any benefit or compensation to any other director or member of our supervisory committee after the expiration of his term or upon his retirement. We maintain D&O insurance for civil liability as required by Argentine law.

PRINCIPAL SHAREHOLDERS

As of June 30, 2024, our subscribed capital was Ps. 3,747,070,355 represented by 2,810,302,991 Class A shares with Ps. 1 of nominal value and 1 vote per share, and 936,767,364 Class B Shares with Ps.1 of nominal value and 1 vote per share. Our Class A shares and Class B shares are entitled to the same voting, distribution and liquidation rights, subject to the terms of our Shareholders’ Agreement described below. Our capital is fully issued and paid.

As of the date of this offering memorandum, the composition of our share capital was the following:

	Class of Shares	Number of Shares	Percentage of Capital Stock
YPF ⁽¹⁾	A	2,723,826,879	72.69218%
OPESSA ⁽¹⁾	A	86,476,112	2.30783%
GE EFS ⁽²⁾	B	936,767,364	24.99999%
Total		3,747,070,355	100.00%

- (1) OPESSA is a wholly owned subsidiary of YPF. YPF is the beneficial owner of 2,810,302,991 Class A shares, which represent approximately 75% of our share capital. YPF’s address is Macacha Güemes 515, C1106BKK, City of Buenos Aires, Argentina.
- (2) GE EFS is indirectly controlled by GE Vernova. GE Vernova is a company incorporated under the laws of the State of New York and is listed on the New York Stock Exchange.

Shareholders’ Agreement

On March 20, 2018, we and all of our shareholders entered into the Shareholders’ Agreement. On April 2, 2024, GE Vernova announced its spin-off from General Electric. As of the date of this offering memorandum YPF and GE Vernova hold the control of the Company under the terms of the Shareholders’ Agreement which provides for the following key provisions:

Appointment of Directors

Our directors shall be appointed as follows:

- Class A shares have the right to appoint six directors and up to six alternate directors; and
- Class B shares have the right to appoint two directors and up to two alternate directors.

A director designated by a certain class of shares may exclusively be removed at any time by resolution of the holders of the class of shares that appointed such director. Alternate directors may only replace or substitute regular directors elected by the same class of shares that elected the relevant alternate director. In the event of absence or vacancy of a director for any reason whatsoever, he or she shall be automatically replaced by an alternate director or a new director elected by the shareholders of the class of shares that appointed the applicable director.

Chairman and Vice Chairman

As long as Class A shareholders hold at least 24.5% of our capital stock then outstanding, Class A shareholders shall have the right to appoint the Chairman of the board of directors and, as long as Class B shareholders hold at least 24.5% of our capital stock then outstanding, the Class B shareholders have the right to appoint the Vice Chairman of the board of directors.

Meeting of the Board of Directors, Quorum and Voting Requirements

Unless otherwise agreed by our board of directors, regular meeting of the board of directors shall be held at least one every month or as provided in our bylaws. Extraordinary board of directors’ meetings may be convened upon notice by any director. Any decision or resolution at any meeting of our board of directors shall require a quorum of a majority of directors and such resolutions shall be validly approved by the affirmative vote of a majority of our

directors entitled to vote on such decision, except for (A) certain restricted matters such as the adoption of our annual budget, approval of our business plan or the entering into any commercial agreement that, individually or in the aggregate, involves consideration in excess of US\$5,000,000 and not otherwise contemplated in the annual budget, in which cases the affirmative vote of at least one director appointed by the class of shares that holds at least 24.5% of our capital stock, is required; and (B) the approval of our annual budget, and variations from our annual budget greater than 10%, in which cases the affirmative vote of at least one director appointed by GE EFS is required, as long as GE EFS holds at least 12.45% of our capital stock.

Supervisory Committee

The members of the Supervisory Committee are appointed as follows:

- Class A shareholders have the right to appoint two regular members and two alternate members and appoint the Chairman of the Supervisory Committee; and
- Class B shareholders have the right to appoint one regular member and one alternate member and appoint the Vice Chairman of the Supervisory Committee.

In the event that each of Classes A and B hold 50% of our capital stock each, then the members of the Supervisory Committee will be appointed as follows:

- Class A shareholders have the right to appoint one member and one alternate member;
- Class B shareholders have the right to appoint one member and one alternate member; and
- both classes together shall appoint one member and one alternate member. In the latter case, the Chairman and the Vice Chairman of the Supervisory Committee shall be appointed on an annual basis alternatively by Class A and Class B shareholders.

In addition, if Class A shareholders hold more than 87.5% of our capital stock, then Class A shareholders shall have the right to appoint three regular statutory auditors and three alternate statutory auditors, and the Chairman and Vice Chairman of the Supervisory Committee.

In the event of absence or vacancy for any reason whatsoever of a regular member, he or she shall be automatically replaced, or otherwise at the next succeeding meeting of the Supervisory Committee, by an alternate member or a new member elected by the shareholders of the class of shares that appointed the applicable regular member.

Executive Officers

As long as Class A shareholders hold at least 24.5% of our capital stock, Class A shareholders shall have the right to nominate our Chief Executive Officer (“CEO”) and our Chief Operating Officer (“COO”), and the CEO and the COO of our subsidiaries, and Class B shareholders shall have the right to elect those who will serve as such from among the candidate nominated by Class A shareholders.

As long as Class B shareholders hold at least 24.5% of our capital stock, Class B shareholders shall have a right to nominate our Chief Financial Officer (“CFO”) and our Chief Compliance Officer (“CCO”), and the CFO and the CCO of our subsidiaries, and Class A shareholders shall have the right to elect those who will serve as such from among the candidates nominated by Class B shareholders.

Such approvals shall not be unreasonably withheld or delayed.

Transfer of Shares

The Shareholders' Agreement also contains certain restrictions on the transfer of our shares including rights of first refusal and tag along rights applicable to transfer of shares other than to affiliates of the shareholders.

Preferential Right to Supply

Provided that the terms applicable to the supply of product or service are on an arms' length basis and in our best interests:

- GE shall have a preferential right to supply our equipment (and provide maintenance services in respect thereof);
- YPF shall have a preferential right to supply natural gas to be used in our thermal power plants; and
- AESA shall have a preferential right to provide us EPC services.

Non-Compete and Business Opportunities

Except for limited exceptions, none of our shareholders may, or may hold any equity interest in any entity that, competes with us or owns assets that compete with those owned by us.

In addition, subject to the specific terms set forth in the Shareholders' Agreement, in the event that one of our shareholders intends to pursue business opportunities in Argentina related to the electric power generation or transportation, it shall give notice to the other shareholders in order to determine whether such opportunity will be developed directly by us.

Dividend Policy

We shall maximize dividend distributions to our shareholders, and shall distribute such dividends to the extent that: (i) such distributions are consistent with a prudent financial policy; and (ii) we have sufficient funds or are projected to have sufficient funds to fund the equity portion of all of the projects approved by our board of directors at the time of the dividend distribution determination.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

The following discussion is a brief summary of certain material arrangements, agreements and transactions we have with related parties. We are also engaged in other transactions with related parties that we do not perceive as material.

We have engaged, and in the future may engage, in transactions with related parties. We believe that any related party transactions and operations with related parties we have entered in the past have been in the ordinary course of business, on an arm's length basis and in accordance with usual market practices. Pursuant to the terms of the Shareholders' Agreement, AESA has a preferential right to provide us with EPC services, General Electric has a preferential right to supply us turbines, generators and other equipment (and provide maintenance services in respect thereof) and YPF has a preferential right to supply us with natural gas to be used in our thermal power plants, in each case, provided that such sales and services are rendered on an arm's length basis and in our best interest.

Our related party transactions are detailed in Note 31 to our Audited Annual Financial Statements and Note 24 to our Unaudited Interim Financial Statements. Below is a summarized description of our most relevant related party transactions.

PPAs and other services agreements with YPF

We have entered into PPAs and other services agreements with YPF for the provision or generation of electric energy and other related services. For a description of those agreements, see "Business—Our PPAs and other long-term sale agreements" and Note 26 to our Audited Annual Financial Statements and Note 27 to our Unaudited Interim Financial Statements.

License Agreement with YPF

We have entered into a License Agreement with YPF, dated as of March 13, 2018, for the use, among others, of "YPF Luz" and "YPF". This agreement is for the exclusive use of such brands, free of charge and has a term of five years and is automatically extended for an additional year unless we give notice 30 days prior to the termination date.

Relationship Agreement with YPF

We have entered into a relationship agreement with YPF, dated February 7, 2018, for the provision of certain transition services. Pursuant to the relationship agreement, we have the option to request YPF to provide us with accounting, human resources, finance, legal, tax, IT and other administrative services. The provision of any services may be terminated with no penalties at our option upon 30-days' notice.

Sale of electricity to CAMMESA

CAMMESA is a not-for-profit entity in which the Argentine government has a 20% equity interest. For more information about CAMMESA, see "The Argentine Electric Power Sector—General Overview of Legal Framework—CAMMESA." We have entered into PPAs with CAMMESA for certain of our operating plants and for certain of our projects. For a description of our PPAs with CAMMESA, see "Business—Our Remuneration—Our PPAs and other long term agreements." In addition, we provide energy to CAMMESA under Energía Base. For a description of the terms of Energía Base, see "Business—Our Remuneration—Energía Base."

The following table provides the balances as of June 30, 2024, December 31, 2023 and 2022, and transactions consummated with CAMMESA during the six-month period ended June 30, 2024 and during the fiscal years ended on December 31, 2023 and 2022.

<u>Trade</u> <u>Receivables</u>	<u>Other</u> <u>current</u> <u>receivables</u>	<u>Other</u> <u>non-current</u> <u>receivables</u>

(in thousands of US\$)

CAMMESA	June 30, 2024	62,941	12,267	26,535
	December 31, 2023	61,387	9,673	31,135
	December 31, 2022	85,706	-	-

		Revenues	Purchases of goods and services	Interest income (loss), and others	Other operating results, net
(in thousands of US\$)					
CAMMESA	June 30, 2024	161,805	704	1,934	20,217
	December 31, 2023	316,383	576	3,370	33,065
	December 31, 2022	295,037	1,403	-	15,574

Acquisition and sale of our equity interest in CDS

On May 26, 2017, YPF contributed to us (i) a 42.86% equity interest in IDS, which holds 71.77% equity interest in CDS, and (ii) a 9.64% equity interest in CDS. In exchange to such contribution, we issued 777,033,657 shares. Subsequently to the closing of the transaction, on March 1, 2018 we sold the 9.64% equity interest in CDS to YPF for a total consideration of Ps.270,518,661.

On April 13, 2023, we acquired an additional stake in IDS, and, as a result, as of the date of this offering memorandum, we own 70.16% equity interest in IDS, which owns 71.77% of the equity interest in CDS, which owns the Central Dock Sud thermal power plant.

Supply Agreements with General Electric

We entered into an engineering, procurement and construction agreement with General Electric by accepting its offer letter dated February 16, 2017 for the design and construction of our El Bracho ST power plant. This is a full turnkey agreement and includes the provision of the steam turbine. Pursuant to the terms of this agreement, General Electric will design, build and install the steam turbine necessary to complete a Combined Cycle in our El Bracho power plant. Pursuant to the terms of the agreement, General Electric provides a technical guarantee until the definitive acceptance by us of the plant. The committed date for the completion and delivery of the plant was June 20, 2020.

In addition, we entered into a Supply Agreement with General Electric by accepting its offer letter dated December 29, 2017 for the acquisition of gas turbines, its corresponding power generator and a heat recovery steam generator for our LPC II project. Pursuant to the terms of the agreement, General Electric provided the gas turbine and other equipment. The Supply Agreement set forth penalties for delays in the delivery of the equipment, as well as sanctions for non-compliance with the performance warranty of the equipment.

Both agreements provide guarantees, the usual supplemental services and other equipment to install, operate and maintain these turbines. For a description of the turbines we acquired from General Electric, see “See “Business—Our Power Plant Assets—Our Thermal Power Plants—LPC II” and “—El Bracho.”

We have entered into various operation and maintenance agreements with General Electric for the provision of certain services related to the maintenance of turbines installed at the San Miguel de Tucumán, Tucumán, Loma Campana I, Loma Campana II, El Bracho, LPC I and LPC II plants. In accordance with these agreements, General Electric provides us with technical support related to the operation and maintenance of the turbines and supplies equipment. We pay General Electric under these agreements (i) a fixed monthly amount for each agreement and for each turbine maintained by General Electric; and (ii) a variable rate equivalent to a certain number of production hours for each turbine. These operation and maintenance agreements have early termination provisions that range between 10 and 12 years.

In addition, we accepted certain offers from General Electric dated June 25, 2018 and July 4, 2018, to enter into a turnkey agreement for the supply, installation and commissioning of 32 wind turbines, for the construction of a wind farm with a power capacity of 123 MW located in Los Teros, Azul, Province of Buenos Aires, Argentina. In accordance with the terms and conditions of such agreement, General Electric designed, built, supplied and installed the wind turbines in this wind farm. The price was paid based on: (i) milestones directly related to the provision and supply of the wind turbines and their auxiliary equipment; and (ii) by work progress certificates in relation to the assembly, installation and commissioning of the wind turbines. Pursuant to the terms of this supply agreement, General Electric granted a technical guarantee of the assembly, installation and commissioning work and for the wind turbines themselves. Such guarantee which remained in force until our final acceptance of the wind farm. Los Teros Wind Farm received partial commercial authorization to begin its commercial operations on September 17, 2020, and full authorization on October 2, 2020.

On February 27, 2019, we entered into an agreement with General Electric for the supply, installation and commissioning of 29 wind turbines, and all the necessary works for the construction of our Cañadón León wind farm. On January 8, 2021, General Electric notified of the termination of this agreement.

On February 7, 2020, we entered into an agreement with General Electric for the supply, installation and commissioning of 13 wind turbines, and all the necessary works for the construction of our Los Teros wind farm.

We have entered into maintenance agreements with General Electric for our Los Teros and Cañadón León wind farms, following our acceptance of General Electric's offers dated June 27, 2019 and February 6, 2020. According to the terms of these agreements, General Electric provides us with technical support related to the maintenance of the wind turbines and certain auxiliary components, and in some cases, supplies the necessary spare parts for proper maintenance. In return for these services, we pay General Electric a quarterly fee per wind turbine, which covers and includes all the services and provisions provided by General Electric under these contracts. Each of these contracts has a 10-year term starting from the commencement of operations date of each wind farm. According to the terms of the agreements, General Electric guarantees the availability of the wind turbines based on their production, subject to compliance with certain parameters established in the contract.

On March 31, 2021, CDS entered into two agreements with General Electric to extend the scope of services and spare parts which involved upgrading the gas turbines of the combined cycle with high efficiency technology for an amount of US\$14.5 million.

Loan agreements with General Electric

On February 27, 2023, we entered into a loan with GE EFS for US\$7.3 million, with an effective interest rate of 0% and maturing on December 16, 2023. On December 15, 2023, the parties agreed to extend the maturity period of the loan until December 31, 2024.

On June 30, 2023, we entered into a loan agreement with GE EFS for US\$10.7 million, with an effective interest rate of 0% and maturing on June 30, 2025.

Guarantee from YPF

In connection with the IIC Loan Agreement, YPF has entered into a Guarantee Agreement, with IIC dated December 2, 2016 pursuant to which YPF has granted an unconditional and irrevocable guaranty in favor of IIC of all the payment obligations of YPF Luz under the terms of the loan. For this guarantee, since March 20, 2018, we have been obliged to pay YPF a fee equal to 1.25% of the outstanding principal amount under the terms of the loan agreement. For a description of the loan with IIC, see "Management's Discussion and Analysis-Liquidity and Capital Resources-Loan from Inter-American Development Bank and Inter-American Investment Corporation."

DESCRIPTION OF THE NOTES

The following is a summary of the material provisions of the Notes and the Indenture (as defined below) governing the Notes. Because this is a summary, it may not contain all the information that is important to you. The following is qualified in its entirety by reference to the Notes and the Indenture. You should read the Indenture in its entirety. Copies of the Indenture may be obtained as described under “Listing and General Information” in this offering memorandum.

In this Description of the Notes, the “Issuer” refers only to YPF Energía Eléctrica S.A. and not to any of its subsidiaries. You can find the definitions of certain terms used in this description under “—Certain Definitions.”

The Notes will be issued under an Indenture to be dated as of October 16, 2024 (the “Indenture”) among the Issuer, The Bank of New York Mellon, as trustee (in such capacity, the “Trustee”), co-registrar (in such capacity, the “Co-Registrar”), principal paying agent (in such capacity, the “Principal Paying Agent” and, together with any other paying agents under the Indenture, the “Paying Agents”) and transfer agent (in such capacity, a “Transfer Agent” and, together with any other transfer agents under the Indenture, the “Transfer Agents”), and Banco Santander Argentina S.A., as registrar (in such capacity, the “Registrar”), Paying Agent, Transfer Agent and representative of the Trustee in Argentina (in such capacity, the “Representative of the Trustee in Argentina”). The Indenture is not required to be qualified under the U.S. Trust Indenture Act of 1939, as amended, and will not incorporate, or be subject to, any of the provisions thereof.

The Notes will qualify as “*obligaciones negociables simples no convertibles en acciones*” under the Argentine Negotiable Obligations Law and will be entitled to the benefits set forth therein and subject to the procedural requirements thereof, and will be issued and placed in accordance with such law, the Argentine Capital Markets Law and the CNV Rules and any other Argentine applicable laws and regulations.

The Notes will be issued as “Series XVIII Notes” under the Frequent Issuer Regime No. 16 approved by the CNV through the Disposition DI-2022-13-APN-GE#CNV dated May 5, 2022, Disposition DI-2023-26-APN-GE#CNV dated May 30, 2023, Disposition DI-2024-28-APN-GE#CNV dated May 2, 2024 and Disposition No. DI-2024-74-APN-GE#CNV dated September 26, 2024. The creation of the note program was authorized by resolutions of the Issuer’s shareholders’ meeting dated April 28, 2021, and by the board of directors on July 13, 2021. The issuance of the Notes was approved at a meeting of the board of directors of the Issuer on September 23, 2024.

The Issuer has applied to list the Notes on the Luxembourg Stock Exchange and to have the Notes admitted for trading on the Euro MTF Market. The Issuer also applied to list the Notes on the BYMA and to have the Notes admitted for trading on the MAE. See “—Listing” below.

Basic Terms of Notes

The Notes will:

- be issued in an original aggregate principal amount of US\$420,000,000;
- be direct, unconditional, unsecured and unsubordinated obligations of the Issuer, as described under “—Status and Ranking;”
- be subject to optional redemption or tax redemption as described under “—Redemption and Repurchase;”
- accrue interest at 7.875% per year, payable semi-annually in arrears on each April 16 and October 16, commencing on April 16, 2025 to holders of record on the April 1 and October 1 immediately preceding the applicable interest payment date (whether or not a Business Day); and
- the principal of the Notes will be payable in three consecutive annual installments on each of the payment dates specified in the table below. Scheduled principal payments on the Notes on each

specified payment date shall be in an amount equal to the percentage of the principal amount of the original Notes issued on the Issue Date set forth below opposite to the applicable payment date:

33%	October 16, 2030
33%	October 16, 2031
34%	October 16, 2032

In the case of any partial redemption or repurchase of the Notes, the reduction in the principal balance of the Notes will be applied to reduce the remaining scheduled payment of installments of principal on a pro rata basis. The foregoing percentages shall be adjusted pro rata upon the issuance of Additional Notes.

Interest on the Notes will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from and including the Issue Date to, but excluding, the applicable interest payment date. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

The Notes will be issued in minimum denominations of US\$1,000 and integral multiples of US\$1,000 in excess thereof.

Additional Notes

We may issue additional Notes (“Additional Notes”) from time to time and without notice to or the consent of holders of the Notes; *provided* that such Additional Notes have the same terms and conditions in all respects as the Notes offered hereby (except for the issue date, the issue price and, if applicable, the first interest payment date); *provided, further*, that Additional Notes may not bear the same CUSIP number, ISIN number or other identifying number as the Notes offered hereby, unless such Additional Notes are fungible with the Notes for U.S. federal income tax purposes. The Notes offered hereby and any Additional Notes will be treated as a single series for all purposes under the Indenture and will vote together as one series on all matters with respect to the Notes.

Any issuance of Additional Notes will be subject to all of the covenants in the Indenture, including the covenant described below under “—Certain Covenants—Limitation on Indebtedness.”

Status and Ranking

The Notes will be direct, unconditional, unsecured and unsubordinated obligations of the Issuer and will:

- rank equal in right of payment with all existing and future unsecured and unsubordinated obligations of the Issuer from time to time outstanding (except those obligations preferred by statute or operation of Argentine law, including, without limitation, labor and tax claims);
- rank senior in right of payment to all future subordinated indebtedness of the Issuer, if any;
- be effectively subordinated to all existing and future secured obligations of the Issuer, to the extent of the value of the assets securing such obligations; and
- be structurally subordinated to all existing and future indebtedness and other liabilities of any Subsidiary of the Issuer.

The Notes will qualify as “*obligaciones negociables simples no convertibles (en acciones)*” under the Argentine Negotiable Obligations Law, and will be entitled to the benefits set forth therein and subject to the procedural requirements thereof. Under the terms of Article 29 of the Argentine Negotiable Obligations Law, Notes constituting negotiable obligations grant their holders access to summary judgment judicial proceedings. To that effect, any beneficial owner of Global Notes will have the right to request evidence of its beneficial ownership interest in a Global Note in accordance with Section 129 of the Argentine Capital Markets Law (including for initiating

summary proceedings (*acción ejecutiva*) in the manner provided by the Argentine Negotiable Obligations Law), and, for such purposes, such beneficial owner will be treated as the owner of that portion of the Global Note which represents its beneficial ownership interest therein. This evidence shall enable beneficial owners to institute suit before any competent court in Argentina, including summary judgment proceedings, to obtain any overdue amount under the Notes.

Payments of Principal and Interest

Payment of the principal of the Notes on the Stated Maturity, together with accrued and unpaid interest thereon, or payment upon redemption or repurchase prior to the Stated Maturity, will be made only:

- following the presentation (and if the final payment, surrender) of the Notes at the office of the Trustee or any Paying Agent; and
- to the person in whose name the Note is registered as of the due date for such payment.

Payments of interest on a Note, other than the last payment of principal and interest or payment in connection with a redemption of the Notes prior to the Stated Maturity, will be made on each payment date to the person in whose name the Note is registered at the close of business, New York City time, on the record date, which shall be the April 1 or October 1, as the case may be, preceding each such payment date (whether or not a Business Day).

Payments of principal and interest shall be made by depositing immediately available funds in U.S. dollars into an account maintained by the Principal Paying Agent or the Trustee, acting on behalf of the noteholders, no later than the close of business on the Business Day prior to the applicable payment date.

Payments of principal and interest on the Global Notes will be made to The Depository Trust Company (“DTC”) or its nominee, as the case may be, as registered holder thereof. It is expected that such registered holder of Global Notes will receive the funds for distribution to the holders of beneficial interests in the Global Notes. Neither the Issuer nor the Trustee (nor any of their respective agents) shall have any responsibility or liability for any of the records of, or payments made by, DTC or its nominee or Euroclear or Clearstream.

If any date for a payment of principal or interest or redemption is not a Business Day, the Issuer will make the payment on the next Business Day. No interest on the Notes will accrue as a result of this delay in payment.

In the case of amounts not paid by the Issuer under the Notes (after giving effect to any applicable grace period therefor), interest will continue to accrue on such amounts (except as provided below) at a rate equal to the default rate of 1.0% in excess of the interest rate then accruing on the Notes, from and including the date when such amounts were due (after giving effect to any applicable grace period therefor), and through but excluding the date of payment by the Issuer.

Payments of Additional Amounts

All payments in respect of the Notes, including, without limitation, payments of principal and interest, will be made by the Issuer without withholding or deduction for or on account of any present or future taxes, duties, levies, or other governmental charges of whatever nature in effect on the Issue Date or imposed or established thereafter by or on behalf of Argentina or any political subdivision or taxing authority thereof (“Argentine Taxes”), unless the Issuer is compelled by law to deduct or withhold such Argentine Taxes. In the event of any such withholding or deduction in respect of Argentine Taxes, the Issuer will pay such additional amounts (“Additional Amounts”) as may be necessary in order that the net amounts of principal (and premium, if any) and interest receivable by the holders of the Notes after any withholding or deduction in respect of such Argentine Taxes shall equal the respective amounts of principal (and premium, if any) and interest which would have been receivable in respect of the Notes in the absence of such withholding or deduction, except that no such Additional Amounts will be payable with respect to any withholding or deduction from payments on any Notes to, or to a third party on behalf of, a holder of the Notes for or on account of: (a) any Argentine Taxes that have been imposed by reason of the holder or beneficial owner of such Notes being a resident of Argentina or any political subdivision thereof or having some present or future connection with Argentina or any political subdivision thereof other than the mere holding of the Notes or the receipt of principal

and interest in respect thereof; (b) any Argentine Taxes that have been imposed by reason of the presentation by the holder of a Note for payment on a date more than 30 days after the date on which such payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later, except to the extent that such holder would have been entitled to such Additional Amounts on presenting such Note for payment on the last date of such period of 30 days; (c) any Argentine Taxes that would not have been imposed but for the failure of the holder or beneficial owner of such Notes to comply with any certification, information, documentation or other reporting requirements if such compliance (i) is required by applicable law, regulation, administrative practice or an applicable treaty as a precondition to exemption from, or reduction in the rate of deduction or withholding of, such Argentine Taxes, and (ii) is not more onerous to the holder or beneficial owner than comparable certification, information, documentation or other reporting requirements imposed under U.S. tax law, regulation and administrative practice (such as IRS Forms W-8 and W-9 or any comparable successor forms); (d) any estate, inheritance, gift, sales, use, value added, excise, transfer, personal assets or similar tax, assessment or other governmental charge; (e) any Argentine Taxes payable otherwise than by withholding or deduction from payment of principal of, premium, if any, or interest on the Notes; (f) any Argentine Taxes imposed on or on behalf of a holder or beneficial owner of a Note by reason of such person being a resident in, or having invested in the Note with funds from, a “non-cooperative jurisdiction” or a “low-or-no-tax jurisdiction” (as defined under the Argentine Income Tax Law and the regulations issued thereunder, and also including any jurisdiction that is listed as “non-cooperative” or as a “low-or-no-tax jurisdiction” or any similar definition that the Argentine Income Tax Law or the regulations issued thereunder may include from time to time); or (g) any combination of items (a) to (f) above.

Furthermore, no Additional Amounts shall be paid with respect to (x) any payment on a Note to a holder that is a fiduciary or partnership or other than the sole beneficial owner of such payment to the extent that a beneficiary or settlor with respect to such fiduciary or a member of such partnership or beneficial owner would not have been entitled to receive the Additional Amounts had such beneficiary, settlor, member or beneficial owner been the holder of such Note or (y) any taxes, duties, levies, or other governmental charges imposed pursuant to Sections 1471 through 1474 of the Internal Revenue Code of 1986, as amended (the “Code”) (or any amended or successor version), any current or future regulations issued thereunder or official interpretations thereof, any agreements entered into pursuant to Section 1471(b) of the Code or any intergovernmental agreements (and related legislation or official administrative guidance) implementing the foregoing. Any reference herein or in the Notes to principal, premium and/or interest shall be deemed also to refer to any Additional Amounts which may be payable under the undertakings described in this paragraph.

In addition, the Issuer will pay any stamp, issue, registration, documentary or other similar taxes and duties, including interest and penalties, in respect of the creation, issue and offering of the Notes, excluding any such taxes and duties imposed by any jurisdiction outside Argentina, except those resulting from, or required to be paid in connection with, the enforcement of such Notes after the occurrence and during the continuance of an Event of Default with respect to the Notes in default. The Issuer will also pay and indemnify the holders and the Trustee from and against all court taxes or other taxes and duties, including interest and penalties, paid by any of them in any jurisdiction in connection with any action permitted to be taken by the holders or the Trustee to enforce the Issuer’s obligations under the Indenture and the Notes.

The Issuer will provide the Trustee with the official acknowledgement from the relevant taxing authority (or, if such acknowledgement is not available, other reasonable documentation) evidencing any payment of Argentine Taxes in respect of which the Issuer has paid any Additional Amount. Copies of such documentation will be made available to the holders upon request therefor.

In the event that the Issuer pays any personal assets tax in respect of outstanding Notes, the Issuer has agreed to waive any right it may have under Argentine law to seek reimbursement from the holders or direct owners of the Notes of any such amounts paid. See “Taxation— Certain Argentine Tax Considerations.”

Redemption and Repurchase

Mandatory Redemption

The Issuer is not required to make mandatory redemption or sinking fund payments with respect to the Notes. However, under certain circumstances, the Issuer may be required to offer to purchase the Notes as described under “Repurchase Offer upon a Change of Control Repurchase Event” or “Limitation on Asset Sales”.

Optional Redemption with a Make-Whole Premium

At any time prior to October 16, 2027 (the “First Call Date”), the Issuer may on any one or more occasions redeem any of the Notes (including any Additional Notes issued after the Issue Date) in whole or in part, at its option, at a “make-whole” redemption price (expressed as a percentage of principal amount and rounded to three decimal places) equal to the greater of: (1) (a) the sum of the present values of the remaining scheduled payments of principal and interest thereon discounted to the redemption date (assuming the Notes are called on the First Call Date at the redemption price set forth under “Redemption Price” in the table under “—Optional Redemption without a Make-Whole Premium”) on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 50 basis points less (b) interest accrued to the date of redemption, and (2) 100% of the principal amount of the Notes to be redeemed, plus, in either case, accrued and unpaid interest thereon to, but not including, the redemption date.

“*Treasury Rate*” means, with respect to any redemption date, the yield determined by the Issuer in accordance with the following two paragraphs.

The Treasury Rate shall be determined by the Issuer after 4:15 p.m., New York City time (or after such time as yields on U.S. government securities are posted daily by the Board of Governors of the Federal Reserve System), on the third New York Business Day preceding the redemption date based upon the yield or yields for the most recent day that appear after such time on such day in the most recent statistical release published by the Board of Governors of the Federal Reserve System designated as “Selected Interest Rates (Daily) - H.15” (or any successor designation or publication) (“H.15”) under the caption “U.S. government securities—Treasury constant maturities—Nominal” (or any successor caption or heading) (“H.15 TCM”). In determining the Treasury Rate, the Issuer shall select, as applicable: (1) the yield for the Treasury constant maturity on H.15 exactly equal to the period from the redemption date to the First Call Date (the “Remaining Life”); or (2) if there is no such Treasury constant maturity on H.15 exactly equal to the Remaining Life, the two yields – one yield corresponding to the Treasury constant maturity on H.15 immediately shorter than and one yield corresponding to the Treasury constant maturity on H.15 immediately longer than the Remaining Life – and shall interpolate to the First Call Date on a straight-line basis (using the actual number of days) using such yields and rounding the result to three decimal places; or (3) if there is no such Treasury constant maturity on H.15 shorter than or longer than the Remaining Life, the yield for the single Treasury constant maturity on H.15 closest to the Remaining Life. For purposes of this paragraph, the applicable Treasury constant maturity or maturities on H.15 shall be deemed to have a maturity date equal to the relevant number of months or years, as applicable, of such Treasury constant maturity from the redemption date.

If on the third New York Business Day preceding the redemption date H.15 TCM is no longer published, the Issuer shall calculate the Treasury Rate based on the rate per annum equal to the semi-annual equivalent yield to maturity at 11:00 a.m., New York City time, on the second New York Business Day preceding such redemption date of the United States Treasury security maturing on, or with a maturity that is closest to, the First Call Date, as applicable. If there is no United States Treasury security maturing on the First Call Date but there are two or more United States Treasury securities with a maturity date equally distant from the First Call Date, one with a maturity date preceding the First Call Date and one with a maturity date following the First Call Date, the Issuer shall select the United States Treasury security with a maturity date preceding the First Call Date. If there are two or more United States Treasury securities maturing on the First Call Date or two or more United States Treasury securities meeting the criteria of the preceding sentence, the Issuer shall select from among these two or more United States Treasury securities the United States Treasury security that is trading closest to par based upon the average of the bid and asked prices for such United States Treasury securities at 11:00 a.m., New York City time. In determining the Treasury Rate in accordance with the terms of this paragraph, the semi-annual yield to maturity of the applicable United States Treasury security shall be based upon the average of the bid and asked prices (expressed as a percentage of principal

amount) at 11:00 a.m., New York City time, of such United States Treasury security, and rounded to three decimal places.

The Issuer’s actions and determinations in determining the redemption price shall be conclusive and binding for all purposes, absent manifest error. The Trustee shall have no duty to calculate or verify the calculation of any redemption price or any component thereof.

Optional Redemption without a Make-Whole Premium

At any time and from time to time on or after the First Call Date, the Issuer may, at its option, redeem the Notes, in whole or in part, at the redemption prices, expressed as percentages of principal amount, set forth below, plus accrued and unpaid interest thereon (including Additional Amounts), if any, to, but not including, the applicable redemption date, if redeemed during the 12 month-period beginning on October 16 of the years indicated below:

Year	Redemption Price
2027	103.938%
2028.....	101.969%
2029 and after	100.000%

Optional Redemption with Proceeds of Equity Offerings

At any time, or from time to time, on or prior to First Call Date, the Issuer may, at its option, use the net cash proceeds of one or more Equity Offerings to redeem in the aggregate up to 35% of the aggregate principal amount of outstanding Notes (including any Additional Notes) at a redemption price of 107.875% of the principal amount thereof, plus accrued and unpaid interest (including Additional Amounts), if any, to, but not including, the redemption date; *provided* that:

- (1) Notes in an aggregate principal amount equal to at least 65% of the aggregate principal amount of Notes (including any Additional Notes) remain outstanding immediately after the occurrence of such redemption; and
- (2) the redemption must occur not more than 90 days after the date of the closing of such Equity Offering.

Notice of any redemption upon an Equity Offering may be given prior to the completion thereof, and any such redemption or notice may, at the Issuer’s discretion, be subject to one or more conditions precedent, including, but not limited to, completion of the related Equity Offering.

Optional Redemption for Taxation Reasons

If, at any time subsequent to the Issue Date, as a result of any change in, or amendment to, the laws or regulations of Argentina or of any political subdivision thereof or of any authority therein or thereof having power to tax, or as a result of any change in the application, administration or official interpretation of such laws or regulations (including the holding of a court of competent jurisdiction), the Issuer becomes obligated to pay any Additional Amounts as provided above under “—Payments of Additional Amounts” and the Issuer determines in good faith that such obligation cannot be avoided by taking reasonable measures available to it, then the Notes will be redeemable as a whole (but not in part), at its option, at any time at a redemption price equal to 100% of the principal amount of the Notes, plus accrued and unpaid interest (including Additional Amounts), if any, to (but not including) the redemption date. The Issuer will also pay to the holders of the Notes on the redemption date any Additional Amounts which are then payable. In order to effect a redemption of the Notes under this paragraph, the Issuer will be required to deliver to the Trustee at least 25 days prior to the redemption date (i) an Officers’ Certificate stating that the obligation to pay such Additional Amounts cannot be avoided by the Issuer taking reasonable measures available to it and (ii) an opinion

of independent legal counsel of recognized standing to the effect that the Issuer has or will become obligated to pay such Additional Amounts as a result of such change or amendment. No notice of redemption pursuant to this paragraph may be given earlier than 60 days prior to the earliest date on which the Issuer would be obligated to pay such Additional Amounts were a payment in respect of the Notes then due.

Procedure for Redemption

Notice of redemption to the holders of Notes to be redeemed as a whole or in part at the Issuer's option pursuant to the terms set forth herein shall be given to holders of the Notes as specified in "–Notices." The notice of redemption of Notes to be redeemed at the Issuer's option shall be given to holders of the Notes by it or, at its written request at least five Business Days prior to the date notice of redemption is deliverable to the holders of the Notes, which such request shall attach the form of notice of redemption including all of the information required in the Indenture to be set forth in the notice of redemption, by the Trustee, in the Issuer's name and expense, at least 10 days but not more than 60 days before the redemption date in accordance with "–Notices." Any notice of redemption may, at the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent.

If notice of redemption has been given, the Notes to be redeemed will become due and payable on the redemption date specified in such notice *provided* that any notice of redemption may, at the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent. From and after the redemption date, if monies for the redemption of Notes called for redemption have been deposited with the Trustee or a Paying Agent and the Trustee or the Paying Agent, as the case may be, is not prohibited from paying such money to the holders on that date pursuant to the terms of this Indenture, the Notes called for redemption will cease to bear interest, and the only right of the holders of such Notes will be to receive payment of the redemption price.

If fewer than all of the Notes are being redeemed, selection of certificated, non-Global Notes for redemption will be made, to the extent permitted under applicable law and securities exchange rules, on a pro rata basis, by lot or by using any other method that the Trustee deems fair and appropriate, or in the case of Notes in global form, Notes shall be selected for redemption in compliance with DTC procedures and requirements, in minimum denominations of US\$1,000 principal amount and integral multiples of US\$1,000 in excess thereof. In the case of certificated Notes, upon surrender of any certificated Note redeemed in part, the holder will receive a new certificated Note equal in principal amount to the unredeemed portion of the surrendered certificated Note. In the case of a Global Note, appropriate adjustments to the amount and beneficial interests in the Global Note will be made as necessary.

Market and Other Purchases of Notes

The Issuer and its Subsidiaries and Affiliates may at any time purchase or otherwise acquire any Note, by purchase or private agreement, in the open market or otherwise, at any price and may resell or otherwise dispose of such Note at any time, taking into account that, in order to determine at any time whether or not the holders of the required principal amount of the outstanding Notes have made a request, demand, authorization, instruction, notice, consent or waiver, if any, the Notes held by the Issuer or any of its Subsidiaries and Affiliates will not be counted and will not be considered outstanding.

Repurchase Offer upon a Change of Control Repurchase Event

If a Change of Control Repurchase Event occurs, the Issuer will make an offer to purchase all of the Notes (a "Change of Control Offer") *provided* that the principal amount of a holder's Note will not be less than US\$1,000 or integral multiples of US\$1,000 in excess thereof at a purchase price in cash equal to 101% of the principal amount of the Notes, plus accrued and unpaid interest, if any, to (but excluding) the date of purchase (a "Change of Control Payment").

The Issuer will give a notice of such Change of Control Offer to the holders of the Notes (with a copy to the Trustee) within 30 days following any Change of Control Repurchase Event stating:

- (i) that a Change of Control Offer is being made and that all Notes properly tendered pursuant to such Change of Control Offer will be accepted for purchase by us at a purchase price in cash equal to

101% of the principal amount of such Notes plus accrued and unpaid interest, if any, to (but excluding) the date of purchase;

(ii) the purchase date (which shall be no earlier than 30 days nor later than 60 days from the date such notice is given) (the “Change of Control Payment Date”); and

(iii) the procedures the Issuer determined that a holder of the Notes must follow in order to have its Notes repurchased.

On the Business Day immediately preceding the Change of Control Payment Date, the Issuer will, to the extent lawful, deposit with the Paying Agents an amount equal to the Change of Control Payment in respect of all Notes or portions of Notes so tendered.

On the Change of Control Payment Date, the Issuer will, to the extent lawful:

(i) accept for payment all Notes or portions of Notes (of the minimum authorized denomination or permitted integral multiples in excess thereof), properly tendered and not withdrawn pursuant to the Change of Control Offer; and

(ii) deliver or cause to be delivered to the Trustee an Officers’ Certificate stating the aggregate principal amount of Notes or portions of Notes being purchased by the Issuer.

If only a portion of a certificated Note is purchased pursuant to a Change of Control Offer, to the extent such certificated Notes are cancelled, a new certificated Note in a principal amount equal to the portion thereof not purchased will be issued in the name of the holder thereof upon cancellation of the original certificated Note (or appropriate adjustments to the amount and beneficial interests in a Global Note will be made, as appropriate).

The Issuer will not be required to make a Change of Control Offer upon a Change of Control Repurchase Event if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements applicable to a Change of Control Offer made by the Issuer and purchases all Notes validly tendered and not withdrawn under such Change of Control Offer.

In the event that holders of not less than 90% of the aggregate amount of the Notes being repurchased accept a Change of Control Offer and the Issuer (or a third party making the Change of Control Offer) purchases all of the Notes held by such holders, the Issuer will have the right to, within 30 days following the Change of Control Payment Date, redeem all of the Notes that remain outstanding following such purchase at a redemption price equal to the Change of Control Payment plus, to the extent not included in the Change of Control Payment, accrued and unpaid interest on the Notes that remain outstanding to, but excluding, the date of redemption.

The Issuer will comply, to the extent applicable, with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws or regulations in connection with the repurchase of Notes pursuant to a Change of Control Offer. To the extent that the provisions of any securities laws or regulations conflict with Change of Control Offer provisions of this offering memorandum, the Issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations described in this offering memorandum by virtue of doing so.

Suspension of Certain Covenants

If at any time after the Issue Date (i) the Notes are rated Investment Grade by at least two of the Rating Agencies and (ii) no Default has occurred and is continuing under the Indenture (the occurrence of the events described in the foregoing clauses (i) and (ii) being collectively referred to as a “Covenant Suspension Event”), then, beginning on that day, the Issuer and its Restricted Subsidiaries will not be subject to the covenants in the Indenture specifically listed under the following captions in this “Description of the Notes” section (the “Suspended Covenants”):

(1) “—Certain Covenants—Limitation on Indebtedness;”

- (2) “—Certain Covenants—Limitation on Restricted Payments;”
- (3) “—Certain Covenants—Limitation on Asset Sales;” and
- (4) clause (4) of “—Certain Covenants—Mergers, Consolidations, Sales, Leases.”

During any period when the Suspended Covenants are suspended, the Issuer may not designate any Subsidiary as an Unrestricted Subsidiary.

In the event that the Issuer and its Restricted Subsidiaries are not subject to the Suspended Covenants for any period of time as a result of the foregoing, and on any subsequent date (the “Reversion Date”) the condition set forth in clause (i) of the first paragraph of this section is no longer satisfied, then the Issuer and its Restricted Subsidiaries will thereafter again be subject to the Suspended Covenants with respect to future events.

The period of time between the occurrence of a Covenant Suspension Event and the Reversion Date is referred to in this description as the “Suspension Period.” In the event of any such reinstatement, no action taken or omitted to be taken by the Issuer or any Restricted Subsidiary with respect to the Suspended Covenants during the Suspension Period will give rise to a Default or Event of Default under the Indenture with respect to the Notes. On each Reversion Date, all Indebtedness Incurred, or Disqualified Stock or Preferred Stock issued, during the Suspension Period will be classified to have been Incurred pursuant to clause (b)(7) of “—Certain Covenants—Limitation on Indebtedness.” For purposes of the “—Certain Covenants—Limitation on Asset Sales” covenant, on the Reversion Date, the amount of Excess Proceeds will be reset to the amount of Excess Proceeds in effect as of the first day of the Suspension Period ending on such Reversion Date.

Promptly following the occurrence of any Covenant Suspension Event or Reversion Date, the Issuer will provide an Officers’ Certificate to the Trustee regarding such occurrence. The Trustee shall have no obligation to independently determine or verify if a Covenant Suspension Event or Reversion Date has occurred or notify the holders of any occurrence of a Covenant Suspension Event or Reversion Date. Absent receipt of such Officers’ Certificate, the Trustee shall be entitled to assume that no Covenant Suspension Event or the occurrence of any Reversion Date has occurred. The Trustee may provide a copy of such Officers’ Certificate to any holder of the Notes upon request.

There can be no assurance that the Notes will ever achieve or maintain a rating of Investment Grade from the Rating Agencies.

Certain Covenants

The Indenture contains the following covenants:

Limitation on Indebtedness

(a) The Issuer:

- (1) will not, and will not permit any of its Restricted Subsidiaries to, Incur any Indebtedness; and
- (2) will not, and will not permit any of its Restricted Subsidiaries to, Incur any Disqualified Stock, and will not permit any of its Restricted Subsidiaries to Incur any Preferred Stock (other than Disqualified Stock or Preferred Stock of Restricted Subsidiaries held by the Issuer or a Restricted Subsidiary, so long as it is so held);

provided that the Issuer or any Restricted Subsidiary may Incur Indebtedness or Disqualified Stock and any Restricted Subsidiary may Incur Preferred Stock if on the date of the Incurrence, after giving effect to the Incurrence and the receipt and application of the proceeds therefrom, (A) the Interest Coverage Ratio is not less than 2.00 to 1.00 and (B) the Net Leverage Ratio is not greater than 3.50 to 1.00.

- (b) Notwithstanding the foregoing, the Issuer and, to the extent provided below, any Restricted Subsidiary may Incur the following (“Permitted Indebtedness”):
- (1) Indebtedness of the Issuer or any Restricted Subsidiary to the Issuer or any Restricted Subsidiary so long as such Indebtedness continues to be owed to the Issuer or a Restricted Subsidiary; *provided* that
 - (i) if the Issuer is the obligor on Indebtedness owing to a Restricted Subsidiary, such Indebtedness is expressly subordinated to the prior payment in full in cash of all obligations with respect to the Notes; and
 - (ii) (A) any subsequent issuance or transfer of Capital Stock or any other event that results in any such Indebtedness being beneficially held by a Person other than the Issuer or a Restricted Subsidiary of the Issuer, and (B) any sale or other transfer of any such Indebtedness to a Person other than the Issuer or a Restricted Subsidiary of the Issuer shall be deemed, in each case, to constitute the Incurrence of such Indebtedness by the issuer thereof;
 - (2) Indebtedness of the Issuer pursuant to the Notes (other than Additional Notes);
 - (3) Refinancing Indebtedness in respect of:
 - (A) Indebtedness (other than Indebtedness owed to the Issuer or any Restricted Subsidiary of the Issuer) Incurred pursuant to paragraph (a) above (it being understood that no Indebtedness outstanding on the Issue Date is Incurred pursuant to such paragraph (a) above), or
 - (B) Indebtedness Incurred pursuant to clauses (b)(2), (3), (6) or (7);
 - (4) Hedging Agreements of the Issuer or any Restricted Subsidiary entered into in the ordinary course of business for bona fide hedging purposes and not for speculation;
 - (5) Indebtedness consisting of letters of credit, bank guarantees, banker’s acceptances, warehouse receipts, or similar instruments (including in respect of workers’ compensation claims, health, disability or other employee benefits, or property, casualty or liability insurance), self-insurance obligations, customer deposits, performance, bid, surety, advance payment, appeal and similar bonds (including, for the avoidance of doubt, *seguros de caución*) and completion guarantees, in each case in the ordinary course of business and other than an obligation for borrowed money;
 - (6) Acquired Indebtedness; provided that, after giving effect to the Incurrence thereof, either (A) the Issuer could Incur at least US\$1.00 of Indebtedness under paragraph (a) above, or (B) (x) the Interest Coverage Ratio would be higher than the Interest Coverage Ratio immediately prior to such transaction, and (y) the Net Leverage Ratio would be lower than the Net Leverage Ratio immediately prior to such transaction;
 - (7) Indebtedness of the Issuer or any Restricted Subsidiary outstanding on the Issue Date;
 - (8) Indebtedness of the Issuer or any Restricted Subsidiary incurred to finance (including any related transaction fees and expenses) the purchase, lease, construction or improvement of any property, plant or equipment used or to be used in the business of the Issuer or such Restricted Subsidiary (and any refinancing thereof) in an aggregate outstanding principal amount which, when taken together with the principal amount of all other Indebtedness Incurred pursuant to this clause (8) and then outstanding, may not exceed the greater of (x) US\$125 million (or the equivalent in other currencies) or (y) 5.0% of the Issuer’s Consolidated Total Assets, at any time outstanding;

- (9) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds or Indebtedness in respect of netting services, automatic clearinghouse arrangements, overdraft protections and similar arrangements in connection with deposit accounts, in each case in the ordinary course of business;
 - (10) Guarantees by the Issuer or any Restricted Subsidiary of Indebtedness to be Incurred by the Issuer or another Restricted Subsidiary in accordance with this covenant; *provided that*, in the event such Indebtedness that is being Guaranteed is Subordinated Indebtedness, then the related Guarantee shall be subordinated in right of payment to the Notes;
 - (11) Deeply Subordinated Indebtedness;
 - (12) Indebtedness of the Issuer or any of its Restricted Subsidiaries in the form of Guarantees of Indebtedness of, or equity contribution commitments in respect of, or Indebtedness to finance equity contributions in Project Finance Subsidiaries in an aggregate principal amount not to exceed the greater of (x) US\$125 million (or the equivalent in other currencies) or (y) 5.0% of the Issuer's Consolidated Total Assets, at any time outstanding;
 - (13) Indebtedness under one or more lines of credit or working capital facilities in an aggregate principal amount not to exceed the greater of (x) US\$50 million (or its equivalent in any other currency) and (y) 2.0% of Consolidated Total Assets, at any time outstanding;
 - (14) Indebtedness under any one or more Permitted Receivables Financings, the combined aggregate principal amount of which does not exceed the greater of (x) US\$100 million (or its equivalent in any other currency) and (y) 4.0% of Consolidated Total Assets, at any time outstanding;
 - (15) Indebtedness of the Issuer or any of its Restricted Subsidiaries in an aggregate principal amount at any time outstanding not to exceed two times the aggregate net cash proceeds received by the Issuer after the Issue Date from the issuance of Qualified Equity Interests of the Issuer or any contribution to its common equity (or the equivalent in other currencies); *provided that* (i) the net proceeds from the Incurrence of such Indebtedness and the issuance of such Qualified Equity Interests of the Issuer or other contribution to its common equity are used to finance the development of power generation projects; and (ii) after giving effect to such Incurrence, the Issuer is in compliance with the Interest Coverage Ratio limitation set out in paragraph (a) above; and
 - (16) Indebtedness of the Issuer or any Restricted Subsidiary Incurred on or after the Issue Date not otherwise permitted in an aggregate principal amount at any time outstanding not to exceed the greater of (i) US\$250 million (or the equivalent in other currencies) and (ii) 10.0% of Consolidated Total Assets.
- (c) Notwithstanding any other provision of this covenant, for purposes of determining compliance with this covenant, increases in Indebtedness solely due to fluctuations in the exchange rates of currencies will not be deemed to exceed the maximum amount that the Issuer or a Restricted Subsidiary may Incur under this covenant. For purposes of determining compliance with any U.S. dollar-denominated restriction on the Incurrence of Indebtedness, the U.S. dollar-equivalent principal amount of Indebtedness denominated in any other currency shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was Incurred; *provided that*, if such Indebtedness is Incurred to Refinance other Indebtedness denominated in any other currency, and such Refinancing would cause the applicable U.S. dollar-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such Refinancing, such U.S. dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such Refinancing Indebtedness does not exceed the principal amount of such Indebtedness being Refinanced. The principal amount of any Indebtedness Incurred to Refinance other Indebtedness, if Incurred in a different currency from the Indebtedness being Refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such respective Indebtedness is denominated that is in effect on the date of such Refinancing.

- (d) In the event that an item of Indebtedness meets the criteria of more than one of the types of Indebtedness described in this covenant, the Issuer, in its sole discretion, will classify such item of Indebtedness and will only be required to include the amount and type of such Indebtedness in one of such clauses and the Issuer will be entitled to divide and classify an item of Indebtedness in more than one of the types of Indebtedness described in this covenant, and may change the classification of an item of Indebtedness (or any portion thereof) to any other type of Indebtedness described in this covenant at any time.
- (e) For purposes of determining compliance with, and the outstanding principal amount of, any particular Indebtedness Incurred pursuant to and in compliance with this covenant:
 - (1) the outstanding principal amount of any item of Indebtedness will be counted only once;
 - (2) the amount of Indebtedness issued at a price that is less than the principal amount thereof will be equal to the amount of the liability in respect thereof determined in accordance with IFRS;
 - (3) Guarantees of, or obligations in respect of letters of credit or similar instruments relating to, Indebtedness that is otherwise included in the determination of a particular amount of Indebtedness will not be included; and
 - (4) the accrual of interest, the accretion or amortization of original issue discount, the payment of regularly scheduled interest in the form of additional Indebtedness of the same instrument or the payment of regularly scheduled dividends on Disqualified Stock in the form of additional Disqualified Stock with the same terms will not be an Incurrence of Indebtedness for purposes of this covenant; *provided* that any such outstanding additional Indebtedness or Disqualified Stock paid in respect of Indebtedness Incurred will be counted as Indebtedness outstanding thereunder for purposes of any future Incurrence under such provision.

Limitation on Restricted Payments

- (a) The Issuer will not, and will not permit any Restricted Subsidiary to, directly or indirectly (the payments and other actions described in the following clauses being collectively “Restricted Payments”):
 - (1) declare or pay any dividend or make any distribution (whether made in cash, securities or other property) on the Equity Interests of the Issuer or any of its Restricted Subsidiaries, other than:
 - (A) dividends or distributions payable in Qualified Equity Interests of the Issuer;
 - (B) dividends or distributions payable to the Issuer and/or any of its Restricted Subsidiaries; or
 - (C) dividends or distributions made on a *pro rata* basis to the Issuer and its Restricted Subsidiaries, on the one hand, and minority holders of Equity Interests of a Restricted Subsidiary, on the other hand (or on a less than *pro rata* basis to any minority holder);
 - (2) purchase, redeem or otherwise acquire or retire for value any Equity Interests of the Issuer or any direct or indirect parent of the Issuer held by Persons other than the Issuer or any of the Restricted Subsidiaries other than in exchange for Equity Interests of the Issuer (other than Disqualified Equity Interests);
 - (3) repay, redeem, repurchase, defease or otherwise acquire or retire for value, or make any payment on or with respect to, any Subordinated Indebtedness (other than Subordinated Indebtedness of the Issuer or any Restricted Subsidiary to the extent permitted under clause (b)(1) of the definition of “Permitted Indebtedness”), except a payment of interest or principal at Stated Maturity; or
 - (4) make any Investment other than a Permitted Investment;

unless, at the time of, and after giving effect to, the proposed Restricted Payment:

- (i) no Default has occurred and is continuing; and
- (ii) the Issuer could Incur at least US\$1.00 of Indebtedness under paragraph (a) under “— Limitation on Indebtedness”.

(b) The foregoing will not prohibit:

- (1) the payment of any dividend within 60 days after the date of declaration thereof if, at the date of declaration, such payment would comply with the provisions of this covenant;
- (2) the repayment, redemption, repurchase, defeasance or other acquisition or retirement for value of Subordinated Indebtedness with the proceeds of, or in exchange for, Refinancing Indebtedness;
- (3) (i) the purchase, redemption or other acquisition or retirement for value of Equity Interests of the Issuer, (ii) the repayment, redemption, repurchase, defeasance or other acquisition or retirement of Subordinated Indebtedness of the Issuer or (iii) any Investment, in each case made in exchange for, or out of the proceeds of a substantially concurrent offering or placement of, Qualified Equity Interests of the Issuer or any Affiliate of the Issuer (to the extent contributed to the Capital Stock of the Issuer in the form of Qualified Equity Interests);
- (4) the repayment, redemption, repurchase, defeasance or other acquisition or retirement for value of any Subordinated Indebtedness at a purchase price not greater than (x) 101% of the principal amount thereof in the event of a change of control pursuant to a provision no more favorable to the holders thereof than “—Repurchase Offer upon a Change of Control Repurchase Event” or (y) 100% of the principal amount thereof in the event of an asset sale pursuant to a provision no more favorable to the holders thereof than “—Limitation on Asset Sales,” *provided* that, in each case, the Issuer has complied or is simultaneously complying with “—Repurchase Offer upon a Change of Control Repurchase Event” and “—Limitation on Asset Sales,” as applicable; or
- (5) Restricted Payments in an aggregate amount which, when taken together with all Restricted Payments made pursuant to this clause (5) shall not exceed in any fiscal year 10.0% of Consolidated Net Income from the preceding fiscal year; *provided* that any unused amounts in any fiscal year may be carried forward to subsequent fiscal year.

provided that, in the case of clauses (3) and (4), no Default has occurred and is continuing or would occur as a result thereof.

(c) For purposes of determining compliance with this covenant, in the event that a Restricted Payment permitted pursuant to this covenant or a Permitted Investment meets the criteria of more than one of the categories of Restricted Payment described in clauses (1), (2), (3), (4) and (5) of paragraph (b) above or one or more clauses of the definition of Permitted Investments, as the case may be, the Issuer shall be permitted to classify such Restricted Payment or Permitted Investment on the date it is made, or later reclassify all or a portion of such Restricted Payment or Permitted Investment, in any manner that complies with this covenant, and such Restricted Payment or Permitted Investment shall be treated as having been made pursuant to only one of such clauses of this covenant or of the definition of Permitted Investments, as the case may be. For purposes of covenant compliance, the amount of any Investment shall be the amount actually invested, without adjustment for subsequent increases or decreases in the value of such Investment, less any amount paid, repaid, returned, distributed or otherwise received in cash in respect of such Investment.

Limitations on Liens

The Issuer will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, assume or suffer to exist any Lien on any of its or its Restricted Subsidiaries present or future property to secure Indebtedness unless, at the same time or prior thereto, all of the Notes are equally and ratably secured therewith, except for (“Permitted Liens”):

- (a) any Lien existing on the date of the Issue Date;
- (b) Liens in favor of issuers of surety or performance bonds or letters of credit or bankers’ acceptances or similar obligations issued pursuant to the request of and for the account of such Person in the ordinary course of its business;
- (c) any landlord’s, workmen’s, carriers’, warehousemen’s, mechanics’, materialmen’s, repairmen’s or other like Liens arising in the ordinary course of business (excluding, for the avoidance of doubt, Liens in connection with any Indebtedness for borrowed money) that are not overdue for a period of more than 30 days or that are being contested in good faith by appropriate proceedings; *provided* that any reserve or other appropriate provision required in conformity with IFRS has been made therefor;
- (d) any Lien on any property (including Capital Stock of any Person) securing Indebtedness incurred or assumed solely for the purpose of financing or refinancing all or any part of the cost of acquisition, construction, development or improvement of such property (including related transaction fees and expenses), which Lien attached to such property concurrently with or within 365 days after the acquisition or the completion of the construction, development or improvement thereof;
- (e) any Lien on any property or Capital Stock existing thereon at the time of acquisition of such property or Capital Stock, including by means of merger or otherwise, and not created in connection with such acquisition; *provided* that any such Lien may not extend to any other property owned by the Issuer or any of its Restricted Subsidiaries;
- (f) Liens securing the Notes or any of the Issuer’s other securities for the purposes of defeasance thereof in accordance with the terms of the Indenture or any indenture under which such other securities have been issued;
- (g) pledges or deposits under worker’s compensation laws, unemployment insurance laws or similar legislation, or good faith deposits in connection with bids, tenders, contracts or leases, or to secure public or statutory obligations, surety bonds, customs duties and the like, or for the payment of rent, in each case incurred in the ordinary course of business and not securing Indebtedness;
- (h) Liens in respect of taxes and other governmental assessments and charges which are not yet due or which are being contested in good faith and by appropriate proceedings;
- (i) minor survey exceptions, minor encumbrances, easements or reservations of, or rights of others for, licenses, rights of way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions as to the use of real property, not interfering in any material respect with the conduct of the business of the Issuer and the Restricted Subsidiaries;
- (j) licenses or leases or subleases as licensor, lessor or sublessor of any of its property, including intellectual property, in the ordinary course of business;
- (k) judgment liens, so long as no Event of Default then exists as a result thereof;
- (l) Liens securing Hedging Agreements so long as such Hedging Agreements relate to Indebtedness for borrowed money that is, and is permitted to be under the Indenture, secured by a Lien on the same property securing such Hedging Agreements;

(m) Liens on property or shares of stock of a Person at the time such Person becomes a Restricted Subsidiary of the Issuer; *provided* such Liens were not created in contemplation thereof and do not extend to any other property of the Issuer or any Restricted Subsidiary;

(n) any pledge of the Capital Stock of an Unrestricted Subsidiary to secure Indebtedness of such Unrestricted Subsidiary;

(o) any Lien on any property securing an extension, renewal or refunding of Refinanced Indebtedness secured by a Lien referred to in (a), (b), (d), (e), (m) and (o), *provided* that such new Lien is limited to the property which was subject to the prior Lien immediately before such extension, renewal or refunding and *provided, further*, that the principal amount of Indebtedness secured by the prior Lien immediately before such extension, renewal or refunding is not increased (other than in respect of transaction fees and expenses); and

(p) any other Lien on the Issuer's properties or those of any of its Restricted Subsidiaries not permitted by any other provision in this Section, *provided* that, on the date of creation or assumption of such Lien, the Indebtedness secured thereby, together with all the Issuer's and its Restricted Subsidiaries' other Indebtedness secured by any Lien in reliance on this clause (p), has an aggregate outstanding amount no greater than 15.0% of the Issuer's Consolidated Total Assets.

Limitation on Asset Sales

The Issuer will not, and will not permit any Restricted Subsidiary to, make any Asset Sale unless the following conditions are met:

- (1) the Issuer (or such Restricted Subsidiary, as the case may be) receives consideration at the time of such Asset Sale at least equal to the fair market value of the assets or Equity Interests issued or sold or otherwise disposed of, as determined in good faith by the Board of Directors of the Issuer; and
- (2) at least 75% of the consideration consists of cash or Cash Equivalents or Additional Assets or any combination of the foregoing received at closing. For purposes of this clause (2), each of the following will be deemed to be cash:
 - (A) any liabilities of the Issuer or such Restricted Subsidiary (other than Subordinated Indebtedness) that are assumed by the transferee of any such assets pursuant to a customary novation agreement or other arrangement that releases the Issuer or such Restricted Subsidiary from further liability; and
 - (B) any securities, notes or other obligations received by the Issuer or such Restricted Subsidiary from such transferee that are, within 180 days after the consummation of the Asset Sale, converted by the Issuer or such Restricted Subsidiary into cash or Cash Equivalents, but only to the extent of the cash or Cash Equivalents actually received in that conversion;
- (3) within 365 days after the receipt of any Net Cash Proceeds from an Asset Sale, the Net Cash Proceeds may be used (or committed to be used):
 - (A) to repay Indebtedness (other than any Disqualified Equity Interests or Subordinated Indebtedness) of the Issuer or a Restricted Subsidiary (and, in the case of a revolving credit, permanently reduce the commitment thereunder by such amount), in each case owing to a Person other than the Issuer or any Restricted Subsidiary,
 - (B) to invest in or purchase Additional Assets, or
 - (C) any combination of items (A) or (B) of this paragraph; and

- (4) the Net Cash Proceeds of an Asset Sale not applied pursuant to clause (3) within 365 days of the Asset Sale constitute “Excess Proceeds.” Excess Proceeds of less than US\$50 million will be carried forward and accumulated. When accumulated Excess Proceeds equal or exceed such amount, the Issuer must, within 30 days, make an offer to purchase (the “Asset Sale Offer”) Notes having a principal amount equal to:

(A) accumulated Excess Proceeds, multiplied by

(B) a fraction (x) the numerator of which is equal to the outstanding principal amount of the Notes and (y) the denominator of which is equal to the outstanding principal amount of the Notes and all *pari passu* Indebtedness similarly required to be repaid, redeemed or tendered in connection with the Asset Sale, rounded down to the nearest US\$10,000. The purchase price (the “Asset Sale Payment”) for the Notes will be 100% of the principal amount plus accrued and unpaid interest to, but excluding, the date of purchase;

provided that, in the case of clause (3), a binding commitment to invest in or purchase Additional Assets shall be treated as a permitted application of the Net Cash Proceeds from the date of such commitment so long as the Issuer or a Restricted Subsidiary enters into such commitment with the good faith expectation that such Net Cash Proceeds will be applied to satisfy such commitment within 365 days of such commitment (an “Acceptable Commitment”) and such Net Cash Proceeds is actually applied in such manner within the later of 365 days from the consummation of the Asset Sale and 365 days from the date of the Acceptable Commitment.

Each notice of an Asset Sale Offer shall be given to each registered holder of the Notes, with a copy to the Trustee, as described in “—Notices” below. The Asset Sale Offer will state, among other things, the purchase date, which must not be less than 30 days or more than 60 days from the date the notice is given, other than as may be required by law (the “Asset Sale Payment Date”). The Asset Sale Offer will also contain instructions and materials necessary to enable holders to tender Notes pursuant to the offer.

On the Business Day immediately preceding the Asset Sale Payment Date, the Issuer will, to the extent lawful, deposit with the Paying Agent funds in an amount equal to the Asset Sale Payment in respect of all Notes or portions thereof so tendered.

On the Asset Sale Payment Date, the Issuer will, to the extent lawful:

- (1) accept for payment all Notes or portions thereof properly tendered and not withdrawn pursuant to the Asset Sale Offer; and
- (2) deliver or cause to be delivered to the Trustee the Notes so accepted, together with an Officers’ Certificate stating the aggregate principal amount of the Notes or portions thereof being purchased by the Issuer.

If the Asset Sale Offer is for less than all of the outstanding Notes and Notes in an aggregate principal amount in excess of the purchase amount are tendered and not withdrawn pursuant to the offer, the Issuer will purchase Notes having an aggregate principal amount equal to the purchase amount on a *pro rata* basis, with adjustments so that only Notes in multiples of US\$1,000 principal amount will be purchased, *provided* that the principal amount of such tendering holder’s Note will not be less than US\$10,000. Upon completion of the Asset Sale Offer, Excess Proceeds will be reset at zero, and any Excess Proceeds remaining after consummation of the Asset Sale Offer may be used for any purpose not otherwise prohibited by the Indenture.

The Issuer will comply with Rule 14e-1 under the Exchange Act and any other applicable securities laws and regulations in connection with the purchase of Notes through an Asset Sale Offer, and the above procedures will be deemed modified as necessary to permit such compliance.

If at any time any non-cash consideration received by the Issuer or any Restricted Subsidiary, as the case may be, in connection with any Asset Sale is converted into or sold or otherwise disposed of for cash (other than interest received with respect to any non-cash consideration), the conversion or disposition will be deemed to constitute an Asset Sale hereunder and the net cash proceeds thereof will be applied in accordance with this covenant within 365 days of conversion or disposition (subject to the proviso in clause (4) above).

The Issuer will not be required to make an Asset Sale Offer following an Asset Sale if a Restricted Subsidiary or a third party makes the Asset Sale Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to an Asset Sale Offer following an Asset Sale made by the Issuer and if such Person purchases all Notes validly tendered and not withdrawn under such Asset Sale Offer.

Designation of Restricted and Unrestricted Subsidiaries

- (a) The Board of Directors of the Issuer may designate after the Issue Date any Subsidiary, including a newly acquired or created Subsidiary, to be an Unrestricted Subsidiary if it meets the following qualifications:
 - (1) such Subsidiary does not own any Capital Stock of the Issuer or any Restricted Subsidiary or hold any Indebtedness of, or any Lien on any property of, the Issuer or any Restricted Subsidiary (other than de minimis amounts);
 - (2) at the time of the designation, the designation would be permitted under “— Limitation on Restricted Payments” (assuming the effectiveness of such designation and treating such designation as an Investment at the time of designation);
 - (3) to the extent the Indebtedness of the Subsidiary is not Non-Recourse Indebtedness, any Guarantee or other credit support thereof by the Issuer or any Restricted Subsidiary is permitted under “— Limitation on Indebtedness” and “—Limitation on Restricted Payments;”
 - (4) neither the Issuer nor any Restricted Subsidiary has any obligation to subscribe for additional Equity Interests of the Subsidiary or to maintain or preserve its financial condition or cause it to achieve specified levels of operating results, except to the extent permitted by “—Limitation on Indebtedness” and “—Limitation on Restricted Payments;”
 - (5) no Default or Event of Default has occurred and is continuing at the time or after giving effect to such designation;
 - (6) such Subsidiary is not a Significant Subsidiary at the time of its designation; *provided* that this restriction shall not apply to the Issuer’s Subsidiary Central Dock Sud S.A.; and
 - (7) once so designated, the Subsidiary will remain an Unrestricted Subsidiary, subject to paragraph (b).
- (b) A Subsidiary previously designated an Unrestricted Subsidiary which fails to meet the qualifications set forth in paragraph (a) will be deemed to become at that time a Restricted Subsidiary, subject to the consequences set forth in paragraph (d).
- (c) The Board of Directors of the Issuer may designate an Unrestricted Subsidiary to be a Restricted Subsidiary if, at the time of such designation, no Default or Event of Default has occurred and is continuing and such designation would not cause a Default.
- (d) Upon a Restricted Subsidiary becoming an Unrestricted Subsidiary:
 - (1) all existing Investments of the Issuer and the other Restricted Subsidiaries therein (valued at the Issuer’s and other Restricted Subsidiaries’ proportional share of the fair market value of its assets less liabilities) will be deemed to have been made at that time;

- (2) all existing Capital Stock or Indebtedness of, and all Liens on property of, the Issuer or any other Restricted Subsidiary held by it will be deemed Incurred at that time;
 - (3) all existing transactions between it and the Issuer or any other Restricted Subsidiary will be deemed to have been entered into at that time; and
 - (4) it will cease to be subject to the provisions of the Indenture as a Restricted Subsidiary.
- (e) Upon an Unrestricted Subsidiary becoming, or being deemed to become, a Restricted Subsidiary:
- (1) all of its Indebtedness and Disqualified Stock or Preferred Stock will be deemed Incurred at that time for purposes of “—Limitation on Indebtedness;”
 - (2) Investments therein previously charged under “—Limitation on Restricted Payments” will be credited thereunder; and
 - (3) it will thenceforward be subject to the provisions of the Indenture as a Restricted Subsidiary.
- (f) Any designation by the Board of Directors of the Issuer of a Subsidiary as a Restricted Subsidiary or Unrestricted Subsidiary will be evidenced to the Trustee by promptly delivering to the Trustee a copy of the Board Resolution of the Issuer giving effect to the designation and an Officers’ Certificate certifying that the designation complied with the foregoing provisions.
- (g) The designation of a Subsidiary of the Issuer as an Unrestricted Subsidiary will be deemed to include the designation of all of the Subsidiaries of such Subsidiary, unless otherwise determined by the Board of Directors of the Issuer.

Mergers, Consolidations, Sales, Leases

The Issuer will not merge or consolidate with or into, or convey, transfer or lease its Properties substantially as an entirety or substantially an entirety (determined on a consolidated basis for the Issuer and its Restricted Subsidiaries), whether in one transaction or a series of transactions, to any Person, unless immediately after giving effect to such transaction,

- (1) no Default or Event of Default shall have occurred and be continuing;
- (2) either (a) the Issuer is the continuing Person or (b) any Person formed by any such merger or consolidation or the Person which acquires by conveyance or transfer, or which leases such properties and assets (other than the Issuer) (the “Successor Person”) is a corporation organized and validly existing under the laws of Argentina, the United States of America, any state thereof or the District of Columbia or any member country of the Organization for Economic Cooperation and Development and expressly assumes, by a supplemental indenture, executed and delivered to the Trustee, in form reasonably satisfactory to the Trustee, the due and punctual payment of principal, interest and premium, if any, and Additional Amounts, if any, that may result due to withholding by any jurisdiction in which such Successor Person is organized or any political subdivision or taxing authority thereof (and, for purposes of the payment of Additional Amounts, references in “— Payments of Additional Amounts” to Argentina or Argentine Taxes shall be deemed also to include such jurisdiction and taxes imposed thereby), on all of the Notes according to their terms, and the due and punctual performance of all of the Issuer’s other covenants and obligations under the Indenture and Notes;
- (3) the Successor Person (except in the case of leases), if any, succeeds to and becomes substituted for us with the same effect as if it had been named in the Notes and the Indenture as the Issuer;
- (4) immediately after giving effect to the transaction on a pro forma basis, either (x) the Issuer or the Successor Person could Incur at least US\$1.00 of Indebtedness under paragraph (a) under “—Limitation on

Indebtedness”, or (y) the Interest Coverage Ratio and the Net Leverage Ratio of the Issuer or the Successor Person is better than the Interest Coverage Ratio and the Net Leverage Ratio, as the case may be, of the Issuer without giving effect to the transaction; and

- (5) the Issuer shall have delivered to the Trustee an Officers’ Certificate and an opinion of counsel each stating that all conditions precedent to such merger, consolidation, conveyance, or transfer and the execution of such supplemental indenture (if any) have been satisfied and such merger, consolidation, conveyance, or transfer and the execution of such supplemental indenture (if any) is authorized or permitted by the Indenture;

provided that clauses (1), (2), (4) and (5) do not apply to (a) the consolidation, amalgamation or merger of the Issuer with or into a Restricted Subsidiary or (b) the consolidation, amalgamation or merger of a Restricted Subsidiary with or into the Issuer.

Reporting

For so long as any of the Notes remain outstanding and constitute “restricted securities” within the meaning of Rule 144(a)(3) under the Securities Act, the Issuer will furnish to the holders of the Notes and prospective investors, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

The Issuer will furnish to the Trustee: (A) as soon as available, but, in any event within 90 days after the end of each of the first three quarters of each fiscal year, unaudited consolidated financial statements for such quarter in English prepared in accordance with IFRS and presented in either U.S. dollars or Argentine pesos, and (B) as soon as available but, in any event, within 120 days after the end of each fiscal year, (1) audited consolidated financial statements for such fiscal year in English prepared in accordance with IFRS and presented in either U.S. dollars or Argentine pesos, and (2) an Officers’ Certificate certifying that, since the Issuer’s most recent delivery of financial statements pursuant to this section, no default or Event of Default has occurred or is continuing or, if such default or Event of Default has occurred and is continuing, specifying its nature, the period of its existence and the action taken or proposed to be taken to remedy such default or Event of Default.

The Issuer will be deemed to have complied with the foregoing paragraphs if it has posted the required information on its website within the time periods described above.

The Trustee shall not be responsible or liable for determining or monitoring whether or not the Issuer has delivered (or otherwise made available on its website) any report or other information in accordance with the requirements specified in the foregoing paragraphs.

Delivery of any of the reports, information and documents to the Trustee (other than the Officers’ Certificate deliverable pursuant to (B)(2) mentioned in the second paragraph of this section) is for informational purposes only, and the Trustee’s receipt of such reports shall not constitute actual or constructive notice or knowledge of any information contained therein or determinable from information contained therein, including the Issuer’s compliance with any covenants under the Indenture or the Notes (as to which the Trustee is entitled to conclusively rely on Officers’ Certificates).

Payment of Principal and Interest

The Issuer will duly and punctually pay the principal of and interest and premium and Additional Amounts, if any, on the Notes in accordance with the terms of the Notes and the Indenture.

Maintenance of Office or Agency

The Issuer will maintain in each of the City of Buenos Aires, New York and, to the extent the rules of the Luxembourg Stock Exchange requires it, Luxembourg, an office or agency (including for such purposes the office of a Paying Agent or Transfer Agent, to the extent applicable) where the Notes may be presented or surrendered for payment.

Maintenance of Existence

The Issuer will maintain its corporate existence and take all reasonable actions to maintain all rights, privileges and the like necessary or desirable in the normal conduct of business, activities or operations; *provided* that this covenant shall not prohibit any transaction otherwise permitted under the covenant described in “—Mergers, Consolidations, Sales, Leases.”

Maintenance of Books and Records

The Issuer will, and will cause each of its Subsidiaries to, maintain books, accounts and records in accordance with IFRS.

Notice of Default

The Issuer will give written notice to the holders of the Notes and the Trustee promptly, and in any event within 30 days after the Issuer becomes aware thereof, of the occurrence and continuance of any Event of Default, accompanied by an Officers’ Certificate, if applicable, setting forth the details of such Event of Default and stating what action the Issuer proposes to take with respect thereto.

Further Actions

The Issuer will use its commercially reasonable efforts to take any action, satisfy any condition or do anything (including the obtaining or effecting of any necessary consent, approval, authorization, exemption, filing, license, order, recording or registration) at any time required in accordance with the applicable laws and regulations to be taken, fulfilled or done in order (a) to enable the Issuer lawfully to enter into, exercise its rights and perform and comply with its payment obligations under the Notes, as the case may be, (b) to ensure that those obligations are legally binding and enforceable, and (c) to make the Notes admissible in evidence in the courts of Argentina.

Events of Default

So long as any of the Notes remain outstanding, if any of the following events (each an “Event of Default”) with respect to the Notes shall occur and be continuing:

(i) default by the Issuer in the payment of any principal or premium due on the Notes and such default continues for a period of 7 days; or

(ii) default by the Issuer in the payment of any interest or any Additional Amounts due on any Note and such default continues for a period of 30 days; or

(iii) default in the performance or observance by the Issuer of any other term, covenant or obligation under the Notes or the Indenture not otherwise described in subparagraphs (i) or (ii) above, for a period of more than 60 days after there has been given to the Issuer by the Trustee or by holders of not less than 25% in aggregate principal amount of the outstanding Notes (with a copy to the Trustee if given by the holders) a written notice specifying such default and requiring it to be remedied; or

(iv) the Issuer or any of its Restricted Subsidiaries shall (a) default in the payment of principal of or interest on Indebtedness in an aggregate principal amount equal to the excess of US\$50 million (or the then-equivalent thereof), other than the Notes, when and as such Indebtedness shall become due and payable, if such default continues for more than the period of grace, if any, originally applicable thereto and the time for payment of such amounts has not been expressly extended or (b) default in the observance of any other terms and conditions relating to Indebtedness in an aggregate principal amount equal to or in excess of US\$50 million (or the then-equivalent thereof), other than the Notes, in the case of each of clauses (a) and (b) if the effect of such default is to cause the aggregate principal amount of such Indebtedness to become due prior to its Stated Maturity; or

(v) one or more final and non-appealable judgments or orders for the payment of money are rendered against the Issuer or any of its Restricted Subsidiaries and are not paid or discharged (and are not covered by adequate insurance by a solvent insurer of national or international reputation that has acknowledged its obligations in writing), and there is a period of 90 consecutive days following entry of the final and non-appealable judgment or order (or 90 consecutive days, in the event that an enforcement proceeding is commenced upon the entry of such judgment or order) that causes the aggregate amount for all such final and non-appealable judgments or orders outstanding and not paid or discharged against all such Persons to exceed US\$50 million (or the equivalent in other currencies) during which a stay of enforcement, by reason of a pending appeal or otherwise, is not in effect; or

(vi) it becomes unlawful for the Issuer to perform any of its payment obligations under the Notes, or any of its payment obligations thereunder ceases to be valid, binding or enforceable; or

(vii) a resolution is passed or adopted by the Issuer's Board of Directors or shareholders, or a ruling or judgment of a Government Agency having jurisdiction or a court of competent jurisdiction is made, that the Issuer be wound up or dissolved, other than pursuant to a merger, consolidation or other transaction otherwise permitted in accordance with the terms of Indenture as described in "— Mergers, Consolidations, Sales and Leases," and, in the case of any such ruling or judgment, remains undismissed for 90 days consecutive days; or

(viii) a court having jurisdiction enters a decree or order for (a) relief in respect of the Issuer or any of its Significant Subsidiaries in an involuntary case under Argentine Law No. 24,522, as amended (the "Bankruptcy Law"), or any other applicable bankruptcy, insolvency or other similar law now or hereafter in effect or (b) appointment of an administrator, receiver, trustee or intervenor for the Issuer or any of its Significant Subsidiaries for all or substantially all of the Issuer or any of its Significant Subsidiaries' property and, in each case, such decree or order remains unstayed and in effect for a period of 90 consecutive days; or

(ix) the Issuer or any of its Significant Subsidiaries (a) commence a voluntary case under the Bankruptcy Law or any other applicable bankruptcy, insolvency or other similar law now or hereafter in effect including, without limitation, any out-of-court agreement (*acuerdo preventivo extrajudicial*), (b) consent to the appointment of or taking possession by an administrator, receiver, trustee or intervenor for the Issuer or any of its Significant Subsidiaries for all or substantially all of the Issuer or any of its Significant Subsidiaries' Properties or (c) effect any general assignment for the benefit of creditors; or

(x) a moratorium is agreed or declared in respect of any of the Issuer or any of its Significant Subsidiary's Indebtedness; or

(xi) any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in subparagraph (viii) or (ix) above and, in the case of (viii), such analogous event remains unstayed and in effect for a period of 90 consecutive days;

then, if such an Event of Default (other than an Event of Default specified in subparagraphs (viii), (ix), (x) or (xi) above) occurs and is continuing with respect to the Notes, the Trustee or the holders of not less than 25% in aggregate principal amount of the outstanding Notes may declare the principal amount of all the Notes to be due and payable immediately, by a notice in writing to the Issuer (and to the Trustee if given by the holders), and upon any such declaration such principal amount and any accrued interest and Additional Amounts shall become immediately due and payable. If an Event of Default specified in subparagraphs (viii), (ix), (x) or (xi) above occurs, the principal and any accrued interest and Additional Amounts on all the Notes then outstanding shall become immediately due and payable without any action by the Trustee or any holder; *provided* that after such acceleration, an affirmative vote of the holders of not less than a majority in aggregate principal amount of the Notes at the time outstanding may rescind and cancel such declaration and its consequences:

(i) if the rescission would not conflict with any judgment or decree;

(ii) if all existing Events of Default have been cured or waived, except nonpayment of principal or interest that has become due solely because of such declaration of acceleration; and

(iii) if the Issuer has paid the Trustee its reasonable compensation and reimbursed the Trustee for its reasonable expenses, disbursements and advances (including legal fees and expenses) in accordance with the Indenture.

No rescission shall affect any subsequent Default or impair any rights relating thereto.

Listing

The Issuer has applied to have the Notes listed on the Luxembourg Stock Exchange for trading on the Euro MTF Market. The Issuer also applied to have the Notes listed on the BYMA for trading on the MAE. If the admission of the Notes to the Luxembourg Stock Exchange and trading on the Euro MTF Market of the Luxembourg Stock Exchange would, in the future, require it to publish financial information either more regularly than it would otherwise be required to, or requires the Issuer to publish separate financial information, or if the listing, in the Issuer's judgment, is unduly burdensome, the Issuer may seek an alternative admission to listing, trading and/or quotation for the Notes by another listing authority, stock exchange and/or quotation system. If such alternative admission to listing, trading and/or quotation of the Notes is not available to the Issuer or is, in its commercially reasonable judgment, unduly burdensome, an alternative admission to listing, trading and/or quotation of the Notes may not be obtained.

Meetings, Modification and Waiver

The Issuer and the Trustee may, without the vote or consent of any holder of Notes, modify or amend the Indenture or the Notes for the purpose of:

- adding to the Issuer's covenants such further covenants, restrictions, conditions or provisions as are for the benefit of the holders of such Notes;
- surrendering any right or power conferred upon the Issuer;
- securing the Notes pursuant to the requirements thereof or otherwise;
- evidencing the succession of another person to the Issuer and the assumption by any such successor of its covenants and obligations in the Notes and in the Indenture pursuant to any merger, consolidation or sale of assets;
- complying with any requirement of the CNV in order to effect and maintain the qualification of the Indenture;
- making any modification which is of a minor or technical nature or correcting or supplementing any ambiguous, inconsistent or defective provision contained in the Indenture or in such Notes, to the extent such modification, correction or supplement does not adversely affect the interest of the holders of the Notes in any material respect;
- conforming any provisions of the Indenture or the Notes to this "Description of the Notes."
- making any other modification, or granting any waiver or authorization of any breach or proposed breach, of any of the terms and conditions of such Notes or any other provisions of the Indenture in any manner which does not adversely affect the interest of the holders of the Notes in any material respect;
- appointing a successor trustee in accordance with the terms of the Indenture;
- providing for the issuance of any Additional Notes as permitted under the Indenture; or

- making modifications or amendments in order to increase the size of the Issuer's global rate program.

Modifications to and amendments of the Indenture and the Notes may be made, and future compliance or past default by the Issuer may be waived, by the Issuer and the Trustee, with the consent of the holders of a majority in aggregate principal amount of the outstanding Notes, but no such modification or amendment and no such waiver may, without the unanimous consent of the holders of all Notes adversely affected thereby,

- extend the due date for the payment of principal of, premium, if any, or any installment of interest on any such Note;
- reduce the principal amount of, the portion of such principal amount which is payable upon acceleration of the maturity of, the rate of interest on or the premium payable upon redemption or repurchase of any such Note;
- reduce the Issuer's obligation to pay Additional Amounts on any such Note;
- shorten the period during which the Issuer is not permitted to redeem any such Note, or permit the Issuer to redeem any such Note if, prior to such action, the Issuer is not permitted to do so;
- change the currency in which or the required places at which any such Note or the premium or interest thereon is payable;
- reduce the percentage of the aggregate principal amount of such Notes necessary to modify, amend or supplement the Indenture or such Notes, or for waiver of compliance with certain provisions thereof or for waiver of certain defaults;
- reduce the percentage of aggregate principal amount of outstanding Notes required for the adoption of a resolution or the quorum required at any meeting of holders of such Notes at which a resolution is adopted;
- modify any provisions of the Indenture relating to meetings, modifications or waivers as described above, except to increase any such percentage or to provide that certain other provisions of the Indenture cannot be modified or waived without the consent of the holder of each Note adversely affected thereby; or
- impair the right to sue for enforcement of any payment in respect of any such Notes.

Pursuant to the Argentine Negotiable Obligations Law, approval of any amendment, supplement or waiver by the holders of Notes requires the consent of such holders to be obtained pursuant to a meeting of holders of Notes held in accordance with the provisions of the Argentine Negotiable Obligations Law or pursuant to any other reliable means that ensure holders of Notes prior access to information and allow them to vote, in accordance with Section 14 of the Argentine Negotiable Obligations Law (as amended by Section 151 of the Argentine Productive Financing Law) and any other applicable regulation. It is not necessary for holders of Notes to approve the particular form of any proposed amendment, supplement or waiver, but is sufficient if their consent approves the substance thereof.

A meeting of the holders of Notes may be called by the Issuer's Board of Directors or Supervisory Committee, the Trustee or upon the request of the holders of at least 5% in principal amount of the outstanding Notes. If a meeting is held pursuant to the written request of holders of Notes, such meeting will be convened within 40 days from the date such written request is received by the Issuer.

Meetings may be ordinary meetings or extraordinary meetings. Any proposed amendment to the terms and conditions of the Notes requiring the consent of the holders of the Notes shall be dealt with at an extraordinary meeting. Any such meeting may, as determined by the Issuer, the Trustee or the holders of the Notes, be held simultaneously in the City of Buenos Aires and New York City by means of telecommunications which permit the participants to hear and speak to each other; provided, that, meetings may be held virtually (in such case, and for the avoidance of doubt,

it shall not be required to be held simultaneously in the City of Buenos Aires and New York City), to the extent permitted by the Argentine Negotiable Obligations Law and shall be subject to the requirements set forth therein.. Notice of any meeting of holders of Notes (which will include the date, place and time of the meeting, the agenda therefor and the requirements for attendance) will be given as set forth under “—Notices” not less than 10 nor more than 30 days prior to the date fixed for the meeting and, to the extent required by applicable law, will be published at the Issuer’s expense for five business days in Argentina in the Official Gazette, in a newspaper of general circulation and in the Bulletin of the MAE (as long as the Notes are listed on the MAE). Meetings of holders may be simultaneously convened for two dates, in case the initial meeting were to be adjourned for lack of quorum. However, for meetings that include in the agenda items requiring consent of each holder of a Note or the amendment of any of the terms and conditions of the Note, to the extent required by applicable law, notice of a new meeting resulting from adjournment of the initial meeting for lack of quorum will be given not less than eight days prior to the date fixed for such new meeting and will be published for three business days in Argentina in the Official Gazette, a newspaper of general circulation in Argentina and in the Bulletin of the MAE (as long as the Notes are listed on the MAE). To be entitled to vote at a meeting of holders, a person shall be (i) a holder of one or more Notes as of the relevant record date or (ii) a person appointed by an instrument in writing as proxy by such a holder of one or more Notes.

The quorum at any ordinary meeting called to adopt a resolution will be persons holding or representing a majority in aggregate principal amount of the outstanding Notes and at any reconvened adjourned ordinary meetings will be any person(s) present at such reconvened adjourned meeting. The quorum at any extraordinary meeting called to adopt a resolution will be persons holding or representing at least 60% in aggregate principal amount of the outstanding Notes and at any reconvened adjourned extraordinary meeting will be persons holding or representing at least 30% in aggregate principal amount of the outstanding Notes. At a meeting or a reconvened adjourned meeting duly convened and at which a quorum is present, any resolution to modify or amend, or to waive compliance with, any provision of the Notes (other than the provisions referred to in the fourth preceding paragraph) will be validly passed and decided if approved by the persons entitled to vote a majority in aggregate principal amount of the Notes then outstanding represented and voting at the meeting. Any instrument given by or on behalf of any holder of a Note in connection with any consent to any such modification, amendment or waiver will be irrevocable once given and will be conclusive and binding on all subsequent holders of such Note. Any modifications, amendments or waivers to the Indenture or to the Notes will be conclusive and binding upon all holders of Notes whether or not they have given such consent or were present at any meeting.

The Issuer will designate the record date for determining the holders of Notes entitled to vote at any meeting and the Issuer will provide notice to holders of Notes in the manner set forth herein. The holder of a Note may, at any meeting of holders of Notes at which such holder is entitled to vote, cast one vote for each U.S. dollar in principal amount of the Notes held by such holder in which such Notes are denominated.

For purposes of the above, any Note authenticated and delivered pursuant to the Indenture will, as of any date of determination, be deemed to be “outstanding,” except:

- (i) Notes theretofore canceled by the Trustee or delivered to the Trustee for cancellation;
- (ii) Notes that have been called for redemption or tendered for repurchase in accordance with the terms of the Indenture or which have become due and payable at maturity or otherwise and with respect to which monies sufficient to pay the principal thereof and any premium, interest, Additional Amounts or other amount thereon have been deposited with the Trustee; *provided* that if such Notes are to be redeemed, irrevocable notice of such redemption has been duly given pursuant to the Indenture or provision therefor satisfactory to the Trustee has been made; or
- (iii) Notes in lieu of or in substitution for which other Notes have been authenticated and delivered;

provided that in determining whether the holders of the requisite principal amount of outstanding Notes are present at a meeting of holders of Notes for quorum purposes or have consented to or voted in favor of any notice, consent, waiver, amendment, modification or supplement under the Indenture, Notes owned directly or indirectly by the Issuer or any of its Affiliates, including any Subsidiary, will be disregarded and deemed not to be outstanding.

Promptly after the execution by the Issuer and the Trustee of any supplement or amendment to the Indenture, the Issuer will give notice thereof to the holders of the Notes and, if applicable, to the CNV, setting forth in general terms the substance of such supplement or amendment. If the Issuer fails to give such notice to the holders of the Notes within 15 days after the execution of such supplement or amendment, the Trustee will give notice to the holders at the Issuer's expense. Any failure by the Issuer or the Trustee to give such notice, or any defect therein, will not, however, in any way impair or affect the validity of any such supplement or amendment.

To the extent that the Notes are listed on the Luxembourg Stock Exchange for trading on the Euro MTF Market or listed on any other securities exchange, such meetings of holders and notices thereof will also comply with the applicable rules of the Luxembourg Stock Exchange or such securities exchange, as applicable.

Meetings of holders and related matters not expressly set forth in the Indenture will be governed by the provisions of the Argentine Negotiable Obligations Law, including, without limitation, the provisions of Articles 354 and 355 of the Argentine Companies Law No. 19,550, as amended, through the application of the provisions of Article 14 of the Argentine Negotiable Obligations Law.

For the purposes of clarification, holders of Notes may take such actions outside of Argentina in any other manner permitted by New York law (such as via written consent); however, no such action will be valid under Argentine law until (i) it has been ratified by a meeting of holders (or their representatives) held in accordance with the Argentine Negotiable Obligations Law as described above, or (ii) until holders have granted their consent pursuant to any other reliable means that ensures holders of Notes prior access to information and allows them to vote, in accordance with Section 14 of the Argentine Negotiable Obligations Law (as amended by Section 151 of the Productive Financing Law) and other applicable regulations.

Enforcement by Holders of Notes

Except as described in the next paragraph, no holder of a Note will have any right by virtue of or by availing itself of any provision of the Indenture or such Note to institute any suit, action or proceeding in equity or at law upon or under the Notes or for the appointment of a receiver or trustee, or for any other remedy thereunder, unless (i) such holder previously has given to the Trustee written notice of a default with respect to the Notes, (ii) holders of not less than 25% in aggregate principal amount of the outstanding Notes have made written request upon the Trustee to institute such action, suit or proceeding in its own name as trustee under the Indenture and have offered to the Trustee such reasonable indemnity as it may require against the costs, expenses and liabilities to be Incurred therein or thereby and (iii) the Trustee for 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such action, suit or proceeding and (iv) no direction inconsistent with such request has been given to the Trustee during such 60-day period by the holders of a majority in principal amount of the outstanding Notes.

Notwithstanding any other provision in the Indenture and any provision of the Notes issued under the Indenture, the right of any holder of Notes to receive payment of the principal, any premium, and interest on such Note (and Additional Amounts, if any) on or after the respective due dates expressed in such Note, or to institute suit, including a summary proceeding (*accion ejecutiva individual*) pursuant to Article 29 of the Argentine Negotiable Obligations Law, for the enforcement of any such payment on or after such respective dates, will not be impaired or affected without the consent of such holder.

Any beneficial owner of Notes issued under the Indenture represented by a Global Note will be able to obtain from the relevant depository, upon request and subject to certain limitations set forth in the Indenture, a certificate representing its interest in the relevant Global Note in accordance with the Argentine Capital Markets Law. This certificate will enable such beneficial owner to initiate legal action before any competent court in Argentina, including a summary proceeding, to obtain overdue amounts under the Notes.

Defeasance

The Issuer may, at its option, elect to terminate (1) all of its obligations with respect to the Notes ("legal defeasance"), except for certain obligations, including those regarding any trust established for defeasance and obligations relating to the transfer and exchange of the Notes, the replacement of mutilated, destroyed, lost or stolen

Notes and the maintenance of agencies with respect to the Notes and the rights, protections, immunities and indemnities of the Trustee and the Issuer's obligations with respect thereto or (2) its obligations under certain of the covenants in the Indenture, so that any failure to comply with such obligations will not constitute an Event of Default ("covenant defeasance"). In order to exercise either legal defeasance or covenant defeasance, the Issuer must irrevocably deposit with the Trustee money or U.S. government obligations, or any combination thereof in such amounts as will be sufficient, in the written opinion of an internationally recognized firm of independent public accountants delivered to the Trustee, to pay the principal, premium, if any, and interest (and Additional Amounts, if any) in respect of the Notes then outstanding on the Stated Maturity of the Notes, and comply with certain other conditions, including, without limitation, the delivery to the Trustee of an opinion of a nationally recognized counsel in the United States experienced in such tax matters to the effect that the deposit and related defeasance would not cause the holders of the Notes to recognize income, gain or loss for U.S. federal income tax purposes. In the case of legal defeasance, such opinion of counsel must be based on a ruling from the U.S. Internal Revenue Service or a change in the applicable U.S. federal income tax law.

Repayment of Monies; Prescription

Any monies deposited with or paid to the Trustee or any Paying Agent for the payment of the principal of or interest or any other amounts payable on or in respect of any Note (and Additional Amounts, if any) and not applied but remaining unclaimed for two years after the date upon which such principal or interest or other amounts have become due and payable will, unless otherwise required by mandatory provisions of applicable escheat or abandoned or unclaimed property law, be repaid to the Issuer by the Trustee or such Paying Agent upon request, and the holder of such Note will, unless otherwise required by mandatory provisions of applicable escheat or abandoned or unclaimed property laws, thereafter look only to the Issuer for any payment that such holder may be entitled to collect, and all liability of the Trustee or any Paying Agent with respect to such monies will thereupon cease.

All claims against the Issuer for the payment of principal of or interest or any other amounts payable on or in respect of any Note (and Additional Amounts, if any) will prescribe unless made within five years for principal and two years for interest from the date on which such payment first became due, or a shorter period if provided by applicable law.

Notices

Notices to holders of non-Global Notes will be mailed to them, by first class mail, postage prepaid, at their registered addresses. Notices to holders of Global Notes will be given to DTC in accordance with its applicable procedures.

The Issuer will also be required to cause all such other publications of such notices as may be required from time to time in any manner by the provisions of the Argentine Capital Markets Law, the CNV Rules and by any applicable Argentine law and/or regulation (including without limitation publishing notices at the official site of the CNV (www.cnv.gob.ar)).

For so long as any Notes are admitted for trading in the MAE, the Issuer will publish all notices in the on-line bulletin of the MAE.

For so long as any Notes are listed on the Luxembourg Stock Exchange and admitted for trading on the Euro MTF Market and the rules of such exchange so require, the Issuer will publish all notices to holders in English via the website of the Luxembourg Stock Exchange at <http://www.luxse.com>, *provided* that such method of publication satisfies the rules of such exchange.

In addition, the Issuer will be required to cause all such other publications of such notices as may be required from time to time by applicable Argentine law. Neither the failure to give notice nor any defect in any notice given to any particular holder of a Note will affect the sufficiency of any notice with respect to any other Notes.

Currency Indemnity

This is an international debt issuance transaction in which the specification of U.S. dollars and payment in New York City is of the essence, and the Issuer's obligations under the Notes and the Indenture to the Trustee and the holders of the Notes to make payment in U.S. dollars shall not be discharged or satisfied by any tender or recovery pursuant to any judgment expressed in or converted into any other currency or in another place except to the extent that on the Business Day following receipt of any sum adjudged to be so due in the judgment currency the payee may in accordance with normal banking procedures purchase U.S. dollars in the amount originally due with the judgment currency. If, for the purpose of obtaining judgment in any court, it is necessary to convert a sum due under the Notes and the Indenture in U.S. dollars into another currency (in this paragraph called the "judgment currency"), the rate of exchange shall be that at which, in accordance with normal banking procedures, such payee could purchase such U.S. dollars in New York, New York with the judgment currency on the Business Day immediately preceding the day on which such judgment is rendered. The Issuer's obligation in respect of any such sum due under the Notes and the Indenture shall, notwithstanding the rate of exchange actually applied in rendering such judgment, be discharged only to the extent that on the Business Day following receipt by the relevant payee of any sum adjudged to be due under the Notes and the Indenture in the judgment currency the relevant payee may, in accordance with normal banking procedures, purchase and transfer dollars to New York City with the amount of the judgment currency so adjudged to be due (giving effect to any set-off or counterclaim taken into account in rendering such judgment). Accordingly, the Issuer hereby, as a separate obligation and notwithstanding any such judgment, agrees to indemnify each of the holders of the Notes and the Trustee against, and to pay on demand, in U.S. dollars, the amount (if any, the "Excess") by which the sum originally due to the holders of the Notes or the Trustee in U.S. dollars under the Notes and the Indenture exceeds the amount of the U.S. dollars so purchased and transferred.

In the event that, on any payment date, any restrictions or prohibition of access to the Argentine foreign exchange market exists, the Issuer will seek to pay all amounts payable under the Notes in U.S. dollars either (i) by purchasing at market price securities of any series of U.S. dollar denominated Argentine sovereign bonds or any other securities or private or public bonds issued in Argentina, and transferring and selling such instruments outside Argentina for the U.S. dollars, to the extent permitted by applicable law, or (ii) by means of any other reasonable means permitted by law in Argentina, in each case, on such payment date. All costs and taxes payable in connection with the procedures referred to in (i) and (ii) above shall be borne by the Issuer.

Nothing in the Notes and the Indenture shall impair any of the rights of the holders of the Notes or the Trustee or justify the Issuer in refusing to make payments under the Notes and the Indenture in U.S. dollars for any reason whatsoever, including, without limitation, any of the following: (i) the purchase of U.S. dollars in Argentina by any means becoming more onerous or burdensome for the Issuer than as of the date hereof and (ii) the exchange rate in force in Argentina increasing significantly from that in effect as of the date hereof. The Issuer waives the right to invoke any defense of payment impossibility (including any defense under Section 1091 of the Argentine Civil and Commercial Code), impossibility of paying in U.S. dollars (assuming liability for any force majeure or act of God), or similar defenses or principles (including, without limitation, equity or sharing of efforts principles).

In addition, pursuant to Section 4 of the Argentine Negotiable Obligations Law as amended by the Productive Financing Law, Section 765 of the Argentine Civil and Commercial Code, if reverted, the amendments introduced by Decree No. 70/2023 shall not apply in connection with payments under the Notes.

Governing Law, Judgments, Jurisdiction, Service of Process, Waiver of Immunities

The Indenture and the Notes shall be governed by, and construed in accordance with, the laws of the State of New York; *provided* that all matters relating to the due authorization, execution, issuance and delivery of the Notes by the Issuer, all matters relating to the legal requirements necessary in order for the Notes to qualify as "*obligaciones negociables*" under Argentine law, and certain matters related to meetings of holders of the Notes, including quorums, majorities, and requirements for convocation, shall be governed by the Argentine Negotiable Obligations Law, the Argentine General Companies Law No. 19,550 and/or other applicable Argentine laws and regulations.

The Issuer will submit to the non-exclusive jurisdiction of any state or federal court sitting in the Borough of Manhattan, City and State of New York, of any Argentine court sitting in the City of Buenos Aires, including the ordinary courts for commercial matters and the *Tribunal de Arbitraje del MAE* or the permanent arbitration tribunal

from the market in Argentina in which the Notes are listed, under the provisions of Article 46 of Argentine Law No. 26,831, and any competent court in the place of its corporate domicile for purposes of any suit, action or proceeding arising out of or related to the Indenture or the Notes. The Issuer will irrevocably waive, to the fullest extent permitted by law, any objection which the Issuer may have to the laying of the venue of any such action or proceeding brought in such a court and any claim that any such action or proceeding brought in such a court has been brought in an inconvenient forum. The Issuer has also agreed that final judgment in any such action or proceeding brought in such court will be conclusive and binding upon it and may be enforced in any court in the jurisdiction to which the Issuer is subject by a suit upon such judgment; *provided* that service of process is effected upon the Issuer in the manner specified in the following paragraph.

As long as any Note remains outstanding, the Issuer will at all times have an authorized agent in the Borough of Manhattan in the City and State of New York upon whom process may be served in any legal action or proceeding arising out of or relating to the Notes or the Indenture. Service of process upon such agent and written notice of such service mailed or delivered to the party being joined in such action or proceeding will, to the extent permitted by law, be deemed in every respect effective service of process upon such party in any such legal action or proceeding. The Issuer has appointed Cogency Global Inc. as its agent for service of process in any proceedings in the Borough of Manhattan, City and State of New York.

The Issuer acknowledges and agrees that the activities contemplated by the provisions of the Indenture are commercial in nature rather than governmental or public and, therefore, acknowledges and agrees that it is not entitled to any right of immunity on the grounds of sovereignty or otherwise with respect to any such activities or in any legal action or proceeding arising out of or in any way relating to this Indenture. The Issuer, in respect of itself and its properties and revenues, expressly and irrevocably waives any such right of immunity (including any immunity from the jurisdiction of any court or from service of process or from any execution of judgment or from attachment prior to judgment or in aid of execution or otherwise) or claim thereto which may now or hereafter exist, and agrees not to assert any such right or claim in any such action or proceeding, whether in the United States or otherwise.

Trustee

The Notes will be issued in accordance with the Indenture. The Indenture contains provisions relating to the duties and responsibilities of the Trustee and its obligations to the holders of the Notes.

The Trustee may resign at any time and the holders of a majority in aggregate principal amount of the outstanding Notes may remove the Trustee at any time. If the Trustee has or shall acquire a conflicting interest within the meaning of the Trust Indenture Act, the Trustee shall either eliminate such interest or resign in accordance with the Trust Indenture Act. The Issuer may remove the Trustee if the Trustee becomes ineligible to serve as Trustee under the terms of the Indenture, becomes incapable of acting as Trustee, or is adjudged insolvent or bankrupt. If the Trustee resigns or is removed, a successor Trustee will be appointed in accordance with the terms of the Indenture. The Issuer will give notice of any resignation, termination or appointment of the Trustee to the holders of the Notes and to the CNV.

In the Indenture, the Issuer will covenant to indemnify and defend the Trustee for, and to hold it harmless against, any loss, damage, cost, claim, liability or documented expense (including the reasonable costs and documented expenses of its counsel) arising out of or in connection with the acceptance or administration of the Indenture or the trusts thereunder and the performance of its duties and the exercise of its rights thereunder, including in each of its capacities hereunder as Co-Registrar, Principal Paying Agent and Transfer Agent, except to the extent such loss, liability or expense is due to its own negligence or willful misconduct.

The Indenture will provide that the Trustee or any Affiliate or agent of the Trustee may become the owner or pledgee of securities with the same rights it would have if it were not the Trustee or any agent of the Trustee and may otherwise deal with the Issuer and receive, collect, hold and retain collections from the Issuer with the same rights it would have if it were not the Trustee. The Trustee and its Affiliates and agents are entitled to enter into business transactions with the Issuer or any of its Affiliates without accounting for any profit resulting from such transactions.

Paying Agents; Transfer Agents; Registrars

The Issuer has initially appointed The Bank of New York Mellon, as Principal Paying Agent, Transfer Agent and Co-Registrar. The Issuer may at any time appoint additional or other Registrars, Paying Agents and Transfer Agents and terminate the appointment thereof; *provided, however*, that (i) while Notes issued under the Indenture are outstanding, the Issuer will maintain a Co-Registrar, a Principal Paying Agent and a Transfer Agent in New York City; (ii) as long as the Notes are listed on the Official List of the Luxembourg Stock Exchange for trading on the Luxembourg Stock Exchange and if the rules of the Euro MTF market so require, at least one Paying Agent and Transfer Agent will be located in Luxembourg; and (iii) as long as it is required by Argentine law or by the CNV, the Issuer will maintain a Registrar, a Paying Agent and a Transfer Agent in the City of Buenos Aires. In the event required by the Indenture, notice of any resignation, termination or appointment of any Registrar, Paying Agent or Transfer Agent, and of any change in the office through which any Registrar, Paying Agent or Transfer Agent will act, will be promptly given to the holders of the Notes in the manner described under “—Notices” above.

The Trustee, the Paying Agents, the Transfer Agents, the Registrar and the Co-Registrar will make no representation regarding this offering memorandum or the matters contained herein.

No Personal Liability of Directors, Officers, Employees, Incorporators, Members or Stockholders

Except as specifically provided under Argentine law, no director, officer, employee, incorporator, member or stockholder of the Issuer, as such, will have any liability for any obligations of the Issuer under the Notes or the Indenture or for any claim based on, in respect of, or by reason of, such obligations. To the extent permitted by applicable law, each holder of Notes by accepting a Note waives and releases all such liability.

Certain Definitions

“*Acquired Indebtedness*” means Indebtedness of a Person existing at the time the Person merges with or into or becomes a Restricted Subsidiary and not Incurred in connection with, or in contemplation of, the Person merging with or into or becoming a Restricted Subsidiary. Acquired Indebtedness will be deemed to have been Incurred at the time such Person becomes a Restricted Subsidiary or at the time it merges or consolidates with the Issuer or a Restricted Subsidiary or at the time such Indebtedness is assumed in connection with the acquisition of assets from such Person.

“*Additional Assets*” means:

- (1) any property or assets (other than Indebtedness and Capital Stock) to be used by the Issuer or a Restricted Subsidiary engaged in a Related Business; and
- (2) the Capital Stock of a Person engaged in a Related Business that becomes a Restricted Subsidiary as a result of the acquisition of such Capital Stock by the Issuer or another Restricted Subsidiary.

“*Adjusted EBITDA*” means, for any period, Consolidated Net Income, increased (without duplication) by the followings items to the extent deducted in calculating Consolidated Net Income:

- (1) financial expense, net, plus
- (2) consolidated income taxes, other than income taxes or income tax adjustments (whether positive or negative) attributable to Asset Sales or extraordinary gains or losses; plus
- (3) consolidated depreciation and amortization expense; plus
- (4) impairment charges; plus

- (5) other non-cash charges reducing Consolidated Net Income, including write-offs (excluding any such non-cash charge to the extent it represents an accrual of or reserve for cash charges in any future period); less
- (6) non-cash items increasing Consolidated Net Income (excluding any such items which represent the recognition of deferred revenue, the reversal of any accrual of, or reserve for, anticipated cash charges that reduced Adjusted EBITDA in any prior period, and any such items for which cash was received in a prior period that did not increase Adjusted EBITDA in any prior period);

in each case to be determined in accordance with IFRS and as set forth in the most recent consolidated financial statements of the Issuer delivered to the Trustee pursuant to the Indenture.

In the event that the Issuer presents its consolidated financial statements in Argentine pesos, for purposes of the calculation of Adjusted EBITDA in U.S. dollars, amounts in Argentine pesos will be converted to U.S. dollars at the exchange rate of the date of each transaction (or, for convenience purposes, when exchange rates do not vary significantly, at the average exchange rate for each applicable month) based on the average of the buyer's and seller's exchange rate for wire transfers (*divisas*) published by the *Banco de la Nación Argentina*.

“*Affiliate*” of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, “control” when used with respect to any specified Person means the power to direct or cause the direction of the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms “controlling” and “controlled” have meanings correlative to the foregoing.

“*Asset Sale*” means any sale, lease, transfer or other disposition of any assets by the Issuer or any Restricted Subsidiary, including by means of a merger, consolidation or similar transaction and including any sale or issuance of the Equity Interests of any Restricted Subsidiary (each of the above referred to as a “disposition”), *provided* that the following are not included in the definition of “Asset Sale”:

- (1) a disposition to the Issuer or a Restricted Subsidiary, including the sale or issuance by the Issuer or any Restricted Subsidiary of any Equity Interests of any Restricted Subsidiary to the Issuer or any Restricted Subsidiary;
- (2) the disposition by the Issuer or any Restricted Subsidiary of cash or Cash Equivalents;
- (3) the disposition by the Issuer or any Restricted Subsidiary in the ordinary course of business of (i) inventory and other assets held for sale in the ordinary course of business, (ii) damaged, worn out or obsolete assets that are no longer useful in the conduct of the business of the Issuer and its Restricted Subsidiaries, (iii) rights granted to others pursuant to leases or licenses or (iv) any property, rights or assets upon expiration in accordance with the terms of any concession or power purchase agreement;
- (4) the sale or discount of accounts receivable arising in the ordinary course of business in connection with the compromise, settlement or collection thereof;
- (5) a transaction covered by “—Certain Covenants—Mergers, Consolidations, Sales, Leases”;
- (6) a Restricted Payment permitted under “—Certain Covenants—Limitation on Restricted Payments”;
- (7) the issuance of Disqualified Stock or Preferred Stock pursuant to “—Certain Covenants—Limitation on Indebtedness;”
- (8) the surrender or waiver of contract rights or the settlement, release or surrender of contract, tort or other claims;

- (9) the creation of a Permitted Lien; and
- (10) any disposition in a transaction or series of related transactions of assets with a fair market value of less than the greater of (x) US\$50 million (or the equivalent in other currencies) or (y) 2.0% of Consolidated Total Assets.

“*Average Life*” means, with respect to any Indebtedness, the quotient obtained by dividing (i) the sum of the products of (x) the number of years from the date of determination to the dates of each successive scheduled principal payment of such Indebtedness and (y) the amount of such principal payment by (ii) the sum of all such principal payments.

“*Board of Directors*” means the Board of Directors of the Issuer or any committee of the Board of Directors of the Issuer, or officers of the Issuer, duly authorized to act for it in respect hereof.

“*Business Day*” means a day other than a Saturday, Sunday or any day on which banking institutions are authorized or required by law to close in New York City, New York or the City of Buenos Aires, Argentina.

“*Capital Stock*” means, with respect to any Person, any and all shares, interests, participations, warrants, options, rights or other equivalents of or interests in (however designated and whether voting or non-voting) corporate stock of a corporation and any and all equivalent ownership interests in a Person (other than a corporation), in each case whether now outstanding or hereafter issued, including any preferred stock.

“*Cash Equivalents*” means:

- (1) U.S. dollars, Argentine pesos or money in other currencies received in the ordinary course of business;
- (2) U.S. Government Obligations or certificates representing an ownership interest in U.S. Government Obligations or (ii) marketable general obligations issued or unconditionally guaranteed by Argentina or the Argentine Central Bank;
- (3) (i) demand deposits, (ii) time deposits and certificates of deposit with maturities of one year or less from the date of acquisition, (iii) bankers’ acceptances with maturities not exceeding one year from the date of acquisition, and (iv) overnight bank deposits, in each case with any bank or trust company organized or licensed under the laws of (x) Argentina or any political subdivision thereof having one of the four highest international or local ratings obtainable by S&P, Moody’s or Fitch or such similar equivalent rating by at least one “nationally recognized statistical rating organization” registered under Section 15E of the Exchange Act or (y) the United States or any state thereof having capital, surplus and undivided profits in excess of US\$500.0 million whose short-term debt is rated “A-2” or higher by S&P, or “P-2” or higher by Moody’s (or such equivalent rating by at least one nationally recognized statistical rating organization registered under Section 15E of the Exchange Act);
- (4) repurchase obligations with a term of not more than seven days for underlying securities of the type described in clauses (2) and (3) above entered into with any financial institution meeting the qualifications specified in clause (3) above;
- (5) (i) commercial paper rated at least “P-1” by Moody’s or “A-1” by S&P and; (ii) commercial paper of an Argentine issuer the long-term unsecured debt obligations of which are rated the highest rating of an Argentine issuer;
- (6) corporate bonds and publicly traded promissory notes of an Argentine issuer having one of the four highest international or local ratings obtainable by S&P, Moody’s or Fitch or such similar equivalent rating by at least one “nationally recognized statistical rating organization” registered under Section 15E of the Exchange Act, and maturing within three years after the date of acquisition;

- (7) *fondos comunes de inversión* (Argentine funds focused primarily on in-country cash management investments) that have a local rating of at least “A-bf.ar” by Moody’s or the equivalent by Fitch or S&P (or their respective Affiliates in Argentina, including without limitation, Fix Scr S.A.);
- (8) substantially similar investments, of comparable credit quality, denominated in U.S. dollars, euros, or in the currency of any jurisdiction in which the Issuer or its Subsidiaries conducts business; or
- (9) money market funds at least 65% of the assets of which consist of investments of the type described in clauses (1) through (8) above.

“*Capital Lease*” means, with respect to any Person, any lease of any property which, in conformity with IFRS, is required to be capitalized on the balance sheet of such Person.

“*Change of Control*” means the occurrence of an event or series of events that results in a Person, other than YPF or GE Vernova or their respective Affiliates, becoming the beneficial owner, directly or indirectly, of more than 50% of the voting power of the Capital Stock of the Issuer.

“*Change of Control Offer*” has the meaning set forth in “—Redemption and Repurchase—Repurchase Offer upon a Change of Control Repurchase Event.”

“*Change of Control Payment*” has the meaning set forth in “—Redemption and Repurchase—Repurchase Offer upon a Change of Control Repurchase Event.”

“*Change of Control Payment Date*” has the meaning set forth in “—Redemption and Repurchase—Repurchase Offer upon a Change of Control Repurchase Event.”

“*Change of Control Repurchase Event*” means the occurrence of both a Change of Control and a Rating Downgrade Event.

“*Common Stock*” means with respect to any Person, any and all shares, interests or other participations in, and other equivalents (however designated and whether voting or nonvoting) of such Person’s common stock, whether or not outstanding on the Issue Date, and includes, without limitation, all series and classes of such common stock.

“*Consolidated Interest Expense*” means, for any period, the consolidated interest expense in accordance with IFRS of the Issuer and its Restricted Subsidiaries in respect of Indebtedness, plus, to the extent not included in such consolidated interest expense, and to the extent Incurred, accrued or payable by the Issuer or its Restricted Subsidiaries in respect of Indebtedness, without duplication:

- (1) interest expense attributable to Capital Lease or Sale and Leaseback Transactions;
- (2) amortization of debt discount and debt issuance costs;
- (3) capitalized interest;
- (4) non-cash interest expense;
- (5) commissions, discounts and other fees and charges owed with respect to letters of credit and bankers’ acceptance financing;
- (6) net cash costs associated with Hedging Agreements related to Indebtedness; and
- (7) any of the above expenses with respect to Indebtedness of another Person Guaranteed by the Issuer or any of its Restricted Subsidiaries, as determined on a consolidated basis and in accordance with IFRS.

In the event that the Issuer presents its consolidated financial statements in Argentine pesos, for purposes of the calculation of Consolidated Interest Expense in U.S. dollars, amounts in Argentine pesos will be converted to U.S. dollars at the exchange rate of the date of each transaction (or, for convenience purposes, when exchange rates do not vary significantly, at the average exchange rate for each applicable month) based on the average of the buyer's and seller's exchange rate for wire transfers (*divisas*) published by the *Banco de la Nación Argentina*.

“*Consolidated Net Income*” means, for any period, the net income (or loss) of the Issuer and its Restricted Subsidiaries for such period determined on a consolidated basis in conformity with IFRS; *provided* that the following (without duplication) will be excluded in computing Consolidated Net Income:

- (1) the net income (but not loss) of any Restricted Subsidiary to the extent that a corresponding amount could not be distributed to the Issuer or another Restricted Subsidiary at the date of determination without any government approval (that has not been obtained) or by charter or by any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to such distribution;
- (2) the net income (or loss) of any Person that is not the Issuer or a Restricted Subsidiary, except to the extent of the amount of dividends or other distributions actually paid in cash to the Issuer or any of its Restricted Subsidiaries by such Person during such period or to the extent that a loss was funded with cash or other contributions from the Issuer or a Restricted Subsidiary;
- (3) any net after-tax gains or losses attributable to Asset Sales;
- (4) any net after-tax extraordinary gains or losses; and
- (5) the cumulative effect of a change in accounting principles.

“*Consolidated Total Assets*” means, at any time, the total of all assets appearing on a consolidated balance sheet of the Issuer and its Restricted Subsidiaries determined in accordance with IFRS.

“*Deeply Subordinated Indebtedness*” means any Subordinated Indebtedness of the Issuer which is (i) subordinated in right of payment to the Notes, pursuant to a written agreement to that effect, (ii) (A) does not mature or require any amortization, redemption or other repayment of principal (other than through conversion or exchange of such Indebtedness into Qualified Stock of the Issuer or any Indebtedness meeting the requirements of this definition), (B) does not require payment of any cash interest or any similar cash amounts, (C) contains no change of control or similar provisions and (D) does not accelerate and has no right to declare a default or event of default or take any enforcement action or otherwise require any cash payment of the Issuer (other than as a result of insolvency proceedings of the Issuer), in each case, prior to the 90th day following the Stated Maturity of the Notes and all other amounts due under the Indenture, (iii) does not provide for or require any security interest or encumbrance over any asset of the Issuer or any Restricted Subsidiary and (iv) does not (including upon the happening of any event) restrict the payment of amounts due in respect of the Notes or compliance by the Issuer with its obligations under the Notes and the Indenture.

“*Default*” means any event that is, or after notice or passage of time or both would be, an Event of Default.

“*Disqualified Equity Interests*” means Equity Interests that by their terms or upon the happening of any event are:

- (1) required to be redeemed or redeemable at the option of the holder prior to the Stated Maturity of the Notes for consideration other than Qualified Equity Interests, or
- (2) convertible at the option of the holder into Disqualified Equity Interests or exchangeable for Indebtedness.

“*Disqualified Stock*” means Capital Stock constituting Disqualified Equity Interests.

“*Equity Interests*” means all Capital Stock and all warrants or options with respect to, or other rights to purchase, Capital Stock, but excluding Indebtedness convertible into equity.

“*Equity Offering*” means an offering or placement for cash, after the Issue Date, of Qualified Stock of the Issuer or of any direct or indirect parent of the Issuer (to the extent the proceeds thereof are contributed to the Capital Stock of the Issuer in the form of Qualified Stock).

“*Exchange Act*” means the U.S. Securities Exchange Act of 1934, as amended, or any successor statute or statutes thereto.

“*GE Vernova*” means GE Vernova Inc. or any successor thereto.

“*Government Agency*” means any public legal entity or public agency, created by federal, state or local government, or any other legal entity now existing or hereafter created, or now or hereafter owned or controlled, directly or indirectly, by any public legal entity or public agency.

“*Guarantee*” means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Indebtedness of any other Person:

(a) to purchase or pay, (or advance or supply funds for the purchase or payment of), such Indebtedness of such other Person, (whether arising by virtue of partnership arrangements, or by agreement to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise), or

(b) entered into for purposes of assuring in any other manner the obligee of such Indebtedness of the payment thereof or to protect such obligee against loss in respect thereof, in whole or in part,

provided that the term “Guarantee” shall not include endorsements for collection or deposit in the ordinary course of business. The term “Guarantee” used as a verb has a corresponding meaning.

“*Hedging Agreement*” means (i) any interest rate swap agreement, interest rate cap agreement or other agreement, (ii) any foreign exchange forward contract, currency swap agreement or other agreement or (iii) commodity futures agreements or other similar agreement.

“*IFRS*” means the International Financial Reporting Standards issued by the International Accounting Standards Board as in effect from time to time. For the avoidance of doubt, all financial information of the Issuer calculated under the Indenture shall be prepared on the basis of its consolidated financial statements in accordance with IFRS.

“*Incur*” means, with respect to any Indebtedness or Capital Stock, to incur, create, issue, assume or Guarantee such Indebtedness or Capital Stock. If any Person becomes a Restricted Subsidiary on any date after the date of the Indenture (including by redesignation of an Unrestricted Subsidiary or failure of an Unrestricted Subsidiary to meet the qualifications necessary to remain an Unrestricted Subsidiary), the Indebtedness and Capital Stock of such Person outstanding on such date will be deemed to have been Incurred by such Person on such date for purposes of “— Certain Covenants— Limitation on Indebtedness.” The accretion of original issue discount or payment of interest in kind will not be considered an Incurrence of Indebtedness.

“*Indebtedness*” means, with respect to any Person, without duplication:

- (1) all indebtedness of such Person for borrowed money;
- (2) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments;
- (3) all obligations of such Person in respect of letters of credit, bankers’ acceptances or other similar instruments, excluding obligations in respect of trade letters of credit or bankers’ acceptances or

other similar instruments issued in respect of trade payables to the extent not drawn upon or presented, or, if drawn upon or presented, the resulting obligation of the Person is paid within 90 days;

- (4) all obligations of such Person to pay the deferred and unpaid purchase price of property or services which are recorded as liabilities under IFRS, excluding trade payables arising in the ordinary course of business;
- (5) all obligations of such Person as lessee under Capital Leases;
- (6) all Indebtedness of other Persons Guaranteed by such Person to the extent so Guaranteed;
- (7) all Indebtedness of other Persons secured by a Lien on any asset of such Person, whether or not such Indebtedness is assumed by such Person;
- (8) all obligations of such Person under Hedging Agreements; and
- (9) all Disqualified Stock (the amount of Indebtedness therefrom deemed to equal any involuntary liquidation preference plus accrued and unpaid dividends).

The amount of Indebtedness of any Person will be deemed to be:

- (A) with respect to contingent obligations, the maximum liability upon the occurrence of the contingency giving rise to the obligation; *provided* that, with respect to Indebtedness consisting of performance, bid, surety, appeal or similar bonds (including, for the avoidance of doubt, *seguros de caución*) or completion guarantees, only when, and to the extent, such amounts constitute reimbursement obligations of such Person;
- (B) with respect to Indebtedness secured by a Lien on an asset of such Person but not otherwise the obligation, contingent or otherwise, of such Person, the lesser of (x) the fair market value of such asset on the date the Lien attached and (y) the amount of such Indebtedness;
- (C) with respect to any Indebtedness issued with original issue discount, the face amount of such Indebtedness less the remaining unamortized portion of the original issue discount of such Indebtedness;
- (D) with respect to any Hedging Agreement, the net amount payable if such Hedging Agreement terminated at that time due to default by such Person; and
- (E) otherwise, the outstanding principal amount thereof.

“*Interest Coverage Ratio*” means, on any date (the “transaction date”), the ratio for the Issuer of:

- (i) the aggregate amount of Adjusted EBITDA for the four fiscal quarters immediately prior to the determination date for which internal financial statements are available (the “Reference Period”) to
- (ii) the aggregate Consolidated Interest Expense during such Reference Period. In making the foregoing calculation,
 - (A) pro forma effect will be given to any Indebtedness, Disqualified Stock or Preferred Stock Incurred during or after the Reference Period to the extent the Indebtedness, Disqualified Stock or Preferred Stock is outstanding or is to be Incurred on the transaction date as if the Indebtedness, Disqualified Stock or Preferred Stock had been Incurred on the first day of the Reference Period;

- (B) pro forma calculations of interest on Indebtedness bearing a floating interest rate will be made as if the rate in effect on the transaction date (taking into account any Hedging Agreement applicable to the Indebtedness if the Hedging Agreement has a remaining term of at least 12 months) had been the applicable rate for the entire Reference Period;
- (C) Consolidated Interest Expense related to any Indebtedness, Disqualified Stock or Preferred Stock no longer outstanding or to be repaid, repurchased or redeemed on the transaction date, except for Consolidated Interest Expense accrued during the Reference Period under a revolving credit to the extent of the commitment thereunder (or under any successor revolving credit) in effect on the transaction date, will be excluded; and
- (D) pro forma effect will be given to:
 - (i) the creation, designation or redesignation of Restricted and Unrestricted Subsidiaries,
 - (ii) the acquisition or disposition of companies, divisions or lines of businesses by the Issuer and its Restricted Subsidiaries, including any acquisition or disposition of a company, division or line of business since the beginning of the Reference Period by a Person that became a Restricted Subsidiary after the beginning of the Reference Period, and
 - (iii) the discontinuation of any discontinued operations,

in each case, that have occurred since the beginning of the Reference Period as if such events had occurred on the first day of the Reference Period. To the extent that pro forma effect is to be given to an acquisition or disposition of a company, division or line of business, the pro forma calculation will be based upon the most recent four full fiscal quarters for which the relevant financial information is available.

“Investment” means:

- (1) any direct or indirect advance, loan or other extension of credit to another Person;
- (2) any capital contribution to another Person, by means of any transfer of cash or other property or in any other form;
- (3) any purchase or acquisition of Equity Interests, bonds, notes or other Indebtedness, or other similar instruments or securities issued by another Person, including the receipt of any of the above as consideration for the disposition of assets or rendering of services; or
- (4) any Guarantee of any obligation of another Person.

If the Issuer or any Restricted Subsidiary (x) sells or otherwise disposes of any Equity Interests of any direct or indirect Restricted Subsidiary so that, after giving effect to that sale or disposition, such Person is no longer a Subsidiary of the Issuer, or (y) designates any Restricted Subsidiary as an Unrestricted Subsidiary in accordance with the provisions of the Indenture, all remaining Investments of the Issuer and its Restricted Subsidiaries in such Person shall be deemed to have been made at such time.

“Investment Grade” means a rating equal to or higher than Baa3 (or the equivalent) by Moody’s and BBB- (or the equivalent) by S&P and Fitch, in each case, with a stable or better outlook.

“Issue Date” means October 16, 2024.

“*Lien*” means any mortgage, pledge, encumbrance, security interest, charge or other encumbrance or preferential arrangement having the effect of constituting a security interest, including, without limitation, the equivalent created or arising under the laws of any country where the Issuer or any of its Subsidiaries own property.

“*Net Cash Proceeds*” means, with respect to any Asset Sale, the proceeds of such Asset Sale in the form of cash (including (i) payments in respect of deferred payment obligations to the extent corresponding to, principal, but not interest, when received in the form of cash, and (ii) proceeds from the conversion of other consideration received when converted to cash), net of:

- (1) brokerage commissions and other fees and expenses related to such Asset Sale, including fees and expenses of counsel, accountants and investment bankers;
- (2) provisions for taxes as a result of such Asset Sale without regard to the consolidated results of operations of the Issuer and its Restricted Subsidiaries;
- (3) payments required to be made to holders of minority interests in Restricted Subsidiaries as a result of such Asset Sale or to repay Indebtedness outstanding at the time of such Asset Sale that is secured by a Lien on the property or assets sold; and
- (4) appropriate amounts to be provided as a reserve against liabilities associated with such Asset Sale, including pension and other post-employment benefit liabilities, liabilities related to environmental matters and indemnification obligations associated with such Asset Sale, with any subsequent reduction of the reserve other than by payments made and charged against the reserved amount to be deemed a receipt of cash.

“*Net Leverage Ratio*” means, on any date (the “transaction date”), the ratio of:

- (i) the aggregate amount of consolidated Indebtedness, net of cash and Cash Equivalents of the Issuer and its Restricted Subsidiaries (“*Net Indebtedness*”) to
- (ii) the aggregate amount of Adjusted EBITDA for the Reference Period prior to the transaction date.

In making the foregoing calculation:

- (1) any Indebtedness, Disqualified Stock or Preferred Stock Incurred after the date of the consolidated balance sheet used to determine Indebtedness that remains outstanding on the transaction date, or any Indebtedness, Disqualified Stock or Preferred Stock that is to be Incurred on the transaction date, will be included as if Incurred at the beginning of such Reference Period and outstanding on the date of such consolidated balance sheet;
- (2) any Indebtedness, Disqualified Stock or Preferred Stock no longer outstanding, or to be repaid, repurchased or redeemed, retired, defeased or otherwise discharged on the transaction date will be excluded; and
- (3) pro forma effect will be given to:
 - (A) the creation, designation or redesignation of Restricted and Unrestricted Subsidiaries,
 - (B) the acquisition or disposition of companies, divisions or lines of businesses by the Issuer and its Restricted Subsidiaries, including any acquisition or disposition of a company, division or line of business since the beginning of such Reference Period by a Person that became a Restricted Subsidiary after the beginning of such Reference Period, and

(C) the discontinuation of any discontinued operations,

in each case, that have occurred since the beginning of such Reference Period as if such events had occurred on the first day of such Reference Period. To the extent that pro forma effect is to be given to an acquisition or disposition of a company, division or line of business, the pro forma calculation will be based upon the most recent four full fiscal quarters for which the relevant financial information is available.

In the event that the Issuer presents its consolidated financial statements in Argentine pesos, for purposes of the calculation of Net Indebtedness in U.S. dollars, amounts in Argentine pesos as of the most recent relevant balance sheet date will be converted to U.S. dollars based on the average of the buyer's and seller's exchange rate for wire transfers (*divisas*) published by the *Banco de la Nación Argentina*.

“*Non-Recourse Indebtedness*” means Indebtedness as to which neither the Issuer nor any Restricted Subsidiary provides any Guarantee and as to which the lenders have been notified in writing that they will not have any recourse to the stock or assets of the Issuer or any Restricted Subsidiary.

“*Officers' Certificate*” means, with respect to any Person, a certificate signed by two officers of such Person, one of whom is the principal executive officer, the principal financial officer, the treasurer or the principal accounting officer, and either an assistant treasurer or an assistant secretary of such Person.

“*Permitted Investments*” means:

- (1) any Investment in the Issuer or in a Restricted Subsidiary, directly or indirectly engaged in a Related Business;
- (2) any Investment in Cash Equivalents;
- (3) any Investment by the Issuer or any Subsidiary of the Issuer in a Person, if as a result of such Investment,
 - (i) such Person becomes a Restricted Subsidiary engaged in a Related Business; or
 - (ii) such Person is merged or consolidated with or into, or transfers or conveys substantially all its assets to, or is liquidated into, the Issuer or a Restricted Subsidiary engaged in a Related Business;
- (4) any Investment existing on the Issue Date and any extension, modification or renewal of any such Investments (but not any such extension, modification or renewal to the extent it involves additional advances, contributions or other investments of cash or property, other than reasonable expenses incidental to the structuring, negotiation and consummation of such extension, modification or renewal);
- (5) Investments received as non-cash consideration in an Asset Sale made pursuant to and in compliance with “—Certain Covenants—Limitation on Asset Sales” or a disposition of assets not constituting an Asset Sale;
- (6) Hedging Agreements otherwise permitted under the Indenture;
- (7) receivables owing to the Issuer or any Restricted Subsidiary created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms; *provided* that such trade terms may include such concessionary trade terms as the Issuer or any such Restricted Subsidiary deems reasonable under the circumstances;
- (8) Guarantees issued in accordance with “—Certain Covenants—Limitation on Indebtedness”;
- (9) payroll, travel and other loans or advances to, or Guarantees issued to support the obligations of, officers and employees, in each case in the ordinary course of business, not in excess of US\$10.0 million (or the equivalent in other currencies) outstanding at any time;

- (10) Investments in any Project Finance Subsidiary (to the extent an Unrestricted Subsidiary) having an aggregate fair market value (taken together with all other Investments made pursuant to this clause (10) that are, at the time outstanding) not to exceed the greater of (x) US\$150 million (or the equivalent in other currencies) or (y) 6.0% of Consolidated Total Assets, at the time of such Investment (with the fair market value of each Investment being measured at the time made and without giving effect to subsequent changes in value);
- (11) prepayments and other credits to suppliers made in the ordinary course of business; and
- (12) in addition to Investments listed above, other Investments not to exceed 10.0% of Consolidated Total Assets.

“Permitted Receivables Financing” means any receivables financing facility or arrangement entered into by the Issuer or a Restricted Subsidiary; *provided* that the aggregate consideration received in any such financing is at least equal to the Fair Market Value of the receivables and related assets sold, less customary discounts, reserves or amounts reflecting the implicit interest rate.

“Person” means any individual, corporation (including a business trust), limited liability company, partnership, joint venture, association, joint stock company, trust, unincorporated organization or other entity, or government or any agency or political subdivision thereof.

“Preferred Stock” means, with respect to any Person, any and all Capital Stock which is preferred as to the payment of dividends or distributions, upon liquidation or otherwise, over another class of Capital Stock of such Person.

“Project Finance Subsidiary” means, with respect to any Project Financing, a Subsidiary that is the primary obligor in respect of such Project Financing.

“Project Financing” means Indebtedness or a Sale and Leaseback Transaction involving property of a Subsidiary the proceeds of which are applied to fund new acquisition, development or expansion by, or upgrades of the property of, such Subsidiary that is secured by the property or Capital Stock of such Subsidiary.

“Qualified Equity Interests” means all Equity Interests of a Person other than Disqualified Equity Interests.

“Qualified Stock” means all Capital Stock of a Person other than Disqualified Stock.

“Rating Agency” means each of Standard & Poor’s Ratings Group, Inc., or any successor thereto, Moody’s Investors Service, Inc., or any successor thereto, and Fitch, Inc., or any successor thereto.

“Rating Downgrade Event” means that at any time within 60 days (which period will be extended for so long as the rating of the Notes is under publicly announced consideration by any of the Rating Agencies then rating the Notes for possible downgrade due to a Change of Control, such extended period ending on such later day that the relevant Rating Agency announces its decision) after the earlier of (x) the date of public announcement of a Change of Control and (y) the date of delivery of written notice by the Issuer to the Rating Agencies then rating the Notes of its intention to effect a Change of Control, a downgrade of the Notes by (i) if three Rating Agencies are making ratings of the Notes publicly available, at least two of the Rating Agencies or (ii) if two or fewer Rating Agencies are making ratings of the Notes publicly available, then any one of the Rating Agencies, in each case, in whole or in part as a result of such Change of Control.

“Redeemable Stock” means any class or series of Capital Stock that by its terms or otherwise is required to be redeemed prior to the Stated Maturity of the Notes of the applicable series, or is redeemable at the option of the holder thereof at any time prior to the Stated Maturity of the Notes.

“Refinance” means, in respect of any Indebtedness, to issue any Indebtedness in exchange for or to refinance, repay, redeem, replace, defease or refund such Indebtedness in whole or in part. “Refinanced” and “Refinancing” will have correlative meanings.

“*Refinancing Indebtedness*” means Indebtedness of the Issuer or any Restricted Subsidiary issued to Refinance any other Indebtedness of the Issuer or a Restricted Subsidiary existing on the Issue Date or Incurred in compliance with the Indenture so long as:

- (1) the aggregate principal amount of such new Indebtedness as of the date of such proposed Refinancing does not exceed the aggregate principal amount of the Indebtedness to be Refinanced (plus accrued and unpaid interest premiums, fees and expenses related to such Refinancing); or
- (2) (x) such new Indebtedness does not have a Stated Maturity that is prior to (i) the Stated Maturity of the Indebtedness to be Refinanced, or (ii) the Stated Maturity of the Notes and (y) the Average Life of the new Indebtedness is equal to or greater than the remaining Average Life of the Indebtedness to be Refinanced;
- (3) if the Indebtedness being Refinanced is:
 - (A) Indebtedness of the Issuer, then such Refinancing Indebtedness will be Indebtedness of the Issuer;
 - (B) Subordinated Indebtedness, then the new Indebtedness, by its terms or by the terms of any agreement or instrument pursuant to which it is outstanding, will be expressly made subordinate in right of payment to the Notes at least to the extent that the Indebtedness to be Refinanced is subordinated to the Notes.

“*Related Business*” means any business conducted by the Issuer and its Restricted Subsidiaries on the Issue Date, and any business reasonably related, incidental, complementary or ancillary thereto (including, without limitation, any business in or related to the energy sector).

“*Restricted Subsidiary*” means any Subsidiary of the Issuer other than an Unrestricted Subsidiary.

“*Reversion Date*” has the meaning set forth under “—Suspension of Certain Covenants.”

“*S&P*” means Standard & Poor’s Ratings Services and its successors.

“*Sale and Leaseback Transaction*” means, with respect to any Person, an arrangement whereby such Person enters into a lease of property previously transferred by such Person to the lessor.

“*SEC*” means the U.S. Securities and Exchange Commission.

“*Significant Subsidiary*” means, at any relevant time, any of the Issuer’s Restricted Subsidiaries which is a “significant subsidiary” of ours within the meaning of Rule 1-02 under Regulation S-X promulgated by the SEC, as in effect on the date of this offering memorandum.

“*Stated Maturity*” means (i) with respect to any Indebtedness, the date specified as the fixed date on which the final installment of principal of such Indebtedness is due and payable or (ii) with respect to any scheduled installment of principal of or interest on any Indebtedness, the date specified as the fixed date on which such installment is due and payable as set forth in the documentation governing such Indebtedness, not including any contingent obligation to repay, redeem or repurchase prior to the regularly scheduled date for payment.

“*Subordinated Indebtedness*” means any Indebtedness of the Issuer or any Restricted Subsidiary which is subordinated in right of payment to the Notes, pursuant to a written agreement to that effect.

“*Subsidiary*” means, with respect to any Person, any corporation, association or other business entity of which more than 50% of the voting power of the Capital Stock thereof is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of such Person or a combination thereof.

“Unrestricted Subsidiary” means any Subsidiary of the Issuer that at the time of determination has previously been designated, and continues to be, an Unrestricted Subsidiary in accordance with “Certain Covenants—Designation of Restricted and Unrestricted Subsidiaries.” As of the Issue Date, Luz del León S.A. shall be an Unrestricted Subsidiary.

FORM OF NOTES, CLEARING AND SETTLEMENT

Global Notes

The Notes will be issued in fully registered global form, without interest coupons (the “Global Notes”), as follows:

- (i) Notes sold to qualified institutional buyers under Rule 144A will be represented by one or more permanent global certificates (the “Rule 144A Global Note”); and
- (ii) Notes sold in offshore transactions to non-U.S. persons in reliance on Regulation S will be represented by one or more permanent global certificates (the “Regulation S Global Note”).

Upon issuance, each of the Global Notes will be deposited with the trustee as custodian for DTC and registered in the name of Cede & Co., as nominee of DTC.

Ownership of beneficial interests in each Global Note will be limited to persons who have accounts with DTC (“DTC participants”) or persons who hold interests through DTC participants (including Euroclear and Clearstream). We expect that under procedures established by DTC:

- (i) upon deposit of each Global Note with DTC’s custodian, DTC will credit portions of the principal amount of the Global Note to the accounts of the DTC participants designated by the Initial Purchasers; and
- (ii) ownership of beneficial interests in each Global Note will be shown on, and transfer of ownership of those interests will be effected only through, records maintained by DTC (with respect to interests of DTC participants) and the records of DTC participants (with respect to other owners of beneficial interests in the Global Note).

Beneficial interests in the Global Notes may not be exchanged for Notes in physical, certificated form except in the limited circumstances described below.

Each Global Note and beneficial interests in each Global Note will be subject to restrictions on transfer as described under “Transfer Restrictions.”

Transfers and Exchanges between the Global Notes

Beneficial interests in the Regulation S Global Note may be transferred to a person who takes delivery in the form of an interest in the Rule 144A Global Note only if such transfer is made pursuant to Rule 144A and the transferor first delivers to the trustee a certificate (in the form provided in the Indenture) to the effect that such transfer is being made to a person who the transferor reasonably believes is a qualified institutional buyer within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A and in accordance with all applicable securities laws of the states of the United States and other jurisdictions.

Beneficial interests in the Rule 144A Global Note may be transferred to a person who takes delivery in the form of a beneficial interest in the Regulation S Global Note only upon receipt by the trustee of a written certification (in the form provided in the Indenture) from the transferor to the effect that such transfer is being made in accordance with Regulation S.

The trustee shall be entitled to receive such evidence as may be reasonably requested by it to establish the identity and/or signatures of the transferor and transferee.

Transfers of beneficial interests within a Global Note may be made without delivery of any written certification or other documentation from the transferor or the transferee.

Transfers of beneficial interests in the Regulation S Global Note for beneficial interests in the Rule 144A Global Note or vice versa will be effected by DTC by means of an instruction originated through the DTC deposit/withdraw through the system of DTC's custodian. Accordingly, in connection with any transfer, appropriate adjustments will be made to reflect a decrease in the principal amount of the Regulation S Global Note and a corresponding increase in the principal amount of the Rule 144A Global Note or vice versa, as applicable. Any beneficial interest in one of the Global Notes that is transferred to a person who takes delivery in the form of an interest in another Global Note will, upon transfer, cease to be an interest in such Global Note and will become an interest in the other Global Note and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in such other Global Note for so long as it remains such an interest.

Book-Entry Procedures for the Global Notes

All interests in the Global Notes will be subject to the operations and procedures of DTC, Euroclear and Clearstream. We provide the following summaries of those operations and procedures solely for the convenience of investors. The operations and procedures of each settlement system are controlled by that settlement system and may be changed at any time. None of us, the Initial Purchasers, the trustee or any of our respective agents are responsible for those operations or procedures.

DTC has advised that it is:

- a limited purpose trust company organized under the New York State Banking Law;
- a "banking organization" within the meaning of the New York State Banking Law;
- a member of the U.S. Federal Reserve System;
- a "clearing corporation" within the meaning of the New York Uniform Commercial Code; and
- a "clearing agency" registered under Section 17A of the Exchange Act.

DTC was created to hold securities for its participants and to facilitate the clearance and settlement of securities transactions between its participants through electronic book-entry changes to the accounts of its participants. DTC's participants include securities brokers and dealers, including the Initial Purchasers; banks and trust companies; clearing corporations; and certain other organizations. Indirect access to DTC's system is also available to others such as banks, brokers, dealers and trust companies; these indirect participants clear through or maintain a custodial relationship with a DTC participant, either directly or indirectly. Investors who are not DTC participants may beneficially own securities held by or on behalf of DTC only through DTC participants or indirect participants in DTC (including Euroclear or Clearstream).

So long as DTC or its nominee is the registered owner of a Global Note, DTC or its nominee will be considered the sole owner or holder of the Notes represented by that Global Note for all purposes under the Indenture. Except as provided below, owners of beneficial interests in a Global Note:

- will not be entitled to have Notes represented by the Global Note registered in their names;
- will not receive or be entitled to receive physical, certificated Notes; and
- will not be considered the registered owners or holders of the Notes under the Indenture for any purpose, including with respect to the giving of any direction, instruction or approval to the trustee under the Indenture.

As a result, each investor who owns a beneficial interest in a Global Note must rely on the procedures of DTC to exercise any rights of a holder of Notes under the Indenture (and, if the investor is not a participant or an indirect participant in DTC, on the procedures of the DTC participant through which the investor owns its interest).

Payments of principal, premium, if any, and interest with respect to the Notes represented by a Global Note will be made by the trustee to DTC's nominee as the registered holder of the Global Note. Neither we, the trustee nor any of our respective agents will have any responsibility or liability for the payment of amounts to owners of beneficial interests in a Global Note, for any aspect of the records relating to or payments made on account of those interests by DTC, or for maintaining, supervising or reviewing any records of DTC relating to those interests.

Payments by participants and indirect participants in DTC to the owners of beneficial interests in a Global Note will be governed by standing instructions and customary practices and will be the responsibility of those participants or indirect participants and not of DTC, its nominee or us.

Transfers between participants in DTC will be effected under DTC's procedures and will be settled in same-day funds. Transfers between participants in Euroclear and Clearstream will be effected in the ordinary way under the rules and operating procedures of those systems.

Cross-market transfers between DTC participants, on the one hand, and Euroclear or Clearstream participants, on the other hand, will be effected within DTC through the DTC participants that are acting as depositaries for Euroclear and Clearstream. To deliver or receive an interest in a Global Note held in a Euroclear or Clearstream account, an investor must send transfer instructions to Euroclear or Clearstream, as the case may be, under the rules and procedures of that system and within the established deadlines of that system. If the transaction meets its settlement requirements, Euroclear or Clearstream, as the case may be, will send instructions to its DTC depository to take action to effect final settlement by delivering or receiving interests in the relevant Global Notes in DTC, and making or receiving payment. Euroclear or Clearstream participants may not deliver instructions directly to the DTC depositaries that are acting for Euroclear or Clearstream.

Because of time zone differences, the securities account of a Euroclear or Clearstream participant that purchases an interest in a Global Note from a DTC participant will be credited on the business day for Euroclear or Clearstream immediately following the DTC settlement date. Cash received in Euroclear or Clearstream from the sale of an interest in a Global Note to a DTC participant will be received with value on the DTC settlement date but will be available in the relevant Euroclear or Clearstream cash account as of the business day for Euroclear or Clearstream following the DTC settlement date.

DTC, Euroclear and Clearstream have agreed to the above procedures to facilitate transfers of interests in the Global Notes among participants in those settlement systems. However, the settlement systems are not obligated to perform these procedures and may discontinue or change these procedures at any time. Neither we nor the trustee nor any of our respective agents will have any responsibility for the performance by DTC, Euroclear or Clearstream or their participants of indirect participants of their obligations under the rules and procedures governing their operations.

Certificated Notes

Beneficial interests in the Global Notes may not be exchanged for Notes in physical, certificated form unless:

- DTC notifies us at any time that it is unwilling or unable to continue as depository for the Global Notes and a successor depository is not appointed within 90 days;
- DTC ceases to be registered as a clearing agency under the Exchange Act and a successor depository is not appointed within 90 days;
- we, at our option, notify the trustee that we elect to cause the issuance of certificated Notes; or
- certain other events provided in the Indenture should occur, including the occurrence and continuance of an event of default with respect to the Notes, and a request for such exchange has been made by the holder.

In all cases, certificated Notes delivered in exchange for any Global Note will be registered in the names, and issued in any approved denominations, requested by the depository and will bear a legend indicating the transfer restrictions of that particular Note.

Replacement of Notes

In the event that any Note becomes mutilated, defaced, destroyed, lost or stolen, we will execute and, upon our request, the trustee will authenticate and deliver a new Note, of like tenor and equal principal amount, registered in the same manner, and bearing interest from the date to which interest has been paid on such Note, in exchange and substitution for such Note (upon surrender and cancellation thereof) or in lieu of and substitution for such Note. In the event that such Note is destroyed, lost or stolen, the applicant for a substitute Note will furnish to us and the trustee such security or indemnity as may be required by them to hold each of them harmless, and, in every case of destruction, loss or theft of such Note, the applicant will also furnish to us and the trustee satisfactory evidence of the destruction, loss or theft of such Note and of the ownership thereof. Upon the issuance of any substituted Note, we may require the payment by the registered holder thereof of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other fees and expenses (including the fees and expenses of the trustee) connected therewith.

For information concerning paying agents and transfer agents for any Notes in certificated form, see “Description of the Notes—Basic Terms of Notes.”

TRANSFER RESTRICTIONS

The Notes have not been registered, and will not be registered, under the Securities Act or any state securities laws, and the Notes may not be offered or sold except pursuant to an effective registration statement or pursuant to transactions exempt from, or not subject to, registration under the Securities Act. Accordingly, the Notes are being offered and sold only:

- in the United States to qualified institutional buyers (as defined in Rule 144A) pursuant to Rule 144A under the Securities Act; and
- outside of the United States, to certain persons, other than U.S. persons, in offshore transactions meeting the requirements of Rule 903 of Regulation S under the Securities Act.

Purchasers' Representations and Restrictions on Resale and Transfer

Each purchaser of the Notes (other than the Initial Purchasers in connection with the initial issuance and sale of the Notes) and each owner of any beneficial interest therein will be deemed, by its acceptance or purchase thereof, to have represented and agreed as follows:

- (1) it is purchasing the Notes for its own account or an account with respect to which it exercises sole investment discretion and it and any such account is either (a) a qualified institutional buyer and is aware that the sale to it is being made pursuant to Rule 144A or (b) a non-U.S. person that is outside the United States;
- (2) it acknowledges that the Notes have not been registered under the Securities Act or with any securities regulatory authority of any state and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except as set forth below;
- (3) it understands and agrees that the Notes initially offered in the United States to qualified institutional buyers will be represented by a Global Note and that the Notes offered outside the United States pursuant to Regulation S will also be represented by a Global Note;
- (4) it will not offer, sell, pledge or otherwise transfer any of such Notes except (a) to us, (b) to a qualified institutional buyer in compliance with Rule 144A under the Securities Act, (c) in an offshore transaction complying with the requirements of Rule 903 or Rule 904 of Regulation S under the Securities Act, (d) pursuant to an exemption from registration under the Securities Act (if available) or (e) pursuant to a registration statement that has become effective under the Securities Act and in accordance with all applicable securities laws of the states of the United States and other jurisdictions;
- (5) it agrees that it will give to each person to whom it transfers the Notes notice of any restrictions on transfer of such Notes;
- (6) it acknowledges that prior to any proposed transfer of Notes (other than pursuant to an effective registration statement or in respect of Notes sold or transferred either pursuant to (a) Rule 144A or (b) Regulation S) the holder of such Notes may be required to provide certifications relating to the manner of such transfer as provided in the Indenture;
- (7) it acknowledges and agrees (a) that either (i) no assets of a Plan or a non-U.S., governmental or church plan have been used to acquire the Notes or an interest therein or (ii) the purchase, holding and disposition of the Notes or an interest therein by the purchaser do not constitute a non-exempt prohibited transaction under the Employee Retirement Income Security Act of 1974 or Section 4975 of the Code or a violation of similar law, and (b) that it will not sell or otherwise transfer such Notes or any interest therein other than to a purchaser or transferee that is deemed to represent and agree

with respect to its purchase, holding and disposition of such Notes to the same effect as the purchaser's representation and agreement set forth in this paragraph (7);

- (8) it acknowledges that the trustee, registrar or transfer agent for the Notes may not be required to accept for registration or transfer of any Notes acquired by it, except upon presentation of evidence satisfactory to us that the restrictions set forth herein have been complied with;
- (9) it acknowledges that we, the Initial Purchasers and other persons, will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of the acknowledgements, representations and agreements deemed to have been made by its purchase of the Notes are no longer accurate, it will promptly notify us and the Initial Purchasers;
- (10) if it is acquiring the Notes as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such account and it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each account; and
- (11) it is not residing in a jurisdiction considered as non-cooperating (*jurisdicción no cooperante*) or paying for Notes with funds transferred from accounts maintained in jurisdictions considered as non-cooperating, in each case as determined under applicable Argentine law or regulation.

Legends

The following is the form of restrictive legend that will appear on the face of the Rule 144A Global Note and that will be used to notify transferees of the foregoing restrictions on transfer. This legend will only be removed with our consent.

“This Note has not been registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”), or any other securities laws. The holder hereof, by purchasing this Note, agrees for the benefit of the Issuer that this Note or any interest or participation herein may be offered, resold, pledged or otherwise transferred only (1) to the issuer and its subsidiaries, (2) so long as this Note is eligible for resale pursuant to Rule 144A under the Securities Act (“Rule 144A”), to a person who the seller reasonably believes is a qualified institutional buyer (as defined in Rule 144A) in accordance with Rule 144A, (3) in an offshore transaction in accordance with Rule 903 or 904 of Regulation S under the Securities Act, or (4) pursuant to an exemption from registration under the Securities Act (if available) or (5) pursuant to an effective registration statement under the Securities Act, and in each of such cases in accordance with any applicable securities laws of any state of the United States or other applicable jurisdiction. The holder hereof, by purchasing this Note, represents and agrees that it will notify any purchaser of this Note from it of the resale restrictions referred to above.

This legend may be removed solely in the discretion and at the direction of the issuer.”

and (ii) the following is the form of restrictive legend which will appear on the face of the Regulation S Global Note and which will be used to notify transferees of the foregoing restrictions on transfer:

“This Note has not been registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”), or any other securities laws. The holder hereof, by purchasing this Note, agrees that neither this Note nor any interest or participation herein may be offered, resold, pledged or otherwise transferred in the absence of such registration unless such transaction is exempt from, or not subject to, such registration, and in accordance with any applicable securities laws of any other applicable jurisdiction.

The foregoing legend may be removed from this Note after 40 days beginning on and including the later of (a) the date on which the Notes are offered to persons other than distributors (as defined in Regulation S under the Securities Act) and (b) the original issue date of this Note.”

For further discussion of the requirements (including the presentation of transfer certificates) under the Indenture to effect exchanges or transfers of interest in Global Notes and certificated Notes, see “Form of Notes, Clearing and Settlement.”

You acknowledge that we, the Initial Purchasers and others will rely upon the truth and accuracy of the above acknowledgments, representations and agreements. You agree that if any of the acknowledgments, representations or agreements you are deemed to have made by your purchase of Notes is no longer accurate, you will promptly notify us and the Initial Purchasers. If you are purchasing any Notes as a fiduciary or agent for one or more investor accounts, you represent that you have sole investment discretion with respect to each of those accounts and that you have full power to make the above acknowledgments, representations and agreements on behalf of each account.

TAXATION

General

This section summarizes certain Argentine tax and U.S. federal income tax considerations relating to the purchase, ownership and disposition of the Notes. This summary does not provide a comprehensive description of all tax considerations that may be relevant to a decision to purchase the Notes. This summary does not describe any tax consequences arising under the laws of any state, locality or taxing jurisdiction other than Argentina and the United States.

This summary is based on the tax laws of Argentina and the United States as in effect on the date of this offering memorandum, as well as regulations, rulings and decisions of Argentina and the United States available on or before that date and now in effect. Those laws, regulations, rulings and decisions are subject to change and changes could apply retroactively, which could affect the continued accuracy of this summary.

Prospective purchasers of the Notes should consult their own tax advisors as to the Argentine, United States or other tax consequences of the purchase, ownership and disposition of the Notes or beneficial interests therein. They should especially consider how the tax considerations discussed below, as well as the application of state, local, foreign or other tax laws, could apply to them in their particular circumstances.

Certain U.S. Federal Income Tax Considerations

The following is a summary of certain U.S. federal income tax consequences of the purchase, ownership and disposition of the Notes. This summary deals only with Notes that are held as capital assets by a U.S. holder (as defined below) who acquires the Notes upon original issuance at their initial offering price.

A “U.S. holder” means a beneficial owner of the Notes that is for U.S. federal income tax purposes any of the following:

- an individual who is a citizen or resident of the United States;
- a corporation (or any other entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust if it (1) is subject to the primary supervision of a court within the United States and one or more U.S. persons have the authority to control all substantial decisions of the trust or (2) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

This summary is based upon provisions of the Internal Revenue Code of 1986, as amended (the “Code”), and regulations, rulings and judicial decisions as of the date hereof. Those authorities may be changed, perhaps retroactively, so as to result in U.S. federal income tax consequences different from those summarized below. This summary does not address all of the U.S. federal income tax consequences that may be relevant to U.S. holders in light of their personal circumstances, nor does it address the Medicare contribution tax on net investment income, U.S. federal estate and gift taxes or the effects of any state, local or non-U.S. tax laws. In addition, it does not represent a detailed description of the U.S. federal income tax consequences applicable to you if you are subject to special treatment under the U.S. federal income tax laws. For example, this summary does not address:

- tax consequences to holders who may be subject to special tax treatment, such as dealers or brokers in securities or currencies, traders in securities that elect to use the mark-to-market method of accounting for their securities, financial institutions, regulated investment companies, real estate investment trusts, partnerships or other pass-through entities (or investors therein), individual retirement accounts and other tax-deferred accounts, tax-exempt entities or insurance companies;

- tax consequences to persons holding the Notes as part of a hedging, integrated, constructive sale or conversion transaction or a straddle;
- tax consequences to holders of the Notes whose “functional currency” is not the U.S. dollar;
- alternative minimum tax consequences, if any; or
- tax consequences attributable to persons being required to accelerate the recognition of any item of gross income with respect to the Notes as a result of such income being recognized on an applicable financial statement.

If a partnership (or any entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds the Notes, the tax treatment of a partner will generally depend upon the status of the partner and the activities of the partnership. If you are a partner of a partnership holding the Notes, you should consult your tax advisors.

If you are considering the purchase of Notes, you should consult your own tax advisors concerning the particular U.S. federal income tax consequences to you of the purchase, ownership and disposition of the Notes, as well as the consequences to you arising under other U.S. federal tax laws and the laws of any other taxing jurisdiction.

Payments of Interest

Stated interest on a Note (including any Argentine tax withheld and any Additional Amounts paid in respect thereof) will generally be taxable to you as ordinary income at the time it is paid or accrued in accordance with your regular method of accounting for U.S. federal income tax purposes.

Subject to certain conditions and limitations (including a minimum holding period requirement), any Argentine withholding taxes on interest may be treated as foreign taxes eligible for credit against your U.S. federal income tax liability. For purposes of calculating the foreign tax credit, interest income will be treated as foreign source income and will generally constitute passive category income. However, U.S. Treasury regulations addressing foreign tax credits (the “Foreign Tax Credit Regulations”) impose additional requirements for foreign taxes to be eligible for a foreign tax credit and there can be no assurance that those requirements will be satisfied. The Department of the Treasury and the Internal Revenue Service (the “IRS”) are considering proposing amendments to the Foreign Tax Credit Regulations. In addition, recent notices from the IRS provide temporary relief by allowing taxpayers that comply with applicable requirements to apply many aspects of the foreign tax credit regulations as they previously existed (before the release of the current Foreign Tax Credit Regulations) for taxable years ending before the date that a notice or other guidance withdrawing or modifying the temporary relief is issued (or any later date specified in such notice or other guidance). Instead of claiming a foreign tax credit, you may be able to deduct any Argentine withholding taxes on interest in computing your taxable income, subject to generally applicable limitations under U.S. federal income tax law (including that a U.S. holder is not eligible for a deduction for otherwise creditable foreign income taxes paid or accrued in a taxable year if such U.S. holder claims a foreign tax credit for any foreign income taxes paid or accrued in the same taxable year). The rules governing the foreign tax credit and deductions for foreign taxes are complex. You are urged to consult your tax advisors regarding the Foreign Tax Credit Regulations (and the related temporary relief in the IRS notices) and the availability of the foreign tax credit or a deduction under your particular circumstances.

Sale, Exchange, Retirement or other Taxable Disposition of Notes

Upon the sale, exchange, retirement or other taxable disposition of a Note, you will recognize gain or loss equal to the difference between the amount you realize thereon (less an amount equal to any accrued but unpaid interest, which will be taxable as interest income to the extent not previously included in income) and your adjusted tax basis in the Note. You generally will also recognize gain upon the receipt of any principal installment on a Note prior to maturity to the extent of the portion of such principal installment that is attributable to “de minimis OID” (i.e., the difference between the “issue price” of the Note (generally, its initial offering price) and its stated principal amount). Your adjusted tax basis in a Note will generally be your cost for that Note, reduced by any previous principal

installments received prior to maturity, and likely increased by any de minimis OID included in income with respect to such principal installments. Any gain or loss you recognize will generally be capital gain or loss and will generally be long-term capital gain or loss if at the time of the sale, exchange, retirement or other taxable disposition (or the receipt of any principal installment) the Note has been held for more than one year. Long-term capital gains of non-corporate U.S. holders (including individuals) are eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations.

Any gain or loss you recognize will generally be treated as U.S. source gain or loss. Consequently, you may not be able to claim a credit for any Argentine tax imposed upon a disposition of a Note unless that credit can be applied (subject to applicable limitations) against U.S. federal income tax due on other income treated as derived from foreign sources. However, pursuant to the Foreign Tax Credit Regulations, any such Argentine tax would generally not be a foreign income tax eligible for a foreign tax credit (regardless of any other income that you may have that is derived from foreign sources). In such case, the non-creditable Argentine tax may reduce the amount realized on the sale, exchange, retirement or other taxable disposition of the Note. As discussed above, however, recent notices from the IRS provide temporary relief by allowing taxpayers that comply with applicable requirements to apply many aspects of the foreign tax credit regulations as they previously existed (before the release of the current Foreign Tax Credit Regulations) for taxable years ending before the date that a notice or other guidance withdrawing or modifying the temporary relief is issued (or any later date specified in such notice or other guidance). If any Argentine tax is imposed upon the disposition of a Note and you apply such temporary relief, such Argentine tax may be eligible for a foreign tax credit or deduction, subject to the applicable conditions and limitations. You are urged to consult your tax advisors regarding the Foreign Tax Credit Regulations (and the related temporary relief in the IRS notices) and the availability of a foreign tax credit or a deduction under your particular circumstances.

Backup Withholding and Information Reporting

Generally, information reporting requirements will apply to all payments on the Notes and the proceeds from a sale or other taxable disposition of a Note paid to you, unless you establish that you are an exempt recipient. Additionally, if you fail to provide your taxpayer identification number or, in the case of interest payments, fail either to report in full dividend and interest income or to make certain certifications, you may be subject to backup withholding on any such payments or proceeds.

Backup withholding is not an additional tax and any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against your U.S. federal income tax liability, provided the required information is timely furnished to the IRS.

Certain U.S. holders are required to report information relating to an interest in the Notes, subject to certain exceptions (including an exception for Notes held in accounts maintained by certain financial institutions), by attaching a complete IRS Form 8938, Statement of Specified Foreign Financial Assets, with their tax return for each year in which they hold an interest in the Notes. You are urged to consult your own tax advisors regarding information reporting requirements relating to your ownership of the Notes.

The above description is not intended to constitute a complete analysis of all tax consequences relating to the purchase, ownership and disposition of the Notes. Prospective purchasers of Notes should consult their own tax advisors concerning the tax consequences of their particular situations.

Certain Argentine Tax Considerations

Even though this summary is considered to constitute an appropriate interpretation of the effective laws as of the date of this offering memorandum, no assurance may be given that the courts or tax authorities in charge of the enforcement of such laws will agree with this interpretation. Furthermore, it should be noted that there have been many changes in Argentine tax laws in the past and that such laws may be subject to restatements, revocation of exemptions, reestablishment of taxes and other changes which may reduce or eliminate the return on the investment.

(a) Argentine resident individuals, (b) undivided estates located in Argentina and (c) non-Argentine residents, which include foreign individuals, undivided estates, and entities (the “*Foreign Beneficiaries*”), to the extent such Foreign Beneficiaries do not reside in, nor channel their funds through, non-cooperating jurisdictions.

In case of Notes that does not qualify as exempt, interest arising from Notes would be taxed:

- 1) at a 35% rate on the total accrued interest for (a) Argentine resident individuals and (b) undivided estates located in Argentina; and
- 2) at a 35% tax rate, applicable on a presumed basis outlined under Section 104 of the Income Tax Law (“ITL”), for (c) Foreign Beneficiaries that do not reside in, nor channel their funds through, non-cooperating jurisdictions. The presumption of net gain provided in Article 104, subsection (c), items 1 and 2 of the ITL is equivalent to 43% or 100%, depending on the status of the borrower and the creditor.

Capital Gains

Under section 36 bis of the Argentine Negotiable Obligations Law and subsection (u) of Section 26 of the ITL, capital gains derived from the sale, exchange, conversion, or any other kind of disposition of Notes that comply with the Section 36 Conditions are exempted from IT when obtained by (a) Argentine resident individuals, (b) undivided estates located in Argentina and (c) Foreign Beneficiaries that do not reside in, nor channel their funds through, non-cooperating jurisdictions.

In the case of a sale or other disposition of Notes that does not qualify as exempt, the gain from Argentine sources would be taxed:

- 1) at 15% on the net gain, in the case of securities in foreign currency (such as the Notes), for (a) Argentine resident individuals and (b) undivided estates located in Argentina; and
- 2) at a 15% tax rate for (c) Foreign Beneficiaries that do not reside in, nor channel their funds through, non-cooperating jurisdictions, applicable, at the choice of the Foreign Beneficiary, on (i) the presumption of net gain provided in section 104 subsection i) of the ITL (90% of the sale price); or (ii) on the determined actual net gain.

Section 36 Conditions

As described above, the IT exemption foreseen in Section 36 bis of the Argentine Negotiable Obligations Law on interest and capital gains shall apply to the extent the following conditions foreseen in Article 36 of such Law are met (the “*Section 36 Conditions*”):

- 1) the Notes must be placed through a public offering authorized by the CNV; and the proceeds of the placement of the Notes must be used for one or more of the following purposes: (i) investments in tangible assets located in Argentina, (ii) capital expenditure in Argentina, (iii) working capital in Argentina, (iv) refinancing of debt, (v) capital contributions to controlled or affiliated corporations of the Issuer when proceeds of such contributions are applied exclusively to the uses specified above, (vi) the acquisition of capital stock, and/or (vii) granting loans (when the issuer is a financial entity governed by the Financial Entities Law No. 21,526), in which case the Issuer must provide one of the uses of proceeds referred to above, in accordance with the regulations of the Central Bank; and
- 2) the Issuer must provide evidence to the CNV that the funds obtained were invested according to the approved plan.

If the Issuer fails to comply with the Section 36 Conditions, the benefits resulting from the IT exemption shall be forfeited and the Issuer shall become liable for payment of the taxes which the holders of the Notes would have been exempted from if the Section 36 Conditions had been complied with, calculated at a 35% rate. In this case,

holders of Notes shall receive the amount of interest as established under the relevant Notes as if no taxes had been payable.

Pursuant to Section 28 of the ITL and Article 106 of Law No. 11,683 and Decree 821/1998 (“*Tax Procedure Law*”) some exemptions are not applicable when, as a result of the application of an exemption, revenue that would have been collected by the Argentine federal tax authority would be collected instead by a foreign tax authority. This principle, however, is not applicable to Foreign Beneficiaries, regardless of whether this benefit increases the amount subject to tax in another country or not.

Income tax treatment of Foreign Beneficiaries that reside in, or channel their funds through, non-cooperating jurisdictions

If Foreign Beneficiaries reside in a non-cooperating jurisdiction, or their funds come from non-cooperating jurisdictions (the “*NC Foreign Beneficiaries*”), the aforementioned exemptions shall not apply, and such NC Foreign Beneficiaries shall be subject to the tax treatment described in this section.

Interest

Interest income arising from the Notes and obtained by NC Foreign Beneficiaries would be subject to the IT at a 35% rate, to be withheld by the Argentine payer of such interest.

The ITL establishes that the taxable base for these interest payments shall be: (i) 43% of the gross interest payment to the extent the holder is a non-resident bank or financial institution controlled by the respective central bank or similar authority that is located in a jurisdiction (a) other than those considered as “non-cooperating jurisdictions” or as “low-or-no-tax jurisdictions,” or (b) that has executed exchange information agreements with Argentina, and does not allow, among others, banking or stock market secrecy in case of tax authorities’ request for information pursuant to its domestic law; or (ii) 100% of the gross interest payment if the issuer is an Argentine corporate entity and the holder is not described under clause (i) of this paragraph.

Capital Gains

NC Foreign Beneficiaries would be taxed at the rate of 35% on 90% of the sale price of the Notes (resulting in an effective IT rate of 31.5%).

Pursuant to Argentine regulation the Argentine payer would be the person responsible to act as withholding agent of the income tax. However, if the buyer is a non-Argentine resident, the tax payment must be made by the NC Foreign Beneficiaries through their legal representative domiciled in Argentina or directly by the NC Foreign Beneficiary.

Income tax treatment of Argentine Entities

Argentine taxpayers subject to the tax inflation adjustment rules in accordance with Title VI of the ITL shall be subject to Argentine income tax on interest arising from the Notes and capital gains derived from the sale, exchange, conversion, or other disposition of the Notes.

Value Added Tax

To the extent that the Section 36 Conditions are complied with, all, financial operations and benefits related to the issuance, subscription, placement, purchase, sale, transfer, amortization, payment of interest and/or cancellation of the Notes and their guarantees are exempt from Value Added Tax (“VAT”).

Furthermore, under Law No. 20,631, complemented by Decree No. 280/1997 (the “Value Added Tax Law”), transfer of Notes is exempt from VAT, even if the Section 36 Conditions are not met.

Personal Assets Tax

Individuals domiciled in Argentina and undivided estates located in Argentina

Individuals domiciled in Argentina and undivided estates located in Argentina are subject to the personal assets tax (“PAT”) on their worldwide assets, such as the Notes, held as of December 31 of each year.

For these taxpayers, the non-taxable minimum threshold was established at Ps. 100,000,000 for fiscal year 2023. As from December 31, 2023 (inclusive), the amount that exceeds the non-taxable minimum threshold shall be subject to taxation in accordance with the following table:

Total value of the assets in excess of the non-taxable minimum threshold				
Above Ps.	Up to Ps.	Fixed amount Ps.	Plus %	Over the excess of Ps.
0	13,688,704.14	0	0.50%	0
13,688,704.14	29,658,858.98	68,443.51	0.75%	13,688,704.14
29,658,858.98	82,132,224.86	188,219.68	1.00%	29,658,858.98
82,132,224.86	456,290,138.07	712,953.35	1.25%	82,132,224.86
456,290,138.07	Thereafter	5,389,927.27	1.50%	456,290,138.07

The amounts of the minimum threshold and the amounts of the tables above shall be updated annually considering the annual variation of the CPI.

The tax is applicable on the market value of the Notes (or, in the event that the Notes are no longer listed, the acquisition costs plus accrued and unpaid interest and exchange rate differences) as of December 31 of each calendar year.

It is important to note that, through the Fiscal Measures Law, significant changes were introduced in terms of PAT. Among the main impacts, it eliminated the existing discrimination for assets located abroad and reduced the rates of the progressive scale as follows:

- Fiscal year 2023: 0.50% to 1.50%.
- Fiscal year 2024: 0.50% to 1.25%.
- Fiscal year 2025: 0.50% to 1.00%.
- Fiscal year 2026: 0.50% to 0.75%.
- Fiscal year 2027: single rate of 0.25%.

A “Special Regime for Income from Personal Assets Tax” (“REIBP” for its acronym in Spanish) was also created for all tax periods until its expiration on December 31, 2027, after which time it will enjoy tax stability until 2038. If the taxpayer has adhered to the REIBP, the value corresponding to Notes would not be subject to PAT or wealth taxes until 2027, with fiscal stability at a rate of 0.25% until the year 2038.

On the other hand, those who have fulfilled their PAT tax obligations by December 31, 2023, and have not adhered to the Regularization Regime provided in Title II of the Fiscal Package, enjoy a reduction of 0.50 percentage points in the rate for the periods 2023 to 2025.

Non-Argentine domiciled individuals and foreign undivided estates

In respect of individuals or undivided estates who are non-Argentine residents, they shall only be subject to taxation on the value of their assets located in Argentina (including the Notes) at a rate of 0.5%. The PAT is not required to be paid if the amount of such tax is equal or less than Ps. 255.75. A special regime of “substitute payer” is

established by the PAT law. However, such law excludes the application of this substitution regime to notes issued according to the Argentine Negotiable Obligations Law. Therefore, even though the possession of such notes by individuals or undivided estates domiciled abroad is subject to the PAT, as of the date of this offering memorandum, no procedure has been established for them to pay personal assets tax for the possession of notes.

In some cases, with respect to certain assets whose direct ownership corresponds to certain companies or other entities domiciled or located abroad (specifically, offshore companies incorporated or established in countries where local legislation does not require private securities to be nominative (i.e., issued/registered under somebody's name), open investment funds, pension funds or banking or financial entities whose parent companies are incorporated or are located in countries in which their central banks or equivalent local authorities have adopted the international standards of banking supervision established by the Basel Committee on Banking Supervision), the law presumes without admitting evidence to the contrary that the assets belong to individuals or undivided estates domiciled or located in the country. In that case, the law imposes on individual persons or legal entities resident in Argentina that have the possession, use, disposition, deposit, ownership, custody, administration or safekeeping of the assets (the "Substitute Obligor") the obligation to apply the tax at double the rate that should be paid by the Issuer. The PAT law also authorizes the Substitute Obligor to seek recovery of the amount so paid, without limitation, by way of withholding or by foreclosing on the assets that gave rise to such payment. However, Decree No. 812/1996 of July 24, 1996, provides that the legal presumption mentioned above will not apply to private debt securities and securities, such as notes, whose public offering has been authorized by the CNV and that are listed and/or negotiated in authorized markets located in Argentina or abroad.

In order to ensure that this legal presumption will not apply to the Issuer, and consequently, that the Issuer will not be responsible as substitute obligor in respect of the Notes, the Issuer must keep in its records a duly certified copy of the resolution of the CNV that authorizes the public offering of the Notes and certificates verifying that such certificate or authorization was in effect as of December 31 of the year in which the tax liability occurred, as required by General Resolution (AFIP) No. 2151/2006.

Tax Credits and Debits on Bank Accounts ("TDC")

Law No. 25,413 (the "*Competitiveness Law*"), as amended and regulated by Law No. 25,453 establishes, with certain exceptions, a tax on debits and credits on checking accounts held in financial institutions located in Argentina and on other operations that are used to replace the use of checking accounts. The general rate is 0.6% for each debit and credit (although, in certain cases, a rate greater than 1.2% or less than 0.075% may apply).

Therefore, unless the relevant noteholder is eligible for alternative tax treatment, amounts payable in relation to the Notes (for capital, interest or other items) that are credited to accounts in Argentine financial entities would be taxed at the general rate of 0.6%.

Pursuant to Decree No. 409/2018, 33% of the tax paid on the debits and credits levied at the 0.6% tax rate and 33% of the tax paid on transactions levied at a 1.2% rate will be considered as an advanced payment of IT and/or Special Tax for Cooperatives. If the debit or credit is subject to a lower rate, the creditable amount shall be 20% of the TDC. The amount in excess of the creditable percentage may be deducted from the income tax base.

The movements registered in the special checking accounts created by Communication "A" 3250 of the Central Bank are exempt from tax when the accounts are opened in the name of foreign legal entities and as long as they are used exclusively for investments in financial institutions in the country.

Turnover Tax

Turnover tax is a local tax levied on the habitual development of any business for profit within a provincial jurisdiction or the City of Buenos Aires. The tax base is the gross revenue obtained as a result of the business activities transacted in the jurisdiction.

Revenues derived from any transaction related to the Notes issued in accordance with the Argentine Negotiable Obligations Law shall be exempted from application of turnover tax in the jurisdictions of the City of

Buenos Aires and the Province of Buenos Aires. Pursuant to the provisions of the Tax Code applicable in both jurisdictions, in order to avail of the exemption, the Notes must be issued in accordance with the provisions set forth by Law No. 23,576 and Law No. 23,962, and the abovementioned tax exemption shall apply to the extent such transactions are exempted from IT.

Holders should consider the possible incidence of turnover tax in other jurisdictions in accordance with the provisions set forth in such jurisdictions.

Provincial Collection Regimes in Bank Accounts

Different provincial revenue agencies have established collection regimes for the turnover tax that may be applicable to the credits in bank accounts opened at Argentine financial institutions.

The applicable rates depend on each jurisdiction, in a range that usually goes up to 5%, and vary according to certain groups or categories of taxpayers, such as the risk category assigned and the degree of formal and material compliance with tax obligations.

Holders that may receive payments in Argentine bank accounts should confirm with their tax advisors the possible applications of these collection regimes.

Stamp Tax

Stamp tax is a local tax levied by each province in Argentina on onerous transactions executed within a certain local jurisdiction or outside of it with effects in such jurisdiction.

In the City of Buenos Aires and the Province of Buenos Aires, acts, contracts, or transactions (including money deliveries and receipts) associated with the issuance, subscription, placement and transfer of notes issued in accordance with the regime of the Argentine Negotiable Obligations Law are exempted from stamp tax. This exemption includes any capital increases related to the issuance of shares to be delivered in exchange for the conversion of negotiable obligations, as well as the granting of any kind of surety or security in favor of investors or third parties in connection with the issuance, whether granted before, simultaneously with, or after the issuance.

Holders and potential investors should consider the incidence of stamp tax in other Argentine local jurisdictions relevant for them in relation to the subscription, placement and transfer of the Notes.

Gift Tax

There is no federal tax on the free transmission of assets to heirs, donors, legatees or grantees. Of the Argentine local jurisdictions, only the Province of Buenos Aires has enacted such kind of tax (the "Gift Tax").

For taxpayers domiciled in the Province of Buenos Aires, the Gift Tax is levied on the total amount of gratuitous enrichment, both for property located in the province and outside it. On the contrary, in the case of taxpayers domiciled outside of the Province of Buenos Aires, the tax is only payable on income from property transferred gratuitously and located in the Province of Buenos Aires.

The following types of property, among others, are deemed situated in the Province of Buenos Aires: (i) securities, notes, shares, ownership interests, and other equity securities issued by public or private legal entities domiciled in the Province of Buenos Aires; (ii) securities, notes, shares, as well as any other equity securities located in the Province of Buenos Aires, at the time of the transfer, which had been issued by legal entities domiciled in other jurisdictions; and (iii) securities, notes, shares, and other equity securities or equivalent instruments which, at the time of the transfer, were located in a different jurisdiction, and had also been issued by legal entities domiciled in a different jurisdiction, in which case the tax shall be paid in proportion to the assets of the issuer situated in the Province of Buenos Aires.

Gratuitous transfers of property are exempt from the Gift Tax when the total value of the assets is equal to, or less than, Ps. 2,038,752 (excluding exemptions, deductions, etc.). In the case of transfers involving parents, children, and spouses, such amount shall be Ps. 8,488,486. The Gift Tax requires the payment of a fixed amount and the application of rates that range progressively from 1.603% to 9.513% on amounts exceeding certain thresholds depending on the degree of kinship and the relevant taxable base.

Regarding the existence of Gift Tax in the remaining provincial jurisdictions, the analysis must be conducted taking into consideration the legislation of each province in particular.

Court Taxes

Should it become necessary to institute legal actions in relation to the Notes in Argentina, a court tax will be imposed on the amount of any claim brought before the Argentine courts sitting in the City of Buenos Aires (currently at a rate of 3.0%). Certain court and other taxes could be imposed on the amount of any claim brought before the courts of the relevant province.

Treaties to Avoid Double Taxation

Argentina has entered into and executed income tax treaties to avoid double taxation with the following countries: Australia, Belgium, Bolivia, Brazil, Canada, Chile, Denmark, Finland, France, Germany, Italy, México, Netherlands, Norway, Qatar, Russia, Spain, Sweden, Switzerland, United Arab Emirates and the United Kingdom.

Tax treaties with Austria, China, Japan, Luxembourg and Turkey have been signed, but have not entered into force yet. There is currently no tax treaty to avoid double taxation in force between Argentina and the United States. In addition, agreements with Colombia and Israel are under negotiation, as well as amendments to the current agreement with Germany. The amendment to the current agreement with France is pending ratification.

Finally, we highlight that a bill of law has been submitted for legislative consideration, approving the “*Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting*” signed within the framework of the Organization for Economic Co-operation and Development (“OECD”), which, if approved, will amend the agreements signed with 17 jurisdictions. Potential investors should consider the applicable treatment under the mentioned agreements according to their particular situation.

Inflow of Funds from Non-Cooperating Jurisdictions or Low-or-No-Tax Jurisdictions

For fiscal purposes, any reference to “non-cooperating jurisdictions” or “low-or-no-tax jurisdictions” should be understood to be “non-cooperating jurisdictions or low-or-no-tax jurisdictions,” as defined in sections 19 and 20 of the ITL.

Section 19 of the ITL defines “non-cooperating jurisdictions” as those countries or jurisdictions that do not have in force with the Argentine government an agreement for the exchange of information on tax matters or a treaty to avoid international double taxation with a broad clause for the exchange of information. Likewise, those countries that have an agreement of this type in force and do not effectively comply with the exchange of information will be considered non-cooperating. The aforementioned treaties and agreements must comply with international standards of transparency and exchange of information on fiscal matters to which the Argentine Republic has committed itself. Section 24 of Decree No. 862/2019, as amended, established the list of jurisdictions that are considered as non-cooperating based on the aforementioned criteria (established by Decree N° 862/2019, as modified by Decree N° 48/2023). As of today, the United States is not considered a “non-cooperating jurisdiction” under section 19 of the ITL.

Pursuant to section 20 of the ITL, low-or-no-tax jurisdictions are countries, domains, jurisdictions, territories, associated states, or special tax regimes that establish a maximum tax on business income that is less than 15%. This figure represents 60% of the lowest corporate income tax rate (i.e., 25%) that is provided in the scale of the first paragraph of article 73 of the ITL. Additionally, section 25 of the Decree No. 862/2019 established that for determining if a jurisdiction is a low-or-no-tax jurisdiction, the total tax rate applicable to corporations, regardless of the authority

that established the tax, should be considered. Moreover, section 25 provides that “special tax regimes” means any regulation or special regime that established a special corporate tax which results in an applicable corporate tax lower than the one of the general regimes of that jurisdiction. The Argentine Federal Tax Authority (“AFIP”) has prepared an indicative and non-exhaustive list of jurisdictions considered to be low-or-no-tax jurisdictions, which can be consulted on their web site at: <https://www.afip.gob.ar>.

Incoming funds from non-cooperating jurisdictions or low-or-no-tax jurisdictions are considered as unjustified net worth increases for the local receiver, no matter the nature of the operation involved. Unjustified net worth increases are subject to the following taxes:

Income tax would be assessed on 110% of the amount of funds transferred; and

VAT (and excise tax, if applicable) would be assessed on 110% of the amount of funds transferred.

Even though the concept “incoming funds from” is not clear, it could be construed as any fund transfer:

- from an account in a non-cooperating jurisdiction, or from a bank account opened outside of a non-cooperating jurisdiction but owned by an entity located in a non-cooperating jurisdiction;
- to a bank account located in Argentina or to a bank account opened outside of Argentina but owned by an Argentina tax resident.

Notwithstanding this assumption, regulations provide that AFIP could consider as justified those funds in respect of which it could be evidenced that they derive from activities genuinely performed by an Argentine taxpayer, or by a third party in such jurisdictions, or that they arise from the placement of declared funds.

THE ABOVE SUMMARY DOES NOT REPRESENT A FULL DESCRIPTION OF ALL TAX CONSEQUENCES RESULTING FROM THE OWNERSHIP AND DISPOSITION OF THE NOTES. PROSPECTIVE INVESTORS SHOULD CONSULT THEIR TAX ADVISERS REGARDING TAX CONSEQUENCES OF AN INVESTMENT IN THE NOTES IN LIGHT OF THEIR PARTICULAR CIRCUMSTANCES.

PLAN OF DISTRIBUTION

Subject to the terms and conditions set forth in the purchase agreement relating to the Notes to be entered with the Initial Purchasers referred to below, each Initial Purchaser has severally and not jointly agreed to purchase, and we have agreed to sell to the Initial Purchasers, the principal amount of the Notes set forth opposite such Initial Purchaser's name in the following table.

Initial Purchasers	Principal Amount of Notes
Citigroup Global Markets Inc.	US\$105,000,000
Itau BBA USA Securities, Inc.	US\$105,000,000
J.P. Morgan Securities LLC.....	US\$105,000,000
Santander US Capital Markets LLC	US\$105,000,000
Total.....	US\$420,000,000

In addition, pursuant to the Argentine public offering of the Notes, the Local Placement Agents (as defined below) arranged the placement of the Notes under a Local Placement Agreement (as defined below).

The purchase agreement provides that the obligations of the Initial Purchasers are subject to certain conditions precedent, including the absence of any pending or threatened litigation in connection with this offering. The Initial Purchasers must purchase all the Notes if they purchase any of the Notes. The Initial Purchasers may offer and sell the Notes through certain of their respective affiliates.

We have applied to have the Notes listed on the Official List of the Luxembourg Stock Exchange and admitted for trading on the Euro MTF. We also applied to have the Notes listed on the BYMA and admitted for trading on the MAE. The Notes do not have an established trading market, so we cannot assure you to the liquidity, development or continuation of the trading markets for the Notes. In addition, any such market-making activity will be subject to the limits imposed by the Securities Act, the Exchange Act, Argentine Capital Markets Law and the CNV Rules. Accordingly, we cannot assure you as to the liquidity of, or the development or continuation of trading markets for, the Notes.

The Initial Purchasers may engage in stabilizing and similar transactions that stabilize the price of the Notes in accordance with applicable law. These transactions may consist of bids or purchases for the purpose of pegging, fixing or maintaining the price of the Notes. If an Initial Purchaser creates a short position in the Notes (that is, if it sells the Notes in an aggregate principal amount exceeding that set forth in this offering memorandum), such Initial Purchaser may reduce that short position by purchasing the Notes in the open market. In general, purchase of the Notes for the purpose of stabilization or to reduce a short position could cause the price of the Notes to be higher than it might be in the absence of such purchases. All stabilization activities shall be made in accordance with applicable laws.

Neither we nor the Initial Purchasers make any representation or prediction as to the direction or magnitude of any effect that the transactions described in the immediately preceding paragraphs may have on the price of the Notes. In addition, neither we nor the Initial Purchasers make any representation that the Initial Purchasers will engage in any such transactions or that such transactions, once commenced, will not be discontinued without notice.

Certain of the Initial Purchasers and/or their respective affiliates may enter into derivative and/or structured transactions with clients, at their request, in connection with the Notes and certain of the Initial Purchasers and/or their respective affiliates may also purchase some of the Notes to hedge their risk exposure in connection with such transactions. Also, certain of the Initial Purchasers and/or their respective affiliates may acquire for their own proprietary account the Notes. Such acquisitions may have an effect on demand and the price of the offering.

Certain of the Initial Purchasers and their affiliates may hold our 2026 Notes. To the extent that our 2026 Notes are repurchased, redeemed or repaid with the proceeds from the sale of the Notes, such Initial Purchasers or their affiliates would receive a portion of the proceeds from the sale of the Notes in respect of our 2026 Notes.

We have agreed to indemnify the Initial Purchasers and the Local Placement Agents against certain liabilities (including, without limitation, liabilities under the Securities Act) or to contribute to payments the Initial Purchasers may be required to make in respect thereof. We have also agreed to reimburse the Initial Purchasers and the Local Placement Agents for certain other expenses.

We have agreed, that for a period of 30 days from the date of this offering memorandum, the Company will not offer, sell or contract to sell, or otherwise dispose of (or enter into any transaction which is designed to, or might reasonably be expected to, result in the disposition (whether by actual disposition or effective economic disposition due to cash settlement or otherwise) by the Company or any affiliate of the Company or any person in privity with the Company or any of its affiliates), directly or indirectly, or announce any public or broadly marketed offering of, any U.S. dollar-denominated debt securities issued or guaranteed by the Company and having a maturity of more than one year from the date of issue.

We expect that delivery of the Notes will be made to investors on or about October 16, 2024, which will be the fourth business day following the date of this offering memorandum (such settlement being referred to as “T+4”). Under Rule 15c6-1 under the U.S. Securities Exchange Act of 1934, trades in the secondary market are required to settle in one business day, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Notes on a day prior to the first business day before the date of initial delivery of the Notes hereunder will be required, by virtue of the fact that the Notes initially settle in T+4, to specify an alternate settlement arrangement at the time of any such trade to prevent a failed settlement. Purchasers of the Notes who wish to trade the Notes prior to their date of delivery hereunder should consult their advisors.

The Initial Purchasers and the Local Placement Agents have, directly or indirectly, performed investment and/or commercial banking or financial advisory services for us and our affiliates, for which they have received customary fees and commissions, and they expect to provide these services to us and our affiliates in the future, for which they also expect to receive customary fees and commissions.

In addition, in the ordinary course of their business activities, the Initial Purchasers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. The Initial Purchasers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments with us.

European Economic Area

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of MiFID II; (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently, no key information document required by the PRIIPs Regulation for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

United Kingdom

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation. Consequently, no key information document required by the PRIIPs Regulation as it forms

part of domestic law by virtue of the UK PRIIPs Regulation for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

In the UK, this offering memorandum and any other material in relation to the Notes described herein are being distributed only to, and are directed only at, persons who are “qualified investors” (as defined in the UK Prospectus Regulation) who are (i) persons having professional experience in matters relating to investments falling within Article 19(5) of the Order, or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order, or (iii) persons to whom it would otherwise be lawful to distribute them, all such persons together being referred to as “Relevant Persons.” In the UK, the Notes are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire the Notes will be engaged in only with, Relevant Persons. This offering memorandum and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by any recipients to any other person in the UK. Any person in the UK that is not a Relevant Person should not act or rely on this offering memorandum or its contents.

Canada

The Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws in Canada.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this offering memorandum (including any amendment hereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (“NI 33-105”), the Initial Purchasers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Chile

Pursuant to the Securities Market Law of Chile and *Norma de Carácter General* (Rule) No. 336, dated June 27, 2012, issued by the Financial Market Commission of Chile (*Comisión para el Mercado Financiero*, or “CMF”) (“Rule 336”), the Notes may be privately offered to certain qualified investors identified as such by Rule 336 (which in turn are further described in Rule No. 216, dated June 12, 2008, and Rule 410 dated July 27, 2016, both of the CMF).

Rule 336 requires the following information to be made to prospective investors in Chile:

1. Date of commencement of the offer: October 4, 2024. The offer of the Notes is subject to Rule 336;
2. The subject matter of this offer are securities not registered in the securities registry (*Registro de Valores*) of the CMF, nor in the foreign securities registry (*Registro de Valores Extranjeros*) of the CMF; hence, the notes are not subject to the oversight of the CMF;
3. Since the Notes are not registered in Chile there is no obligation by the issuer to deliver public information about the notes in Chile; and

4. The Notes shall not be subject to public offering in Chile unless registered in the relevant securities registry of the CMF.

Colombia

The Notes have not been, and will not be, registered in the National Securities and Issuers Registry (*Registro Nacional de Valores y Emisores*) of Colombia or traded on the Colombia Stock Exchange (*Bolsa de Valores de Colombia*). Therefore, the Notes may not be publicly offered or sold in Colombia except in compliance with the applicable Colombian securities regulations.

The offering memorandum is for the sole and exclusive use of the addressee as an offeree in Colombia, and the offering memorandum shall not be interpreted as being addressed to any third party in Colombia or for the use of any third party in Colombia, including any shareholders, administrators or employees of the addressee.

The recipient of the Notes acknowledges that certain Colombian laws and regulations (specifically foreign exchange and tax regulations) are applicable to any transaction or investment made in connection with the Notes being offered and represents that it is the sole party liable for full compliance with any such laws and regulations.

Peru

The Notes and the information contained in this offering memorandum are not being publicly marketed or offered in Peru and will not be distributed or caused to be distributed to the general public in Peru. Peruvian securities laws and regulations on public offerings will not be applicable to the offering of the Notes and therefore, the disclosure obligations set forth therein will not be applicable to the issuer or the sellers of the Notes before or after their acquisition by prospective investors. The Notes and the information contained in this offering memorandum have not been and will not be reviewed, confirmed, approved or in any way submitted to the Peruvian Superintendency of Capital Markets (*Superintendencia del Mercado de Valores*, or “SMV”), and the Notes have not been registered under the Securities Market Law (*Ley del Mercado de Valores*) or any other Peruvian regulations. Accordingly, the Notes cannot be offered or sold within Peruvian territory except to the extent any such offering or sale qualifies as a private offering under Peruvian regulations and complies with the provisions on private offerings set forth therein.

Hong Kong

The Notes may not be offered or sold in Hong Kong by means of any document other than (i) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the “SFO”) and any rules made thereunder or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) and which do not constitute an offer to the public within the meaning of that Ordinance; and no advertisement, invitation or document relating to the Notes may be issued or may be in the possession of any person for the purposes of issue (in each case whether in Hong Kong or elsewhere) which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong or otherwise is or contains an invitation to the public (except if permitted to do so under the laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made thereunder.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) and, accordingly, will not be offered or sold, directly or indirectly, in Japan, or for the benefit of any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese Person, except in compliance with all applicable laws, regulations and ministerial guidelines promulgated by relevant Japanese governmental or regulatory authorities in effect at the relevant time. For the purposes of this paragraph, “Japanese Person” shall mean any person resident in Japan, including any corporation or other entity organized under the laws of Japan.

- tax consequences to persons holding the Notes as part of a hedging, integrated, constructive sale or conversion transaction or a straddle;
- tax consequences to holders of the Notes whose “functional currency” is not the U.S. dollar;
- alternative minimum tax consequences, if any; or
- tax consequences attributable to persons being required to accelerate the recognition of any item of gross income with respect to the Notes as a result of such income being recognized on an applicable financial statement.

If a partnership (or any entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds the Notes, the tax treatment of a partner will generally depend upon the status of the partner and the activities of the partnership. If you are a partner of a partnership holding the Notes, you should consult your tax advisors.

If you are considering the purchase of Notes, you should consult your own tax advisors concerning the particular U.S. federal income tax consequences to you of the purchase, ownership and disposition of the Notes, as well as the consequences to you arising under other U.S. federal tax laws and the laws of any other taxing jurisdiction.

Payments of Interest

Stated interest on a Note (including any Argentine tax withheld and any Additional Amounts paid in respect thereof) will generally be taxable to you as ordinary income at the time it is paid or accrued in accordance with your regular method of accounting for U.S. federal income tax purposes.

Subject to certain conditions and limitations (including a minimum holding period requirement), any Argentine withholding taxes on interest may be treated as foreign taxes eligible for credit against your U.S. federal income tax liability. For purposes of calculating the foreign tax credit, interest income will be treated as foreign source income and will generally constitute passive category income. However, U.S. Treasury regulations addressing foreign tax credits (the “Foreign Tax Credit Regulations”) impose additional requirements for foreign taxes to be eligible for a foreign tax credit and there can be no assurance that those requirements will be satisfied. The Department of the Treasury and the Internal Revenue Service (the “IRS”) are considering proposing amendments to the Foreign Tax Credit Regulations. In addition, recent notices from the IRS provide temporary relief by allowing taxpayers that comply with applicable requirements to apply many aspects of the foreign tax credit regulations as they previously existed (before the release of the current Foreign Tax Credit Regulations) for taxable years ending before the date that a notice or other guidance withdrawing or modifying the temporary relief is issued (or any later date specified in such notice or other guidance). Instead of claiming a foreign tax credit, you may be able to deduct any Argentine withholding taxes on interest in computing your taxable income, subject to generally applicable limitations under U.S. federal income tax law (including that a U.S. holder is not eligible for a deduction for otherwise creditable foreign income taxes paid or accrued in a taxable year if such U.S. holder claims a foreign tax credit for any foreign income taxes paid or accrued in the same taxable year). The rules governing the foreign tax credit and deductions for foreign taxes are complex. You are urged to consult your tax advisors regarding the Foreign Tax Credit Regulations (and the related temporary relief in the IRS notices) and the availability of the foreign tax credit or a deduction under your particular circumstances.

Sale, Exchange, Retirement or other Taxable Disposition of Notes

Upon the sale, exchange, retirement or other taxable disposition of a Note, you will recognize gain or loss equal to the difference between the amount you realize thereon (less an amount equal to any accrued but unpaid interest, which will be taxable as interest income to the extent not previously included in income) and your adjusted tax basis in the Note. You generally will also recognize gain upon the receipt of any principal installment on a Note prior to maturity to the extent of the portion of such principal installment that is attributable to “de minimis OID” (i.e., the difference between the “issue price” of the Note (generally, its initial offering price) and its stated principal amount). Your adjusted tax basis in a Note will generally be your cost for that Note, reduced by any previous principal

installments received prior to maturity, and likely increased by any de minimis OID included in income with respect to such principal installments. Any gain or loss you recognize will generally be capital gain or loss and will generally be long-term capital gain or loss if at the time of the sale, exchange, retirement or other taxable disposition (or the receipt of any principal installment) the Note has been held for more than one year. Long-term capital gains of non-corporate U.S. holders (including individuals) are eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations.

Any gain or loss you recognize will generally be treated as U.S. source gain or loss. Consequently, you may not be able to claim a credit for any Argentine tax imposed upon a disposition of a Note unless that credit can be applied (subject to applicable limitations) against U.S. federal income tax due on other income treated as derived from foreign sources. However, pursuant to the Foreign Tax Credit Regulations, any such Argentine tax would generally not be a foreign income tax eligible for a foreign tax credit (regardless of any other income that you may have that is derived from foreign sources). In such case, the non-creditable Argentine tax may reduce the amount realized on the sale, exchange, retirement or other taxable disposition of the Note. As discussed above, however, recent notices from the IRS provide temporary relief by allowing taxpayers that comply with applicable requirements to apply many aspects of the foreign tax credit regulations as they previously existed (before the release of the current Foreign Tax Credit Regulations) for taxable years ending before the date that a notice or other guidance withdrawing or modifying the temporary relief is issued (or any later date specified in such notice or other guidance). If any Argentine tax is imposed upon the disposition of a Note and you apply such temporary relief, such Argentine tax may be eligible for a foreign tax credit or deduction, subject to the applicable conditions and limitations. You are urged to consult your tax advisors regarding the Foreign Tax Credit Regulations (and the related temporary relief in the IRS notices) and the availability of a foreign tax credit or a deduction under your particular circumstances.

Backup Withholding and Information Reporting

Generally, information reporting requirements will apply to all payments on the Notes and the proceeds from a sale or other taxable disposition of a Note paid to you, unless you establish that you are an exempt recipient. Additionally, if you fail to provide your taxpayer identification number or, in the case of interest payments, fail either to report in full dividend and interest income or to make certain certifications, you may be subject to backup withholding on any such payments or proceeds.

Backup withholding is not an additional tax and any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against your U.S. federal income tax liability, provided the required information is timely furnished to the IRS.

Certain U.S. holders are required to report information relating to an interest in the Notes, subject to certain exceptions (including an exception for Notes held in accounts maintained by certain financial institutions), by attaching a complete IRS Form 8938, Statement of Specified Foreign Financial Assets, with their tax return for each year in which they hold an interest in the Notes. You are urged to consult your own tax advisors regarding information reporting requirements relating to your ownership of the Notes.

The above description is not intended to constitute a complete analysis of all tax consequences relating to the purchase, ownership and disposition of the Notes. Prospective purchasers of Notes should consult their own tax advisors concerning the tax consequences of their particular situations.

Certain Argentine Tax Considerations

Even though this summary is considered to constitute an appropriate interpretation of the effective laws as of the date of this offering memorandum, no assurance may be given that the courts or tax authorities in charge of the enforcement of such laws will agree with this interpretation. Furthermore, it should be noted that there have been many changes in Argentine tax laws in the past and that such laws may be subject to restatements, revocation of exemptions, reestablishment of taxes and other changes which may reduce or eliminate the return on the investment.

Singapore

This offering memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the Notes have not been offered or sold nor have any Notes been caused to be made the subject of an invitation for subscription or purchase and the Notes will not be offered or sold or caused to be made the subject of an invitation for subscription or purchase, and neither this offering memorandum nor any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, has been circulated or distributed, nor will it be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the “SFA”)) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is: (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except: (1) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(8) of the SFA; (2) where no consideration is or will be given for the transfer; (3) where the transfer is by operation of law; or (4) as specified in Section 276(7) of the SFA.

Singapore Securities and Futures Act Product Classification

Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the Securities and Futures Act (Chapter 289 of Singapore) (the “SFA”), we have determined, and hereby notify all relevant persons (as defined in Section 309A of the SFA) that the Notes are “prescribed capital markets products” (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the S Notice FAA-N16: Notice on Recommendations on Investment Products).

Switzerland

The Notes may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act of June 15, 2018, as amended (the “FinSA”), and no application has been or will be made to admit the notes to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this offering memorandum nor any other offering or marketing material relating to the notes constitutes a prospectus as such term is understood pursuant to the FinSA and neither this offering memorandum nor any other offering or marketing material relating to the notes may be publicly distributed or otherwise made publicly available in Switzerland.

Argentina

The Notes are being placed in Argentina by means of a public offering conducted in accordance with Argentine securities law, the CNV Rules and other applicable Argentine laws (the “Local Offering”).

The Notes will constitute our series XVIII. The approval to conduct this public offering of the Notes described in this offering memorandum is included in the authorization granted by the CNV to the Company to act under the Frequent Issuer Regime, in accordance with Section VIII, Chapter V, Title II of the CNV Rules. Neither this offering memorandum nor the Argentine pricing supplement have been previously reviewed or approved by the CNV. The CNV has not rendered and will not render any opinion with respect to the accuracy of the information contained in the Argentine pricing supplement. The CNV has not rendered and will not render any opinion with respect

to information contained in this Offering Memorandum. Offers of the Notes to the public in Argentina will be made by means of the Argentine prospectus dated May 7, 2024, as amended on September 30, 2024, and pricing supplement. The Local Offering will be made by way of an Argentine prospectus in the Spanish language with information substantially similar to that included in the offering memorandum. Offers of the Notes to qualified investors in Argentina will be made by means of the Argentine prospectus, as amended, and pricing supplement. The Local Offering will be made by way of an Argentine pricing supplement in the Spanish language with information substantially similar to that included in the offering memorandum.

Balanz Capital Valores S.A.U., Banco de Galicia y Buenos Aires S.A.U., Banco Santander Argentina S.A., SBS Trading S.A. and TPCG Valores S.A.U. (together, the “Local Placement Agents”) and the Company will enter into a local placement agreement (*contrato de colocación* or “Local Placement Agreement”) governed by Argentine Law, pursuant to which the Local Placement Agents may only solicit or receive Expressions of Interest (as defined below) from investors who are Argentine residents and place them in the order book maintained by the Initial Purchasers through a book building process outside Argentina.

The Initial Purchasers and the Local Placement Agents will engage in marketing efforts and will offer the Notes by means of a public offering in Argentina pursuant to Argentine securities laws, the CNV Rules and other applicable Argentine laws, including, without limitation, Chapter IV, Title VI of the CNV Rules. In addition, they will undertake marketing efforts for the placement of the Notes to investors outside Argentina in accordance with the laws of the applicable jurisdictions.

The Local Placement Agents’ and the Initial Purchasers’ placement efforts will consist of a variety of marketing methods and activities customarily undertaken in transactions of this type. Such marketing efforts may include: (i) international and/or local road shows with institutional investors; (ii) calls with institutional investors, where such investors will have the opportunity to ask questions regarding our business and the Notes; (iii) electronic road shows; (iv) the publication of a summary of the Argentine prospectus, as amended (containing information substantially similar to that included in this offering memorandum) in the MAE bulletin and the publication of other notices in newspapers and bulletins; (v) the distribution (electronically or in hard copy) of this offering memorandum outside Argentina, and the Argentine prospectus in Argentina, as amended; and (vi) the availability to investors of hard copies of the offering memorandum at the principal offices of the Initial Purchasers.

Book-Building

The placement of the Notes is being conducted pursuant to book-building procedures undertaken by the Initial Purchasers.

Investors interested in purchasing the Notes must make expressions of interest (each an “Expression of Interest”) specifying the requested principal amount of the Notes that they seek to purchase, which shall be in minimum denominations of US\$1,000 and integral multiples of US\$1,000 in excess thereof, as well as the offered yield for the Notes (the “Offered Yield”).

As described further below, the Initial Purchasers will record the Expressions of Interest received from investors outside of Argentina and from the Local Placement Agents in Argentina in an electronic registry book located in New York City in accordance with customary practice for this type of international offering in the United States and applicable regulations pursuant to Article 1, Section I, Chapter IV, Title VI of the CNV Rules (the “Register”).

Subject to Argentine securities law, the CNV Rules and other applicable laws and regulations and in compliance with the transparency obligations, the Local Placement Agents and the Initial Purchasers reserve the right to terminate the offering at any time and to reject, in whole or in part, any Expression of Interest containing mistakes or omissions that impede their processing in the system, and to not allocate any Notes or allocate Notes in a lower amount than that requested by the investor in its Expression of Interest in accordance with the allocation procedures described below. In addition, the Initial Purchasers and the Local Placement Agents reserve the right to reject Expressions of Interest for lack of compliance with the requirements of applicable anti-money laundering regulations.

Offering Period

In Argentina, the Expressions of Interest must be made with the Local Placement Agents, who will submit them to the Initial Purchasers in accordance with procedures to be determined by the Initial Purchasers. Subject to the CNV Rules and other applicable regulations, the Local Placement Agents may request that investors in Argentina that make Expressions of Interest provide guarantees for the payment of their requested orders. Outside of Argentina, the Expressions of Interest must be made with the Initial Purchasers.

The Expressions of Interest may only be made with the Initial Purchasers or the Local Placement Agents during the period beginning on or about October 4, 2024 at 10:00 am Buenos Aires time and ending on October 9, 2024 (the “Allocation Date”) at 1:00 pm Buenos Aires time (such period, the “Offering Period,” and the date and time of the expiration of the Offering Period, the “Expression of Interest Deadline”). After the Expression of Interest Deadline, no new Expressions of Interest will be accepted.

Between 1:00 pm and 6:00 pm Buenos Aires time on the Allocation Date, the Initial Purchasers shall record in the Register all Expressions of Interest received before the Expression of Interest Deadline and shall thereafter close the Register (the exact date and time of the effective registration of the Expressions of Interest in the Register and closing of the Register determined by the Initial Purchasers in their sole discretion within the range described above) (the “Register Closing Time”). Any Expressions of Interest received before the Expression of Interest Deadline shall not be binding and may be withdrawn or modified until the Register Closing Time. In accordance with the provisions of Article 7, Section I, Chapter IV, Title VI of the CNV Rules, investors waive their right to expressly ratify their Expressions of Interest effective as of the Register Closing Time. Accordingly, all Expressions of Interest not withdrawn or modified as of the Register Closing Time shall constitute firm, binding and definitive offers based on the terms presented (as amended at such time) without need for any further action by the investor.

Allocation

On the Allocation Date, after the Register Closing Time, the Issuer, with the advice of the Initial Purchasers, and the Local Placement Agents, will determine, based on the demand received and in accordance with the book-building process, the amount of Notes to be issued, in each case based on the Expressions of Interest received and in accordance with the book-building procedures.

In addition, following the final allocation of the Notes on the Allocation Date, the Company will publish a notice announcing the results of the placement of the Notes on the CNV webpage and, as soon as possible thereafter, in the MAE Electronic Bulletin, specifying the amount of the Notes to be issued (the “Results Notice”).

Amendment, Suspension and/or Extension

The Offering Period may be modified, suspended or extended prior to expiration of the original term, by notice given by the same means by which the original offering was announced. None of the Company, the Local Placement Agents or the Initial Purchasers shall be responsible in the event of a modification, suspension or extension of the Offering Period or of the Allocation Date, and those investors who have submitted Expressions of Interest shall not be entitled to any compensation as a result thereof. In the event the Allocation Date is terminated or revoked or a decision is made not to issue the Notes or proceed with the offering, all Expressions of Interest received will automatically expire.

In the event the Offering Period is suspended or extended, investors that have submitted Expressions of Interest during the Offering Period may, in their sole discretion and without penalty, withdraw such Expressions of Interest at any time during the period of the suspension or the new extended Offering Period.

Voided Offers; Rejection of Expressions of Interest

Expressions of Interest may not be rejected, except where they contain mistakes or omissions that make their processing unduly burdensome or impede their processing in the system, or as further described below.

Those investors who have filed Expressions of Interest must provide to the Local Placement Agents or the Initial Purchasers, as applicable, all information and documentation they may require in order to comply with applicable laws and regulations related to the prevention of anti-money laundering and the financing of terrorism. In cases where the information provided is inadequate, incomplete and/or is not provided in a timely manner, the Local Placement Agents and the Initial Purchasers may, without liability, reject the related Expressions of Interest.

The Local Placement Agents and the Initial Purchasers reserve the right to reject an Expression of Interest if they do not believe that requirements under applicable laws or regulations have been satisfied. Such applicable laws and regulations include those related to anti-money laundering, such as those issued by the UIF, the CNV or the Central Bank. Any decision to reject an Expression of Interest will take into account the principle of equal treatment among investors.

Any modification to these rules will be published for one business day on the CNV's webpage and in the MAE's electronic gazette.

The Company may declare void the placement of the Notes during or immediately following completion of the Offering Period if: (i) no Expressions of Interest have been received or all of the Expressions of Interest have been rejected; (ii) the Offered Yield by investors was higher than that expected by us; (iii) the Expressions of Interest represent a principal amount of the Notes that, being reasonably considered, would not justify the issuance of the Notes; (iv) considering the economics indicated in the Expressions of Interest, the issuance of the Notes will be unprofitable for us; or (v) there were material adverse changes in the international financial markets and/or the local or international capital markets, or in the Company's general condition and/or that of Argentina, including, for example, disruptions in political, economic, financial conditions or our credit, such that the issuance of Notes described within this offering memorandum would not be advisable; or (vi) investors have not complied with laws and regulations related to anti-money laundering and the financing of terrorism, including those issued by the UIF, the CNV and the Central Bank. In addition, the allocation of the Notes may be rescinded in accordance with the terms and conditions of the Purchase Agreement.

Allocation Procedures

Investors with Expressions of Interest indicating an Offered Yield lower than or equal to our applicable yield (the "Applicable Yield") may purchase the Notes, subject to applicable laws, in the allocation decided by the Company, with the advice of the Initial Purchasers and the Local Placement Agents based on the criteria described below.

The Company cannot assure investors that their Expressions of Interest will be allocated nor that, if allocated, they will be allocated the full amount of Notes requested or that the proportion of the allocation of the aggregate amount of Notes requested between two equal Expressions of Interest will be the same.

No investor that submitted an Expression of Interest with an Offered Yield higher than the Applicable Yield determined by the Company shall receive any Notes. None of the Company, the Initial Purchasers or the Local Placement Agents shall have any obligation to inform any investor whose Expression of Interest has been totally or partially excluded that such Expressions of Interest has been totally or partially excluded.

Settlement

The settlement of the Notes will take place on October 16, 2024 or any other subsequent date provided in the Results Notice. All Notes shall be paid for by the investors on or before October 16, 2024 in U.S. dollars by wire transfer to an account outside of Argentina to be specified by the Initial Purchasers and/or the Local Placement Agents in accordance with standard market practice.

The investors acquiring the Notes will not be under any obligation to pay any commissions, unless such investor makes the transaction through its broker, agent, commercial bank, trust company or other entity, in which case such investor may have to pay commissions and/or fees to such entities, which shall be such investor's exclusive responsibility. Likewise, in the event of transfers or other acts with respect to the Notes, including changes made

through the collective depository system, DTC may charge fees to the participants, which may be passed on to the holders of the Notes.

LEGAL MATTERS

The validity of the Notes and certain legal matters in connection with Argentine law will be passed upon for us by Bruchou & Funes de Rioja, our Argentine legal counsel. Certain matters in connection with United States and New York law in connection with the Notes will be passed upon by Simpson Thacher & Bartlett LLP, our United States legal counsel. Legal matters will be passed upon for the Initial Purchasers by TCA Tanoira Cassagne, Argentine legal counsel to the Initial Purchasers, and Allen Overy Shearman Sterling US LLP, United States legal counsel to the Initial Purchasers.

INDEPENDENT AUDITORS

The consolidated financial statements of YPF Energía Eléctrica S.A. and its subsidiaries as of December 31, 2023 and 2022 and for the years ended December 31, 2023 and 2022 included in this offering memorandum have been audited by Deloitte & Co. S.A., independent auditors, as stated in their reports appearing herein.

LISTING AND GENERAL INFORMATION

1. We have applied to have the Notes listed on the Official List of the Luxembourg Stock Exchange and admitted for trading on the Euro MTF. We also applied to have the Notes listed on the BYMA and admitted for trading on the MAE.

2. The CUSIP and ISIN numbers for the initial Notes are as follows:

	<u>CUSIP Number</u>	<u>ISIN Number</u>
Rule 144A Global Notes	98424MAB9	US98424MAB90
Regulation S Global Notes.....	P9897PAS3	USP9897PAS31

3. We have obtained all necessary consents, approvals and authorizations in connection with the issuance and performance of the Notes. Our board of directors approved this issuance of Notes at its meeting held on September 23, 2024.

4. Except as described in this offering memorandum, there are no pending actions, suits or proceeds against or affecting us or any of our properties, which, if determined adversely to us, would individually or in the aggregate have an adverse effect on our financial condition or would adversely affect our ability to perform our obligations under the Notes or which are otherwise material in the context of the issue of the Notes, and, to the best of our knowledge, no such actions, suits or proceedings are threatened.

5. Except as described in this offering memorandum, there has been no change (or any development or event involving a prospective change of which we are or might reasonably be expected to be aware) that is materially adverse to our financial condition. Except as described in this offering memorandum, there has been no material change in the prospects and the financial position of the Issuer since the date of the last financial information included in this offering memorandum.

6. The application for admission to the Frequent Issuer Regime and the issuance of notes under the Frequent Issuer Regime was approved by our ordinary general shareholders' meeting held on April 28, 2021 and our board of directors meetings held on July 13, 2021 and September 4, 2024, as well as by resolution of the chairman of our board of directors, dated August 28, 2024. Such admission and authorization was granted by the CNV through Disposition No. DI-2022-13-APN-GE#CNV dated May 5, 2022, Disposition No. DI-2024-28-APN-GE#CNV dated May 7, 2024 and Disposition No. DI-2024-74-APN-GE#CNV dated September 26, 2024.

7. The issuance of the Notes was approved at the meeting of our board of directors held on September 23, 2024 pursuant to the powers delegated to our board of directors at our shareholders' meeting held on April 28, 2021.

8. For so long as any Notes are outstanding and listed on the Luxembourg Stock Exchange for trading on the Euro MTF, copies of the following items in English will be available free of charge during normal business hours at the offices of the Luxembourg listing agent and our principal office, at the addresses listed on the last page of this offering memorandum:

- this offering memorandum;
- our bylaws (*estatutos*);
- the Indenture relating to the Notes;
- our Financial Statements included in this offering memorandum; and
- our future audited annual financial statements and unaudited interim financial statements.

9. We confirm that, having taken all reasonable care to ensure that such is the case:

- the information contained in this offering memorandum is true, to the best of our knowledge, and correct in all material respects and is not misleading; and
- to the best of our knowledge, we have not omitted other material facts, the omission of which would make this offering memorandum as a whole misleading; and we accept responsibility for the information we have provided in this offering memorandum.

10. The Issuer's Legal Entity Identifier (LEI) is 5493002XN8FRTYQLR778.

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YPF LUZ

YPF ENERGÍA ELÉCTRICA S.A.

CONSOLIDATED FINANCIAL STATEMENTS AS OF
AND FOR THE YEARS ENDED DECEMBER 31,
2023 AND 2022

INDEPENDENT AUDITOR'S REPORT

To the Shareholders,
President and Directors of
YPF Energía Eléctrica S.A.

1. Opinion

We have audited the consolidated financial statements of YPF Energía Eléctrica S.A. (the Company) and its subsidiaries (the Group), which comprise the consolidated statement of financial position as of December 31, 2023 and 2022, and the consolidated statements of income and other comprehensive income, changes in shareholders' equity and cash flows for the years then ended, and the related notes, including material information on accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2023 and 2022, and its consolidated financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB).

2. Basis for Opinion

We conducted our audits in accordance with International Standards on Auditing (ISAs), issued by the International Auditing and Assurance Standards Board (IAASB). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (IESBA Code)*, and we have fulfilled our other responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Property, Plant and Equipment – Assessment of impairment of the book value recorded of power plants

See note 2.3.8.2, 2.4. and note 8 to the consolidated financial statements

Description of the Issue

The Group's assessment of impairment of the book value recorded of power plants in Property, Plant and Equipment included a comparison of the recoverable value of each Cash Generating Unit ("CGU") with its respective recorded value. The Group defined each power plant and generation park as an independent CGU and determined the recoverable value based on the value in use of each CGU. This value is calculated on the basis of the discounted cash flow model, which requires Group Management to make material estimates and assumptions related to future income, costs and investments and the discount rate. Changes in such estimates and assumptions could have a significant impact on the recoverable value of each CGU and potentially on the impairment assessment. The net book value of Property, Plant and Equipment and other related assets, as of December 31, 2023, relating to the CGUs of power plants amounted to US\$ 2,023,715 thousands.

Considering the material estimates and assumptions made by the Group Management in determining the recoverable value of the power plants, the performance of our audit procedures to assess the reasonableness of the estimates and assumptions made by the Group Management related to future income, costs and investments and the discount rate, required a high degree of professional judgment and auditor effort.

As mentioned in Note 8 to the consolidated financial statements, during the year ended December 31, 2023, the Group recorded a pre-tax charge of US\$ 46,800 thousands related to the impairment of property, plant and equipment at the Loma Campana II Thermal Power Plant, recorded in the line "Impairment of property, plant and equipment" of the statement of income and other comprehensive income, as a result of the evaluation of its recoverability.

Treatment of the matter in our audit

As part of our procedures, within the context of our audit of the consolidated financial statements, we have:

- Performed risk assessment procedures related to impairment for each CGU for the purpose of designing our additional audit procedures based on those risks.
- Made an understanding of the relevant controls established by the Company related to the process for assessing the impairment of Property, Plant and Equipment.
- Reviewed the accuracy of mathematical calculations and the completeness of the cash flows used to determine the value in use of each CGU selected to perform audit procedures based on the risks identified.
- Evaluated Management's ability to make projections of income, costs and investments, by comparing the projections made by Management in the past against actual amounts.

- Evaluated the reasonableness and consistency of the projections made by Management of the revenue, cost and investments by comparing them against:
 - The Group's historical revenues, costs and investments.
 - The contracts for the sale of capacity and power generation signed by the Group.
 - Reports with historical energy demand data issued by Compañía Administradora del Mercado Mayorista Eléctrico S.A (CAMMESA).
- Evaluated, with the assistance of our internal valuation specialists, the reasonableness of (1) valuation methodology, (2) projections of certain underlying assumptions in the calculation of recoverable value, and (3) the discount rate through the test of (i) the source data used for the calculation of the discount rate and (ii) the mathematical accuracy of the calculation of the discount rate and the development of a range of independent estimates and their comparison with the discount rate estimated by Management.
- Assessed whether the information disclosed in the accompanying consolidated financial statements complies with the requirements of the financial reporting regulatory framework applicable to the Company.

Business combination –Acquisition of a controlling interest in Inversora Dock Sud S.A.

See notes 2.4 and 4 to the consolidated financial statements

Description of the issue

The acquisition of a controlling interest in Inversora Dock Sud S.A. recorded by the Group in accordance with the acquisition method involved the measurement at fair value of the identifiable assets acquired and the liabilities assumed in the business combination at the date of acquisition, as well as the remeasurement at fair value of preexisting equity interest maintained prior to the taking of control in that company.

The Group used the income approach to determine the fair value of most of its identifiable assets and liabilities. This valuation approach is calculated on the basis of the discounted cash flow model, which requires Group Management to make material estimates and assumptions related to future income, costs and investments and the discount rate. Actual cash flows may vary significantly from the projected future cash flows and therefore differ from the related values obtained using the above valuation technique.

As mentioned in note 4 to the consolidated financial statements, as of December 31, 2023, as a result of the above mentioned acquisition, the Group recorded at fair value identifiable net assets acquired and non-controlling interest for a total amount of US\$ 294,464 thousands and of US\$ 147,998 thousands, respectively. In addition, the Group recognized a pre-tax gain of US\$ 13,069 thousands included within the line “Gain from the acquisition of controlling equity interest” of the consolidated statement of income and other comprehensive income for the year ended December 31, 2023, as a result of the remeasurement at fair value of 42.86% preexisting equity interest in Inversora Dock Sud S.A. Additionally, the Group recognized a pre-tax gain of US\$ 31,986 thousands included within the line “Gain from the acquisition of controlling equity interest” of the consolidated statement of income and other comprehensive income for the year ended December 31, 2023, considering that the fair value of the consideration transferred of US\$ 25,010 thousands was lower than the fair value of the assets acquired

and liabilities assumed at the date of acquisition. Finally, the amount related to the interest held prior to the business combination recognized within “Other comprehensive income” of US\$ 24,450 thousand, was reclassified to the line “Gain from the acquisition of controlling equity interest” of the consolidated statement of income and other comprehensive income for the year ended December 31, 2023.

Considering the material estimates and assumptions made by Group’s Management in estimating the fair value of identifiable assets and liabilities at the date of acquisition, the performance of our audit procedures to evaluate the reasonableness of these estimates and assumptions has required a high degree of professional judgment and audit effort.

Treatment of the matter in our audit

As part of our procedures, within the context of our audit of the consolidated financial statements, we have:

- Performed risk assessment procedures related to the recording of the business combination for the purpose of designing our additional audit procedures based on those risks.
- Made an understanding of the relevant controls established by the Company related to the process for assessing the recording of the business combination.
- Reviewed the accuracy of mathematical calculations and the completeness of the cash flows used to determine the fair value of the identifiable assets and liabilities.
- Evaluated the reasonableness and consistency of the management projections of the cash flows by comparing them against:
 - The acquired companies historical revenues, costs and investments.
 - The contracts for the sale of capacity and power generation.
 - Reports with historical energy demand data issued by CAMMESA.
- Evaluated, with the assistance of our internal valuation specialists, the reasonableness of (1) valuation methodology, (2) projections of certain underlying assumptions in calculation the fair value of the assets acquired and liabilities assumed in the business combination and (3) the discount rate through the test of (i) the source data used for the calculation of the discount rate and (ii) the mathematical accuracy of the discount rate calculation and the development of a range of independent estimates and their comparison with the discount rate estimated by the Management.
- Reviewed the calculations and the proper recording of transaction impacts according to IFRS.

Assessed whether the information disclosed in the accompanying consolidated financial statements complains with the requirements of the financial reporting regulatory framework applicable to the Company.

4. Other Matter - Regulatory purposes in Argentina

The accompanying consolidated financial statements are presented in U.S. Dollars (US\$), which is the functional currency of the Company, and are prepared using the U.S. Dollar as the presentation currency, mainly with the purpose of being used by non-Argentine users of the financial statements and foreign financial institutions. The consolidated financial statements used by YPF Energía Eléctrica S.A. for statutory, legal and regulatory purposes in Argentina are those prepared in Argentine pesos, issued and filed with the Argentine Securities Commission (in Spanish, Comisión Nacional de Valores) and approved by the Company's Board of Directors and authorized for issuance on March 5, 2024.

5. Responsibilities of the Company's Board of Directors for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and for such internal control as the Company's Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Company's Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

6. Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Company's Board of Directors.

- Conclude on the appropriateness of the Company’s Board of Directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Company’s Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Company’s Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Company’s Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Autonomous City of Buenos Aires, Argentina, September 23, 2024

DELOITTE & Co. S.A.

Diego O. De Vivo

Partner

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GLOSSARY OF TERMS

Term	Definition
ADR	American Depositary Receipt
AESA	Related party A-Evangelista S.A.
AFIP	Argentine Tax Authority
AR\$	Argentine peso
Associate	Company over which YPF EE has significant influence as provided for in IAS 28
BNR	BNR Infrastructure Co-Investment Limited
CAEE	Electric power Supply contract
CAMMESA	Compañía Administradora del Mercado Mayorista Eléctrico S.A.
CDS	Subsidiary Central Dock Sud S.A.
CGU	Cash Generation Unit
CNV	Argentine Securities Commission
CNY	Yuan
COD	Respect to a thermal Power Plant, the commercial operation date
Energía Base	Power generation from SEE Resolution 01/2019 and earlier, and SGE Resolution 70/2018
EUR- or€	Euro
GE	General Electric Corporation, Inc., or any of its subsidiaries and/or affiliates
GE EFS	GE EFS Power Investments B.V., an affiliate of GE
Group	YPF EE and its subsidiaries
GW	Gigawatts
GWh	Gigawatts per hour
IAS	International Accounting Standard
IASB	International Accounting Standards Board
ICMA	International Capital Market Association
IDS	Subsidiary Inversora Dock Sud S.A.
IFRIC	International Financial Reporting Standards Committee
IFRS	International Financial Reporting Standard
IGJ	Argentine Superintendence of Corporations
CPI	Consumer Price Index ("IPC" for its acronym in Spanish)
Joint Venture	Company jointly owned by YPF EE as provided for in IFRS 11
Luz del León or LDL	Subsidiary Luz del León S.A.
LGS	Argentine General Corporations Act No. 19,550 (T.O. 1984), as amended
Loma Campana I	Loma Campana I thermal power plant located in the district of Añelo, Province of Neuquén.
Loma Campana II	Loma Campana II thermal power plant located in the district of Añelo, Province of Neuquén.
MATER	Renewable energy forward market in Argentina
MW	Megawatts
MWh	Megawatts per hour
NO	Corporate Bonds
OPESSA	Related party Operadora de Estaciones de Servicios S.A.
PPA	Power purchase agreements (capacity and/or energy purchase and sale contracts, subscribed between the Company and its clients)
RG	General Resolution
SADI	Argentine Interconnection System
SE	Secretariat of Energy
SEE	Secretariat of Electric power
SGE	Government Secretary of Energy
Subsidiary	Company controlled by YPF EE in accordance with the provisions of IFRS 10.
US\$	US dollars
Y-GEN	Subsidiary Y-GEN Eléctrica S.A.U. (previously Y-GEN ELÉCTRICA S.R.L.)
Y-GEN II	Subsidiary Y-GEN Eléctrica II S.A.U. (previously Y-GEN ELÉCTRICA II S.R.L.)
YPF	YPF Sociedad Anónima
YPF EE or the Company	YPF Energía Eléctrica S.A.
YPF EE Comercializadora	Subsidiary YPF EE Comercializadora S.A.U.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS OF DECEMBER 31, 2023 AND 2022

(Amounts expressed in thousands of United States dollars)

	Notes	December 31, 2023	December 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	8	2,008,894	1,696,032
Intangible assets	9	8,144	7,866
Right of use assets	10	14,821	17,138
Investments in joint ventures	11	11	74,587
Other receivables	12	44,802	12,354
Deferred income tax assets, net	15	24,868	30,857
Total non-current assets		2,101,540	1,838,834
Current assets			
Other receivables	12	38,644	37,473
Trade receivables	13	113,644	140,772
Restricted cash and cash equivalents	14	11,903	11,903
Cash and cash equivalents	14	102,439	82,328
Total current assets		266,630	272,476
TOTAL ASSETS		2,368,170	2,111,310
SHAREHOLDERS' EQUITY			
Shareholders' contributions		452,480	452,480
Reserves, other comprehensive income and retained earnings		528,480	580,109
Shareholders' equity attributable to owners of the Company		980,960	1,032,589
Non-controlling interest		132,171	-
TOTAL SHAREHOLDERS' EQUITY		1,113,131	1,032,589
LIABILITIES			
Non-current liabilities			
Provisions		2,885	3,124
Deferred income tax liability, net	15	175,538	93,471
Lease liabilities	16	6,712	10,839
Loans	17	713,685	710,148
Other liabilities		4,210	-
Contract liabilities		20,652	-
Total non-current liabilities		923,682	817,582
Current liabilities			
Provisions		10	-
Taxes payable		1,218	3,193
Income tax payable		7,240	5,828
Salaries and social security payables		11,652	10,027
Lease liabilities	16	4,738	2,340
Loans	17	183,418	147,841
Other liabilities		774	-
Trade payables	18	122,307	91,910
Total current liabilities		331,357	261,139
TOTAL LIABILITIES		1,255,039	1,078,721
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,368,170	2,111,310

Accompanying notes are an integral part of these consolidated financial statements.

YPF ENERGÍA ELÉCTRICA S.A.

CONSOLIDATED STATEMENTS OF INCOME AND OTHER COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

(Amounts expressed in thousands of United States dollars except for per share amounts)

	Notes	For the years ended December 31,	
		2023	2022
Revenues	19	490,125	471,116
Production costs	20	(239,791)	(203,008)
Gross profit		250,334	268,108
Administrative and selling expenses	20	(46,696)	(35,992)
Gain from the acquisition of controlling equity interest	4	69,505	-
Other operating income, net	21	47,299	49,907
Impairment of property, plant and equipment	8	(46,800)	(40,660)
Operating profit		273,642	241,363
Loss from equity interest in joint ventures	11	(590)	(6,077)
Finance expense, net:			
- Finance income	22	330,694	116,450
- Finance expense	22	(411,366)	(205,799)
Finance expense, net:	22	(80,672)	(89,349)
Profit before income tax		192,380	145,937
Income tax	15	(190,915)	(12,241)
Net profit for the year		1,465	133,696
Other comprehensive (loss) income			
<i>Items that may be reclassified to profit or loss:</i>			
Joint ventures' net monetary position (loss) income ⁽²⁾	2.3.19	(85,464)	39,253
Translation differences from joint ventures ⁽²⁾	2.3.19	63,418	(30,038)
Fair value changes on derivatives instruments, net of tax effect ⁽¹⁾	2.3.19	-	45
Total other comprehensive (loss) income for the year		(22,046)	9,260
Total comprehensive (loss) income for the year		(20,581)	142,956
Net profit for the year attributable to owners of the Company		17,292	133,696
Net loss for the year attributable to non-controlling interest		(15,827)	-
Total comprehensive (loss) income for the year attributable to owners of the Company		(4,754)	142,956
Total comprehensive income for the year attributable to non-controlling interest		(15,827)	-
Earnings per share attributable to owners of the Company :			
- Basic and diluted (US\$)	24	0.005	0.036

(1) Net of income tax charges for the year ended December 31, 2022 of (24).

(2) There is no income tax effect on these items.

Accompanying notes are an integral part of these consolidated financial statements.

SANTIAGO MARTÍNEZ TANOIRA
President

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

(Amounts expressed in thousands of United States dollars)

	For the year ended December 31, 2023											
	Shareholders' contributions				Reserves				Shareholders' equity attributable to			
	Capital stock	Issuance premiums	Other shareholders' contributions	Legal reserve	Reserve for future dividends	Special reserve RG No. 609 ⁽¹⁾	Reserve for future investments	Other comprehensive income	Retained earnings	Owners of the Company	Non-controlling interest	Total
Balances as of January 1, 2023	220,827	228,510	3,143	44,165	28,029	1,063	351,110	22,046	133,696	1,032,589	-	1,032,589
Addition due to business combination (Note 4)	-	-	-	-	-	-	-	-	-	-	147,998	147,998
Resolution of the General Ordinary Shareholders' meeting on April 27, 2023 (Note 25):												
- Release of the reserve for future dividends	-	-	-	-	(28,029)	-	-	-	28,029	-	-	-
- Allocation to reserve for future dividends	-	-	-	-	67,778	-	-	-	(67,778)	-	-	-
- Release of the reserve for future investments	-	-	-	-	-	-	(351,110)	-	351,110	-	-	-
- Allocation to reserve for future investments	-	-	-	-	-	-	445,057	-	(445,057)	-	-	-
Resolution of the Board of Directors meeting on June 30, 2023:												
- Distribution of dividends	-	-	-	-	(46,875)	-	-	-	-	(46,875)	-	(46,875)
Net profit (loss) for the year	-	-	-	-	-	-	-	-	17,292	17,292	(15,827)	1,465
Other comprehensive loss for the year	-	-	-	-	-	-	-	(22,046)	-	(22,046)	-	(22,046)
Balances as of December 31, 2023	220,827	228,510	3,143	44,165	20,903	1,063	445,057	-	17,292	980,960	132,171	1,113,131

(1) Corresponds to the initial adjustment arising from the IFRS adoption. See Note 2.3.18.

Accompanying notes are an integral part of these consolidated financial statements.

SANTIAGO MARTÍNEZ TANOIRA
President

YPF ENERGÍA ELÉCTRICA S.A.



CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

(Amounts expressed in thousands of United States dollars)

	For the year ended December 31, 2022											
	Shareholders' contributions			Reserves							Retained earnings	Total
	Capital stock	Issuance premiums	Other shareholders' contributions	Legal reserve	Reserve for future dividends	Special reserve RG No. 609 ⁽¹⁾	Reserve for future investments	Other comprehensive income				
Balances as of January 1, 2022	220,827	228,510	3,143	44,165	-	1,063	347,817	12,786	65,402	923,713		
Resolution of the General Ordinary Shareholders' meeting on April 28, 2022:												
- Allocation to reserve for future dividends	-	-	-	-	62,109	-	-	-	(62,109)	-		
- Release of the reserve for future investments	-	-	-	-	-	-	(347,817)	-	347,817	-		
- Allocation to reserve for future investments	-	-	-	-	-	-	351,110	-	(351,110)	-		
Resolution of the Board of Directors meeting on December 28, 2022:												
- Distribution of dividends	-	-	-	-	(34,080)	-	-	-	-	(34,080)		
Net profit for the year	-	-	-	-	-	-	-	-	133,696	133,696		
Other comprehensive income for the year	-	-	-	-	-	-	-	9,260	-	9,260		
Balances as of December 31, 2022	220,827	228,510	3,143	44,165	28,029	1,063	351,110	22,046	133,696	1,032,589		

(1) Corresponds to the initial adjustment arising from the IFRS adoption. See Note 2.3.18.

Accompanying notes are an integral part of these consolidated financial statements.

SANTIAGO MARTÍNEZ TANOIRA
President

CONSOLIDATED STATEMENTS OF CASH FLOW FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

(Amounts expressed in thousands of United States dollars)

	For the years ended December 31,	
	2023	2022
OPERATING ACTIVITIES		
Net profit for the year	1,465	133,696
Adjustments to reconcile net profit to net cash flows from operating activities:		
Loss from equity interests in joint ventures	590	6,077
Gain from the acquisition of controlling equity interest	(69,505)	-
Depreciation of property, plant and equipment	129,629	104,912
Depreciation of right of use assets	2,317	2,084
Amortization of intangible assets	262	262
Retirement of property, plant and equipment	6,787	3,986
Impairment of property, plant and equipment	46,800	40,660
Finance expense, net	80,672	89,349
(Increase) decrease in provisions	(417)	234
Income tax expense	190,915	12,241
Provision for obsolescence of materials and spare parts	78	-
Contractual penalties	(12,958)	(25,191)
Changes in operating assets and liabilities:		
Trade receivables	(68,955)	(64,294)
Other receivables	1,937	(10,492)
Trade payables	(6,267)	46,640
Salaries and social security payable	17,236	4,870
Taxes payable	858	(19,043)
Other liabilities	4,984	-
Contract liabilities	20,652	-
Interest collected	21,667	10,068
Income tax payments	(8,744)	(76,716)
Net cash flows from operating activities	360,003	259,343
INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(217,914)	(153,469)
Acquisition of intangible assets	(270)	(1,269)
Advances to suppliers of property, plant and equipment	(34,122)	(5,913)
Acquisition of equity interests, net of cash and cash equivalents acquired	294	-
Settlement of other financial assets	16,867	-
Restricted cash and cash equivalents	-	(2,696)
Net cash flows used in investing activities	(235,145)	(163,347)
FINANCING ACTIVITIES		
Proceeds from loans	157,324	169,862
Payments of loans	(128,928)	(148,907)
Payments of dividends	(35,156)	(34,080)
Payments of lease liabilities	(2,780)	(3,588)
Payment of interest and other financial costs	(62,703)	(71,602)
Net cash flows used in financing activities	(72,243)	(88,315)
Net increase in cash and cash equivalents	52,615	7,681
Effect of exchange difference variations and financial results on cash and cash equivalents	(32,504)	(12,949)
Cash and cash equivalents at the beginning of year (Note 14)	82,328	87,596
Cash and cash equivalents at the end of the year (Note 14)	102,439	82,328

Non-cash transactions	For the years ended December 31,	
	2023	2022
Acquisitions of property, plant and equipment unpaid at the end of the year	70,502	56,400
Acquisitions of property, plant and equipment related to assets retirement provisions	427	452
Acquisitions of intangible assets unpaid at the end of the year	270	-
Transfers of advances to suppliers of property, plant and equipment	33,196	4,528
Proceeds from loans offset against payment of dividends	10,662	-
Capitalisation of borrowing cost	-	91
Swap of corporate bonds	-	21,955

Accompanying notes are an integral part of these consolidated financial statements.

1. GENERAL INFORMATION AND MAIN ACTIVITIES

YPF Energía Eléctrica S.A. (hereinafter “the “Company”) is a stock corporation (sociedad anónima) organized under the laws of Argentina. Its registered office is at Macacha Güemes N° 515, 3rd Floor, Autonomous City of Buenos Aires.

The main activity of the Company and the companies from the economic Group is mainly engaged in generating and selling electric power through the following power plants:

Power Plant	Location (Province)	Installed Capacity (MW)	Regulatory Framework	Technology
Tucumán Thermal Power Plant ⁽¹⁾	Tucumán	447	Energía Base/ PPA with CAMMESA ⁽⁸⁾	Combined Cycle
San Miguel de Tucumán Thermal Power Plant ⁽¹⁾	Tucumán	382	Energía Base/ PPA with CAMMESA ⁽⁸⁾	Combined Cycle
El Bracho TG ⁽¹⁾	Tucumán	274	PPA with CAMMESA ⁽⁵⁾	Simple Cycle
El Bracho TV ⁽¹⁾	Tucumán	199	PPA with CAMMESA ⁽⁵⁾	Steam Turbine
Loma Campana I	Neuquén	105	PPA with YPF ⁽⁶⁾	Simple Cycle
Loma Campana II	Neuquén	107	PPA with CAMMESA ⁽⁵⁾	Simple Cycle
Loma Campana Este ⁽²⁾	Neuquén	17	PPA with YPF	Reciprocating Engines
La Plata Cogeneration I (“LPC”)	Buenos Aires	128	Energía Base CAMMESA – PPA with YPF ⁽³⁾	Cogeneration
La Plata Cogeneration II (“LPC II”)	Buenos Aires	90	PPA with CAMMESA and YPF/ Energía Base ⁽³⁾	Cogeneration
Central Dock Sud ⁽⁴⁾	Buenos Aires	933	Energía Base/ PPA with CAMMESA ⁽⁸⁾	Combined Cycle / Simple Cycle
Manantiales Behr Wind Farm	Chubut	99	PPA with YPF and other large users ⁽⁷⁾	Wind Farm
Los Teros Wind Farm	Buenos Aires	175	MATER (YPF and other large users)	Wind Farm
Manantiales Behr Thermal Power Plant	Chubut	58	PPA with YPF	Reciprocating Engines
Cañadón León Wind Farm	Santa Cruz	123	PPA with CAMMESA / MATER (YPF)	Wind Farm
Zonda Solar Farm	San Juan	100	MATER (other large users)	Solar Farm
Total		3,237		

(1) Part of “Tucumán Generation Complex”.

(2) Not connected to SADI.

(3) Steam sales are contracted with YPF.

(4) As of December 31, 2023, it represents 100% of Central Dock Sud, that has a Combined Cycle with an installed capacity of 861 MW and two Open Cycle turbines with an installed capacity of 36 MW each.

(5) Resolution No. 21/2016.

(6) Distributed self-generator.

(7) This Wind Farm’s generation is under 10 PPA contracts with the private sector. The term of these contracts have effectiveness up to 21 years.

(8) Since March 2023 these plants were under the regime of Resolution 59/2023 which grants a PPA nominated in US dollars with effectiveness of 5 years.

The Group’s generation capacity, as of December 31, 2023, represents 7.3% of the installed capacity, including the indirect participation in Central Dock Sud, and 8.2% of the energy demanded in Argentina, according to information published by CAMMESA.

Additionally, the Group has the following project under construction:

Power Plant	Location (Province)	Installed Capacity (MW)	Buyers	Technology
General Levalle Wind Farm	Córdoba	155	MATER	Wind Farm
Total		155		

Thermal power plants

The Company owns and operates the Tucumán Complex comprised of the Tucumán Thermal Power Plant, located in the town of El Bracho, approximately 22 kms. south of San Miguel de Tucumán, in the province of Tucumán, with a capacity of 447 MW and the San Miguel de Tucumán Thermal Power Plant, with a generation capacity of 382 MW. In addition, the Company expanded the Tucumán Complex through the thermal power plant of its subsidiary Y-GEN II, El Bracho TG. This power plant has a capacity of 274 MW and obtained the COD on January 27, 2018. By virtue of Resolution No. 287-E/2017 from the SEE, Y-GEN II was awarded, as a consequence of the bidding process established, the project to close the existing open cycle power plant (El Bracho TG) into a combined cycle. On October 23, 2020, CAMMESA granted the COD of Steam Turbine No. 1 of the El Bracho Thermal Power Plant up to a total maximum power of 199 MW. Steam Turbine N ° 1 completes the El Bracho combined cycle, in Tucumán, and adds 199 MW of installed capacity to the high-efficiency open-cycle gas turbine inaugurated in 2018. In this way, the complete Combined Cycle reached a capacity combined total of 473 MW.

This combined cycle allows a significant increase in the efficiency level of the electric power generation process, which until that moment was 38% to reach 57%, thus achieving one of the highest levels of thermal efficiency in the country. With the completion of this work, the Tucumán Generation Complex becomes the largest thermal generation center in Argentina, with an installed capacity of 1,302 MW that can supply 2.7 million households.

In 2015, the Company developed its first thermal generation project called Loma Campana I, located in the town of Añelo, province of Neuquén, integrated by a thermal power plant of 105 MW of installed capacity that obtained its COD at the beginning of November 2017 through the figure of the distributed self-generator. The Company provides capacity to YPF through an operation and maintenance agreement for a period of 15 years, with a fixed capacity price denominated in US dollars. Loma Campana I began to operate on November 7, 2017.

Loma Campana II, owned by Y-GEN, was built on the same site. It consists of a 107 MW thermal power plant whose power and energy is committed under a PPA entered into with CAMMESA for a 10 year term from commercial operation date and the price of which is denominated in US dollars. Loma Campana II started operating on November 30, 2017.

Additionally, the Company owns and operates the Loma Campana Este Thermal Power Plant, located within the Loma Campana oil and gas production block concession, in the town of Añelo, province of Neuquén. This plant has a generation capacity of 17 MW and provides energy for YPF's consumption and it is not connected to the SADI.

In February 2018, the Company acquired the asset La Plata Cogeneration, a thermal power plant previously owned by Central Puerto S.A., with a capacity of 128 MW connected to SADI. The Company has signed a PPA contract with YPF S.A. for the steam generation service denominated in US dollars for a term of 15 years.

On the other hand, pursuant to Resolution No. 287-E/2017, the Company was awarded a new cogeneration project to be developed within the La Plata Refinery, which is owned by YPF. This project consisted in the installation of a gas turbine, its electric generator and a boiler to generate steam for heat recovery. On October 27, 2020, CAMMESA granted the COD of

the La Plata Cogeneration II Thermal Power Plant up to a total maximum power of 90.2 MW. The steam generator of heat recovery (HRSG) generates 200 Tn/h with additional fire and 140 Tn/h without additional fire. The Company has signed a PPA contract with CAMMESA for a term of 15 years after being awarded in the bidding process previously mentioned. In the same bidding process, it committed to install and maintain available a generation capacity of 72 MW in summer and 80.6 MW in winter for the term of the contract from agreed date of the COD. Likewise, the Company has signed a PPA contract with YPF S.A. for the steam generation service denominated in US dollars for a term of 15 years.

Additionally, on March 27, 2021, CAMMESA granted the COD of 35.1 MW corresponding to 3 of the 5 engines of the Behr Manantiales Engine Project, located next to the Manantiales Behr Wind Farm in the province of Chubut, Argentina. Likewise, the commercial operation date of the remaining engines to reach a total power of 58 MW was obtained on April 6, 2021. The Company has a signed PPA contract with YPF S.A. for power availability for a term of 20 years. This contract is denominated in US dollars. The new thermal plant complements the energy generated by the Manantiales Behr Wind Farm and thus allowed the Company to establish its first hybrid generation system (thermal and wind).

Renewable sources

The Company owns Manantiales Behr Wind Farm, with 99 MW of installed capacity, through 30 Vestas wind turbines of 3.3 MW of installed power each. On July 25, 2018 the first stage of the wind farm for the first 49.5 MW obtained the commercial operation permit and on December 22, 2018, the last commercial operation permit for the remaining 49.5 MW was obtained. Approximately 79% of the energy generated is being delivered to YPF through a PPA for a term of 15 years with a price denominated in US dollars. The remaining energy generated is sold to private customers through PPAs denominated in US dollars for a term between 5 and 21 years. It should be noted that this project has dispatch priority in the MATER for 100% of its installed capacity.

Additionally, the Group is the owner of the "Los Teros" Wind Farm located in the town of Azul, province of Buenos Aires. This project has priority dispatch in MATER transportation capacity for its whole installed capacity. The Company has committed 100% of energy generated by the wind farm through PPAs denominated in US dollars with YPF and several industrial users of private sector with terms between 5 and 20 years. On September 17, 2020, CAMMESA granted the first COD of 99.58 MW corresponding to 26 wind turbines of the wind farm, and subsequently, the commercial operation date of the remaining wind turbines corresponding to this first stage was obtained, reaching its total power of 123 MW. Between May 21 and June 3, 2021 CAMMESA granted the commercial operation dates of this second stage of the project, adding 52 MW of installed power, which now reaches 175 MW in total.

Likewise, the Group was awarded, through Luz del León S.A., with a PPA, as part of the RenovAr 2.0 Program, for the provision of renewable energy through the Cañadón León Wind Farm of 102 MW of capacity. It is located in the Province of Santa Cruz, 25 kms. from the city of Caleta Olivia, and approximately 100 kms from Manantiales Behr Wind Farm. The PPA with CAMMESA for 102 MW is for a term of 20 years and a price denominated in US dollars. Additionally, the wind farm has an extension of 21 MW, that is being delivered to YPF, under a PPA in the MATER for a period of 15 years, also denominated in US dollars, reaching a total installed power of 123 MW. On December 15 and 22, 2021, the wind farm reached the commercial operation date of 23 and 6 of its wind turbines, respectively, reaching its total installed capacity.

In February 2022, the Company started the construction of the first stage of the Zonda Solar Farm, located in the Iglesia department, province of San Juan. In this first stage the Company will construct 100 MW single-axis solar tracked support structures (E-W), the solar farm substation and the high voltage line that will connect it to SADI, and it involves the installation of approximately 170,000 solar panels that will allow to generate energy for more than 300 GWh annually, to supply MATER.

The farm was inaugurated in April 2023. It took 16 months to complete the work and the commercial operation date for 100M took place on May 31, 2023. The final project could be expanded to more than 300 MW at future stages subject to the availability of electric transportation in the area. The farm’s capacity factor is 36% and it has 170,880 bifacial solar panels installed across 200 hectares. The power output is intended to be supplied to large users and industrial customers at the Renewable Energy Term Market (MATER), through PPAs denominated in US Dollars.

Projects

During 2022, YPF Luz has acquired Levalle Eólico 1 S.A. and Levalle Eólico 2 S.A., companies that own wind projects, from which it will build a new wind farm in the town of General Levalle, in the south of the province of Córdoba. The park will have an installed capacity of 155 MW to be built in two stages, 65 MW (Levalle 1) and 90 MW (Levalle 2). The park will have 25 installed wind turbines of 6.2 MW each and its construction will require approximately 20 months. During the year, the Company completed civil works on internal roads and built accesses to the wind farm and support platforms for the main equipment and wind turbine foundations. In the transforming substation, the Company constructed buildings and completed the pathways for wiring. Additionally, it continued with the installation of the wind farm’s medium-voltage line poles.

Shareholders of the Company

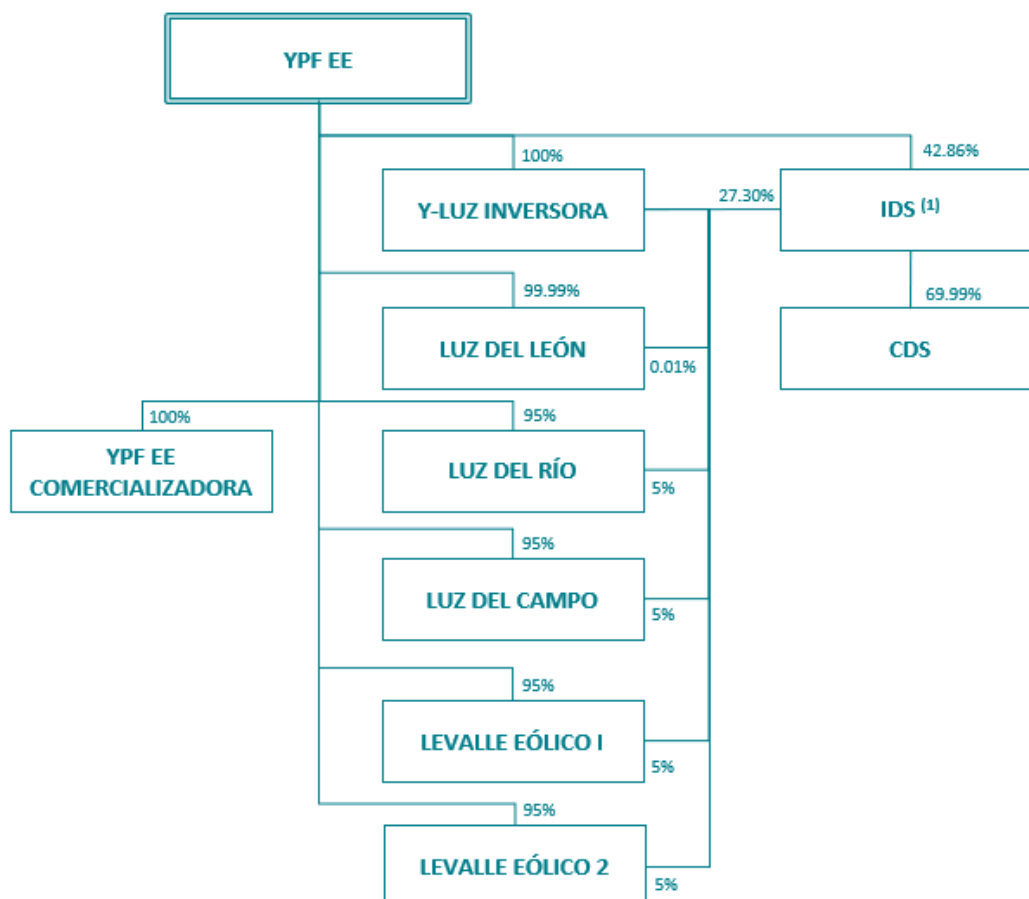
The Company is jointly controlled by YPF and GE EFS Power Investments B.V. (“GE EFS”) by means of a Shareholders agreement (Note 23). GE EFS is a subsidiary of EFS Global Energy B.V. (both companies are indirectly controlled by GE Company). Shares issued by GE EFS were transferred to BNR Infrastructure Co-Investment Limited (“BNR”), a private company established in the United Kingdom. General Electric Company indirectly owns 50% of the economic rights of BNR and Silk Road Fund Co. Ltd. indirectly holds the remaining 50%. BNR, in turn, owns 100% of the capital stock of GE EFS. General Electric Company will continue to indirectly manage and control BNR and will therefore continue to exercise the corresponding voting rights.

As of December 31, 2023 and 2022, the Company’s Shareholders are:

Shareholder	Share of Capital	Main activity	Country
YPF	72.69218%	Energy	Argentina
OPESSA	2.30783%	Oil sales	Argentina
GE EFS Power Investment B.V.	24.99999%	Infrastructure, financial services and others	U.S.A.
Total	100.00000%		

Organizational structure of the economic Group

The following chart shows the organizational structure, including the main companies of the Group, as of December 31, 2023:



(1) See Note 4.

2. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

2.1. Professional accounting standards

The Group prepares its consolidated financial statements in accordance with IFRS, as issued by the IASB.

These consolidated financial statements were approved by the Board of Directors and authorized for issue on September 23, 2024.

2.2. Basis of presentation and consolidation

These financial statements were prepared under the assumption that the Group has the ability to continue as a going concern.

2.2.1. Consolidated financial statements

These consolidated financial statements include the financial statements of the Group comprised of the parent company YPF EE and its subsidiaries Luz de León S.A., Luz del Río S.A., Y-Luz Inversora S.A.U., YPF-EE Comercializadora S.A.U., Luz del Campo S.A., Levalle Eólico 1 S.A., Levalle Eólico 2 S.A. and Inversora Dock Sud S.A.

These consolidated financial statements have been prepared by applying the consolidation method to all the subsidiaries, that are the companies over which the Group holds control, directly or indirectly. The Group controls an entity when it is exposed, or it is entitled to the variable gains (losses) arising from its equity interest in the entity, and has the ability to affect those gains (losses) through its power over the entity. This capacity is, in general but not exclusively, obtained by the ownership, direct or indirect, of more than 50% of the voting shares of a company.

Subsidiaries are consolidated by including all their assets, liabilities, income, expenses and cash flows into the consolidated financial statements once the adjustments and eliminations corresponding to intra-Group transactions have been made.

The comprehensive income of the subsidiaries are included in the consolidated statement of income and other comprehensive income from the date on which the Company obtains control of the subsidiary until the date on which it loses control over the subsidiary.

Each subsidiary's last financial statements available as of each fiscal year-end were used for consolidation purposes, considering the subsequent events, management information available and the transactions conducted between the Company and the subsidiaries that would have changed the subsidiaries' equity, as applicable. Moreover, the accounting principles and criteria adopted by the subsidiaries were adapted, if needed, with those used in the preparation of the financial statements of the Company with the purpose of presenting the consolidated financial statements applying identical valuation and presentation methods.

- **Effects of the translation of investments in joint ventures with functional currency corresponding to a hyperinflationary economy**

Under IAS 21, the financial statements of a subsidiary with the functional currency of a hyperinflationary economy have to be restated according to IAS 29 before they are included in the consolidated financial statements of its parent company with a functional currency of a non-hyperinflationary economy, except for their comparative figures. Therefore, the gain (losses) and financial position of subsidiaries with the Argentine peso as functional currency were translated into US dollars by the following procedures: all amounts were translated at the exchange rate effective at the closing date of the financial statements, except for comparative amounts, which were presented as current amounts in the financial statements of the previous fiscal year (i.e., these amounts were not be adjusted to reflect subsequent variations in price levels or exchange rates). Thus, the effect of the restatement of comparative amounts was recognized in other comprehensive income. These criteria were also implemented by the Group for its investments in joint ventures. When an economy ceases to be hyperinflationary and an entity ceases to restate its financial statements in accordance with IAS 29, it will use the amounts restated according to the price level of the date on which the entity ceases to make such restatement as historical costs, in order to translate them into the presentation currency.

- **Tax effect on Other Comprehensive Income**

Income (loss) included in Other Comprehensive Income in connection with translation differences and result from net monetary position generated by investments in subsidiaries and joint ventures whose functional currency is other than U.S. dollar as well as conversion differences arising from the translation of YPF EE's financial statements into its presentation currency (Argentine pesos), have no effect on the income tax or in the deferred tax since at the time they were generated, the relevant transactions did not have any impact on accounting or tax income (expense).

- **Non-controlling interest**

As of December 31, 2022, the Group held a 100% stake in the capital of the consolidated companies, so there was no non-controlling interest recorded. During the year ended December 31, 2023, the Company acquired an additional stake in IDS (Note 4), which together with YPF EE's pre-existing stake of 42.86%, represents a total of 70.16%. Accordingly, from the date of such acquisition the Group began to record a non-controlling interest in its consolidated financial statements.

The following table presents the IDS' summarised financial information as of December 31, 2023:

	December 31, 2023
Non-current assets	178,035
Current assets	816
Total assets	178,851
Non-current liabilities	29
Current liabilities	138
Total liabilities	167
Total shareholders' equity	178,684

The following table presents the IDS' summarised statement of income and other comprehensive income for the year ended December 31, 2023:

	December 31, 2023
Administrative and selling expenses	(44)
Other operating income, net	37
Operating loss	(7)
Loss from equity investments	(23,550)
Finance expense, net	341
Net loss before income tax	(23,216)
Income tax	(83)
Net loss for the year	(23,299)

2.2.2. Measurement unit

These consolidated financial statements have been prepared under the historical cost approach, with the exception of certain assets and liabilities measured at fair value, with changes through the statement of comprehensive income.

2.3. Summary of material accounting policies

The following are the material accounting policies applied by the Group in preparing its consolidated financial statements.

2.3.1. Functional and presentation currency

Under IFRS the companies must define their functional currency. The functional currency must be defined according to the criteria set forth in IAS 21: "The effects of changes in foreign exchange rates". Based on the provisions of the referenced rule, and considering the main activities of the Company, its subsidiaries and joint ventures, as detailed in Note 11, and the currency of the primary economic environment in which the entities operate, the Management and the Board of Directors have defined for the Group, the US dollar as their functional currency. Therefore, the financial statements of the Group have been converted into US dollars according to the procedure stated in IAS 21. According to such procedures, monetary assets and liabilities are converted at the closing exchange rate. Non-monetary items, measured in terms of the historical cost approach, as well as results, are converted using the exchange rate of the transaction date. The gain(losses) of the conversion of monetary assets and liabilities denominated in currencies other than US dollars are recognized in the income (expense) of the year in which they arise.

Presentation currency

The information included in these consolidated financial statements is presented in U.S. dollars, which is the functional currency.

The consolidated financial statements used by YPF EE for statutory, legal and regulatory purposes in Argentina are those in pesos and filed with the CNV and approved by the Board of Directors and authorized to be issued on March 5, 2024.

2.3.2. Foreign Currency

In preparing the consolidated financial statements, transactions in currencies other than the functional currency (foreign currencies) are booked at the exchange rates prevailing at the date of each transaction. At the closing date of each fiscal year, monetary items denominated in foreign currency are converted at exchange rates for the functional currency prevailing on the closing dates of the financial statements. Exchange differences are recognized in the income statement of the fiscal year in which they arise.

2.3.3. Classification of items as current and non-current

The Group classifies assets and liabilities in the consolidated statement of financial position as current and non-current. An entity shall classify an asset as current when:

- it expects to realize the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realize the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

An entity shall classify a liability as current when:

- it is expected to be settled in the normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities, in all cases.

2.3.4. Fair value measurement

The Group measures certain financial instruments at their fair value at each reporting date. Fair values of financial instruments measured at amortized cost are disclosed in Note 7.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in a transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 input data: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 input data: valuation techniques with input data other than quoted prices included in Level 1, but that are observable for the asset or liability, either directly or indirectly.
- Level 3 input data: valuation techniques for which input data are unobservable for the asset or liability.

2.3.5. Revenue recognition

2.3.5.1. Revenues

IFRS 15 presents a detailed five-step model to explain revenue from contracts with customers. Its main principle is that an entity must recognize revenue to represent the transfer of goods or services promised to customers, in an amount that reflects the consideration that the entity expects to receive in exchange for those goods or services, at the time of satisfying a performance obligation.

An asset is transferred when (or as) the client obtains control of that asset, defined as the ability to direct the use and obtain substantially all the remaining benefits of the asset.

The Company recognizes revenue based on the availability of effective capacity of its plants, of the energy delivered and of the steam delivered, and an account receivable is also recognized. This receivable represents the unconditional right of the Company to receive the consideration owed by the customer. The billing of the service is performed on a monthly basis and interests are accrued in case of delays in receivables' collection. The opportunity to satisfy the performance obligation occurs over time because the client receives and simultaneously consumes the benefits provided by the performance of the obligation by the entity.

Revenue from the sale of energy and power made available capacity and sales of steam (including additional remuneration and non-recurring maintenance receivables) is calculated at the prices set in the relevant agreements or at the prices prevailing in the electricity market, pursuant to current regulations. It includes revenue from energy, steam and capacity made available and/or delivered and not billed until the end of the fiscal year, valued at the prices set in agreements or in the relevant regulations.

Additionally, the required disclosures are included in Note 19.

2.3.6. Finance expense, net

For all financial assets and liabilities measured at amortized cost and at fair value through profit and loss, interest income or expense is recorded using the effective interest rate method, which is the rate that discounts the estimated future cash

payments or receipts through the expected life of the financial instrument or a shorter period, as appropriate, with respect to the net carrying amount of the financial asset or liability. Interest income and expense is included in "Finance expense, net" in the consolidated statement of comprehensive income.

2.3.7. Taxes

2.3.7.1. Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to calculate those amounts are those that are enacted or substantively enacted at the end of the fiscal year. The statutory tax rate for the Group for the years 2023 and 2022 is 35% (Note 30).

Current income tax relating to items recognized directly in equity is recognized in equity and not in the consolidated statement of comprehensive income.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and recognizes provisions when appropriate.

2.3.7.2. Deferred income tax

Deferred income tax is provided for using the liability method on temporary differences at the end of the fiscal year between the tax basis of assets and liabilities and their related carrying amounts.

Deferred income tax liabilities are recognized for all taxable temporary differences, with certain exceptions.

Deferred income tax assets are recognized for all deductible temporary differences and tax loss carry forwards losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and/or the tax losses carry forward can be utilized, with certain exceptions.

The carrying amount of deferred income tax assets is reviewed as of the end of each fiscal year and reduced through the comprehensive income or other comprehensive income, to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized (recovered). Unrecognized deferred income tax assets are reassessed as of the end of each fiscal year and are recognized through the statement of income or other comprehensive income for the fiscal year, as the case may be, to the extent that it has become probable that future taxable profits will allow the deferred income tax asset not previously recognized to be recovered.

Deferred income tax assets and liabilities are measured at undiscounted nominal value at the tax rates that are expected to apply in the fiscal year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of the fiscal year (Note 30).

Deferred income tax items related to items recognized outside of the fiscal year net result, are also recognized outside of it. These items are recognized in correlation to the underlying transactions either in the statement of income or other comprehensive income or directly in equity.

Deferred income tax assets and deferred income tax liabilities are offset if a legally enforceable right exists to set off current income tax assets and liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Uncertainty about income tax treatment - IFRIC 23

The IFRIC 23 requires an entity: (i) determine if uncertain tax treatments must be assessed separately or jointly, (ii) evaluate whether the tax authority will accept an uncertain tax treatment used, or which is intended to be used in its income tax filing. In affirmative case, the entity will determine the tax position consistent with the tax treatment used or intended to

be used on its income tax filing. In negative case, the entity will reflect the effect of the uncertainty in determining the accounting tax treatment using either the most probable amount or the expected value method.

2.3.7.3. Other taxes related to sales and to bank account transactions

Expenses incurred and assets are recognized excluding the amount of any sales tax, as in the case of value-added tax, or the tax on bank account transactions, except:

- where the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as the case may be and;
- trade receivables and payables are stated including value-added tax.

Turnover tax is included in the line “Taxes, rates and contributions” of the “Administrative and selling expenses” within the consolidated statement of income and other comprehensive income. Tax on bank account transactions charge is included in “Administrative and selling expenses” or “Finance expense, net” within the consolidated statement of comprehensive income, depending nature of the transactions which originated the tax.

The net amount of the tax related to sales and to bank account transactions recoverable from, or payable to, the tax authority is included as a non-financial asset or liability, as the case may be.

2.3.8. Property, plant and equipment

2.3.8.1. Generation and selling of electric power

Property, plant and equipment are carried at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. Cost includes all expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating.

Borrowing costs from third parties directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset.

When major maintenance is performed that recovers the capacity of the asset, its cost is capitalized if the conditions for the recognition thereof as an asset are met and are depreciated separately based on their specific useful life.

The costs of renewals, improvements and enhancements that extend the useful life of properties and/or improve their service capacity are capitalized. As property, plant and equipment are retired, the related cost and accumulated depreciation are derecognized.

All other regular repair and maintenance costs are recognized in the consolidated statement of income and other comprehensive income as incurred.

Property, plant and equipment, net of its recoverable residual value are depreciated composing such item by distributing linearly the cost of the different elements that compose it between the years of estimated useful life of each asset as follows:

	Useful life in years
Buildings	50
Production facilities, machinery, equipment and spare parts of power plants	15-25
Transportation equipment	5
Furniture, fixtures and computer and communication equipment	3

The residual values, useful lives and methods of depreciation are reviewed as of the end of each fiscal year and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

2.3.8.2. Impairment of property, plant and equipment

The Group assesses as of the end of each year whether there is an indication that an individual component or a group of property, plant and equipment may be impaired. If any indication exists, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of the fair value less costs to sell that asset, and its value-in-use. That amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the cash flows of the group of assets that form part of the CGU to which they belong are taken. To this end, the Group defined each generating plant as an independent CGU.

When the carrying amount of an individual asset or CGU exceeds its recoverable amount, the individual asset or CGU, as the case may be, is considered impaired and is written down to its recoverable amount.

In assessing value in use of an individual asset or CGU, the estimated future cash flows are discounted to their present value using a discount rate that reflects the weighted average capital cost employed for the Group.

In determining fair value less selling costs, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are verified by valuation multiples, quoted values for similar assets on active markets and other available fair value indicators, if any.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's CGU to which the individual assets are allocated. These detailed budgets and forecast calculations generally cover the useful life of the asset.

Impairment losses of continuing operations are recognized in the consolidated statement of comprehensive income.

Likewise, for the assets for which an impairment loss had been booked, as of the end of each period or fiscal year, an assessment is made whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased.

If any indication exists, the Group estimates the individual asset's or CGU recoverable amount, as applicable.

A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the individual assets or CGU's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset or CGU does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of the related depreciation or amortization, had no impairment loss been recognized for the asset or CGU in prior periods. Such reversal is recognized in the statement of income in the same line in which the related impairment charge was previously recognized, unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

During the fiscal year ended December 31, 2023, the Group recorded 46,800 as impairment of property, plant and equipment, presented within the caption "Impairment of property, plant and equipment" of the statements of income and other comprehensive income, as a result of its recoverability analysis. Additionally, the Group recorded 78 as a provision for obsolescence of materials and spare parts, presented within the caption "Other operating income, net" of the statements of income and other comprehensive income, as a result of its obsolescence analysis.

As a result of its recoverability analysis, during the year ended December 31, 2022, the Group recorded 40,660 as impairment of property, plant and equipment, presented within the caption "Impairment of property, plant and equipment" of the statements of income and other comprehensive income.

2.3.9. Intangible Assets

The Group initially recognizes intangible assets at their acquisition cost. This cost is amortized on a straight-line basis over the useful lives of these assets. At the end of each year, such assets are measured at their acquisition cost, less its respective accumulated amortization and, if applicable, impairment losses.

It corresponds to the acquired wind project, which comprises irrevocable option contracts for the constitution of usufructs of the lands where the projects are located, pre-feasibility studies (electric, environmental, etc.) and permits, licenses and authorizations corresponding to the wind farms.

2.3.10. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.3.10.1. Financial assets

Classification

In accordance with IFRS 9 "Financial instruments", the Group classifies its financial assets into three categories:

- **Financial assets at amortized cost**

Financial assets are measured at amortized cost if both of the following criteria are met: (i) the objective of the Group's business model is to hold the assets to collect the contractual cash flow, and (ii) the contractual terms only represent payment of principal and interest (SPPI criterion).

In addition, and for assets that meet the above conditions, IFRS 9 contemplates the option of designating, at the time of the initial recognition, an asset as measured at its fair value, if doing so would eliminate or significantly reduce the valuation or recognition inconsistency that could arise in the event that the valuation of the assets and liabilities or the recognition of profit or losses would be done on a different basis. The Group has not designated a financial asset at fair value by using this option.

As of the closing date of these consolidated financial statements, the Group's financial assets at amortized cost include certain elements of Cash and cash equivalents, Trade receivables, Other receivables and Restricted cash and cash equivalents.

- **Financial assets at fair value with changes in other comprehensive income**

Financial assets are measured at fair value with change in other comprehensive income if financial assets are maintained in a business model whose objective is achieved by obtaining contractual cash flows and selling financial assets.

As of December 31, 2023 and 2022, there are no financial assets at fair value with changes in other comprehensive income.

- **Financial assets at fair value through profit or loss**

The financial assets at fair value through profit or loss correspond to a residual category that includes financial instruments that are not held under one of the two business models indicated above, including those held for trading and those designated at fair value.

As of December 31, 2023 and 2022, and during the years then ended, the Group's financial assets at fair value through profit or loss include mutual funds, which are included within the caption "Cash and cash equivalents".

Recognition and measurement

Purchases and sales of financial assets are recognized on the date the Group commits to purchase or sell the assets.

Financial assets at amortized cost are initially recognized at fair value plus transaction costs. These assets accrue interest based on the effective interest rate method.

Financial assets at fair value through profit or loss and through other comprehensive income are initially recognized at fair value and transaction costs are recognized as an expense in the statement of comprehensive income. They are subsequently valued at fair value. Changes in fair values and gain(losses) from sales of financial assets at fair value through profit or loss and the changes in other comprehensive income are recorded in "Finance expense, net" and Other comprehensive income, respectively, in the statement of comprehensive income. Changes in fair of financial assets through other comprehensive income value are recorded in other comprehensive income.

In general, the Group uses the transaction price to ascertain the fair value of a financial instrument on initial recognition. In other cases, the Group records a gain or loss on initial recognition only if the fair value of the financial instrument can be supported by other comparable and observable market transactions for the same type of instrument or if it is based in a technical valuation that only inputs observable market information. Unrecognized gains or losses on initial recognition of a financial asset are recognized later, only to the extent they arise from a change in the factors (including time) that market participants would consider upon setting the price.

Gains/losses on debt instruments measured at amortized cost and not designated in a hedging relationship are charged to income when the financial assets are derecognized or an impairment loss is recognized and during the amortization process using the effective interest rate method. The Group reclassifies investments on debt instruments only when its business model for managing those assets changes.

Derecognition of financial assets

A financial asset (or, if applicable, part of a financial asset or part of a group of similar financial assets) is derecognized from the statement of financial position when:

- the contractual rights to receive the cash flows generated by the asset have expired; or
- contractual rights over the cash flows generated by the asset have been transferred, or an obligation to pay a third party all of these cash flows without a significant delay has been assumed, through a transfer agreement (pass-through arrangement), and (a) substantially all the risks and benefits inherent to ownership of the asset have been transferred; or (b) substantially all the risks and rewards of ownership of the asset have not been transferred or retained, but control over the asset has been transferred.

When the contractual rights to receive the cash flows generated by the asset have been transferred, or a transfer agreement has been entered into, but neither all the risks and benefits inherent to ownership of the asset have been substantially transferred or retained, nor have been transferred control over it, that asset will continue to be recognized to the extent of the Group's continued involvement in the asset. In that case, the Group will also recognize the related liability. The transferred asset and the related liability will be measured in a manner that reflects the rights and obligations that the Group has retained.

Impairment of financial assets

IFRS 9 introduces an "expected credit loss" ("ECL") model. This requires considerable judgment regarding how changes in economic factors affect ECLs, which are determined on a weighted average basis. The ECLs arise from the difference between the contractual cash flows and the cash flows at present value that the Group expects to receive.

The impairment model established by IFRS 9 is applicable to financial assets measured at amortized cost or at fair value with changes through other comprehensive income, except for investments in equity instruments, and to the assets from contracts recognized under IFRS 15.

Under IFRS 9, allowances for losses will be measured using one of the following bases:

- 12-month ECL: These are ECLs that result from possible default events within 12 months after the reporting date;
- ECL during the life of the asset: These are ECLs that result from possible events of default during the expected life of a financial instrument.

Given the nature of the clients with which the Group operates, the conditions regulatory set and based on the above-mentioned criteria, the Group did not identify significant expected credit losses, during the asset lifetime, in addition to those detailed in Note 13.

In the case of financial investments and, in accordance with the current investment policies, the Group monitors the credit rating and the credit risk that these instruments have, as long as they are not valued at fair value. Based on the analysis made, the Group did not identify that an impairment should be recorded in this type of instrument.

2.3.10.2. Financial liabilities - Recognition and measurement

- **Financial liabilities at amortized cost**

Financial liabilities are initially recognized at their fair value less the transaction costs incurred. After their initial recognition, financial liabilities are measured at amortized cost. Any difference between the financing received (net of transaction costs) and the repayment value is recognized in the consolidated statement of income and other comprehensive income over the life of the related debt instrument, using the effective interest rate method.

At the closing date of these consolidated financial statements, the Group's financial liabilities at amortized cost include Trade payables, Lease liabilities and Loans.

- **Derecognition of financial liabilities**

The Group derecognizes a financial liability when the obligation specified in the corresponding contract has been paid or cancelled, or has expired.

When one financial liability is replaced with another one with the same counterparty with substantially different conditions, or if the conditions of an existing liability change substantially, that exchange or modification is treated by derecognizing the original financial liability and recognizing a new financial liability, and the difference is recognized as finance income or expense in the statement of comprehensive income.

2.3.10.3. Offsetting financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

2.3.10.4. Financial assets and liabilities with related parties

Assets and liabilities with related parties are recognized initially at fair value plus directly attributable transaction costs. As long as those transactions have not been performed at arms' length principle, any difference arising at initial recognition between fair value and the consideration given or received in return shall be considered as an equity transaction (capital contribution or payment of dividends, which will depend on whether it is positive or negative).

After initial recognition, these receivables and payables are measured at their amortized cost through the effective interest rate method. The amortization is included in finance income or costs in the comprehensive income statement of income.

2.3.10.5. Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The derivative financial instruments used by the Group are initially recognized at fair value on the date on which a derivatives contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The method to recognize the loss or gain resulting from the change in fair value depends on whether the derivative has been designated as a hedging instrument and, if so, on the nature of the item being hedged. The Company may designate certain derivatives as:

- fair value hedges;
- cash flow hedges.

At inception date, the Group documents the relationship between the hedging instruments and the hedged items, as well as their objectives for risk management and the strategy to carry out various hedging transactions. It also documents its evaluation, both at the beginning and on an ongoing basis, of whether the derivatives used in hedging transactions are highly effective in offsetting changes in the fair value or in the cash flows of the hedged items.

Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the statement of comprehensive income, along with any change in the fair value of the hedged asset or liability that is attributable to the hedged risk.

Cash flow hedge

The effective portion of changes in the fair value of the derivatives that are designated and qualify as cash flow hedges are recognized in Other Comprehensive Income. The loss or gain relating to the non-effective part is recognized immediately in the statement of income and other comprehensive income under "Finance expense, net".

The amounts accumulated in Other Comprehensive Income are taken to the statement of income and other comprehensive income in the fiscal years in which the hedged item affects the result of the year. In the case of interest rate hedges, this means that the amounts recognized in the equity are reclassified to gain(losses) in "Finance expense, net", as the interest on the associated debts accrues.

During the year ended December 31, 2022, the Group maintained derivative hedging instruments in order to reduce the risk arising from variation in interest rates.

Interest rate swaps or hedge contracts are measured at their current value at the end of each fiscal year and are exposed as assets or liabilities depending on the rights and obligations arising from the respective contracts. Interest rate swaps

contracts have been classified as effective cash flow hedges. Changes in the accounting measurement of swap contracts are recognized in the shareholders' equity in "Other comprehensive income". These recognized changes in shareholders' equity are reclassified to the result of the fiscal year in which the interests of the loan with variable rate object of coverage are recognized in the statement of comprehensive income.

If the hedging instrument expires or is sold, resolved, terminated or exercised without successive replacement or renewal (as part of the hedging strategy), or if its designation as a hedge is revoked, or if the hedge no longer meets the requirements to apply hedge accounting, any accumulated gain or loss previously recognized in the other comprehensive income remains separate in equity until the expected transaction takes place. If the future transaction is not expected to occur, the cash flow reserve amount is imputed to the consolidated comprehensive income.

2.3.11. Cash and cash equivalents

Cash is deemed to include both cash on hand and time deposits in financial entities on demand. Cash equivalents are deemed to include short-term investments with significant liquidity and free availability that, subject to no previous notice or material cost, may be easily converted into a specific cash amount that is known with a high degree of certainty upon the acquisition, are subject to an insignificant risk of changes in value, maturing up to three months after the date of the related acquisitions, and whose main purpose is not investment or any other similar purpose, but settling short-term commitments.

For the purpose of the consolidated statement of financial position and the consolidated statement of cash flows, cash and cash equivalents comprise cash in hand, deposit held at call with banks and on other short-term highly liquidity investments with original maturities of three months or less.

Cash and cash equivalents do not include amounts of bank overdrafts.

2.3.12. Provisions

Provisions are recognized when the Group has a present obligation (legal or implied) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of income and other comprehensive income under the item that better reflects the nature of the provision net of any reimbursement to the extent that the latter is virtually certain.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax market rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost in the statement of income and other comprehensive income under the caption "Finance expense, net".

- **Provision for lawsuits and claims**

In the ordinary course of business, the Group is exposed to claims of different natures (e.g., commercial, labour, tax, social security, foreign exchange or customs claims) and other contingent situations derived from the interpretation of current legislation, which could result in a loss, the materialization of which depends on whether one more events occur or not. In assessing these situations, Management uses its own judgment and advice from its legal counsel, both internal and external, as well as the evidence available as of those dates. If the assessment of the contingency reveals the likelihood of the materialization of a loss and the amount can be reliably estimated, a provision for lawsuits and claims is recorded as of the end of each fiscal year.

- **Provision for assets retirement**

Liabilities related to retirement of assets in generation fields require that the Group estimate costs and timing of such retirement. Changes in technology, costs, the accretion rate used for the calculation and legal framework may cause differences between future real cost and estimations. Such estimations are reviewed at least once a year or in the event such changes in the assessment conditions could generate significant impacts on the amount of the provision.

2.3.13. Contingent liabilities

A contingent liability is: (i) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or (ii) a present obligation that arises from past events but is not recognized because: (a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or (b) the amount of the obligation cannot be measured with sufficient reliability.

A contingent liability is not recognized in the financial statements; it is reported in notes, unless the possibility of an outflow of resources to settle such liability is remote. For each type of contingent liability as of the end of each fiscal year, the Group shall disclose (i) a brief description of the nature of the obligation and, if possible, (ii) an estimate of its financial impact; (iii) an indication of the uncertainties about the amount or timing of those outflows; and (iv) the possibility of obtaining potential reimbursements.

2.3.14. Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

A contingent asset is not recognized in the financial statements; it is reported in notes only where an inflow of economic benefits is probable. For each type of contingent asset as of the end of each fiscal year, the Group shall disclose (i) a brief description of the nature thereof and, if possible, (ii) an estimate of its financial impact.

2.3.15. Employee benefits

The Group recognizes short-term benefits to employees, such as salary, vacation pay, bonuses, among others, on an accrued basis and includes the benefits arising from collective bargaining agreements. All these benefits are included in "Salaries and social security".

The Group awards bonus for objectives and performance. These programs reach certain Group employees. They are based on the fulfilment of corporate objectives, business unit and individual performance, and are determined based on the annual remuneration of each employee, the calculation of certain indicators related to compliance with the aforementioned objectives and the performance evaluation, and are paid in cash.

Additionally, the Group has awarded long-term benefits to employees, that reach certain Group executive employees, managers and key personnel, and consist in giving each employee benefits with the condition that they remain as part of the Company during the period previously defined in this plan.

2.3.16. Investment in joint ventures

The Group's investments in joint ventures are accounted for using the equity method. An associate is an entity over which the Group has significant influence or joint control. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is neither control nor joint control.

According to the equity method, investments in associates are originally recognized in the statement of financial position at cost, plus (less) the changes in the Group's ownership interests in the associates' net assets subsequent to the acquisition

date. If any, goodwill relating to the associate is included in the carrying amount of the investment and it is neither amortized nor individually tested for impairment.

If the cost of the investments is lower than the proportional share on the fair value associate's assets and liabilities as of the date of acquisition, a gain is recognized in the fiscal year in which the investment was acquired.

The statement of income and other comprehensive income reflects the share of the gain(losses) of operations of the associates and joint ventures adjusted on the basis of the fair values estimated as of the date on which the investment was recognized. When there has been a change recognized directly in the equity of the associates, the Group recognizes its share of any changes and includes them, when applicable, in the statement of changes in shareholders' equity.

The Group's share of profit in the associates and joint ventures is shown in a single line on the statement of comprehensive income. This share of profit includes income or loss after taxes of the associates and joint ventures.

The financial information of the associates and joint ventures is prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies of the associates and joint ventures in line with those of the Group.

After the application of the equity method, the Group determines whether it is necessary to recognize impairment losses on its investment in its associates and joint ventures. As of the end of each fiscal year, the Group determines whether there is objective evidence that the value of the investment in the associates has been impaired. If such was the case, the Group estimates the impairment loss as the difference between the recoverable amount of the investment in the associates and its carrying value, and recognizes the loss as "Income from equity interest in associates" in the statement of comprehensive income.

Upon loss of significant influence over an associate, and joint ventures the Group measures and recognizes any retained investment at its fair value. If such was the case, any difference between the carrying amount of the investment in the associate and the fair value on any retained investment, as well as the disposal proceeds, are recognized in the statement of comprehensive income.

The information related to joint ventures is included in Note 11.

2.3.17. Leases

The model introduced by IFRS 16 is based on the definition of lease, which is mainly related to the concept of control. IFRS 16 distinguishes between lease agreements and service contracts based on whether an identified asset is under the client control, which exists as long as the customer has the right to: i) obtain substantially all the economic benefits from the use of the asset; and ii) to direct the use of that asset.

The Group as lessee:

Once the lease is identified, the Group recognizes the following items:

- Right of use assets, whose cost includes:
 - a. the amount of the initial measurement of the lease liability;
 - b. any lease payments made to the lessor prior to the start date or on the same date, after discounting any incentive received for the lease;
 - c. any initial direct costs incurred by the lessee; and
 - d. an estimate of costs to be incurred in dismantling and removing of the underlying asset, restoring the location in which the underlying asset is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless incurred costs when producing inventories. The Group may incur obligations for

these costs either at the beginning date or as a consequence of having used the underlying asset during a given period.

Subsequently, the valuation of the right of use assets is based on the cost model set in IAS 16 "Property, plant and equipment (recognizing therefore depreciation and impairment in the statement of comprehensive income). Depreciation is calculated following the straight-line method based on the lease term of each contract, unless the useful life of such underlying asset is negligible.

The lease agreements in which the Group is a lessee correspond mainly to the rental of:

- Usufruct contracts for the land in which the Group is building its wind farms. These contracts have an average term of 17 years, with the option to renew for other 20 years, and do not have contingent canons.
- Rental contracts for the Group administrative offices. These contracts establish monthly payments and last three years.
- Rental contracts for motor generator equipment. These contracts have a 5 - year term with a purchase option at the end of the term. They do not have contingent canons.
- Annual lease fee for operating and maintenance contracts. These contracts have a 15 - year term and establish yearly payments.
- Lease liabilities, measured as the sum of the future lease payments, discounted using the incremental borrowing rate of the lessee given the complexity of determining the interest rate implicit in the leases. The Group applied to the lease liabilities recognized in the statement of financial position the incremental borrowing rate of the lessee since the date of initial application.

The lease liabilities include:

- a. fixed payments (including essentially fixed payments), less any lease incentive receivable;
- b. variable payments, which depend on an index or a rate, initially measured using the index or rate at the commencement date of the contract;
- c. amounts that the Group expects to pay as residual value guarantees;
- d. the exercise price of a purchase option if the Group is reasonably certain of exercising that option; and
- e. payment of penalties for terminating the lease, if the lease period reflects that the Group will exercise an option to terminate it (i.e., because there is reasonable certainty in this respect).

Subsequently, the Group increases the liability for the lease to reflect the accrued interest (and recognized in the statement of comprehensive income), deducts the payments that are made from the liability and recalculates the book value to reflect any revision, modification of the lease or revision of the so-called "in substance" fixed payments, applying a revised discount rate if applicable.

The Group reviews the lease liability in the following cases:

- a. when there is a change in the expected amount to be paid under a residual value guarantee;
- b. when there is a change in future lease payments resulting from a change in an index or an interest rate used to determine those payments (including, for example, a market rent review);
- c. when there is a change in the lease term as a result of a change in the non-cancellable period of the lease (for example, if the lessee does not exercise an option previously included in the determination of the lease term); or
- d. when there is a change in the evaluation of the purchase option of the underlying asset.

For leases that qualify as short-term leases, and leases with low-value underlying assets, the Group continues to recognize them as straight-line expense over the term of the lease, unless another systematic basis is more representative, in accordance with the option indicated by the rule. The Group did not identify low value leases other than those whose underlying assets respond to printers, cell phones, computers, photocopiers, among them, which amounts are not significant.

The Group applied the practical solution of the rule by which those leases whose term ends within 12 months from the date of initial application, regardless of the original date, and fulfilling the conditions to be classified as short term, continue the treatment described in the previous paragraph.

The Group as lessor:

The Group does not have significant assets leased to third parties.

2.3.18. Contract Liabilities

Contract liabilities include advances from customers arising from commercial agreements entered into with them as part of the General Levalle Wind Project (see Notes 1 and 28), which account for a partial payment of the energy price for the services to be delivered by the Company in the future. Such advances are measured on the basis of the cash amount received in US dollars or its equivalent in local currency (foreign currency), as the case may be, translated at the historical exchange rates prevailing at the time of each transaction. Consequently, the balance of contract liabilities represents the amount allocated to performance obligations not fulfilled by the Company. The Company expects to recognize revenues associated with such advances during the term of the agreements entered into with its customers.

During the year ended December 31, 2023, the Company did not recognised revenues in relation to the in contract liabilities recorded.

2.3.19. Shareholders' equity

Shareholders' equity items were valued pursuant to the professional accounting standards effective as of the date of transition. The movements in this account were recognized according to the decisions reached by shareholders' meetings, legislation or regulations.

Capital stock

It includes the contributions made by the shareholders represented by shares and includes the shares outstanding at their face value.

Issuance premiums

It is related to the difference between the capital increases subscribed and the related face value of the shares issued.

Other shareholders contributions

Includes the effects of the transactions made with entities under the Group's common control.

Legal reserve

According to the provisions of LGS, the Company is required to set up a legal reserve of at least 5% of the income arising from the profit for the fiscal year, prior-year adjustments, the transfers of other comprehensive income to retained earnings and accumulated losses of prior fiscal years until it reaches 20% of the subscribed capital.

Reserve for future investments

Corresponds to the allocation made by the Shareholders' Meeting of the Company, by which a specific amount is destined to constitute a reserve for future investments.

Special reserve RG No. 609

Corresponds to the reserve created in accordance with RG 609/12 of the CNV (“Special reserve RG No. 609”), which contains the positive difference resultant of the initial balance of the accumulated results exposed in the financial statements of the first closing of the fiscal year of IFRS application and the final balance of the results not allocated at the end of the last fiscal year under the previous accounting standards. Special reserve RG No. 609 is not allowed to be distributed in cash or in kind and it can only be dipped into a capitalization or an absorption of any negative balances of retained earnings.

Other comprehensive income

Includes income and expenses recognized directly in Shareholders’ equity accounts and the transfer of such items from equity accounts to the income statement of the fiscal year or to retained earnings, as defined by IFRS (Note 2.3.1.).

The evolution of the item is detailed below.

	Other comprehensive income				
	Joint ventures’ comprehensive income	Changes in derivative instruments’ fair value	Total	Non-controlling interest	Total
Balances as of January 1, 2022	12,831	(45)	12,786	-	12,786
Joint ventures’ net monetary position gain	39,253	-	39,253	-	39,253
Translation differences from joint ventures	(30,038)	-	(30,038)	-	(30,038)
Income from hedging instruments	-	72	72	-	72
Less: Income reclassification for valuation of hedging instruments charged to results of the year	-	(3)	(3)	-	(3)
Income tax related to components of other comprehensive loss for the year	-	(24)	(24)	-	(24)
Net variation of the year	9,215	45	9,260	-	9,260
Balances as of December 31, 2022	22,046	-	22,046	-	22,046
Joint ventures’ net monetary position loss	(85,464)	-	(85,464)	-	(85,464)
Translation differences from joint ventures	63,418	-	63,418	-	63,418
Net variation of the year	(22,046)	-	(22,046)	-	(22,046)
Balances as of December 31, 2023	-	-	-	-	-

Retained earnings

Includes retained earnings with no specific allocation that may be distributed by a decision reached by the Shareholders’ Meeting, provided that there are no legal restrictions.

2.3.20. Business combination

Business combinations are recorded using the acquisition method when the Group effectively takes control over the acquired company.

The Group recognises the identifiable acquired assets, the assumed liabilities, any non-controlling interest and, if any, a goodwill or the result from a bargain purchase, in accordance with IFRS 3.

The cost of acquisition is measured as the sum of the consideration transferred, measured at fair value at that date. Additionally, the identifiable acquired assets and the assumed liabilities are measured at fair value at the date of the

acquisition. Moreover, the non-controlling interest in the acquiree is measured at fair value or at the proportionate share of the fair value of the identifiable net assets of the acquiree, at the acquirer's option. The costs related to the acquisition are expensed as incurred. If the business combination is carried out in stages, the Group remeasures its participation prior to the business combination at fair value at the acquisition date and recognises a gain or loss within the consolidated statements of income and other comprehensive income.

Goodwill is measured at cost, as the excess of the consideration transferred plus the non-controlling interest of the acquiree and the fair value of any stake held previous to the business combination with respect to the net identifiable acquired assets and liabilities assumed by the Group.

If the fair value of the consideration transferred is lower than the fair value of the identifiable acquired assets and the assumed liabilities at the acquisition date, the difference is recognised within the consolidated statement of comprehensive income as bargain purchase gain.

2.3.21. Information by operating segment

For management purposes, the Group is organized as a single business segment to generate and sell electric power. The Group discloses only the information about this activity in "Operating income (loss)" on the consolidated statements of income and other comprehensive income. The Company's non-current assets are located in Argentina and its revenues are fully generated in Argentina.

2.4. Judgments, material accounting estimates and assumptions

The preparation of the Group's consolidated financial statements requires Management to make material estimates and assumptions that affect the recorded amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent assets and liabilities as of the end of each fiscal year. In this sense, the uncertainties related to the estimates and assumptions adopted could give rise in the future to final gain(losses) that could differ from those estimates and require material adjustments to the amounts of the assets and liabilities affected.

The key assumptions concerning the future and other key sources of estimation as of the end of each fiscal year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial fiscal year, are described below. The Group based its accounting assumptions and material estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

The material accounting estimates and judgments used by management are mentioned below:

- **Recoverability of property, plant and equipment:**

At each reporting date the Group assess if there is an indicator that Property, Plant and Equipment may be impaired. Impairment exists when the carrying value of an asset or CGU exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The value in use calculation is based on a Discounted Cash Flow (DCF) method discounted using a discount rate that reflects current market assessments of the time value of money. The cash flows cover the useful life of the assets. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows.

- **Determination of income tax and deferred income tax**

The proper assessment of income tax expenses depends on several factors, including interpretations related to tax treatment for transactions and/or events that are not expressly provided for by current tax law, as well as estimates of the timing and realization of deferred income taxes. In addition, the collections and payments actually incurred of income tax

expenses may differ from these estimates due to, among others, changes in applicable tax regulations and/or their interpretations, as well as unanticipated future transactions affecting the Group's tax balances.

- **Functional Currency**

The Company's Management applies its professional judgment to determine its functional currency and that of its subsidiaries. The judgment is made mainly with respect to the currency which influences and determines the sales prices, the generating costs, materials, investments and other costs, as well as the financing and collections resulting from their operating activities.

- **Business combination**

The application of the acquisition method involves the measurement at fair value of the identifiable assets acquired and the liabilities assumed in the business combination at the date of acquisition.

To determine the fair value of identifiable assets and liabilities, the Group uses the valuation approach that it considers most representative for each item. These include: (i) the revenue approach, which uses valuation techniques to convert future amounts into a single present amount (i.e., discounted), (ii) the market approach using the comparable transaction methodology, and (iii) the cost approach through the use of depreciated replacement values.

In selecting the approach to be used and estimating future cash flows, critical judgment is required on the part of Management. Actual cash flows and values may vary significantly from projected future cash flows and related values obtained through the above valuation techniques.

2.5. IFRS issued

As required by IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors," below is a summary of the standards and interpretations issued by IASB:

2.5.1 Standards and interpretations that must be mandatorily adopted since January 1, 2023 and that, therefore, have been adopted by the Group, where applicable

- **Amendments to IAS 1 "Presentation of Financial Statements" and Practice Statement 2 – Disclosure of Accounting Policies**

In February 2021, IASB issued amendments to IAS 1 related to the disclosure of material accounting policies applicable to fiscal years beginning on or after January 1, 2023. Such amendments:

- Replace the term "significant accounting policies" with "material accounting policies;"
- Add guidance and illustrative examples to help entities identify material accounting policies that require disclosure;
- Establish that accounting policies may be material regardless of the size of the amounts involved, so their nature and other conditions should be analyzed, such as whether they relate to the comprehensive understanding of other accounting policy considered material; and
- Establish that if the entity discloses accounting policies considered immaterial, such disclosure should not be misleading.

The Group has analyzed the disclosure of material accounting policies following the adoption of the aforementioned amendments. As a result, certain disclosures have been adjusted for users to have a better understanding of the Group's consolidated financial statements.

- **Amendments to IAS 8 – Definition of Accounting Estimates**

In February 2021, IASB issued amendments to IAS 8 related to the definition of accounting estimates, which are applicable to fiscal years beginning on or after January 1, 2023.

The amendments include a definition of accounting estimates to help entities distinguish accounting policies from accounting estimates. The previous definition was intertwined with the definition of accounting policy and could be misleading. Accordingly, accounting estimates are defined as "monetary amounts in financial statements subject to uncertainty."

The amendments clarify that changes in accounting estimates represent a prospective application, and if such changes are based on both new information not available at the time of the previous measurement and changes in the variables used in such estimate, they should not be treated as an error correction.

The adoption of the aforementioned amendments has not had material impacts on the Group's consolidated financial statements.

- **Amendments to IAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction**

In May 2021, IASB issued amendments to IAS 12 "Income Taxes" related to the initial recognition of deferred tax in transactions where an asset and a liability are simultaneously recognized. Such amendments are applicable to reporting periods beginning on or after January 1, 2023.

The amendments introduce an initial recognition exemption specifying how entities should account for income tax and deferred tax in transactions where an initial asset and liability are recognized, while concurrently generating taxable and deductible temporary items for the same amount. Therefore, in such cases where an asset and a liability are recognized, for instance, relating to leases, the entity is required to recognize the deferred tax resulting from such transactions.

The Group has broken down deferred tax assets and liabilities generated by Right of use assets and Lease liabilities, following the adoption of the above-mentioned amendments. In addition, the corporate information for fiscal years ended December 31, 2022 and 2021 has been restated (Note 15). However, there has been no impact on retained earnings at the beginning.

- **Amendments to IAS 12 - International Tax Reform—Pillar Two Model Rules**

In May 2023, IASB issued amendments to IAS 12 related to the Pillar Two Model Rules of the International Tax Reform (the "Reform") developed by the Organization for Economic Co-operation and Development (OECD). These amendments are applicable to reporting periods beginning on or after January 1, 2023.

These amendments introduce a temporary exception to the requirements of IAS 12 pursuant to which an entity may not recognize or disclose information on deferred taxes generated from income taxes arising from the application of the Reform. Besides, certain additional disclosures are required in the annual financial statements.

As of the date of these consolidated financial statements, the adoption of the aforementioned amendments has not had any effect since there is no tax regulatory framework related to said Reform in the jurisdictions in which the Group operates. However, the Group is monitoring possible future changes that may be observed in the tax regulations.

2.5.2 Standards and interpretations which are not mandatorily applicable as of the date of these consolidated financial statements and which have not been adopted by the Group

- **Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture.**

In September 2014, IASB amended IFRS 10 and IAS 28 "Investments in Associates and Joint Ventures" to clarify that in transactions involving a controlling entity, the extent of the profit or loss to be recognized in the financial statements will depend on whether the sold or contributed controlled entity constitutes or not a business in accordance with IFRS 3 "Business Combinations." In December 2015, IASB postponed the adoption date of these amendments indefinitely.

- **Amendments to IAS 1 - Classification of liabilities**

In January 2020, IASB issued amendments to IAS 1 related to the classification of liabilities as current or non-current, that are applicable retroactively for the fiscal years initiated on January 1, 2022 (date that was postponed to January 1, 2024), allowing its anticipated application.

The amendments clarify that the classification of the liabilities as current or non-current:

- Should be based on rights that are in existence at the end of the reporting period to defer settlement by at least twelve months and make explicit that only rights in place "at the end of the reporting period" should affect the classification of a liability.
- Is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability.
- Settlement refers to the transfer to the counterparty of cash, equity instruments, or other assets or services.

The adoption of the modifications mentioned above did not have a material effect on the Group's consolidated financial statements.

- **Amendments to IFRS 16 – Leases**

During September 2022, IASB issued amendments to IFRS 16 related to the measurement of leases that arise in a sale transaction with leaseback, which are applicable for years beginning on or after January 1, 2024, allowing its early application.

Although IFRS 16 already describes the accounting treatment for this type of transaction, it did not specify how to measure the balances of said lease on a date after the date of its initial recognition.

After the modification to IFRS 16, the lease liability arising from a sale with subsequent lease requires the seller-lessee to measure this lease liability in such a way that it does not recognize a result for the right of use that it retains, not preventing it from recognizing a result for the partial or total termination of the lease.

The adoption of the modifications mentioned above did not have a material effect on the Group's consolidated financial statements.

- **Amendments to IAS 1 and Practice Statement 2 – Non-current Liabilities with Covenants**

In October 2022, IASB issued amendments to IAS 1 related to the classification of liabilities that includes covenants as current or non-current, that are applicable retroactively for the fiscal years initiated on or after January 1, 2024.

These amendments clarify that the classification of loan agreements with covenants as non-current liabilities can be affected when an entity has to fulfill said covenant at or before the end of the reporting period even when the covenant is evaluated subsequently.

Additionally, certain additional disclosure requirements are incorporated in note that allows the users of the financial statements users to understand the risk in which the liability can become enforceable within the 12 months following the reporting period.

The adoption of the modifications mentioned above did not have a material effect on the Group's consolidated financial statements. However the Group anticipates that additional disclosures in notes may be included in the annual consolidated financial statements supplementing its currently reported information.

- **Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements**

In May 2023, IASB issued amendments to IAS 7 "Statement of Cash Flows" and IFRS 7 "Financial Instruments: Disclosures" related to supplier finance arrangements applicable to fiscal years beginning on or after January 1, 2024.

Such amendments introduce new qualitative and quantitative disclosure requirements in annual financial statements associated with supplier finance arrangements, including, without limitation, contractual conditions, financial liability balances, settlements made and/or maturities. These amendments do not require disclosure of comparative information.

The adoption of the modifications mentioned above did not have a material effect on the Group's consolidated financial statements.

- **Amendments to IAS 21 - Lack of Exchangeability**

In August 2023, the IASB issued modifications to IAS 21 related to the methodology to be applied in the lack of exchangeability between two currencies, and which are applicable for years beginning on or after January 1, 2025.

These modifications eliminate the methodology to be applied that was described in IAS 21 when there was a temporary loss of convertibility between currencies, and introduce the definition of convertibility between currencies and an analysis approach that requires each entity to identify whether one currency is convertible into another for each specific purpose for which said currency would be obtained following a series of parameters such as an evaluation of whether the currency is obtained within a normal administrative period, the ability to obtain said currency, among others. Once the lack of exchangeability between currencies has been identified, the exchange rate must be estimated that represents that which would be obtained in an orderly transaction between market participants and that reflects economic conditions. These modifications do not specify a methodology for estimating the exchange rate to be used, but rather it must be developed by each entity.

Additionally, these modifications incorporate disclosure requirements such as a description of the restrictions that generate the lack of exchangeability, a qualitative and quantitative description of the affected transactions, the exchange rates used and their estimation methodology, a description of the risks to which the entity is exposed due to the lack of exchangeability, among others.

As of the date of issuance of these consolidated financial statements, the Group is assessing the effects of the application of these modifications.

- **IFRS 18 "Presentation and information to reveal within the financial statements"**

In April 2024, IASB issued IFRS 18 which replaces IAS 1 "Presentation of financial statements", with the objective of providing better information on the entities' financial performance by improving their comparability, and which is applicable for fiscal years beginning on or after January 1, 2027.

IFRS 18 introduces the following requirements of information that can be grouped in two main groups:

- Group income and expenses into three defined categories: (i) operation; (ii) financing and (iii) investment, and include certain defined subtotals, such as operating income and result before financial results and income tax, in order to improve the comparability of the comprehensive income statement.
- Provide more information on the performance measures defined by management, which, although they are not mandatory, if this type of measure is included, the entity must disclose the reason why such measures are useful to users of the financial statements, how they are calculated, a reconciliation with the most directly comparable subtotal of the statement of comprehensive income, among others.

Additionally, IFRS 18 establishes more detailed guidance on how to organise information within financial statements and whether it should be provided in the main financial statements or in notes, with the aim of improving the grouping of information in the financial statements.

As of the date of issuance of these consolidated financial statements, the Group is assessing the effects of the application of IFRS 18.

- **IFRS 19 “Subsidiaries without public obligation of accountability: Information to be revealed”**

In May 2024, the IASB issued IFRS 19, with the aim of allowing the option of applying simplified disclosure requirements in the financial statements of subsidiaries that do not have a public obligation to render accounts and have a parent company, either last or intermediate, that prepares consolidated financial statements for public use in accordance with IFRS. The application is optional for fiscal years beginning on or after January 1, 2027.

As of the date of issuance of these consolidated financial statements, the Group is assessing the effects of the application of these amendments.

- **Amendments to IFRS 9 and IFRS 7 related to classification and measurement of financial instruments**

In May 2024, the IASB issued amendments to IFRS 9 and IFRS 7 related to certain issues regarding the classification and valuation requirements of IFRS 9 and the disclosure requirements of IFRS 7, which are applicable for years beginning on or after January 1, 2026, allowing their early application:

- Introduces an accounting policy option for the derecognition of a financial liability when the settlement is made through an electronic payment system and certain conditions are met.
- Clarifies the assessments that an entity must make on its financial assets, for example, to determine whether a financial instrument contains only cash flows corresponding to principal and interest, or whether it also includes clauses of a contingent nature that could significantly change the temporal distribution or the amounts of contractual cash flows.
- Establishes modifications in the information to be disclosed by an entity with respect to investments in equity instruments measured at fair value with changes in other comprehensive income, and the requirement of disclosure of contractual conditions that could modify the temporal distribution or the amounts of contractual cash flows in certain circumstances.

As of the date of issuance of these consolidated financial statements, the Group is assessing the effects of the application of these amendments.

- **Annual Improvements to IFRS - Volume 11**

In July 2024, the IASB issued the cycle of annual improvements Volume 11 which are applicable for fiscal years beginning on or after January 1, 2026. In general terms, the improvements include amendments and/or clarifications on certain paragraphs, delete, add and/or update cross-references, replace terms and align the wording between different accounting standards, among others.

A summary of the main modified standards follows:

Accounting Standard	Subject of amendments
IFRS 1 “First-time Adoption of International Financial Reporting Standards”	Hedge accounting by a first-time adopter
IFRS 7	Gain or loss on derecognition
Guidance on implementing NIIF 7	Disclosure of deferred difference between fair value and transaction Price
IFRS 9	Introduction and credit risk disclosures Derecognition of lease liabilities Transaction price
IFRS 10	Determination of a ‘de facto agent’
IAS 7 “Statement of Cash Flows	Cost method

As of the date of issuance of these consolidated financial statements, the Group is assessing the effects of the application of these amendments.

3. SEASONALITY OF OPERATIONS

The demand for electric power fluctuates according to the season of the year and may be affected significantly and adversely by climatic factors. In summer (from December to March), the demand for electric power can increase substantially due to the use of air conditioning equipment. In winter (from June to August), the demand for electric power may fluctuate, due to lighting and heating needs. Consequently, seasonal changes may affect the gain(losses) of operations and the financial situation of the Group.

4. ACQUISITIONS AND DISPOSITIONS

- **Acquisition of additional interest on Inversora Dock Sud S.A. – Central Dock Sud S.A.**

During March 2023, YPF EE exercised its first refusal right for the purchase of all the shares that Enel Américas S.A. (“Enel”), as a seller, had in Inversora Dock Sud S.A. (“IDS”), controlling company of Central Dock Sud S.A. (“CDS”).

In this sense, on April 13, 2023, YPF EE, through its wholly owned company Y-LUZ Inversora S.A.U. (“Y-LUZ”), effected the purchase from Enel of its common shares of IDS, representative of 57.14% of the subscribed capital, for the total amount of US\$ 52.3 million.

Simultaneously, on April 13, 2023, through an agreement of joint purchase with Pan American Sur S.A. (“PAS”) and subject to the compliance with certain precedent conditions, usual for this type of transactions, the Company transferred shares representative of the 29.84% of the subscribed capital of IDS to PAS, for the total amount of US\$ 27.2 million.

In this sense, taking into account the pre-existing interest of YPF EE in IDS of 42.86%, the Group has an interest of 70.16% in IDS, which in turn owns the 71.78% of the ordinary and preferred shares of CDS.

As a consequence of the aforementioned, since April 13, 2023, YPF EE obtained control over IDS and its subsidiary CDS.

The cost related to the transaction were not significant and were recognized directly as administrative expenses within the statement of income and other comprehensive income for the year.

This acquisition is aligned with the strategic objective of contributing to the supply of efficient and trustworthy electric power, through assets of generation that use natural gas, the conventional fuel of the energetic transition of Argentina.

The acquisition was recorded following the accounting criteria of business combination performed by stages detailed in Note 2.3.20.

Description of the acquired company

IDS was constituted with the objective of performing financial and investing operations. In 1996, the Company entered into a share purchase agreement by which it acquired a controlling participation of CDS, which activity is described in Note 1.

CDS has as main activity the generation and commercialization the electric power. In its plant located in Dock Sud, Avellaneda district, Province of Buenos Aires (“the Central”), the company operates a combined cycle of 798 MW, composed by two gas turbines (TG9 and TG 10) and a steam turbine (TV11). Additionally, it has two gas turbines of 35,82 MW each (TG7 and TG8).

The controlled company carries out its activities within the regulatory framework established by SE and ENRE, that governs the operations of the different agents involved in the MEM.

The electricity produced by the thermal plant is dispatched and transported to the MEM through SADI, which includes generators, transporters and distributors of electricity in Argentina and is commercialized mainly through CAMMESA.

Consideration transferred

The fair value of the consideration transferred amounted to 25,010, and it was paid in cash. There are no contingent payment arrangements associated with the transaction.

Identifiable acquired assets and identifiable assumed liabilities

The fair values of the acquired assets and liabilities of the acquired companies as of the date of acquisition are summarized below:

Identifiable acquired assets and assumed liabilities (at 100%)	Fair Value
Cash and cash equivalents	25,304
Investments	16,635
Trade receivables and other receivables	77,686
Property, plant and equipment	230,520
Trade payable	(14,181)
Deferred tax liabilities, net	(28,555)
Miscellaneous	(12,945)
Total of identifiable net acquired assets	294,464

The recorded fair value includes trade receivables and other receivables which values do not differ significantly from their amortized cost at that date.

Considering that the companies only prepare monthly financial information at the end of each month, the identifiable assets and liabilities as of March 31, 2023 have been considered.

Based on the nature of business and assets of IDS and its controlling company CDS, the measurement at fair value of the acquired assets and assumed liabilities was performed using the income approach, through which the valuation techniques convert future amounts (for example, cash flows or income and expenses) to a single present value (that is, discounted). The measurement of fair value is determined based on the indicated value by the market expectations over those future amounts.

Non-controlling interest

The Group chose to measure the value of the non-controlling interest at the date of acquisition considering the proportional share of this participation over the fair value of the acquired net assets. The fair value estimated this way amounted to 147,998.

Result from acquisition of controlling equity interest

- Remeasurement of pre-existent interest

The remeasurement at fair value of 42.86% of preexisting equity interest that YPF EE had over IDS, resulted in a gain of 13,069 that is included within the line "Gain from the acquisition of controlling equity interest" of the consolidated statement of income and other comprehensive income. These amounts correspond to the positive difference that comes from comparing the fair value of the pre-existing equity, that amounted to 89,469 and the value in the recorded investment under equity method at the acquisition date, that amounted to 76,400.

- **Result for the acquisition of the participation in IDS-CDS**

The business combination had been recorded using the acquisition method provided by IFRS 3. As a result of the application of this method the Group determined that the fair value of the consideration transferred of 25,010 is lower than the fair value of the assets and liabilities acquired at the date of acquisition, for which it recognized a gain for a bargain purchase of 31,986 that is included within the line of “Gain from the acquisition of controlling equity interest” of the consolidated statement of income and other comprehensive income for the year ended December 31, 2023.

- **Treatment of accumulated other comprehensive income**

The amounts related to the participation prior to the business combination recognized within Other comprehensive income of 24,450, were reclassified to the line “Gain from the of acquisition of controlling equity interest” of the consolidated the statement of income and other comprehensive income.

Results included in profit or loss after the business combination

The gain (losses) included from the date of acquisition within the consolidated statement of income and other comprehensive income as of December 31, 2023 are the following:

Profit or loss (at 100%)	Included within the Group's financial statement
Revenues	52,200
Production costs	(34,852)
Gross profit	17,348
Administrative and selling expenses	(3,601)
Other operating income, net	5,971
Operating profit	19,718
Finance income, net	17,730
Profit before income tax	37,448
Income tax	(68,030)
Net loss for the year	(30,582)

If the aforementioned business combination had occurred on January 1, 2023, the consolidated revenues and the net loss for the year ended December 31, 2023 would have amounted to 499,448 and (3,368) , respectively. The proforma financial information was calculated from the gain (losses) of the Group and IDS.

5. FINANCIAL RISK MANAGEMENT

The Group’s activities involve various types of financial risks: market risk (including exchange rate risk, interest rate risk and price risk), credit risk and liquidity risk. The Group maintains an organizational structure and systems that allow the identification, measurement and control of the risks to which it is exposed.

As of December 31, 2023, the Company maintained negative working capital in the amount of 64,727, primarily as a consequence of financing the construction of new generation assets. The Company estimates that it will be able to finance such negative working capital out of the cash flows generated from its operating assets.

In addition, the Company has different sources of financing in case it may need additional funds to cover its short-term needs. In this regard, on February 27, 2024, the Group issued the Class XIV and XV Corporate Bonds with a term of 36 months for a total of US\$ 29.3 million (Note 17).

5.1. Market risk

The market risk to which the Group is exposed is the possibility that the valuation of the Group's financial assets or financial liabilities as well as certain expected cash flows may be adversely affected by changes in interest rates, exchange rates or certain other price variables.

The following is a description of these risks as well as a detail of the extent to which the Group is exposed and a sensitivity analysis of possible changes in each of the relevant market variables.

Exchange rate risk

The value of financial assets and liabilities denominated in a currency different from the Group's functional currency is subject to variations resulting from fluctuations in exchange rates. Since Group's functional currency is the US dollar, the currency that generates the greatest exposure is the Argentine peso, the Argentine legal currency. The Group does not use derivatives as a hedge against exchange rate fluctuations.

Balances of financial assets and liabilities denominated in Argentine pesos as of December 31, 2023, are as follows:

December 31, 2023	
Assets	92,559
Liabilities	(17,475)
Exchange rate exposure, net	75,084

Exchange rate sensitivity

The following table shows the sensitivity of the net income before tax, as of December 31, 2023, in face of a devaluation of the Argentine peso with respect to its functional currency, considering that all other variables will remain constant (due to changes in the fair value of the monetary assets and liabilities).

Depreciation / (Appreciation) of Argentine peso	Net Income before tax effect, for the year (Losses) / Gains
+10%	(7,508)
-10%	7,508

Interest rate risk

The Group is exposed to risks associated with fluctuations in interest rates on loans and investments. Changes in interest rates may affect the interest income or expenses derived from financial assets and liabilities tied to a variable interest rate. Additionally, the fair value of financial assets and liabilities that accrue interests based on fixed interest rates may also be affected.

The table below provides information about the financial liabilities as of December 31, 2023, that accrues interest considering the applicable rate:

Financial liabilities ⁽¹⁾	
Fixed interest rate	855,659
Variable interest rate	21,321
Total ⁽²⁾	876,980

(1) Includes only financial loans. It does not include trade payables, which mostly do not accrue interest.

(2) Corresponds to the principal of loans, without consider interest or other transactions costs.

The fixed and variable rate financial loans represent 98% and 2%, respectively, of the total loans as of December 31, 2023, and include, financial loans with local and international entities. The portion of the loan, which accrues variable interest rate, is mainly exposed to the fluctuations in SOFR.

Financial assets mainly include, in addition to trade receivables, which have low exposure to interest rate risk, bank deposits, fixed-interest deposits and investments in mutual funds such as “money market” or short-term fixed interest rate instruments.

The Group’s strategy to hedge interest rate risk is based on placing funds at a variable interest rate, which partially offset financial loans at a variable interest rate, as well as using cash flow hedging.

The table below shows the estimated impact on the consolidated net income (loss) before tax of an increase or decrease of 100 basis points in the interest rate.

	Increase (+) / decrease (-) in the interest rates (basis points)	Income (loss) for the year ended December 31, 2023
Impact on net income (loss) before tax	+100	(213)
	-100	213

Price risk

The Group is not exposed to variations in prices in relation to sales made through the PPAs signed, which represent 85% of the Group's total revenues, given that they are made at fixed prices denominated in US dollars for periods between 5 and 15 years, which provide stability in operating cash flows. Sales under Resolution SEE No. 826/2022 represent 15% of revenues for the year ended December 31, 2023 (Note 30.1).

5.2. Liquidity risk

Liquidity risk is associated with the possibility of a mismatch between the need of funds to meet short, medium or long-term obligations.

As mentioned in previous paragraphs, the Group intends to align the maturity profile of its financial debt to be related to its ability to generate enough cash flows for its payment, as well as to finance the projected expenditures for each fiscal year. As of December 31, 2023, the cash and cash equivalents reached 114,342, considering cash and cash equivalents of 102,439 and cash and cash equivalents restricted for 11,903.

The following table sets forth the maturity dates of the Group’s financial liabilities as of December 31, 2023:

	Less than 3 months	3 to 12 months	1 to 2 years	2 to 5 years	More than 5 years	Total
Loans	39,356	144,062	109,927	413,880	189,878	897,103
Lease liabilities	1,184	3,553	1,229	3,036	2,448	11,450
Other liabilities	-	774	4,210	-	-	4,984
Trade payables	122,307	-	-	-	-	122,307
	162,847	148,389	115,366	416,916	192,326	1,035,844

Most of the Group’s loans contain usual clauses of financial commitments (covenants) associated with leverage ratio and debt coverage ratio (Note 17).

Under the terms of the loan agreements, if the Group breached a covenant or if it could not remedy it within the stipulated period, it would default, a situation that would limit its liquidity and, given that the majority of its loans contain cross default provisions, it could result in an early enforceability of its obligations. As of December 31, 2023, the Group is in compliance with all the covenants established within the loan agreements.

5.3. Credit risk

Credit risk is defined as the possibility of a third party not complying with its contractual obligations, thus negatively affecting gain(losses) of operations of the Group.

Credit risk in the Group is measured and controlled on an individual customer basis. The Group has its own systems to conduct a permanent evaluation of credit performance of all of its debtors, and the determination of risk limits with respect to third parties, in line with best practices using for such end internal customer records and external data sources.

Financial instruments that potentially expose the Group to a credit concentration risk consist primarily of cash and cash equivalents, restricted cash and cash equivalents, trade receivables and other receivables. The Group invests excess cash primarily in high liquid investments with financial institutions with a strong credit rating both in Argentina and abroad. In the normal course of business and based on ongoing credit evaluations to its customers, the Group provides credit to its customers and certain related parties. Likewise, the loss for doubtful trade accounts is charged to the statements of income and other comprehensive income, based on specific information regarding its clients.

The provisions for doubtful accounts are measured by the criteria expressed in Note 2.3.12.

The maximum exposure to credit risk of the Group as of December 31, 2023, based on the type of its financial asset and without excluding the amounts covered by guarantees is set forth below:

	Maximum exposure as of December 31, 2023
Trade receivables	113,644
Other receivables	59,801
Restricted cash and cash equivalents	11,903
Cash and cash equivalents	102,439
	287,787

Considering the maximum exposure to the risk, trade receivables related to CAMMESA accounts for approximately 54% of these receivables. Financial assets past due as of December 31, 2023 are not significant.

As of December 31, 2023 the allowance for doubtful receivables is not significant and it corresponds to trade receivables and tax credits.

6. FINANCIAL INSTRUMENTS BY CATEGORY

The following tables show the financial assets and liabilities by category of financial instrument and a reconciliation with the corresponding accounts in the financial statement, as appropriate. Since the account "Other receivables" contains financial instruments, as well as non-financial assets (such as taxes and advances to property, plant and equipment), the reconciliation is shown within the "Non-financial assets" column.

Financial Assets

December 31, 2023				
	Financial assets at amortized cost	Financial assets at fair value through profit or loss	Non-financial assets	Total
Other receivables	59,801	-	23,645	83,446
Trade receivables	113,644	-	-	113,644
Restricted cash and cash equivalents	11,903	-	-	11,903
Cash and cash equivalents	45,561	56,878	-	102,439
	230,909	56,878	23,645	311,432

December 31, 2022				
	Financial assets at amortized cost	Financial assets at fair value through profit or loss	Non-financial assets	Total
Other receivables	13,511	-	36,316	49,827
Trade receivables	140,772	-	-	140,772
Restricted cash and cash equivalents	11,903	-	-	11,903
Cash and cash equivalents	42,853	39,475	-	82,328
	209,039	39,475	36,316	284,830

Financial Liabilities

December 31, 2023		
	Financial liabilities at amortized cost	Total
Loans	897,103	897,103
Lease liabilities	11,450	11,450
Other liabilities	4,984	4,984
Trade payables	122,307	122,307
	1,035,844	1,035,844

December 31, 2022		
	Financial liabilities at amortized cost	Total
Loans	857,989	857,989
Lease liabilities	13,179	13,179
Trade payables	91,910	91,910
	963,078	963,078

Gains and losses on financial instruments are allocated to the following categories:

	For the year ended December 31, 2023			Total
	Financial assets / liabilities at amortized cost	Financial assets at fair value through profit or loss	Non-financial assets / liabilities	
Interest income and others	4,929	-	-	4,929
Profit from financial assets valuation at fair value	-	100,350	-	100,350
Interest loss and others	(57,317)	-	-	(57,317)
Net exchange differences	(176,706)	(132,854)	189,633	(119,927)
Finance accretion	(2,435)	-	-	(2,435)
Other finance income	(6,559)	287	-	(6,272)
	(238,088)	(32,217)	189,633	(80,672)

	For the year ended December 31, 2022			Total
	Financial assets / liabilities at amortized cost	Financial assets at fair value through profit or loss	Non-financial assets / liabilities	
Interest income and others	1,811	-	-	1,811
Profit from financial assets valuation at fair value	-	38,165	-	38,165
Interest loss and others	(69,130)	-	-	(69,130)
Net exchange differences	(17,049)	(51,114)	18,579	(49,584)
Finance accretion	(1,788)	-	-	(1,788)
Other finance income	(8,823)	-	-	(8,823)
	(94,979)	(12,949)	18,579	(89,349)

7. QUANTITATIVE AND QUALITATIVE INFORMATION ON FAIR VALUES

7.1. Information on the fair value of financial assets and liabilities by category

7.1.1. Instruments at amortized cost

The estimated fair value of loans, considering interest rates offered to the Group for its financial loans, amounted approximately to 749,816 and 845,844 as of December 31, 2023 and 2022, respectively.

The fair value of other receivables, trade receivables, cash and cash equivalents, restricted cash and cash equivalents, trade payables, lease liabilities and other financial liabilities do not differ significantly from their book value.

7.1.2. Instruments at fair value

As of December 31, 2023, fair value assets and liabilities comprise mutual funds. The fair value of mutual funds is determined based on the guidelines mentioned in Note 7.2.

7.2. Valuation techniques

The fair value reported in connection with the abovementioned financial assets and liabilities is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- Management assessed that the fair values of current trade receivables, other financial assets and other current receivables and trade payables, other liabilities and variable rate loans, approximates the carrying amounts mainly due to the short-term maturities of these instruments.

- Fair value of fixed rate loans is calculated by the appropriated valuation technics that use observable market data.
- Fair value of mutual funds is based on price quotations as of the end of each fiscal year.

7.3. Fair value hierarchy

7.3.1. Assets and liabilities at fair value

As of December 31, 2023 and 2022, the Group maintained the following financial assets and liabilities measured at fair value in its consolidated statement of financial position:

	December 31, 2023	
Financial assets	Level 1	Total
Cash and cash equivalents:		
- Mutual funds	56,878	56,878
	56,878	56,878

	December 31, 2022	
Financial assets	Level 1	Total
Cash and cash equivalents:		
- Mutual funds	39,475	39,475
	39,475	39,475

There have been no transfers of financial assets between different fair value hierarchies during the years ended December 31, 2023 and 2022.

YPF ENERGÍA ELÉCTRICA S.A.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023 AND 2022

(Amounts expressed in thousands of United States dollars, except as otherwise indicated)

8. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings	Production facilities, machinery, equipment and spare parts of power plants	Transportation equipment	Materials and equipment in ware house	Work in progress	Furniture, fixtures, computer and communication equipment	Total
Cost	2,651	1,950,653	1,195	52,159	17,539	4,568	2,028,765
Accumulated depreciation	(311)	(343,696)	(775)	-	-	(642)	(345,424)
Balances as of January 1, 2022	2,340	1,606,957	420	52,159	17,539	3,926	1,683,341
<u>Cost</u>							
Increases	-	33,837	252	19,581	108,982 ⁽¹⁾	356	163,008
Disposals and reclassifications	-	-	-	(3,986)	-	-	(3,986)
Transfers	79	36,071	-	(1,422)	(35,536)	808	-
<u>Accumulated depreciation</u>							
Increases	(47)	(104,691)	(169)	-	-	(719)	(105,626)
Cost	2,730	2,020,561	1,447	66,332	90,985	5,732	2,187,787
Accumulated depreciation	(358)	(448,387)	(944)	-	-	(1,361)	(451,050)
Balances as of December 31, 2022	2,372	1,572,174	503	66,332	90,985	4,371	1,736,737
<u>Costs</u>							
Addition due to business combination (Note 4)	8,102	497,048	227	28,351	4,130	7,142	545,000
Increases	2	12,619	137	48,327	203,921	630	265,636
Disposals and reclassifications	-	(191)	(50)	(6,642)	(72)	(2,051)	(9,006)
Transfers	3,128	99,651	-	(2,770)	(101,235)	1,226	-
<u>Accumulated depreciation</u>							
Addition due to business combination (Note 4)	(2,862)	(304,200)	(134)	-	-	(6,090)	(313,286)
Increases	(162)	(131,662)	(209)	-	-	(1,359)	(133,392)
Disposals and reclassifications	-	179	-	-	-	2,040	2,219
Cost	13,962	2,629,688	1,761	133,598	197,729	12,679	2,989,417
Accumulated depreciation	(3,382)	(884,070)	(1,287)	-	-	(6,770)	(895,509)
Balances as of December 31, 2023	10,580	1,745,618	474	133,598	197,729	5,909	2,093,908

(1) Includes 91 of financial cost related to financing from third parties for extended works in progress for fiscal year ended December 31, 2022.

SANTIAGO MARTÍNEZ TANOIRA
President

(Amounts expressed in thousands of United States dollars, except as otherwise indicated)

	December 31, 2023	December 31, 2022
Book value of property, plant and equipment	2,093,908	1,736,737
Provision for obsolescence of materials and spare parts	(2,031)	(759)
Impairment of property, plant and equipment	(82,983)	(39,946)
Net book value of property, plant and equipment	2,008,894	1,696,032

Set forth below is the evolution of the provision for obsolescence of materials and spare parts for the fiscal years ended December 31, 2023 and 2022:

	Provision for obsolescence of materials and spare parts
Balances as of January 1, 2022 and December 31, 2022	(759)
Addition due to business combination (Note 4)	(1,194)
Increases	(78)
Balances as of December 31, 2023	(2,031)

Impairment of property, plant and equipment

The Group regularly assesses the existence of triggering events or changes in circumstances that could indicate that the actual book value of property, plant and equipment may not be recoverable in accordance with the policy described in Note 2.3.8.2.

The construction of the Cañadón León Wind Farm, carried out by Luz del León S.A., 100% controlled by YPF EE, was in progress at the beginning of the Covid19 pandemic, which generated delays in the start of operations and higher costs, resulting in cross claims between the Group and its main contractors, as detailed in Note 29.

In relation to these claims, on September 30, 2022, the Group reached a settlement agreement, through which the recognized amount to LDL as loss of profit and other concepts associated with the delay was lower than the estimated amount, impacting in the recoverable value of Cañadón León Wind Farm.

The estimated recoverable value amounted to US\$ 189 million as of September 30, 2022, which generated an impairment loss of Property, plant and equipment before taxes of 40,660 that was charged to Impairment of property, plant and equipment line of the statement of income and other comprehensive income as of that date.

In addition, during the six-month period ended June 30, 2023, the Loma Campana II Thermal Plant presented failures in key parts, requiring the shutdown of the plant to carry out the corresponding repairs, impacting in the estimations of availability of the assets in the mid-term and, consequently, in the recoverable value of the Loma Campana II Thermal Plant calculated as described below.

The estimated recoverable value amounted to US\$ 59 million as of June 30, 2023, which generated an impairment loss of Property, plant and equipment before taxes of 46,800 that was charged to Impairment of property, plant and equipment line of the statement of income and other comprehensive income as of that date.

In both cases, the methodology used to estimate the recoverable value consisted of calculating the value in use of the CGU based on the present value of future net cash flows expected to be obtained from the CGU, discounted at a rate that reflects the average weighted cost of capital employed.

(Amounts expressed in thousands of United States dollars, except as otherwise indicated)

The cash flows were prepared based on estimates regarding the future behaviour of certain variables that are sensitive in determining the value in use, among which the following are: (i) power generation, availability and future prices after the expiration of the PPAs signed; (ii) the evolution of costs; (iii) investment needs; (iv) macroeconomic variables such as inflation rates, exchange rate, among others, and; (v) the discount rate.

The discount rate represents the current market assessment of the Group's specific risks, taking into account both the time value of money and the individual risks of the underlying assets. The discount rate used is the weighted average cost of capital (WACC). As of September 30, 2022, June 30, 2023, and December 31, 2023 it was 11%, 10.8% and 10.9%, respectively.

The evolution of the impairment of property, plant and equipment for the fiscal years ended December 31, 2023 and 2022 is described below:

	Impairment of property, plant and equipment
Balances as of January 1, 2022	-
Increase charged to profit or loss	(40,660)
Depreciation	714
Balances as of December 31, 2022	(39,946)
Increase charged to profit or loss	(46,800)
Depreciation	3,763
Balances as of December 31, 2023	(82,983)

9. INTANGIBLE ASSETS

The evolution of the Group's intangible assets for the years ended December 31, 2023 and 2022 are as follows:

	Intangible assets
Cost	5,235
Accumulated amortization	(307)
Balances as of January 1, 2022	4,928
<u>Cost</u>	
Increases	3,200
<u>Accumulated amortization</u>	
Increases	(262)
Cost	8,435
Accumulated amortization	(569)
Balances as of December 31, 2022	7,866
<u>Cost</u>	
Increases	540
<u>Accumulated amortization</u>	
Increases	(262)
Cost	8,975
Accumulated amortization	(831)
Balances as of December 31, 2023	8,144

(Amounts expressed in thousands of United States dollars, except as otherwise indicated)

10. RIGHT OF USE ASSETS

The evolution of Group's right of use assets for the years ended December 31, 2023 and 2022 due to the application of IFRS 16 are as follows:

	Buildings	Land	Machinery and equipment	Total
Cost	3,502	5,106	12,802	21,410
Accumulated depreciation	(1,732)	(490)	(2,897)	(5,119)
Balances as of January 1, 2022	1,770	4,616	9,905	16,291
<u>Cost</u>				
Increases	-	135	2,796	2,931
<u>Accumulated depreciation</u>				
Increases	(401)	(202)	(1,481)	(2,084)
Cost	3,502	5,241	15,598	24,341
Accumulated depreciation	(2,133)	(692)	(4,378)	(7,203)
Balances as of December 31, 2022	1,369	4,549	11,220	17,138
<u>Accumulated depreciation</u>				
Increases	(401)	(202)	(1,714)	(2,317)
Cost	3,502	5,241	15,598	24,341
Accumulated depreciation	(2,534)	(894)	(6,092)	(9,520)
Balances as of December 31, 2023	968	4,347	9,506	14,821

11. INVESTMENT IN JOINT VENTURES

The following table shows the value of the investments in joint ventures at an aggregate level, as of December 31, 2023 and 2022:

	December 31, 2023	December 31, 2022
Amount of investments in joint ventures	11	74,587

The main movements during the years ended December 31, 2023 and 2022, which affected the value of the aforementioned investments, correspond to:

	Investments in joint ventures
Balance as of January 1, 2022	71,449
Income on investments in joint ventures	(6,077)
Other comprehensive income	9,215
Balance as of December 31, 2022	74,587
Income on investments in joint ventures	(590)
Decrease due to business combination (Note 4)	(76,389)
Other comprehensive income	2,403
Balance as of December 31, 2023	11

(Amounts expressed in thousands of United States dollars, except as otherwise indicated)

Inversora Dock Sud S.A.

The following table presents summary financial information for investments in IDS under IFRS as of December 31, 2022:

	December 31, 2022
Non-current assets	173,652
Current assets	633
Total assets	174,285
Non-current liabilities	199
Current liabilities	63
Total liabilities	262
Shareholders' equity	174,023
Investment book value	74,586

	For the years ended December 31,	
	2023	2022
Net loss for the year	(1,376)	(14,178)
Share interest in net loss of joint ventures	(590) ⁽¹⁾	(6,077)

(1) Share interest in IDS' net income (loss) until the acquisition date (see Note 4).

The following table shows information of associates and investments in joint ventures as of December 31, 2023 and 2022:

Name and issuer	December 31, 2023		December 31, 2022	
	Book value	Cost	Book value	Cost
Investments under joint control:				
Inversora Dock Sud S.A.	-	-	74,586	-
Other companies:				
Miscellaneous ⁽¹⁾	11	11	1	1
	11	11	74,587	1

(1) Includes Luz del Campo S.A., Termoeléctrica San Martín S.A., Termoeléctrica Manuel Belgrano S.A. and Central Vuelta de Obligado S.A.

12. OTHER RECEIVABLES

	December 31, 2023		December 31, 2022	
	Non-current	Current	Non-current	Current
Loans and advances to employees	-	219	-	463
Advances to suppliers of property, plant and equipment	5,339	-	4,411	-
Related parties (Note 31)	39,463	20,097	7,943	-
Tax credits	-	9,680	-	25,048
Advances to suppliers and custom agents	-	569	-	414
Prepaid insurance	-	7,721	-	6,134
Insurances	-	-	-	4,898
Prepaid expenses	-	347	-	334
Miscellaneous	-	24	-	213
	44,802	38,657	12,354	37,504
Allowance for doubtful other receivables	-	(13)	-	(31)
	44,802	38,644	12,354	37,473

(Amounts expressed in thousands of United States dollars, except as otherwise indicated)

13. TRADE RECEIVABLES

	December 31, 2023	December 31, 2022
	Current	Current
Third parties	11,721	9,690
Related parties (Note 31 and 32)	103,197	131,357
	114,918	141,047
Allowance for doubtful trade receivables	(1,274)	(275)
	113,644	140,772

14. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AND CASH EQUIVALENTS

CASH AND CASH EQUIVALENTS

For the purpose of the consolidated statement of financial position and the consolidated statement of cash flow, cash and cash equivalents comprise the following items:

	December 31, 2023	December 31, 2022
Mutual funds	56,878	39,475
Fixed term deposits	125	216
Cash and bank balances	45,436	42,637
	102,439	82,328

Bank balances accrue interest at variable rates based on the bank deposits daily rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash needs of the Group and bear interest at the respective fixed rates for short-term deposits.

RESTRICTED CASH AND CASH EQUIVALENTS

	December 31, 2023	December 31, 2022
Cash and bank deposits ⁽¹⁾	11,903	11,903
	11,903	11,903

(1) Not considered cash and cash equivalents for the purposes of the consolidated statements of cash flow (Note 17).

15. INCOME TAX

The calculation of the income tax expense for the years ended December 31, 2023 and 2022 is as follows:

	For the years ended December 31,	
	2023	2022
Current income tax	(12,662)	(63,015)
Deferred income tax	(178,253)	50,774
Income Tax	(190,915)	(12,241)

The reconciliation between the charge to income tax expense for the years ended December 31, 2023 and 2022 and the one that would result from applying the prevailing tax rate on income before income tax arising from the consolidated statements of income and other comprehensive income for those fiscal years is as follows:

(Amounts expressed in thousands of United States dollars, except as otherwise indicated)

	December 31, 2023	December 31, 2022
Profit for the year before income tax	192,380	145,937
Statutory tax rate	35%	35%
Income tax at statutory tax rate	(67,333)	(51,078)
Income from equity interests	(207)	(2,127)
Income on acquisition of companies	24,327	-
Effect of tax inflation adjustment in monetary assets and liabilities	(255,195)	(189,243)
Exchange differences	445,365	140,957
Effects of the valuation of non-monetary assets in its functional currency	(336,391)	90,287
Miscellaneous	(1,481)	(1,037)
Income tax for the year	(190,915)	(12,241)

Deferred income tax

Breakdown of deferred income tax is as follows:

	December 31, 2023	December 31, 2022 ⁽¹⁾
Deferred tax assets		
Provisions for doubtful receivables	22	102
Tax loss carryforwards	178,394	41,967
Lease liabilities	4,007	4,189
Miscellaneous	1,305	3,056
Total deferred tax assets	183,728	49,314
Deferred tax liabilities		
Other receivables	(6,703)	-
Property, plant and equipment	(232,033)	(1,103)
Right of use assets	(1,861)	(2,169)
Effect of tax inflation adjustment in monetary assets and liabilities	(92,101)	(108,656)
Other	(1,700)	-
Total deferred tax liabilities	(334,398)	(111,928)

(1) See Note 2.5.1.

As of December 31, 2023, the Group recorded net deferred tax assets of 24,868 and net deferred tax liabilities of 175,538. As of December 31, 2022, the Group recorded net deferred tax assets of 30,857 and net deferred tax liabilities of 93,471.

Deferred tax assets and liabilities are disclosed net when: a) a legal right to offset asset and liabilities exists and; b) when tax assets and liabilities are against the same tax authority.

As of December 31, 2023 and 2022, the Group estimated an accumulated tax loss carryforward of 178,394 and 41,967 at the estimated recovery tax rate, respectively. Deferred income tax assets are recognized for tax loss carryforwards to the extent their set off through future taxable profits is probable. Tax loss carryforwards in Argentina expire within 5 years.

In order to fully realize the deferred income tax asset, the Group will need to generate taxable income. Based upon the projections for future over the years in which the deferred income tax are deductible, Management

(Amounts expressed in thousands of United States dollars, except as otherwise indicated)

of the Company believes that as of December 31, 2023 it is probable that the Group will realize all of the deferred income tax assets.

As of December 31, 2023, Group's tax loss carryforwards at the expected recovery rate were as follows:

Date of generation	Date of expiration	Amount
2022	2027	9,208
2023	2028	169,186
		178,394

The evolution of net deferred tax asset and liability during the years ended December 31, 2023 and 2022 is as follows:

	Deferred income tax liability	Deferred income tax asset
Balance as of January 1, 2022	(130,584)	11,972
Other comprehensive income	(14)	-
Exchange differences	15,637	(10,399)
Reclassification	(3,864)	3,864
Charge to net income of the year	25,354	25,420
Balance as of December 31, 2022	(93,471)	30,857
Addition due to business combination (Note 4)	(28,555)	-
Exchange differences	160,721	(41,969)
Reclassification	848	(848)
Charge to net income of the year	(215,081)	36,828
Balance as of December 31, 2023	(175,538)	24,868

16. LEASE LIABILITIES

The evolution of the lease liabilities during the years ended December 31, 2023 and 2022 is as follows:

	Leases liabilities
Lease liability as of January 1, 2022	12,714
Increases	2,931
Finance accretions	1,122
Payments	(3,588)
Lease liability as of December 31, 2022	13,179
Finance accretions	1,051
Payments	(2,780)
Lease liability as of December 31, 2023	11,450

The following is a breakdown of the lease liabilities recorded by the Group as of December 31, 2023 and 2022, with identification of the term and rates of the leases:

Lease term	Annual effective rate used	December 31,	
		2023	2022
Two to three years	2.25% - 7.87%	1,367	2,280
Three to four years	-	-	61
Four to five years	4.53%	1,074	1,456
More than five years	9.88% - 10.2%	9,009	9,382
Total		11,450	13,179

(Amounts expressed in thousands of United States dollars, except as otherwise indicated)

The finance accretion for the years ended December 31, 2023 and 2022, arising from lease contracts is disclose under "Finance accretion" in the line "Finance expense" included in "Finance expense, net" of the statements of income and other comprehensive income.

As of December 31, 2023 and 2022, the maturities of the liabilities related to lease agreements are:

	December 31, 2023	December 31, 2022
Up to one year	4,738	2,340
Current lease liabilities	4,738	2,340
One to five years	4,264	5,520
From the 6th year onwards	2,448	5,319
Non-current lease liabilities	6,712	10,839
Total	11,450	13,179

17. LOANS

	Interest rate ⁽¹⁾	December 31, 2023		December 31, 2022	
		Non-current	Current	Non-current	Current
Corporate Bonds	⁽²⁾	611,570	155,217	600,211	99,989
Loans	⁽³⁾	84,153	28,201	109,937	47,852
Related parties (Note 31)	⁽⁴⁾	17,962	-	-	-
		713,685	183,418	710,148	147,841

(1) Applicable rate as of December 31, 2023.

(2) Corresponds to Corporate Bonds in US dollars that accrue interest at a fixed rate between 0% and 10.24%.

(3) Corresponds to bank loans in US dollars that accrue interest at a fixed and variable rate, according to described within this note. Since July 1, 2023, the LIBOR rate stopped being published and, consequently, it was replaced by the Secured Overnight Financial Rate ("SOFR").

(4) Corresponds to a loan nominated in US dollars which accrues interest at a 0%.

The breakdown of the Group's borrowings during the years ended on December 31, 2023 and 2022 is as follows:

	Loans
Balance as of January 1, 2022	833,917
Proceeds from loans ⁽²⁾	169,862
Payments of loans ⁽²⁾	(148,907)
Payments of interest	(62,780)
Accrued interest ⁽¹⁾	68,158
Exchange differences	(2,261)
Balance as of December 31, 2022	857,989
Proceeds from loans ⁽³⁾	167,986
Payments of loans	(128,928)
Payments of interest	(55,759)
Accrued interest ⁽¹⁾	55,815
Balance as of December 31, 2023	897,103

(1) Includes transaction costs that amount 1,836 and 4,846, for the fiscal years ended December 31, 2023 and 2022, respectively, and capitalized financial costs.

(2) Net of 21,955 from the swap of Class IV and VIII Corporate Bonds with the issuance of the Class XI and XII Corporate Bonds, respectively.

(3) Includes 10,662 offset with dividends payments.

Main loans of the Group as of December 31, 2023

- Program for the Issuance of Corporate Bonds

On March 16, 2018, the Shareholders' Meeting approved the general terms and conditions of the Program (the "Program") for the issuance of Simple Corporate Bonds (not convertible into shares) in accordance with the Corporate Bonds Law (*Ley de Obligaciones Negociables*) as amended, for an aggregate nominal value of up to US\$ 1,500 million (or its equivalent in other currencies).

On April 17, 2019, the Board of Directors of CNV approved the YPF EE registration into the Public Offering regime for securities, and the launch of the Program. On April 30, 2019, the Board of Directors of YPF EE approved, within the framework of the Global Program, the issuance and placement by public offering of Corporate Bonds for an amount of up to US\$ 100 million (or its equivalent in other currencies), in one or more classes and / or series, in the terms that are determined in the respective price supplements.

- **Domestic market**

On May 7, 2019 and June 12, 2019, the Company issued Class I Corporate Bonds, under the mentioned Global Program. The placements reached a total amount of US\$ 100 million, at a 10.24% fixed rate with a maturity date on May 2021 and interest payable quarterly since August 10, 2019.

The obtained financing from both emissions was allocated to the investments the Group was developing.

On June 24, 2020, the Company issued Class III Corporate Bonds, under the Global Program for the issuance of Corporate Bonds. The placement reached US\$ 50 million, at a 1.49% fixed rate with a maturity date on December 2021 and interest payable quarterly since September 24, 2020.

The obtained financing from the issuance was allocated to the investments the Group was developing.

On October 28, 2020, the Company issued Class IV and V Corporate Bonds, under the Global Program for the issuance of Corporate Bonds. The placements reached US\$ 30 million and US\$ 20 million, at a 0% and 1% fixed rate with a maturity date on October 2022 and October 2023, respectively. Interest is payable quarterly since January 28, 2021.

The financing obtained from the issuance was allocated to the cancellation of the loan entered into with Inter-American Investment Corporation (IIC) e Inter-American Development Bank (IDB) on December 2, 2016.

In compliance with the provisions of point 1 of Communication "A" 7230 of the BCRA, on April 9, 2021, the Company was able to refinance 60% of its maturity required by current regulations, accepting all offers of the Par option for approximately US\$ 45.3 million, which consisted of the exchange of 100% of the Class I Corporate Bonds for Class VI Corporate Bonds, and approximately US\$ 14.7 million which corresponds to 83.16% of the total of new cash offers received.

Consequently, on April 16, 2021, the Company issued the new Class VI Corporate Bonds for a nominal value of US\$ 60 million at a fixed rate of 10.24% maturing in April 2023 and quarterly interest payable since July 16, 2021.

The remaining amount of Class I Corporate Bonds that was not exchanged was paid upon maturity with its respective interests accrued.

Subsequently, on May 20, 2021, the Company issued Additional Class IV Corporate Bonds for an amount of US\$ 16.9 million at a fixed rate of 0% denominated in US dollars and payable in Argentine pesos at the applicable exchange rate maturing in October 2022 and interests quarterly payable since July 2021. Likewise,

(Amounts expressed in thousands of United States dollars, except as otherwise indicated)

in the same date a new Class VII Corporate Bonds was issued for a nominal value of AR\$ 1,755 million at a Badlar rate + 4.5% maturing in May 2022 and interests quarterly payable since August 20, 2021.

On August 30, 2021, the Company issued additional Class VIII Corporate Bonds for an amount of US\$ 36.9 million at a fixed rate of 0%, denominated in US dollars and payable in Argentine pesos at the applicable exchange rate with maturity in August 2022. Likewise, on the same date a new Class IX Corporate Bonds was issued for a face value of US\$ 27.7 million payable in pesos at the applicable exchange rate maturing in February (33%), May (33%) and August (34%) of 2024 that accrue interest at a fixed rate of 3.5% and interest payable quarterly from November 30, 2021 thereon. Approximately US\$ 11 million and US\$ 13.6 million of the aforementioned Class VIII and IX Corporate Bonds, respectively, were exchanged for Class III Corporate Bonds of the Company.

On February 3, 2022, the Company reopened the Class IX Corporate Bonds by issuing Additional Class IX Corporate Bonds for an amount of US\$ 10.9 million at an effective negative rate of 0.26% denominated in US dollars and payable in Argentine pesos at the applicable exchange rate maturing in August 2024 and interests quarterly payable since February 28, 2022.

Additionally, on February 3, 2022, the Company issued a Green Bond (GBP) as defined by the ICMA, through Class X Corporate Bonds, for an amount of US\$ 63.9 million at a fixed rate of 5% denominated in US dollars and payable in Argentine pesos at the applicable exchange with 10 equal semi-annual amortizations beginning on August 3, 2027 and ending due February 3, 2032 and interest payable semi-annually since of August 3, 2022.

On May 20, 2022, the Group had cancelled the total amount of AR\$ 1,755 million of Class VII Corporate Bond, according to its terms and conditions.

On August 29, 2022, the Company issued Class XI and XII Corporate Bonds for a nominal value of US\$ 15 million and US\$ 85 million, at a negative effective rate of 4% and 0% respectively, and both at a nominal fixed rate of 0%. The maturity is August 2024 for Class XI Negotiable Notes and August 2026 for Class XII. Likewise, 32.79% of the Class IV Negotiable Notes and 17.83% of the Class VIII Negotiable Notes maturing in October and August 2022, respectively, were exchanged.

On August 30, 2022, the Group had cancelled the total amount of US\$ 36,886,709 of Class VIII Corporate Bond, according to its terms and conditions.

On October 28, 2022, the Group had cancelled the total amount of US\$ 46,894,104 of Class IV Corporate Bond, according to its terms and conditions.

The Company assessed for each of the refinancing of the aforementioned Class IV and VIII Negotiable Notes whether the conditions were materially different, considering both qualitative aspects (e.g. currency, term and rate) and quantitative aspects (if the present value of the cash flows discounted under the new conditions, including any fees paid net of any fees received, and using the original effective interest rate to make the discount, it differs by at least 10% from the discounted present value of the remaining cash flows of the original financial liabilities). Based on this analysis, the Company has not recognized any of the refinancing as an extinction in accordance with IFRS 9 "Financial Instruments".

On February 10, 2023, the Company issued Class XI and XIII Corporate Bonds for a nominal value of US\$ 20 million and US\$ 130 million, at a negative effective rate of 1,15% and 0,05% respectively, and both at a nominal fixed rate of 0%. The maturity is August 2024 for Class XI Corporate Bonds and February 2025 for Class XIII Corporate Bonds.

On April 17, 2023, the Group paid the total amount of the Class VI Corporate Bonds, according to its terms and conditions.

(Amounts expressed in thousands of United States dollars, except as otherwise indicated)

On October 27, 2023, the Group paid the total amount of the Class V Corporate Bonds, according to its terms and conditions.

The payments of principal, interest services and other sums that correspond under the Corporate Bonds will be made in pesos at the applicable exchange rate, as defined in the price supplement.

- **International issuance**

On July 25, 2019, the Company made an international issuance of Class II Corporate Bonds for an amount of US\$ 400 million which pay a 10% coupon semi-annually and which principal will be amortized in a single payment on July 25, 2026. The semi-annual interest payment dates will be July 25 and January 25 of each year, beginning in January 2020 and ending in July 2026.

Such financing have clauses of financial commitments (covenants) throughout their term that include interest coverage and leverage ratios, among others usual for this type of issuances.

- **Inter-American Investment Corporation Loan**

In December 2016, the Company and the Inter-American Investment Corporation (IIC), on behalf of the Inter-American Development Bank (IDB), signed an agreement to fund the construction of Manantiales Behr Wind Farm. The aggregate loan amount is US\$200 million. The principal amortization will be performed in two quarterly payments beginning in February 2020 and is structured in two tranches of US\$ 100 million, maturing in December 2023 and 2025, respectively, according to the following detail:

Tranche	Amount US\$	Rate
A	31,075,076	3 month SOFR + 0.26161% + 5,125%
A	12,539,359	7.16%
A	18,000,032	7.05%
A	19,506,895	7.27%
A	18,878,638	7.87%
B	100,000,000	3 month LIBOR + 4.8%
Total	200,000,000	

On November 15, 2022, the Group had cancelled the total amount of US\$ 100,000,000 of tranche B, according to its terms and conditions.

As of December 31, 2023, there is still a remaining balance corresponding to tranche A of US\$ 33,280,000 with the final maturity date on December 15, 2025.

- **HSBC Finnvera loan**

On March 2 and 18, 2020, HSBC USA N.A. granted a loan to the Company for a total amount of US\$ 27.4 million with quarterly interest at a variable rate of SOFR 6M + 0.42826% + 1,10% and final maturity on September 27, 2025. The principal of such loan amortizes in ten semi-annual installments beginning on March 27, 2021. The funds from such loan were used to finance the Manantiales Behr Thermal Power Plant project.

The loan agreement has financial commitments (covenants) throughout its term, which include interest coverage ratios and a leverage ratio.

- **DFC – BNP Paribas loans**

On January 14, 2020 Luz de León S.A. entered into a financial agreement with DFC and BNP Paribas Fortis SA/NV (hereinafter “BNP Paribas”) for up to US\$ 150 million. Under this contract DFC would disburse, subject to the compliance of certain conditions, US\$ 50 million and BNP Paribas, also subject to certain conditions, up

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to US\$ 100 million. This contract is under the framework of a “Project Finance” modality and the tranche corresponding to BNP Paribas is guaranteed by the German export credit agency Euler Hermes Aktiengesellschaft. BNP’s first disbursement by approximately US\$ 80.5 million was received during February 2020.

The loan accrues a fixed interest rate of 3.31% with final maturity on September 15, 2034. Principal will be amortized semi-annually beginning on March 15, 2021. The funds from such loan were used to finance the Cañadón León Wind Farm project.

The loan agreement has financial commitments (covenants) throughout its term, which include interest coverage ratios and a leverage ratio, as well as standard guarantees for this type of financing. In this sense, YPF EE maintains a reserve account for the amount of US\$ 8.9 million as of December 31, 2023 related to this guarantee. Additionally, LDL maintains restricted cash (until the fulfilment of certain conditions) in virtue of the commitments assumed for the Project Completion Date (“PCD”), that as of December 31, 2023 amounted US\$ 2,420,850.

The amortization of principal was due to begin in March 2021 and debt services will be cancelled semi-annually beginning in March 2020. Regarding the interest payment scheduled for September 15, 2020 for an approximate amount of US\$ 1.4 million, due to the new exchange regulations issued by the BCRA mentioned in Note 29, on October 15, 2020 LDL signed a “Standstill Agreement” with DFC and BNP and, thus, did not make the aforementioned payment. On December 12, 2020, LDL agreed an amendment to the loan that deferred the interest payment to March 2021 and the first principal amortization to September 2021. Likewise, on September 15, 2021, LDL agreed an amendment to the loan to defer the first principal payment to March 2022.

Finally, on December 15, 2021, LDL negotiated a new amendment to the loan agreement. The main modifications established by this amendment correspond to the commercial operation date to December 15, 2021, the constructions contracts and the loan amortization schedule, subject to certain conditions that are fulfilled as of the date of issuance of these consolidated financial statements.

The Group assessed for these obligations if the refinancing conditions were substantially different, considering both qualitative aspects (for example, currency, term and interest rate) and quantitative aspects (if the present value of the cash flows discounted under the new conditions, including any commission paid net of any commission received, and using the original effective interest rate to make the discount, differs by at least 10% from the discounted present value of the cash flows that still remain from the original financial liabilities). Based on this analysis, LDL has not recognized the refinancing as an extinguishment in accordance with IFRS 9 “Financial Instruments”.

On February 28, 2022, BNP Paribas made the last disbursement according to the loan agreement of LDL for US\$ 15.4 million, with a fixed interest rate of 3.31% and a maturity on September 15, 2034.

- GE EFS Power Investments B.V. loan

On February 27, 2023, the Company entered into a financial agreement with GE EFS Power Investments B.V. (hereinafter “GE EFS”) for US\$ 7.3 million, with a fixed interest rate of 0% and a maturity on December 16, 2023. In addition, on December 13, 2023, the Company entered into an addendum to the loan agreement to modify the maturity to June 30, 2025.

On June 30, 2023, the Company took a loan with GE EFS for a total amount of US\$ 10,6 million, at a nominal interest rate of 0% and a maturity on June 30, 2025.

(Amounts expressed in thousands of United States dollars, except as otherwise indicated)

The payments of principal, interest services and other sums that correspond will be made in pesos at the applicable exchange rate.

Main loans of the Group subsequent to December 31, 2023

On February 27, 2024, the Company issued Class XIV and XV Corporate Bonds at a nominal value of US\$ 18,043,469 and US\$ 11,287,656, at an effective rate of 3% and 6%, respectively. The maturity for both Corporate Bonds is February 27, 2027.

Main loans of the Group cancelled during the years ended December 31, 2023 and 2022

- Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC and Export Development Canada Loan

On June 14, 2017, Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC and Export Development Canada, approved the granting of a loan for Y-GEN to carry out a construction project of Loma Campana II Thermal Power Plant in the province of Neuquén; and for Y-GEN II to undertake a construction project of El Bracho Thermal Power Plant with an installed capacity of 267 MW in the province of Tucumán.

The committed amount of the aforementioned loan was US\$ 219.5 million (US\$ 70 million destined to Y-GEN and the remaining amount of US\$ 149.5 million to Y-GEN II). However, disbursements currently made totalled US\$ 211,973,875 (US\$ 70,000,000 for Y-GEN and US\$ 141,973,875 for Y-GEN II).

The agreed interest rate is 3-month LIBOR + 4.00% until the construction completion date and, thereafter, 3-month LIBOR + 5.75% until maturity and the term for principal repayment is 5 years (includes a 15-month grace period) with repayment of principal in 15 quarterly instalments beginning on September 30, 2018, and one instalment for the remaining balance of principal at the end of a 5-year term on June 30, 2022.

In connection with the loan, Y-GEN and Y-GEN II have agreed, among other things, to contract hedging instruments as a means of protection against LIBOR fluctuations. As a result, in June 2017, the said companies executed an interest rate hedge agreement with Citibank N.A., London Branch for a 5-year term, coverage that started to apply since December 31, 2017, over an initial notional amount of approximately US\$ 156 million (US\$ 106 million corresponding to Y-GEN II, and the remaining amount of US\$ 50 million to Y-GEN). The interest rate hedge provides that the companies will pay fixed amounts over the mentioned notional amount at a rate set at 1.947% and they will receive variable amounts subject to 3-months LIBOR.

As of December 31, 2022, the Company had booked a result, net of income tax, of 45 as Other Comprehensive Income, included in the Statements of Income and other Comprehensive Income, generated by the measurement of the mentioned hedging instruments at fair value.

Regarding the foreign reserve accounts, exposed within the caption "Restricted cash and cash equivalents".

On February 10, 2022, the Group has fully paid the loan. As a consequence of this payment, this reserve account as well as the related guarantees, will be cancelled, leaving without any effect the financial structure of the Project Finance initially implemented.

- Citibank NY Loans

In March 2018, the Company took out a loan from Citibank NY for a total amount of US\$ 30 million with quarterly interest at 3-month LIBOR rate + 1.6%, and principal bullet repayment at maturity, on August 28, 2018. After such date, the Company extended the maturity of the loan through February 28, 2019, at 3-month LIBOR rate + 2.25%. On the due date, the Company renewed such loan up to February 26, 2021 at 3-month

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LIBOR rate + 4.875%. Finally, on February 26, 2021 the due date was extended to March 5, 2021 and has already been agreed with the bank the payment as of that date of US\$ 12 million, corresponding to 40% of the outstanding balance, and the extension of US\$ 18 million, corresponding to 60% of the outstanding balance, until March 6, 2023.

The funds of the loan are intended to finance working capital. Related contracts have clauses of financial commitments (covenants) throughout their term that include interest coverage and leverage ratios.

On March 5, 2023, the Group has fully paid the loan, according to its terms and conditions.

18. TRADE PAYABLES

	December 31, 2023	December 31, 2022
	Current	Current
Third parties ⁽¹⁾	56,036	47,285
Related parties (Note 31) ⁽¹⁾	66,271	44,625
	122,307	91,910

(1) Third parties are non-interest bearing and are normally settled within the quarter.

19. REVENUES

Type of good or services	For the years ended December 31,	
	2023	2022
Energía Base ⁽¹⁾	75,686	66,099
Revenues under PPA ⁽²⁾	375,904	369,652
Steam sales ⁽³⁾	38,051	31,715
Other income for services	484	3,650
	490,125	471,116

(1) Includes 14,059 and 14,311 related to fuel costs and other production cost recognition corresponding to the years ended December 31, 2023 and 2022, respectively, according to the current regulatory framework.

(2) Includes 25,733 of contractual revenues under Resolution 59/2023 corresponding to the year ended December 31, 2023.

(3) Steam sales are contracted with YPF.

By Customer	For the years ended December 31,	
	2023	2022
CAMMESA ⁽¹⁾	316,383	295,037
YPF S.A. ⁽¹⁾	115,894	126,874
U.T. Loma Campana ⁽¹⁾	1,940	1,675
Profertil S.A. ⁽¹⁾	11,346	12,395
Coca-Cola FEMSA de Buenos Aires S.A.	2,875	2,746
Toyota Argentina S.A.	4,712	4,862
CT Barragán S.A. ⁽¹⁾	450	1,800
CAF S.A.	-	1,850
Holcim Argentina S.A.	7,725	8,535
Nestlé Argentina S.A.	2,772	2,856
Ford Argentina S.C.A.	2,645	1,905
Other	23,383	10,581
	490,125	471,116

(1) Related parties (Note 31).

(Amounts expressed in thousands of United States dollars, except as otherwise indicated)

Target Market

The Group's revenues are completely generated in the domestic market.

20. EXPENSES BY NATURE

The Group presents the statement of income and other comprehensive income by classifying expenses according to their function as part of the "Production costs" and "Administrative and selling expenses" lines. The following additional information is disclosed as required, on the nature of the expenses and their relation to the function within the Group for the years ended December 31, 2023 and 2022:

	For the year ended December 31, 2023		
	Production costs	Administrative and selling expenses	Total
Depreciation of property, plant and equipment	128,605	1,024	129,629
Depreciation of right of use assets	1,777	540	2,317
Amortization of intangible assets	262	-	262
Consumable materials and supplies	5,000	201	5,201
Banking expenses	-	104	104
Rentals	290	41	331
Fees and compensation for services	81	2,597	2,678
Other personnel expenses	528	4,159	4,687
Preservation, repair and maintenance	21,200	631	21,831
Insurance	13,073	18	13,091
Salaries and social security taxes	24,984	21,987	46,971
Operation services and other contracts	2,274	4,167	6,441
Transportation, products and charges	11,328 ⁽¹⁾	37	11,365
Fuel, gas, energy and miscellaneous	29,115 ⁽¹⁾	-	29,115
Allowance for doubtful receivables	-	1,054	1,054
Taxes, rates and contributions	1,204	9,193	10,397
Publicity and advertising expenses	-	598	598
Miscellaneous	70	345	415
Total	239,791	46,696	286,487

(Amounts expressed in thousands of United States dollars, except as otherwise indicated)

	For the year ended December 31, 2022		
	Production costs	Administrative and selling expenses	Total
Depreciation of property, plant and equipment	104,169	743	104,912
Depreciation of right of use assets	1,544	540	2,084
Amortization of intangible assets	262	-	262
Consumable materials and supplies	5,612	141	5,753
Banking expenses	-	103	103
Rentals	77	75	152
Fees and compensation for services	185	2,359	2,544
Other personnel expenses	359	3,517	3,876
Preservation, repair and maintenance	18,040	469	18,509
Insurance	8,646	73	8,719
Salaries and social security taxes	18,172	14,823	32,995
Operation services and other contracts	3,445	3,123	6,568
Transportation, products and charges	11,958 ⁽¹⁾	58	12,016
Fuel, gas, energy and miscellaneous	29,858 ⁽¹⁾	-	29,858
Taxes, rates and contributions	492	9,041	9,533
Publicity and advertising expenses	11	580	591
Miscellaneous	178	347	525
Total	203,008	35,992	239,000

(1) Includes 14,059 and 14,311 related to fuel costs and other production cost recognition corresponding to the years ended December 31, 2023 and 2022, respectively, according to the current regulatory framework.

21. OTHER OPERATING INCOME, NET

	For the years ended December 31,	
	2023	2022
Commercial interests - CAMMESA (Note 31)	33,065	15,574
Contractual Penalties ⁽¹⁾	13,100	25,363
Provision for materials and spare parts	(78)	-
Insurance	685	9,406
Miscellaneous	527	(436)
	47,299	49,907

(1) Includes contractual penalties with related parties (Notes 29 and 31).

(Amounts expressed in thousands of United States dollars, except as otherwise indicated)

22. FINANCE EXPENSE, NET

	For the years ended December 31,	
	2023	2022
Finance income		
Interest income and others	4,929	1,811
Profit from financial assets valuation at fair value	100,350	38,165
Exchange rate differences	225,128	76,474
Other finance income	287	-
Total finance income	330,694	116,450
Finance expense		
Interest loss and others	(57,317)	(69,130)
Exchange rate differences	(345,055)	(126,058)
Finance accretion	(2,435)	(1,788)
Other finance expense	(6,559)	(8,823)
Total finance expense	(411,366)	(205,799)
Total finance expense, net	(80,672)	(89,349)

23. CAPITAL STOCK

On March 20, 2018, the Ordinary and Extraordinary General Shareholders' Meeting resolved to increase the capital stock by 46,490 (AR\$ 936,767,000) from 174,337 (AR\$ 2,810,303,000) to 220,827 (AR\$ 3,747,070,000) setting a issuance premium of US\$ 0.243934955 per share. This increase was represented by 936,767,364 Class B book entry ordinary shares, with a par value 1 with the right to one vote per share. The total subscription price of the new shares by GE EFS Power Investment B.V amounts to US\$ 275 million comprised as follows: a) US\$ 135 million paid on that date, and b) US\$ 140 million on March 20, 2019.

In this way, as of December 31, 2023 the shareholders of YPF EE after the issuance of shares is as follows:

Shareholder	Number of Shares	Participation in the	
		capital stock	Class of Share
YPF	2,723,826,879	72.69218%	A
OPESSA	86,476,112	2.30783%	A
GE EFS Power Investment B.V.	936,767,364	24.99999%	B
Total	3,747,070,355	100.00000%	

Pledge of the Company's shares

On February 12, 2021, YPF S.A. had imposed 1,873,535,178 Class A common shares of the Company with a real right of pledge in first grade privilege in favour of the Citibank N.A. Branch, established in the Republic of Argentina, as an warranty agent and in benefit of certain beneficiaries, in virtue of the Contract of Pledge and fiduciary transfer with the purpose of the Warranty performed by YPF S.A. The mentioned quantity of shares are representative of 50% of the subscribed capital and 50% of the Company's votes. This Shares' Pledge will be subject to what is established by the Statute and the Company's Shareholders' Agreement.

24. EARNINGS PER SHARE

Earnings per share amounts are calculated by dividing net profit for the year attributable to equity holders of the parent by the weighted average number of ordinary shares during the period. There are no transactions or items generating a dilution effect.

The following reflects information on income and the number of shares used in the earnings per share computations:

	For the years ended December 31,	
	2023	2022
Net profit for the year attributable to owners of the Company :	17,292	133,696
Weighted average number of share (in thousands)	3,747,070	3,747,070
Earnings per share attributable to owners of the Company:		
- Basic and diluted (US\$)	0.005	0.036

There have been no transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of issuance of these consolidated financial statements that may produce a dilution effect.

25. RESTRICTION ON RETAINED EARNINGS

Pursuant to the Argentine Companies Act and the corporate bylaw, 5% of the net profit for the year must be allocated to the legal reserve until such reserve reaches 20% of the capital stock.

In this sense, the General Ordinary Shareholders' Meeting held on April 28, 2021, allocated 260,059 to constitute the legal reserve in the terms of Art. 70 of the LGS, reaching an amount equal to 20% of the capital stock.

In accordance with General Resolution 609 of the CNV the Special reserve RG No. 609 was created, which contains the positive difference resultant of the initial balance of the accumulated results exposed in the financial statements of the first closing of the fiscal year of IFRS adoption and the final balance of the results not allocated at the end of the last fiscal year under the previous accounting standards. Special reserve RG No. 609 is not allowed to be distributed in cash or in kind and it can only be dipped into a capitalization or an absorption of any negative balances of retained earnings.

- **General Shareholders' Meeting**

The Ordinary and Extraordinary General Shareholders' Meeting Special of Classes on April 27, 2023 resolved, among others, the following:

- (i) approve the documentation described by section 234, subsection 1 of the Argentine General Corporations Law No. 19,550 corresponding to the fiscal year No. 10, beginning on January 1, 2022 and ended on December 31, 2022;
- (ii) ratify the appropriation of the accumulated translation effect as of December 31, 2022, to the reserves and retained earnings according to the detail described in the Annual Report of the Board of Directors. Therefore, after the aforementioned appropriation the amounts of the retained earnings as of December 31, 2022, amounts to AR\$ 23,670,814,000;
- (iii) release of the reserve for future investments for the sum of AR\$ 62,164,053,000;
- (iv) release of the reserve for future dividends for the sum of AR\$ 4,962,376,000;

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- (v) allocate the sum of AR\$ 12,000,000,000 to create a reserve for future dividend distribution, delegating in the board of Directors until the Ordinary General Shareholders' Meeting that treats the financial statement corresponding to the fiscal year ended December 31, 2023, the decision to determine, if it results convenient and according to the needs of the Company, the opportunity and amount to proceed to the distribution, considering financial and fund availability aspects, operating results, investments and every other aspect that is consider relevant to the development of the activity of the Company.

Likewise, it resolved, as an Extraordinary Shareholders' Meeting, to approve unanimously (i) the Merger by absorption by YPF ENERGÍA ELÉCTRICA S.A. of Y-GEN ELÉCTRICA S.A.U. and Y-GEN ELÉCTRICA II S.A.U., (ii) the Previous Merger Commitment, and (iii) to carry out the procedures leading to this corporate reorganization, with effectiveness on January 1, 2023 (Note 24).

Finally, on June 30, 2023, the Board of Directors meeting decided the distribution of the entire optional reserve for future distribution of dividends mentioned for AR\$ 12,000,000,000 As of the issuance date of these consolidated financial statements, dividends were fully paid.

26. MAIN CONTRACTUAL COMMITMENTS AND GUARANTEES GRANTED

The main contractual commitments assumed and guarantees granted by the Group are disclosed below:

a) Manantiales Behr Wind Farm

The generated energy is mainly made available to YPF through a power supply contract denominated in US dollars, for a 15-year term which will allow YPF to meet its regulatory obligations regarding the percentage of renewable energy required under Law No 27,191. The remaining generation will be sold on the MATER to specific industries.

b) Loma Campana II and El Bracho Thermal Power Plants

On May 13, 2016, the companies Y-GEN and Y-GEN II were organized to make a tender in the bidding process published by the Resolution 21/2016 of Ministry of Energy and Mining, which called for bids to generate thermal energy and power, which, if awarded, would sign a power sales agreement with CAMMESA for a 10-year term each, as offered, and with a price stated in US dollars. The companies organized made bids to build new thermal generation plants in Neuquén (Loma Campana, Añelo) and in Tucumán (El Bracho), which were finally awarded.

As of December 31, 2022, 100% of both companies' capital stock owns to the Company. As of December 31, 2023, these companies had already been absorbed by the Company.

In the bidding process launched by Resolution SEE No. 287/2017, Y-GEN II was awarded a new PPA for 15 years with CAMMESA, for the closing of the gas turbine cycle of thermal plant El Bracho resulting from the previous bidding process called under SEE Resolution No. 21/2016, which added 199 MW of installed capacity to the already operative 274 MW (Note 1). A remunerative price denominated in US Dollars is fixed for the generated power and energy.

c) La Plata Co-generation I

With the purchase from Central Puerto S.A. of the 128 MW co-generation plant located in La Plata Industrial Complex, owned by YPF, the Company is committed under a 15-year steam supply contract to deliver between

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190 and 210 tons per hour. The electric power generated by this plant will be delivered to the MEM and its price is established in accordance with SEE Resolution No. 31/2020.

d) La Plata Co-generation II

Also, under the bidding process decided by SEE Resolution No. 287/2017, YPF EE was awarded a 15-year PPA with CAMMESA through the construction project of a new co-generation power plant in La Plata Refinery, owned by YPF. The price for the generated power and energy is stated in US dollars.

e) The Cañadón León Wind Farm

In the second bidding process known as "Renovar 2.0", the Group was awarded a 20-year PPA with CAMMESA through the construction of Cañadón León Wind Farm with an installed capacity of 102 MW, located in the Province of Santa Cruz, 25 kilometers away from the City of Caleta Olivia. This PPA with CAMMESA, for 102 MW, is for a 20 years term and has a price denominated in US dollars. Additionally, the wind farm has an extension of 21 MW, that will be delivered to YPF S.A., under a PPA in the MATER for a period of 15 years, also denominated in US dollars, reaching a total installed power of 123 MW.

f) Los Teros Wind Farm

During the year ended December 31, 2020, the Company has ended the construction of the first stage of Los Teros Wind Farm. This wind farm has an installed capacity of 123 MW and has obtained priority dispatch in the MATER for its whole capacity. The Company has signed contracts for 100% of the energy generated by the wind farm, through PPAs, denominated in US dollars, with YPF S.A. (approximately 25%) and with other industrial users of private sector, with terms between 5 and 20 years.

During the year ended December 31, 2021, the Company has ended the construction of the second stage of Los Teros Wind Farm. This wind farm has an installed capacity of 52 MW and has obtained priority dispatch in the MATER for its whole capacity.

The Company has signed contracts for 100% of the energy generated by the wind farm, through PPAs denominated in US dollars with YPF S.A. (approximately 56%) and with different industrial users from the private sector, with terms between 10 and 15 years.

g) Zonda Solar Farm

During the year ended December 31, 2022, the Company has reached contracts with Trina Solar Energy Development PTE. LTD., Nexttracker Inc., Huawei International Co. Limited, Distrocuyo S.A. and 360 Energy Solar S.A. related to the construction of the Zonda Solar Farm, located in the Iglesia department of the province of San Juan.

As of the issuance date of these consolidated financial statements, the Group has contracted most of the energy to be installed in the first stage of construction of the Zonda Solar Farm, through PPAs denominated in US dollars, with various industrial users from the private sector, with terms ranging from 5 to 10 years.

h) General Levalle Wind Farm

During the year ended December 31, 2022, the Company has reached contracts with Vestas Mediterranean A/S, Vestas Argentina S.A., Distrocuyo S.A. and José J. Chediack S.A.I.C.A. related to the project of General Levalle Wind Farm, located in the General Levalle Department, province of Córdoba.

The estimated commercial operation date is the fourth quarter of 2024.

i) Central Dock Sud

Inspection C07 and C08 – Agreements with GE

On March 31, 2021, CDS signed two agreements with GE:

- An extension of the hired service and spare parts scope for the Inspection C07, consisting on the incorporation of an upgrade of the gas turbines of the combined cycle with the technology known as High Efficiency (HE), for a total additional amount of US\$ 14.5 million, that is, totalizing the Inspection C07 US\$ 89.7 million.

- A contract of the Inspection C08 scheduled to be carried out in 2026, for a total amount of US\$ 51 million.

27. CONTINGENT LIABILITIES

a) Cross claims related to Loma Campana I and Loma Campana II Power Plants, Wind Farm Los Teros I and Wind Farm Cañadón León

• **Loma Campana I and Loma Campana II Power Plants**

In relation to Loma Campana I Power Plant, on November 2, 2015, the Company entered into an Equipment Supply and Repair Contract with GE Packaged Power Inc. ("GEPP"), a Service Contract with General Electric International Inc. ("GEII") for maintenance of Loma Campana I Power Plant and an Integration Agreement entered into with such companies in order to coordinate the Supply and Repair Contract and Construction Contract dated December 23, 2019.

On the other hand, in relation to Loma Campana II Power Plant, on December 21, 2016, Y-GEN entered into an Equipment Supply and Repair Contract with GEPP, a Service Contract with GEII and an Integration Agreement entered into with such companies in order to coordinate the Supply and Repair Contract and the Service Contract for maintenance of Loma Campana II Power Plant.

The Company and YGEN maintained cross-claims with GE product of, among other reasons, the repeated and untimely out of service of the thermal plants; damages by the partial ruin made by the Company and YGEN; unpaid invoices by the Company and YGEN to GE by various concepts; unpaid penalties for unavailability by GE; and claims to the insurance company for events occurred during the fiscal years 2020 and 2021.

• **Los Teros I Wind Farm**

On July 4, 2018, the Company entered into a contract for the assembly and start-up of Los Teros I Wind Farm with General Electric International Inc. Sucursal Argentina ("GESA"), an Equipment Supply Contract with GE Wind Energy Equipment Manufacturing Co., Ltd ("GEWE") and an Integration Agreement entered into with such companies in order to coordinate the Construction Contract and Supply Contract.

On October 2, 2020, the Provisional Reception of the Work was reached, with the Parties maintaining various cross-claims linked to the events that caused the delay in the completion of the works within the promised deadlines, such as the situation related to COVID-19. In virtue of that, the Company proceeded to the application of the penalties provided in the Contract for the total months of delay of the project corresponds.

• **Cañadón León Wind Farm**

On February 27, 2019, LDL entered into a Contract for the Assembly and Start-up of the Cañadón León Wind Farm and Services with General Electric International Inc. Suc. Arg. ("GESA"), an Equipment Supply Contract

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with GE Wind Energy GmbH (“GEWE”) and an Integration Agreement entered into with such companies in order to coordinate the Construction Contract and Supply Contract.

Within the framework of the Construction Contract, Supply Contract and the Integration Agreement, since March 20, 2020, GESA, GEWE and LDL exchanged several letters related to the effects of COVID-19.

In those letters, GESA and GEWE argued that the COVID-19 situation might constitute a change of law and/or force majeure event under the Construction Contract and Supply Contract, respectively, and, therefore, LDL was bound to bear the higher costs and larger terms arising from such situation. LDL rejected that such situations might constitute a change of law event under the corresponding contracts and stated, among other arguments, that GESA and GEWE had to prove compliance with the legal and contractual requirements for such circumstances to constitute an event of force majeure under their corresponding contracts. Besides, LDL stated that should the situation constitute a force majeure event, each party had to afford its own costs.

On January 8, 2021, GESA notified LDL of the termination of the Construction Contract for alleged essential and deliberate breach of the Construction Contract by LDL derived from the non-approval of certain change orders in relation to the recognition of higher costs caused as a result of the COVID-19 pandemic, climate issues and other pending claims regarding the project.

Given this notification, LDL considers that the intimations made by GE are completely without grounds and inadmissible, rejecting any breach of its contractual obligations and any responsibility related to these cross-claims, claiming in turn a compensation for loss of profit.

- **Settlement agreements**

As a final closure of the cross claims described in the previously mentioned paragraphs, on September 30, 2022, YPF EE, Y-GEN, LDL and GE reached to two settlement agreements through which GE recognizes in favour of the Group a total amount of US\$ 24.1 million, detailed as follows: (i) US\$ 4.2 million in virtue of sudden and repeated out of services of Loma Campana I and Loma Campana II Thermal Plants, and the claim for damages because of the partial ruin claim made by the Company and YGEN; (ii) US\$ 9.9 million as penalties for the delay of the committed commercial operation date of Los Teros I Wind Farm; (iii) US\$ 10 million as compensation for loss of profit incurred in the Cañadón León Wind Farm because of the delay of the committed commercial operation date.

Through these settlements, the Group and GE agreed to definitively waive all and any type of claims associated with the cross-claims referred to above.

Consequently, the Group has recognized an income of US\$ 24.1 million within the line Other operating income, net, of the statement of income and other comprehensive income for fiscal year ended December 31, 2022.

b) High Voltage Line 132kV Santa Cruz Norte Caleta Olivia

The Cañadón León Wind Farm is connected to the Argentine Distribution System through the a 132-kV-line and the expansion of Santa Cruz Norte – Caleta Olivia Transformer Station.

The work for the expansion of the Santa Cruz Norte Caleta-Olivía 132-kV line, located in the Province of Santa Cruz (the “Work”), was originally awarded to CPC S.A. under the National Bidding Process No. 01/2017. Later, due to CPC S.A.’s financial and economic problems, CPC S.A. informed the Management Committee of the Trust Fund for Federal Electric Transportation (“CAF”) on the impossibility to continue the Work and proposed assigning the contract in question.

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On April 4, 2019, the contract entered into between CAF and CPC S.A. for the execution of the Work on May 30, 2017 was assigned to the Company so that the latter may continue with the execution of the Work.

Therefore, on May 21, 2019, the Company entered into a construction and expansion contract with TEL3 S.A. ("TEL3") for the construction of the Work.

On March 20, 2020, TEL3 notified the Company about a force majeure event as a consequence of the coronavirus pandemic and the restrictions imposed under national, provincial and municipal regulations. It also informed that for such reasons, the performance of on-site works and the construction schedule might be affected and that, due to the health requirements ordered by government authorities, the costs established in the contracts might be modified, claiming the higher costs incurred as a consequence thereof.

On January 29, 2021, the Company and TEL3 reached an agreement by means of which the parties reconciled all pending disputes among themselves regarding claims derived from the COVID-19 pandemic, TEL3 waived to make any claim in relation to what exposed.

On September 13, 2021, an amendment of the construction contract was signed, through which the Company will pay TEL3 the amount of US\$ 1,700,000 for variation and change orders.

On June 15, 2022, the Company, CAF and TRANSPA S.A. (in its capacity of supervisor of the work) signed the commercial operation certificate of the Work, concluding satisfactorily the stage of minimal operating trials and tests for the energization of the Line in 132kV Santa Cruz Norte Caleta-Olivia, and agreeing as a new date for the end of the work in August, 2021 and as a commercial operation date on November 26, 2021.

As agreed in the certificate of commercial operation, the Company, presented a request of redetermination of prices based in the new schedule of the work. Consequently, on November 26, 2022, the Secretariat of Energy of the Nation issued the Resolution No. 789/2022, through which it approved the final redetermination of the prices of the contract, establishing that its total amount thereof amounts to AR\$ 576,922 thousands.

In virtue of the aforementioned, on December 26, 2022, CAF paid the remaining of the price, that amounted to AR\$ 366,704 thousands, and, therefore, all the credits pending of payment by that principal were considered settled, giving a total closure of the Work.

c) Central Dock Sud Thermal Power Plant

- **Environmental Claim**

On July 5, 2006, the Supreme Court of Justice of the Nation ("CSJN") officially required CDS to report on the liquids, gases and waste that it generates. The requirement is part of the "Mendoza, Beatriz Silvia and others" case in which a lawsuit is filed against the National Government, the Province of Buenos Aires, the Government of the Autonomous City of Buenos Aires, other 14 districts and 44 companies that carry out their industrial activity in the vicinity of the Matanza-Riachuelo Water Basin, among which is CDS. The purpose of the action is to obtain a compensation for the damages suffered as consequence of the environmental contamination of said basin.

After some additional requirements from the CSJN to the Nacional Government, the Province of Buenos Aires and the Autonomous City of Buenos Aires, the case is still under study of CSJN.

The lawsuit is for an undetermined amount and its outcome is uncertain, according to what was reported by CDS's legal advisors, so CDS' Management is unable to make a reasonable estimate of the potential claimed

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amount. As of the date of issuance of these consolidated financial statements, and given that the origin and the possible effects of the received claim can't be estimated, CDS has not recorded any provision for this matter in its financial statements.

28. REGULATORY FRAMEWORK

28.1. Regulatory framework for the electric industry

Law No. 24,065, passed in 1992 and regulated by Executive Order No. 1,398/92, has established the current basic regulatory framework for the electricity sector (the "Regulatory Framework"). This Regulatory Framework is supplemented by the SE's regulations for the generation and commercialization of electric power, including the former SEE Resolution No. 61/1992 "Procedures for Operations Scheduling, Load Dispatch and Price Calculation", as amended and supplemented.

The ENRE is the agency that regulates, oversees and controls the electric power industry and, in such capacity, it is responsible for the enforcement of Law No. 24,065.

CAMMESA is responsible for the technical dispatch, planning and economic organization of the SADI and the MEM that also acts as a collection agency for all MEM agents.

By the end of 2015, Decree No. 134/2015 was enacted, in which, given the situation of the Argentine electricity system, the PEN declared the Emergency of the National Electricity Sector. This Decree instructs the MEM to prepare and put into effect an action plan in relation to the segments of generation, transport and distribution of electrical energy in order to adapt the quality and safety of the electricity supply and guarantee the provision of the service public of electricity in adequate technical and economic conditions.

On March 10, 2021, through Resolution SE 169/2021, the Secretariat of Energy resolved the award of bids in Round II of the GasAr Plan to deliver natural gas during the winter months for the period 2021-2024, for a price of 4.73 US\$/MMBTU. Likewise, by means of the clarifying Circular No. 1 it had been defined that for the buyer the amount of the Take or Pay will be 75% per month, multiplied by the number of days of the month. Gas that could not be made available or that was not taken due to a major cause, or those that the supplier has not been able to make available due to force majeure or unscheduled maintenance, must be deducted from these quantities. On November 14, 2022, through Resolution No. 770/2022, the in force period was extended up until 2028.

Among the main amending and supplementing regulations governing the sector, the following resolutions are noteworthy, with regard to the electric power generation business:

- **SE Resolution No. 406/2003:** On November 25, 2010, the "Agreement for the management and operation of projects, increase in the availability of thermal generation and adaptation of the remuneration of generation 2008-2011" was signed between the Ministry and the main electricity generation companies, whereby credits were allocated for the construction of a new electric power plant called Vuelta de Obligado S.A. ("VOSA"). See note 30.
- **SEE Resolution No. 21/2016:** convenes Generators, Self-Generators and Co-Generators to bid for the provision of additional thermal generation and associated electric power production capacity, with the commitment to make it available at the MEM in summer (2016/2017 and 2017/2018) and winter 2017.

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- **SEE Resolution No. 287-E/2017:** under this resolution an open call for tenders was launched to incorporate new efficient electric power generation through the Closing of Open Cycles and Co-Generation, where 40 offers were received for more than 3,300 MWs of power.
- **SEE Resolution No 820-E/2017:** under this resolution, 3 co-generation projects were awarded for 506 MWs corresponding to the first round. Subsequently, in October, by Resolution No. 926/17, 9 additional projects were awarded (1 Co-generation + 8 Closing of Cycles) for a total of 1,304 MWs corresponding to the second round.
- **Resolution No. 1,085-E/2017:** issued in November 2017, sets forth that as from December 2017, Transmission System-related costs will be distributed according to demand, deducting costs allocated to Generators: Connection and Transformation Costs. Transmission prices are stabilized and payable by Distributors and calculated in the Seasonal Tariff Schedules and Quarterly Tariff Reschedules. Each Distributor will have a stabilized price for Transmission by Extra-High Voltage Lines and for Transmission by Trunk Distribution.
- **Resolution 1-E/2018:** in January 2018, that introduces changes in the dispatch priority allocation mechanism and determines that projects where purchase orders have already been issued for all the electromechanical items of equipment —prior to issuance of Resolution No. 281/2017— will be given priority for dispatch.
- **Resolution No. 46-E/2018:** establishes the new prices at the entry point into the transportation system for natural gas, for each basin of origin, which will be related to natural gas purchases used for to the power generation to be commercialized within the MEM or, in general, used for the power distribution public service. Average maximum price 4.2US\$/MMBtu.
- **Resolution 25-SGE/2018:** Through this Resolution IEASA is instructed to sell to CAMMESA the fuels required by the latter to supply the demand, at the acquisition and commercialization cost of such fuels, declaring to CAMMESA such costs on the same dates on which generators have to declare the Production Variable Costs.
- **Resolution No. 551/2021:** Under the framework of MATER there are projects in execution with assigned dispatch priority that present delays or does not show any advance at all. As a consequence of this, on June 15, 2021, the Resolution No. 551/2021 was issued and it establishes measures that tend to the conclusion of the projects that are not yet operative, so they do not retain any dispatch priority, enabling the transportation capacity to be assigned to other projects.
- **Resolution SE 742/2021:** On July 30, 2021, Resolution SE 742/2021 is published, within the framework of Laws 26,190 and 27,191, with the objective of gradually increase the participation of renewable energies in the Argentine electricity matrix, until reaching a target of 20% participation in 2025, RenovAr 1, 1.5, 2 and 3 (miniRen) projects were awarded, as well as the conditions of previous projects to be developed to the RenovAr contract conditions, through tender 202/2016. With the objective that the projects committed in the aforementioned contracts are completed, through Resolution SE 742/2021, an additional period is granted to achieve commercial operation and a new method of payment of penalties and a reduction in the amounts is established. of the fines to be applied due to non-compliance with the Scheduled Date of Commercial Authorization and the Supply of Committed Energy.
- **Resolution No. 1037/2021:** In order to guarantee the supply of additional energy for export purposes and preserve the availability of Generating Agents, on October 31, 2021, the Secretariat of Energy issued Resolution No. 1037/2021 that establishes an additional and transitory increase in remuneration to Generating Agents included in Resolution No. 440 of the Secretariat of Energy, among which is the

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Company, which will be effective for economic transactions from September 1, 2021 to February 28, 2022, and that will be defined by said Secretariat through the corresponding regulatory instructions.

- **Decree No. 130/2022:** The Hydroelectric Concessions Task Force (*Equipo de Trabajo de Aprovechamientos Hidroeléctricos Concesionados*, ETAHC) was created within the orbit of the Secretariat of Energy of the Ministry of Economy. Its primary purpose will be to perform a comprehensive assessment of the technical, economic, legal and environmental aspects of the hydroelectric concessions within the national sphere.
- **Resolution No. 330/2022:** Interested parties are invited to submit statements of interest (SOI) for full development of infrastructure projects contributing to add renewable energy generation and/or energy storage facilities at grid points as a result of which supply restrictions, forced generation or import may be reduced and/or eliminated. The deadline for submission of the SOIs is June 30, 2022.
- **Resolution No. 36/2023:** Interested parties are invited to submit bids under the national and international call for bids known as 'RenSOI' in order to enter into power purchase agreements for renewable energy with CAMMESA. The tender process is intended to replace forced generation with installation of new generation from renewable sources (+500 MW) and to diversify the energy matrix by adding new renewable energy (+120 MW). The maximum capacity to be bid per project will be 20 MW. The agreements will be subject to a 15-year term and the bid selection mechanism will contemplate the criticality of the forced energy node being replaced.
- **Resolution No. 59/2023:** Power purchase agreements are executed with CAMMESA for combined cycles currently at SPOT prices, in order to promote the investments required for performance of scheduled maintenance and thereby improve the WEM thermal power availability. Availability equal to 85% of the installed capacity of each unit will be required to be committed. PPA term: no more than 5 years.
- **Resolution No. 562/2023:** Bids and SOIs may be submitted for two types of transportation expansion works:
 - Expansion of Transportation to Add Generation.
 - Expansion of Transportation to Add Mining Demand.More than one SOI may be submitted for more than one expansion work, but they must be submitted as independent bids in separate envelopes.
- **Resolution No. 621/2023:** It is intended to add firm thermal power to the national interconnected system. The tender process will include thermal power plants that are new or having less than 15,000 hours of verified use. The tender process is divided into:
 - Thermal Power Generation for reliability and supply to the SADI (Target capacity: 2,250 MW – 3,000 MW).
 - Thermal Power Generation to replace and improve the farm at Tierra del Fuego (Target capacity: 30 MW – 70 MW).

In turn, they are divided into subcategories subject to a limited capacity to be awarded:

- Line 1.0: Increase in commercially approved capacity of existing combined cycles.
- Line 1.1: Improved reliability of supply in critical areas.
- Line 1.2: Improved reliability of regional supply.
- Line 1.3: Improved reliability of general supply.

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CAMMESA will review the economic bid based on different factors such as efficiency of the plant, bid price, criticality of the connection node and years of the machine. These combined factors will determine the final price for project competition.

- **Resolution No. 2/2024:** The hydroelectric concession termination dates are extended for 60 calendar days for Alicurá, El Chocón Arroyito, Cerros Colorados and Piedra del Águila hydroelectric plants, further extendable for 60 additional days. Therefore, the concession contracts would remain in the hands of their current concession holders until the first months of 2024.

Remuneration of generators

Through Resolutions SE No. 95/2013, 529/14 and 482/2015; SEE No. 22/2016; SE No. 19/2017; MDP 12/2019 and No. 1-SRRyME/2019, SE No. 31/2020, SE-MEC No. 440/2021 and No. 1037/2021 adjustments to the remuneration of generators were updated. During the fiscal years ended December 31, 2023 and 2022, the following resolutions were established:

- **Resolution SE-MEC No. 238/2022:** On April 21, 2022 the Resolution No. 238/2022 of the Secretariat of Energy was published in the Official Gazette which established the following:
 - Adjust the remuneration established by Resolution No. 440/2021 in approximately 30% and an additional 10%, with effectiveness since the economic transactions corresponding to February 2022 and June 2022, respectively.
 - The Use Factor for generating units, which affected as a penalty within the calculation of the total remuneration, is no longer considered.
- **Resolution SE-MEC No. 826/2022:** On December 14, 2022, the Resolution No. 826/2022 of the Secretariat of Energy was published in the Official Gazette through which the following is established:
 - Adjust the remuneration established by Resolution No. 238/2022 in approximately 20% with effectiveness since the economic transactions corresponding to September 2022, an additional 10% since December 2022, an additional 25% since February 2023 and an additional 28% since August 2023.
 - Replace the maximum performance hours by a new concept called “remuneration on peak hours”, where the 5 peak hours of each day (18hs to 23hs) are remunerated double or triple (depending on the season of the year).
 - The formula through which the DIGO power is calculated is updated.
 - The Price difference of power to thermal machines lower than 42 MW is eliminated. All machines that declare DIGO are remunerated the same DIGO Price and those that do not do so, the base prices per power.
 - CAMMESA is instructed to perform availability controls to verify the effective operation of the machines in case of being summoned to dispatch. In case a machine has not been summoned to charge dispatch, CAMMESA will have to perform commissioning and operation tests after 4,380 hours without operation.
- **Resolution SE-MEC No. 59/2023:** On February 5, 2023, the Resolution No. 59/2023 of the Secretariat of Energy was published in the Official Gazette, whose objective is to sign supply contracts with CAMMESA to those closed cycles that are under the spot remuneration scheme, with the goal of encouraging the necessary investments to the execution of programmed maintenance, and thus improving the thermal availability of MEM:
 - The 85% of the unit’s installed capacity will have to be committed under the contract.

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- The contracts will have a maximum maturity of 5 years.
 - The DIGO power will be remunerated by a price reduced by 35% in the summer and winter months and by 15% the rest of the months, besides an additional of 2,000 US\$/MW – month that will linearly decrease if the availability is lower than 85%.
 - It will be remunerated as generated energy a total of 3.5 US\$/MWh for the energy generated with natural gas and 6.1 US\$/MWh for the energy generated with fuel oil or gas oil.
 - The remuneration for the operated energy and the peak hours will continue to be remunerated according to Resolution No. 826/2022 or any amendment.
- **Resolution SE-MEC No. 621/2023:** It calls to any interested party to present to the thermal tender 'TerCONF' that has as an objective to incorporate firm thermal power into the national connection. The tender will incorporate new thermal plants or thermal plants with less than 15,000 hours of verified use (according to CAMMESA's criteria). CAMMESA will evaluate the economic offer based on different factors such as efficiency of the offered thermal plant, offered price, criticality of the node in which it is connected and the age of the machine. The set of these factors will define the final price at which the projects will compete.

On November 24, 2023, through Resolution 961/2023 of the Ministry of Energy of the Ministry of Economy, the Thermal Generation Reliability Supply Contracts were awarded, under the terms defined in Resolution No. 621/2023, by which in Annex I and under Line 1.0 Repowering of Combined Cycles, the CT HE UPGRADE project of CDS was awarded for an assigned power of 65MW. On March 1, 2024, CAMMESA enabled commercial operations. As of the date of issuance of these consolidated financial statements, the corresponding contract has not yet been signed.

- **Resolution SE-MEC No. 750/2023:** On September 8, 2023, the Resolution No. 750/2023 of the Secretariat of Energy was published in the Official Gazette, which established to adjust the remuneration established by Resolution No. 826/2022 in approximately 23% with effectiveness since the economic transactions corresponding to September 2023.
- **Resolution SE-MEC No. 869/2023:** On October 30, 2023, the Resolution No. 869/2023 of the Secretariat of Energy was published in the Official Gazette, which established to adjust the remuneration established by Resolution No. 750/2023 in approximately 28% with effectiveness since the economic transactions corresponding to November 2023.
- **Resolution SE-MEC No. 9/2024:** On February 8, 2024, Resolution No. 9/2024 of the Secretariat of Energy was published in the Official Gazette, which established to adjust by 74% the remuneration established by Resolution No. 869/2023 effective since the economic transactions corresponding to February 2024.

Renewable energy sources

In 2006, Law No. 26,190 was enacted, which established a National Promotion Regime for the use of renewable energy sources for the production of electricity, complementary to the regime established by Law No. 25,019 and its regulatory standards, which had already declared of national interest wind and solar power generation.

In October 2015, Law No. 27,191 was enacted, which amended Law No. 26,190, " National Scheme for Promotion of the Use of Renewable Energy Sources for Electric Power Production ". Amendments to this law seek to establish a legal framework encouraging investments in renewable energies and promoting the diversification of the national energy matrix, increasing the share of renewable sources in the Argentine electricity market. Additionally, this law that, among other measures, requires Large Users to reach a minimum 8% of their electricity energy consumption with energy from renewable sources in 2018 and 20% in 2025. The

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laws are regulated in 2016 by a PEN Executive Order No. 53 establishing that, those who elect to comply by purchasing or by through self-generation or cogeneration, must expressly express their decision before the Application Authority in terms the latest determines. Otherwise, they will automatically be included in the joint purchase mechanism that CAMMESA will carry out.

Among the main provisions of Law No. 27,191 and its regulations, the following can be highlighted:

- Projects entitled, including self-generators and co-generators (non-fossil), will be able to access the promotion scheme.
- A public trust fund called the Fund for the Development of Renewable Energies will be created, which will be constituted, among other trust assets, by resources from the National Treasury (not less than 50% of the savings in fossil fuels due to the incorporation of renewable sources).
- A specific charge will be applied to the users to guarantee the fulfilment of the contracts, in \$ / MWh, being excepted those Large Users (GU) that acquire the renewable energy by means of contracts with a generator, marketer or distributor (not CAMMESA) or by own generation.
- Those users that have one or multiple electric power demand points with independent meters are all registered, all registered with the same CUIT in the MEM or with the distributors, if in the sum of all the demand points they reach or exceed 300 kW of average power contracted in the calendar year, even if, in all or some of the demand points considered individually, they do not reach this value. The obligation governs as a percentage (%) of the total sum of their consumption.
- Only security and quality charges will be incorporated to the renewable's energy price. The price will not incorporate transitory cost of dispatch (STD), additional transitory cost of dispatch (ad STD), cost of fuel (SC), etc.
- Can be met through: Individual contracting, self-generation or Cogeneration of renewable sources.
- The price will be established by CAMMESA as prorated by the total amount of the contracts and is reached by the price limit set in the Law (113 US\$ / MWh).

Resolution 281-E/2017: This Resolution issued in August 2017 regulates the Renewable Energy Term Market (MATER) for MEM Large Users, setting forth the guidelines for self-generation and the agreements for the purchase of electric power from renewable sources; the Resolution applies to Large Users with an average annual demand per connection point above 300 kW, and to generators, co-generators and self-generators entering the MEM as from January 2017.

The Forward Market regulation sets forth the following noteworthy provisions:

- It establishes dispatch priorities and an allocation mechanism.
- It creates commercialization and administration positions for Large Users intending to participate in CAMMESA's joint purchase scheme.
- It sets forth that Large Users opting out of CAMMESA's joint purchase scheme:
 - shall be subject to monitoring of their compliance with Law No. 27,191.
 - shall no longer pay for the renewable source generation acquired by CAMMESA.
 - shall no longer pay for Commercialization and Administration charges.

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- shall be entitled to discounts in capacity charges.
 - No reserve power capacity is required for power purchase agreements executed within this scheme.
 - It defines that the exclusion of joint purchases will have a minimum term of 5 years from the date the exclusion was declared.
 - Allows the entitlement of renewable contracts to base or surplus demand.
 - Defines that transport charges and those of primary frequency regulation will be recognized and absorbed by CAMMESA.
 - It establishes the methodology for monitoring compliance and the imposition of penalties for breach, based on Gas Oil generation costs.
- **Resolution No. 14/2022:** It establishes a new tie-breaker mechanism for the MATER in the event of insufficient capacity at the interconnection point, which consists in the declaration of an Increase Coefficient (*Factor de Mayoración*) to be applied to payments of dispatch priority reserve (i.e., US\$ 500 /MW per quarter), and the minimum coefficient to be considered is equivalent to 1, subject to no cap with three decimal places. Priority will be granted to anyone declaring the highest Increase Coefficient.
- **Resolution No. 370/2022:** All WEM distributors are authorized to enter into power purchase agreements for electric power from renewable sources with generators to self-generators of the WEM for supply to their customers declared as large distribution company users (GUDI).
- **Resolution No. 360/2023:** It amends Resolution No. 281/17 (MATER Regulation):
- **GENREN Projects:** Generators of renewable energy under the GENREN program (Decree No. 562/16) may commercialize their energy output pursuant to the MATER regime starting from the calendar month immediately succeeding the date of termination of their power purchase agreement. Such projects must apply for access to the MATER and pay a quarterly fee equal to US\$ 500/MW of commercially authorized capacity under the GENREN program as dispatch priority for two years.
 - **Associated Projects of Incremental Demand with New Generation from Renewable Sources:** If the incorporation of new demand met by energy from renewable sources releases transportation capacity at a node, such new project will be assigned such dispatch priority equivalent to the newly released capacity.
 - **“Reference A” Dispatch Priority:** CAMMESA will publish –for specific grid sections where there is no availability to assign full dispatch priority and for all hours in the year– a “reference A” allocation mechanism. This mechanism will include dispatch priorities with an expected probability equal to 92% (8% of the time with curtailment) over annual energy under expected operating conditions.
 - **Dispatch Priority due to expansion of transportation associated with MATER projects:** The new section defines MATER(TER)-associated transportation expansion as any such transportation expansion works that may be fully constructed and funded by one or more renewable generation project(s) developed to commercialize their energy in the MATER. The potential increase in the transportation capacity resulting from the expansion could be reserved as dispatch priority by the renewable generation project(s) executing the works at their own expense.

28.2. Necessity and Emergency Decree (“DNU”) No. 70/2023

On December 21, 2023, the DNU No. 70/2023 was published in the Official Gazette, declaring the state of public emergency in economic, financial, fiscal, administrative, social security, tariff, health and social matters

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until December 31, 2025. Furthermore, the decree abrogates, introduces and/or modifies certain laws. Some of the main measures established by the decree include: (i) modifying the existing subsidy structures to ensure end-users access to basic and essential consumption of electric power and natural gas; (ii) calculating the cost of basic consumption based on tariffs at each supply point; (iii) defining mechanisms related to the allocation of subsidies and their receipt by users; (iv) amending Law No. 19,550 and Law No. 23,696 ("State Reform Law") establishing that no privileges or benefits under public law will be granted to companies in which the National Government is a shareholder; (v) abrogate Law No. 20,680 ("Supply Law") which vested on the Ministry of Economy's Secretariat of Commerce the power to impose severe regulations and sanctions related to the supply and distribution of goods; and (vi) repealing Decree No. 1,060/2000 which set maximum terms for exclusive fuel supply contracts entered into between oil companies and gas stations, and limited to 40% oil companies' interests in gas station networks commercializing brands owned by them.

Although the Decree must be discussed and ratified by at least one of the chambers of the National Congress, its provisions have been in force and effect since December 29, 2023, except for some of them that have been subject to precautionary measures suspending their effects.

The changes related to the electricity market are the following:

- **Abrogation of Decree No. 1491/2002:** It established that export contract prices for Firm Capacity and Associated Electric power and the Generation Commercialization Agreements would be invoiced in US Dollars and it established an exchange rate for such transactions equal to 1 AR\$ = 1 US\$.
- **Abrogation of Decree No. 634/2003:** It established that fees or prices for the remaining performance of the high-voltage transportation expansion work could be redetermined if the changes in the contract prices exceeded 5%.
- **Abrogation of Law No. 25,822:** The law that established the 'Federal Electricity Transportation Plan' using 'SALEX' funds from excess amounts derived from transportation capacity restrictions was repealed. The Secretariat of Energy and the National Government are no longer in charge of execution of works under the 'Federal Electricity Transportation Plan.'
- **Abrogation of Decree No. 311/2006:** It granted National Treasury repayable loans to the unified fund to maintain the WEM without any distortions.
- **Abrogation of Sections 16 to 37 of Law No. 27,424** (promotion regime for distributed generation of renewable energy): The sections that provided for the 'Fiduciary Fund for Development of Distributed Energy,' the promotional benefits and the 'National Industry Promotion Regime' were eliminated.
- The Secretariat of Energy is empowered to redetermine the structure of subsidies in effect in order to ensure that final users will have access to basic and essential consumption of electric power and natural gas.

As of the issuance date of these consolidated financial statements, we cannot foresee the evolution of the amendments established in the Decree or the new measures that could be announced or its impact on the Group's operations.

28.3. Exchange Market Regulation

Since September 2019, the Government has announced a set of rules aimed at regulating and limiting the access to the Argentine local exchange market ("MULC"). Below is a summary of the most relevant ones.

On September 1, 2019, the Argentine Government issued Executive Decree No. 609/2019 ("Decree 609") which established certain restrictions in the foreign exchange currency market. Decree 609 was further regulated by Communication "A" 6770 of the Argentine Central Bank ("BCRA"), also issued on September 1,

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2019, which was amended and supplemented by subsequent Communications (jointly “Communication 6770”).

Such rules regulated the inflow and outflow of foreign exchange currencies in the market, stating, among other measures, that:

- BCRA prior approval will be required for access to the local foreign currency exchange market for transfer of earnings and dividends abroad and build-up foreign assets in the case of legal entities.
- New financial debts contracted abroad that are disbursed later than September 1, 2019 must be settled in the local exchange market.
- BCRA’s previous approval will be required to access the local foreign currency exchange market in order to repay debts with foreign related parties.

Later the BCRA through the Communication “A” 7001 of April 30, 2020 (and its amendments) established new regulations and conditions concerning transactions corresponding to remittances by the exchange market.

Additionally, the BCRA, through Communication “A” 7106 dated September 15, 2020 (“Communication 7106”) established new restrictions to access to the Argentine exchange market for (i) payment of principal owed under financial indebtedness abroad and foreign-currency denominated debt securities issued locally; (ii) transactions with securities, and (iii) foreign payments for the use of credit cards, debit cards and prepaid cards for resident individuals.

For their part, the CNV and the AFIP, through General Resolution No. 856/2020 (the “Resolution 856”) and the General Resolution No. 4815/2020, respectively, issued regulations in line with the measures included in the Communication 7106.

Subsequently, the BCRA, through Communication “A” 7142 dated October 19, 2020 (“Communication 7142”) and the CNV through General Resolution No. 862/2020 (“Resolution 862”), established new regulations aimed to make operations with negotiable securities more flexible.

In this regard, the following restrictions were imposed:

- **Payment of principal derived from financial indebtedness abroad and debt securities denominated in foreign currency**

As from the end of 2020, the BCRA issued Communication 7106, Communication “A” 7133, Communication “A” 7230, Communication “A” 7416, and Communication 7621 in order to regulate and limit the access to the Argentine local exchange market (“MULC”) for the payment of: (i) financial indebtedness incurred with creditors abroad, which do not qualify as related party of the debtor; (ii) debt securities denominated in foreign currency from private sector clients or from the entities themselves; and (iii) the pre-payment of financial indebtedness incurred with creditors abroad and debt securities denominated in foreign currency.

The Group does not anticipate any negative impact from such communications, given that the previously mentioned will not be applicable when: (i) capital maturities correspond to indebtedness with international entities or its associated agencies, or granted by them; (ii) indebtedness given by official credit agencies or granted by them; or (iii) indebtedness originated since January 1, 2020 and that constitute refinancing of capital maturities that had already been refinanced by the parameters defined in the refinancing plan.

In addition, until December 31, 2024, local residents will be required to obtain the BCRA’s prior approval to access the local exchange market to make principal and interest payments in respect of offshore financial indebtedness with related parties. Certain specific exemptions apply to this requirement, which are included in section 3.5.6. of the revised text of the rule.

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Furthermore, at the time of accessing the local exchange market, all foreign currency holdings in the country must be deposited in accounts established at financial institutions. Besides, at the beginning of the day on which access is required, local residents should not hold Argentine certificates of deposit representing foreign shares and/or liquid external assets available which, on the aggregate, are worth more than US\$ 100,000.

Local residents are also required to settle through the local exchange market proceeds received from abroad, within 5 business days from the time such proceeds are made available, on account of the collection of loans granted to third parties, time deposits, or the sale of any kind of asset, to the extent that the asset subject to sale had been acquired, the deposit had been made, or the loan had been granted after May 28, 2020.

- **Payments of earnings and dividends**

Communication "A" 7422 (and its amendments) regulates the payments or earnings abroad to non-residents shareholders. To this effect, it is allowed the access of exchange market and fulfilling certain additional conditions when: contributions in related parties are registered since January 17, 2020; or the earnings are generated by projects under "PLAN GAS" framework; have a certificate of increase of goods export; or have a certificate of contributions in related parties under the framework of Regime of knowledge economy.

- **Payments of imports of goods and services**

The BCRA issued Communication "A" 7746 dated April 20, 2023 ("Communication 7746") in order to regulate and limit the access to the Argentine local exchange market ("MULC") for foreign trade transactions, including the requirement of securing the prior approval of a declaration in SIRASE (Argentine System of Imports and Foreign Payments of Services) and other regulations concerning the following: (i) payments of services to related companies, (ii) service of interest on debts related to imports of goods and services and/or financial loans to related companies, (iii) the Exchange Transaction Reporting Requirements, (iv) extension of the term to make certain transactions with securities ("Blue-chip Swap") from 90 to 180 days for securities under foreign law, and (v) the Tax for an Inclusive and Solidarity-driven Argentina (locally known as "PAIS" Tax), created by Law No. 27,541 and regulated by Decree No. 99/2019 through Decree No. 377/2023.

Communication 7746 issued by the BCRA provides that entities will require the BCRA's prior approval to allow clients access to the local exchange market before 60 (sixty) calendar days from the date of approval of the SIRASE declaration, when the transaction in question is concerned with the provision of services, with certain exceptions, including goods related to energy generation, under the terms established by the Secretariat of Energy.

Furthermore, effective since July 23, 2023, pursuant to Communication 7746 issued by the BCRA, the acquisition abroad of certain services or the local acquisition of such services, when rendered by non-residents, will be subject to the PAIS Tax at the 25% rate.

Furthermore, the acquisition abroad of freight and other transportation services related to imports or exports of goods, or the local acquisition of such services, when rendered by non-residents, will be taxed at the 7.5% rate, with certain exceptions.

On August 30 and October 6, 2023, the SE issued Resolutions No. 714 and No. 824, respectively, establishing that the payment of the PAIS Tax, established in paragraph a), section 35 of the Social Solidarity and Productive Revival Law No. 27,541 under the Public Emergency Framework, as amended, will not apply to imports of goods to be used in certain works associated with electrical energy generation, which includes the Group's main operations.

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On December 13, 2023, Decree No. 28/2023 imposed a 10% increase in the PAIS Tax rate to 17.5% for freight and transportation services abroad or rendered by non-residents, and also to 17.5% for the import of goods, with certain exceptions, including goods related to energy generation, pursuant to the terms of the Secretariat of Energy.

By means of Decree No. 28/2023 published on December 13, 2023, the government imposed obligations for exporters of goods and services, with certain exceptions, concerning the repatriation of the foreign currency proceeds from their exports. Accordingly, exporters are required to settle 80% of such proceeds through the MULC and use the remaining 20% to trade securities acquired with settlement in foreign currency and sold with settlement in local currency.

The exchange regulations and controls also apply to the access to the foreign exchange market in connection with the import of goods and services establishing certain minimum terms of payment, terms and regulating import advance payments and the terms for entry of the goods into the country, among other things. These types of transactions are governed by Communications "A" 7272; "A" 6844; "A" 7516; "A" 7622; "A" 7490 issued by the BCRA; among others.

On December 13, 2023, the BCRA issued Communication "A" 7917, substantially amending the scheme to access the local exchange market for the payment of goods and service imports, effective as from such date, as detailed below:

- The requirements of having a SIRA declaration with approved status and the transaction confirmed in the computing system known as CCUCE (Spanish acronym for "Single Foreign Trade Current Account") are eliminated.
- Having a SIRA declaration with "EXIT" status will no longer be required to access the local exchange market. Confirming the transaction in the CCUCE system will no longer be required either.
- Entities may grant access to the local exchange market without the BCRA's prior approval to make deferred payments for new imports of goods with customs entry registry as from December 13, 2023, provided that, in addition to the other applicable regulatory requirements, the payment is found to be consistent with the schedule established by the rule. For general goods, such schedule is as follows: As from the time of the customs entry of the goods: 25% as from 30 (thirty) calendar days; an additional 25% as from 60 (sixty) calendar days; another 25% as from 90 (ninety) calendar days; and the remaining 25% as from 120 (one hundred and twenty) calendar days.

The prior approval of the BCRA, in addition to the other applicable requirements, will be required to access the local exchange market to make payments of imports of goods with customs entry registry up to December 12, 2023, except when involving transactions financed by financial institutions, official credit agencies or international financial institutions, among other circumstances.

Concerning the payment of services, effective since December 13, 2023, having an approved SIRASE declaration and the transaction confirmed in the CCUCE system will no longer be required to access the local exchange market. Having a SIRASE declaration with "APPROVED" status or confirming the transaction in the "CCUCE" system will no longer be required either.

Entities may grant access to the local exchange market without the BCRA's prior approval to make payments of services rendered by non-residents, provided they are proved to be certain.

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On the other hand, the BCRA's prior approval, in addition to the other applicable requirements, will be required to access the local exchange market to make payments of services by non-residents rendered and/or accrued up to December 12, 2023, except when involving financed transactions or are associated with specific regimes.

Effective since December 13, 2023, sections 3.19., 3.20., 10.3.2.5., 10.3.2.6., 10.3.2.7., 10.4.2.8., 10.4.2.9. and 10.4.2.10., 10.4.3.7., 10.4.3.8., 10.4.3.9., 10.10., 10.11., 10.12, 10.13., 10.14., 12.1., 12.4., 12.5. and 12.6. of the BCRA's "Foreign Trade and Exchange Market" regulations were repealed.

The Group does not believe that these reforms will have a significant impact on its operations.

- **BOPREAL**

Communication "A" 7918 issued by the BCRA on December 13, 2023 provides that the BCRA may tender Notes in the market issued by the monetary authority (known as BOPREAL, the Spanish acronym for Bonds for Rebuilding a Free Argentina) in US dollars, with optional early redemption, for importers of goods and services pending payment as of December 12, 2023.

These instruments may only be subscribed by importers of goods and services for up to the amount of their imports pending payment.

The Notes will be issued in successive placements under different terms and conditions, depending on the Series, and will be subscribed in pesos and repaid in US dollars.

29. RESTRICTIONS ON THE COLLECTION OF RECEIVABLES FROM CAMMESA – SE RESOLUTION NO. 406/03

Central Vuelta de Obligado

On November 25, 2010, the SE and the main electricity generation companies entered into an "Agreement for project management and operation, increase of thermal generation availability and adjustment of the remuneration of 2008-2011 generation" (hereinafter, the "Agreement").

Within the framework of the Agreement, the Company agreed not to collect the Sales Settlements with Maturity Date to be Defined ("LVFVD", for its Spanish acronym) generated and to be generated during the period between January 1, 2008 and March 31, 2011 for the construction of new generation plants that would be carried out jointly by the generators that signed the Agreement and the SE. This receivable would be settled once the interest rate stipulated in Section 3 of SE Resolution No. 406/03 has been added and translated into US dollars as of the date of signing the Agreement, in 120 equal and consecutive monthly installments, as of the commercial authorization of the new project, plus an annual yield equivalent to that obtained by applying a 30-day LIBOR plus 5% per annum. The claims included in the agreement were applied to the construction of the Vuelta de Obligado Thermal Power Plant (CVOSA). As of July 1, 2023, the LIBOR ceased to be published and, consequently, for the purposes of calculating the credit yield, it was replaced by the Secured Overnight Financial Rate ("SOFR") plus a margin of 11.048% per annum.

On March 20, 2018, the CVOSA Combined Cycle Plant entered into commercial operation, which was confirmed by CAMMESA through its Note B-125446-1. On February 7, 2019, the contract was signed between the Central Vuelta de Obligado Trust ("FCVO") and CAMMESA.

As of December 31, 2023, CAMMESA paid 69 installments for a total amount of 96,617.

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CAMMESA's debt to the Company as of December 31, 2023 arising from the application of SE Resolution No. 406/03 corresponds in its entirety to the funds allocated to the CVOSA project. As of December 31, 2023, this receivable is disclosed under the caption Other receivables (current and non-current) for 9,614 and 31,135, respectively.

30. CHANGES IN TAX REGULATION

On June 16, 2021, Law No. 27,630 was issued, approved by the National Executive Branch through the Decree No. 387. One of the main changes is the instauration of a progressive scale of income tax based on accumulated net taxable income of the Company. The amounts of this scale will be adjusted annually, since January 1, 2022 according to the variations of IPC provided by INDEC corresponding to October of the fiscal year prior to the adjustment. The adjusted amounts will be applicable for subsequent fiscal years beginning after this. The progressive scale is applicable also for permanent establishments, notwithstanding the additional rate of 7% at the moment of remitting incomes to their parent company.

This dispositions of this Law are applicable since June 16, 2021 and are effective for fiscal years beginning since January 1, 2021, inclusively.

The main impact of this legal change is (i) the measurement of deferred income tax assets and liabilities (including accumulated tax loss carryforward), since they have to be recognized applying the tax rate in force at the date in which the differences between accounting and fiscal values and tax loss carryforward will be reverted or used; and (ii) the estimate of the provision for income tax payable. The impact of the regulatory change has been recognized in the fiscal year ended December 31, 2021 in the consolidated statements of income and other comprehensive income.

Hereinafter, the net deferred income tax assets and liabilities, and the current income tax, since December 31, 2021, is measured at an approximate rate of 35%.

- **Advanced payments of income tax**

On August 16, 2022, the General Resolution 5248 was published in Official Gazette . Resolution regulated the advanced payments of income tax applicable to some taxpayers and responsible detailed in the article 73 of the Income tax law ("LIG"). This law established, an extraordinary one-time advanced payment for income tax ("IG") to companies whose capital fulfils some the following parameters:

i. The amount of the "determined tax" of the IG affidavit corresponding to the fiscal period 2021 or 2022, as applicable, is equal to or greater than AR\$ 100,000,000.

ii. The amount of the "tax result" that arises from the IG affidavit, without applying the deduction of tax carryforward of previous years, is equal to or greater than AR\$ 300,000,000.

The extraordinary payment on account will be computable in the fiscal period following the one taken as the basis for calculation, according to the following detail:

a) With year-end operated between the months of August and December 2021, both inclusive: fiscal period 2022.

b) With year-end operated between the months of January and July 2022, both inclusive: fiscal period 2023.

For the purposes of fixing the amount of the payment on account, the following two situations are foreseen:

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(i) Subjects for whom the amount determined in accordance with the procedure laid down for the calculation of advances from the IG (conf. General Resolution 5211) -for the fiscal period immediately prior to that to which the payment on account will correspond- is greater than zero pesos, the payment on account will be calculated as 25% of said amount.

(ii) For the rest of the subjects with respect to which the parameter set in the previous point is not verified, the payment on account will be 15% on "Tax result" of the fiscal period immediately preceding that to which the payment on account will correspond, without the tax loss carryforwards of previous years being applied.

The extraordinary advance will be paid in three equal and consecutive instalments, on the 22nd of each month of the last quarter of the fiscal year.

This extraordinary payment on account may not be cancelled through the compensation mechanism, and may not be considered in the estimate made by taxpayers and responsible persons within the framework of the option of reducing advances.

The Group has evaluated the applicability of this extraordinary payment on account to its companies, being applicable to YPF EE, YGEN, YGEN II and LDL.

On July 20, 2023, General Resolution 5391 was published in the Official Gazette, which regulated the extraordinary advance payment of income tax applicable to companies that meet the following parameters in the affidavit for the 2022 tax period (in the case of Group companies):

1. record a tax result, before deduction of tax loss carryforwards, that is equal to or greater than AR\$ 600,000,000, and;
2. have not determined tax.

The amount of the advance will be 15% of the tax result of the fiscal period immediately prior to the one to which the payment on account will be charged, without considering the deduction of tax loss carryforwards from previous years. The advance payment will be paid in 3 monthly installments.

This advance does not apply to any of the companies in the Group, as none of them meet both requirements at the same time.

- **Tax inflation adjustment**

The Law No. 27,468, published in the Official Gazette on December 4, 2018, established that the tax inflation adjustment procedure is in force for the fiscal years that began on January 1, 2018. Since the fiscal year 2021 the tax inflation adjustment is applicable in case that the accumulated variation of the CPI surpass 100% during the last three years. Considering that the mentioned rate has been verified, as of December 31, 2022 and 2021, the Group has applied the tax inflation adjustment procedure in the estimation of annual effective rate. The effect of tax inflation adjustment for fiscal year 2020 is taxed as follows: 1/6 in that same fiscal year and the remaining 5/6 in equal parts during the following five fiscal years. Starting fiscal year 2021, the impact of tax inflation adjustment is completely recognized on the fiscal year.

On December 1, 2022, Law N° 27,701 approving the national budget for the fiscal year 2023 was issued. In its article 118, it establishes that those tax payers that determine a positive tax inflation during the first and second fiscal years beginning on January 1, 2022 inclusive, will be able to allocate a third (1/3) in that fiscal period and the remaining two thirds (2/3 in equal parts, in the two (2) immediate following fiscal periods. It is

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worth mention that it will only be granted access to this), those tax payers that make investments for 30 billion of Argentine pesos in the purchase, construction, fabrication, elaboration or definitive import of fixed assets during the two fiscal years following to the fiscal year of the allocation of the first third. Under this framework, the Group has applied the mentioned deferral for YPF EE.

- **Value added tax**

The Group had requested refunds regarding the tax credits, receiving refunds for AR\$ 1,204.8 million during the years ended December 31, 2022. As of December 31, 2023, there are no pending refunds to collect.

31. RELATED PARTIES INFORMATION

The following table show the balances with related parties as of December 31, 2023 and 2022:

	December 31, 2023					
	Other receivables	Other receivables	Trade receivables	Trade payables	Contract liabilities	Loans
	Current	Non-current	Current	Current	Non-current	Non-current
Joint controlling shareholder:						
YPF S.A.	-	-	38,990	13,973	-	-
GE EFS Power Investment B.V	-	-	-	-	-	17,962
Associates:						
Refinería del Norte S.A.	-	-	53	-	-	-
Metroenergía S.A.	-	-	6	-	-	-
A-Evangelista S.A.	-	-	-	11	-	-
U.T. Loma Campana	-	-	457	-	-	-
C.T. Barragán S.A.	-	-	-	-	-	-
GE Global Parts and Products GmbH	-	-	-	35,198	-	-
GE International Inc. Sucursal Argentina	-	8,328	-	8,985	-	-
GE Packaged Power Inc.	4,848	-	-	7,855	-	-
GE Water & Process Technologies SC	-	-	-	110	-	-
GE Sensing & Inspection Technologies	-	-	-	5	-	-
Profertil S.A.	5,576	-	2,304	-	20,652	-
Alstom Power Service S.A.	-	-	-	-	-	-
Alstom Power Systems	-	-	-	-	-	-
Jenbacher International B.V.	-	-	-	34	-	-
Pan American Energy	-	-	-	100	-	-
Argentine federal government-controlled entities:						
CAMMESA	9,673	31,135	61,387	-	-	-
Total	20,097	39,463	103,197	66,271	20,652	17,962

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	December 31, 2022		
	Other receivables	Trade receivables	Trade payables
	Non-Current	Current	Current
Joint controlling shareholder:			
YPF S.A.	-	42,348	14,292
Associates:			
Refinería del Norte S.A.	-	241	-
Metroenergía S.A.	-	26	-
A-Evangelista S.A.	-	-	293
U.T. Loma Campana	-	176	-
C.T. Barragán S.A.	-	365	-
GE Energy Parts	-	-	37
GE Global Parts and Products GmbH	-	-	4,293
GE International Inc. Sucursal Argentina	7,943	-	5,090
GE Packaged Power Inc.	-	-	19,593
GE Water & Process Technologies SC	-	-	199
GE Sensing & Inspection Technologies	-	-	5
Innio Jenbacher GmbH & CO. OG.	-	-	574
Profertil S.A.	-	2,495	-
Alstom Power Service S.A.	-	-	-
Alstom Power Systems	-	-	-
Grid Solutions Argentina S.A.	-	-	108
Jenbacher International B.V.	-	-	141
Argentine federal government-controlled entities:			
CAMMESA	-	85,706	-
Total	7,943	131,357	44,625

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The following table shows transactions with related parties for the fiscal years ended December 31, 2023 and 2022:

	For the years ended December 31,						
	2023			2022			
	Revenues	Purchases of goods and services	Other operating income, net	Interest Income (loss), net	Revenues	Purchases of goods and services	Other operating income, net
Joint controlling shareholder:							
YPF S.A.	115,894	37,309 ⁽¹⁾	-	-	126,874	35,009 ⁽¹⁾	-
Associates:							
A-Evangelista S.A.	-	68	-	-	-	251	-
U.T. Loma Campana	1,940	-	-	-	1,675	-	-
C.T. Barragán S.A.	450	-	-	-	1,800	-	-
GE Global Parts and Products GmbH	-	30,543	131	-	-	7,822	-
GE Water & Process Technologies S.C.	-	42	-	-	-	357	-
GE Packaged Power Inc.	-	917	11,655	-	-	5,980	5,262
GE International Inc. Suc. Argentina	-	16,401	1,172	-	-	28,706	19,929
GE Sensing & Inspection Technologies	-	-	-	-	-	5	-
Innio Jenbacher GmbH & CO. OG.	-	-	-	-	-	416	11
Profertil S.A.	11,346	-	-	-	12,395	-	-
Grid Solutions Argentina S.A.	-	-	-	-	-	496	-
Jenbacher International B.V.	-	114	-	-	-	141	-
Baker Hughes Digital Solutions GmbH	-	-	-	-	-	6	-
Pan American Energy	-	-	100	-	-	-	-
Argentine federal government-controlled entities:							
CAMMESA	316,383	576	33,065	3,370	295,037	1,403	15,574
Total	446,013	85,970	46,123	3,370	437,781	80,592	40,776

Regarding the business of generation and sale of electricity, the Company's main customer is CAMMESA, an entity controlled by National Government. Taking into consideration that National Government is also YPF's controlling shareholder, CAMMESA is considered a related party.

Remuneration of the Key Management

During the years ended December 31, 2023 and 2022, the remuneration to key executives amounted to 4,895 and 3,867, respectively, including short-term benefits and the only benefits granted to key executives.

32. SUBSEQUENT EVENTS

- **Main loans of the Group subsequent to December 31, 2023**

On February 27, 2024, the Group issued the Class XIV and XV Corporate Bonds with a term of 36 months for a total of US\$ 29.3 million (Note 17).

On April 25, 2024, the Company's Board of Directors approved the issuance and placement by public offering of Corporate Bonds for an amount of up to US\$ 110,000,000.

On June 13, 2024, the Company made a new issuance on the capital market:

- Class XVI Corporate Bonds for a nominal value of US\$ 97,521,007 at a negative effective rate of 1% and a nominal rate of 2% due December 13, 2025. The Class XVI Corporate Bonds were partially swapped with Class XI Corporate Bonds for approximately 1,957.

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- Class XVII Corporate Bonds for US\$ 10,199,945, at a nominal rate of 5.90%, maturing June 13, 2027.

The Company assessed for the refinancing of the above-mentioned Class XVI Corporate Bonds whether the terms were materially different, considering both qualitative (e.g., currency, term and rate) and quantitative aspects (whether the present value of the discounted cash flows under the new terms, including any commissions paid net of any commissions received, and using the original effective interest rate to make the discount, differs by at least 10% from the discounted present value of the cash flows that still remain from the original financial liabilities). Based on this analysis, the Company has recognized such refinancing as a modification in accordance with IFRS 9 "Financial Instruments".

On August 8, 2024, Banco Nación Argentina granted a loan to the Company for a total amount of AR\$ 10,000 million with quarterly interest at a fixed rate of 35% and final maturity on July 4, 2025. The principal of such loan amortizes in quarterly instalments beginning on October 7, 2024. The proceeds from such loan were used to finance the General Levalle Wind farm.

- **Cementos Avellaneda Wind Farm Project ("PECASA")**

On April 25, 2024 the Company's Board of Directors approved the construction of its fifth wind farm to be located in the town of Olavarría, Province of Buenos Aires. The wind farm will have a total installed capacity of 63 MW, from which 28 MW will be destined to the autogeneration of Cementos de Avellaneda S.A. ("CASA") and the rest will supply the industrial demand within MATER. The estimated investment is US\$ 80 million.

During May 2024, the Company signed a loan agreement from BNP PARIBAS for a principal amount of up to US\$ 15 million for the partial financing of the construction of PECASA, with a guarantee granted by Y-LUZ Inversora S.A.U. As of the date of issuance of these consolidated financial statements, the Company borrowed 4,243 within such loan agreement.

- **El Quemado 1 Solar Farm**

On July 15, 2024, the Company's Board of Directors approved the construction of the second solar farm for electricity generation, El Quemado 1, to be located in the Province of Mendoza. The solar farm will have an installed capacity of 200 MW with an estimated investment of US\$ 170 million, and is expected to come into operation in the first quarter of 2026. The project already has 150 MW of dispatch priority obtained in the October 2023 and May 2024 tenders.

- **Levalle Wind Farm**

On August 12, 2024, the first stage of the General Levalle wind farm commenced operations with an installed capacity of 37.2 MW. Subsequently, on September 18, 2024, the commercial operation of an additional 24.8 MW was obtained, while full commercial operations with a total of 155 MW of installed capacity are expected to commence during the fourth quarter of 2024.

- **Ordinary and Extraordinary General Shareholders' Meeting**

The Ordinary and Extraordinary General Shareholders' Meeting and Special Classes of April 29, 2024 resolved, among others, the following points: (i) to approve the consolidated financial statements ending on December 31, 2023 and other information as required by the General Companies Law No. 19,550, ii) ratify the appropriation of the accumulated translation effect as of December 31, 2023 to the reserves and retained earnings as detailed in the Annual Report of the Board of Directors. Therefore, after the aforementioned appropriation, the balance of the retained earnings amounts to AR\$ 13,953,890,000; (iii) release the reserve for future investments in the amount of AR\$ 359,138,494,000; (iv) release the dividend reserve in the amount

(Amounts expressed in thousands of United States dollars, except as otherwise indicated)

of AR\$ 16,867,285,000 ; (ii) allocate the sum of AR\$ 302,959,669,000 to create a reserve for future investments under the terms of Article 70, third paragraph of the General Companies Law No. 19,550 (T.O. 1984) and its amendments; and (iii) allocate the sum of AR\$ 87,000,000,000 to create a reserve for future distribution of dividends, delegating to the Board of Directors until December 31, 2024, the decision to determine, if it results convenient and according to the needs of the Company, the opportunity and amount to proceed with the distribution, considering financial and fund availability aspects, operating results, investments and every other aspect that is consider relevant to the development of the activity of the Company.

- **Loma Campana I Power Plant**

On August 26, 2024, the Board of Directors authorized the Company to file a request for arbitration at the International Chamber of Commerce against GE Vernova International LLC, GE Vernova International LLC, Argentine branch, GE Vernova Operations LLC, to obtain a compensation for the damages suffered by the Company as a result of the unavailability of the Loma Campana I Thermal Power Plant.

- **Main Regulatory framework subsequent to December 31, 2023**

Regulatory framework for the electric industry

- **Resolution No. 2/2024:** The hydroelectric concession termination dates are extended for 60 calendars days for Alicurá, El Chocón Arroyito, Cerros Colorados and Piedra del Águila hydroelectric plants, further extendable for 60 additional days. Therefore, the concession contracts would remain in the hands of their current concession holders until the first months of 2024.
- **Resolution No. 33/2024:** The hydroelectric concessions termination dates of the Alicurá, El Chocón Arroyito, Cerros Colorados and Piedra del Águila are extended for 60 consecutive days from the date April 28, 2024 for Piedra del Águila and from 03/19/2024 for the rest of the aforementioned hydroelectric plants.
- **Resolution No. 07/2024:** The power reference price (POTREF) and the stabilized energy price (PEE) are updated for all demand segments, effective as of February 2024. The GUDIs receive an increase of +118%, Non-Residential (Commercial) an increase of 187% and Residential Level 1 an increase of +81%.
- **Resolutions No. 101 and 102/2024:** The update of the CPD (own distribution cost) for EDENOR S.A. is approved and EDESUR S.A. starting in February 2024. The CDP will have increases of around +250% for the R1 and R2 rates, +500% for the R3 rate and more than 1000% for the R4 rate. Additionally, an automatic update formula is approved for the monthly CPD adjustment that will be effective starting in May 2024.
- **Resolution No. 34/2024:** Section 5.6 of Chapter V of CAMESA Procedures is modified, giving priority to the payment of high voltage transportation and trunk distribution.
- **Resolution No. 45/2024:** The deadline for signing the awarded TerCONF thermal contracts is extended from April 16, 2024 for 60 business days.
- **Resolutions SE No. 58/2024 and No. 66/2024:** On May 8, 2024, SE Resolution No. 58/2024 and its respective amendment Resolution No. 66/2024, were published in the Official Gazette, which establishes an exceptional, transitory and unique payment regime for the balance of the MEM's economic transactions of December 2023, January 2024 and February 2024 corresponding to the MEM's creditors.
- **Resolution SE No. 78/2024:** Extends hydroelectric concessions from May 18, 2024 to August 11, 2024 for the Alicurá, Chocón Arroyito and Cerros Colorados power plants, and from April 28, 2024 to December 29, 2024 for the Piedra del Águila hydroelectric plant.

(Amounts expressed in thousands of United States dollars, except as otherwise indicated)

- **Resolution SE No. 90/2024:** Updates the consumption limits for subsidies of levels 2 and 3, for the period from June 2024 to November 2024. Base consumption for Tier 2 (low income) is updated to 350 kWh/month and 250 kWh/month for Tier 3 (medium income). These consumptions will have a bonus of 71.92% and 55.94% on the prices of level 1 (higher income). The surplus of these volumes will be valued at the price of level 1 (higher income).
- **Resolution SE No. 92/2024:** Updates the power reference price (POTREF) and the stabilized energy price (PEE) for all demand segments, effective as of June 2024.
- **Resolution SE No. 150/2024:** Repeals Resolution 2022/2005, which allowed all instructions from the Ministry of Energy given to CAMMESA to be considered as 'Regulatory Instruction', 'Regulatory Mandate' or 'On account and order', assuming tasks for which it was not originally constituted, among which was the purchase and allocation of fuel for generation.
- **Resolution SE No. 151/2024:** Annuls the signing of thermal supply contracts for the TerCONF tender, which aimed to incorporate firm thermal power.

Remuneration of generators

- **Resolution SE-MEC No. 9/2024:** On February 8, 2024, Resolution No. 9/2024 of the Secretariat of Energy was published in the Official Gazette, which established to adjust by 74% the remuneration established by Resolution No. 869/2023 effective since the economic transactions corresponding to February 2024.
 - **Resolution SE No. 99/2024:** On June 18, 2024, Resolution No. 99/2024 of the Secretariat of Energy was published in the Official Gazette, which updates by 25% all the remuneration concepts of power plants that are not under contract effective as of June 2024.
 - **Resolution SE MEC No. 193/2024:** On August 2, 2024, Resolution No. 193/2024 of the Secretariat of Energy was published in the Official Gazette, which updates the remuneration established by Resolution No. 99/2023 by 3%, effective as of the economic transactions corresponding to the month of August 2024. Additionally, the spot price of the electricity market is also updated to AR\$ 9,606/MWh (10.3 US\$/MWh).
 - **Resolution SE MEC No. 233/2024:** On August 29, 2024, Resolution No. 233/2024 of the Secretariat of Energy was published in the Official Gazette, which updates the remuneration established by Resolution No. 193/2024 by 5%, effective as of the economic transactions corresponding to the month of September 2024. Additionally, the spot price of the electricity market is also updated to AR\$ 10,086/MWh (10.3 US\$/MWh).
- **SE N°58/2024 Resolution and Resolution No. 66/2024**

On May 8, 2024, SE Resolution No. 58/2024 and its respective amendment Resolution No. 66/2024, were published in the Official Gazette, which establishes an exceptional, transitory and unique payment regime for the balance of the MEM's economic transactions of December 2023, January 2024 and February 2024 corresponding to the MEM's creditors, and instructs CAMMESA to determine the amounts owed to each of them corresponding to such economic transactions, which would be cancelled as follows: (i) the economic transactions of December 2023 and January 2024, would be cancelled through the delivery of government securities denominated "Bonos de la República Argentina en Dólares Estadounidenses Step Up 2038" ("AE38 Bonds"); and (ii) the economic transactions of February 2024 would be cancelled with the funds available in the bank accounts available in CAMMESA for collection purposes and with those available from the transfers made by the National Government to the special fund namely "Fondo Unificado con Destino al Fondo de Estabilización".

(Amounts expressed in thousands of United States dollars, except as otherwise indicated)

In this regard, on May 13, 2024, the Company's Board of Directors approved the signing of an agreement with CAMMESA, by which it was agreed that the economic transactions for the months of December 2023 and January 2024 would be cancelled through the delivery of AE38 Bonds and that the economic transaction for the month of February 2024 would be paid with existing funds deposited in CAMMESA's bank accounts. In compliance with said agreement, additionally, on May 13, 2024, the Company recorded the collection of 68% of the economic transaction corresponding to the month of March 2024. Finally, on May 14, 2024, the Company recorded the collection of 100% of the February 2024 economic transaction and on May 20, 2024, it received the corresponding AE38 Bonds that cancelled the outstanding balances of the December 2023 and January 2024 transactions.

Likewise, on May 14, 2024, CDS signed an agreement with CAMMESA, with the same terms and conditions previously mentioned. In compliance with this agreement, additionally, on May 14, 2024 CDS recorded the collection of 68% of the March 2024 economic transaction. Finally, on May 14, 2024 recorded the collection of 100% of the February 2024 economic transaction and on May 22, 2024, it received the corresponding AE38 Bonds that cancelled the outstanding balances of the December 2023 and January 2024 transactions.

As a consequence, as of the date of the issuance of these consolidated financial statement, the Group had recognized for CAMMESA an impairment charge of 33,990 which includes an additional charge of 8,601, mainly corresponding to derecognition of accrued of interest for late payment of the transactions of December 2023, January and February 2024.

As of the date of the issuance of these consolidated financial statements the Company has fully collected the receivables with CAMMESA of the economic transactions from March to June 2024, and the 80% of the transaction of July 2024.

- **Exchange Market Regulation**

Communication "A" 8073 of the BCRA issued on July 23, 2024 repeals the affidavits for financial services in the context of the health emergency in line with points 3.16.3.1 and 3.16.3.2 linked to securities transactions.

- **Cancellation of principal derived from financial indebtedness abroad and debt securities denominated in foreign currency**

On April 18, 2024, the BCRA issued Communication "A" 7994, through which it incorporated two rules related to foreign financial debt:

- 1) The application of the collection of exports: It establishes the possibility of applying the export collection to the payment of principal and interest on foreign financial debt that are settled in the MLC as of April 19, 2024 is established, under the following requirements: (i) the average life of the indebtedness is not less than 3 years, and (ii) the first payment of principal is not made before the year in which it was paid and settled in the MLC.
- 2) Access to the MLC without prior approval by the BCRA. For foreign financial debt, it is established the possibility of not resorting to the prior approval procedure of the BCRA in order to access the MLC more than 3 days before the maturity of the principal and interest service when the same is to be prepaid and the following requirements are met: (i) it is accessed simultaneously with the settlement of a new financial indebtedness granted by a local bank as of a line of credit from abroad taken as of April 19, 2024, (ii) the average life of the new indebtedness is greater than the remaining average life of the debt that is pre-cancelled and (iii) the cumulative amount of principal maturities of the new indebtedness does not exceed the cumulative amount of the principal maturities of the debt that is pre-cancelled.

(Amounts expressed in thousands of United States dollars, except as otherwise indicated)

Communication "A" 7980 issued on March 14, 2024 by the BCRA, which establishes that import operations of goods made official as of March 15, 2024 that correspond to goods of the basic consumer basket, whose tariff positions are included in the Annex to the Communication, may be fully cancelled from 30 calendar days from the registration of customs entry of the goods.

- **Foreign Commercial Debt**

Through Communication "A" 8059, issued on July 4, 2024, it was decided to waive the requirement of prior approval of the BCRA provided for in point 3.3. of the "Foreign and Exchange" rules for access to the foreign exchange market of customers to make interest payments on commercial debts for the importation of goods and services with related counterparties from abroad as long as the maturity of the interest occurs as of May 7, 2024. This type of access was previously suspended until December 31, 2024. It also establishes that the prior approval of the BCRA provided for in points 3.3 will not be required. and 3.5.6. of the "Foreign and Foreign Exchange" rules for the access of customers to the foreign exchange market to make payments of interest on commercial debts not included in the previous precedent and interest on financial debts, when the creditor is a counterparty related to the debtor, to the extent that the other applicable requirements are met and the payment is made simultaneously with the liquidation for an amount not less than the amount of interest by which the exchange market of new indebtedness is accessed under certain established conditions.

- **BOPREAL**

On April 3, 2024, through RG 995 of the CNV, certain changes are established to the regulations that affect transactions with negotiable securities, established in Title XVIII Transitory Provisions, Chapter V of the CNV Rules related to the BOPREAL. Among the most significant modifications are the following:

- Parking is eliminated, with retroactive effect, for transfers of securities to depositories abroad, made as of April 1, 2024, when the market value of these transactions does not exceed the difference between the value obtained from the sale with settlement in foreign currency abroad of BOPREAL bonds acquired in the primary subscription and their nominal value, if the first one were less.
- Retroactive effects are allowed to those who have bonds and/or borrower passes in force and any financing in the capital market, to carry out sales of securities against cable, which are made as of April 1, 2024 when the market value of these operations does not exceed the difference between the value obtained from the sale with settlement in foreign currency abroad of the BOPREAL bonds acquired in the primary subscription and their value if the first is less.
- Transfers to foreign depositories and sales against cable dollars, both made as of April 1, 2024, are exempted retroactively, when the market value of these transactions does not exceed the difference between the value obtained from the sale with settlement in foreign currency abroad of BOPREAL bonds acquired in the primary subscription and their nominal value. If the former is less; of the obligation to inform the CNV five business days in advance, by clients who operate with CUIT or CUIL in excess of AR\$200 million.

On April 30, 2024, through Communication "A" 7999, the BCRA established that BOPREAL Serie 3 may be subscribed for up to the equivalent amount in local currency of the profits and dividends pending payment to non-resident shareholders according to the distribution determined by the shareholders' meeting. The entity that makes the subscription offer on behalf of the customer must verify compliance with the established requirements.

(Amounts expressed in thousands of United States dollars, except as otherwise indicated)

In addition, among others, they will be able to access the foreign exchange market for the payment of profits and dividends, to the extent that the applicable requirements are met, by carrying out an exchange and/or arbitrage with the funds deposited in a local account and originating in collections of principal and interest in foreign currency from the BOPREAL.

Finally, in relation to profits and dividends received in pesos in the country by non-residents since September 1st, 2019, and which have not been remitted abroad; establishes, among others, that non-residents may subscribe to BOPREAL Serie 3 for up to the equivalent of the amount in local currency of the profits and dividends received since September 1st, 2019 according to the distribution determined by the shareholders' meeting, adjusted by the last CPI available on the date of subscription. The entity that makes the subscription offer on behalf of the customer must have the documentation that allows it to guarantee the payment as of the aforementioned date for earnings and dividends and verify the conditions indicated. Likewise, by the application of Decree 385/2024 of May 3, 2024, the operations of (i) purchase of banknotes and currency in foreign currency; or (ii) subscription of BOPREAL as indicated above, in both cases for the distribution of profits and dividends and for the repatriation of dividends, will be subject to the Tax for an Inclusive and Solidarity-driven Argentina (locally known as "PAIS" Tax) at an aliquot of 17.5%.

- **Goods imports**

On July 23, 2024, through Communication "A" 8074 of the BCRA, the payment terms for imports of goods were modified according to the following scheme:

- Access to the foreign exchange market to make deferred payments for the FOB value of imports formalized as of August 1, 2024 that correspond to the goods included in point 10.10.1.4. of the "Foreign and Exchange" rules (i.e., imports that previously had the access scheme in four installments within 30/60/90/120 days of the entry of the merchandise into the country) 50% of the FOB value may be made from 30 (thirty) calendar days from the registration of customs entry of the goods and the remaining 50% from 60 (sixty) calendar days from the same time.
- Access to the foreign exchange market to make deferred payments for the FOB value of imports formalized as of August 1, 2024 that correspond to goods included in point 10.10.1.3. of the "Exterior and exchange" regulations (among other cars, motorcycles and other finished vehicles, wines and other fermented beverages) may be made from 90 (ninety) calendar days from the registration of customs entry of the goods. Prior to this rule, the payment term was 120 calendar days from the registration of customs entry of the goods.

On September 2, 2024, through the publication of Decree No. 777/2024, the rate of the Impuesto PAIS for the import of goods and freight was reduced from 17.5% to 7.5%.

As of the date of issuance of these consolidated financial statements, there have not been other subsequent events whose effect on the financial position or results of operations as of December 31, 2023, or its exposure in a note to these consolidated financial statements, if corresponds, have not been considered in them according to IFRS.



YPF ENERGÍA ELÉCTRICA S.A.

CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS AS OF JUNE 30, 2024
AND COMPARATIVE INFORMATION
(UNAUDITED)

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CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024 AND COMPARATIVE INFORMATION

GLOSSARY OF TERMS

Term	Definition
ADR	American Depositary Receipt
AESA	Related party A-Evangelista S.A.
AFIP	Argentine Tax Authority
AR\$	Argentine Peso
Associate	Company over which YPF EE has significant influence as provided for in IAS 28
BNR	BNR Infrastructure Co-Investment Limited
CAEE	Electric Power Supply contract
CAMMESA	Compañía Administradora del Mercado Mayorista Eléctrico S.A.
CDS	Subsidiary Central Dock Sud S.A.
CNV	Argentine Securities Commission
COD	Respect to a thermal Power Plant, the commercial operation date
Energía Base	Power generation from SE-MEC Resolution 238/2021 and earlier and Resolution SGE 70/2018
ENRE	National Regulatory Entity of Electricity
EUR or €	Euro
GE	General Electric Corporation, Inc., or any of its subsidiaries and/or affiliates
GE EFS	GE EFS Power Investments B.V., an affiliate of GE
Group	YPF EE and its subsidiaries
GW	Gigawatts
GWh	Gigawatts per hour
IAS	International Accounting Standard
IASB	International Accounting Standards Board
IDS	Subsidiary Inversora Dock Sud S.A.
IFRIC	International Financial Reporting Standards Interpretations Committee
IFRS	International Financial Reporting Standard
IGJ	Argentine Superintendence of Corporations
CPI	Consumer Price Index ("IPC" for its acronym in Spanish)
Joint Venture	Company jointly owned by YPF EE as provided for in IFRS 11
LGS	Argentine General Corporations Act No. 19,550 (T.O. 1984), as amended
Loma Campana I	Loma Campana I thermal power plant located in the district of Añelo, Province of Neuquén.
Loma Campana II	Loma Campana II thermal power plant located in the district of Añelo, Province of Neuquén.
Luz del León or LDL	Subsidiary Luz del León S.A.
Luz de la Puna	Subsidiary Luz de la Puna S.A. (previously Levalle Eólico 1 S.A.)
MATER	Renewable energy forward market
MEM	Wholesale Electricity Market
MW	Megawatts
MWh	Megawatts per hour
NO	Corporate Bonds
OPESSA	Related party and non controlling interest Operadora de Estaciones de Servicios S.A.
PEN	National Executive Branch
PPA	Power purchase agreements (capacity and/or energy purchase and sale contracts, subscribed between the Company and its clients)
SADI	Argentine Interconnection System
SE	Secretariat of Energy
SEE	Secretariat of Electric power
SGE	Government Secretary of Energy
Subsidiary	Company controlled by YPF EE in accordance with the provisions of IFRS 10.
US\$	US dollars
Y-GEN	Subsidiary Y-GEN Eléctrica S.A.U. (previously Y-GEN ELÉCTRICA S.R.L.)
Y-GEN II	Subsidiary Y-GEN Eléctrica II S.A.U. (previously Y-GEN ELÉCTRICA II S.R.L.)
YPF	YPF Sociedad Anónima
YPF EE or the Company	YPF Energía Eléctrica S.A.
YPF-EE Comercializadora	Subsidiary YPF-EE Comercializadora S.A.U.

YPF ENERGÍA ELÉCTRICA S.A.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS OF JUNE 30, 2024 AND DECEMBER 31, 2023

(Amounts expressed in thousands of United States dollars)

	Notes	June 30, 2024	December 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	8	1,987,144	2,008,894
Intangible assets	9	8,013	8,144
Right of use assets	10	13,663	14,821
Investments in joint ventures	11	11	11
Other receivables	12	42,707	44,802
Other financial assets	7	348	-
Deferred income tax assets, net	15	21,322	24,868
Total non-current assets		2,073,208	2,101,540
Current assets			
Other receivables	12	53,965	38,644
Trade receivables	13	115,193	113,644
Other financial assets	7	42,934	-
Restricted cash and cash equivalents	14	26,903	11,903
Cash and cash equivalents	14	233,010	102,439
Total current assets		472,005	266,630
TOTAL ASSETS		2,545,213	2,368,170
SHAREHOLDERS' EQUITY			
Shareholders' contributions		452,480	452,480
Reserves, other comprehensive income and retained earnings		588,770	528,480
Shareholders' equity attributable to owners of the Company		1,041,250	980,960
Non-controlling interest		142,412	132,171
TOTAL SHAREHOLDERS' EQUITY		1,183,662	1,113,131
LIABILITIES			
Non-current liabilities			
Provisions		3,645	2,885
Deferred income tax liability, net	15	164,278	175,538
Lease liabilities	16	7,951	6,712
Loans	17	746,609	713,685
Other liabilities		4,210	4,210
Contract liabilities		41,303	20,652
Total non-current liabilities		967,996	923,682
Current liabilities			
Provisions		138	10
Taxes payable		6,036	1,218
Income tax payable		2,834	7,240
Salaries and social security payables		9,666	11,652
Lease liabilities	16	2,579	4,738
Loans	17	273,424	183,418
Other liabilities		948	774
Trade payables	18	97,930	122,307
Total current liabilities		393,555	331,357
TOTAL LIABILITIES		1,361,551	1,255,039
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,545,213	2,368,170

Accompanying notes are an integral part of these condensed interim consolidated financial statements.

SANTIAGO MARTÍNEZ TANOIRA
President

YPF ENERGÍA ELÉCTRICA S.A.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF INCOME AND OTHER COMPREHENSIVE INCOME
FOR THE SIX AND THREE-MONTH PERIODS ENDED JUNE 30, 2024 AND 2023

YPF LUZ

(Amounts expressed in thousands of United States dollars, except for per share amounts)

	Notes	For the six-month periods ended June 30,		For the three-month periods ended June 30,	
		2024	2023	2024	2023
Revenues	19	244,854	241,612	124,529	131,914
Production costs	20	(134,649)	(110,920)	(75,825)	(63,265)
Gross profit		110,205	130,692	48,704	68,649
Administrative and selling expenses	20	(22,367)	(21,534)	(11,655)	(11,844)
Gain from the acquisition of controlling equity interest	4	-	69,505	-	69,505
Other operating income, net	21	31,151	22,730	22,766	11,562
Impairment of property, plant and equipment	8	-	(46,800)	-	(46,800)
Loss on financial assets	5	(33,990)	-	(8,601)	-
Operating profit		84,999	154,593	51,214	91,072
Loss from equity interest in joint ventures	11	-	(590)	-	-
Finance expense, net					
- Finance income	22	53,213	88,890	22,938	52,643
- Finance expense	22	(60,380)	(148,991)	(32,590)	(87,479)
Finance expense, net:		(7,167)	(60,101)	(9,652)	(34,836)
Profit before income tax		77,832	93,902	41,562	56,236
Income tax	15	(7,301)	12,270	(1,679)	(16)
Net profit for the period		70,531	106,172	39,883	56,220
Other comprehensive loss					
<i>Items that may be reclassified to profit or loss:</i>					
Joint ventures' net monetary position ⁽¹⁾		-	(85,464)	-	(99,209)
Translation differences from joint ventures ⁽¹⁾		-	63,418	-	74,759
Total of other comprehensive loss for the period		-	(22,046)	-	(24,450)
Total comprehensive income for the period		70,531	84,126	39,883	31,770
Net profit for the period attributable to owners of the Company		60,290	103,149	34,233	53,197
Net profit for the period attributable to non-controlling interest		10,241	3,023	5,650	3,023
Total comprehensive income for the period attributable to owners of the Company		60,290	81,103	34,233	28,747
Total comprehensive income for the period attributable to non-controlling interest		10,241	3,023	5,650	3,023
Earnings per share attributable to owners of the Company:					
- Basic and diluted (US\$)	24	0.016	0.028	0.009	0.014

(1) There is no income tax effect on these items.

Accompanying notes are an integral part of these condensed interim consolidated financial statements.

SANTIAGO MARTÍNEZ TANOIRA
President

YPF ENERGÍA ELÉCTRICA S.A.



CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2024 AND 2023

(Amounts expressed in thousands of United States dollars)

For the six-month period ended June 30, 2024											
	Shareholders' contributions			Reserves					Shareholders' Equity attributable to		
	Capital Stock	Issuance premiums	Other shareholders' contributions	Legal reserve	Reserve for future dividends	Special reserve RG No. 609 ⁽¹⁾	Reserve for future investments	Retained earnings	Owners of the Company	Non-controlling interest	Total
Balances as of January 1, 2024	220,827	228,510	3,143	44,165	20,903	1,063	445,057	17,292	980,960	132,171	1,113,131
Resolution of the General Ordinary Shareholders' meeting on April 29, 2024:											
- Release of the reserve for future dividends	-	-	-	-	(20,903)	-	-	20,903 ⁽²⁾	-	-	-
- Allocation to reserve for future dividends	-	-	-	-	107,813	-	-	(107,813) ⁽²⁾	-	-	-
- Release of the reserve for future investments	-	-	-	-	-	-	(445,057)	445,057 ⁽²⁾	-	-	-
- Allocation to reserve for future investments	-	-	-	-	-	-	375,439	(375,439) ⁽²⁾	-	-	-
Net profit for the period	-	-	-	-	-	-	-	60,290	60,290	10,241	70,531
Balances as of June 30, 2024	220,827	228,510	3,143	44,165	107,813	1,063	375,439	60,290	1,041,250	142,412	1,183,662

(1) Corresponds to the initial adjustment arising from the first time adoption of IFRS. See Note 2.3.18. to the annual consolidated financial statements.

(2) Release and allocation of reserves are made to conform with local regulations (See Note 32 to the annual consolidated financial statements).

Accompanying notes are an integral part of these condensed interim consolidated financial statements.

SANTIAGO MARTÍNEZ TANOIRA
President

YPF ENERGÍA ELÉCTRICA S.A.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2024 AND 2023



(Amounts expressed in thousands of United States dollars)

	For the six-month period ended June 30, 2023										Shareholders' Equity attributable to	
	Shareholders' contributions				Reserves				Retained earnings	Owners of the Non-controlling Company		Total
	Capital Stock	Issuance premiums	Other shareholders' contributions	Legal reserve	Reserve for future dividends	Special reserve RG No. 609 ⁽¹⁾	Reserve for future investments	Other comprehensive income		interest		
Balances as of January 1, 2023	220,827	228,510	3,143	44,165	28,029	1,063	351,110	22,046	133,696	1,032,589	-	1,032,589
Business combination (Note 4)	-	-	-	-	-	-	-	-	-	-	147,998	147,998
Resolution of the General Ordinary Shareholders' meeting on April 27, 2023 :												
- Release of the reserve for future dividends	-	-	-	-	(28,029)	-	-	-	28,029 ⁽²⁾	-	-	-
- Allocation to reserve for future dividends	-	-	-	-	67,778	-	-	-	(67,778) ⁽²⁾	-	-	-
- Release of the reserve for future investments	-	-	-	-	-	-	(351,110)	-	351,110 ⁽²⁾	-	-	-
- Allocation to reserve for future investments	-	-	-	-	-	-	445,057	-	(445,057) ⁽²⁾	-	-	-
Resolution of the Board of Directors meeting on June 30, 2023:												
- Distribution of dividends	-	-	-	-	(46,875)	-	-	-	-	(46,875)	-	(46,875)
Net profit for the period	-	-	-	-	-	-	-	-	103,149	103,149	3,023	106,172
Other comprehensive loss for the period	-	-	-	-	-	-	-	(22,046)	-	(22,046)	-	(22,046)
Balances as of June 30, 2023	220,827	228,510	3,143	44,165	20,903	1,063	445,057	-	103,149	1,066,817	151,021	1,217,838

(1) Corresponds to the initial adjustment arising from the first time adoption of IFRS. See Note 2.3.18. to the annual consolidated financial statements.

(2) Release and allocation of reserves are made to conform with local regulations (See Note 25 to the annual consolidated financial statements).

Accompanying notes are an integral part of these condensed interim consolidated financial statements.

SANTIAGO MARTÍNEZ TANOIRA
President

YPF ENERGÍA ELÉCTRICA S.A.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOW FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2024 AND 2023

(Amounts expressed in thousands of United States dollars)

	For the six-month periods ended June 30,	
	2024	2023
OPERATING ACTIVITIES		
Net profit for the period	70,531	106,172
Adjustments to reconcile net profit to net cash flows from operating activities:		
Loss from equity interest in joint ventures	-	590
Gain from the acquisition of controlling equity interest	-	(69,505)
Depreciation of property, plant and equipment	77,150	61,793
Depreciation of right of use assets	1,158	1,158
Amortization of intangible assets	131	131
Retirement of property, plant and equipment	4,850	2,400
Impairment of property, plant and equipment	-	46,800
Finance expense, net	7,167	60,101
(Increase) decrease in provisions	(250)	63
Income tax expense	7,301	(12,270)
Provision for obsolescence of materials and spare parts	-	78
Contractual penalties	-	(6,867)
Loss on financial assets	33,990	-
Changes in operating assets and liabilities:		
Trade receivables	(82,900)	(48,038)
Other receivables	784	25,521
Inventories	-	4
Trade payables	(533)	(14,862)
Salaries and social security payables	(841)	53
Taxes payable	5,384	8,986
Contract liabilities	20,652	-
Income tax payments	(8,393)	(7,910)
Interest collected	7,971	6,346
Net cash flows from operating activities	144,152	160,744
INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(73,010)	(70,273)
Advances to suppliers of property, plant and equipment	(3,651)	(34,123)
Acquisition of intangible assets	(270)	(270)
Acquisition of equity interest, net of the acquired cash and cash equivalents acquired	-	294
Restricted cash and cash equivalents	(15,000)	-
Acquisition of other financial assets	(45,518)	-
Settlement of other financial assets	36,394	16,867
Loans granted to related parties	(9,600)	-
Net cash flows used in investing activities	(110,655)	(87,505)
FINANCING ACTIVITIES		
Proceeds from loans	161,396	157,324
Payments of loans	(39,582)	(92,366)
Payments of dividends	-	(35,156)
Payments of lease liabilities	(1,409)	(1,398)
Payments of interest and other financial costs	(30,467)	(33,990)
Net cash flows from (used in) financing activities	89,938	(5,586)
Net increase in cash and cash equivalents	123,435	67,653
Effect of exchange difference variations and financial results on cash and cash equivalents	7,136	2,387
Cash and cash equivalents at the beginning of year (Note 14)	102,439	82,328
Cash and cash equivalents at the end of the period (Note 14)	233,010	152,368
Non-cash transactions		
For the six-month periods ended June 30,		
	2024	2023
Acquisitions of property, plant and equipment unpaid at the end of the period	47,214	25,151
Acquisitions of intangible assets unpaid at the end of the period	-	270
Transfers of advances to suppliers of property, plant and equipment	1,146	1,391
Proceeds from loans offset against payment of dividends	-	10,662
Financial assets exchanged with trade receivables with Cammesa (Note 5)	33,961	-
Swap of corporate bonds	1,957	-

Accompanying notes are an integral part of these condensed interim consolidated financial statements.

1. GENERAL INFORMATION AND MAIN ACTIVITIES

General Information

YPF Energía Eléctrica S.A. (hereinafter “the “Company”) is a stock corporation (sociedad anónima) organized under the laws of Argentina. Its registered office is at Macacha Güemes No. 515, 3rd Floor, Buenos Aires City.

The main activity of the Company and the companies from the economic Group is mainly engaged in generating and selling electric power through the following power plants:

Power Plant	Location (Province)	Installed Capacity (MW)	Regulatory Framework	Technology
Tucumán Thermal Power Plant ⁽¹⁾	Tucumán	447	Energía Base / PPA with CAMMESA ⁽⁸⁾	Combined Cycle
San Miguel de Tucumán Thermal Power Plant ⁽¹⁾	Tucumán	382	Energía Base / PPA with CAMMESA ⁽⁸⁾	Combined Cycle
El Bracho GT ⁽¹⁾	Tucumán	274	PPA with CAMMESA ⁽⁵⁾	Simple Cycle
El Bracho ST ⁽¹⁾	Tucumán	199	PPA with CAMMESA ⁽⁵⁾	Steam Turbine
Loma Campana I (“LC I”)	Neuquén	105	PPA with YPF ⁽⁶⁾	Simple Cycle
Loma Campana II	Neuquén	107	PPA with CAMMESA ⁽⁵⁾	Simple Cycle
Loma Campana Este ⁽²⁾	Neuquén	17	PPA with YPF	Reciprocating Engines
La Plata Cogeneration I (“LPC”)	Buenos Aires	128	Energía Base CAMMESA – PPA with YPF ⁽³⁾	Cogeneration
La Plata Cogeneration II (“LPC II”)	Buenos Aires	90	PPA with CAMMESA and YPF/ Energía Base ⁽³⁾	Cogeneration
Central Dock Sud ⁽⁴⁾	Buenos Aires	933	Energía Base / PPA with CAMMESA ⁽⁸⁾	Combined Cycle / Simple Cycle
Manantiales Behr Wind Farm	Chubut	99	PPA with YPF and other large users ⁽⁷⁾	Wind Farm
Los Teros Wind Farm (“PELT”)	Buenos Aires	175	MATER (YPF and other large users)	Wind Farm
Manantiales Behr Thermal Power Plant	Chubut	58	PPA with YPF	Reciprocating Engines
Cañadón León Wind Farm	Santa Cruz	123	PPA with CAMMESA / MATER (YPF)	Wind Farm
Zonda Solar Farm	San Juan	100	MATER (other large users)	Solar Farm
Total		3,237		

(1) Part of Tucumán Generation Complex.

(2) Not connected to SADI.

(3) In LPC, PPA with YPF (Distributed self-generator). Additionally, in LPC as well as LPC II, steam sales are contracted with YPF.

(4) As of June 30, 2024 it represents 100% of Central Dock Sud, that has a Combined Cycle with an installed capacity of 861 MW and two Open Cycle turbines with an installed capacity of 36 MW each.

(5) Resolution No. 21/2016.

(6) Distributed self-generator.

(7) This Wind Farm’s generation is under 10 PPA contracts with the private sector. The term of these contracts have effectiveness up to 21 years.

(8) Since March 2023 these plants were under the regime of Resolution 59/2023 which grants a PPA nominated in US dollars with effectiveness of 5 years.

The Group’s generation capacity, as of June 30, 2024, represents 7.4% of the installed capacity and 8.9% of the energy demanded in Argentina, according to information published by CAMMESA.

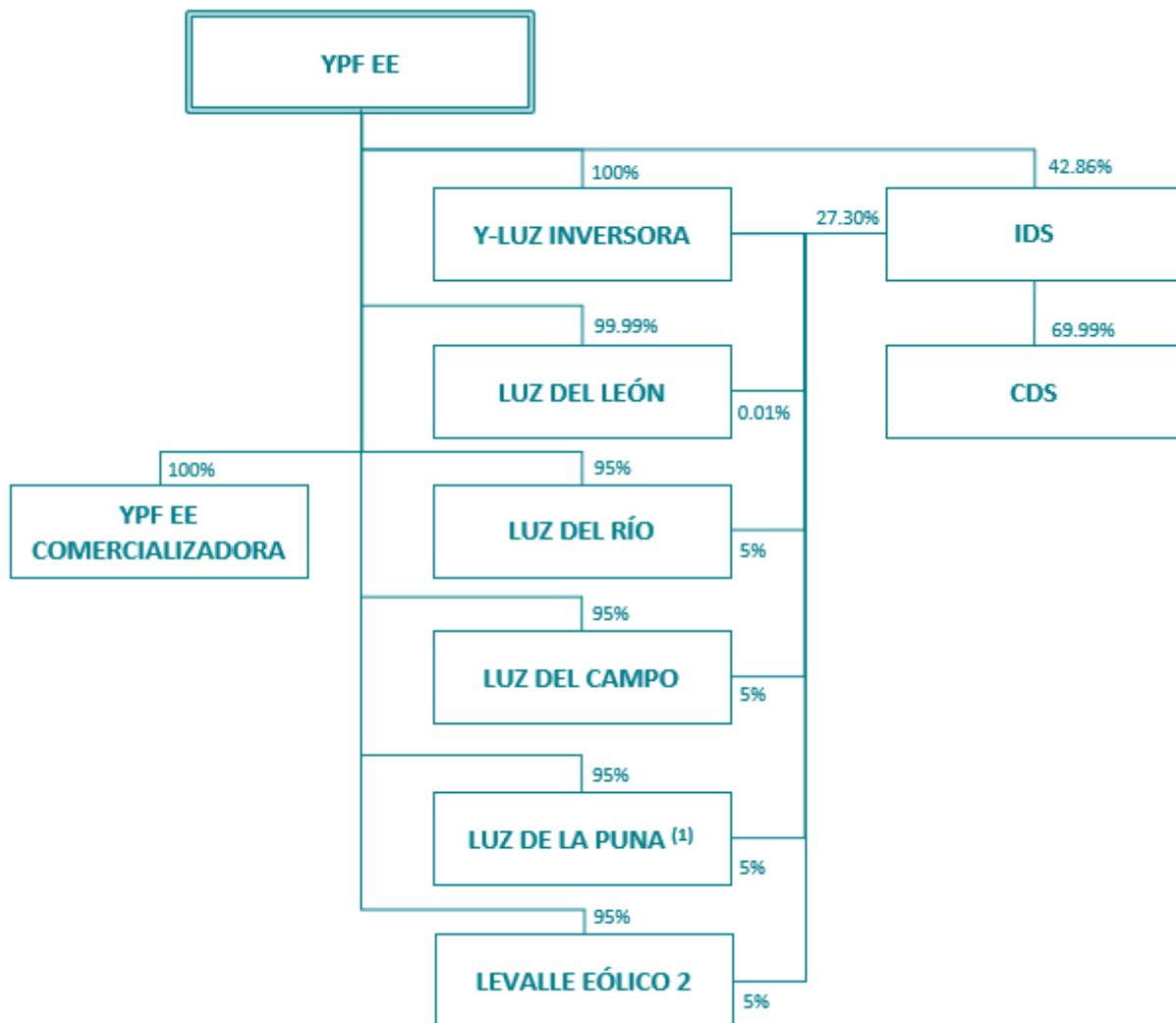
(Amounts expressed in thousands of United States dollars, except as otherwise indicated)

Additionally, the Group has the following project under construction:

Power Plant	Location (Province)	Installed Capacity (MW)	Buyers	Technology
Levalle Wind Farm	Córdoba	155	MATER	Wind Farm
Total		155		

Organizational structure of the economic Group

The following chart shows the organizational structure, including the main companies of the Group, as of June 30, 2024:



(1) Previously Levalle Eólico 1 S.A.

2. BASIS OF PREPARATION OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

2.1. Basis of presentation

The condensed interim consolidated financial statements (“condensed interim consolidated financial statements”) of YPF EE for the six-month period ended June 30, 2024, are presented in accordance with IAS 34 “Interim Financial

Reporting". These condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements of the Group as of December 31, 2023 ("annual consolidated financial statements") and presented in U.S. dollars in accordance with IFRS as issued by IASB.

These condensed interim consolidated financial statements were approved by the Board of Directors' meeting and authorized for issue on September 23, 2024.

These condensed interim consolidated financial statements for the six-month period ended June 30, 2024 are unaudited. The Company's Management believes that they include all necessary adjustments to reasonably present the gains (losses) of each period on a basis consistent with the audited annual consolidated financial statements. Net income for the six and three-month periods ended on June 30, 2024 does not necessarily reflect the proportion of the Group's full-year income.

2.2. Summary of material accounting policies

The material accounting policies are described in Note 2.3 to the annual consolidated financial statements.

The accounting policies adopted for the preparation of these condensed interim consolidated financial statements are consistent with those used in the preparation of the annual consolidated financial statements, except for the adoption of new regulations that are effective since January 1, 2023 (Note 2.5.2).

2.3. Functional and presentation currency

As mentioned in Note 2.3 to the annual consolidated financial statements, YPF EE has defined the US dollar as its functional currency.

2.4. Judgments, material accounting estimates and assumptions

The preparation of the Group's consolidated financial statements requires Management to make material estimates and assumptions that affect the recorded amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent assets and liabilities as of the end of each period. In this sense, the uncertainties related to the estimates and assumptions adopted could give rise in the future to final gain (losses) that could differ from those estimates and may require material adjustments to the amounts of the assets and liabilities affected.

In preparing these condensed interim consolidated financial statements, material estimates and judgments were made by Management in applying the Group's accounting policies and the main sources of uncertainty were consistent with those applied by the Group in the preparation of the annual consolidated financial statements, which are disclosed in Note 2.4 to the annual consolidated financial statements about estimates and accounting judgements.

2.5. IFRS issued

2.5.1. New standards and interpretations issued by the IASB which are not effective as of June 30, 2024 and have not been early adopted by the Group

In addition to the new rules and interpretations issued that have not been adopted to date, as they enter into force after year 2024 (Note 2.5.2 to the annual consolidated financial statements), the following standards and interpretations were issued:

- **IFRS 18 “Presentation and information to reveal within the financial statements”**

In April 2024, IASB issued IFRS 18 which replaces IAS 1 “Presentation of financial statements”, with the objective of providing better information on the entities’ financial performance by improving their comparability, and which is applicable for fiscal years beginning on or after January 1, 2027.

IFRS 18 introduces the following requirements of information that can be grouped in two main groups:

- Group income and expenses into three defined categories: (i) operation; (ii) financing and (iii) investment, and include certain defined subtotals, such as operating income and result before financial results and income tax, in order to improve the comparability of the comprehensive income statement.
- Provide more information on the performance measures defined by management, which, although they are not mandatory, if this type of measure is included, the entity must disclose the reason why such measures are useful to users of the financial statements, how they are calculated, a reconciliation with the most directly comparable subtotal of the statement of comprehensive income, among others.

Additionally, IFRS 18 establishes more detailed guidance on how to organise information within financial statements and whether it should be provided in the main financial statements or in notes, with the aim of improving the grouping of information in the financial statements.

As of the date of issuance of these consolidated condensed interim financial statements, the Group is assessing the effects of the application of IFRS 18.

- **IFRS 19 “Subsidiaries without public obligation of accountability: Information to be revealed”**

In May 2024, the IASB issued IFRS 19, with the aim of allowing the option of applying simplified disclosure requirements in the financial statements of subsidiaries that do not have a public obligation to render accounts and have a parent company, either last or intermediate, that prepares consolidated financial statements for public use in accordance with IFRS. The application is optional for fiscal years beginning on or after January 1, 2027.

As of the date of issuance of these condensed interim consolidated financial statements, the Group is assessing the effects of the application of these amendments.

- **Amendments to IFRS 9 and IFRS 7 related to classification and measurement of financial instruments**

In May 2024, the IASB issued amendments to IFRS 9 and IFRS 7 related to certain issues regarding the classification and valuation requirements of IFRS 9 and the disclosure requirements of IFRS 7, which are applicable for years beginning on or after January 1, 2026, allowing their early application:

- Introduces an accounting policy option for the derecognition of a financial liability when the settlement is made through an electronic payment system and certain conditions are met.
- Clarifies the assessments that an entity must make on its financial assets, for example, to determine whether a financial instrument contains only cash flows corresponding to principal and interest, or whether it also includes clauses of a contingent nature that could significantly change the temporal distribution or the amounts of contractual cash flows.
- Establishes modifications in the information to be disclosed by an entity with respect to investments in equity instruments measured at fair value with changes in other comprehensive income, and the requirement of disclosure of contractual conditions that could modify the temporal distribution or the amounts of contractual cash flows in certain circumstances.

As of the date of issuance of these condensed interim consolidated financial statements, the Group is assessing the effects of the application of these amendments.

• **Annual Improvements to IFRS - Volume 11**

In July 2024, the IASB issued the cycle of annual improvements Volume 11 which are applicable for fiscal years beginning on or after January 1, 2026. In general terms, the improvements include amendments and/or clarifications on certain paragraphs, delete, add and/or update cross-references, replace terms and align the wording between different accounting standards, among others.

A summary of the main modified standards follows:

Accounting Standard	Subject of amendments
IFRS 1 "First-time Adoption of International Financial Reporting Standards"	Hedge accounting by a first-time adopter
IFRS 7	Gain or loss on derecognition
Guidance on implementing NIIF 7	Disclosure of deferred difference between fair value and transaction Price
IFRS 9	Introduction and credit risk disclosures Derecognition of lease liabilities Transaction price
IFRS 10	Determination of a 'de facto agent'
IAS 7 "Statement of Cash Flows"	Cost method

As of the date of issuance of these condensed interim consolidated financial statements, the Group is assessing the effects of the application of these amendments.

2.5.2. Adoption of new standards and interpretations effective as of January 1, 2024

• **Amendments to IAS 1 - Classification of liabilities**

In January 2020, IASB issued amendments to IAS 1 related to the classification of liabilities as current or non-current, that are applicable retroactively for the fiscal years initiated on or after January 1, 2024.

The amendments clarify that the classification of the liabilities as current or non-current:

- Should be based on rights that are in existence at the end of the reporting period to defer settlement by at least twelve months and make explicit that only rights in place "at the end of the reporting period" should affect the classification of a liability.
- Is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability.
- Settlement refers to the transfer to the counterparty of cash, equity instruments, or other assets or services.

The adoption of the modifications mentioned above did not have a material effect on the Group's consolidated financial statements.

• **Amendments to IFRS 16 – Leases**

During September 2022, IASB issued amendments to IFRS 16 related to the measurement of leases that arise in a sale transaction as it did not specify how to measure such leases at a date after the date of their initial recognition, which are applicable retroactively for periods beginning on or after January 1, 2024.

After the modification to IFRS 16, the lease liability arising from a leaseback sale requires the seller-lessee to measure this lease liability in such a way that it does not recognize a result for the right of use that it retains, not preventing it from recognizing a result for the partial or total termination of the lease.

The adoption of the modifications mentioned above did not have a material effect on the Group's consolidated financial statements.

- **Amendments to IAS 1 and Practice Statement 2 – Non-current Liabilities with Covenants**

In October 2022, IASB issued amendments to IAS 1 related to the classification of liabilities that includes covenants as current or non-current, that are applicable retroactively for the fiscal years initiated on or after January 1, 2024.

These amendments clarify that the classification of loan agreements with covenants as non-current liabilities can be affected when an entity has to fulfil said covenant at or before the end of the reporting period even when the covenant is evaluated subsequently.

Additionally, certain additional disclosure requirements are incorporated in note that allows the users of the financial statements users to understand the risk in which the liability can become enforceable within the 12 months following the reporting period.

The adoption of the modifications mentioned above did not have a material effect on the Group's consolidated financial statements. However the Group anticipates that additional disclosures in notes may be included in the annual consolidated financial statements supplementing its currently reported information.

- **Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements**

In May 2023, IASB issued amendments to IAS 7 "Statement of Cash Flows" and IFRS 7 "Financial Instruments: Disclosures" related to supplier finance arrangements applicable to fiscal years beginning on or after January 1, 2024.

Such amendments introduce new qualitative and quantitative disclosure requirements in annual financial statements associated with supplier finance arrangements, including, without limitation, contractual conditions, financial liability balances, settlements made and/or maturities. These amendments do not require disclosure of comparative information.

The adoption of the modifications mentioned above did not have a material effect on the Group's consolidated financial statements.

3. SEASONALITY OF OPERATIONS

The demand for electric power fluctuates according to the season of the year and may be affected significantly and adversely by climatic factors. In summer (from December to March), the demand for electric power can increase substantially due to the use of air conditioning equipment. In winter (from June to September), the demand for electric power may fluctuate, due to lighting and heating needs. Consequently, seasonal changes may affect the gain(losses) of operations and the financial situation of the Group.

4. ACQUISITIONS AND DISPOSITIONS

The acquisitions and dispositions are described in Note 4 to the annual consolidated financial statements. During the six-month period ended June 30, 2024, there were no significant acquisitions or disposals.

5. FINANCIAL RISK MANAGEMENT

The Group's activities involve various types of financial risks: market risk (including exchange rate risk, interest rate risk and price risk), credit risk and liquidity risk. The Group maintains an organizational structure and systems that allow the identification, measurement and control of the risks to which it is exposed.

On May 8, 2024, SE Resolution No. 58/2024 and its respective amendment Resolution No. 66/2024, were published in the Official Gazette, which established an exceptional, transitory and unique payment regime for the receivables of the MEM's economic transactions of December 2023, January 2024 and February 2024 corresponding to the MEM's creditors, and instructs CAMMESA to determine the amounts owed to each of them corresponding to such economic transactions, which would be cancelled as follows: (i) the economic transactions of December 2023 and January 2024, would be cancelled through the delivery of government securities denominated "Bonos de la República Argentina en Dólares Estadounidenses Step Up 2038" ("AE38 Bonds"); and (ii) the economic transactions of February 2024 would be cancelled with the funds available in the bank accounts available in CAMMESA for collection purposes and with those available from the transfers made by the National Government to the special fund namely "Fondo Unificado con Destino al Fondo de Estabilización".

In this regard, on May 13, 2024, the Company's Board of Directors approved the signing of an agreement with CAMMESA, by which it was agreed that the economic transactions for the months of December 2023 and January 2024 would be cancelled through the delivery of AE38 Bonds and that the economic transaction for the month of February 2024 would be paid with existing funds deposited in CAMMESA's bank accounts. In compliance with said agreement, additionally, on May 13, 2024, the Company recorded the collection of 68% of the economic transaction corresponding to the month of March 2024. Finally, on May 14, 2024, the Company recorded the collection of 100% of the February 2024 economic transaction and on May 20, 2024, it received the corresponding AE38 Bonds that cancelled the outstanding balances of the December 2023 and January 2024 transactions.

Likewise, on May 14, 2024, CDS signed an agreement with CAMMESA, with the same terms and conditions previously mentioned. In compliance with this agreement, additionally, on May 14, 2024 CDS recorded the collection of 68% of the March 2024 economic transaction. Finally, on May 14, 2024 recorded the collection of 100% of the February 2024 transaction and on May 22, 2024, it received the corresponding AE38 Bonds that cancelled the outstanding balances of the December 2023 and January 2024 transactions.

As of March 31, 2024, the Group had recognized for CAMMESA an impairment charge of 25,389 in the "Loss on financial assets" line item in the statement of comprehensive income. Likewise, as of June 30, 2024, the Group has recognized an additional charge of 8,601, mainly corresponding to derecognition of accrued of interest for late payment of the transactions of December 2023, January and February 2024. Therefore, as of June 30, 2024, the total recorded in the " Loss on financial assets" line item amounts to 33,990 .

As of the date of the issuance of these consolidated financial statements the Company has fully collected the receivables with CAMMESA of the economic transactions from March to June 2024, and the 80% of the transaction of July 2024.

The condensed interim consolidated financial statements do not include all the information and disclosures on financial risk management. Therefore, they should be read in conjunction with the annual consolidated financial statements.

There are no significant changes in the risk management policies applied by the Group since the last fiscal year end. See Note 5 to the annual consolidated financial statements.

(Amounts expressed in thousands of United States dollars, except as otherwise indicated)

6. FINANCIAL INSTRUMENTS BY CATEGORY

The following tables show the financial assets and liabilities by category of financial instrument and a reconciliation with the corresponding accounts in the financial statement, as appropriate. Since the account “Other receivables” contains financial instruments as well as non-financial assets (such as taxes receivables and advances to property, plant and equipment), the reconciliation is shown within the “Non-financial assets” column.

Financial Assets

June 30, 2024				
	Financial assets at amortized cost	Financial assets at fair value through profit or loss	Non-financial assets	Total
Other receivables	72,848	-	23,824	96,672
Trade receivables	115,193	-	-	115,193
Other financial assets ⁽¹⁾	8,115	35,167	-	43,282
Restricted cash and cash equivalents	26,903	-	-	26,903
Cash and cash equivalents	40,482	192,528	-	233,010
	263,541	227,695	23,824	515,060

(1) Corresponds to 8,115 and 35,167 BOPREAL and AE38 sovereign bonds (See Note 5), respectively.

December 31, 2023				
	Financial assets at amortized cost	Financial assets at fair value through profit or loss	Non-financial assets	Total
Other receivables	59,801	-	23,645	83,446
Trade receivables	113,644	-	-	113,644
Restricted cash and cash equivalents	11,903	-	-	11,903
Cash and cash equivalents	45,561	56,878	-	102,439
	230,909	56,878	23,645	311,432

Financial Liabilities

June 30, 2024		
	Financial liabilities at amortized cost	Total
Loans	1,020,033	1,020,033
Lease liabilities	10,530	10,530
Other liabilities	5,158	5,158
Trade payables	97,930	97,930
	1,133,651	1,133,651

December 31, 2023		
	Financial liabilities at amortized cost	Total
Loans	897,103	897,103
Lease liabilities	11,450	11,450
Other liabilities	4,984	4,984
Trade payables	122,307	122,307
	1,035,844	1,035,844

(Amounts expressed in thousands of United States dollars, except as otherwise indicated)

Financial gains and losses on financial instruments are allocated to the following categories:

For the six-month period ended June 30, 2024				
	Financial assets / liabilities at amortized cost	Financial assets at fair value through profit or loss	Non-financial assets / liabilities	Total
Interest income and others	2,855	-	-	2,855
Profit from financial assets valuation at fair value	-	19,144	-	19,144
Interest loss and others	(28,468)	-	-	(28,468)
Net exchange differences	4,343	(9,909)	12,703	7,137
Finance accretion	(2,043)	-	-	(2,043)
Other financial income	(4,797)	(995)	-	(5,792)
	(28,110)	8,240	12,703	(7,167)

For the six-month period ended June 30, 2023				
	Financial assets / liabilities at amortized cost	Financial assets at fair value through profit or loss	Non-financial assets / liabilities	Total
Interest income and others	4,700	-	-	4,700
Profit from financial assets valuation at fair value	-	40,302	-	40,302
Interest loss and others	(29,943)	-	-	(29,943)
Net exchange differences	(36,075)	(41,706)	7,847	(69,934)
Finance accretion	(1,321)	-	-	(1,321)
Other financial income	(4,193)	288	-	(3,905)
	(66,832)	(1,116)	7,847	(60,101)

7. QUANTITATIVE AND QUALITATIVE INFORMATION ON FAIR VALUES

7.1. Information on the fair value of financial assets and liabilities grouped by category

7.1.1. Instruments at amortized cost

The estimated fair value of loans, considering interest rates offered to the Group for its financial loans, amounted to 960,345 and 749,816 as of June 30, 2024 and December 31, 2023, respectively.

The fair value of other receivables, trade receivables, cash and cash equivalents, other financial assets at amortised cost, restricted cash and cash equivalents, trade payables, lease liabilities and other financial liabilities do not differ significantly from their book value.

7.1.2. Instruments at fair value

As of June 30, 2024, fair value assets and liabilities comprise mutual funds and sovereign bonds. The fair value is determined based on the guidelines mentioned in Note 7.2.

7.2. Valuation techniques

Fair value measurements are described in Note 7 to the annual consolidated financial statements.

(Amounts expressed in thousands of United States dollars, except as otherwise indicated)

7.3. Fair value hierarchy

7.3.1. Assets and liabilities at fair value

As of June 30, 2024 and December 31, 2023, the Group maintained the following financial assets and liabilities measured at fair value in its consolidated statement of financial position:

	June 30, 2024	December 31, 2023
Financial assets	Level 1	Level 1
Cash and cash equivalents:		
- Mutual funds	192,528	56,878
	192,528	56,878
Other financial assets:		
- Sovereign bonds	35,167	-
	35,167	-

During the six-month period ended June 30, 2024 and the year ended December 31, 2023, there have been no transfers of financial assets between different fair value hierarchies.

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8. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings	Production facilities, machinery, equipment and spare parts of power plants and wind farms	Transportation equipment	Materials and equipment in warehouse	Work in progress	Furniture, fixtures, computer and communication equipment	Total
Cost	2,730	2,020,561	1,447	66,332	90,985	5,732	2,187,787
Accumulated depreciation	(358)	(448,387)	(944)	-	-	(1,361)	(451,050)
Balances as of January 1, 2023	2,372	1,572,174	503	66,332	90,985	4,371	1,736,737
<u>Cost</u>							
Addition due to business combination (Note 4)	8,102	497,048	227	28,351	4,130	7,142	545,000
Increases	2	12,619	137	48,327	203,921	630	265,636
Disposals and reclassifications	-	(191)	(50)	(6,642)	(72)	(2,051)	(9,006)
Transfers	3,128	99,651	-	(2,770)	(101,235)	1,226	-
<u>Accumulated depreciation</u>							
Addition due to business combination (Note 4)	(2,862)	(304,200)	(134)	-	-	(6,090)	(313,286)
Increases	(162)	(131,662)	(209)	-	-	(1,359)	(133,392)
Disposals and reclassifications	-	179	-	-	-	2,040	2,219
Cost	13,962	2,629,688	1,761	133,598	197,729	12,679	2,989,417
Accumulated depreciation	(3,382)	(884,070)	(1,287)	-	-	(6,770)	(895,509)
Balances as of December 31, 2023	10,580	1,745,618	474	133,598	197,729	5,909	2,093,908
<u>Cost</u>							
Increases	-	1,480	-	13,025	45,678	67	60,250
Disposals and reclassifications	-	(1,015)	(107)	(3,726)	(127)	-	(4,975)
Transfers	32	36,227	-	(35,927)	(332)	-	-
<u>Accumulated depreciation</u>							
Increases	(115)	(78,910)	(70)	-	-	(748)	(79,843)
Disposals and reclassifications	-	18	107	-	-	-	125
Cost	13,994	2,666,380	1,654	106,970	242,948	12,746	3,044,692
Accumulated depreciation	(3,497)	(962,962)	(1,250)	-	-	(7,518)	(975,227)
Balances as of June 30, 2024	10,497	1,703,418	404	106,970	242,948	5,228	2,069,465

SANTIAGO MARTÍNEZ TANOIRA
President

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	June 30, 2024	December 31, 2023
Book value of property, plant and equipment	2,069,465	2,093,908
Provision for obsolescence of materials and spare parts	(2,031)	(2,031)
Impairment of property, plant and equipment	(80,290)	(82,983)
Net book value of property, plant and equipment	1,987,144	2,008,894

Set forth below is the evolution of the provision for obsolescence of materials and spare parts for the six-month period ended June 30, 2024 and the year ended December 31, 2023:

	Provision for obsolescence of materials and spare parts
Balances as of January 1, 2023	(759)
Addition due to business combination (Note 4)	(1,194)
Increases	(78)
Balances as of December 31, 2023	(2,031)
Balances as of June 30, 2024	(2,031)

The evolution of the impairment of property, plant and equipment for the six-month period ended June 30, 2024 and the year ended December 31, 2023 is described below:

	Impairment of property, plant and equipment
Balances as of January 1, 2023	(39,946)
Increase charged to profit or loss	(46,800)
Depreciation	3,763
Balances as of December 31, 2023	(82,983)
Depreciation	2,693
Balances as of June 30, 2024	(80,290)

(Amounts expressed in thousands of United States dollars, except as otherwise indicated)

9. INTANGIBLE ASSETS

The evolution of the Group's intangible assets for the six-month period ended June 30, 2024 and the year ended December 31, 2023 are as follows:

Intangible assets	
Cost	8,435
Accumulated amortization	(569)
Balances as of January 1, 2023	7,866
<u>Cost</u>	
Increases	540
<u>Accumulated amortization</u>	
Increases	(262)
Cost	8,975
Accumulated amortization	(831)
Balances as of December 31, 2023	8,144
<u>Accumulated amortization</u>	
Increases	(131)
Cost	8,975
Accumulated amortization	(962)
Balances as of June 30, 2024	8,013

10. RIGHT OF USE ASSETS

The evolution of Group's right of use assets for the six-month period ended June 30, 2024 and the year ended December 31, 2023 are as follows:

	Buildings	Land	Machinery and equipment	Total
Cost	3,502	5,241	15,598	24,341
Accumulated depreciation	(2,133)	(692)	(4,378)	(7,203)
Balances as of January 1, 2023	1,369	4,549	11,220	17,138
<u>Accumulated depreciation</u>				
Increases	(401)	(202)	(1,714)	(2,317)
Cost	3,502	5,241	15,598	24,341
Accumulated depreciation	(2,534)	(894)	(6,092)	(9,520)
Balances as of December 31, 2023	968	4,347	9,506	14,821
<u>Accumulated depreciation</u>				
Increases	(200)	(101)	(857)	(1,158)
Cost	3,502	5,241	15,598	24,341
Accumulated depreciation	(2,734)	(995)	(6,949)	(10,678)
Balances as of June 30, 2024	768	4,246	8,649	13,663

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11. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

The following table shows the value of the investments in associates and joint ventures at an aggregate level, as of June 30, 2024 and December 31, 2023:

	June 30, 2024	December 31, 2023
Amount of investments in joint ventures	11	11

The main movements during the six-month period ended June 30, 2024 and the year ended December 31, 2023, which affected the value of the aforementioned investments, correspond to:

	Investments in associates and joint ventures
Balance as of January 1, 2023	74,587
Loss on investments in associates and joint ventures	(590)
Decrease due to business combination (Note 4)	(76,389)
Other comprehensive income	2,403
Balance as of December 31, 2023	11
Balance as of June 30, 2024	11

	For the six-month periods ended June 30,	
	2024	2023
Net loss for the period	-	(1,376)
Interest in net loss of joint ventures	-	(590)

The following table shows information of investments in associates and joint ventures as of June 30, 2024 and December 31, 2023:

Name and issuer	Junio 30, 2024		December 31, 2023	
	Book value	Cost	Book value	Cost
Other companies:				
Miscellaneous ⁽¹⁾	11	11	11	11
	11	11	11	11

(1) Includes Termoeléctrica San Martín S.A., Termoeléctrica Manuel Belgrano S.A. and Central Vuelta de Obligado S.A.

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12. OTHER RECEIVABLES

	June 30, 2024		December 31, 2023	
	Non-current	Current	Non-current	Current
Loans and advances to employees	-	243	-	219
Advances to suppliers of property, plant and equipment	7,844	-	5,339	-
Related parties (Note 24)	34,863	26,712	39,463	20,097
Tax credits	-	10,436	-	9,680
Advances to suppliers and custom agents	-	824	-	569
Prepaid insurance	-	4,082	-	7,721
Insurances	-	11,010	-	-
Prepaid expenses	-	652	-	347
Miscellaneous	-	22	-	24
	42,707	53,981	44,802	38,657
Allowance for doubtful other receivables	-	(16)	-	(13)
	42,707	53,965	44,802	38,644

13. TRADE RECEIVABLES

	June 30, 2024	December 31, 2023
	Current	Current
Third parties	11,071	11,721
Related parties (Note 24 and 5)	104,176	103,197
	115,247	114,918
Allowance for doubtful trade receivables	(54)	(1,274)
	115,193	113,644

14. CASH AND CASH EQUIVALENTS

CASH AND CASH EQUIVALENTS

For the purpose of the consolidated statement of financial position and the consolidated statement of cash flow, cash and cash equivalents comprise the following items:

	June 30, 2024	December 31, 2023
Mutual funds	192,528	56,878
Fixed term deposits	21,419	125
Cash and bank balances	19,063	45,436
	233,010	102,439

Bank balances accrue interest at variable rates based on the bank deposits daily rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash needs of the Group and bear interest at the respective fixed rates for short-term deposits.

RESTRICTED CASH AND CASH EQUIVALENTS

	June 30, 2024	December 31, 2023
Cash and bank deposits ⁽¹⁾	26,903 ⁽²⁾	11,903
	26,903	11,903

(1) Not considered cash and cash equivalents for the purposes of the consolidated statements of cash flow. See Note 17.

(2) Includes US\$ 15 million deposited in accounts that are restricted for the Group as a warranty for the unpaid principal balance of the loan mentioned in Note 17.

(Amounts expressed in thousands of United States dollars, except as otherwise indicated)

15. INCOME TAX

The calculation of the income tax expense for the six-month periods ended June 30, 2024 and 2023 is as follows:

	For the six-month periods ended June 30,	
	2024	2023
Current income tax	(2,977)	20
Deferred income tax	(4,324)	12,250
Income Tax	(7,301)	12,270

Under IAS 34, income tax expense is recognized in each interim period based on the best estimate of the effective income tax rate expected at the end of the year, adjusted by the fiscal effects of certain items fully recognized in the period. The amounts calculated for income tax expense for the six-month period ended June 30, 2024 may need to be adjusted in subsequent periods in case the projected effective tax rate estimate is modified based on new elements of judgment. Considering the current economic context and future prospects, the Group has adjusted the projections used to estimate the effective tax rate. Likewise, the Group has also reviewed the recoverability of deferred assets, including tax loss carry-forwards, not having recorded impairment charges for the six-month period ended on June 30, 2024.

The Group's effective tax rate for the six-month period ended June 30, 2024 was approximately 9.4% and the effective tax rate for the year ended December 31, 2023 was approximately 99.2%. The change in the effective rate was mainly due to the reduction in the deferred liability arising from "Properties, Plant and Equipment" where the increase in the tax value (according to the consumer price index and exchange rate) is higher than the accounting value expressed in US dollars, to the deferred asset related to the impairment of property, plant and equipment recorded in the six-month period ended June 30, 2023, and to the impact of the result from the acquisition of equity interest, which represents a permanent difference for the calculation of the deferred tax. These effects were partially offset by the variation of tax loss from exchange rate differences and the impact of the adjustment for tax inflation on monetary items, considering the projected inflation and devaluation patterns at the end of the year.

As of June 30, 2024, 21,322 were classified as deferred tax assets and 164,278 as deferred tax liabilities. As of December 31, 2023, 24,868 were classified as deferred tax assets and 175,538 were classified as deferred tax liabilities. This classification corresponds to net deferred tax positions of each of the individual companies that are included in these condensed interim consolidated financial statements.

Deferred tax assets and liabilities are disclosed net when: a) a legal right to compensate tax asset and liabilities exists and; b) when deferred tax charges are related to the same tax authority and legal entity.

In order to fully realize the deferred income tax asset, the Group will need to generate taxable income. Based upon the level of historical taxable income and projections for future years in which the deferred income tax is deductible, Management believes that as of June 30, 2024 it is probable that the Group will realize all the deferred income tax assets.

(Amounts expressed in thousands of United States dollars, except as otherwise indicated)

The evolution of net deferred tax asset and liability during the six-month period ended June 30, 2024 and the year ended December 31, 2023 is as follows:

	Deferred income tax liability	Deferred income tax asset
Balance as of January 1, 2023	(93,471)	30,857
Addition due to business combination (Note 4)	(28,555)	-
Exchange differences	160,721	(41,969)
Reclassification	848	(848)
Charge to net income of the year	(215,081)	36,828
Balance as of December 31, 2023	(175,538)	24,868
Exchange differences	14,560	(2,522)
Reclassifications	26	(26)
Charge to net income of period	(3,326)	(998)
Balance as of June 30, 2024	(164,278)	21,322

16. LEASE LIABILITIES

The evolution of the lease liabilities during the six-month period ended June 30, 2024 and the year ended December 31, 2023 is as follows:

	Lease liabilities
Lease liability as of January 1, 2023	13,179
Finance accretion	1,051
Payments	(2,780)
Lease liability as of December 31, 2023	11,450
Finance accretion	489
Payments	(1,409)
Lease liability as of June 30, 2024	10,530

The following is a breakdown of the lease liabilities recorded by the Group as of June 30, 2024 and December 31, 2023, with identification of the term and rates of the leases:

Lease term	Annual effective rate used	June 30, 2024	December 31, 2023
Two to three year	2.25% - 7.87%	872	1,367
Four to five years	4.53%	857	1,074
More than five years	9.88% - 10.2%	8,801	9,009
Total		10,530	11,450

The finance accretion for the six-month periods ended June 30, 2024 and 2023, arising from lease contracts is included in the line "Finance accretion" of the "Finance expense, net" of the statement of income and other comprehensive income.

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As of June 30, 2024 and December 31, 2023, the maturities of the liabilities related to lease agreements are:

	June 30, 2024	December 31, 2023
Up to one year	2,579	4,738
Current lease liabilities	2,579	4,738
One to five years	4,264	4,264
More than five years	3,687	2,448
Non-current lease liabilities	7,951	6,712
Total	10,530	11,450

17. LOANS

	Interest rate ⁽¹⁾	June 30, 2024		December 31, 2023	
		Non-current	Current	Non-current	Current
Corporate Bonds	⁽²⁾	675,537	194,679	611,570	155,217
Loans	⁽³⁾	71,072	60,783	84,153	28,201
Related parties (Note 31)	⁽⁴⁾	-	17,962	17,962	-
		746,609	273,424	713,685	183,418

(1) Applicable rate as of June 30, 2024.

(2) Corresponds to Corporate Bonds in US dollars that accrue interest at a fixed rate between 0% and 10.24%.

(3) Corresponds to bank loans in US dollars that accrue interest at a fixed and variable rate, according to Note 17 to the annual consolidated financial statements.

(4) Corresponds to a loan nominated in US dollars which accrues interest at a 0%.

The breakdown of the Group's borrowings during the six-month period ended June 30, 2024 and the year ended on December 31, 2023 is as follows:

	Loans
Balance as of January 1, 2023	857,989
Proceeds from loans ⁽²⁾	167,986
Payments of loans	(128,928)
Payments of interest	(55,759)
Accrued interest ⁽¹⁾	55,815
Balance as of December 31, 2023	897,103
Proceeds from loans ⁽³⁾	161,396
Payments of loans ⁽³⁾	(39,582)
Payments of interest	(25,669)
Accrued interest ⁽¹⁾	27,605
Exchange differences	(820)
Balance as of June 30, 2024	1,020,033

(1) Includes accrued transaction costs that amount to 849 and 1,836, for the six-month period ended June 30, 2024 and the year ended December 31, 2023, respectively, and capitalized financial costs.

(2) As of June 2023, includes 10,662 offset with dividends payments to shareholder GE EFS Power Investment B.V.

(3) Net of 1,957 from the swap of Class XI with Class XVI Corporate Bonds .

The description of the Group's principal loans is included in Note 17 to the annual consolidated financial statements. Updates for the six-month period ended June 30, 2024 and until the date of issuance of these condensed interim consolidated financial statements are described below:

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- **Program for the issuance of Corporate Bonds**

- **Domestic market**

On February 27, 2024, the Company issued Class XIV and XV Corporate Bonds at a nominal value of US\$ 18,043,469 and US\$ 11,287,656, at an nominal rate of 3% and 6%, respectively. The maturity is February 27, 2027 for both Corporate Bonds.

On April 25, 2024, the Company's Board of Directors approved the issuance and placement by public offering of Corporate Bonds for an amount of up to US\$ 110,000,000 (or its equivalent in other currencies), in one or more classes and/or series, within the framework of the Frequent Issuer Programme and/or under the Global Program for the Issuance of Simple Corporate Bonds(Non-Convertible into Shares), in the event that the latter is duly approved by the next Ordinary General Meeting of the Company, under the terms determined in the respective prospectus supplements.

On June 13, 2024, the Company made a new issuance on the capital market:

- Class XVI Corporate Bonds for a nominal value of US\$ 97,521,007 at a negative effective rate of 1% and a nominal rate of 2% due December 13, 2025. The Class XVI Corporate Bonds were partially swapped with Class XI Corporate Bonds for US\$ 1.96 million.
- Class XVII Corporate Bonds for US\$ 10,199,945, at a nominal rate of 5.90%, maturing June 13, 2027.

The Company assessed for the refinancing of the above-mentioned Class XVI Corporate Bonds whether the terms were materially different, considering both qualitative (e.g., currency, term and rate) and quantitative aspects (whether the present value of the discounted cash flows under the new terms, including any commissions paid net of any commissions received, and using the original effective interest rate to make the discount, differs by at least 10% from the discounted present value of the cash flows that still remain from the original financial liabilities). Based on this analysis, the Company has recognized such refinancing as a modification in accordance with IFRS 9 "Financial Instruments".

- **Financing agreement with BNP PARIBAS**

During May 2024, the Company signed a loan agreement for a principal amount of up to US\$ 15 million for the partial financing of the construction of a the CASA Wind Farm ("PECASA"), with a guarantee granted by Y-LUZ Inversora S.A.U. As of the date of issuance of these condensed interim consolidated financial statements, the Company borrowed 4,243 within such loan agreement.

18. TRADE PAYABLES

	June 30, 2024	December 31, 2023
	Current	Current
Third parties ⁽¹⁾	43,079	56,036
Related parties (Note 24) ⁽¹⁾	54,851	66,271
	97,930	122,307

(1) Third parties are non-interest bearing and are normally settled on 30-day terms.

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19. REVENUES

Type of good or services	For the six-month periods ended June 30,	
	2024	2023
Energía Base ⁽¹⁾	41,391	36,546
Revenues under PPA ⁽²⁾	185,234	186,606
Steam sales ⁽³⁾	17,935	18,010
Other income for services	294	450
	244,854	241,612

(1) Includes 7,938 and 5,622 related to fuel costs and other production costs recognition corresponding to the six-month periods ended June 30, 2024 and 2023, respectively, according to the current regulatory framework.

(2) Includes 28,072 and 15,512 of contractual revenues under Resolution 59/2023 corresponding to the six-month periods ended June 30, 2024 and 2023.

(3) Steam sales are contracted with YPF.

By Customer	For the six-month periods ended June 30,	
	2024	2023
CAMMESA ⁽¹⁾	161,805	153,883
YPF S.A. ⁽¹⁾	53,424	61,930
U.T. Loma Campana ⁽¹⁾	1,060	862
Profertil S.A. ⁽¹⁾	4,821	5,439
Coca- Cola FEMSA de Buenos Aires S.A.	1,654	1,447
Toyota Argentina S.A.	2,533	2,529
CT Barragán S.A. ⁽¹⁾	260	450
Holcim Argentina S.A.	2,941	3,732
Nestlé Argentina S.A.	1,233	1,324
Ford Argentina S.C.A.	1,416	1,027
Other	13,707	8,989
	244,854	241,612

(1) Related parties (Note 24).

Target Market

The Group's revenues are completely generated in the domestic market.

(Amounts expressed in thousands of United States dollars, except as otherwise indicated)

20. EXPENSES BY NATURE

The Group presents the condensed interim consolidated statement income and other of comprehensive income by classifying expenses according to their function as part of the “Production costs” and “Administrative and selling expenses” lines. The following tables discloses the expenses by nature for the six-month periods ended June 30, 2024 and 2023:

	For the six-month period ended June 30, 2024		
	Production costs	Administrative and selling expenses	Total
Depreciation of property, plant and equipment	76,650	500	77,150
Depreciation of right of use assets	888	270	1,158
Amortization of intangible assets	131	-	131
Consumable materials and supplies	4,317	108	4,425
Banking expenses	-	140	140
Rentals	10	5	15
Fees and compensation for services	41	1,086	1,127
Preservation, repair and maintenance	10,006	218	10,224
Insurance	7,320	20	7,340
Salaries and social security taxes, and other personnel expenses	12,247	13,769	26,016
Operation services and other contracts	1,520	2,385	3,905
Transportation, products and charges	7,137 ⁽¹⁾	18	7,155
Fuel, gas, energy and miscellaneous	13,571 ⁽¹⁾	-	13,571
Taxes, rates and contributions	768	3,660	4,428
Publicity and advertising expenses	-	22	22
Miscellaneous	43	166	209
Total	134,649	22,367	157,016

	For the six-month period ended June 30, 2023		
	Production costs	Administrative and selling expenses	Total
Depreciation of property, plant and equipment	61,301	492	61,793
Depreciation of right of use assets	888	270	1,158
Amortization of intangible assets	131	-	131
Consumable materials and supplies	2,431	91	2,522
Banking expenses	-	43	43
Rentals	163	30	193
Fees and compensation for services	45	1,125	1,170
Preservation, repair and maintenance	9,192	769	9,961
Insurance	5,376	40	5,416
Salaries and social security taxes, and other personnel expenses	11,373	11,318	22,691
Operation services and other contracts	946	1,876	2,822
Transportation, products and charges	5,777 ⁽¹⁾	20	5,797
Fuel, gas, energy and miscellaneous	12,640 ⁽¹⁾	-	12,640
Taxes, rates and contributions	560	5,022	5,582
Publicity and advertising expenses	-	299	299
Miscellaneous	97	139	236
Total	110,920	21,534	132,454

(1) Includes 7,938 and 5,622 related to fuel costs and other production costs recognition corresponding to the six-month periods ended June 30, 2024 and 2023, respectively, according to the current regulatory framework.

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21. OTHER OPERATING INCOME , NET

	For the six-month periods ended June 30,	
	2024	2023
Commercial interests - CAMMESA (Note 24)	20,217	14,834
Contractual penalties ⁽¹⁾	(53)	6,985
Provision for obsolescence of materials and spare parts	-	(78)
Insurance	11,010 ⁽²⁾	762
Miscellaneous	(23)	227
	31,151	22,730

(1) Includes contractual penalties with related parties (Note 24).

(2) Corresponds mainly to recoveries of events covered by insurance policies related to LCI and PELT.

22. FINANCE EXPENSE, NET

	For the six-month periods ended June 30,	
	2024	2023
Finance income		
Interest income and others	2,855	4,700
Profit from financial assets valuation at fair value	19,144	40,302
Exchange rate differences	31,164	43,600
Other finance income	50	288
Total finance income	53,213	88,890
Finance expense		
Interest loss and others	(28,468)	(29,943)
Exchange rate differences	(24,027)	(113,534)
Finance accretion	(2,043)	(1,321)
Other finance expenses	(5,842)	(4,193)
Total finance expense	(60,380)	(148,991)
Total finance expense, net	(7,167)	(60,101)

23. CAPITAL STOCK

As of June 30, 2024 the shareholders of YPF EE is as follows:

Shareholder	Number of Shares	Participation in the capital stock	Class of Share
YPF	2,723,826,879	72.69218%	A
OPESSA	86,476,112	2.30783%	A
GE EFS Power Investment B.V.	936,767,364	24.99999%	B
Total	3,747,070,355	100.00000%	

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24. RELATED PARTIES INFORMATION

The following table show the balances with related parties as of June 30, 2024 and December 31, 2023:

	June 30, 2024					
	Other receivables	Other receivables	Trade receivables	Trade payables	Loans	Contract liabilities
	Non-current	Current	Current	Current	Current	Current
Joint controlling shareholder:						
YPF S.A.	-	-	38,860	17,137	-	-
GE EFS Power Investment B.V.	-	-	-	-	17,962	-
Associates:						
Refinería del Norte S.A.	-	-	47	-	-	-
Metroenergía S.A.	-	-	5	-	-	-
A-Evangelista S.A.	-	-	-	1	-	-
U.T. Loma Campana	-	-	232	-	-	-
C.T. Barragán S.A.	-	-	108	-	-	-
GE Global Parts and Products GmbH	-	-	-	18,355	-	-
GE VERNOVA INTERNATIONAL LLC	-	-	-	118	-	-
GE Water & Process Technologies SC	-	-	-	155	-	-
GE VERNOVA OPERATIONS LLC	-	4,788	-	9,512	-	-
GE VERNOVA INTERNATIONAL LLC Suc.	-	-	-	-	-	-
Argentina	8,328	-	-	9,488	-	-
Profertil S.A.	-	-	1,983	-	-	41,303 ⁽¹⁾
Grid Solutions Argentina S.A.	-	-	-	51	-	-
Pan American Sur S.A.	-	9,657	-	34	-	-
Argentine federal government-controlled entities:						
CAMMESA	26,535	12,267	62,941	-	-	-
Total	34,863	26,712	104,176	54,851	17,962	41,303

(1) Contract liabilities are related to payments in advance received from clients for revenues under PPA.

YPF ENERGÍA ELÉCTRICA S.A.**YPF LUZ**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS OF JUNE 30, 2024 AND COMPARATIVE INFORMATION

(Amounts expressed in thousands of United States dollars, except as otherwise indicated)

	December 31, 2023					
	Other	Other	Trade	Trade	Contract	Loans
	receivables	receivables	receivables	payables	liabilities	
	Non-current	Current	Current	Current	Non-current	Non-current
Joint controlling shareholder:						
YPF S.A.	-	-	38,990	13,973	-	-
GE EFS Power Investment B.V	-	-	-	-	-	17,962
Associates:						
Refinería del Norte S.A.	-	-	53	-	-	-
Metroenergía S.A.	-	-	6	-	-	-
A-Evangelista S.A.	-	-	-	11	-	-
U.T. Loma Campana	-	-	457	-	-	-
C.T. Barragán S.A.	-	-	-	-	-	-
GE Global Parts and Products GmbH	-	-	-	35,198	-	-
GE VERNOVA INTERNATIONAL LLC Suc. Argentina	8,328	-	-	8,985	-	-
GE VERNOVA OPERATIONS LLC	-	4,848	-	7,855	-	-
GE Water & Process Technologies SC	-	-	-	110	-	-
GE Sensing & Inspection Technologies	-	-	-	5	-	-
Profertil S.A.	-	5,576	2,304	-	20,652 ⁽¹⁾	-
Alstom Power Service S.A.	-	-	-	-	-	-
Alstom Power Systems	-	-	-	-	-	-
Jenbacher International B.V.	-	-	-	34	-	-
Pan American Sur S.A.	-	-	-	100	-	-
Argentine federal government-controlled entities:						
CAMMESA	31,135	9,673	61,387	-	-	-
Total	39,463	20,097	103,197	66,271	20,652	17,962

(1) Contract liabilities are related to payments in advance received from clients for revenues under PPA.

YPF ENERGÍA ELÉCTRICA S.A.



NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS OF JUNE 30, 2024 AND COMPARATIVE INFORMATION

(Amounts expressed in thousands of United States dollars, except as otherwise indicated)

The following table shows transactions with related parties for the six-month periods ended June 30, 2024 and 2023:

	For the six-month periods ended June 30,						
	2024				2023		
	Revenues	Purchases of goods and services	Other operating results, net	Interest income (loss), and others	Revenues	Purchases of goods and services	Other operating results, net
Joint controlling shareholder:							
YPF S.A.	53,424	68,498 ⁽¹⁾	-	-	61,930	17,837 ⁽¹⁾	-
Associates:							
A-Evangelista S.A.	-	13	-	-	-	-	-
U.T. Loma Campana	1,060	-	-	-	862	-	-
C.T. Barragán S.A.	260	-	-	-	450	-	-
GE Global Parts and Products GmbH	-	424	-	-	-	208	-
GE Water & Process Technologies S.C.	-	150	-	-	-	-	-
GE VERNOVA OPERATIONS LLC	-	2,468	-	-	-	230	6,867
GE VERNOVA INTERNATIONAL LLC Suc. Argentina	-	3,584	-	-	-	647	-
GE VERNOVA INTERNATIONAL LLC	-	7	-	-	-	-	-
Innio Jenbacher GmbH & CO. OG.	-	-	-	-	-	69	-
Profertil S.A.	4,821	-	-	-	5,439	-	-
Grid Solutions Argentina S.A.	-	51	-	-	-	-	-
Pan American Energy	-	113	-	57	-	-	-
Argentine federal government-controlled entities:							
CAMMESA	161,805	704	20,217	1,934	153,883	307	14,834
Total	221,370	76,012	20,217	1,991	222,564	19,298	21,701

(1) Includes the recognition for the excess of budgeted gas costs according to Plan GasAr.

Regarding the business of generation and sale of electricity, the Company's main customer is CAMMESA, an entity controlled by National Government. Taking into consideration that the National Government is also YPF's controlling shareholder, CAMMESA is considered a related party.

25. EARNINGS PER SHARE

Earnings per share amounts are calculated by dividing net income for the period attributable to equity holders of the parent by the weighted average number of ordinary shares during the period, net of treasury stock.

The following reflects information on income and the number of shares used in the earnings per share computations:

	For the six-month periods ended June 30,	
	2024	2023
Net income for the period attributable to owners of the Company:	60,290	103,149
Weighted average number of shares (in thousands)	3,747,070	3,747,070
Earnings per share attributable to owners of the Company:		
- Basic and diluted (US\$)	0.016	0.028

There have been no transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of issuance of these interim financial statements that may produce a dilution effect.

(Amounts expressed in thousands of United States dollars, except as otherwise indicated)

26. RESTRICTION ON RETAINED EARNINGS

Pursuant to the Argentine General Corporate Law and the corporate bylaw, 5% of the net profit for the year (according to statutory Financial Statements presented in Argentine pesos) must be allocated to the legal reserve until such reserve reaches 20% of the capital stock, which was already reached with the allocation to legal reserve approved by the General Shareholders' Meeting on April 28, 2021.

In accordance with General Resolution 609 of the CNV a special reserve was created ("Special reserve RG No 609"), which contains the positive results of the initial balance of the accumulated results disclosed in the financial statements of the first closing of the year of IFRS adoption and the final balance of the results not allocated at the end of the last year under the previous accounting standards. The Special reserve RG No 609 is not allowed to be distributed in cash or in kind and it can only be destined to a capitalization or an absorption of any negative balances of retained earnings.

27. MAIN CONTRACTUAL COMMITMENTS AND GUARANTEES GRANTED

Main contractual commitments are described in Note 26 to the annual consolidated financial statements. Below are the estimated commissioning dates for the projects under development:

Project	Company	Estimated Commissioning date
Levalle Wind Farm	YPF EE	4Q 2024
CASA Wind Farm	YPF EE	1H 2026

Financing agreement with BNP PARIBAS

During May 2024, the Company signed a loan agreement for a capital amount of up to US\$ 15 million for the partial financing of the construction of the CASA Wind Farm ("PECASA"), with a guarantee granted by Y Luz Inversora S.A.U. As of the date of issuance of these consolidated condensed interim financial statements, the proceeds related to the described financing amounts to 4,243.

El Quemado 1 Solar Farm

On July 15, 2024, the Company's Board of Directors approved the construction of the second solar farm for electricity generation, El Quemado 1, to be located in the Province of Mendoza. The solar farm will have an installed capacity of 200 MW with an estimated investment of US\$ 170 million, and is expected to come into operation in the 1st quarter of 2026. The project already has 150 MW of dispatch priority obtained in the October 2023 and May 2024 tenders.

28. CONTINGENT LIABILITIES

Contingent liabilities are described in Note 27 to the annual consolidated financial statements. During the six-month period ended June 30, 2024 there were no significant updates.

29. REGULATORY FRAMEWORK

Main regulations and others are described in Note 28 to the annual consolidated financial statements. Updates for the six-month period ended June 30, 2024 are described below:

29.1 Regulatory framework for the electric industry

- **Resolution No. 2/2024:** The hydroelectric concession termination dates are extended for 60 calendar days for Alicurá, El Chocón Arroyito, Cerros Colorados and Piedra del Águila hydroelectric plants, further extendable for 60 additional days. Therefore, the concession contracts would remain in the hands of their current concession holders until the first months of 2024.
- **Resolution No. 33/2024:** The hydroelectric concessions termination dates of the Alicurá, El Chocón Arroyito, Cerros Colorados and Piedra del Águila are extended for 60 consecutive days from the date April 28, 2024 for Piedra del Águila and from 03/19/2024 for the rest of the aforementioned hydroelectric plants.
- **Resolution No. 07/2024:** The power reference price (POTREF) and the stabilized energy price (PEE) are updated for all demand segments, effective as of February 2024. The GUDIs receive an increase of +118%, Non-Residential (Commercial) an increase of 187% and Residential Level 1 an increase of +81%.
- **Resolutions No. 101 and 102/2024:** The update of the CPD (own distribution cost) for EDENOR S.A. is approved and EDESUR S.A. starting in February 2024. The CDP will have increases of around +250% for the R1 and R2 rates, +500% for the R3 rate and more than 1000% for the R4 rate. Additionally, an automatic update formula is approved for the monthly CPD adjustment that will be effective starting in May 2024.
- **Resolution No. 34/2024:** Section 5.6 of Chapter V of CAMMESA Procedures is modified, giving priority to the payment of high voltage transportation and trunk distribution.
- **Resolution No. 45/2024:** The deadline for signing the awarded TerCONF thermal contracts is extended from April 16, 2024 for 60 business days.
- **Resolutions SE No. 58/2024 and No. 66/2024:** On May 8, 2024, SE Resolution No. 58/2024 and its respective amendment Resolution No. 66/2024, were published in the Official Gazette, which establishes an exceptional, transitory and unique payment regime for the balance of the MEM's economic transactions of December 2023, January 2024 and February 2024 corresponding to the MEM's creditors.
- **Resolution SE No. 78/2024:** Extends hydroelectric concessions from May 18, 2024 to August 11, 2024 for the Alicurá, Chocón Arroyito and Cerros Colorados power plants, and from April 28, 2024 to December 29, 2024 for the Piedra del Águila hydroelectric plant.
- **Resolution SE No. 90/2024:** Updates the consumption limits for subsidies of levels 2 and 3, for the period from June 2024 to November 2024. Base consumption for Tier 2 (low income) is updated to 350 kWh/month and 250 kWh/month for Tier 3 (medium income). These consumptions will have a bonus of 71.92% and 55.94% on the prices of level 1 (higher income). The surplus of these volumes will be valued at the price of level 1 (higher income).
- **Resolution SE No. 92/2024:** Updates the power reference price (POTREF) and the stabilized energy price (PEE) for all demand segments, effective as of June 2024.
- **Resolution SE No. 150/2024:** Repeals Resolution 2022/2005, which allowed all instructions from the Ministry of Energy given to CAMMESA to be considered as 'Regulatory Instruction', 'Regulatory Mandate'

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or 'On account and order', assuming tasks for which it was not originally constituted, among which was the purchase and allocation of fuel for generation.

- **Resolution SE No. 151/2024:** Annuls the signing of thermal supply contracts for the TerCONF tender, which aimed to incorporate firm thermal power.

Remuneration of generators

- **Resolution SE-MEC No. 9/2024:** On February 8, 2024, Resolution No. 9/2024 of the Secretariat of Energy was published in the Official Gazette, which established to adjust by 74% the remuneration established by Resolution No. 869/2023 effective since the economic transactions corresponding to February 2024.
- **Resolution SE No. 99/2024:** On June 18, 2024, Resolution No. 99/2024 of the Secretariat of Energy was published in the Official Gazette, which updates by 25% all the remuneration concepts of power plants that are not under contract effective as of June 2024.
- **Resolution SE MEC No. 193/2024:** On August 2, 2024, Resolution No. 193/2024 of the Secretariat of Energy was published in the Official Gazette, which updates the remuneration established by Resolution No. 99/2023 by 3%, effective as of the economic transactions corresponding to the month of August 2024. Additionally, the spot price of the electricity market is also updated to AR\$ 9,606/MWh (10.3 USD/MWh).

29.2 Exchange Market Regulation

Communication "A" 8073 of the BCRA issued on July 23, 2024 repeals the affidavits for financial services in the context of the health emergency in line with points 3.16.3.1 and 3.16.3.2 linked to securities transactions.

- **Cancellation of principal derived from financial indebtedness abroad and debt securities denominated in foreign currency**

On April 18, 2024, the BCRA issued Communication "A" 7994, through which it incorporated two rules related to foreign financial debt:

- 1) The application of the collection of exports: It establishes the possibility of applying the export collection to the payment of principal and interest on foreign financial debt that are settled in the MLC as of April 19, 2024 is established, under the following requirements: (i) the average life of the indebtedness is not less than 3 years, and (ii) the first payment of capital is not made before the year in which it was paid and settled in the MLC.
- 2) Access to the MLC without prior approval by the BCRA. For foreign financial debt, it is established the possibility of not resorting to the prior approval procedure of the BCRA in order to access the MLC more than 3 days before the maturity of the principal and interest service when the same is to be prepaid and the following requirements are met: (i) it is accessed simultaneously with the settlement of a new financial indebtedness granted by a local bank as of a line of credit from abroad taken as of April 19, 2024, (ii) the average life of the new indebtedness is greater than the remaining average life of the debt that is pre-cancelled and (iii) the cumulative amount of principal maturities of the new indebtedness does not exceed the cumulative amount of the principal maturities of the debt that is pre-cancelled.

Communication "A" 7980 issued on March 14, 2024 by the BCRA, which establishes that import operations of goods made official as of March 15, 2024 that correspond to goods of the basic consumer basket, whose tariff positions are included in the Annex to the Communication, may be fully cancelled from 30 calendar days from the registration of customs entry of the goods.

- **Foreign Commercial Debt**

Through Communication "A" 8059, issued on July 4, 2024, it was decided to waive the requirement of prior approval of the BCRA provided for in point 3.3. of the "Foreign and Exchange" rules for access to the foreign exchange market of customers to make interest payments on commercial debts for the importation of goods and services with related counterparties from abroad as long as the maturity of the interest occurs as of May 7, 2024. This type of access was previously suspended until December 31, 2024. It also establishes that the prior approval of the BCRA provided for in points 3.3 will not be required. and 3.5.6. of the "Foreign and Foreign Exchange" rules for the access of customers to the foreign exchange market to make payments of interest on commercial debts not included in the previous precedent and interest on financial debts, when the creditor is a counterparty related to the debtor, to the extent that the other applicable requirements are met and the payment is made simultaneously with the liquidation for an amount not less than the amount of interest by which the exchange market of new indebtedness is accessed under certain established conditions.

- **BOPREAL**

On April 3, 2024, through RG 995 of the CNV, certain changes are established to the regulations that affect transactions with negotiable securities, established in Title XVIII Transitory Provisions, Chapter V of the CNV Rules related to the BOPREAL. Among the most significant modifications are the following:

- Parking is eliminated, with retroactive effect, for transfers of securities to depositories abroad, made as of April 1, 2024, when the market value of these transactions does not exceed the difference between the value obtained from the sale with settlement in foreign currency abroad of BOPREAL bonds acquired in the primary subscription and their nominal value, if the first one were less.
- Retroactive effects are allowed to those who have bonds and/or borrower passes in force and any financing in the capital market, to carry out sales of securities against cable, which are made as of April 1, 2024 when the market value of these operations does not exceed the difference between the value obtained from the sale with settlement in foreign currency abroad of the BOPREAL bonds acquired in the primary subscription and their value if the first is less.
- Transfers to foreign depositories and sales against cable dollars, both made as of April 1, 2024, are exempted retroactively, when the market value of these transactions does not exceed the difference between the value obtained from the sale with settlement in foreign currency abroad of BOPREAL bonds acquired in the primary subscription and their nominal value. If the former is less; of the obligation to inform the CNV five business days in advance, by clients who operate with CUIT or CUIL in excess of AR\$200 million.

On April 30, 2024, through Communication "A" 7999, the BCRA established that BOPREAL Serie 3 may be subscribed for up to the equivalent amount in local currency of the profits and dividends pending payment to non-resident shareholders according to the distribution determined by the shareholders' meeting. The entity that makes the subscription offer on behalf of the customer must verify compliance with the established requirements.

In addition, among others, they will be able to access the foreign exchange market for the payment of profits and dividends, to the extent that the applicable requirements are met, by carrying out an exchange and/or arbitrage with the funds deposited in a local account and originating in collections of principal and interest in foreign currency from the BOPREAL.

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Finally, in relation to profits and dividends received in pesos in the country by non-residents since September 1st, 2019, and which have not been remitted abroad; establishes, among others, that non-residents may subscribe to BOPREAL Serie 3 for up to the equivalent of the amount in local currency of the profits and dividends received since September 1st, 2019 according to the distribution determined by the shareholders' meeting, adjusted by the last CPI available on the date of subscription. The entity that makes the subscription offer on behalf of the customer must have the documentation that allows it to guarantee the payment as of the aforementioned date for earnings and dividends and verify the conditions indicated. Likewise, by the application of Decree 385/2024 of May 3, 2024, the operations of (i) purchase of banknotes and currency in foreign currency; or (ii) subscription of BOPREAL as indicated above, in both cases for the distribution of profits and dividends and for the repatriation of dividends, will be subject to the Tax for an Inclusive and Solidarity-driven Argentina (locally known as "PAIS" Tax) at an aliquot of 17.5%.

- **Goods imports**

On July 23, 2024, through Communication "A" 8074 of the BCRA, the payment terms for imports of goods were modified according to the following scheme:

- Access to the foreign exchange market to make deferred payments for the FOB value of imports formalized as of August 1, 2024 that correspond to the goods included in point 10.10.1.4. of the "Foreign and Exchange" rules (i.e., imports that previously had the access scheme in four installments within 30/60/90/120 days of the entry of the merchandise into the country) 50% of the FOB value may be made from 30 (thirty) calendar days from the registration of customs entry of the goods and the remaining 50% from 60 (sixty) calendar days from the same time.
- Access to the foreign exchange market to make deferred payments for the FOB value of imports formalized as of August 1, 2024 that correspond to goods included in point 10.10.1.3. of the "Exterior and exchange" regulations (among other cars, motorcycles and other finished vehicles, wines and other fermented beverages) may be made from 90 (ninety) calendar days from the registration of customs entry of the goods. Prior to this rule, the payment term was 120 calendar days from the registration of customs entry of the goods.

30. SUBSEQUENT EVENTS

- **Main Regulatory framework subsequent to June 30, 2024**

On August 2, 2024, Resolution No. 193/2024 of the Secretariat of Energy was published in the Official Gazette, which updates the remuneration established by Resolution No. 99/2023 by 3%.

On August 29, 2024, Resolution No. 233/2024 of the Secretariat of Energy was published in the Official Gazette, which updates the remuneration established by Resolution No. 193/2024 by 5%, effective as of the economic transactions corresponding to the month of September 2024. Additionally, the spot price of the electricity market is also updated to AR\$ 10,086/MWh (10.3 US\$/MWh).

- **Main loans of the Group subsequent to June 30, 2024**

On August 8, 2024, Banco Nación Argentina granted a loan to the Company for a total amount of AR\$ 10,000 million with quarterly interest at a fixed rate of 35% and final maturity on July 4, 2025. The principal of such

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loan amortizes in quarterly instalments beginning on October 7, 2024. The proceeds from such loan were used to finance the General Levalle Wind farm.

- **Levalle Wind Farm**

On 12 August 2024, the first stage of the General Levalle wind farm commenced operations with an installed capacity of 37.2 MW. Subsequently, on September 18, 2024, the commercial operations of an additional 24.8 MW was obtained, while full commercial operations with a total of 155 MW of installed capacity are expected to commence during the fourth quarter of 2024.

- **Loma Campana I Power Plant**

On August 26, 2024, the Board of Directors authorized the Company to file a request for arbitration at the International Chamber of Commerce against GE Vernova International LLC, GE Vernova International LLC, Argentine branch, GE Vernova Operations LLC, to obtain a compensation for the damages suffered by the Company as a result of the unavailability of the Loma Campana I Thermal Power Plant.

- **Exchange Market Regulation**

On September 2, 2024, through the publication of Decree No. 777/2024, the rate of the Impuesto PAIS for the import of goods and freight was reduced from 17.5% to 7.5%.

As of the date of issuance of these condensed interim consolidated financial statements, there have not been other significant subsequent events whose effect on the Group's financial position or results of operations as of June 30, 2024, or its disclosure in a note to these condensed interim consolidated financial statements, if corresponds, have not been considered in accordance with IFRS.

YPF ENERGÍA ELÉCTRICA S.A.

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US\$420,000,000

**YPF ENERGÍA ELÉCTRICA S.A.
7.875% Senior Notes due 2032**

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October 9, 2024