

Albanesi Energía S.A.

Condensed interim Financial Statements

At March 31, 2022 and for the three-month periods
ended on March 31, 2022 and 2021
presented in comparative format

(In thousands of US dollars (USD))

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GLOSSARY OF TECHNICAL TERMS

The following are not technical definitions, but they are helpful for the reader's understanding of some terms used in the notes to the condensed interim Financial Statements of the Company.

Terms	Definitions
/day	Per day
AESA	Albanesi Energía S.A. / the Company
AFIP	Federal Administration of Public Revenue
AJSA	Alba Jet S.A.
ASA	Albanesi S.A.
AVRC	Alto Valle Río Colorado S.A. (a company merged into BDD)
BADCOR	Adjusted BADLAR rate
BADLAR	Average interest rate paid by financial institutions on time deposits for over one million pesos.
BCRA	Central Bank of Argentina
BDD	Bodega del Desierto S.A.
CAMMESA	Compañía Administradora del Mercado Mayorista Eléctrico S.A. (Wholesale Electricity Market Management Company)
CC	Combined cycle
IFRIC	International Financial Reporting Interpretations Committee
CNV	National Securities Commission
CTE	Central Térmica Ezeiza located in Ezeiza, Buenos Aires
CTF	Central Térmica Frías located in Frías, Santiago del Estero
CTI	Central Térmica Independencia located in San Miguel de Tucumán, Tucumán
CTLB	Central Térmica La Banda located in La Banda, Santiago del Estero.
CTMM	Central Térmica Modesto Maranzana located in Río IV, Córdoba
CTR	Central Térmica Roca S.A.
CTRi	Central Térmica Riojana located in La Rioja, province of La Rioja
CVP	Variable Production Cost
Dam3	Cubic decameter Volume equivalent to 1,000 (one thousand) cubic meters
DH	Historical Availability
DIGO	Offered guaranteed Availability
Availability	Percentage of time in which the power plant or machinery, as applicable, is in operation (generating power) or available for power generation, but not called by CAMMESA
DMC	Minimum Availability Committed
DO	Target Availability
DR	Registered Availability
Grupo Albanesi	Albanesi S.A., its subsidiaries and other related companies
ENARSA	Energía Argentina S.A.
Energía Plus	Plan created under ES Resolution No. 1281/06
ENRE	National Electricity Regulatory Authority
EPEC	Empresa Provincial de Energía de Córdoba
FACPCE	Argentine Federation of Professional Councils in Economic Sciences
FONINVEMEM	Fund for investments required to increase the electric power supply in the WEM
GE	General Electric
GECEN	Generación Centro S.A.
GLSA	Generación Litoral S.A.
GMSA	Generación Mediterránea S.A.
GMOP	GM Operaciones S.A.C.
Large Users	WEM agents classified according to their consumption into: GUMAs, GUMEs, GUPAs and GUDIs
GROSA	Generación Rosario S.A.
GUDIs	Large Demand from Distributors' customers, with declared or demanded power of over 300 kW

GLOSSARY OF TECHNICAL TERMS (Cont'd)

Terms	Definitions
GUMAs	Major Large Users
GUMEs	Minor Large Users
GUPAs	Large Users - Individuals
GW	Gigawatt Unit of power equivalent to 1,000,000,000 watts
GWh	Gigawatt-hour Unit of energy equivalent to 1,000,000,000 watts hour
HRSG	Heat recovery steam generator
IASB	International Accounting Standards Board
IGJ	Legal Entities Regulator
CPI	Consumer Price Index
WPI	Wholesale Price Index
kV	Kilovolt Unit of electromotive force which is equal to 1,000 (one thousand) volts
kW	Kilowatt Unit of power equivalent to 1,000 watts
kWh	Kilowatt-hour Unit of energy equivalent to 1,000 watts hour
LGS	General Companies Law
LVFVD	Sale liquidations with maturity date to be defined
MAPRO	Major Scheduled Maintenance
MAT	Futures market
WEM	Wholesale Electric Market
MMm3	Million cubic meters
MVA	Mega-volt ampere, unit of energy equivalent to 1 volt x 1 ampere x 10 ⁶
MW	Megawatt Unit of power equivalent to 1,000,000 watts
MWh	Megawatt hour Unit of energy equivalent to 1,000,000 watts hour
ARG GAAP	Argentine Generally Accepted Accounting Principles
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
NFHCC	New Date Committed for Commercial Authorization
SDG	Sustainable Development Goals
NO	Negotiable Obligations
GDP	Gross Domestic Product
PWPS	Pratt & Whitney Power System Inc
RECPAM	Gain/(loss) on purchasing power parity
Resolution No. 220/07	Regulatory framework for the sale of energy to CAMMESA through the "WEM Supply Contracts" under Energy Secretariat Resolution No. 220/07
GR	General Resolution
RGA	Rafael G. Albanesi S.A.
RSE	Corporate social responsibility
TP	Technical Pronouncements
SADI	Argentine Interconnection System
ES	Energy Secretariat
SEK	Swedish crowns
GSE	Government Secretariat of Energy
OHHS	Health, Safety and Hygiene at work
TRASNOA S.A.	Empresa de Transporte de Energía Eléctrica por Distribución Troncal del Noroeste Argentino S.A.
GU	Generating unit
CGU	Cash Generating Unit
USD	US dollar
UVA	Unit of purchasing power

Albanesi Energía S.A.

Members of the Board of Directors and Syndics' Committee At March 31, 2022

President

Armando Losón (Jr.)

1st Vice President

Guillermo Gonzalo Brun

2nd Vice President

Julián Pablo Sarti

Full Directors

María Eleonora Bauzas

Oscar Camilo De Luise

Ricardo Martín López

Alternate Directors

José Leonel Sarti

Juan Gregorio Daly

Oswaldo Enrique Alberto Cado

María Andrea Bauzas

Full Syndics

Enrique Omar Rucq

Francisco Agustín Landó

Marcelo Claudio Barattieri

Alternate Syndics

Carlos Indalecio Vela

Julieta De Ruggiero

Marcelo Rafael Tavarone

Legal Information

Company Name: Albanesi Energía S.A.
Legal domicile: Av. L.N. Alem 855, 14th floor - City of Buenos Aires
Main business activity: Generation and sale of electric energy
Tax Registration Number: 30-71225509-5

Dates of registration with the Public Registry of Commerce

Bylaws or incorporation agreement: February 23, 2012
Latest amendment: September 10, 2019

Registration with the Legal Entities Regulator under number: 2675, Book: 58, volume: - Companies by Shares

Expiration of Bylaws or Incorporation Agreement: February 23, 2111

Albanesi Energía S.A.

Condensed interim Statement of Financial Position

At March 31, 2022 and December 31, 2021

stated in US dollars

	<u>Note</u>	<u>03/31/2022</u>	<u>12/31/2021</u>
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	12	238,195	240,977
Deferred tax assets, net	17	13,859	8,928
Other receivables		1,076	1,045
Total non-current assets		253,130	250,950
CURRENT ASSETS			
Inventories		520	481
Other receivables		2,759	4,212
Trade receivables		12,631	10,683
Cash and cash equivalents	13	13,836	9,448
Total current assets		29,746	24,824
Total assets		282,876	275,774
EQUITY			
Share Capital	14	8,824	8,824
Capital Adjustment		2,305	2,305
Technical revaluation reserve		55,288	55,994
Other comprehensive income/(loss)		2	2
Unappropriated retained earnings/(losses)		(32,476)	(34,703)
TOTAL EQUITY		33,943	32,422
LIABILITIES			
NON-CURRENT LIABILITIES			
Defined benefit plan		113	101
Loans	16	189,263	199,392
Trade payables		1,996	1,996
Total non-current liabilities		191,372	201,489
CURRENT LIABILITIES			
Tax payables		4,882	4,437
Salaries and social security liabilities		329	282
Defined benefit plan		1	1
Loans	16	49,438	32,429
Trade payables		2,911	4,714
Total current liabilities		57,561	41,863
Total liabilities		248,933	243,352
Total liabilities and equity		282,876	275,774

The accompanying Notes form an integral part of these condensed interim Financial Statements.

Albanesi Energía S.A.

Condensed interim Statement of Comprehensive Income

For the three-month periods ended on March 31, 2022 and 2021,
stated in US dollars

	Note	03/31/2022	03/31/2021
Sales revenue	7	16,078	14,155
Cost of sales	8	(8,017)	(8,139)
Gross income/(loss)		8,061	6,016
Selling expenses	9	(151)	(115)
Administrative expenses	10	(431)	(408)
Operating income/(loss)		7,479	5,493
Financial income	11	213	87
Financial expenses	11	(7,339)	(7,830)
Other financial results	11	(3,763)	(2,331)
Financial results, net		(10,889)	(10,074)
Pre-tax profit/(loss)		(3,410)	(4,581)
Income Tax	17	4,931	(2,322)
Income/(loss) for the period		1,521	(6,903)
Total comprehensive income/(loss) for the period		1,521	(6,903)
Earnings/(losses) per share			
Basic and diluted earnings/(losses) per share	15	0.1724	(0.8243)

The accompanying notes form an integral part of these condensed interim Financial Statements.

Albanesi Energía S.A.

Condensed interim Statement of Changes in Equity
For the three-month periods ended on March 31, 2022 and 2021,
stated in US dollars

	Share capital (Note 14)	Capital Adjustment	Technical revaluation reserve	Other comprehensive income/(loss)	Unappropriated retained earnings/(losses)	Total equity
Balances at December 31, 2020	806	2,305	67,145	(1)	(76,846)	(6,591)
Capital increase as per Minutes of Shareholders' Meeting held on January 6, 2021	8,018	-	-	-	-	8,018
Reversal of technical revaluation reserve	-	-	(807)	-	807	-
Loss for the three-month period	-	-	-	-	(6,903)	(6,903)
Balances at March 31, 2021	8,824	2,305	66,338	(1)	(82,942)	(5,476)
Other comprehensive income/(loss) for the period	-	-	(7,871)	3	-	(7,868)
Reversal of technical revaluation reserve	-	-	(2,473)	-	2,473	-
Income for the complementary nine- month period	-	-	-	-	45,766	45,766
Balances at December 31, 2021	8,824	2,305	55,994	2	(34,703)	32,422
Reversal of technical revaluation reserve	-	-	(706)	-	706	-
Income for the three-month period	-	-	-	-	1,521	1,521
Balances at March 31, 2022	8,824	2,305	55,288	2	(32,476)	33,943

The accompanying notes form an integral part of these condensed interim Financial Statements.

Albanesi Energía S.A.

Condensed interim Statement of Cash Flows

For the three-month periods ended on March 31, 2022 and 2021,
stated in US dollars

	Notes	03/31/2022	03/31/2021
Cash flows provided by operating activities			
Income/(Loss) for the period		1,521	(6,903)
Adjustments to arrive at net cash flows provided by operating activities:			
Income Tax		(4,931)	2,322
Depreciation of property, plant and equipment	8 and 12	2,955	2,938
Provision for defined benefit plans		7	6
Present value		63	177
Exchange difference, net	11	(923)	1,132
Accrued interest, net	11	7,094	7,737
Income/(loss) from sale of AESA's own Negotiable Obligations	11	(11)	-
Difference in UVA value	11	4,379	-
Other financial results		33	-
Income/(loss) from changes in the fair value of financial instruments	11	(700)	(82)
Changes in operating assets and liabilities:			
(Increase) in trade receivables		(2,081)	(3,178)
Decrease/(increase) in other receivables		9,544	(394)
(Increase)/decrease in inventories		(39)	32
(Decrease) in trade payables		(1,861)	(2,774)
Increase in salaries and social security liabilities		68	44
(Decrease) in employee benefit plan		(19)	(11)
(Decrease) in tax payables		(8,564)	(74)
Net cash flows provided by operating activities		6,535	972
Cash flows from investing activities			
Acquisition of property, plant and equipment	12	(130)	(51)
Net cash flows (used in) investing activities		(130)	(51)
Cash flows from financing activities			
Borrowings	16	3,699	2,007
Payment of interest	16	(5,417)	(6,740)
Leases paid	16	(102)	(91)
Payment of principal	16	(6,524)	(2,153)
Sale of AESA's own Negotiable Obligations		6,676	-
Capital contributions		-	5,018
Payment of financial instruments		(126)	-
Net cash flows (used in) financing activities		(1,794)	(1,959)
Increase/(decrease) in cash, net		4,611	(1,038)
Cash and cash equivalents at the beginning of the period	13	9,448	4,678
Financial results of cash and cash equivalents		(223)	(100)
Cash and cash equivalents at period end	13	13,836	3,540
		4,611	(1,038)
		03/31/2022	03/31/2021
Significant transactions not entailing changes in cash:			
Acquisition of property, plant and equipment not yet paid		(28)	(479)
Capital increase resulting from assignment of debt	14	-	(3,000)
Advances to suppliers applied to the acquisition of property, plant and equipment		(15)	(8)

The accompanying notes form an integral part of these condensed interim Financial Statements.

Albanesi Energía S.A.

Notes to the condensed interim Financial Statements

For the three-month periods ended on March 31, 2022 and 2021,
and for the fiscal year ended on December 31, 2021,
stated in US dollars

NOTE 1: GENERAL INFORMATION

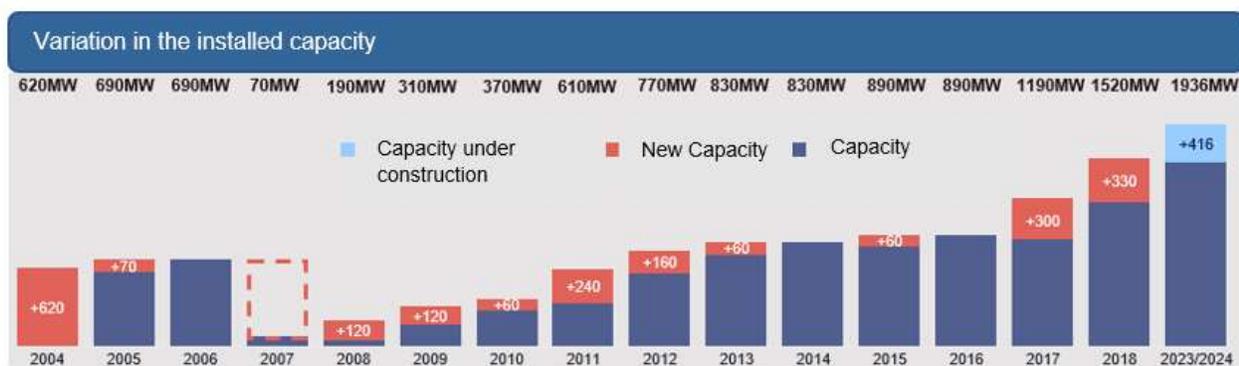
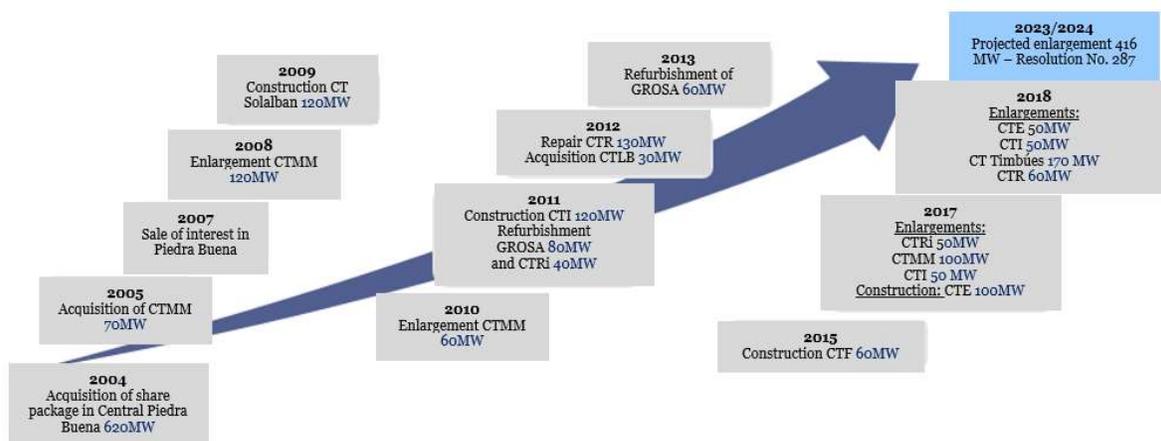
AESA's main line of business is the generation and sale of electric energy and steam through a co-generation system. Nominal installed capacity is 170 MW under EES Resolution No. 21/16.

On February 24, 2018, the Timbúes Cogeneration Thermal Power Plant was authorized for commercial operation in the WEM up to 172 MW of power and on February 11, 2019, it was authorized for steam generation and delivery.

The Company is located in Timbúes, Province of Santa Fe.

At the date of these condensed interim Financial Statements, Grupo Albanesi had a total installed capacity of 1,520 MW, it being expanded with additional 416 MW with all the new projects awarded.

Grupo Albanesi entered the electricity market in 2004 with the purchase of the power plant Luis Piedra Buena S.A. In this way the development of the electricity segment became one of the main purposes of the Group.



Albanesi Energía S.A.

Notes to the condensed interim Financial Statements (Cont'd)

NOTE 2: REGULATORY ASPECTS RELATING TO THE COMPANY'S POWER GENERATION ACTIVITIES

The regulatory aspects relating to electricity generation applied for these condensed interim Financial Statements are consistent with those used in the financial information corresponding to the last fiscal year, except for the changes mentioned below:

ES Resolution No. 238/2022

ES Resolution No. 238/2022 has replaced Annexes I, II, III, IV and V of ES Resolution No. 440/2021 and adjusted the remuneration for the generation not committed under any kind of contracts for transactions as from February 2022.

The remuneration of the power availability is subdivided into a minimum price associated with the Actual Power Availability (“DRP”, for its acronym in Spanish) and a price for the guaranteed power in compliance with the Offered Guaranteed Availability (DIGO). Remuneration for power will be allocated depending on the use factor of the generation equipment

1. Power prices:

a. Base power (for generators that do not guarantee availability)

Technology/Scale	Power Base Price [\$/MW-month] February-May 2022	Power Base Price [\$/MW-month] as from June 2022
CC large P>150 MW	168,791	185,670
CC small P≤150 MW	188,159	206,975
TV large P>100 MW	240,734	264,807
TV small P≤100MW	287,773	316,551
TG large P>50 MW	196,461	216,107
TG small P≤50MW	254,569	280,025
Internal combustion engines>42 MW	287,773	316,551
CC small P≤15 MW	342,108	376,319
TV small P≤15 MW	523,224	575,546
TG small P≤15MW	462,852	509,137
Internal combustion engines≤42 MW	523,224	575,546

b. DIGO guaranteed power

Period	DIGO Power Price [\$/MW - month] February-May 2022	DIGO Power Price [\$/MW - month] as from June 2022
Summer: December - January - February	603,720	664,092
Winter: June - July - August	603,720	664,092
Rest of the year: March - April - May - September - October - November	452,790	498,069

Albanesi Energía S.A.

Notes to the condensed interim Financial Statements (Cont'd)

NOTE 2: REGULATORY ASPECTS RELATING TO THE COMPANY'S POWER GENERATION ACTIVITIES (Cont'd)

ES Resolution No. 238/2022 (Cont'd)

Power remuneration is defined as the sum of three components: Generated Power, Operating Reserve (associated with Spinning reserve per hour) and the power actually generated in the hours of the month.

2. Power prices:

a. Operation and maintenance

Technology/Scale	Natural gas February-May 2022	Natural gas as from June 2022	Fuel Oil / Gas Oil February-May 2022	Fuel Oil / Gas Oil as from June 2022
	\$/MWh	\$/MWh	\$/MWh	\$/MWh
CC large P>150 MW	403	443	705	775
CC small P≤150 MW	403	443	705	775
TV large P>100 MW	403	443	705	775
TV small P≤100MW	403	443	705	775
TG large P>50 MW	403	443	705	775
TG small P≤50MW	403	443	705	775
Internal combustion engines	403	443	705	775

b. It will receive 140 \$/MWh for Operated Energy from February to May 2022 and 154 \$/MWh as from June 2022.

NOTE 3: BASIS FOR PRESENTATION

The condensed interim Financial Statements for the three-month periods ended on March 31, 2022 and 2021 have been prepared in accordance with IAS 34. This condensed interim financial information must be read jointly with the Company's Financial Statements for the year ended on December 31, 2021.

The presentation in the condensed interim Statement of Financial Position segregates current and non-current assets and liabilities. Current assets and liabilities are those expected to be recovered or settled within twelve months following the end of the reporting period. In addition, the Company reports on the cash flows from operating activities using the indirect method.

The fiscal year commences on January 1 and ends on December 31 of each year.

Economic and financial results are presented on a fiscal year basis, in proportion to the elapsed period.

Albanesi Energía S.A.

Notes to the condensed interim Financial Statements (Cont'd)

NOTE 3: BASIS FOR PRESENTATION (Cont'd)

The condensed interim Financial Statements for the three-month periods ended on March 31, 2022 and 2021 have not been audited. Company Management considers that they include all the necessary adjustments to reasonably present the results for the period. The results for the three-month periods ended on March 31, 2022 and 2021 do not necessarily reflect the proportion of the Company's results for full fiscal years.

These condensed interim Financial Statements are disclosed in thousands of US dollars without cents, except for the earnings per share.

These condensed interim Financial Statements were approved for issuance by the Company's Board of Directors on May 20, 2022.

Purpose of these condensed interim Financial Statements

The non-statutory condensed interim Financial Statements are presented in United States Dollars (USD), which is the Company's functional currency, and have been prepared to provide interim financial information mainly for use by non-Argentine holders of Company's Negotiable Obligations and foreign financial institutions.

Comparative information

Balances at December 31, 2021, disclosed in these condensed interim financial statements for comparative purposes arise from financial statements at that date and the amounts for the three-month period ended on March 31, 2021 arise from the change in functional currency of the Company since January 1, 2021.

Certain reclassifications have been included in the Financial Statement figures presented for comparative purposes to conform them to the current period presentation.

Tax-purpose inflation adjustment

To determine the net taxable income, an adjustment for inflation computed according to Sections 105 to 108 of Income Tax Law must be deducted from or added to the tax result for the fiscal period being calculated. This will apply in the fiscal year in which a variation percentage of the Consumer Price Index (CPI) accumulated over the 36 months prior to the year-end exceeds 100%. These provisions are applicable for fiscal years commencing on or after January 1, 2018. For the first, second and third fiscal years following its effective date, it will be applicable when the index variation, calculated from the beginning to the end of each year, exceeds 55%, 30% and 15% in the first, second and third year of application, respectively. The inflation adjustment will have effect either as a negative or positive adjustment as applicable for the first and second year commenced as from January 1, 2019; 1/6 will be allocated in that fiscal period and the remaining 5/6, in equal parts, in the immediately following two fiscal years.

The Company estimated that, at March 31, 2022, the CPI variation exceeded the index mentioned in the paragraph above; accordingly, the Company included this adjustment in the determination of the taxable income for the current period.

Going concern

At the date of these condensed interim Financial Statements, there are no uncertainties regarding events or conditions that may raise doubts about the possibility that the Company will continue to operate normally as a going concern.

Albanesi Energía S.A.

Notes to the condensed interim Financial Statements (Cont'd)

NOTE 4: ACCOUNTING POLICIES

The accounting policies adopted for these condensed interim Financial Statements are consistent with those used in the audited financial statements for the last fiscal year, ended on December 31, 2021.

There are no new IFRS or IFRIC interpretations applicable as from the current period which have a material impact on the Company's condensed interim Financial Statements.

These condensed interim Financial Statements must be read jointly with the audited Financial Statements at December 31, 2021 prepared under IFRS.

The Company measures facilities, machinery, and buildings at fair value less accumulated depreciation and impairment losses recognized at the date of revaluation, if any. Land is measured at fair value and is not depreciated. (See accounting policy for property, plant and equipment in Note 4 to the December 31, 2021 Financial Statements). Revaluations are made frequently enough to ensure that the fair value of a revalued asset does not differ significantly from its carrying amount.

At March 31, 2022, the Company has not revalued land, buildings, facilities, and machinery, as there have not been important changes in the fair values of those assets caused by macroeconomic fluctuations.

NOTE 5: CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these condensed interim Financial Statements in accordance with IFRS requires the Company to make estimates and assessments that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of issue of these condensed interim Financial Statements, as well as the income and expenses recorded in the current period.

The Company makes estimates to calculate the depreciation and amortization charges, the recoverable value of non-current assets, the Income Tax charge, certain labor costs, provisions for contingencies, for labor, civil and commercial lawsuits and bad debt allowance. Actual future results may differ from those estimates and assessments made at the date these Financial Statements were prepared.

In preparing these condensed interim Financial Statements, the critical judgments delivered by the Management to apply the Company's accounting policies and the sources of information used for the related estimates are the same as those delivered in the Financial Statements for the fiscal year ended on December 31, 2021.

a) Fair value of property, plant and equipment

The Company has opted to value land, buildings, facilities, and machinery at fair value applying discounted cash flows or market comparable techniques.

The fair value calculated by means of the discounted cash flows was used to value facilities, machinery, and turbines. These cash flows were prepared on the basis of estimates with an approach to consider different scenarios according to their probability of occurrence.

The following variables have been taken into account in relation to the estimates made: (i) exchange rate fluctuations; (ii) availability and dispatch of turbines associated with demand projections according to vegetative growth; (iii) operating and maintenance cost; (iv) number of employees; (v) discount rate used, among others. Each of these scenarios contemplate different assumptions regarding the critical variables used.

Albanesi Energía S.A.

Notes to the condensed interim Financial Statements (Cont'd)

NOTE 5: CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (Cont'd)

a) Fair value of property, plant and equipment (Cont'd)

The discounted cash flows at December 31, 2021 consider two scenarios (pessimistic and base scenarios) with different probabilities of occurrence. The two scenarios arise from current rate schedules and are combined with different turbine dispatch alternatives.

The criteria considered in each scenario are the following:

1. Base scenario: in this case the Company considers a historical average availability and an expected dispatch according to projections of the demand for energy with a vegetative growth. Probability of occurrence: 80%.
2. Pessimistic scenario: in this case the Company considers a historical average availability and a dispatch of less than expected of the demand for energy. Probability of occurrence: 20%.

In all scenarios a discount rate in US dollars of approximately 10.89% was used, which contemplates the future scenarios.

The percentages of probability of occurrence assigned are mainly based on the occurrence of different past events (experience).

Actual results could differ from the estimates, so the projected cash flows might be badly affected if any of the above-mentioned factors changes in the near future.

The Company cannot assure that the future behavior of those variables will be in line with projections, and differences might arise between the estimated cash flows and the ones really obtained.

The fair value determination of property, plant and equipment is significantly affected by the US dollar exchange rate. This situation, valuation processes and results are discussed and approved by the Board of the Companies at least once a year.

However, if the discounted cash flows differ by 10% from Management estimates, the Company will need:

- To increase the fair value of land, buildings, facilities, and machinery by USD 23 million, if it were favorable; or
- To reduce the fair value of land, buildings, facilities, and machinery by USD 23 million, if it were not favorable.

At March 31, 2022, the Company has analyzed the variables considered in the calculation of the recoverable value of property, plant and equipment and concluded that there were no significant changes in those variables.

Albanesi Energía S.A.

Notes to the condensed interim Financial Statements (Cont'd)

NOTE 6: FINANCIAL RISK MANAGEMENT

In view of its business activities, the Company is exposed to various financial risks: market risk (including price risk, interest rate risk and exchange rate risk), credit risk and liquidity risk.

These condensed interim Financial Statements do not include all the information on risk management, as required for the annual Financial Statements. These Financial Statements must be read jointly with the Financial Statements for the year ended on December 31, 2021. There have been no significant changes in the risk management policies since the last annual closing date.

NOTE 7: SALES REVENUE

	<u>03/31/2022</u>	<u>03/31/2021</u>
Sale of energy Res. No. 21/2016	13,113	12,375
Sale of steam	2,965	1,780
	<u>16,078</u>	<u>14,155</u>

NOTE 8: COST OF SALES

	<u>03/31/2022</u>	<u>03/31/2021</u>
Purchase of electric energy	(178)	(150)
Gas and diesel consumption at the plant	(3,008)	(3,692)
Salaries and social security liabilities	(445)	(317)
Defined benefit plan	(7)	(6)
Other employee benefits	(45)	(27)
Fees for professional services	(5)	(5)
Maintenance services	(1,091)	(778)
Depreciation of property, plant and equipment	(2,955)	(2,938)
Security guard and janitor	(61)	(43)
Insurance	(149)	(117)
Communication expenses	(17)	(14)
Snacks and cleaning	(31)	(29)
Taxes, rates and contributions	(21)	(20)
Sundry	(4)	(3)
	<u>(8,017)</u>	<u>(8,139)</u>

NOTE 9: SELLING EXPENSES

	<u>03/31/2022</u>	<u>03/31/2021</u>
Taxes, rates and contributions	(151)	(115)
	<u>(151)</u>	<u>(115)</u>

Albanesi Energía S.A.

Notes to the condensed interim Financial Statements (Cont'd)

NOTE 10: ADMINISTRATIVE EXPENSES

	03/31/2022	03/31/2021
Salaries and social security liabilities	(71)	(52)
Other employee benefits	(11)	(6)
Fees and remuneration for services	(335)	(341)
Taxes, rates and contributions	(2)	(1)
Leases	(9)	(5)
Per diem, travel, and representation expenses	-	(1)
Office expenses	(1)	(1)
Gifts	(1)	-
Sundry	(1)	(1)
	(431)	(408)

NOTE 11: FINANCIAL RESULTS

	03/31/2022	03/31/2021
<u>Financial income</u>		
Commercial interest	213	87
Total financial income	213	87
<u>Financial expenses</u>		
Interest on loans	(7,042)	(7,618)
Commercial and other interest	(265)	(206)
Bank expenses and commissions	(32)	(6)
Total financial expenses	(7,339)	(7,830)
<u>Other financial results</u>		
Exchange difference, net	923	(1,132)
Changes in the fair value of financial instruments	700	82
Income/(loss) from sale of AESA's own Negotiable Obligations	11	-
Difference in UVA value	(4,379)	-
Other financial results	(1,018)	(1,281)
Total other financial results	(3,763)	(2,331)
Total financial results, net	(10,889)	(10,074)

Albanesi Energía S.A.

Notes to the condensed interim Financial Statements (Cont'd)

NOTE 12: PROPERTY, PLANT AND EQUIPMENT

Type of asset	Original values			Depreciation			Net book value at period end	
	At the beginning of period	Increases	At period end	Accumulated at beginning of period	For the period (1)	Accumulated at period end	03/31/2022	12/31/2021
Land	250	-	250	-	-	-	250	250
Buildings	16,501	-	16,501	350	88	438	16,063	16,151
Facilities	35,999	126	36,125	1,814	465	2,279	33,846	34,185
Machinery	193,860	42	193,902	9,482	2,373	11,855	182,047	184,378
Computer and office equipment	383	1	384	280	29	309	75	103
Furniture and fixtures	58	4	62	16	-	16	46	42
Vehicles	25	-	25	25	-	25	-	-
Spare parts and materials	5,868	-	5,868	-	-	-	5,868	5,868
Total at 03/31/2022	252,944	173	253,117	11,967	2,955	14,922	238,195	-
Total at 12/31/2021	247,012	5,932	252,944	195	11,772	11,967	-	240,977
Total at 03/31/2021	247,012	538	247,550	195	2,938	3,133	-	244,417

(1) Depreciation charges for the three-month periods ended on March 31, 2022 and 2021 were allocated to cost of sales.

Albanesi Energía S.A.

Notes to the condensed interim Financial Statements (Cont'd)

NOTE 13: CASH AND CASH EQUIVALENTS

	03/31/2022	12/31/2021
Cash	1	1
Banks	4,573	420
Mutual funds	5,730	5,305
Short-term investments	3,532	3,722
	13,836	9,448

For the purposes of the Statement Cash Flows, cash and cash equivalents include:

	03/31/2022	03/31/2021
Cash and cash equivalents	13,836	3,540
Cash and cash equivalents	13,836	3,540

NOTE 14: CAPITAL STATUS

Capital status at March 31, 2022 is detailed below:

			Approved by	
Principal	Amount in thousands of USD	Date	Body	Date of registration with the Public Registry of Commerce
Total at December 31, 2015	5	February 15, 2012	Bylaws	February 23, 2012
Capital increase	949	December 16, 2016	Extraordinary Shareholders' Meeting	January 12, 2017
Capital reduction	(148)	April 19, 2018	Ordinary and Extraordinary Shareholders' Meeting	September 10, 2019
Capital increase	8,018	January 6, 2021	Extraordinary Shareholders' Meeting	Pending
Total	8,824			

The Extraordinary Shareholders' Meeting held on January 6, 2021 unanimously approved a capital increase through cash contributions for USD 5,018 (\$425,000 thousand) and decided to capitalize shareholders' current receivables for USD 3,000 (\$255,000 thousand). Consequently, at March 31, 2022, the Company's capital amounts to USD 8,824 (\$747,850 thousand) and is made up of 747,850,000 shares, entitled to 1 vote per share. In view of such capitalization, Section 4 of the Company's bylaws was amended, but said amendment is still pending registration with the Legal Entities Regulator at the date of these condensed interim Financial Statements.

Albanesi Energía S.A.

Notes to the condensed interim Financial Statements (Cont'd)

NOTE 15: EARNINGS/(LOSSES) PER SHARE

Basic

Basic earnings/(losses) per share are calculated by dividing the income attributable to the holders of the Company's equity instruments by the weighted average number of ordinary shares outstanding during the fiscal period.

	03/31/2022	03/31/2021
Income/(loss) for the period	1,521	(6,903)
Weighted average of outstanding ordinary shares	8,824	8,374
Basic earning/(loss) per share	0.1724	(0.8243)

There are no differences between the calculation of the basic earnings per share and the diluted earnings per share.

NOTE 16: LOANS

<u>Non-current</u>	<u>Note</u>	<u>03/31/2022</u>	<u>12/31/2021</u>
Related companies	19	43,187	42,117
UBS Loan		91,451	100,129
Negotiable Obligations		54,625	57,146
		189,263	199,392
<u>Current</u>			
UBS Loan		28,716	26,139
Negotiable Obligations		16,867	6,064
Bank loans		3,730	-
Finance lease debts		125	226
		49,438	32,429

At March 31, 2022, the financial debt totals USD 238,701. Our total debt at that date is disclosed in the table below.

	<u>Principal</u>	<u>Balances at March 31, 2022</u>	<u>Interest rate</u>	<u>Currency</u>	<u>Date of Issue</u>	<u>Maturity date</u>
		(in thousands of USD)	(%)			
<u>Debt securities</u>						
Class I Negotiable Obligations	USD 5,937	6,048	6.00%	USD	May 6, 2021	November 7, 2023
Class II Negotiable Obligations	UVA 42,321	41,518	5.99%	ARS	May 6, 2021	November 7, 2023
Class III Negotiable Obligations	USD 24,104	23,926	4.90%	USD	December 14, 2021	September 14, 2024
Subtotal		71,492				
<u>Loan agreement</u>						
UBS Loan	USD 121,384	120,167	13.85%	USD	February 3, 2017	December 30, 2023
Subtotal		120,167				
<u>Other liabilities</u>						
Related parties (Note 19)	USD 20,000	35,169	17.00%	USD	July 21, 2017	Subordinated to UBS Loan
Related parties (Note 19)	USD 4,701	8,018	19.00%	USD	August 17, 2018	Subordinated to UBS Loan
Banco Supervielle loan	\$400,000	3,730	49.85%	ARS	March 4, 2022	May 19, 2022
Finance lease		125				
Subtotal		47,042				
Total financial debt		238,701				

Albanesi Energía S.A.

Notes to the condensed interim Financial Statements (Cont'd)

NOTE 16: LOANS (Cont'd)

The Company undertook certain standard commitments as regards the UBS Loan. Due to the Company's failure to meet those commitments, a waiver was obtained on March 31, 2022.

The due dates of Company loans and their exposure to interest rates are as follows:

	03/31/2022	12/31/2021
Fixed rate		
Less than 1 year	49,313	32,202
Between 1 and 2 years	146,076	157,275
Between 2 and 3 years	43,187	42,117
	238,576	231,594
 Floating rate		
Less than 1 year	125	227
	125	227
	238,701	231,821

Loans at variable rates have been stated at fair value. Given the proximity of their issuance, fixed-rate loans do not differ significantly from their fair value.

Fair values are based on the present value of the contractual cash flows, using a discount rate derived from observable market prices of other similar debt instruments plus the corresponding credit risk.

Company loans are denominated in the following currencies:

	03/31/2022	12/31/2021
Argentine pesos	45,247	33,430
US dollars	193,454	198,391
	238,701	231,821

Changes in Company's loans during the three-month periods ended on March 31, 2022 and 2021 were as follows:

	03/31/2022	03/31/2021
Loans at beginning of the period	231,821	225,380
Loans received	3,699	2,007
Loans paid	(6,524)	(2,153)
Sale of AESA's own Negotiable Obligations	6,676	-
Leases paid	(102)	(91)
Accrued interest	7,042	7,618
Assigned interest	-	(3,000)
Interest paid	(5,417)	(6,740)
Income/(loss) from sale of AESA's own Negotiable Obligations	(11)	-
Difference in UVA value	4,379	-
Exchange difference	(2,936)	(39)
Capitalized expenses/present values	74	(148)
Loans at period end	238,701	222,834

Albanesi Energía S.A.

Notes to the condensed interim Financial Statements (Cont'd)

NOTE 17: INCOME TAX - DEFERRED TAX

The analysis of deferred tax assets and liabilities is as follows:

	03/31/2022	12/31/2021
Deferred tax assets:		
Deferred tax assets to be recovered over more than 12 months	91,367	90,847
	91,367	90,847
Deferred tax liabilities:		
Deferred tax liabilities to be settled over more than 12 months	(77,508)	(81,919)
	(77,508)	(81,919)
Deferred tax assets/liabilities (net)	13,859	8,928

Gross deferred tax account activity is as follows:

	03/31/2022	03/31/2021
Balance at beginning of year	8,928	(32,110)
Charge to income statement	4,931	(2,322)
Balance at year end	13,859	(34,432)

The Income Tax charge calculated under the deferred tax method corresponds to the following breakdown:

	Balances at December 31, 2021	Charge to income statement	Balances at March 31, 2022
Lease	(295)	(13)	(308)
Other receivables	(22)	2	(20)
Property, plant and equipment	(60,349)	1,526	(58,823)
Inventories	(113)	12	(101)
Accumulated tax losses	89,890	570	90,460
Mutual fund valuation	(18)	7	(11)
Other financial assets at fair value through profit or loss	(6)	-	(6)
Trade payables	957	(50)	907
Employee benefit plans	(57)	11	(46)
Tax-purpose inflation adjustment	(18,953)	2,664	(16,289)
Loans	(2,106)	202	(1,904)
Total	8,928	4,931	13,859

Income Tax losses are valued at the rate prevailing in the year in which they are expected to be used, considering their index-adjustment in line with the tax-purpose inflation adjustment procedures mentioned in Note 4 to the annual Financial Statements. In accordance with the guidelines of IFRIC 23 Uncertainty over Income Tax Treatments and with the opinions of the legal and tax advisors, the Company has adjusted the tax losses for inflation by applying the domestic wholesale price index, as laid down in Section 19 of the Income Tax Law. The Company recognizes the deferred tax assets only if there are sufficient future taxable profits against which the tax losses may be offset.

Albanesi Energía S.A.

Notes to the condensed interim Financial Statements (Cont'd)

NOTE 17: INCOME TAX - DEFERRED TAX (Cont'd)

The Company recorded the following accumulated tax losses pending use at March 31, 2022, which may be offset against taxable income for the period ended on that date:

Year	in thousands of USD	Year of expiration
Tax losses for the year 2018	119,961	2023
Tax losses for the year 2019	87,204	2024
Tax losses for the year 2020	51,293	2025
Total accumulated tax losses at March 31, 2022	258,458	

Tax Reform and Law on Social Solidarity and Productive Reactivation

On December 29, 2017, the National Executive Branch enacted Law No. 27430 on Income Tax. This law introduced several changes to the Income Tax treatment, whose key components are as follows:

Income Tax rate: The Income Tax rates for Argentine companies will be reduced gradually from 35% to 30% for fiscal years beginning on or after January 1, 2018 until December 31, 2019, and to 25% for fiscal years beginning on or after January 1, 2020, inclusive.

Tax on dividends: A tax is levied on dividends or profits distributed, among others, by Argentine companies or permanent establishments to: individuals, undivided estates or foreign beneficiaries, according to the following rates: (i) dividends deriving from profits generated during fiscal years beginning on or after January 1, 2018 until December 31, 2019 will be subject to tax at a rate of 7%, and; (ii) dividends deriving from profits obtained during fiscal years beginning on or after January 1, 2020 will be subject to tax at a rate of 13%.

Dividends on profits obtained until the fiscal year prior to the fiscal year beginning on or after January 1, 2018 will continue to be subject to withholdings, for all beneficiaries, at a rate of 35% of the amount exceeding retained earnings to be distributed free of tax (transition period of equalization tax).

Pursuant to General Companies Law No. 19550, 5% of the profit reported in the Statement of Comprehensive Income for the year, net of prior year adjustments, transfers of other comprehensive income to unappropriated retained earnings and prior year accumulated losses, is to be allocated to the legal reserve, until it reaches 20% of the capital stock.

Index-adjustments to deductions: Acquisitions or investments made in fiscal years beginning on or after January 1, 2018 will be adjusted on the basis of the percentage variations in the Consumer Price Index (CPI) provided by the National Institute of Statistics and Census; this will increase the deductible depreciation and its computable cost in case of sale.

On December 27, 2019, the National Executive Branch enacted Law 27541 on Social Solidarity and Productive Reactivation.

Albanesi Energía S.A.

Notes to the condensed interim Financial Statements (Cont'd)

NOTE 17: INCOME TAX - DEFERRED TAX (Cont'd)

Tax Reform and Law on Social Solidarity and Productive Reactivation (Cont'd)

As for Income Tax applicable to companies, the following amendments introduced by the law are highlighted:

- It maintains the tax rate at 30% for 2020 (this rate should have been reduced to 25% in accordance with the 2017 Tax Reform).
- Tax-purpose inflation adjustment: The allocation of the tax-purpose inflation adjustment for the first and second year commenced as from 01/01/2019 must be allocated in equal parts during 6 fiscal years.
- Tax on personal property, shares and equity interests: Tax rate rises from 0.25% to 0.50%.

On June 16, 2021, the National Executive Branch enacted Law 27630. Detailed below are the amendments introduced by the law:

- Income Tax rate: the fixed rate for taxation of Companies' income was discontinued and a progressive scale was set up, starting from a 25% rate for income from \$0 to \$5 million, a 30% rate for income from \$5 to \$50 million and a 35% rate for income above \$50 million. The law also provides that the fixed amounts in the tax brackets shall be CPI-adjusted as from the fiscal years beginning on or after January 1, 2022.
- Tax on dividends: the 7% rate shall apply.

These amendments apply as from fiscal years beginning on or after January 1, 2021.

The reconciliation between Income Tax charged to income and that resulting from the application of the tax rate to the accounting profit before taxes is shown below:

	03/31/2022	03/31/2021
Income before Income Tax	(3,410)	(4,581)
Current tax rate	35%	25%
Income/(loss) at the tax rate	1,194	1,145
Other permanent differences	-	(11)
Effects of exchange and translation differences of property, plant and equipment	500	3,053
Tax-purpose inflation adjustment and tax losses adjustment	3,237	(6,509)
Total Income Tax loss / Income Tax charge	4,931	(2,322)
Deferred tax for the period	4,931	(2,322)
Total Income Tax loss / Income Tax charge - Income/(loss)	4,931	(2,322)

Albanesi Energía S.A.

Notes to the condensed interim Financial Statements (Cont'd)

NOTE 18: FINANCIAL AND NON-FINANCIAL ASSETS AND LIABILITIES

The categories of financial instruments were determined based on IFRS 9.

At March 31, 2022	Financial assets/liabilities at amortized cost	Financial assets/liabilities at fair value through profit or loss	Non-financial assets/ liabilities	Total
Assets				
Trade and other receivables	14,360	-	2,106	16,466
Cash and cash equivalents	8,106	5,730	-	13,836
Non-financial assets	-	-	252,574	252,574
Total	22,466	5,730	254,680	282,876
Liabilities				
Trade payables	4,907	-	-	4,907
Loans (finance leases excluded)	238,576	-	-	238,576
Finance leases	125	-	-	125
Non-financial liabilities	-	-	5,325	5,325
Total	243,608	-	5,325	248,933
At December 31, 2021				
At December 31, 2021	Financial assets/liabilities at amortized cost	Financial assets/liabilities at fair value through profit or loss	Non-financial assets/ liabilities	Total
Assets				
Trade and other receivables	13,613	-	2,327	15,940
Cash and cash equivalents	4,143	5,305	-	9,448
Non-financial assets	-	-	250,386	250,386
Total	17,756	5,305	252,713	275,774
Liabilities				
Trade payables	6,710	-	-	6,710
Loans (finance leases excluded)	231,595	-	-	231,595
Finance leases	226	-	-	226
Non-financial liabilities	-	-	4,821	4,821
Total	238,531	-	4,821	243,352

Below are presented the revenues, expenses, profits, and losses arising from each financial instrument category.

At March 31, 2022	Financial assets at amortized cost	Financial assets/liabilities at fair value	Financial liabilities at amortized cost	Total
Interest earned	213	-	-	213
Interest paid	-	-	(7,307)	(7,307)
Income/(loss) from sale of AESA's own Negotiable Obligations	11	-	-	11
Exchange difference, net	(2,288)	-	3,211	923
Other financial costs	-	700	(5,429)	(4,729)
Total	(2,064)	700	(9,525)	(10,889)

Albanesi Energía S.A.

Notes to the condensed interim Financial Statements (Cont'd)

NOTE 18: FINANCIAL AND NON-FINANCIAL ASSETS AND LIABILITIES (Cont'd)

At March 31, 2021	Financial assets at amortized cost	Financial assets/liabilities at fair value	Financial liabilities at amortized cost	Total
Interest earned	87	-	-	87
Interest paid	-	-	(7,824)	(7,824)
Exchange difference, net	(6,199)	-	5,067	(1,132)
Other financial costs	-	82	(1,287)	(1,205)
Total	(6,112)	82	(4,044)	(10,074)

Determination of fair value

The Company classifies fair value measurements of financial instruments using a three-level hierarchy, which gives priority to the inputs used in making such measurements: Fair value hierarchies:

- Level 1: Inputs such as (unadjusted) quoted prices in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., prices) or indirectly (i.e. deriving from prices).
- Level 3: Inputs on the assets or liabilities not based on observable market inputs (i.e. unobservable inputs).

The following charts show financial assets and liabilities measured at fair value at March 31, 2022 and their allocation to the different fair value hierarchy levels:

At March 31, 2022	Level 1	Level 3	Total
Assets			
<i>Other financial assets at fair value through profit or loss</i>			
Mutual funds	5,730	-	5,730
Property, plant and equipment	-	232,206	232,206
Total	5,730	232,206	237,936
At December 31, 2021	Level 1	Level 3	Total
Assets			
<i>Other financial assets at fair value through profit or loss</i>			
Mutual funds	5,305	-	5,305
Property, plant and equipment	-	234,964	234,964
Total	5,305	234,964	240,269

The fair value of financial instruments traded in active markets is based on quoted market prices at the date of these condensed interim Financial Statements. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in Level 1.

Albanesi Energía S.A.

Notes to the condensed interim Financial Statements (Cont'd)

NOTE 18: FINANCIAL AND NON-FINANCIAL ASSETS AND LIABILITIES (Cont'd)

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on the Company's specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. No financial instruments should be included in Level 2. If one or more of the significant inputs is not based on observable market inputs (i.e. unobservable inputs), the instrument is included in level 3. These instruments are included in Level 3. This is the case of the revaluation of certain categories of property, plant and equipment.

Specific valuation techniques used to determine the fair value of property, plant and equipment include:

- a) As for Land and Buildings, they have been adjusted by a method using coefficients that comprise changes in the purchasing power of the currency to conform a fair value.
- b) The fair values of Facilities and Machinery have been calculated based on discounted cash flows (See Note 5.a).

NOTE 19: TRANSACTIONS AND BALANCES WITH RELATED PARTIES

a) *Balances at the date of the statements of financial position*

	03/31/2022	12/31/2021
Other receivables		
<u>Current</u>		
RGA - Advances granted	1,729	2,930
	1,729	2,930
Trade payables		
<u>Non-current</u>		
RGA - Surety payable	1,996	1,996
	1,996	1,996
<u>Current</u>		
RGA	-	883
	-	883
Financial debts		
<u>Non-current</u>		
RGA	43,187	42,117
	43,187	42,117

Albanesi Energía S.A.

Notes to the condensed interim Financial Statements (Cont'd)

NOTE 19: TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Cont'd)

b) Transactions for the period

	03/31/2022	03/31/2021
	Income/(Loss)	
	USD	
Purchase of gas		
RGA	(1,961)	(1,628)
	(1,961)	(1,628)
Leases		
RGA	(9)	(5)
	(9)	(5)
Services		
RGA	(312)	(312)
	(312)	(312)
Interest paid		
RGA	(1,059)	(1,363)
	(1,059)	(1,363)
Exchange difference		
RGA	-	6
	-	6
Reimbursement of expenses		
RGA	(1)	-
	(1)	-
Guarantee		
RGA	(139)	(86)
	(139)	(86)

c) Remuneration of key managerial staff

	03/31/2022	03/31/2021
	Income/(loss)	
	USD	
Remuneration of key managerial staff		
Salaries	(24)	(20)
	(24)	(20)

Albanesi Energía S.A.

Notes to the condensed interim Financial Statements (Cont'd)

NOTE 19: TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Cont'd)

d) *Loans received from related parties*

	03/31/2022	03/31/2021
Loans from RGA		
Loans at beginning of the period	42,117	40,818
Accrued interest	1,070	1,067
Assigned interest	-	(3,000)
Loans at period end	43,187	38,885

	Principal	Interest rate	Conditions
At 03/31/2022			
RGA	20,000	17%	Maturity date: 2 years
RGA	4,701	19%	Maturity date: 2 years
Total in thousands of US dollars	24,701		

NOTE 20: INSURANCE CONTRACTS IN FORCE

All-risk insurance:

All-risk insurance policy with coverage for loss of profit

The Company has taken out all-risk insurance coverage for all the risks of loss or physical damage, whether it is accidental or unforeseeable, including machinery failures and loss of profit as a result, up to 12 months, directly and totally attributable to any cause. The aim of this policy is to cover the losses caused by the interruption of the activities as a result of the accident, both as regards the profit that is no longer obtained and the expenses the Company continues to bear despite its inactivity, such that the insured may be in the same financial situation as if the accident had not occurred.

This insurance covers all physical assets of any type and description, not expressly excluded from the text of the policy, belonging to the insured or in his/her care, custody or control, for which the insured has assumed a responsibility for insuring against any damage, or for which the insured may acquire an insurable interest.

On October 30, 2021, the all-risk insurance policy of all generators of Grupo Albanesi was renewed for a further 12 months through first-class insurers such as: Starr Insurance Companies, Nación Seguros, Federación Patronal, Sancor, Chubb and Provincia Seguros.

Civil liability:

These policies provide coverage for underlying civil liability of the insured, as a result of injuries and/or death of third parties and/or damages to third-party property, caused and/or derived from the development of the insured's activity and product liability, subject to the terms, conditions, limitations and exclusions contained in the policy.

They are structured as follows:

Individual policies were taken out for each of the Group companies, with a maximum compensation of USD 1,000 thousand per event and two reinstatement clauses over the life of the policy.

In addition, an insurance policy common to all companies has been taken out with a compensation limit of USD 9,000 thousand per event and during the effective term of the policy in excess of USD 1,000 thousand (individual policies), with two reinstatements exclusively for operations liability and without reinstatement for product liability.

Albanesi Energía S.A.

Notes to the condensed interim Financial Statements (Cont'd)

NOTE 20: INSURANCE CONTRACTS IN FORCE (Cont'd)

Directors and Officers (D&O) liability insurance:

This policy covers all actions or decision-making of directors and/or officers acting in such capacity, outside the professional service or company where they work; for example, hirings and firings of employees; financial, advertising and marketing decisions; mergers or acquisitions; shareholders' statements, accounting records, which are performed with negligence or fault, error or imprudence and cause an economic damage to an employee, shareholder or third party. It does not cover fraudulent activities.

It also covers the company in case of stock-exchange claims or from holders of bonds or securities.

It covers the personal property of present, past or future directors and/or officers, and the company's exposure to capital market risks.

Automobile insurance:

This insurance covers the damage to own vehicles as well as extra-contractual civil liability of the owner, user or driver of the automobile involved in an accident where third parties are injured or die.

Transport insurance:

The Company has an insurance policy that covers the transport expenses incurred by all generators of Grupo Albanesi under the modality of sworn statement to be presented monthly in arrears. This urban, national or international transport insurance policy covers the losses or damages to the insured's goods while they are being carried whether by land, air or water (by river or sea).

Environmental Bond:

The Environmental Damage Risk Insurance Policy with Group Incidence complies with environmental bond required by the enforcement authorities under General Environmental Law No. 25675, Section. 22.

Judicial bond:

Insurance bond for judicial guarantees provides litigants with an appropriate means to guarantee their procedural obligations when the respective Code so requires.

These coverages apply both in cases in which the judge hearing the case has ordered the lock of a provisional remedy, and in those in which the constitution of a counterbond has been arranged.

Replacement of provisional remedies: the provisional remedy can be substituted by the defendant in a lawsuit through this policy, thereby releasing the equity affected by such measure.

Counterbond: it is the guarantee that must be provided by the person who has requested the lock of a provisional remedy to guarantee the damages that may arise in case of having requested it without right.

Electronic equipment technical insurance:

This insurance provides coverage for the risks that may be suffered by fixed or mobile office electronic equipment for data processing, such as PCs, notebooks, photocopiers, telephone central systems, etc., as per a detail provided by the insured in case of accidental, sudden and unforeseen events.

Albanesi Energía S.A.

Notes to the condensed interim Financial Statements (Cont'd)

NOTE 20: INSURANCE CONTRACTS IN FORCE (Cont'd)

Mandatory life insurance:

Employers are required to take out Mandatory Group Life Insurance in favor of their employees. This insurance policy provides 24-hour coverage for employees' risk of death for whatever reason and without limitation in Argentina and abroad.

Life insurance, as required by the Employment Contract Law (LCT):

This insurance covers obligations arising under the Employment Contract Law, if the company has to pay compensation in case of total and permanent disability or death of the employee, for whatever reason.

Group life insurance:

The Company has taken out a Group Life Insurance Policy to the benefit of all Group's employees. This Policy provides coverage by granting compensation in case of death, partial losses caused by accidents, total and permanent disability, advance payments in case of serious diseases, organ transplants and birth of posthumous child.

NOTE 21: WORKING CAPITAL

The Company reported a deficit of USD 27,815 in its working capital (calculated as current assets less current liabilities) at March 31, 2022. The deficit in working capital amounted to USD 17,039 at December 31, 2021.

The Board of Directors and the shareholders will implement measures to improve the working capital.

NOTE 22: SEGMENT REPORTING

The information on exploitation segments is presented in accordance with the internal information furnished to the chief operating decision maker (CODM). The Board of Directors of the Company has been identified as the highest authority in decision-making, responsible for allocating resources and assessing the performance of the operating segments.

The management has determined the operating segment based on reports reviewed by the Board of Directors and used for strategic decision making.

Upon commercial authorization for generation and delivery of steam in February 2019, the Board of Directors considers the business as two separate segments: generation and sale of electric energy and generation and sale of steam.

The assets (property, plant and equipment) used in these activities are situated in the Republic of Argentina.

At 03/31/2022	Energy	Steam	Total
Sales revenue	13,113	2,965	16,078
Cost of sales	(6,890)	(1,127)	(8,017)
Gross income/(loss)	6,223	1,838	8,061
Selling expenses	(123)	(28)	(151)
Administrative expenses	(352)	(79)	(431)
Operating income/(loss)	5,748	1,731	7,479
Financial income	174	39	213
Financial expenses	(5,986)	(1,353)	(7,339)
Other financial results	(3,069)	(694)	(3,763)
Financial results, net	(8,881)	(2,008)	(10,889)
Pre-tax profit/(loss)	(3,133)	(277)	(3,410)
Income Tax	4,022	909	4,931
Income for the period	889	632	1,521

Albanesi Energía S.A.

Notes to the condensed interim Financial Statements (Cont'd)

NOTE 22: SEGMENT REPORTING (Cont'd)

At 03/31/2021	Energy	Steam	Total
Sales revenue	12,375	1,780	14,155
Cost of sales	(7,115)	(1,024)	(8,139)
Gross income/(loss)	5,260	756	6,016
Selling expenses	(101)	(14)	(115)
Administrative expenses	(357)	(51)	(408)
Operating income/(loss)	4,802	691	5,493
Financial income	76	11	87
Financial expenses	(6,845)	(985)	(7,830)
Other financial results	(2,038)	(293)	(2,331)
Financial results, net	(8,807)	(1,267)	(10,074)
Pre-tax profit/(loss)	(4,005)	(576)	(4,581)
Income Tax	(2,030)	(292)	(2,322)
(Loss) for the period	(6,035)	(868)	(6,903)

The information used by the Board of Directors for decision-making is based primarily on operating indicators of the business. There are no substantial differences between this information and the disclosures in these condensed interim Financial Statements prepared under IFRS. Considering that the adjustments between the previous accounting standards and IFRS refer to non-operating items, this information has not been substantially affected by the application of new standards.

NOTE 23: STORAGE OF DOCUMENTATION

On August 14, 2014, the CNV adopted General Resolution No. 629 introducing amendments to its regulations on storage and preservation of corporate books, accounting records and business documents. The Company keeps and preserves its corporate books, accounting records and relevant business documents at its principal place of business located at Av. L.N. Alem 855, Floor 14, City of Buenos Aires.

Furthermore, the Company has sent its working papers and non-sensitive information for fiscal years not yet statute-barred to its storage services supplier:

Entity responsible for warehousing of information - Domicile

Bank S.A. - Colectora oeste panamericana w/ calle 28. Garín
 Bank S.A. - Colectora oeste panamericana km 31,7, Gral. Pacheco
 Bank S.A. - Carlos Pellegrini 1201 - Dock Sud

A detail of the documentation sent for preservation is available at the registered office of that entity, as well as the documentation referred to by article 5, clause a.3), Section I of Chapter V, Title II, of the REGULATIONS (N.T. 2013 as amended).

Albanesi Energía S.A.

Notes to the condensed interim Financial Statements (Cont'd)

NOTE 24: ECONOMIC CONTEXT IN WHICH THE COMPANY OPERATES

The Company has been operating in a complex economic environment characterized by a strong volatility, both nationally and internationally.

2021 was a year marked by recovery of the economic activity, after the GDP contraction by 9.9% experienced by Argentine economy in 2020. A rebound in economic activity was foreseeable, after being practically blocked for several consecutive months as a result of the sanitary restrictions relating to the COVID-19 pandemic; even so, the improvement in international prices of Argentine exportable products, the approval and massive application of vaccines — especially in the second half of 2021 — which gave way to less strict health measures, and the extraordinary inflow of funds as a stimulus measure by the IMF to help countries address the effects of COVID-19, produced a greater recovery than was expected at the beginning of the year. It is estimated that GDP grew by 10% in 2021.

However, various factors caused recovery to be uneven among all sectors, with some segments still unable to reach the levels of 2018, when recession began.

In addition, by mid-year uncertainty over the congressional elections to be held in September and November came about, generating an increase in demand for foreign currency by individuals and businesses. This led the BCRA to tighten controls on access to the foreign exchange market; as a consequence, the different alternative rates of exchange reached values up to 100% higher than the official rate. A combination of money issuance, global inflation, inertia and expectation resulted in 2021 ending with the second highest record of year-on-year price increase since 1991 — 50.9% year-on-year variation in the CPI at December, 2021.

In the first quarter of 2022, Argentina found a solution to its indebtedness with the IMF. By the end of January, an understanding was reached between our country and that Organization, whereby fiscal and monetary targets would have been agreed in exchange for a refinancing of debt maturities.

The main indicators in our country are as follows:

- The increase in GDP year-on-year expected for 2022 is around 4% as projected by the IMF WEO Report of April 2022.
- Cumulative inflation between January 1, 2022 and March 31, 2022 was 16.07% (CPI).
- Between December 31, 2021 and March 31, 2022, the peso depreciated 8.07% relative to the US dollar, according to the Banco de la Nación Argentina exchange rate.
- The monetary authority imposed tighter foreign exchange restrictions, which have also affected the value of the foreign currency in existing alternative markets for certain exchange transactions that are restricted in the official market.

With these measures, which aim at restricting access to the foreign exchange market to curb the demand for dollars, prior authorization from the Central Bank of Argentina is required for certain transactions (except for the cases expressly indicated in the regulation); the following being applicable to the Company:

- Payment of financial loans granted by non-residents: companies that have scheduled payments of principal falling due between October 15, 2020 and June 30, 2022 must submit a refinancing plan of at least 60% of the principal amount due, with a new external indebtedness with an average life of two years, allowing them to access the foreign exchange market only to pay 40% of the principal amount due.
- Payment, as from September 1, 2019, for the issuance of publicly traded debt securities in Argentina stated in foreign currency.
- Payment of debts in foreign currency between residents.
- Payment abroad for certain imports (e.g., advance or sight payments if the importer has no quota available).
- Payment for imports of services to foreign related companies.
- Formation of external assets.

Albanesi Energía S.A.

Notes to the condensed interim Financial Statements (Cont'd)

NOTE 24: ECONOMIC CONTEXT IN WHICH THE COMPANY OPERATES (Cont'd)

Additionally, the currency system had already determined that funds obtained from the following transactions and items have to be brought in and traded in the local exchange market:

- Exports of goods
- Collections of pre-export financing, advances and post-export financing of goods
- Service exports
- Sale of non-produced non-financial assets
- Sale of external assets

These foreign exchange restrictions, or those to be issued in the future, might affect the Company's ability to access the Single Free Foreign Exchange Market (Mercado Único y Libre de Cambios, MULC) for the purchase of the necessary foreign currency to meet its financial obligations.

In addition, the Government announced a series of measures in October 2020 to contribute to the development of exportable assets and to boost the domestic market and the construction industry.

This context of volatility and uncertainty persisted at the date of issue of these Financial Statements. However, all issuances performed over the last 12 months in the capital markets as well as renegotiations with local banks have been successful and it is expected that they continue so in the next fiscal year; this context might limit access to the debt market and could create difficulties in the renegotiation of existing liabilities.

Company Management permanently monitors the performance of variables affecting its business, to define the course of action and identify the potential impact on its economic and financial position. The Company's Financial Statements must be read in light of these circumstances.

NOTE 25: CLASSIFICATION OF RECEIVABLES AND DEBTS BY DUE DATES AND INTEREST ACCRUAL

The breakdown of receivables and debts at March 31, 2022, according to their collection or payment term and restatement clauses, is detailed in the table below:

	Trade receivables	Deferred tax assets, net	Other receivables	Trade payables	Loans	Remuneration and social security contributions	Tax payables	Defined benefit plan
USD								
Falling due within								
First quarter	10,374	-	2,560	2,376	10,736	287	3,277	-
Second quarter	-	-	145	535	6,288	14	442	-
Third quarter	-	-	51	-	14,245	14	-	1
Fourth quarter	-	-	3	-	18,169	14	-	-
More than 1 year	-	13,859	1,076	1,996	189,263	-	-	113
Subtotal	10,374	13,859	3,835	4,907	238,701	329	3,719	114
Past due	2,257	-	-	-	-	-	1,163	-
Total al 31,03,22	12,631	13,859	3,835	4,907	238,701	329	4,882	114
Non-interest bearing	10,374	13,859	3,835	2,898	-	329	2,202	-
At fixed rate	-	-	-	2,009	238,576	-	2,680	114
At floating rate	2,257	-	-	-	125	-	-	-
Total al 31,03,22	12,631	13,859	3,835	4,907	238,701	329	4,882	114



REVIEW REPORT ON THE CONDENSED INTERIM FINANCIAL STATEMENTS

To the Shareholders, President and Directors of
Albanesi Energía S.A.
Legal address: Leandro N. Alem 855 - 14th Floor
City of Buenos Aires
Tax Registration Number: 30-71225509-5

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Albanesi Energía S.A. as at March 31st, 2022 and the related condensed interim statements of comprehensive income, changes in equity and cash flows for the three-month period then ended and notes, comprising significant accounting policies and other explanatory notes. The Board of Directors is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Accounting Standard 34 Interim Financial Information (IAS 34). Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of our review

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of interim financial information performed by the independent auditor of the entity'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34.

A handwritten signature in black ink, consisting of a stylized 'W' followed by a horizontal line extending to the right.



Emphasis of Matter – Purpose of these condensed interim financial statements

We draw attention to note 3 to the condensed interim financial statements, which discloses the basis of preparation, including the purposes for preparing them. Our conclusion is not modified in respect of this matter.

City of Buenos Aires, May 20, 2022.

PRICE WATERHOUSE & CO. S.R.L.

(Partner)

Raúl Leonardo Viglione