Generación Mediterránea S.A.

Condensed Interim Consolidated Financial Statements

At September 30, 2021 and for the nine- and three-month periods
ended September 30, 2021 and 2020,
presented in comparative format

(Stated in US Dollars USD)

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Contents

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 consolidated Financial Statements of the Group.

Terms	Definitions
/day	Per day
AESA	Albanesi Energía S.A.
AFIP	Federal Administration of Public Revenue
AJSA	Alba Jet S.A.
ASA	Albanesi S.A. (a company merged into GMSA)
AVRC	Alto Valle Río Colorado S.A.
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	Generación Mediterránea 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. (a company merged into GMSA)
GLSA	Generación Litoral S.A.
GMSA	Generación Mediterránea S.A.
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
GUMAs	Major Large Users
GUMEs	Minor Large Users

GLOSSARY OF TECHNICAL TERMS (Cont'd)

Terms	Definitions
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
The Company/The Group	Albanesi S.A. and its subsidiaries
LGS	General Companies Law
LVFVD	Sales 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 106
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
PAS	Arroyo Seco Project
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
SACDE	Sociedad Argentina de Construcción y Desarrollo Estratégico S.A.
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 Dollars
UVA	Unit of purchasing power

Generación Mediterránea S.A.

Composition of the Board of Directors and Syndics' Committee
at September 30, 2021

President
Armando Losón (Jr.)

1st Vice President
Guillermo Gonzalo Brun

2nd Vice President
Julián Pablo Sarti

Full Directors
María Eleonora Bauzas
Sebastian Andrés Sánchez Ramos
Oscar Camilo De Luise
Ricardo Martín López
Romina Solange Kelleyian
Osvaldo Enrique Alberto Cado

Alternate Directors
José Leonel Sarti
Juan Gregorio Daly
Juan Carlos Collin
Jorge Hilario Schneider
María Andrea Bauzas

Full Syndics
Enrique Omar Rucq
Marcelo Pablo Lerner
Francisco Agustín Landó

Alternate Syndics
Marcelo Claudio Barattieri
Marcelo Rafael Tavarone
Carlos Indalecio Vela

Generación Mediterránea S.A.

Condensed Interim Consolidated Financial Statements

Corporate name:	**Generación Mediterránea S.A.**
Legal address:	Av. L.N. Alem 855, 14th floor - City of Buenos Aires
Main business activity:	Generation and sale of electric energy Development of energy projects, execution of projects, advisory services, provision of services, management, administration and performance of works of any kind. Investments and financial operations of any kind, except those established by Law No. 21526
Tax Registration Number:	30-68243472-0

Dates of Registration with the Public Registry of Commerce:

Bylaws or incorporation agreement:	January 28, 1993
Latest amendment:	December 4, 2017
Registration with the Legal Entities Regulator under number:	644 of Book 112, Volume A of Corporations
Expiration date of Company By-laws:	January 28, 2092

Generación Mediterránea S.A.

Condensed Interim Consolidated Statement of Financial Position
At September 30, 2021 and December 31, 2020
Stated in US Dollars

	Notes	09/30/2021	12/31/2020
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	**7**	917,051,008	678,273,560
Investments in associates	**8**	3,617,874	-
Investments in other companies		806	945
Deferred tax assets	**21**	4,454	-
Income tax credit balance, net		23,378	-
Other receivables		4,393,548	61,634,398
Other financial assets at fair value through profit or loss	**10**	40,099,202	-
Total non-current assets		**965,190,270**	**739,908,903**
CURRENT ASSETS			
Inventories		4,204,913	2,739,715
Income tax credit balance, net		1,824	-
Other receivables		94,627,807	37,989,828
Trade receivables		46,802,293	42,481,066
Other financial assets at fair value through profit or loss	**10**	49,277,368	-
Cash and cash equivalents	**9**	11,535,225	22,250,836
Total current assets		**206,449,430**	**105,461,445**
Total Assets		**1,171,639,700**	**845,370,348**

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

Generación Mediterránea S.A.

Condensed Interim Consolidated Statement of Financial Position (Cont'd)
At September 30, 2021 and December 31, 2020
Stated in US Dollars

	Notes	09/30/2021	12/31/2020
EQUITY			
Share capital	**11**	2,413,831	1,641,974
Capital Adjustment		20,050,979	20,050,979
Additional paid-in capital		19,808,879	19,808,879
Legal reserve		898,326	898,326
Optional reserve		30,883,245	14,955,135
Special Reserve GR No. 777/18		49,854,894	49,210,494
Technical revaluation reserve		50,200,363	47,575,586
Other comprehensive income/(loss)		(282,181)	(48,905)
Unappropriated retained earnings/(losses)		(34,523,642)	17,930,717
Equity attributable to the owners		**139,304,694**	**172,023,185**
Non-controlling interest		**12,979,972**	**-**
Total Equity		**152,284,666**	**172,023,185**
LIABILITIES			
NON-CURRENT LIABILITIES			
Deferred tax liabilities	**21**	217,277,095	117,643,462
Other liabilities		13,562	-
Defined benefit plan		895,128	481,050
Loans	**13**	626,549,687	362,134,323
Trade payables		21,471,391	31,626,325
Total non-current liabilities		**866,206,863**	**511,885,160**
CURRENT LIABILITIES			
Other liabilities		191,363	-
Social security liabilities		2,323,271	1,249,773
Defined benefit plan		142,877	8,263
Loans	**13**	100,114,756	97,849,412
Derivative financial instruments		-	303,030
Tax payables		4,935,861	4,437,814
Trade payables		45,440,043	57,613,711
Total current liabilities		**153,148,171**	**161,462,003**
Total liabilities		**1,019,355,034**	**673,347,163**
Total liabilities and equity		**1,171,639,700**	**845,370,348**

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

Generación Mediterránea S.A.

Condensed Interim Consolidated Statement of Comprehensive Income
For the nine- and three-month periods ended September 30, 2021 and 2020
Stated in US Dollars

		Nine-month period at		Three-month period at	
	Notes	**09/30/2021**	**09/30/2020**	**09/30/2021**	**09/30/2020**
Sales revenue	**15**	155,812,740	118,291,654	56,781,910	40,717,686
Cost of sales	**16**	(68,521,691)	(39,839,978)	(27,411,369)	(13,635,491)
Gross income/(loss)		**87,291,049**	**78,451,676**	**29,370,541**	**27,082,195**
Selling expenses	**17**	(382,005)	(12,654)	(159,975)	164
Administrative expenses	**18**	(7,552,323)	(3,614,658)	(2,559,389)	(995,194)
Other operating income		37,462	664,838	8,460	571,062
Other operating expenses		(179,836)	-	(179,836)	-
Operating income/(loss)		**79,214,347**	**75,489,202**	**26,479,801**	**26,658,227**
Financial income	**19**	7,071,959	14,631,327	2,846,280	4,243,137
Financial expenses	**19**	(53,970,375)	(40,497,362)	(17,197,359)	(14,510,301)
Other financial results	**19**	(12,028,968)	(10,091,415)	(7,058,636)	(692,976)
Financial results, net		**(58,927,384)**	**(35,957,450)**	**(21,409,715)**	**(10,960,140)**
Income from interests in associates	**8**	(533,073)	-	(300,170)	-
Pre-tax profit/(loss)		**19,753,890**	**39,531,752**	**4,769,916**	**15,698,087**
Income tax	**21**	(42,316,507)	(22,350,119)	9,273,603	(11,013,143)
(Loss)/income for the period		**(22,562,617)**	**17,181,633**	**14,043,519**	**4,684,944**
Other comprehensive income/(loss)					
These items will not be reclassified under income/(loss):					
Change of Income Tax rate - Revaluation of property, plant and equipment		(14,934,390)	-	-	-
These items will be reclassified under income/(loss):					
Translation differences of subsidiaries and associates		1,207,242	-	472,554	-
Other comprehensive income/(loss) for the period		**(13,727,148)**	**-**	**472,554**	**-**
(Loss)/income for the period		**(36,289,765)**	**17,181,633**	**14,516,073**	**4,684,944**

	Note	**09/30/2021**	**09/30/2020**	**09/30/2021**	**09/30/2020**
(Loss)/income for the period attributable to:					
Owners of the company		(26,146,472)	17,181,633	8,074,205	4,684,944
Non-controlling interest		3,583,855	-	5,969,314	-
Comprehensive (loss)/income for the period attributable to:					
Owners of the company		(38,976,294)	17,181,633	8,546,728	4,684,944
Non-controlling interest		2,686,529	-	5,969,345	-
(Losses)/earnings per share attributable to the owners					
Basic and diluted (losses)/earnings per share	**20**	(0.13)	0.12	0.04	0.03

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

Generación Mediterránea S.A.

Condensed Interim Consolidated Statement of Changes in Equity
For the nine-month periods ended September 30, 2021 and 2020
Stated in US Dollars

	Attributable to Shareholders											
	Shareholders' contributions			Retained earnings								
	Share capital (Note 11)	Capital adjustment	Additional paid-in capital	Legal reserve	Optional reserve	Special Reserve GR No. 777/18	Technical revaluation reserve	Other comprehensive income/ (loss)	Unappropriated retained earnings/ (losses)	Total	Non-controlling interest	Total equity
Balances at December 31, 2019	**1,641,974**	**20,050,979**	**19,808,879**	**898,326**	**14,955,135**	**52,050,258**	**50,896,879**	**(69,950)**	**(10,437,220)**	**149,795,260**	**-**	**149,795,260**
Reversal of technical revaluation reserve	-	-	-	-	-	(1,883,016)	(1,841,290)	-	3,724,306	-	-	-
Income for the nine-month period	-	-	-	-	-	-	-	-	17,181,633	17,181,633	-	17,181,633
Balances at September 30, 2020	**1,641,974**	**20,050,979**	**19,808,879**	**898,326**	**14,955,135**	**50,167,242**	**49,055,589**	**(69,950)**	**10,468,719**	**166,976,893**	**-**	**166,976,893**
Other comprehensive income/(loss)	-	-	-	-	-	-	(544,455)	21,045	-	(523,410)	-	(523,410)
Reversal of technical revaluation reserve	-	-	-	-	-	(956,748)	(935,547)	-	1,892,296	-	-	-
Income for the complementary three-month period	-	-	-	-	-	-	-	-	5,569,702	5,569,702	-	5,569,702
Balances at December 31, 2020	**1,641,974**	**20,050,979**	**19,808,879**	**898,326**	**14,955,135**	**49,210,494**	**47,575,586**	**(48,905)**	**17,930,717**	**172,023,185**	**-**	**172,023,185**
Addition due to merger as from January 1, 2021 (Note 1)	771,857	-	-	-	-	10,457,325	12,509,246	(233,276)	(17,247,349)	6,257,803	10,293,443	16,551,246
Shareholders' Meeting dated June 1, 2021:												
- Setting up of optional reserve	-	-	-	-	15,928,110	-	-	-	(15,928,110)	-	-	-
Other comprehensive income/(loss)	-	-	-	-	-	(6,994,076)	(7,042,988)	-	1,207,242	(12,829,822)	(897,326)	(13,727,148)
Reversal of technical revaluation reserve	-	-	-	-	-	(2,818,849)	(2,841,481)	-	5,660,330	-	-	-
Loss for the nine-month period	-	-	-	-	-	-	-	-	(26,146,472)	(26,146,472)	3,583,855	(22,562,617)
Balances at September 30, 2021	**2,413,831**	**20,050,979**	**19,808,879**	**898,326**	**30,883,245**	**49,854,894**	**50,200,363**	**(282,181)**	**(34,523,642)**	**139,304,694**	**12,979,972**	**152,284,666**

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

Generación Mediterránea S.A.

Condensed Interim Consolidated Statement of Cash Flows

For the nine-month periods ended September 30, 2021 and 2020
Stated in US Dollars

	Notes	09/30/2021	09/30/2020
Cash flows provided by operating activities:			
(Loss)/income for the period		(22,562,617)	17,181,633
Adjustments to arrive at net cash flows provided by operating activities:			
Income tax	**21**	42,316,507	22,350,119
Income/(loss) from interests in associates	**8**	533,073	-
Depreciation of property, plant and equipment	**7 and 16**	28,514,411	17,156,726
Present value of receivables and debts		568,140	488,747
Provision for Directors' fees	**18**	701,317	-
Income/(loss) from the sale of property, plant and equipment		-	(569,108)
Income/(loss) from changes in the fair value of financial instruments	**19**	(1,464,208)	276,901
Income/(loss) from repurchase of negotiable obligations	**19**	(320,058)	-
Interest and exchange differences and other		46,753,116	115,318,851
RECPAM (Purchasing Power Parity)	**19**	(1,180,943)	(81,970,273)
Difference in UVA value	**19**	8,405,309	-
Other financial results		248,078	-
Accrual of benefit plans	**16**	80,385	44,019
Changes in operating assets and liabilities:			
Decrease in trade receivables		5,102,375	13,164,569
(Increase)/decrease in other receivables (1)		(6,580,908)	18,720,746
(Increase)/Decrease in inventories		(681,249)	133,024
(Decrease) in trade payables (2)		(34,809,562)	(45,155,391)
Increase in defined benefit plans		56,541	-
(Decrease) in other liabilities		(825,898)	(5,943)
Increase in social security liabilities and taxes		4,143,446	2,205,220
Net cash flows provided by operating activities		**68,997,255**	**79,339,840**
Cash flows from investing activities:			
Cash added due to merger/consolidation		6,953,124	-
Acquisition of property, plant and equipment	**7**	(26,389,576)	(12,699,617)
Government securities		(46,397)	(19,501)
Collection from the sale of property, plant and equipment		-	332,136
Loans granted	**23**	(4,045,008)	(15,072,460)
Loans collected		2,258,385	-
Net cash flows (used in) investing activities		**(21,269,472)**	**(27,459,442)**
Cash flows from financing activities:			
Collection of financial instruments		(808,130)	(64,132)
Repurchase of negotiable obligations		(1,101,023)	-
Payment of loans	**13**	(85,675,498)	(41,250,985)
Lease payments	**13**	(529,552)	(626,450)
Payment of interest	**13**	(61,057,760)	(43,228,790)
Borrowings	**13**	88,555,250	33,937,317
Cash flows (used in) financing activities		**(60,616,713)**	**(51,233,040)**
(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		**(12,888,930)**	**647,358**
Cash and cash equivalents at the beginning of the year	**9**	22,250,836	14,223,545
Financial results of cash and cash equivalents		2,077,437	(203,395)
Gain/loss on purchasing power parity of cash and cash equivalents		95,882	(4,475,135)
Cash and cash equivalents at the end of the period	**9**	11,535,225	10,192,373
		(12,888,930)	**647,358**

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

(1) It includes advances to suppliers for the purchase of property, plant and equipment for USD 45,356,186 and USD 30,446,034 at September 30, 2021 and 2020, respectively.

(2) It includes commercial payments for works financing (see Note 27).

Generación Mediterránea S.A.

Condensed Interim Consolidated Statement of Cash Flows (Cont'd)
For the nine-month periods ended September 30, 2021 and 2020
Stated in US Dollars

Material transactions not entailing changes in cash:

	Notes	09/30/2021	09/30/2020
Acquisition of property, plant and equipment financed by suppliers	7	(3,260,440)	(25,592,760)
Advances to suppliers applied to the acquisition of property, plant and equipment	7	(32,579)	-
Financial costs capitalized in property, plant and equipment	7	(5,070,523)	(15,157,035)
Issue of negotiable obligations paid up in kind	13	14,570,959	-
Addition BLC Loan	13	-	13,263,598
Loans to Directors, repaid		(496,414)	-
Addition of Syndicated Loan	13	-	4,524,274
Sale of property, plant and equipment		-	312,549
Issue of Class XV and XVI Negotiable Obligations - Trust	13	127,934,338	-
Mutual funds - Trust	10	(84,247,396)	-
Interest on Mutual funds capitalized in property, plant and equipment - Trust	7	5,129,174	-
Acquisition of property, plant and equipment - Trust	7	(4,515,113)	-
Advances to suppliers - Trust		(38,923,751)	-
Interest and exchange difference capitalized in property, plant and equipment - Trust	7	(5,238,974)	-
Addition of balances due to merger by absorption			
Assets			
Property, plant and equipment		74,793,066	-
Other receivables		(41,068,446)	-
Investments in subsidiaries		37,222,266	-
Total assets		**70,946,886**	**-**
Liabilities			
Loans		(50,215,815)	-
Other liabilities		(50,418)	-
Tax payables		(13,112,519)	-
Salaries and social security liabilities		(31,705)	-
Trade payables		(1,400,659)	-
Total liabilities		**(64,811,116)**	**-**
Equity attributable to the owners		(6,257,803)	-
Cash added due to merger		122,033	-

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

NOTE 1: GENERAL INFORMATION

GMSA's main line of business is the conventional thermal power generation. It has six thermal power plants operating throughout the whole country fed with natural gas as well as diesel as alternative fuel. They sell the energy generated in accordance with different regulatory frameworks. GMSA's nominal installed capacity is 900 MW.

GMSA was controlled by Albanesi S.A., an investing and financing company, which held 95% of its capital and votes. ASA was established in 1994. Through its subsidiaries and related entities, the Company has invested in the energy market, in the power generation and commercialization segment, its main line of business to date. As a result of the merger, GMSA absorbs ASA retrospectively as from January 1, 2021.

On December 21, 2020, the Board of Directors of the Company resolved to carry out a process of corporate reorganization between Generación Centro S.A. ("GECEN") and Albanesi S.A. ("ASA") whereby GECEN and ASA would be merged into GMSA (ASA and GECEN jointly referred to as the "Merged Companies") to achieve a consistent and coordinated performance of the business activities of the companies involved to their own benefit and to the benefit of their shareholders, third-party contractors, trading partners and, particularly, their investors and creditors. The merger into the Company will streamline costs, processes and resources, and the effective merger date is scheduled for January 1, 2021. Subsequently, on March 19, 2021, a Preliminary Merger Agreement was signed whereby all assets, liabilities, shareholders' equity, including recordable assets, rights and obligations of the Merged Companies would be added to the Company's equity subject to the registration of the Final Merger Agreement with the Legal Entities Regulator (IGJ) and National Securities Commission (CNV) on the Effective Merger Date. It was further agreed that the Company would act on its own behalf in relation to all acts it performs for the administration of the Merged Companies' business activities and the Company would be responsible for all profits, losses and consequences of the acts performed during that period. Notwithstanding the foregoing, it was also agreed that all the acts performed by the Merging Company as from the Effective Merger Date as a result of the administration of the business activities to be merged shall be deemed to be carried out on behalf of the Merged Companies in case that the Final Merger Agreement cannot be registered with the pertinent Public Registries for any reason. In addition, it was resolved to convene extraordinary meetings of shareholders of the companies involved in the merger process to consider all documents relating to the merger for May 11, 2021. The meetings were held and adjourned to be able to publish the merger offering circular in compliance with CNV rules. Upon expiration of the adjournment period, on May 26, 2021, the extraordinary general meetings were held and the shareholders resolved to approve the merger, its documentation, the execution of the final merger agreement, the dissolution of ASA and GECEN and the consequent GMSA capital increase. At present, the merger is in the process of being registered with the CNV.

NOTE 1: GENERAL INFORMATION (Cont'd)

Grupo Albanesi, through GMSA and its related company AESA, is engaged in the generation and sale of electricity and has focused on the gas transportation and sale business through RGA.

In recent years, the main strategy of Grupo Albanesi has been focused on achieving vertical integration, drawing on its vast experience and reputation in the natural gas sale market (obtained through RGA), with the subsequent addition of the electric power generation business. This approach seeks to capitalize the value added from the purchase from large gas producers in all the basins in the country to its transformation and sale as electric power.

Below is a detail of the equity interest of GMSA in each company, acquired as a result of the merger by absorption:

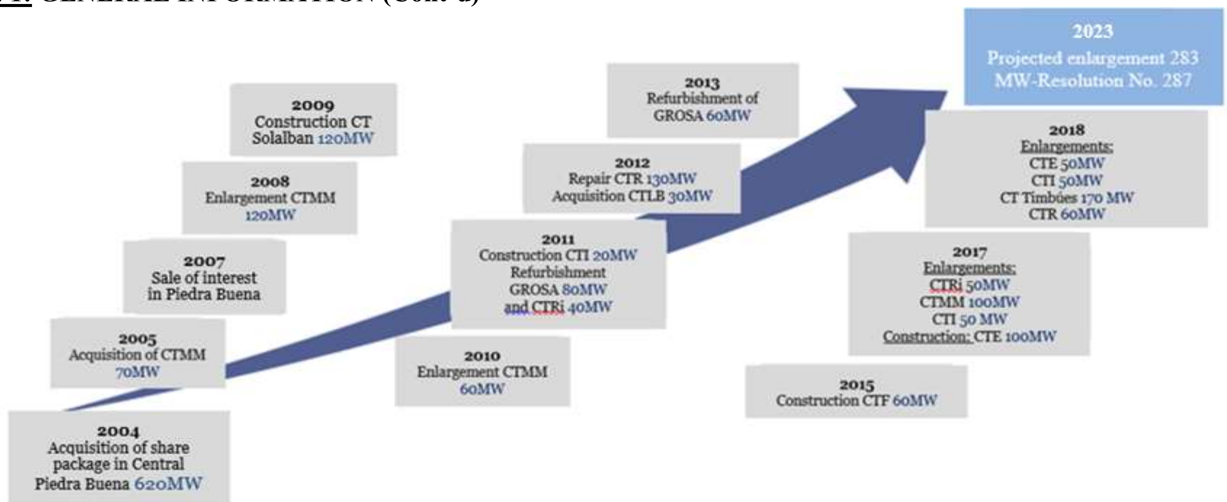
Companies	Country of creation	Main activity	% participation	
			09/30/2021	12/31/2020
CTR	Argentina	Electric power generation	75%	-
GLSA	Argentina	Electric power generation	95%	-
GROSA	Argentina	Electric power generation	95%	-
Solalban Energía S.A.	Argentina	Electric power generation	42%	-

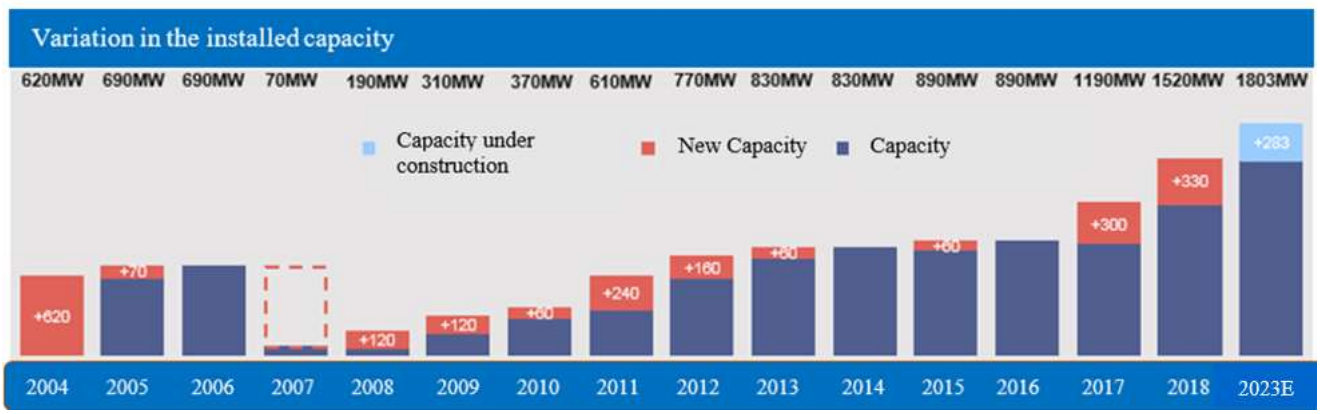
At the date these condensed interim consolidated Financial Statements were signed, Grupo Albanesi had a total installed capacity of 1,520 MW, which is being expanded with additional 283 MW with all the new projects awarded and currently under way.

Power Plant	Company	Nominal installed capacity		Resolution	Location
Central Térmica Modesto Maranzana (CTMM)	GMSA	350	MW	ES Resolutions Nos. 220/07, 1281/06 Plus and ES Resolution No. 31/2020	Río Cuarto, Córdoba
Central Térmica Independencia (CTI)	GMSA	220	MW	ES Resolutions Nos. 220/07, 1281/06 Plus, EES Resolution No. 21/16 and ES Resolution No. 31/2020	San Miguel de Tucumán, Tucumán
Central Térmica Frías (CTF)	GMSA	60	MW	ES Resolutions Nos. 220/07 and 21/2020	Frías, Santiago del Estero
Central Térmica Riojana (CTRi)	GMSA	90	MW	ES Resolutions Nos. 220/07 and 21/2020	La Rioja, La Rioja
Central Térmica La Banda (CTLB)	GMSA	30	MW	ES Resolution No. 31/2020	La Banda, Santiago del Estero
Central Térmica Ezeiza (CTE)	GMSA	150	MW	EES Resolution No. 21/16	Ezeiza, Buenos Aires
Total nominal installed capacity (GMSA)		**900**	**MW**		
Central Térmica Roca (CTR)	CTR	190	MW	ES Resolutions Nos. 220/07 and 31/2020	Gral. Roca, Río Negro
Central Térmica Sorrento	GROSA	140	MW	ES Resolution No. 31/2020	Rosario, Santa Fe
Solalban Energía S.A.		120	MW	Resolution No. 1281/06 Plus	Bahía Blanca, Buenos Aires
Total nominal installed capacity (Participation of GMSA)		**450**	**MW**		
Power Plants	AESA	170	MW	EES Resolution No. 21/16	Timbúes, Santa Fe
Total nominal installed capacity Grupo Albanesi		**1520**	**MW**		

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 market became one of the main purposes of the Group.

NOTE 1: GENERAL INFORMATION (Cont'd)





Through EES Resolution No. 287 - E/2017 of May 10, 2017, the ES instructed CAMMESA to call for those interested parties to offer new thermal generation focused on closure of combined cycles and co-generation technology, with the commitment to install and start up new generation to meet the demand in the WEM.

GMSA participated in that call and was awarded two projects for closure of combined cycles through EES Resolution 926 – E/2017.

Project for closure of cycle Ezeiza

One of the awarded projects was the closure of the combined cycle of CTE TG01, TG02 and TG03 units. The project related to this bidding process consists in i) the installation of a fourth Siemens SGT-800 gas turbine of 54 MW and ii) the conversion into combined cycle of the four gas turbines. For the conversion into combined cycle, a steam recovery boiler will be installed at the gas exhaust of each of the gas turbines, which will produce steam in two pressures to feed two steam turbines (2x1 configuration) that will deliver 44 MW each to the network. The project for the closure of CTE combined cycle will enable contributing a further 138 MW to SADI. Although the new gas turbine to be installed will consume additional fuel, the inclusion of two steam turbines will contribute a further 88 MW without additional fuel consumption, and the two full cycles will have a specific consumption of 1,590 Kcal/KWh.

NOTE 1: GENERAL INFORMATION (Cont'd)

Project for closure of cycle Ezeiza (Cont'd)

On September 2, 2019, the SRRYME Resolution No. 25/2019 was published whereby the generating agents awarded projects under EES Resolution No. 287/2017 were authorized to extend the commercial authorization term.

On October 2, 2019, the Company used the option established in the Resolution to formally state a New Date Committed for Commercial Authorization (NFHCC) under the wholesale demand agreements entered into in accordance with EES Resolution No. 287/2017 belonging to CTE and CTMM, respectively. For this purpose, the Company has stated as NFHCC December 6, 2022, for both agreements.

On June 10, 2020, the Energy Secretariat by means of Note No. NO-2020-37458730-APN-SE#MDP temporarily suspended the computing of the period for the performance of the contracts under former EES Resolution No. 287/2017 as to the cases that did not obtain the commercial authorization at the time the pertinent Note was published. This suspension is based on the circumstances occurring as from the COVID-19 pandemic and social, preventive and mandatory isolation imposed by Emergency Decree (DNU) No. 297 dated March 19, 2020. The suspension of the term computing is effective for 180 days as from the date of publication of the Emergency Decree (DNU) No. 260 dated March 12, 2020.

On September 25, 2020, a Note was sent to CAMMESA accepting the terms indicated in Note NO-2020-60366379-APN-SSEE#MEC in which the suspension of the term computing mentioned in the above paragraph is extended until November 15, 2020.

On January 11, 2021, a Note was sent to CAMMESA accepting the terms indicated in Note NO-2020-88681913-APN-SE#MEC in which the suspension of the term computing is extended for 45 calendar days as from November 16, 2020.

On July 1, 2021, a contract was executed with Sociedad Argentina de Construcción y Desarrollo Estratégico S.A. for the project of the CTE Closure of Cycle. The project includes the review of engineering, management of project's supplies and procurement, execution of civil and electromechanical works to install the main generation equipment and associated systems. The Company will rely on its own organization system to control the construction, supplies, progress of works and their certification. The pricing method is mixed: unit prices for equipment supplies and civil works, fixed amount for the rest. Execution term is 28 months (See Note 29).

The contract includes a performance bond for 15% on the total contract amount, formalized as a bond insurance. The contract states daily progressive penalties in the case of noncompliance with the term, with a cap of up to 10% of the value and daily rewards for accelerating the dispatch date up to a limit of USD 2,000,000. It also includes a bonus for project completion of USD 1,500,000.

Contractual start date was July 16, 2021 and end date is November 8, 2023.

NOTE 1: GENERAL INFORMATION (Cont'd)

Project for closure of cycle Ezeiza (Cont'd)

On July 16, 2021, the Company issued Class XV and XVI Negotiable Obligations for a total amount equivalent to USD 130,000,000; the proceeds shall be allocated exclusively to investments necessary for the start-up of the CTE enlargement during 2023 (see Note 13.a.4).

Project for closure of cycle Río IV

The other of the projects is the closure of the combined cycle of the TG06 and TG07 units at CTMM, located in Río Cuarto, Province of Córdoba. The project consists in the installation of a new 54 MW Siemens SGT800 gas turbine (with a guaranteed power of 47.5 MW) and the conversion into combined cycle of the three gas turbines (3x1 configuration). For such conversion, a heat recovery steam generator that will generate steam at two pressures will be installed at the outflow of the gas turbines to feed a steam turbine SST-600 that will supply an additional 65 MW to the network, as well as the necessary infrastructure for its operation and maintenance. The project for the closure of CTMM combined cycle will enable contributing a further 112.5 MW to SADI. The addition of the new gas turbine will demand more fuel for the system. The addition of the steam turbine will contribute 65 MW, without additional consumption of fuel, with the complete cycle recording a specific consumption of 1,590 Kcal/KWh.

Co-generation Project Arroyo Seco

Under ES Resolution No. 287/2017, the Energy Secretariat requested offers to implement projects of electricity generation through the closure of open cycles and co-generation. Within this framework, GECEN (Company merged into GMSA) presented a co-generation project in Arroyo Seco, Province of Santa Fe, for 100 MW power.

The installation of three projects including the project presented by GECEN was awarded through ES Resolution No. 820/2017 by the Energy Secretariat. The selected projects comply with the criteria of installing efficient generation and/or improving the thermal units of the current power generation plants. This means an economic benefit for the electric system in all scenarios.

The project consists in the installation of two SGT800 Siemens gas turbines, each with a nominal capacity of 50 MW and two recovery boilers which will generate steam using exhaust fumes from the turbine. The Company will thus generate (i) electricity that will be sold under a contract signed with CAMMESA within the framework of a public bidding under EES Resolution No. 287/2017 and awarded under EES Resolution No. 820/2017 for a term of 15 years, and (ii) steam, to be supplied to LDC Argentina S.A. for its plant in Arroyo Seco, by means of a steam and electric power generation contract for an extendable term of 15 years.

On August 9, 2017, the contract for the purchase of the turbines with Siemens was entered into for SEK 270,216,600 million. The contract is for the purchase of two SGT800 Siemens Industrial Turbomachinery AB gas turbines, including whatever is necessary for their installation and start-up.

NOTE 1: GENERAL INFORMATION (Cont'd)

Co-generation Project Arroyo Seco (Cont'd)

On January 12, 2018, a contract was signed with the supplier Vogt Power International Inc. for the provision of two recovery steam boilers for a total amount of USD 14,548,000. In turn, on March 26, 2018, a contract was signed with the supplier Siemens Ltda. for the purchase of a steam turbine for a total amount of USD 5,370,500. The contract comprises the purchase of an SST-300 steam turbine, including whatever is necessary for its installation and start-up.

GECEN and CAMMESA signed the Wholesale Demand contract on November 28, 2017.

On September 2, 2019, the SRRYME Resolution No. 25/2019 was published whereby the generating agents awarded projects under ESS Resolution No. 287/2017 were authorized to extend the commercial authorization term. The date scheduled by GECEN for commercial authorization is July 11, 2022.

On November 5, 2019, through the minutes of the Board of Directors' Meeting, it was decided to set aside the sale of the Company's assets in view of the NFHCC mentioned in the preceding paragraph, and, accordingly, to devote all necessary efforts to finance the thermal power co-generation project at Arroyo Seco.

On June 10, 2020, the Energy Secretariat by means of Note No. NO-2020-37458730-APN-SE#MDP temporarily suspended the computing of the period for the performance of the contracts under former EES Resolution No. 287/2017 as to the cases that did not obtain the commercial authorization at the time the pertinent Note was published. This suspension is based on the circumstances occurring as from the COVID-19 pandemic and social, preventive and mandatory isolation imposed by Emergency Decree (DNU) No. 297 dated March 19, 2020. The suspension of the term computing is effective for 180 days as from the date of publication of the Emergency Decree (DNU) No. 260 dated March 12, 2020.

The progress on the project has been limited for prudence reasons until the financing ensuring the completion of the works required for the start of commercial operations is obtained, with only minor payments under the main equipment purchase contracts being made.

The environment

CTMM has maintained certification of an Integrated Management System under ISO 9001:2015, ISO 14001:2015 and OHSAS 18001:2007. The pertinent documentation has been updated in compliance with the new management requirements, as a result of the enlargement of its electric power generation process.

In July 2017, the Environmental and Quality Management Systems were migrated to the new 2015 version and placed in production, upon completion of the respective in-house training and distance learning.

NOTE 1: GENERAL INFORMATION (Cont'd)

The environment (Cont'd)

CTI, CTLB, CTRi and CTF have maintained certification of an Environmental Management System under ISO 14001:2015, developed and implemented within the corporation. The pertinent documentation has been updated in compliance with the new management requirements of the organization, as a result of the changes introduced with the updated version of the Standard and the field realities in view of the project development related to the expansion of the existing processes and the installation of new generation sites.

In July 2017, the Environmental Management System was migrated to the new 2015 version and placed in production, upon completion of the respective in-house training and distance learning.

The staff has been trained according to the training needs identified for a correct performance of duties, and the controls and preventative follow-ups undertaken have been performed as planned.

In the October-November 2017 period a new satisfactory external audit of maintenance control over the Comprehensive Management System was performed by IRAM as certified entity.

NOTE 2: REGULATORY ASPECTS RELATING TO ELECTRICITY GENERATION

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

ES Resolution No. 440/2021

ES Resolution No. 440/2021 has amended ES Resolution No. 31/2020 and adjusted the remuneration for the generation not committed under any kind of contracts for transactions as from February 2021.

An important aspect of this resolution is the repeal of Section 2 of the ES Resolution ES No. 31/2020, whereby an adjustment mechanism was established to the remuneration rates based on the variations in the Consumer Price Index (60%) and Wholesale Price Index (40%).

The new remuneration rates are published and to become entitled to them, generators must send a note stating, to the satisfaction of CAMMESA, that they fully and unconditionally waive their right to prosecute any pending administrative or legal proceeding or claim against the National State, the Secretariat of Energy and/or CAMMESA and to file any administrative and/or legal proceeding or claim against the National State, the Secretariat of Energy and CAMMESA in relation to Section 2 of ES Resolution No. 31/2020 in the future. The term for filing such waiver is 30 calendar days after the publication of ES Resolution No. 440/2021. The Company filed its waiver on May 26,2021.

NOTE 2: REGULATORY ASPECTS RELATING TO ELECTRICITY GENERATION (Cont'd)

ES Resolution No. 440/2021 (Cont'd)

In EXHIBIT I, specific values are indicated to determine the remuneration of the thermal power generation in the WEM System Tierra del Fuego.

In EXHIBIT II, different values for the Remunerations of thermal power generation are indicated.

Authorized generators are all those not having executed contracts in the Forward Market under any of its modalities (Resolutions Nos. 1281, 220, 21, and others).

Remuneration of the availability for power 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 those generators not guaranteeing any availability)

Technology/Scale	PrecBasePot [$/MW-month]
CC large P>150 MW	129,839
CC small P≤150 MW	144,738
TV large P>100 MW	185,180
TV small P≤100MW	221,364
TG large P>50 MW	151,124
TG small P≤50MW	195,822
Internal combustion engines >42 MW	221,364
CC small P≤15 MW	263,160
TV small P≤15 MW	402,480
TG small P≤15MW	356,040
Internal combustion engines ≤42 MW	402,480

   b. DIGO Guaranteed Power

Period	PrecPotDIGO [$/MW-month]
Summer: December - January - February	464,400
Winter: June - July - August	464,400
Rest of the year: March - April - May - September - October - November	348,300

If: UF (Use factor=dispatch) < 30% ➔ REM TOTgm ($/month) = REM DIGO * 0,6.

If: 30 % ≤ UF < 70% ➔ REM TOTgm ($/month) = REM DIGO * (FU + 0,3)

If: UF ≥ 70% REM TOTgm ($/month) = REM DIGO

NOTE 2: REGULATORY ASPECTS RELATING TO ELECTRICITY GENERATION (Cont'd)

ES Resolution No. 440/2021 (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. Energy prices

   a. Operation and maintenance

Technology/Scale	Natural gas $/MWh	Fuel Oil/ Gas Oil $/MWh
CC large P>150 MW	310	542
CC small P≤150 MW	310	542
TV large P>100 MW	310	542
TV small P≤100MW	310	542
TG large P>50 MW	310	542
TG small P≤50MW	310	542
Internal combustion engines	310	542

For the hours the generating unit is dispatching due to forced output requirements to satisfy the demand for transport, voltage or safety controls, a remuneration shall be recognized for the generated energy when it is equal to 60% of net installed power generating capacity, regardless of the energy actually dispatched by the generating unit.

   b. It will receive $108/Mwh for Operating Reserve.

NOTE 3: BASIS FOR PRESENTATION

The condensed interim consolidated Financial Statements for the nine- and three-month periods ended on September 30, 2021 and 2020 have been prepared in accordance with IAS 34. This condensed interim consolidated financial information should be read in conjunction with the annual consolidated Financial Statements of ASA (a company merged into GMSA on January 1, 2021) and the Company's Financial Statements at December 31, 2020.

The presentation in the condensed interim consolidated Statement of Financial Position segregates current and non-current assets and liabilities. Current assets and liabilities are those which are 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 the basis of the fiscal year, in proportion to the elapsed period.

NOTE 3: BASIS FOR PRESENTATION (Cont'd)

The condensed interim consolidated Financial Statements for the nine- and three-month periods ended on September 30, 2021 and 2020 have not been audited. Company Management considers that they include all the necessary adjustments to reasonably present the results for each period. The results for the nine-month and three-month periods ended on September 30, 2021 and 2020 do not necessarily reflect the proportion of Company's results for full fiscal years.

These condensed interim consolidated Financial Statements are stated in USD, without cents, the same as the notes, except for the net earnings per share.

These condensed interim consolidated Financial Statements were approved for issuance by the Company's Board of Directors on December 2, 2021.

Purpose of these condensed interim consolidated Financial Statements

These non-statutory condensed interim consolidated 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.

Change in functional currency

As from April 1, 2021, the Company has changed its functional currency from Pesos to US Dollars, as a result of a change in the events and relevant conditions for its business operations. Therefore, since April 1, 2021, it has been recording its operations in US Dollars, the new functional currency.

To adopt this modification, the Company has considered the following factors that have had an impact on the environment in which it operates and the selling prices:

(i) the consolidation of the remuneration system for energy generation activity, with prices set by the Argentine government directly in US Dollars (a system which remained in force despite the national and international context of financial instability);

(ii) the increasing tendency to enter into contracts in US Dollars, in line with the strategy of focusing investments and resources on expanding installed generation capacity.

(iii) the increasing tendency to obtain further financing in US Dollars aimed at financing new projects for the closure of cycle and cogeneration awarded by EES Resolution No. 287 - E/2017.

The effect of the change in functional currency was recorded prospectively as from April 1, 2021, in accordance with IAS 21 - The Effects of Changes in Foreign Exchange Rates. For practical effects, to provide users with relevant, reliable, clear and comparable information, especially on the Company's financial returns and cash flows for fiscal year 2021, the change in functional currency was implemented on April 1, 2021, effective as from January 1, 2021. As the fluctuations in the US Dollar and the inflation rate were similar in the first quarter (approximately 9% and 13%, respectively), this simplification has not produced any distortive effect on these condensed interim consolidated Financial Statements.

NOTE 3: BASIS FOR PRESENTATION (Cont'd)

Change in functional currency (Cont'd)

Following the change in functional currency, all transactions in currencies other than the US Dollar are considered "transactions in foreign currency".

Effects of the foreign exchange rate fluctuations

1.1 Functional currency and presentation currency

The information included in the condensed interim consolidated Financial Statements is recorded and presented in US Dollars, which is the Company's functional currency, i.e. the currency of the primary economic environment in which the Company operates.

1.2 Foreign currency balances and transactions

Transactions in foreign currency are translated into the functional currency at the selling exchange rate prevailing at the transaction date or valuation date, when the pertinent items are remeasured. Exchange gains and losses from the settlement of monetary items and from the translation of monetary items at year end using the closing exchange rate are recognized under Financial results, in the Statement of Comprehensive Income, except for the amounts that are capitalized.

1.3 Translation to the Group's companies presentation currency

The Company applies the consolidation method in stages, consequently, the Financial Statements of businesses abroad or in a currency other than the Company's functional currency are translated into the Company's functional currency.

The results and financial position of subsidiaries and associates with the peso as functional currency, corresponding to a hyperinflationary economy, are translated to presentation currency using the exchange rate prevailing at closing. The results from applying the IAS 29 adjustment mechanism corresponding to hyperinflationary economies, to the initial equity measured at functional currency are recorded under Other comprehensive income/(loss).

1.4 Classification of Other comprehensive income/(loss) within the Company's equity

The Company classifies and directly accumulates the results from applying the IAS 29 adjustment mechanism to initial retained earnings/accumulated losses measured at functional currency in the Retained earnings/accumulated losses account, while the rest are disclosed as a component segregated from equity and are accumulated under Other comprehensive income/(loss) until the venture abroad is disposed of, according to IAS 21.

As a result of applying this policy, the translation from functional currency to a different presentation currency does not modify the way in which the underlying items are measured; thus, the amounts of both income/loss and capital are maintained in the functional currency in which they are generated.

NOTE 3: BASIS FOR PRESENTATION (Cont'd)

Comparative information

Balances at December 31, 2020 and for the nine- and three-month periods ended on September 30, 2020, disclosed for comparative purposes in these condensed interim consolidated Financial Statements, arise from Financial Statements at those dates, stated in terms of the measuring unit current at December 31, 2020, in accordance with IAS 29 - Financial Reporting in Hyperinflationary Economies. The change of functional currency has affected comparability with the comparative balances.

Certain reclassifications have been included in the Financial Statement figures presented for comparative purposes to conform them to the current period presentation. On March 19, 2021, the Preliminary Merger Agreement was signed whereby ASA and GECEN were merged into GMSA effective as from January 1, 2021. The increase in the variations is mainly due to this condition. The information is not comparative.

Tax 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 be applicable in the fiscal year in which the variation percentage of the Consumer Price Index (CPI) accumulated over the 36 months prior to the year end is higher than 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 for the fiscal year being computed will have effect either as a negative or positive adjustment, as applicable; 1/6 will be allocated in this fiscal period and the remaining 5/6, in equal parts, in the immediately following fiscal years.

The Company has estimated that at September 30, 2021 the CPI variation will exceed the index established in the above paragraph; therefore, said adjustment was included in the determination of the taxable income for the current period.

Going concern principle

At the date of these condensed interim consolidated Financial Statements, there is no uncertainty as to events or conditions that could raise doubt about the Company's ability to continue operating normally as a going concern.

NOTE 4: ACCOUNTING POLICIES

The accounting policies adopted for these condensed interim consolidated Financial Statements are consistent with those used in the audited financial statements for the last fiscal year of ASA, which ended on December 31, 2020, except for those mentioned below.

NOTE 4: ACCOUNTING POLICIES (Cont'd)

Change in functional currency

Until December 2020, the Company applied IAS 29 - Financial Reporting in Hyperinflationary Economies, which required that the financial statements of an entity whose functional currency was that of a hyperinflationary economy be restated for the changes in a general price index and stated in terms of the measuring unit current at the end of the reporting period. The adjustment for inflation was calculated by a conversion factor derived from the Argentine price indexes published by the National Institute of Statistics and Census (INDEC). The applicable price index for the comparative results for the nine-month period ended September 30, 2020 and until December 31, 2020 was 11.33% and had been converted at the exchange rate prevailing at December 31, 2020. As explained in Note 3, Management reviewed the Company's currency and concluded that the currency that most faithfully represents the economic effects of the entity is the US dollar. Accordingly, as from January 1, 2021, its functional currency was changed from local currency to US dollars, with IAS 29 being no longer applicable. This change does not affect the balances at December 31, 2020 or the results or cash flows for the year then ended. (See Note 3 to the audited Financial Statements for the year ended on December 31, 2020.)

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

These condensed interim consolidated Financial Statements should be read in conjunction with the audited consolidated Financial Statements of ASA at December 31, 2020 prepared under IFRS.

The Company measures buildings, facilities, and machinery 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 of property, plant and equipment in Note 4 to the consolidated Financial Statements of ASA at December 31, 2020). Revaluations are made frequently enough to make sure that the fair value of a revalued asset does not differ significantly from its carrying amount.

At September 30, 2021, 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 estimates made and accounting judgments applied are continually evaluated and are based on past experience and other factors that are believed to be reasonable under the circumstances.

The preparation of the financial statements require that the Group makes estimates and carries out evaluations relating to the future. Actual future results may differ from those estimates and assessments made at the date these condensed interim consolidated Financial Statements were prepared.

In the preparation of these condensed interim consolidated Financial Statements, certain critical judgments made by Management when applying Group's accounting policies and sources of information used for the pertinent estimates are the same as those applied to the audited consolidated Financial Statements of ASA for the fiscal year ended December 31, 2020.

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

Fair value of property, plant and equipment

The Group has opted to value land, real property, facilities, machinery, and turbines at fair value applying discounted cash flows or comparable techniques.

The fair value calculated by means of the discounted cash flow was used to value facilities, machinery, and turbines. This cash flow was 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.

The discounted cash flows at December 31, 2020 considered two scenarios (pessimistic and basic scenarios) with different probabilities of occurrence. The two scenarios arose from rate schedules in force at that date and were combined with different turbine dispatch alternatives.

The criteria considered in each scenario were the following:

1. Base scenario: in this case the Group considers a historical average availability and an expected dispatch according to projections of the demand for energy with a vegetative growth. Probability of occurrence: 70%.

2. Pessimistic scenario: in this case the Group considers a historical average availability and a dispatch of less than expected of the demand for energy. Probability of occurrence: 30%.

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

The percentages of probability of occurrence assigned were 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 Group 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 dollar exchange rate. This situation, valuation processes and results are discussed and approved by the Board of the Companies at least once a year.

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

Fair value of property, plant and equipment

However, if the discounted cash flow differs by 10% from Management estimates, the Group will need:

- To increase the fair value of land, buildings, facilities, and machinery by USD 58,307 thousand, if it were favorable; or

- To reduce the fair value of land, buildings, facilities, and machinery by USD 58,307 thousand, if it were not favorable.

At September 30, 2021, 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.

NOTE 6: FINANCIAL RISK MANAGEMENT

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

These condensed interim consolidated Financial Statements do not include the information required for the annual consolidated Financial Statements regarding risk management. They must be read jointly with the Financial Statements of ASA for the year ended December 31, 2020. No significant changes have been made to risk management policies since the last annual closing.

NOTE 7: PROPERTY, PLANT AND EQUIPMENT

Captions	ORIGINAL VALUE						DEPRECIATION					NET VALUE	
	Value at beginning of the period/year	Addition due to merger/ consolidation	Increases (1)	Decreases/ transfers	Revaluation of original values	Value at the end of period/year	Accumulated at beginning of period/year	Addition due to merger/ consolidation	For the year/period	Revaluation of accumulated depreciation	Accumulated at the end of period/year	09/30/2021	12/31/2020
Land	15,071,693	516,306	-	-	-	15,587,999	-	-	-	-	-	15,587,999	15,071,693
Buildings	22,279,272	7,760,417	185,277	-	-	30,224,966	-	-	697,507	-	697,507	29,527,459	22,279,272
Facilities	64,954,141	22,432,658	376,314	-	-	87,763,113	-	-	5,085,422	-	5,085,422	82,677,691	64,954,141
Machinery and turbines	363,071,179	113,642,039	223,661	-	-	476,936,879	-	-	21,657,320	-	21,657,320	455,279,559	363,071,179
Computer and office equipment	1,065,301	223,055	174,267	-	-	1,462,623	810,474	173,387	127,956	-	1,111,817	350,806	254,827
Vehicles	557,111	121,868	9,903	-	-	688,882	384,726	109,150	59,235	-	553,111	135,771	172,385
Tools	-	1,054,084	1,837	-	-	1,055,921	-	610,651	52,420	-	663,071	392,850	-
Furniture and fixtures	-	71,609	68	-	-	71,677	-	69,952	209	-	70,161	1,516	-
Works in progress	207,415,717	74,617,107	37,677,685	-	-	319,710,509	-	-	-	-	-	319,710,509	207,415,717
Civil constructions on third party property	-	2,856,270	-	-	-	2,856,270	-	2,329,747	55,926	-	2,385,673	470,597	-
Installations on third party property	-	16,410,271	163,991	-	-	16,574,262	-	13,806,084	296,524	-	14,102,608	2,471,654	-
Machinery and turbines on third party property	-	(882,217)	7,434	-	-	(874,783)	-	(3,548,211)	285,637	-	(3,262,574)	2,387,791	-
Right-of-use third party property	-	1,498,015	420,920	-	-	1,918,935	-	-	196,255	-	196,255	1,722,680	-
Spare parts and materials	5,054,346	1,143,106	136,674	-	-	6,334,126	-	-	-	-	-	6,334,126	5,054,346
Total at 09/30/2021	**679,468,760**	**241,464,588**	**39,378,031**	**-**	**-**	**960,311,379**	**1,195,200**	**13,550,760**	**28,514,411**	**-**	**43,260,371**	**917,051,008**	**-**
Total at 12/31/2020	**637,275,682**	**-**	**68,192,605**	**(75,577)**	**(25,923,950)**	**679,468,760**	**1,003,157**	**-**	**25,390,053**	**(25,198,010)**	**1,195,200**	**-**	**678,273,560**
Total at 09/30/2020	**637,275,682**	**-**	**53,449,410**	**(75,577)**	**-**	**690,649,515**	**1,003,157**	**-**	**17,156,726**	**-**	**18,159,883**	**-**	**672,489,632**

(1) It includes the acquisition of assets of the project for the start-up and enlargement of the electricity generation plant.

NOTE 8: INVESTMENTS IN ASSOCIATES

At September 30, 2021 and 2020 and December 31, 2020, the Group's associate is Solalban Energía S.A.

In 2008, ASA, with a 42% interest, together with Solvay Indupa S.A.I.C. created Solalban Energía S.A. aimed at building a power plant with a generation capacity of 165 MW located in the petrochemical area of the city of Bahia Blanca, Province of Buenos Aires. On January 1, 2021, GMSA absorbed ASA.

Changes in the investments in the Group's associates for the six-month period ended on September 30, 2021 are as follows:

	09/30/2021	09/30/2020
At beginning of year	**-**	**-**
Addition due to merger/consolidation	4,150,947	-
Income/(loss) from interests in associates	(533,073)	-
Period end	**3,617,874**	**-**

Below is a breakdown of the investments and the value of interests held by the Company in the associate at September 30, 2021 and December 31, 2020, as well as the Company's share of profits in the associate for the nine-month periods ended on September 30, 2021 and 2020:

Name of issuing entity	Main activity	% share interest		Equity value		Share of profit of the Company in income/(loss)	
		09/30/2021	12/31/2020	09/30/2021	12/31/2020	09/30/2021	09/30/2020
Associates							
Solalban Energía S.A.	Electricity	42%	0%	3,617,874	-	(533,073)	-
				3,617,874	-	**(533,073)**	-

NOTE 9: CASH AND CASH EQUIVALENTS

	09/30/2021	12/31/2020
Cash	11,688	5,520
Checks to be deposited	-	355,802
Banks	7,767,980	6,925,938
Mutual funds	3,755,557	14,963,576
Cash and cash equivalents	**11,535,225**	**22,250,836**

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

	09/30/2021	09/30/2020
Cash and cash equivalents	11,535,225	10,192,373
Cash and cash equivalents	**11,535,225**	**10,192,373**

NOTE 10: OTHER FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Note	09/30/2021	12/31/2020
Non-current			
Mutual funds	**13.a.4**	40,099,202	-
		40,099,202	**-**

		09/30/2021	12/31/2020
Current			
Mutual funds	**13.a.4**	49,277,368	-
		49,277,368	**-**

NOTE 11: CAPITAL STATUS

Subscribed, paid-in and registered capital at September 30, 2021 amounted to USD 1,641,974 ($ 138,172,150). Once the merger is approved, the Company's subscribed and paid-in capital will amount to USD 2,413,831 ($203,123.985), which is pending registration.

NOTE 12: DISTRIBUTION OF PROFITS

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, 2020 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, 2021 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.

Due to the issuance of the International bonds, the co-issuers must comply with ratios on a consolidated basis to be allowed to distribute dividends.

NOTE 13: LOANS

	Note	09/30/2021	12/31/2020
Non-current			
International bonds		331,321,659	266,048,403
Negotiable Obligations		231,600,091	87,095,050
Foreign loan debt		62,665,305	8,570,383
Finance lease debt		962,632	420,487
		626,549,687	**362,134,323**
Current			
International bonds		5,247,419	10,880,733
Negotiable Obligations		56,091,165	48,060,657
Foreign loan debt		15,748,294	9,675,708
Syndicated Loan		-	2,113,034
Other bank debts		20,593,107	6,570,130
Related companies	**23**	-	19,884,870
Finance lease debt		1,270,096	664,280
Bond insurance		1,164,675	-
		100,114,756	**97,849,412**

NOTE 13: LOANS (Cont'd)

At September 30, 2021, the financial debt totals USD 726,664 thousand. The following table shows the total debt at that date.

	Borrower	Principal	Balances at September 30, 2021	Interest rate	Currency	Date of Issue	Maturity date
			(USD)	(%)			
Loan agreement							
Cargill	GMSA	USD 3,350,000	3,526,253	LIBOR + 10%	USD	August 3, 2020	September 6, 2022
BLC	GMSA	USD 11,121,373	10,375,115	12% first installment, the remaining installments 12 month LIBOR USD + 11%	USD	June 26, 2020	June 12, 2023
JP Morgan	GMSA	USD 13,327,635	11,712,610	6 month LIBOR + 1%	USD	December 28, 2020	November 15, 2025
Eurobanco Loan	GMSA	USD 2,484,454	2,509,575	7.00%	USD	September 21, 2020	July 27, 2023
Credit Suisse AG London Branch	GMSA	USD 51,217,055	50,290,046	7.75% - 13.094%	USD	April 25, 2018	June 20, 2023
Subtotal			**78,413,599**				
Debt securities							
International bonds (*)	GMSA/CTR	USD 331,326,000	336,569,078	9.63%	USD	July 27, 2016	July 27, 2023
Class II Negotiable Obligation co-issuance	GMSA/CTR	USD 67,200,000	67,996,566	15.00%	USD	August 5, 2019	May 5, 2023
Class IV Negotiable Obligation co-issuance	GMSA/CTR	USD 11,695,809	11,675,019	13% until the second interest payment date, 10.50% until maturity date	USD	December 2, 2020	April 11, 2022
Class V Negotiable Obligation co-issuance	GMSA/CTR	USD 14,369,484	14,332,750	6.00%	USD	November 27, 2020	November 27, 2022
Class VII Negotiable Obligation co-issuance	GMSA/CTR	USD 7,707,573	7,630,415	6.00%	USD	March 11, 2021	March 11, 2023
Class VIII Negotiable Obligation co-issuance	GMSA/CTR	UVA 41,936,497	37,371,865	UVA + 4.60 %	ARS	March 11, 2021	March 11, 2023
Class IX Negotiable Obligation co-issuance (**)	GMSA/CTR	USD 3,860,463	3,921,502	12.50%	USD	April 9, 2021	April 9, 2024
Class XIII Negotiable Obligations:	GMSA	USD 13,076,765	13,201,889	12.50%	USD	December 2, 2020	February 16, 2024
Class XV Negotiable Obligations:	GMSA	UVA 36,621,305	32,838,576	UVA + 6.5%	ARS	July 16, 2021	July 28, 2026
Class XVI Negotiable Obligations:	GMSA	USD 98,772,758	98,722,674	7.75%	USD	July 16, 2021	July 28, 2029
Subtotal			**624,260,334**				
Other liabilities							
Banco Macro loan	GMSA	$96,400,000	997,564	BADLAR + 10%	ARS	August 3, 2020	November 13, 2021
Banco Chubut loan	GMSA	USD 204,207	204,375	10.00%	USD	April 28, 2021	October 28, 2021
Banco Chubut loan	GMSA	USD 2,016,597	2,019,359	10.00%	USD	July 26, 2021	January 26, 2022
Mortgage loan	GMSA	UVA 3,511,518	3,159,926	UVA + 5.5%	ARS	July 22, 2021	July 25, 2022
CMF Loan	GMSA	$100,000,000	1,026,357	BADCOR + 8%	ARS	August 20, 2021	November 20, 2021
Banco Supervielle loan	GMSA	$162,389,747	1,651,209	48.75%	ARS	August 20, 2021	November 18, 2021
Banco Chubut loan	GMSA	USD 1,600,000	1,609,074	9.00%	USD	September 7, 2021	March 7, 2022
Banco Ciudad loan	CTR	USD 1,834,780	1,842,151	LIBOR + 6%	USD	August 4, 2017	November 4, 2021
BAPRO Loan	CTR	$531,367,263	5,453,109	Adjusted Badlar	ARS	January 21, 2020	June 4, 2022
Banco Chubut loan	CTR	$80,000,000	830,426	BADLAR + 5%	ARS	September 7, 2021	September 7, 2022
Banco Macro loan	CTR	$48,200,000	498,336	BADLAR + 10%	ARS	August 3, 2020	September 12, 2021
Banco Supervielle loan	CTR	$127,969,911	1,301,221	48.75%	ARS	August 20, 2021	October 31, 2021
Bond insurance	GMSA	$50,000,000	506,380	49.00%	ARS	August 17, 2021	October 22, 2021
Bond insurance	GMSA	$25,000,000	253,190	49.00%	ARS	August 25, 2021	October 24, 2021
Bond insurance	GMSA	$40,000,000	405,105	49.00%	ARS	September 19, 2021	November 20, 2021
Finance lease	GMSA/CTR/GROSA		2,232,728				
Subtotal			**23,990,510**				
Total financial debt			**726,664,443**				

(*) GMSA has ALBAAR23 (international bonds) for a nominal value of USD 4.7 million.

(**) GMSA has Class IX Negotiable Obligations Co-issuance for a nominal value of USD 405 thousand.

NOTE 13: LOANS (Cont'd)

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

	09/30/2021	12/31/2020
Fixed rate		
Less than 1 year	78,867,725	77,703,261
Between 1 and 2 years	474,635,144	45,675,074
Between 2 and 3 years	16,423,572	303,100,739
After 3 years	119,632,688	4,367,640
	689,559,129	**430,846,714**
Floating rate		
Less than 1 year	21,247,031	20,146,151
Between 1 and 2 years	8,991,781	3,590,962
Between 2 and 3 years	2,956,340	5,399,908
After 3 years	3,910,162	-
	37,105,314	**29,137,021**
	726,664,443	**459,983,735**

The fair value of Company's international bonds at September 30, 2021 and December 31, 2020 amounts to approximately USD 265 thousand and USD 167 thousand, respectively. This value was calculated based on the estimated market price of the Company's international bonds at the end of each period. The applicable fair value category would be Level 1.

The other 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.

As a result of the issue of International Bonds, the Company has undertaken standard commitments for this type of issue, whose specific conditions are detailed in the pertinent public prospectus. At the date of these condensed interim consolidated Financial Statements, the Company is in compliance with all commitments undertaken.

Group loans are denominated in the following currencies:

	09/30/2021	12/31/2020
Argentine pesos	87,684,860	29,704,588
US Dollars	638,979,583	430,279,147
	726,664,443	**459,983,735**

NOTE 13: LOANS (Cont'd)

Changes in Group's loans during the period were the following:

	09/30/2021	09/30/2020
Loans at beginning of the year	**459,983,735**	**433,378,905**
Loans received	231,060,547	51,725,188
Loans paid	(101,574,051)	(46,401,709)
Accrued interest	57,713,084	39,927,714
Interest paid	(61,151,247)	(42,602,340)
Leases paid	(529,552)	(626,450)
Exchange difference	(6,120,450)	97,436,784
Difference in UVA value	10,972,361	-
Addition due to merger/consolidation	142,297,759	-
Capitalized expenses	(6,266,336)	1,304,647
RECPAM (Purchasing Power Parity)	278,593	(86,354,393)
Loans at period end	**726,664,443**	**447,788,346**

a) Negotiable obligations

On March 11, 2021, GMSA together with CTR issued Class VII and VIII Negotiable Obligations under the conditions described below:

a.1) GMSA and CTR Class VII Negotiable Obligations co-issuance:

Principal: total nominal value: USD 7,707,573; amount assigned to GMSA: USD 7,362,895; amount assigned to CTR: USD 344,678

Interest: 6.0% annual nominal rate, payable quarterly to maturity, on March 11, 2023.

Payment term and method: Amortization: Principal on the Negotiable Obligations shall be amortized in 4 (four) consecutive installments equivalent to: 10% for the first installment, 15% for the second installment, 15% for the third installment and 60% for the fourth and last installment, of the nominal value of Class VII Negotiable Obligations, on the following dates: June 11, 2022, September 11, 2022, September 11, 2022 and on the maturity date.

Payment: the Negotiable Obligations were paid up in pesos at the initial exchange rate and in kind under the swap of ASA Class III Negotiable Obligations, CTR Class IV Negotiable Obligations, GMSA Class VIII Negotiable Obligations and GMSA Class XI Negotiable Obligations.

Principal balance due on those negotiable obligations at September 30, 2021 is USD 7,707,573.

a.2) GMSA and CTR Class VIII Negotiable Obligations co-issuance:

Principal: total nominal value: UVA 41,936,497; amount assigned to GMSA: UVA 41,023,576; and amount assigned to CTR: UVA 912,921.

NOTE 13: LOANS (Cont'd)

a) Negotiable obligations (Cont'd)

a.2) GMSA and CTR Class VIII Negotiable Obligations co-issuance: (Cont'd)

Interest: 4.6% annual nominal rate, payable quarterly to maturity, on March 11, 2023.

Payment term and method: Amortization: Principal on the Negotiable Obligations shall be amortized in 4 (four) consecutive installments equivalent to: 10% for the first installment, 15% for the second installment, 15% for the third installment and 60% for the fourth and last installment, of the nominal value of Class VIII Negotiable Obligations, on the following dates: June 11, 2022, September 11, 2022, September 11, 2022 and on the maturity date.

Payment: the Negotiable Obligations were paid up in pesos at initial UVA value and in kind under the swap of ASA Class III Negotiable Obligations, CTR Class IV Negotiable Obligations, GMSA Class VIII Negotiable Obligations and GMSA Class XI Negotiable Obligations.

Principal balance due on those Negotiable Obligations at September 30, 2021 is UVA 41,936,497.

a.3) GMSA and CTR Class IX Negotiable Obligations co-issuance:

On April 9, 2021, GMSA and CTR co-issued Class IX Negotiable Obligations under the following conditions:

Principal: nominal value: USD 4,265,575; amount assigned to GMSA: USD 2,843,717; amount assigned to CTR: USD 1,421,858

Interest: 12.5% annual nominal rate, payable quarterly to maturity, on April 09, 2024.

Payment term and method: Amortization: Principal on the Negotiable Obligations shall be amortized in three consecutive installments, equivalent to 33% for the first installment; 33% for the second installment and 34% for the third and last installment, of the nominal value of Class IX Negotiable Obligations, on the following dates: April 9, 2022, April 9, 2023 and on the maturity date.

Payment: the Negotiable Obligations were paid up in kind through the swap of GMSA and CTR Class III Negotiable Obligations Co-issuance.

Principal balance due on those negotiable obligations at September 30, 2021 is USD 3,860,463. GMSA has Class IX Negotiable Obligations for a nominal value of USD 405 thousand.

a.4) Class XV and XVI Negotiable Obligations

To finance the closure of cycle of Central Térmica Ezeiza, the Company requested consent from investors under the International bond 144 A Reg-S (ALBAAR 23) and under Class II negotiable obligation co-issued on August 5, 2019.

Amendments were requested to consent the taking out of indebtedness and provision of certain guarantees.

<u>NOTE 13:</u> LOANS (Cont'd)

a) Negotiable obligations (Cont'd)

a.4) Class XV and Class XVI Negotiable Obligations: (Cont'd)

Consent was received from 89.72% of the holders of the International bond 144 A Reg-S and 98.75% of the holders of Class II negotiable obligation co-issued.

On July 16, 2021, the Company issued Class XV and XVI Negotiable Obligations for a total joint amount of USD 130,000,000 (or equivalent amount) to finance the closure of cycle of Central Térmica Ezeiza under the conditions set out below:

a.4.1) Class XV Negotiable Obligations:

Principal: nominal value: UVA 36,621,305 equivalent to USD 31,227,242;

Interest: 6.5% annual nominal rate. Interest shall be paid (i) on a six-month basis until the date when 24 months from the Issue Date have elapsed; (ii) 31 months from the Issue Date and (iii) on a monthly basis, as from the month 32 with an option to capitalize interest until month 31, in each case, on the day 28 of each calendar month or, if other than a business day, the payment date will be the immediately following business day. That is, on January 28, 2022; July 28, 2022; January 28, 2023; July 28, 2023; February 28, 2024; March 28, 2024; April 28, 2024; May 28, 2024; June 28, 2024; July 28, 2024; August 28, 2024; September 28, 2024; October 28, 2024; November 28, 2024; December 28, 2024; January 28, 2025; February 28, 2025; March 28, 2025; April 28, 2025; May 28, 2025; June 28, 2025; July 28, 2025; August 28, 2025; September 28, 2025; October 28, 2025; November 28, 2025; December 28, 2025; January 28, 2026; February 28, 2026; March 28, 2026; April 28, 2026; May 28, 2026; June 28, 2026; July 28, 2026.

Payment term and method: Amortization: Principal on the negotiable obligations shall be amortized in 29 consecutive installments payable on a monthly basis as from March 2024. Amortization dates for Class XV NO shall be: March 28, 2024; April 28, 2024; May 28, 2024; June 28, 2024; July 28, 2024; August 28, 2024; September 28, 2024; October 28, 2024; November 28, 2024; December 28, 2024; January 28, 2025; February 28, 2025; March 28, 2025; April 28, 2025; May 28, 2025; June 28, 2025; July 28, 2025; August 28, 2025; September 28, 2025; October 28, 2025; November 28, 2025; December 28, 2025; January 28, 2026; February 28, 2026; March 28, 2026; April 28, 2026; May 28, 2026; June 28, 2026; July 28, 2026.

Payment: the negotiable obligation was paid in pesos at initial UVA value.

Principal balance due on that negotiable obligation at September 30, 2021 is UVA 36.621,305.

NOTE 13: LOANS (Cont'd)

a) Negotiable obligations (Cont'd)

a.4) Class XV and Class XVI Negotiable Obligations: (Cont'd)

a.4.2) Class XVI Negotiable Obligations:

Principal: nominal value. USD 98,772,758

Interest: 7.75% annual nominal rate. Interest shall be paid (i) on a six-month basis until the date when 24 months from the Issue Date have elapsed; (ii) 31 months from the Issue Date and (iii) on a monthly basis, as from the month 32 with an option to capitalize interest until month 31, in each case, on the day 28 of each calendar month or, if other than a business day, the payment date will be the immediately following business day. That is, January 28, 2022; July 28, 2022; January 28, 2023; July 28, 2023; February 28, 2024; March 28, 2024; April 28, 2024; May 28, 2024; June 28, 2024; July 28, 2024; August 28, 2024; September 28, 2024; October 28, 2024; November 28, 2024; December 28, 2024; January 28, 2025; February 28, 2025; March 28, 2025; April 28, 2025; May 28, 2025; June 28, 2025; July 28, 2025; August 28, 2025, September 28, 2025; October 28, 2025; November 28, 2025; December 28, 2025; January 28, 2026; February 28, 2026; March 28, 2026; April 28, 2026; May 28, 2026; June 28, 2026; July 28, 2026; August 28, 2026, September 28, 2026; October 28, 2026; November 28, 2026; December 28, 2026; January 28, 2027; February 28, 2027; March 28, 2027; April 28, 2027; May 28, 2027; June 28, 2027; July 28, 2027; August 28, 2027; September 28, 2027; October 28, 2027; November 28, 2027; December 28, 2027; January 28, 2028; February 28, 2028; March 28, 2028; April 28, 2028; May 28, 2028; June 28, 2028; July 28, 2028; August 28, 2028; September 28, 2028; October 28, 2028; November 28, 2028; December 28, 2028; January 28, 2029; February 28, 2029; March 28, 2029; April 28, 2029; May 28, 2029; June 28, 2029; July 28, 2029.

Payment term and method: Amortization: Principal on the negotiable obligations shall be amortized in 48 consecutive installments payable on a monthly basis as from August 2025. The amortization dates for Class XVI NO shall be: August 28, 2025, September 28, 2025; October 28, 2025; November 28, 2025; December 28, 2025; January 28, 2026; February 28, 2026; March 28, 2026; April 28, 2026; May 28, 2026; June 28, 2026; July 28, 2026; August 28, 2026, September 28, 2026; October 28, 2026; November 28, 2026; December 28, 2026; January 28, 2027; February 28, 2027; March 28, 2027; April 28, 2027; May 28, 2027; June 28, 2027; July 28, 2027; August 28, 2027; September 28, 2027; October 28, 2027; November 28, 2027; December 28, 2027; January 28, 2028; February 28, 2028; March 28, 2028; April 28, 2028; May 28, 2028; June 28, 2028; July 28, 2028; August 28, 2028; September 28, 2028; October 28, 2028; November 28, 2028; December 28, 2028; January 28, 2029; February 28, 2029; March 28, 2029; April 28, 2029; May 28, 2029; June 28, 2029; July 28, 2029.

Payment: the negotiable obligation was paid in pesos at initial exchange rate.

NOTE 13: LOANS (Cont'd)

a) Negotiable obligations (Cont'd)

a.4) Class XV and Class XVI Negotiable Obligations: (Cont’d)

a.4.2) Class XVI Negotiable Obligations: (Cont’d)

Principal balance due on those negotiable obligations at September 30, 2021 is USD 98,772,758.

The financing obtained is a limited recourse loan. It is guaranteed by the project’s main equipment and a PPA contract under Resolution No. 287/17. The conditions are described below:

Guarantee trust to secure payment obligations

On July 8, 2021, the Company, as trustor, and Banco de Servicios y Transacciones S.A., as trustee, entered into an agreement for the assignment in trust and guarantee trust in favor of Trustee of all GMSA's collection rights, to the benefit of the holders of negotiable obligations, to secure (i) compliance in a timely and proper manner as a method of payment of each and every obligation relating to and/or otherwise associated with the negotiable obligations (including, without limitation, the payment of principal, compensatory interest, penalty interest, cost, expenses and other charges and payment commitments of any nature), including the amounts that may become due and payable by reason of events of acceleration of maturities, and (ii) the application to the Project of the proceeds from the placement of the negotiable obligations.

The Company assigned under guarantee in favor of Trustee the trust ownership of all GMSA’s rights to be collected, received or accrued, as applicable: **(A)** all sums of money owed to GMSA under the Project Supply Contract, as well as those deriving from any renewal and/or amendment and/or addition and/or replacement (in whole or in part) to that Contract and/or new Project Supply Contract to be entered into with CAMMESA, provided, however, that until an event of default occurs, GMSA and the Trustee will instruct CAMMESA to transfer regarding each (monthly) invoice under the Project Supply Contract (i) a monthly amount ranging between USD 3,063,000 and USD 3,580,000, which shall be determined in a manner that defrays the projected principal and interest payments on the negotiable obligations, considering the negotiable obligation issue amount, the interest rate on the negotiable obligations and related expenses to a Trust Account, and (ii) the outstanding payment of each invoice to a margin account under guarantee; **(B)** all sums of money owed to GMSA under, in relation to, or associated with, the EPC Contract and the EPC Guarantee (once it has been provided), as well as any other GMSA's rights as beneficiary of any payment and any of the representations and warranties or indemnities thereunder; **(C)** all sums of money owed to GMSA under, in relation to, or associated with, the equipment purchase contracts, and GMSA’s rights as beneficiary of any payment and any of the representations and warranties or indemnities set forth; **(D)** all sums of money owed to GMSA under, in relation to, or associated with the long-term service agreements, as well as GMSA’s rights as beneficiary of any payment and any of the representations and warranties or indemnities set forth; **(E)** all sums of money owed to GMSA under, in relation to, or associated with any technical assistance contract for the operation of the closed cycle to be entered into by GMSA, as well as GMSA’s rights as beneficiary of any payment and any of the representations and warranties or indemnities eventually set forth in that contract;

NOTE 13: LOANS (Cont'd)

a) Negotiable obligations (Cont'd)

a.4) Class XV and Class XVI Negotiable Obligations: (Cont'd)

Guarantee trust to secure payment obligations (Cont'd)

(F) the percentage of the collection rights corresponding to the CTE under the insurance policies and of the funds payable thereunder in relation to the Project or any payment in case of an insurance claim. The collection rights arising under the insurance policies for the project equipment shall be governed by the provisions of the pledge on the project equipment and the creditors' agreement; **(G)** all proceeds from the placement of the negotiable obligations, which will be deposited into the construction account and disbursed only by following the disbursement procedure; **(H)** all funds deposited under guarantee into the trust accounts and the margin account at any time; **(I)** any payment for condemnation of the assets under Guarantee or for any of the agreements under which assigned rights exist; **(J)** any payment for the sale of assets actually received by GMSA under a sale of assets under guarantee or any of the agreements under which assigned rights exist; and (**K**) any payment in case of payment or termination of the Project documents.

GMSA has also taken out a bond insurance policy and designated the Trustee as beneficiary of that insurance. The funds eventually receivable by the Trustee under the bond insurance policy shall be considered part of the trust assets, guarantee and payment.

The funds shall be disbursed following the disbursement procedure only. The Trustee shall apply the funds available in the account to the payments of the construction costs that will be determined and reported by the Trustor to the Trustee and approved by the independent engineer at each request for construction funds.

Each request for funds for the construction of the Project shall be signed by a Trustor's authorized person and the independent engineer and shall be accompanied by the respective invoice (or debit note) and, in the case of construction costs relating to the EPC Contract, the pertinent certificate shall be attached for the works approved by the independent engineer, also expressly identifying the bank account to which payment must be made and indicating whether any withholding applies in respect of taxes, rates, contributions and/or other charges.

The guarantee trust to secure payment obligations (and their condition as beneficiaries thereunder) is considered accepted by the holders of the negotiable obligations upon payment of the amount to be paid up of the negotiable obligations awarded to them.

The funds available at the Trust may be invested in mutual funds and the Company has disclosed in its financial statements those investment under current and non-current investments based on the estimated cash flow from the capex expected by the Company for use of those funds. The funds are restricted funds administered by the trust; therefore, they were not considered cash and cash equivalents in the Company's financial statements.

NOTE 13: LOANS (Cont'd)

b) JPMorgan Chase Bank, N.A. loan

On July 6, 2020, a loan was signed with JPMorgan Chase Bank, N.A for USD 14,808,483.

The loan is secured by the Export-Import Bank of the United States.

The allocation of funds is the financing of 85% of the service agreement signed with PWPS for the maintenance and upgrade of certain turbines in the plant Modesto Maranzana, located in Río Cuarto. Disbursements under the loan will be made in stages associated to milestones for the compliance of the service to be provided by PWPS in their workshops in United States of America.

The loan will accrue interest at a rate of 1% plus 6-month LIBOR. Interest are payable on a half-year basis. The loan will be amortized in 10 half-yearly installments, with the first one falling due on May 20, 2021 and the last one on November 20, 2025.

On December 22, 2020 the first disbursement was made for USD 3,048,045.

A second disbursement was made on February 26, 2021 for USD 3,048,045, while a third disbursement was made on March 23, 2021 for USD 2,616,304.

On April 5, 2021 the last disbursement was made for USD 6,096,089.

At September 30, 2021, the principal balance due under the loan amounts to USD 13,327,635.

c) BLC Loan

Principal: USD 13,037,210

Interest: 12% for the period from 12/17/2020 to 12/13/2021 and 12-month LIBOR + 11% with a floor of 12% from 02/14/2021 to 06/12/2023.

Payment term and method: Amortization: Principal will be amortized in 9 installments, with the first one falling due on June 13, 2021 and the last one on June 12, 2023.

On December 17, those conditions precedent were fulfilled, and the amendments to BLC loan became effective. It amended the payment schedule and the maturity date, with the aim of reducing payments of principal maturing over the next 24 months. At the same time, the amendment fulfilled the requirements of Communication “A” 7106 of the Central Bank.

Principal balance due at June 30, 2021 amounts to USD 11,121,373.

At September 30, 2021, the Company has complied with the loan-related covenants.

NOTE 13: LOANS (Cont'd)

d) GECEN - Credit Suisse AG London Branch loan

On April 4, 2018, the Board of Directors resolved to approve the request for a loan for (i) the early repayment of UBS AG Stamford Branch loan (jointly with its amendments, the "Existing Loan"), requested by Albanesi Energía S.A.; (ii) the construction, implementation and operation of a power plant of approximately 133 MW in Arroyo Seco, Province of Santa Fe, which comprises the acquisition by GECEN of, among other assets, two Siemens gas turbines of approximately 54 MW and all related ancillary systems and equipment, two boilers for recovery of residual heat and a steam turbine of approximately 25 MW and all related ancillary systems and equipment; and (iii) the construction, implementation and operation of the Albanesi Energía S.A. 170 MW project in the Timbúes region, Province of Santa Fe to be repaid in advance in accordance with item (i) above.

To that end, on April 23, 2018, GECEN together with AESA, as borrowers, Credit Suisse AG, London Branch, as administrative agent, Credit Suisse Securities (USA) LLC and UBS Securities LLC, as joint lead arrangers, UBS AG Stamford Branch, Banco Hipotecario S.A., BACS Banco de Crédito y Securitización S.A., Banco de Inversión y Comercio Exterior S.A. and Credit Suisse AG Cayman Islands Branch entered into a loan agreement for up to three hundred and ninety five million United States dollars (USD 395,000,000).

Principal was expected to be disbursed in two tranches: Tranche A and Tranche B and repaid over a term of up to 5 (five) years (Tranche A) and up to 6 (six) years (Tranche B). Principal would accrue compensatory interest as set forth in the Agreement.

On April 25, 2018, the amount of USD 65,000,000 was disbursed under Tranche B of the loan.

In view of the macroeconomic context prevailing since May 2018, on October 16, 2018, GECEN decided, with the consent of creditors, to repay Tranche A of the loan agreement, with the Tranche B effectively disbursed on April 25 for USD 65,000,000 still pending repayment.

On March 7, 2019 a Forbearance agreement was entered into with the creditors of Tranche B in relation to the loan agreement to set a framework for the repayment of the outstanding balance of USD 52,981,896.

From this agreement, several complementary agreements arose, which were amended on a timely basis. The last amendment was executed on December 3, 2020 whereby the payment schedule and the due dates of the loan were changed to reduce payments of principal over the next 24 months, subject to fulfillment of certain conditions precedent. On December 17, those conditions precedent were fulfilled, and the amendments became effective. At the same time, the amendment fulfilled the requirements of Communication "A" 7106 of the Central Bank.

Principal balance at the date of presentation of these condensed interim consolidated Financial Statements totaled USD 51,217,055.

NOTE 13: LOANS (Cont'd)

d) GECEN - Credit Suisse AG London Branch loan (Cont'd)

Amounts owed shall be paid as follows:

i) USD 24,383,333 payable in six quarterly installments, the first one falling due on March 20, 2022 and the last one on June 20, 2023, at an annual rate of 7.75%. This agreement was executed by GECEN and secured by ASA.

ii) USD 26,833,722 payable in six quarterly installments, the first one falling due on March 20, 2022 and the last one on June 20, 2023, at an annual rate of 13.09%. This agreement was executed by GECEN and secured by ASA and GMSA.

The three tranches of debt originally taken out by GECEN have been transferred to GMSA due to the merger which is effective as from January 1, 2021.

e) ASA Class III Negotiable Obligations

On June 15, 2017, ASA issued Class III Negotiable Obligations under the conditions described below:

Principal: Nominal value: $255,826,342

Interest: Private Banks BADLAR rate plus a 4.25% margin.

Amortization term and method: interest on Class III Negotiable Obligations will be paid on a quarterly basis, in arrears, on the following dates: September 15, 2017; December 15, 2017; March 15, 2018; June 15, 2018; September 15, 2018; December 15, 2018; March 15, 2019; June 15, 2019; September 15, 2019; December 15, 2019; March 15, 2020; June 15, 2020; September 15, 2020; December 15, 2020; March 15, 2021, and June 15, 2021; if other than a business day, or if such day does not exist, the interest payment date will be the immediately following business day.

Principal on the Class III Negotiable Obligations will be paid in three (3) consecutive installments, on a quarterly basis, the first two equivalent to 30% of the nominal value of the Negotiable Obligations and the last one to 40%, on the dates on which 42, 45 and 48 months shall have elapsed from the date of issuance; i.e., on December 7, 2020, March 15, 2021 and June 15, 2021; if other than a business day, or if such day does not exist, the payment date will be the immediately following business day.

The issuance of Class III Negotiable Obligations was fully paid up with in-kind contributions as follows: a partial payment of Class I Negotiable Obligations for $52,519,884 and of Class II Negotiable Obligations for $203,306,458 (equivalent to USD 531,900 and USD 2,059,008, respectively).

At the closing date of these condensed interim consolidated Financial Statements the amount issued has been fully paid.

NOTE 14: ALLOWANCES AND PROVISIONS

Provisions cover contingencies arising in the ordinary course of business and other sundry risks that could create obligations for the Company. In estimating the amounts and probabilities of occurrence, the opinion of the Company's legal advisors has been considered. They include the activity of the provision for trade and other receivables disclosed in the pertinent captions.

	For trade receivables	For other receivables
Balances at December 31, 2020	**31,560**	**-**
Increases due to merger/consolidation	1,309	25,788
RECPAM (Purchasing Power Parity)	(353)	(6,959)
Balances at September 30, 2021	**32,516**	**18,829**

At September 30, 2021, the provision for contingencies has been paid.

NOTE 15: SALES REVENUE

	09/30/2021	09/30/2020
Sale of energy Res. No. 95, as amended, plus spot	6,854,604	4,426,486
Energía Plus sales	29,175,386	19,634,131
Sale of energy Res. No. 220	75,070,179	49,569,867
Sale of energy Res. No. 21	44,712,571	44,661,170
	155,812,740	**118,291,654**

NOTE 16: COST OF SALES

	09/30/2021	09/30/2020
Cost of purchase of electric energy	(22,570,158)	(5,413,873)
Cost of Gas and diesel consumption at the plant	(2,003,849)	(6,747,139)
Salaries and social security liabilities	(6,771,070)	(3,520,104)
Defined benefit plan	(80,385)	(44,019)
Other employee benefits	(97,837)	(135,184)
Fees for professional services	(40,488)	(150,196)
Depreciation of property, plant and equipment	(28,514,411)	(17,156,726)
Insurance	(2,149,961)	(896,741)
Maintenance	(4,676,069)	(5,205,879)
Electricity, gas, telephone and postage	(235,901)	(198,100)
Rates and taxes	(482,962)	(325,516)
Travel and per diem	(15,925)	(1,789)
Security guard and cleaning	(649,469)	-
Miscellaneous expenses	(233,206)	(44,712)
	(68,521,691)	**(39,839,978)**

NOTE 17: SELLING EXPENSES

	09/30/2021	09/30/2020
Rates and taxes	(382,005)	(12,654)
	(382,005)	**(12,654)**

NOTE 18: ADMINISTRATIVE EXPENSES

	09/30/2021	09/30/2020
Salaries and social security liabilities	(666,339)	(502,959)
Leases	(284,070)	(92,342)
Fees for professional services	(5,331,739)	(2,438,561)
Insurance	(1,884)	-
Directors' fees	(701,317)	-
Electricity, gas, telephone, and postage	(86,560)	(74,698)
Rates and taxes	(359,744)	(29,311)
Travel and per diem	(29,568)	(4,682)
Gifts	(29,844)	(449,671)
Miscellaneous expenses	(61,258)	(22,434)
	(7,552,323)	**(3,614,658)**

NOTE 19: FINANCIAL RESULTS

	09/30/2021	09/30/2020
Financial income		
Interest on loans granted	1,019,605	4,509,388
Commercial interest	6,052,354	10,121,939
Total financial income	**7,071,959**	**14,631,327**
Financial expenses		
Interest on loans	(51,086,158)	(37,728,856)
Commercial and other interest	(2,505,204)	(2,667,837)
Bank expenses and commissions	(379,013)	(100,669)
Total financial expenses	**(53,970,375)**	**(40,497,362)**
Other financial results		
Exchange differences, net	826,884	(89,510,004)
Changes in the fair value of financial instruments	1,464,208	(276,901)
Income/(loss) from repurchase of negotiable obligations	320,058	-
Difference in UVA value	(8,405,309)	-
RECPAM (Purchasing Power Parity)	1,180,943	81,970,273
Other financial results	(7,415,752)	(2,274,783)
Total other financial results	**(12,028,968)**	**(10,091,415)**
Total financial results, net	**(58,927,384)**	**(35,957,450)**

NOTE 20: EARNINGS/(LOSSES) PER SHARE

Basic

The basic earnings 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 period.

	Nine-month period at		Three-month period at	
	09/30/2021	09/30/2020	09/30/2021	09/30/2020
(Loss)/income for the period attributable to the owners	(26,146,472)	17,181,633	8,074,205	4,684,944
Weighted average of outstanding ordinary shares	203,123,895	138,172,150	203,123,895	138,172,150
Basic and diluted (losses)/earnings per share	**(0.13)**	**0.12**	**0.04**	**0.03**

There are no differences between the calculation of the basic earnings/(losses) per share and the diluted earnings/(losses) per share.

NOTE 21: INCOME TAX

Deferred assets and liabilities are offset when: a) there is a legally enforceable right to offset tax assets with tax liabilities; and b) the deferred tax charges are related to the same tax authority. The following amounts, determined after offsetting, are disclosed in the Statement of Financial Position.

	09/30/2021	12/31/2020
Deferred tax assets:		
Deferred tax assets to be recovered over more than 12 months	4,454	-
	4,454	**-**
Deferred tax liabilities:		
Deferred tax liabilities to be settled over more than 12 months	(217,277,095)	(117,643,462)
	(217,277,095)	**(117,643,462)**
Deferred tax (liabilities), net	**(217,272,641)**	**(117,643,462)**

The gross transactions recorded in the deferred tax account are as follows:

	09/30/2021	09/30/2020
Balance at the beginning of year	(117,643,462)	(93,952,406)
Addition due to merger/consolidation	(42,378,282)	-
Charge to Income Statement	(42,316,507)	(22,350,119)
Charge to other comprehensive income/(loss)	(14,934,390)	-
Closing balance	**(217,272,641)**	**(116,302,525)**

The activity in deferred tax assets and liabilities, without considering the offsetting of balances that correspond to the same tax jurisdiction, has been as follows:

NOTE 21: INCOME TAX (Cont'd)

Items	Balances at December 31, 2020	Addition due to merger/consolidation	Charge to income statement	Charge to other comprehensive income/(loss)	Balances at September 30, 2021
			USD		
Deferred tax - Assets (Liabilities)					
Property, plant and equipment	(124,603,542)	(44,629,377)	(17,865,902)	(14,934,390)	(202,033,211)
Investments	(23,680)	(5,703)	20,012	-	(9,371)
Trade receivables	-	18,445	410	-	18,855
Other receivables	2,721,751	(6,622)	(5,543,971)	-	(2,828,842)
Loans	(219,190)	(242,760)	(1,677,020)	-	(2,138,970)
Inventories	(1,065,392)	(268,134)	3,717,693	-	2,384,167
Provisions	225,401	57,673	1,499,280	-	1,782,354
Inflation adjustment	(40,016,547)	(16,829,687)	428,677	-	(56,417,557)
Subtotal	**(162,981,199)**	**(61,906,165)**	**(19,420,821)**	**(14,934,390)**	**(259,242,575)**
Deferred tax losses	45,337,737	19,527,883	(22,895,686)	-	41,969,934
Subtotal	**45,337,737**	**19,527,883**	**(22,895,686)**	**-**	**41,969,934**
Total	**(117,643,462)**	**(42,378,282)**	**(42,316,507)**	**(14,934,390)**	**(217,272,641)**

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 has introduced several changes in the treatment of income tax whose key components are the following:

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 General 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.

NOTE 21: INCOME TAX (Cont'd)

On December 27, 2019, the National Executive Branch enacted Law No. 27541 on Social Solidarity and Productive Reactivation. 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 inflation adjustment: The allocation of the tax inflation adjustment for the first and second year commenced as from January 1, 2019 must be allocated in equal parts during 6 fiscal years.
- Personal assets tax, 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 companies has been eliminated and a new progressive rate structure has been established for Income Tax, with three segments according to the range of cumulative taxable net income. The new rates are the following: 25% for cumulative taxable net income ranging between $0 and $5 million; 30% for the second segment, between $5 million and $50 million; and 35% for taxable income in excess of $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 of the income tax charged to income/loss for the year to that resulting from the application of the tax rate in force in Argentina to the pre-tax profit/loss for the nine-month periods ended on September 30, 2021 and 2020 is the following:

	09/30/2021	09/30/2020
Pre-tax profit/(loss)	19,753,890	39,531,752
Current tax rate	35%	30%
Income/(loss) at the tax rate	**(6,913,862)**	**(11,859,526)**
Permanent differences	(1,439,166)	(141,200)
Difference between the income tax provision for the prior year and the tax returns	212,739	(61,829)
Income from interests in associates	(186,576)	-
Change in the income tax rate (a)	(40,966,870)	5,805,876
Variation in tax losses	(51,891)	-
Expiration of tax losses	-	(696,678)
Accounting inflation adjustment	(188,923)	3,796,215
Tax inflation adjustment and restatement of tax losses	(15,003,171)	(19,192,977)
Effects of exchange and translation differences of property, plant and equipment	22,221,213	-
	(42,316,507)	**(22,350,119)**

NOTE 21: INCOME TAX (Cont'd)

	09/30/2021	09/30/2020
Deferred tax	(42,380,118)	(22,350,119)
Variation between the income tax provision and the tax returns	63,611	-
Income tax	**(42,316,507)**	**(22,350,119)**

(a) Corresponds to the effect of the application of the changes in income tax rates on deferred tax assets and liabilities, in line with the tax reform detailed above, based on the expected year of realization. The impact of the change in the rate was recognized in income for the period, except in the case of the adjustment to deferred liabilities generated from application of the revaluation model for certain types of property, plant and equipment, as it is related to items previously recognized in other comprehensive income. This impact has been disclosed in the Statement of Other Comprehensive Income.

The deferred tax assets due to tax losses are recognized insofar as the realization of the corresponding fiscal benefit through future taxable income is probable.

Income tax losses from the subsidiary CTR have been valued at the rate corresponding to the year in which their use is expected, considering their restatement in accordance with tax inflation adjustment procedures. Based on the guidelines of IFRIC 23 - Uncertainty over Income Tax Treatments and in accordance with the opinion of the legal and tax advisors, the Company has restated for inflation the tax losses using the Wholesale Price Index, pursuant to Section 19 of the Income Tax Law. The subsidiary CTR recognizes the mentioned deferred tax asset only if there are sufficient future taxable profits allowing for their use.

At September 30, 2021, accumulated tax losses amount to USD 119,919 thousand and pursuant to the tax laws in force, they can be offset against tax profits from future fiscal years according to the following breakdown:

Year	Amount in USD	Year of expiration
Tax loss for the year 2016	214	2021
Tax loss for the year 2017	982	2022
Tax loss for the year 2018	49,859,185	2023
Tax loss for the year 2019	26,618,996	2024
Tax loss for the year 2020	42,792,319	2025
Tax loss for the year 2021	647,372	2026
Total accumulated tax losses at September 30, 2021	**119,919,068**	

NOTE 22: FINANCIAL AND NON-FINANCIAL ASSETS AND LIABILITIES

The following tables show the financial assets and financial liabilities per category of financial instruments and reconciliation with the line exposed in the Statement of Financial Position, as applicable. As the captions Trade and other receivables and Trade and other payables contain both financial instruments and financial assets or liabilities, such as advances, receivables and tax debts), the reconciliation is shown in Non-financial assets and Non-financial liabilities.

Financial assets and liabilities at September 30, 2021 and December 31, 2020 were as follows:

At September 30, 2021	Financial assets/liabilities at amortized cost	Financial assets/liabilities at fair value through profit or loss	Non-financial assets/ liabilities	Total
Assets				
Trade receivables, other receivables and others	54,592,257	-	91,231,391	145,823,648
Other financial assets at fair value through profit or loss	-	89,376,570	-	89,376,570
Cash and cash equivalents	7,779,668	3,755,557	-	11,535,225
Non-financial assets	-	806	924,903,451	924,904,257
Total	**62,371,925**	**93,132,933**	**1,016,134,842**	**1,171,639,700**
Liabilities				
Trade and other payables	67,116,359	-	-	67,116,359
Loans (finance leases excluded)	724,431,715	-	-	724,431,715
Finance leases	2,232,728	-	-	2,232,728
Non-financial liabilities	-	-	225,574,232	225,574,232
Total	**793,780,802**	**-**	**225,574,232**	**1,019,355,034**

At December 31, 2020	Financial assets/liabilities at amortized cost	Financial assets/liabilities at fair value through profit or loss	Non-financial assets/ liabilities	Total
Assets				
Trade receivables, other receivables and others	103,776,012	945	38,329,280	142,106,237
Cash and cash equivalents	7,287,260	14,963,576	-	22,250,836
Non-financial assets	-	-	681,013,275	681,013,275
Total	**111,063,272**	**14,964,521**	**719,342,555**	**845,370,348**
Liabilities				
Trade and other payables	89,240,036	-	-	89,240,036
Derivative financial instruments	-	303,030	-	303,030
Loans (finance leases excluded)	458,898,968	-	-	458,898,968
Finance leases	1,084,767	-	-	1,084,767
Non-financial liabilities	-	-	123,820,362	123,820,362
Total	**549,223,771**	**303,030**	**123,820,362**	**673,347,163**

NOTE 22: FINANCIAL AND NON-FINANCIAL ASSETS AND LIABILITIES (Cont'd)

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

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

At September 30, 2021	Financial assets at amortized cost	Financial liabilities at amortized cost	Non-financial instruments	Assets/Liabilities at fair value	Total
Interest earned	7,071,959	-	-	-	7,071,959
Interest paid	-	(53,591,362)	-	-	(53,591,362)
Changes in the fair value of financial instruments	-	-	-	1,464,208	1,464,208
Income/(loss) from repurchase of negotiable obligations	320,058	-	-	-	320,058
Exchange differences, net	72,712,189	(71,885,305)	-	-	826,884
Other financial costs	-	(16,200,074)	1,180,943	-	(15,019,131)
Total	**80,104,206**	**(141,676,741)**	**1,180,943**	**1,464,208**	**(58,927,384)**

At September 30, 2020	Financial assets at amortized cost	Financial liabilities at amortized cost	Non-financial instruments	Assets/Liabilities at fair value	Total
Interest earned	14,631,327	-	-	-	14,631,327
Interest paid	-	(40,396,693)	-	-	(40,396,693)
Changes in the fair value of financial instruments	-	-	-	(276,901)	(276,901)
Exchange differences, net	20,984,636	(110,494,640)	-	-	(89,510,004)
Other financial costs	-	(2,375,452)	81,970,273	-	79,594,821
Total	**35,615,963**	**(153,266,785)**	**81,970,273**	**(276,901)**	**(35,957,450)**

Determination of fair value

GMSA 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).

These charts show financial assets and liabilities of the Group measured at fair value at September 30, 2021 and December 31, 2020 and their allocation to the different hierarchy levels:

NOTE 22: FINANCIAL AND NON-FINANCIAL ASSETS AND LIABILITIES (Cont'd)

At September 30, 2021	**Level 1**	**Level 3**	**Total**
Assets			
Cash and cash equivalents			
Mutual funds	3,755,557	-	3,755,557
Financial assets at fair value through profit or loss			
Mutual funds	49,277,368	-	49,277,368
Investment in shares	-	806	806
Property, plant and equipment at fair value	-	583,072,708	583,072,708
Total	**53,032,925**	**583,073,514**	**636,106,439**

At December 31, 2020	**Level 1**	**Level 3**	**Total**
Assets			
Cash and cash equivalents			
Mutual funds	14,963,576	-	14,963,576
Investment in shares	-	945	945
Property, plant and equipment at fair value	-	465,376,285	465,376,285
Total	**14,963,576**	**465,377,230**	**480,340,806**
Liabilities			
Derivative financial instruments			
Derivative financial instruments	(303,030)	-	(303,030)
Total	**(303,030)**	**-**	**(303,030)**

There were no reclassifications of financial instruments among the different levels.

The fair value of financial instruments traded in active markets is based on quoted market prices at the date of the Statement of Financial Position. 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.

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. 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) The fair values of real properties and land have been adjusted by a method using coefficients that comprise changes in the purchasing power of the currency to conform a fair value at September 30, 2021.

b) The fair values of Facilities and Machinery and turbines have been calculated by means of the discounted cash flows (see Note 5).

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

NOTE 23: TRANSACTIONS AND BALANCES WITH RELATED PARTIES

a) Transactions with related parties and associates

		09/30/2021	09/30/2020
		USD	
		Income/(loss)	
Purchase of electric energy and gas			
RGA [3]	Related company	(3,295,855)	(10,103,780)
Solalban Energía S.A.	Associate	(113,799)	(523,751)
Purchase of wines			
BDD	Related company	(1,329)	-
Purchase of flights			
AJSA	Related company	(311,241)	(515,496)
Sale of energy			
RGA	Related company	-	195,960
Solalban Energía S.A.	Associate	79,419	355,046
Leases and services agreements			
RGA	Related company	(8,473,203)	(4,478,876)
Recovery of expenses			
RGA	Related company	(5,657)	30,807
AESA	Related company	45	22,380
CTR [2]	Subsidiary	-	15,327
GROSA [2]	Subsidiary	-	12,730
Gas pipeline works and closure of cycle			
RGA	Related company	(1,301,316)	(12,126)
Work management service			
RGA	Related company	(1,498,058)	(1,508,666)
Interest generated due to loans received			
CTR [2]	Subsidiary	-	(2,697,027)
Interest generated due to loans granted			
Directors/Shareholders	Related parties	1,006,276	122,598
ASA [1]	Related company	-	9,960,058
GROSA [2]	Subsidiary	-	39,283
Centennial S.A.	Related company	4,390	-
Commercial interest			
RGA	Related company	(8,507)	-
Guarantees provided/received			
ASA [1]	Related company	-	(42,232)
RGA	Related company	-	27,419
Exchange difference			
RGA	Related company	369,977	-

[1] Company merged into GMSA as from January 1, 2021, as a result of the merger by absorption of GMSA with ASA and GECEN. At December 31, 2020, parent company of GMSA.

[2] Subsidiaries of GMSA as from January 1, 2021, as a result of the merger by absorption of GMSA with ASA and GECEN. At December 31, 2020, related companies of GMSA.

[3] They correspond to gas purchases, which are partly assigned to CAMMESA within the framework of the Natural Gas Dispatch Procedure for power generation.

NOTE 23: TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Cont'd)

b) Remuneration of key managerial staff

The senior management includes directors (executive and non-executive). Their remunerations for the nine-month period at September 30, 2021 and 2020 amounted to USD 662,748 and USD 448,094, respectively.

	09/30/2021	09/30/2020
	USD	
	Income/(loss)	
Salaries	(662,748)	(448,094)
	(662,748)	**(448,094)**

c) Balances at the date of the condensed interim consolidated Financial Statements

Captions	Type	USD 09/30/2021	USD 12/31/2020
NON-CURRENT ASSETS			
Other receivables			
ASA [(1)]	Related company	-	59,129,591
TEFU S.A.	Related company	183,865	-
		183,865	**59,129,591**
CURRENT ASSETS			
Trade receivables			
Solalban Energía S.A.	Associate	999	-
		999	**-**
Other receivables			
Centennial S.A.	Related company	309,523	-
AESA	Related company	-	585,360
CTR [(2)]	Subsidiary	-	585,028
GROSA [(2)]	Subsidiary	-	212,986
Loans to Directors/Shareholders	Related parties	6,978,401	781,980
		7,287,924	**2,165,354**
CURRENT LIABILITIES			
Trade payables			
Solalban Energía S.A.	Associate	-	32,182
AJSA	Related company	250,157	-
RGA	Related company	2,412,439	17,598,638
		2,662,596	**17,630,820**
Other liabilities			
Directors' fees	Related parties	188,557	-
		188,557	**-**
Loans			
CTR [(2)]	Subsidiary	-	19,884,870
		-	**19,884,870**

[(1)] Company merged into GMSA as from January 1, 2021, as a result of the merger by absorption of GMSA with ASA and GECEN. At December 31, 2020, parent company of GMSA.

[(2)] Subsidiaries of GMSA as from January 1, 2021, as a result of the merger by absorption of GMSA with ASA and GECEN. At December 31, 2020, related companies of GMSA.

NOTE 23: TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Cont'd)

d) Loans granted to and received from related parties

	09/30/2021	09/30/2020
Loans to ASA (1)		
Balance at the beginning of year	59,129,591	44,016,687
Addition due to merger	(59,129,591)	-
Loans granted	-	14,825,002
Accrued interest	-	9,960,058
RECPAM (Purchasing Power Parity)	-	(9,879,040)
Closing balance	**-**	**58,922,707**

	09/30/2021	09/30/2020
Loans to GROSA (2)		
Balance at the beginning of year	-	176,983
Accrued interest	-	39,283
RECPAM (Purchasing Power Parity)	-	(35,758)
Closing balance	**-**	**180,508**

	09/30/2021	09/30/2020
Loans to Centennial S.A.		
Balance at the beginning of year	**-**	**-**
Loans granted	305,196	**-**
Accrued interest	4,390	**-**
Closing balance	**309,586**	**-**

The loans are governed by the following terms and conditions:

Entity	Amount	Interest rate	Conditions
At September 30, 2021			
Centennial S.A.	305,134	35%	Maturity date: 1 year
Total in US Dollars	**305,134**		

	09/30/2021	09/30/2020
Loans received from CTR (2)		
Balance at the beginning of year	(19,884,870)	(5,001,931)
Loans added due to merger but eliminated from consolidation	19,884,870	-
Loans received	-	(18,914,810)
Accrued interest	-	(2,697,027)
Interest paid	-	1,217,178
RECPAM (Purchasing Power Parity)	-	2,152,806
Closing balance	**-**	**(23,243,784)**

(1) Company merged into GMSA as from January 1, 2021, as a result of the merger by absorption of GMSA with ASA and GECEN. At December 31, 2020, parent company of GMSA.

(2) Subsidiaries of GMSA as from January 1, 2021, as a result of the merger by absorption of GMSA with ASA and GECEN. At December 31, 2020, related companies of GMSA.

NOTE 23: TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Cont'd)

d) Loans granted to and received from related parties (Cont'd)

	09/30/2021	09/30/2020
Loans to Directors/Shareholders		
Balance at the beginning of year	781,980	479,673
Loans added due to merger/consolidation	5,420,730	-
Loans granted	3,739,812	247,458
Forgiven loans	(179,836)	-
Loans repaid	(2,754,799)	-
Accrued interest	1,006,276	122,598
Interest paid	(14,253)	-
Exchange difference	(980,197)	-
RECPAM (Purchasing Power Parity)	(41,312)	(116,758)
Closing balance	**6,978,401**	**732,971**

The loans are governed by the following terms and conditions:

Entity	Amount	Interest rate	Conditions
At September 30, 2021			
Directors/Shareholders	587,214	BADLAR + 3%	Maturity date: 1 year
Directors/Shareholders	5,112,561	25%	Maturity date: 1 year
Total in US Dollars	**5,699,775**		

Receivables from related parties arise mainly from transactions of services provided and fall due in the month following the transaction date. No allowances have been recorded for these receivables from related parties in any of the periods covered by these condensed interim consolidated Financial Statements. Trade payables with related parties arise mainly from transactions of purchases of gas and fall due in the month following the transaction date. Transactions with related parties are performed under similar conditions to those carried out with independent parties.

NOTE 24: WORKING CAPITAL

At September 30, 2021, the Company reports a surplus of USD 53,301,259 in its working capital (calculated as current assets less current liabilities), which means an increase of USD 109,301,817, compared to the deficit in working capital at December 31, 2020 (USD 56,000,558). The Company has restructured its short-term liabilities, thus reducing the deficit in its working capital.

EBITDA(*) at September 30, 2021 amounted to USD 107,729 thousand, in line with projections, which shows compliance with the objectives and efficiency of the transactions carried out by the Group.

(*) Amount not covered by the review report. It was determined based on the guidelines of the international bonds.

NOTE 25: 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.

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

The Board of Directors considers the business as a single segment: the electricity segment. It comprises the generation and sale of electricity and the development of energy projects, execution of projects, advisory, service delivery, management and execution of works of any nature.

The information used by the Board of Directors for decision-making is based primarily on operating indicators of the business.

NOTE 26: OTHER COMMITMENTS

A. GMSA

Some of the contractual obligations relating to the supply of electric energy to large customers of the MAT at September 30, 2021 and periods in which those obligations must be fulfilled are detailed below. These commitments are originated in supply contracts (energy and power) entered into between the Company and large users on the Forward Market in accordance with regulations set forth by the Energy Secretariat under Resolution No. 1281/06 (Energía Plus). They are contracts denominated in United States dollars, entered into with private customers.

Sale commitments(1)	**Total**	**Up to 1 year**	**From 1 to 3 years**
Electric energy and power - Plus	2,556,684,177	1,957,836,057	598,848,120

(1) Commitments are denominated in pesos and have been valued considering estimated market prices, based on the particular conditions of each contract. They reflect the valuation of the contracts with private customers in force at September 30, 2021, under ES Resolution No. 1281/06.

B. GROSA

On April 27, 2011 the Ordinary Shareholders' Meeting of Central Térmica Sorrento S.A. unanimously approved a lease contract with GROSA; the purpose of the agreement is to rent both the building and the assets added to the Power Plant, including the generator, equipment and other available fixed assets and spare parts. The contract was effectively valid as from November 15, 2010 (with a 9-month grace period) and has a set term of 10 years, with a renewal option for 7 additional years. The first fee installment was invoiced on August 1, 2011.

On December 23, 2015 the reorganization proceeding of Central Térmica Sorrento S.A. was initiated. This situation does not affect the lease agreement mentioned above or the electric power generation business.

NOTE 26: OTHER COMMITMENTS (Cont’d)

B. GROSA (Cont’d)

On November 10, 2016, a mediation hearing was closed without reaching an agreement in connection with the eviction of the property under a lease agreement mentioned in the preceding paragraph. GROSA estimates that it is highly unlikely that the eviction will take place as Central Térmica Sorrento S.A. has no right to be granted this order.

In the case “Central Térmica Sorrento S.A. c/ Generación Rosario S.A. s/Medidas Precautorias” (Central Térmica Sorrento S.A. v. Generación Rosario S.A. on precautionary measures), an attachment was levied on the funds that CAMMESA should settle with Generación Rosario S.A. for $13,816,696, plus interest for $6,900,000 (equivalent to USD 139,930 and USD 69,880, respectively), which was recorded by CAMMESA in the settlement dated December 12, 2017. In reply to this resolution, on April 17, 2018 the attachment decreed against GROSA was replaced with a bond insurance policy. The sums subject to the court-ordered attachment were returned to the Company on June 28, 2018.

Furthermore, payment of monthly rentals through judicial consignment was requested in re. “Generación Rosario S.A. c/ Central Térmica Sorrento s/ Consignación” (“Generación Rosario S.A. v. Central Térmica Sorrento on Consignment”).

Extension of the lease contract with GROSA In December 2020, GROSA decided to exercise the option to extend the term of the lease contract, it being executed on February 10, 2021. Therefore, the useful life of property, plant and equipment has been adjusted at the end of fiscal year 2020.

NOTE 27: EXECUTION OF CONTRACTS TO PURCHASE MACHINERY

BLC Asset Solutions B.V.

On February 21, 2018, GMSA signed an agreement with BLC Asset Solutions B.V. (BLC) for the purchase of equipment to be installed at the electric power generation plants located in Río Cuarto, Province of Córdoba, and in Ezeiza, Province of Buenos Aires, for expansion through cycle closures at the two power plants. The purchase agreement sets forth financing by BLC for USD 61.200.000, according to the irrevocable commitment signed on July 22, 2019. At the date of signing these Financial Statements, machinery amounting to USD 41.2 million was received.

In the agreement with GMSA, BLC expresses its will to amend the documents so as to reschedule the payments related to the Contracts for the Purchase of Equipment. Under such commitment, an additional year was added for the payment of the mentioned equipment, with the expiration date being March 2023, which significantly reduces the payments for 2020.

On June 26, 2020, GMSA and BLC through an amendment to the documents, agreed a new payment schedule for the Contracts for the Purchase of Equipment. In view of the agreement, the first payment was rescheduled from June 2020 to June 2021, with the final maturity remaining unchanged in March 2023.

As a result of Communication “A” 7106 dated September 15, 2020 issued by the Central Bank of Argentina, GMSA and BLC agreed to execute an amendment to reschedule debt payments. On December 17, 2020, BLC and GMSA executed an amendment whereby the payment schedule was changed, with quarterly amortizations, with the next payment of principal maturing in June 2021. Further, a new extension of the term was agreed to pay for the above-mentioned equipment, with the final maturity date being June 2023, thus significantly reducing payments throughout 2021.

NOTE 27: EXECUTION OF CONTRACTS TO PURCHASE MACHINERY (Cont'd)

Pratt & Whitney Power System Inc.

Generación Frías S.A. signed an agreement with PWPS for the purchase of the FT4000™ SwiftPac® 60 turbine, including whatever is necessary for its installation and start-up. The purchase agreement sets out 4-year financing for USD 12 million by PWPS, upon provisional acceptance by Generación Frías S.A.

At September 30, 2021, the above-mentioned debt has been repaid.

NOTE 28: LONG-TERM MAINTENANCE CONTRACT – CTMM, CTI, CTF, CTE, CTRi AND CTR POWER PLANTS

GMSA and PWPS entered into a global service agreement (Long Term Service Agreement), for the power plant CTF. As set forth in the agreement, PWPS must provide on-site technical assistance on a permanent basis, a remote monitoring system to follow up on the efficient performance of the turbines, 24-hour assistance from the engineering department in the USA, original spare parts in a timely manner and repairs for planned and corrective maintenance. GMSA entered into an equipment lease agreement whereby PWPS must make available to GMSA under EXW conditions replacement equipment (Gas Generator/Power Turbine) within 72 hours, in case of unplanned placing of equipment out of service. PWPS thus guarantees to the Power Plant availability of not less than ninety five percent (95%) per contractual year. Also, the Power Plant has its own repair shop with tools and stocks of spare parts to perform on-site repairs without having to send the equipment to the workshop in the USA. The gas turbine equipment can be sent by plane, thus reducing the transportation time.

GMSA and PWPS Argentina entered into a service agreement for the power plant CTMM, whereby PWPS Argentina commits permanent on-site technical assistance as well as the provision of a remote monitoring system to follow-up the operation of turbines and 24-hour assistance.

In addition, GMSA signed with Siemens S.A. and Siemens Energy AB a global service and spare part agreement for the power plants CTRi, CTMM, CTI and CTE. As set forth in the agreements, Siemens must provide on-site technical assistance on a permanent basis, a remote monitoring system to follow up on the performance of the turbines, 24-hour assistance from the engineering department, original spare parts in a timely manner and repairs for planned and corrective maintenance. In addition, the agreement establishes that Siemens will make available to GMSA replacement equipment (engine gas generator), if necessary, for CTRi, CTMM, CTI and CTE. Siemens thus guarantees an average availability of not less than ninety six percent (96%) to the above mentioned power plants for each biannual measurement period. In addition, the power plants have their own repair shop with tools and spare parts in stock to make on-site repairs. Compliance with the energy sale agreement with CAMMESA under Resolution No. 220/07 (for power plants CTRi and CTMM) and Resolution No. 21/16 (for power plants CTI and CTE) is thus guaranteed.

NOTE 28: LONG-TERM MAINTENANCE CONTRACT – CTMM, CTI, CTF, CTE, CTRi AND CTR POWER PLANTS (Cont'd)

Availability per Power Plant (%)

The high availability percentages shown in the graphic above ensure to a great extent the estimated operating income/(loss) of the business and the compliance with the goals established by the Board.

At the end of 2019, CTR signed an addendum to the contract in effect with GE International INC and GE Energy Parts International LLC, whereby the Long-term service agreement (LTSA) is changed to an inspection, major and essential repairs and maintenance contract. The aim of the addendum is to adapt contracts in effect -but signed several years ago- to new market offerings appearing year after year, as a result of a greater globalization in the implementation of new manufacturing processes and development of new materials. Gas turbines manufactured and commissioned ten years ago benefit the most from these new opportunities.

This change of type of contract is neither contrary to availability of power generation turbines nor jeopardizes them, as it does not alter the client -service provider relationship. In addition, it allows the company to have its own staff structure, which is highly qualified and with knowledge and skills to operate and maintain the Power Plant at availability values higher than the industry's average, and provides a stock of spare parts and consumables according to needs, as well as a modern workshop, fully equipped with specialized tools for these tasks, ensuring compliance with the agreement for the sale of energy with CAMMESA, under Resolution No. 220/07.

NOTE 29: ENGINEERING, PROCUREMENT AND MANAGEMENT (EPC) CONTRACT

On July 1, 2021, GMSA executed the EPC contract with Sociedad Argentina de Construcción y Desarrollo Estratégico S.A. (SACDE) to perform works, provide services and obtain the necessary equipment supplies for the CTE enlargement project including the installation of a fourth TG04 gas turbine and the closure of cycle and start-up of the combined cycle of CTE by means of the addition of two steam turbines TV01 and TV02 with an incremental net installed capacity of 138 MW and associated systems.

NOTE 29: ENGINEERING, PROCUREMENT AND MANAGEMENT (EPC) CONTRACT (Cont'd)

SACDE will carry out civil and electromechanical works with the scope stated in the EPC contract and its main obligations include: (i) completing the works in a maximum term of 845 calendar days counted as from the Works Execution Date (without prejudice to possible extensions that might apply); (ii) making adjustments, repairs and replacements necessary to fulfill its obligations; and (iii) informing, on a weekly and monthly basis, about the progress of works and any other relevant detail in accordance with the construction planning prior to approval of work certificates by GMSA.

The EPC contract shall be payable in Argentine Pesos at Banco Nación selling exchange rate prevailing on the day before effective payment. Notwithstanding the above, the price of the EPC contract is stated in US Dollars, Euros and Pesos reasonably in accordance with the cost structure applied to the Project, plus an equitable review on the portion in Argentine Pesos. The contract became effective within five (5) business days from obtaining necessary financing to complete the works and is subject to SACDE's submitting the invoice and guarantee for the advance payment so that GMSA pays the financial advance payment. Sums paid on account of financial advance payment shall be reimbursed through a 15% (fifteen percent) discount on the value of the monthly certificates subsequent to the financial advance payment, until GMSA is fully reimbursed the advance payment made.

Upon finishing all works to be performed and committed to by SACDE for the completion of the Project, in due time and manner, pursuant to the EPC contract and having satisfactorily conducted the BOP testing and, among other issues, having reached mechanical completion and start-up of all Project's systems and equipment, SACDE may require the provisional delivery of the works. Once the 12-month period has elapsed counted as from the provisional delivery, period in which SACDE shall grant a technical guarantee for the Project and works performed, provided all rectifications and/or adjustments have been made relating to the technical guarantee, GMSA shall proceed to the final delivery of the works and all guarantees of the equipment shall be delivered to GMSA.

NOTE 30: 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, it is informed that 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).

NOTE 31: ECONOMIC CONTEXT IN WHICH THE GROUP OPERATES

The Group has been operating in a complex economic environment characterized by a strong volatility, as a result of the outbreak of the COVID-19 pandemic, both nationally and internationally.

As a result of the increase in the number of individuals infected with coronavirus in 2021, the governments of various countries around the world, including the Argentine Government, reimplemented temporary measures and imposed certain restrictions on the circulation of the population.

The Argentine economy was already in a recession and the COVID-19 pandemic outbreak in March 2020 worsened the scenario.

The main indicators in our country are as follows:

• A fall of 9.9% in GDP year-on-year is expected for 2021, according to the Level of Activity Progress Report of the INDEC.

• Cumulative inflation between January 1, 2021 and September 30, 2021 was 36.96% (CPI).

• Between January 1 and September 30, 2021, the peso depreciated 17.33% 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 exchange market to curb the demand for dollars, prior authorization from the Argentine Central Bank is required for certain transactions; 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 March 31, 2021 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 for the issuance of publicly traded debt securities
- Payment for imports of goods abroad
- Formation of external assets

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 and services.
- Collections of pre-export financing, advances and post-export financing of goods.
- Service exports.
- Sale of nonproduced non-financial assets.
- Sale of external assets.

This context of volatility and uncertainty still persists at the date of issuance of these condensed interim consolidated Financial Statements.

NOTE 31: ECONOMIC CONTEXT IN WHICH THE GROUP OPERATES (Cont'd)

At September 30, 2021, there was no adverse impact on the commercial operations or the customer service as a result of the remote work. Management will continue reviewing and modifying plans as conditions change, with the aim of guaranteeing compliance with operation and maintenance tasks in due time and manner, the rescheduling of investments and the search for financing opportunities under reasonable market conditions.

The Group has not had significant impacts on its operating results for the year as a result of the pandemic, and recorded a positive operating cash flow.

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 32: SUBSEQUENT EVENTS

GMSA and CTR - Notice of subscription of Class X negotiable obligations, swap offer and request for consent

Through notice of subscription complementary to the swap pricing supplement and request for consent dated October 22, 2021, the holders of International Bonds and creditors of Existing loans (Credit Suisse AG London Branch) were informed that GMSA and CTR (the co-issuers) would offer the subscription of Class X Negotiable Obligations, stated and payable in US Dollars, at a fixed interest rate of 9.625%, maturing in 2027.

The new proposed principal payment schedule is as follows:

Principal payment dates:	Percentage of original principal amount payable
February 1, 2022	2.00%
December 1, 2022	3.50%
June 1, 2023	3.50%
December 1, 2023	7.00%
June 1, 2024	10.00%
December 1, 2024	10.00%
June 1, 2025	10.00%
December 1, 2025	10.00%
June 1, 2026	10.00%
December 1, 2026	10.00%
June 1, 2027	10.00%
Maturity date	14.00%

The Co-issuers invited all eligible holders to (1) swap all or any of their existing negotiable obligations (International Bond) for an amount of USD 336,000,000, maturing in 2023, at a fixed rate of 9.625%, and the holders of Existing Loans (Credit Suisse AG London Branch) to swap each and every pre-existing loans with a total balance of USD 51,217,055, falling due in 2023 (the "Existing Loans" and jointly with the Existing Negotiable Obligations, the "Existing Instruments"); and (2) give consent to amend certain provisions of the Trust agreement under which the Existing Negotiable Obligations have been issued.

NOTE 32: SUBSEQUENT EVENTS (Cont'd)

GMSA and CTR - Notice of subscription of Class X negotiable obligations, swap offer and request for consent (Cont'd)

The following table indicates the main terms of the swap offer:

Existing Instruments			Swap consideration(1)	
Description	**CUSIP/ISIN**	**Amount of outstanding principal**	**Filings made on or before the Early Participation Date**	**Filings made after the Early Participation Date**
Existing Negotiable Obligations (2)	Rule 144A: 36875L AA7 Regulation S: P4621M AA3 Rule 144A: US36875LAA70 Regulation S: USP4621MAA38 BYMA MAE: GMFRO	USD 336,000,000(3)	USD 1,020 of principal on new negotiable obligations	USD 1,000 of principal on new negotiable obligations
Existing Loans (4)	N/A	USD 51.217.055	USD 1,000 of principal on new negotiable obligations	USD 1,000 of principal on new negotiable obligations

(1) For each USD 1,000 of principal on the Existing Instruments duly filed and whose swap has been accepted. The valuable consideration for early swap and the swap valuable consideration do not include accrued interest (as defined herein), which will be payable together with the swap valuable consideration.
(2) Existing Negotiable Obligations are currently listed on the Luxembourg Stock Exchange and are traded in the Euro MTF; they are listed on BYMA (as defined herein) and are traded in the MAE..
(3) The existing negotiable obligations for approximately USD 4,700,000 are owned by the co-issuers.
(4) It includes the Amended and Restated Contract for Undertaking Obligations, the second Amended and Restated Contract for Undertaking Obligations, as amended, the GECEN recognition of debt and payment agreement, the recognition of debt and payment agreement tranche I, and the recognition of debt and payment agreement tranche III.
(5) Early participation date was November 4, 2021.

Expiration date for filing valid offers on existing instruments is November 23, 2021, unless it is extended.

The swap offer and request for consent shall become effective on condition that, among other things, at least 75% of the total amount of principal on outstanding Existing Negotiable Obligations is duly offered, not retired and accepted in the offer and request for consent on or before the expiration date.

At November 26, 2021, the swap offer expiration date, the holders of the International Bond duly filed swap offers for a nominal value of USD 268,803,000 out of USD 336,000,000 (80%) and the holders of Existing Loans (Credit Suisse AG London Branch) for a principal amount of USD 51,217,055 (100%).

With this outcome and the swap ratio offered to the International bond holders who filed an early offer, the amount to be issued totals USD 325,395,255.

NOTE 32: SUBSEQUENT EVENTS (Cont'd)

GMSA and CTR - Notice of subscription of Class X negotiable obligations, swap offer and request for consent (Cont'd)

Jointly with the swap offers filed, consents were given to amend, subject to the Holders' Meeting to be held on November 30, certain commitments and clauses of the Trust Agreement of the International Bond 2023.

The Holders' Meeting was held on November 30, 2021, with the completion of the swap of the instruments mentioned above and the amendment of certain commitments and clauses of the Trust Agreement of the International Bond 2023.

The underwriters and Request for Consent Agent are Citigroup Global Markets INC., J.P. Morgan Securities LLC and UBS Securities LLC.

Under this transaction, the debt maturities were extended through the issuance of a new bond subject to amortization in 2027, with the aim of aligning the financial debt maturities curve with the issuers' cash flows.

Class XI and XII Negotiable Obligations

On November 12, 2021, the Company co-issued with CTR Class XI and Class XII Negotiable Obligations.

Allocation of funds: The proceeds from the cash subscription of the negotiable obligations will be allocated as follows:

(i) the portion paid up in kind relating to Series A of Class XI and Class XII Negotiable obligations with the delivery of Class V, Class VII and Class VIII Negotiable Obligations issued by the co-issuers, to refinancing liabilities.

(ii) the portion paid up in cash relating to Series B of Class XI and Class XII Negotiable Obligations was applied to investments in physical assets and capital goods located in Argentina, the acquisition of going concerns located in Argentina, working capital in Argentina or refinancing of liabilities, to capital contributions in related companies or affiliates of the Co-issuers, to the acquisition of equity interests and/or financing of the ordinary course of business, whose proceeds are exclusively applied to the allocations previously mentioned.

The terms and conditions of the Negotiable Obligations are described below:

1) Class XI Negotiable Obligations:

Principal: Nominal value: USD 38,654,809

Nominal value of the Class XI Negotiable Obligations to be paid up with Class V Negotiable Obligations issued by the Co-issuers: USD 11,085,748.

Nominal value of the Class XI Negotiable Obligations to be paid up with Class VII Negotiable Obligations issued by the Co-issuers: USD 4,756,449.

Nominal value of the Class XI Negotiable Obligations to be paid up with Class VIII Negotiable Obligations issued by the Co-issuers: USD 1,005,690.

Price of Issue of Series A Class XI Negotiable Obligations: 100% of nominal value.

Closing Price of Series B Class XI Negotiable Obligations: 104.95%.

Interest: 6.0% annual nominal rate.

Maturity date: November 12, 2024.

NOTE 34: SUBSEQUENT EVENTS (Cont'd)

Class XI and XII Negotiable Obligations (Cont'd)

Amortization dates: They are amortized in 4 (four) consecutive installments, each for an amount equivalent to 25% of the nominal value of Class XI Negotiable Obligations on the following dates: February 12, 2024; May 12, 2024; August 12, 2024 and November 12, 2024.

Interest payment dates: Interest shall be paid on a quarterly basis on the following dates: February 12, 2022; May 12, 2022; August 12, 2022; November 12, 2022; February 12, 2023; May 12, 2023; August 12, 2023; November 12, 2023; February 12, 2024; May 12, 2024; August 12, 2024 and November 12, 2024.

2) Class XII Negotiable Obligations:

Principal: Nominal value: UVA 48,161,545 equivalent to $4,463,611,991.

Nominal value of the Class XII Negotiable Obligations to be paid up with Class VIII Negotiable Obligations issued by the Co-issuers: UVA 36,806,833 equivalent to $3,411,257,282.

Price of Issue of Series A Class XII Negotiable Obligations: 100% of nominal value.

Closing Price of Series B Class XII Negotiable Obligations: 102.00%.

Interest: 4.6% annual nominal rate.

Maturity date: November 12, 2024.

Amortization dates: They are amortized in 4 (four) consecutive installments, each for an amount equivalent to 25% of the nominal value of Class XI Negotiable Obligations on the following dates: February 12, 2024; May 12, 2024; August 12, 2024 and November 12, 2024.

Interest payment dates: Interest shall be paid on a quarterly basis on the following dates: February 12, 2022; May 12, 2022; August 12, 2022; November 12, 2022; February 12, 2023; May 12, 2023; August 12, 2023; November 12, 2023; February 12, 2024; May 12, 2024; August 12, 2024 and November 12, 2024.

Summary of Activity at September 30, 2021 and 2020

1. A brief description of the activities of the issuing company, including reference to relevant circumstances subsequent to the period closing date.

In accordance with the provisions of CNV General Resolution No. 368/01 and subsequent amendments, we present below an analysis of the results of operations of Generación Mediterránea S.A. (the Company) and its financial position, which must be read together with the accompanying condensed interim consolidated Financial Statements.

	2021	2020	Variation	Variation %
	GW			
Sales by type of market				
Sale of energy Res. No. 95, as amended, plus Spot	120	77	43	56%
Energía Plus sales	481	317	164	52%
Sale of electricity Res. No. 220	971	83	888	1070%
Sale of electricity Res. No. 21	106	91	15	16%
	1,678	**568**	**1,110**	**195%**

The sales for each market (in thousands of dollars) are shown below:

	2021	2020	Variation	Variation %
	(in thousands of dollars)			
Sales by type of market				
Sale of energy Res. No. 95, as amended, plus spot	6,854.6	4,426.5	2,428.1	55%
Energía Plus sales	29,175.4	19,634.1	9,541.3	49%
Sale of electricity Resolution No. 220	75,070.2	49,569.9	25,500.3	51%
Sale of electricity Res. No. 21	44,712.5	44,661.2	51.3	0%
Total	**155,812.7**	**118,291.7**	**37,521.0**	**32%**

Summary of Activity at September 30, 2021 and 2020

Income/(loss) for the nine-month period ended September 30, 2021 and 2020 (in thousands of dollars):

	Nine-month period ended September 30, 2021	2020	Variation	Variation %
Sales of energy	155,812.7	118,291.7	37,521.0	32%
Net sales	**155,812.7**	**118,291.7**	**37,521.0**	**32%**
Cost of purchase of electric energy	(22,570.2)	(5,413.9)	(17,156.3)	317%
Gas and diesel consumption at the plant	(2,003.8)	(6,747.1)	4,743.3	(70%)
Salaries and social security charges	(6,771.1)	(3,520.1)	(3,251.0)	92%
Defined benefit plan	(80.4)	(44.0)	(36.4)	83%
Maintenance services	(4,676.1)	(5,205.9)	529.8	(10%)
Depreciation of property, plant and equipment	(28,514.4)	(17,156.7)	(11,357.7)	66%
Insurance	(2,150.0)	(896.7)	(1,253.3)	140%
Sundry	(1,755.7)	(855.6)	(900.1)	105%
Cost of sales	**(68,521.7)**	**(39,840.0)**	**(28,681.7)**	**72%**
Gross profit/(loss)	**87,291.0**	**78,451.7**	**8,839.3**	**11%**
Rates and taxes	(382.0)	(12.7)	(369.3)	2908%
Selling expenses	**(382.0)**	**(12.7)**	**(369.3)**	**2908%**
Salaries and social security charges	(666.3)	(503.0)	(163.3)	32%
Fees for professional services	(5,331.7)	(2,438.6)	(2,893.1)	119%
Directors' fees	(701.3)	-	(701.3)	100%
Travel and per diem	(29.6)	(4.7)	(24.9)	530%
Rates and taxes	(359.7)	(29.3)	(330.4)	1128%
Gifts	(29.8)	(449.7)	419.9	(93%)
Sundry	(433.9)	(189.4)	(244.5)	129%
Administrative expenses	**(7,552.3)**	**(3,614.7)**	**(3,937.6)**	**109%**
Other operating income	37.5	664.8	(627.3)	(94%)
Other operating expenses	(179.8)	-	(179.8)	100%
Operating income	**79,214.3**	**75,489.2**	**3,725.1**	**5%**
Commercial interest, net	3,547.2	7,454.1	(3,906.9)	(52%)
Interest on loans, net	(50,066.6)	(33,219.5)	(16,847.1)	51%
Bank expenses and commissions	(379.0)	(100.7)	(278.3)	276%
Exchange differences, net	826.9	(89,510.0)	90,336.9	(101%)
Difference in UVA value	(8,405.3)	-	(8,405.3)	100%
Gain/(Loss) on purchasing power parity (RECPAM)	1,180.9	81,970.3	(80,789.4)	(99%)
Other financial results	(5,631.5)	(2,551.7)	(3,079.8)	121%
Financial results, net	**(58,927.4)**	**(35,957.5)**	**(22,969.9)**	**64%**
Income/(Loss) from interest in associates	(533.1)	-	(533.1)	100%
Pre-tax profit/(loss)	**19,753.9**	**39,531.8**	**(19,777.9)**	**(50%)**
Income Tax	(42,316.5)	(22,350.1)	(19,966.4)	89%
Net income/(loss) for the period	**(22,562.6)**	**17,181.6**	**(39,744.2)**	**(231%)**
Other comprehensive income/(loss) for the period				
Items that will not be reclassified under income:				
Change in the income tax rate - revaluation of property, plant and equipment	(14,934.4)	-	(14,934.4)	100%
Translation differences of subsidiaries and associates	1,207.3	-	1,207.3	100%
Other comprehensive income/(loss) for the period	**(13,727.1)**	**-**	**(13,727.1)**	**100%**
Total comprehensive income/(loss) for the period	**(36,289.8)**	**17,181.6**	**(53,471.4)**	**(311%)**

Summary of Activity at September 30, 2021 and 2020

Sales:

Net sales for the nine-month period ended September 30, 2021 amounted to USD 155,812.7 thousand, compared to USD 118,291.7 thousand for the same period in 2020, showing an increase of USD 37,521 thousand (or 32%).

In the nine-month period ended September 30, 2021, energy sales reached 1,678 GW, representing a 195% rise compared with the 568 GW for the same period in 2020.

The main sources of income of the Company and their performance during the nine-month period ended September 30, 2021 compared to the same period of the prior year are described below:

(i) USD 6854.6 thousand for sales of energy under Resolution No. 95 as amended and spot market, which represented a 55% increase compared to the USD 4,426.5 thousand for the same period in 2020. This is mainly due to the fact that the current period includes sales of GMSA, CTR and GROSA, due to the merger through absorption of GMSA with ASA and GECEN and resulting consolidation, while the financial statements for comparative purposes only include sales of GMSA.

(ii) USD 29,175.4 thousand from sales under Energía Plus, up 49% from the USD 19,634.1 thousand sold in the same period of 2020. The GW of energy sold was higher for the nine-month period ended September 30, 2021 compared to the same period in 2020.

(iii) USD 75,070.20 thousand for sales of energy in the forward market to CAMMESA under the framework of Resolution No. No. 220/07, which accounted for an increase of 51% from the USD 49,569.9 thousand for the same period in 2020. The current period includes sales of GMSA and CTR, due to the merger through absorption of GMSA with ASA and GECEN and resulting consolidation, while the financial statements for comparative purposes only include sales of GMSA.

(iv) USD 44,712.5 thousand from sales under Resolution No. 21, up 0.1% from the USD 44,661.20 thousand in the same period of 2020. The GW of energy sold was higher for the nine-month period ended September 30, 2021 compared to the same period in 2020.

Cost of sales:

The total cost of sales for the nine-month period ended September 30, 2021 reached USD 68,521.7 thousand compared with USD 39,840 thousand for the same period in 2020, reflecting an increase of USD 28,681.7 thousand (or 72%).

Below is a description of the main costs of sales of the Company, in thousands of dollars, and their behavior during the current period, compared with the same period in the previous fiscal year:

(i) USD 22,570.2 thousand for purchase of electricity, representing an increase of 317% compared to USD 5,413.9 thousand recorded for the same period in 2020, as a result of the higher sales of GW under Energía Plus.

(ii) USD 2,003.8 thousand for gas and diesel consumption at the plant, representing a decrease of 70% as against USD 6,747,1 thousand for the same period in 2020. This is due to changes in the settlement of fuels by CAMMESA.

(iii) USD 4,676.1 thousand in maintenance services, up 10% from the USD 5.205,9 thousand for the same period in 2020. This variation is mainly due to changes in the conditions of maintenance contracts.

(iv) USD 28,514.4 thousand depreciation of PP&E, up 66% from the USD 17,156.7 thousand for the same period in 2020. This change is mainly due to the effect of depreciation arising from the technical revaluation in 2020. This item does not entail an outlay of cash.

Gross income/loss:

The gross income/(loss) for the nine-month period ended September 30, 2021 was a profit of USD 87.291 thousand, compared with a profit of USD 78.541,7 thousand for the same period in 2020, representing an increase of USD 8.839,3 thousand. This variation is mainly due to the sales revenue and cost of sales of GMSA, CTR, GROSA and GLSA in the current period, on account of the merger through absorption of GMSA with ASA and GECEN and resulting consolidation, while the financial statements for comparative purposes only show income/(loss) of GMSA.

Selling expenses:

Selling expenses for the nine-month period ended September 30, 2021 amounted USD 382 thousand, compared with USD 12,7 thousand for the same period in 2020, reflecting an increase of USD 369,3 thousand. This is due to the change in the Turnover Tax rate levied on energy generation and the variation in sales and also because this period includes rates and taxes of GMSA, CTR and GROSA, due to the merger through absorption of GMSA with ASA and GECEN and resulting consolidation, while the financial statements for comparative purposes only show income/(loss) of GMSA.

Administrative expenses:

The administrative expenses for the nine-month period ended September 30, 2021 amounted to USD 7,552.3 thousand, compared to USD 3,614.7 thousand for the same period in 2020, reflecting an increase of USD 3,937.6 thousand (or 109%).

The main components of the Company's administrative expenses are listed below:

(i) USD 5,331.7 thousand for fees for professional services, a 119% increase from the USD 2,438.6 thousand in the same period of 2020. This variation is due to the fact that this period includes administrative services billed by RGA to GMSA and CTR, due to the merger through absorption of GMSA with ASA and GECEN and resulting consolidation, while the financial statements for comparative purposes only show income/(loss) of GMSA.

(ii) USD 701.3 thousand of directors' fees, which represented a 100% increase compared to the same period in 2020. Corresponds to the provision of fees for directors of GMSA for the same period in 2020.

Summary of Activity at September 30, 2021 and 2020

Other operating income:

Total other operating income for the nine-month period ended September 30, 2021 decreased to USD 37.5 thousand, down 94% compared with USD 664,8 thousand recorded in the same period of 2020.

Other operating expenses:

Total other operating expenses for the nine-month period ended September 30, 2021 amounted to USD 179.8 thousand, up 100%.

Operating income/(loss):

Operating income for the nine-month period ended September 30, 2021 was USD 79,214.3 thousand compared with an income of USD 75,489.2 thousand for the same period in 2020, accounting for an increase of USD 3,725.1 thousand.

Financial results:

Financial results for the nine-month period ended September 30, 2021 were a loss of USD 58,927.4 thousand, compared to a loss of USD 35,957.5 thousand for the same period in 2020, which accounted for an increase of USD 22,969.9 thousand.

The most noticeable aspects of the variation are:

(i) USD 50,066.6 thousand loss for interest on loans, a 51% increase from the USD 33,219.5 thousand loss for the same period in 2020. This is mainly due to the fact that the current period includes interest on loans of GMSA and CTR, due to the merger through absorption of GMSA with ASA and GECEN and resulting consolidation, while the financial statements for comparative purposes only include income/(loss) of GMSA. This is also due to an increase in financial debt generated by investment projects.

(ii) USD 826.9 thousand gain due to net exchange differences, reflecting an increase of USD 90,336.9 thousand compared to USD 89.510 thousand loss for the same period in 2020. The variation is mainly due to the fact that the Company has changed its functional currency from pesos to US dollars in 2021, which leads to an active position in pesos for the nine-month period at September 30, 2021, which generates less exchange differential than the liability position in US dollars for the nine-month period at September 30, 2020. In addition, the current period includes exchange differences of GMSA, CTR and GROSA, due to the merger through absorption of GMSA with ASA and GECEN and resulting consolidation, while the financial statements for comparative purposes only include income/(loss) of GMSA.

(iii) USD 1,180.9 thousand gain for RECPAM, a decrease of USD 80,789.4 thousand compared to USD 81,970.3 thousand gain for the same period in 2020. The variation is mainly due to the application of the US dollar functional currency in GMSA and CTR. The variation is due to the effects of the restatement by the CPI, the inflation increase being 32.0% in 2021 compared to 22.3% for 2020. In addition, the current period includes RECPAM of GROSA y GLSA due to the merger through absorption of GMSA with ASA and GECEN and resulting consolidation, while the financial statements for comparative purposes only include income/(loss) of GMSA.

Pre-tax profit/(loss):

The Company reported profits before tax for USD 19,753.9 thousand for the nine-month period ended September 30, 2021, as against USD 39,531.8 thousand profits for the same period inf 2020, which accounted for a decrease of USD 19,777.9 thousand.

The income tax charge was USD 42,316.5 thousand loss for the nine-month period ended September 30, 2021, representing an increase of the loss of USD 19,966.4 thousand as compared with the USD 22,350.1 thousand loss for the same period in 2020. This variation is mainly explained because the impacts generated by the change in the rate have been recorded, based on the modifications introduced by Law No. 27630, on the balances of net deferred assets and liabilities.

Net income/(loss):

The net income/(loss) for the nine-month period ended September 30, 2021 was a loss of USD 22.562,2 thousand compared to the profit of USD 17,181.6 thousand reported for the same period in 2020, accounting for a decrease of USD 39,744.2 thousand.

Comprehensive income:

Loss from other comprehensive income/(loss) for the period ended September 30, 2021 was USD 13,727.1 thousand, and includes the change in income tax on the revaluation of property, plant and equipment and translation differences, representing a 100% increase compared to the same period in 2020, in which there were no other comprehensive results.

Total comprehensive loss for the period amounted to USD 36,289.8 thousand representing a 311% decrease, compared to a comprehensive income of USD 17,181.6 thousand for the same period in 2020.

Summary of Activity at September 30, 2021 and 2020

Adjusted EBITDA

	Nine-month period ended September 30,
	2021
Adjusted EBITDA in millions of US dollars (1)	**107.7**

	Twelve-month period ended September 30,
	2021
Adjusted EBITDA in millions of US dollars (1)	**141.8**

(1) Amounts not covered in the Review Report.

2. Brief remarks on the outlook for fiscal year 2021

Electric power

Company's management expects to continue operating and normally maintaining the various generating units to maintain high levels of availability in 2021. The fact of introducing more efficient group machines to the Electricity System would imply obtaining higher levels of dispatch, and thus, increasing the generation of electricity.

Progress is being made to complete the project for closure of cycle at the CTE plant awarded under Resolution No. 287/17, which will add 154 MW of generation capacity to the system. The project is expected to start its commercial operation by the end of 2023.

The Contract for the Wholesale Demand involving CT Independencia's units TG01 and TG02 expires in mid-November 2021, and such units will start to be considered as base machines.

Financial situation

During this period, the Company's purpose is to continue streamlining the financing structure, ensuring a gradual debt reduction for the Company.

It is noteworthy the financing obtained in early July 2021 for the works of the project for closure of cycle at the CTE plant, through the issuance of Class XV and XVI Negotiable Obligations.

REVIEW REPORT ON THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders, President and Directors of
Generación Mediterránea S.A.
Legal address: Leandro N. Alem 855 - 14th Floor
City of Buenos Aires
Tax Registration Number: 30-68243472-0

Introduction

We have reviewed the accompanying condensed interim consolidated Financial Statements of Generación Mediterránea S.A. and its subsidiaries ("the Company"), including the consolidated Statement of Financial Position at September 30, 2021, the consolidated Statements of Comprehensive Income for the nine-month and three-month periods ended September 30, 2021, the Statements of Changes in Equity and of Cash Flows for the nine-month periods ended September 30, 2021, and the selected explanatory notes.

Board's responsibility

The Board of Directors of the Company is responsible for the preparation and presentation of these condensed interim consolidated Financial Statements in accordance with International Accounting Standard 34 Interim Financial Information (IAS 34).

Scope of our review

Our review was limited to the application of the procedures established under International Standards on Review Engagements ISRE 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of inquiries of Company staff responsible for preparing the information included in the condensed interim consolidated financial statements and of analytical and other review procedures. This review is substantially less in scope than an audit examination conducted in accordance with international standards on auditing and, consequently, it 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 on the consolidated financial position, the consolidated comprehensive income and consolidated cash flows of the Company.

Conclusion

On the basis of our review, nothing has come to our attention that makes us think that the condensed interim consolidated Financial Statements mentioned in the first paragraph of this report have not been prepared, in all material respects, in accordance with International Accounting Standard 34.

Other Matter-Restriction on use and distribution

As described in Note 3, these condensed interim consolidated financial statements have been prepared to provide information to specific users. This report is intended solely for the information and use of the Board of Directors of the Company and the Company´s foreign investors and foreign lenders and should not be used by or distributed to other parties.

City of Buenos Aires, December 2, 2021.

PRICE WATERHOUSE & CO. S.R.L.

(Partner)

Raúl Leonardo Viglione