IMPORTANT NOTICE

THIS OFFER AND SOLICITATION (AS DEFINED BELOW) IS AVAILABLE ONLY TO HOLDERS OF EXISTING NOTES WHO ARE (1) "QUALIFIED INSTITUTIONAL BUYERS" ("QIBS") AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), IN A PRIVATE TRANSACTION IN RELIANCE UPON THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT PROVIDED BY SECTION 4(A)(2) THEREOF, OR (2) PERSONS OTHER THAN "U.S. PERSONS" (AS DEFINED IN RULE 902 UNDER THE SECURITIES ACT, "U.S. PERSONS") OUTSIDE THE UNITED STATES WHO ARE NOT ACQUIRING NEW NOTES FOR THE ACCOUNT OR BENEFIT OF A U.S. PERSON, IN OFFSHORE TRANSACTIONS IN RELIANCE ON REGULATION S UNDER THE SECURITIES ACT, AND WHO ARE NON-U.S. QUALIFIED OFFEREES (AS DEFINED UNDER "TRANSFER RESTRICTIONS"), IN EACH CASE, WHOSE RECEIPT AND REVIEW OF THE EXCHANGE OFFER AND CONSENT SOLICITATION MEMORANDUM, AND PARTICIPATION IN THE OFFER AND SOLICITATION, IS OTHERWISE PERMITTED UNDER THE LAWS AND REGULATIONS OF ANY JURISDICTION APPLICABLE TO THEM.

IMPORTANT: You must read the following before continuing. The following applies to Genneia S.A.'s (the "Company" or the "Issuer") exchange offer and consent solicitation memorandum dated August 2, 2021 (the "Exchange Offer and Consent Solicitation Memorandum") following this important notice, and you are advised to read this carefully before reading, accessing or making any other use of the Exchange Offer and Consent Solicitation Memorandum. In accessing the Exchange Offer and Consent Solicitation Memorandum, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OF THE U.S. OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE U.S. OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT), EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE LAWS OF OTHER JURISDICTIONS.

THIS EXCHANGE OFFER AND CONSENT SOLICITATION MEMORANDUM IS NOT INTENDED FOR HOLDERS IN ARGENTINA. ELIGIBLE HOLDERS IN ARGENTINA ARE URGED TO READ, MUST FOLLOW THE PROCEDURES SET FORTH IN, AND MUST RELY EXCLUSIVELY ON, THE ARGENTINE EXCHANGE OFFER AND CONSENT SOLICITATION MEMORANDUM. THE ARGENTINE EXCHANGE OFFER AND CONSENT SOLICITATION MEMORANDUM IS SUBSTANTIALLY SIMILAR IN ALL MATERIAL RESPECTS TO THIS EXCHANGE OFFER AND CONSENT SOLICITATION MEMORANDUM.

THE FOLLOWING EXCHANGE OFFER AND CONSENT SOLICITATION MEMORANDUM HAS BEEN PREPARED ON THE BASIS THAT ANY OFFER OF NEW NOTES IN ANY MEMBER STATE OF THE EUROPEAN ECONOMIC AREA (EACH, A "RELEVANT MEMBER STATE") WILL BE MADE PURSUANT TO AN EXEMPTION UNDER THE PROSPECTUS REGULATION FROM THE REQUIREMENT TO PUBLISH A PROSPECTUS FOR OFFERS OF NEW NOTES. ACCORDINGLY ANY PERSON MAKING OR INTENDING TO MAKE AN OFFER IN THAT RELEVANT MEMBER STATE OF NEW NOTES WHICH ARE THE SUBJECT OF THE EXCHANGE CONTEMPLATED IN THE EXCHANGE OFFER AND CONSENT SOLICITATION MEMORANDUM MAY ONLY DO SO IN CIRCUMSTANCES IN WHICH NO OBLIGATION ARISES FOR THE ISSUER OR ANY OF THE MANAGERS TO PUBLISH A PROSPECTUS PURSUANT TO ARTICLE 3 OF THE PROSPECTUS REGULATION OR SUPPLEMENT A PROSPECTUS PURSUANT TO ARTICLE 23 OF THE PROSPECTUS REGULATION, IN EACH CASE, IN RELATION TO SUCH OFFER. NEITHER THE COMPANY NOR THE DEALER MANAGERS HAVE AUTHORIZED, NOR DO THEY AUTHORIZE, THE MAKING OF ANY OFFER OF NEW NOTES IN CIRCUMSTANCES IN WHICH AN OBLIGATION ARISES FOR THE ISSUER OR THE DEALER MANAGERS TO PUBLISH OR SUPPLEMENT A PROSPECTUS FOR SUCH OFFER. THE EXPRESSION "PROSPECTUS REGULATION" MEANS REGULATION (EU) 2017/1129, AS AMENDED.

THE FOLLOWING EXCHANGE OFFER AND CONSENT SOLICITATION MEMORANDUM HAS BEEN PREPARED ON THE BASIS THAT ANY OFFER OF NEW NOTES IN THE UK WILL BE MADE PURSUANT TO AN EXEMPTION UNDER THE UK PROSPECTUS REGULATION FROM THE REQUIREMENT TO PUBLISH A PROSPECTUS FOR OFFERS OF NEW NOTES. ACCORDINGLY ANY PERSON MAKING OR INTENDING TO MAKE AN OFFER IN THE UK OF NEW NOTES WHICH ARE THE SUBJECT OF THE EXCHANGE CONTEMPLATED IN THE EXCHANGE OFFER AND CONSENT SOLICITATION MEMORANDUM MAY ONLY DO SO IN CIRCUMSTANCES IN WHICH NO OBLIGATION ARISES FOR THE COMPANY OR ANY OF THE DEALER MANAGERS TO PUBLISH A PROSPECTUS PURSUANT TO SECTION 85 OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (AS AMENDED, "FSMA") OR SUPPLEMENT A PROSPECTUS PURSUANT TO ARTICLE 23 OF THE UK PROSPECTUS REGULATION, IN EACH CASE, IN RELATION TO SUCH OFFER. NEITHER THE COMPANY NOR THE DEALER MANAGERS HAVE AUTHORIZED, NOR DO THEY AUTHORIZE, THE MAKING OF ANY OFFER OF NOTES IN CIRCUMSTANCES IN WHICH AN OBLIGATION ARISES FOR THE COMPANY OR THE DEALER MANAGERS TO PUBLISH OR SUPPLEMENT A PROSPECTUS FOR SUCH OFFER. THE EXPRESSION "UK PROSPECTUS REGULATION" MEANS REGULATION (EU) 2017/1129, AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018.

THE FOLLOWING EXCHANGE OFFER AND CONSENT SOLICITATION MEMORANDUM MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

Confirmation of your representation: In order to be eligible to view the following Exchange Offer and Consent Solicitation Memorandum or make an investment decision with respect to the New Notes, Holders of Existing Notes must (1) be a (A) "qualified institutional buyers" as defined in Rule 144A under the Securities Act, in a private transaction in reliance upon the exemption from the registration requirements of the Securities Act provided by Section 4(a)(2) thereof, or (B) persons other than "U.S. Persons" (as defined in Rule 902 under the Securities Act, "U.S. Persons") outside the United States who are not acquiring New Notes for the account or benefit of a U.S. Person, in offshore transactions, in reliance on Regulation S under the Securities Act, and who are Non-U.S. Qualified Offerees (as defined under "Transfer Restrictions"), in each case, whose receipt and review of the Exchange Offer and Consent Solicitation Memorandum, and participation in the Offer and Solicitation, is otherwise permitted under the laws and regulations of any jurisdiction applicable to them, and (2) consent to delivery of such Exchange Offer and Consent Solicitation Memorandum by electronic transmission.

You are reminded that the following Exchange Offer and Consent Solicitation Memorandum has been delivered to you on the basis that you are a person into whose possession the Exchange Offer and Consent Solicitation Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorized to, deliver the Exchange Offer and Consent Solicitation Memorandum to any other person.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the dealer managers or any affiliate of the dealer managers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by such dealer manager or such affiliate on behalf of the Company in such jurisdiction.

The following Exchange Offer and Consent Solicitation Memorandum has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission, and consequently neither the dealer managers and solicitation agents nor any person who controls them nor any of their directors, officers, employees nor any of their agents nor any affiliate of any such person accept any liability or responsibility whatsoever in respect of any difference between the Exchange Offer and Consent Solicitation Memorandum distributed to you in electronic format and the hard copy version available to you on request from the exchange and information agent.

EXCHANGE OFFER AND CONSENT SOLICITATION MEMORANDUM

STRICTLY CONFIDENTIAL

Genneia S.A.

Offer to Exchange

any and all of our outstanding

8.750% Series "XX" Notes due 2022

and

Private Notes due January 22, 2022

each for the applicable amount of

8.750% Senior Secured Notes due 2027 and Cash (as applicable)

and

Solicitation of Consents from holders of Existing Notes (as defined below)

THE OFFER AND SOLICITATION (AS DEFINED BELOW) WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON AUGUST 30, 2021, UNLESS EXTENDED BY US IN OUR SOLE DISCRETION (SUCH DATE AND TIME, AS THEY MAY BE EXTENDED, THE "EXPIRATION DATE"). THE EXPIRATION DATE WILL BE EXTENDED FOR TWO BUSINESS DAYS IF THE EXTENDED WITHDRAWAL PERIOD (AS DEFINED BELOW) OCCURS. IN ORDER TO BE ELIGIBLE TO RECEIVE THE EARLY TENDER CONSIDERATION (AS DEFINED BELOW), ELIGIBLE HOLDERS OF EXISTING NOTES (EACH AS DEFINED BELOW) MUST SUBMIT THEIR TENDER ORDERS (AS DEFINED BELOW) AT OR PRIOR TO 5:00 P.M. NEW YORK CITY TIME ON AUGUST 16, 2021, UNLESS EXTENDED BY US IN OUR SOLE DISCRETION (SUCH DATE AND TIME, AS THEY MAY BE EXTENDED, THE "EARLY TENDER DATE"). ELIGIBLE HOLDERS OF EXISTING NOTES WHO VALIDLY SUBMIT THEIR TENDER ORDERS AFTER THE EARLY TENDER DATE, BUT ON OR PRIOR TO THE EXPIRATION DATE WILL BE ELIGIBLE TO RECEIVE THE LATE TENDER CONSIDERATION (AS DEFINED BELOW). TENDER ORDERS MAY BE VALIDLY REVOKED AT ANY TIME PRIOR TO 5:00 P.M., NEW YORK CITY TIME ON AUGUST 16, 2021 UNLESS EXTENDED BY US IN OUR SOLE DISCRETION (SUCH DATE AND TIME, AS THE SAME MAY BE EXTENDED, THE "WITHDRAWAL DATE"), BUT NOT THEREAFTER. THE WITHDRAWAL DATE WILL BE EXTENDED FOR TWO BUSINESS DAYS IF THE WITHDRAWAL THRESHOLD (AS DEFINED BELOW) IS EXCEEDED. THE DEADLINES SET BY ANY INTERMEDIARY OR RELEVANT CLEARING SYSTEM MAY BE EARLIER THAN THESE DEADLINES.

					Option A		**or**	**Option B[4]**	
	Existing Notes	**ISINs**	**CUSIPs**	**Aggregate Principal Amount of Existing Notes Outstanding**	**Early Tender Consideration[2] (Principal Amount of New Notes)**	**Late Tender Consideration[2] (Principal Amount of New Notes)**	**Early Tender Consideration[2] (Principal Amount of New Notes)**	**Early Cash Consideration[2]**	**Late Tender Consideration[2] (Principal Amount of New Notes)**
1	8.750% Series "XX" Notes due 2022[1]	US372319AA15 (144A) / USP46756AH86 (Reg S)	372319 AA1 (144A) / P46756 AH8 (Reg S)	US$500,000,000	US$1,010-1,020[3][5]	US$970	Maximum of US$800 (or US$700 considering the Withdrawal Threshold)[5][6]	Minimum of US$200 (or US$300 considering the Withdrawal Threshold)[5][6]	US$970
2	Private Notes due January 22, 2022	XS1923602772	N/A	US$53,286,000	US$1,010-1,020 [3] [5]	US$970	N/A	N/A	N/A

(1) The Series XX Notes are currently listed on the Luxembourg Stock Exchange and traded on its Euro MTF Market and are listed on the ByMA (as defined below) and are traded on the MAE (as defined below).

(2) Per US$1,000 principal amount of Existing Notes validly tendered and accepted for exchange. The Exchange Consideration (as defined below) does not include the Accrued Interest Payment (as defined below). No separate or additional consideration will be paid in connection with the Solicitation (as defined below).

(3) Tender Orders of Existing Notes submitted under Option A at or prior to the Early Tender Date will receive (a) US$ 1,000 principal amount of New Notes per US$1,000 principal amount of Existing Notes validly tendered and accepted for exchange, plus (b) up to a maximum total aggregate principal amount of US$2,000,000 of New Notes payable pro rata, such that each Eligible Holder receives a minimum of US$1,010 and a maximum of US$1,020 per US$1,000 principal amount of Existing Notes validly tendered and accepted for exchange. Tender Orders of Series XX Notes (as defined below) in exchange for Early XX A Consideration (as defined below) will be accepted on a pro rata basis up the Option A Maximum Amount (as defined below). Tender Orders of Series XX Notes validly submitted at or prior to the Early Tender Date in excess of the Option A Maximum Amount will be, on a pro rata basis, automatically deemed submitted in exchange for Early XX B Consideration (as defined below). Tender Orders of Private Notes may only be made in exchange for Option A and consequently, will not be subject to proration. In other words, Tender Orders of Private Notes in exchange for Early Private Consideration will have priority over Tender Orders of Series XX Notes submitted in exchange for Early XX A Consideration.

(4) Holders of Series XX Notes validly submitting Tender Orders at or prior to the Early Tender Date in exchange for the Early XX B Consideration will receive a mix of Early Cash Consideration and New Notes, such that the total Early XX B Consideration per US$1,000 principal amount of Series XX Notes validly tendered and accepted for exchange will be equal to US$1,000 of Early Cash Consideration and principal amount of New Notes. The total Early Cash Consideration is US$100,000,000, payable on a pro rata basis to Eligible Holders of Series XX Notes, validly submitting Tender Orders at or prior to the Early Tender Date in exchange for Early XX B Consideration. At the Early Tender Date, the pro rata amount of Early Cash Consideration and New Notes will be determined based on the principal amount of Series XX Notes validly tendered and accepted in exchange for the Early XX B Consideration. The Late XX B Consideration will consist of New Notes only, without any Early Cash Consideration. See "The Offer and Solicitation – Exchange Consideration".

(5) If the Withdrawal Threshold (as defined below) is exceeded by the Early Tender Date, an Extended Withdrawal Period (as defined below) will be granted. Revocations of Tender Orders, submitted during the Extended Withdrawal Period, may change the participation in the Early A Consideration and the Early XX B Consideration, and consequently change any applicable proration factor in and composition of the Early A Consideration and the composition of the Early XX B Consideration. See "The Offer and Solicitation – Exchange Consideration - Withdrawal Threshold".

(6) The Withdrawal Threshold will effectively allow revocations of Tender Orders during the Extended Withdrawal Period if the Early Cash Consideration would be less than US$300 per US$1,000 principal amount of Existing Notes validly tendered at or prior to the Early Tender Date and accepted for exchange.

Genneia S.A. hereby invites Eligible Holders to submit orders (the "Tender Orders") to exchange any and all of its outstanding 8.750% Series "XX" Notes due 2022 (the "Series XX Notes") and any and all of its outstanding Notes due January 22, 2022 (the "Private Notes" and, together with the Series XX Notes, the "Existing Notes") for newly issued 8.750% Senior Secured Notes due 2027 (the "New Notes") and cash, as applicable, on the terms and subject to the conditions described in this Exchange Offer and Consent Solicitation Memorandum (as it may be supplemented and amended from time to time, this "Exchange Offer and Consent Solicitation Memorandum") (the "Offer" or "Exchange Offer"). The New Notes will be secured by the Collateral (as defined in Section "Description of the New Notes").

Each Eligible Holder that submits (and does not validly revoke) a Tender Order in respect of any Existing Notes (i) in the case of Series XX Notes, thereby also consents to the actions as proposed in this Exchange Offer and Consent Solicitation Memorandum including to authorize and direct the indenture trustee for the Series XX Notes, U.S. Bank National Association (the "Series XX Notes Trustee"), to enter into a Supplemental Indenture (as defined below) in order to modify the Series XX Notes Indenture (as defined below) with respect to any Series XX Notes that remain outstanding after giving effect to the Exchange Offer, and (ii) in the case of Private Notes, must submit, together with its Tender Order, a Transfer Certificate (as defined below and, together with the consent described in (i) above, the "Consents") waiving the Issuer's obligations to comply with Sections 7.06 (*Limitation on Debt*) and 7.09 (*Limitation on Liens*) of the Private Notes, in connection with the Exchange Offer, in each of clauses (i) and (ii) above on the terms and subject to the conditions set forth in this Exchange Offer and Consent Solicitation Memorandum (the "Solicitation" and, together with the Offer, the "Offer and Solicitation").

The eligibility letter (the "Eligibility Letter"), the transfer certificate attached as Exhibit A (the "Transfer Certificate") for tenders from Eligible Holders that are Argentine Entity Offerees (as defined in the Transfer Certificate), Non-Cooperating Jurisdiction Offerees (as defined in the Transfer Certificate) and/or that are tendering Private Notes, collectively with the Exchange Offer and Consent Solicitation Memorandum are herein referred to as the "Offer and Solicitation Documents". Additional eligibility criteria apply to holders resident in Canada and may apply to holders in certain other jurisdictions. If you are resident in Canada, please contact the Exchange and Information Agent for more information regarding your eligibility to participate in the Exchange Offer.

This Exchange Offer and Consent Solicitation Memorandum is not intended for Eligible Holders in Argentina. Eligible Holders in Argentina are urged to read, must follow the procedures set forth in, and must rely exclusively on, the Argentine Exchange Offer and Consent Solicitation Memorandum. The Argentine Exchange Offer and Consent Solicitation Memorandum is substantially similar in all material respects to this Exchange Offer and Consent Solicitation Memorandum.

Exchange Consideration

Eligible Holders of Series XX Notes, for their Tender Orders validly submitted at or prior to the Early Tender Date, may choose between two, exclusive, consideration options, detailed in the table on the cover, in the columns under the headings "Option A" and "Option B".

Eligible Holders of Series XX Notes who validly submit a Tender Order after the Early Tender Date but at or prior to the Expiration Date will not be eligible to choose between different consideration options. For the avoidance of doubt, the consideration for such Tender Orders will be the same under "Option A" or "Option B".

Eligible Holders of Private Notes will not be eligible to choose between different consideration options. The consideration for Tender Orders for Private Notes will always be under Option A.

Early Tenders of Series XX Notes under Option A and Early Tenders of Private Notes

a) **Consideration**: Tender Orders of Existing Notes submitted under Option A at or prior to the Early Tender Date will receive (a) US$1,000 principal amount of New Notes per US$1,000 principal amount of Existing Notes validly tendered and accepted for exchange, plus (b) up to a maximum total aggregate principal amount of US$2,000,000 of New Notes payable pro rata, such that each Eligible Holder receives a minimum of US$1,010 and a maximum of US$1,020 principal amount of New Notes per US$1,000 principal amount of Existing Notes validly tendered and accepted for exchange.

For example, if the participation in the Early A Consideration is (i) up to US$100 million aggregate principal amount of Existing Notes, each Eligible Holder will receive US$1,020 principal amount of New Notes per US$1,000 principal amount of Existing Notes validly tendered and accepted for exchange, (ii) between US$100 million and US$200 million aggregate principal amount of Existing Notes, each Eligible Holder will receive between US$1,020 and US$1,010 principal amount of New Notes per US$1,000 principal amount of Existing Notes validly tendered and accepted for exchange, and (iii) US$200 million aggregate principal amount of Existing Notes, each Eligible Holder will receive US$1,010 principal amount of New Notes per US$1,000 principal amount of Existing Notes validly tendered and accepted for exchange.

The amount of the Early A Consideration (as defined below) will be determined on the Early Tender Date, unless the Extended Withdrawal Period is granted, as described below. The level of participation in Option A and, therefore, the proration of the amounts described in item (b) above may vary after the Early Tender Date if the Withdrawal Threshold is exceeded and the Extended Withdrawal Period is granted.

b) **Maximum applicable to Series XX Note Tenders, proration**: If the exchange of all validly tendered Existing Notes would cause us to exchange a principal amount of Existing Notes greater than US$200 million, then Option A will be oversubscribed, we will accept for exchange Series XX Notes under Option A on a prorated basis, with the aggregate principal amount of each Holder's validly tendered Series XX Notes accepted for exchange determined by multiplying each Holder's tender by the applicable proration factor, and rounding the product down to the nearest $1,000 principal amount. Tender Orders of Series XX Notes will be accepted up to the Option A Maximum Amount. The "Option A Maximum Amount" means US$200 million aggregate principal amount of Existing Notes, after deducting from such principal amount any and all Tender Orders of Private Notes principal amounts, in each case, validly submitted at or prior the Early Tender Date that are accepted. Tender Orders of Series XX Notes validly submitted under Option A at or prior to the Early Tender Date (as defined below) in excess of the Option A Maximum Amount will be, on a pro rata basis, automatically deemed submitted in exchange for Early B XX Consideration under Option B. The application of the Option A Maximum Amount and the proration may vary if the Withdrawal Threshold is exceeded and the Extended Withdrawal Period is granted.

c) Priority of Private Notes: Tender Orders of Private Notes may only be made in exchange for Option A and consequently, will not be subject to the Option A Maximum Amount or proration. In other words, Tender Orders of Private Notes under Option A will have priority over Tender Orders of Series XX Notes submitted under Option A.

The consideration received by holders of Existing Notes under this section is referred to as "Early A Consideration".

Early Tenders of Series XX Notes under Option B

a) **Consideration:** Tender Orders of Series XX Notes submitted under Option B at or prior to the Early Tender Date will receive a principal amount of New Notes as set forth in the first row of the table on the cover under the heading "Option B – Early Tender Consideration", plus the applicable pro rata amount of Early Cash Consideration (as defined below) (together, the "Early XX B Consideration"). The total Early Cash Consideration is US$100 million, payable on a pro rata basis (the "Early Cash Consideration"). The Early XX B Consideration will consist of a combination of Early Cash Consideration and New Notes, so that the total Early XX B Consideration will be equal to US$1,000 of Early Cash Consideration and principal amount of New Notes per US$1,000 principal amount of Existing Notes validly tendered and accepted for exchange. The combination of Early Cash Consideration and New Notes could vary from a minimum of US$200 (or US$300 considering the Withdrawal Threshold) Early Cash Consideration and a maximum of US$800 (or US$700 considering the Withdrawal Threshold) principal amount of New Notes, to approximately US$500 Early Cash Consideration and approximately US$500 principal amount of New Notes, depending on Eligible Holders' participation. The combinations described may vary if the Minimum Tender Condition (as defined below) is waived by us, as we may do in our sole discretion.

The composition of the Early XX B Consideration between Early Cash Consideration and New Notes will be determined on the Early Tender Date, unless the Extended Withdrawal Period is granted. The composition of the Early XX B Consideration, between Early Cash Consideration and the New Notes, may vary after the Early Tender Date if the Withdrawal Threshold is exceeded and the Extended Withdrawal Period is granted, potentially increasing the amount of Early Cash Consideration and reducing the principal amount of New Notes therein.

The Early A Consideration and the Early XX B Consideration together are referred to as "Early Tender Consideration".

Late Tenders of Existing Notes

Eligible Holders of Existing Notes who validly submit a Tender Order after the Early Tender Date but at or prior to the Expiration Date will be eligible to receive, for each US$1,000 principal amount of Existing Notes, US$970 of New Notes (the "Late Tender Consideration").

Consideration for Series XX Notes, either under Option A or B, and Private Notes, submitted after the Early Tender Date but at or prior to the Expiration Date is the same.

The Early Tender Consideration and the Late Tender Consideration together are referred to as "Exchange Consideration".

Withdrawal Threshold

If Tender Orders in excess of US$333.3 million of the aggregate outstanding principal amount of Series XX Notes (the "Withdrawal Threshold") are validly submitted in exchange for Early XX B Consideration, which would result in a composition of 30% Early Cash Consideration and 70% principal amount of New Notes, then the period under which Tender Orders can be revoked will be extended for two Business Days following the Early Tender Date (the "Extended Withdrawal Period"). During such period, Eligible Holders who validly submitted Tender Orders will be able to revoke such Tender Orders.

If applicable, we will announce the commencement of the Extended Withdrawal Period, together with the results of the Exchange Offer as of the Early Tender Date, on the business day following the Early Tender Date.

Revocation of Tender Orders submitted under Option A during the Extended Withdrawal Period will reduce the level of participation under Option A, consequently reducing, if the Option A was oversubscribed, the amount of Tender Orders rejected from Option A on a pro rata basis and deemed as submitted under Option B pursuant to the Option A Maximum Amount, affecting the levels of participation under Option A and Option B.

In addition, revocations submitted during the Extended Withdrawal Period may affect the composition of:

(i) The Early A Consideration, as the aggregate principal amount of US$2,000,000 of New Notes payable pro rata under Option A will be distributed on a pro rata basis over the Tender Orders submitted under Option A after (y) deducting any Tender Orders revoked during the Extended Withdrawal Period, and (z) to the extent Option A was oversubscribed, accepting under Option A, to the extent possible but subject to the Option A Maximum Amount, the Tender Orders of Series XX Notes that were validly submitted under Option A, but due to the Option A Maximum Amount were, on a pro rata basis, deemed submitted under Option B.

(ii) The Early XX B Consideration, as the Early Cash Consideration will be distributed on a pro rata basis over the Tender Orders submitted under Option B after deducting (i) any Tender Orders revoked during the Extended Withdrawal Period, and (ii) any Tender Orders deemed to be submitted under Option B, due to oversubscription of Option A, that would be then re-submitted under Option A, as a result of a reduction of the oversubscription of Option A, due to the exercise of withdrawal rights during the Extended Withdrawal Period.

The Exchange Consideration will depend on the level of participation in the Offer, the options chosen by Eligible Holders of Series XX Notes and the application of the Option A Maximum Amount and proration. The Exchange Consideration may also vary after the Early Tender Date if the Withdrawal Threshold is exceeded and the Extended Withdrawal Period is granted.

In addition to the Exchange Consideration, Eligible Holders whose Existing Notes are accepted for exchange in the Exchange Offer will also receive all accrued and unpaid interest from the last interest payment date to, but not including, the Settlement Date (as defined below) (such payment, the "Accrued Interest Payment"), to be paid in cash on the Settlement Date. The aggregate amount of accrued and unpaid interest on the Private Notes as of the Settlement Date will be of approximately US$29 million. See "The Offer and Solicitation" for a more detailed description of the Offer and Solicitation.

New Notes to be issued in exchange for Private Notes shall not represent more than 30% of the total amount of New Notes to be issued, in accordance with Resolution 861 issued by the CNV. See "The Offer and Solicitation – Overview".

Principal of the New Notes will be amortized over ten substantially equal semi-annual installments, commencing on March 2, 2023. The New Notes will bear interest at 8.750% per year, payable semi-annually in arrears on March 2 and September 2 of each year, commencing on March 2, 2022. The New Notes will mature on September 2, 2027.

At any time prior to September 2, 2023, we may redeem the New Notes, in whole or in part, at a redemption price equal to 100% of the principal amount of the New Notes to be redeemed *plus* the Applicable Redemption Premium (as defined below) as of, and accrued and unpaid interest (including Additional Amounts, as defined below), if any, to, but not including, the redemption date. On or after September 2, 2023, we may redeem the New Notes, in whole or in part, at the redemption prices set forth in "Description of the New Notes" in this Exchange Offer and Consent Solicitation Memorandum,

plus accrued and unpaid interest, if any, to (but excluding) the date of redemption. At any time prior to September 2, 2023, we may redeem up to 35% of the original principal amount (including Additional Amounts) of the New Notes with the proceeds of certain equity offerings at a redemption price of 108.750% of the principal amount of the New Notes, plus accrued and unpaid interest (including Additional Amounts), if any, to (but excluding) the date of redemption. In addition, we may redeem the New Notes, in whole but not in part, at a price equal to 100% of the outstanding principal amount thereof plus accrued and unpaid interest, if any, to (but excluding) the redemption date together with any Additional Amounts (as defined below), upon the occurrence of specified tax events.

The foregoing dates of the New Notes may be modified if the Expiration Date is extended, including for approximately two business days in the event that the Withdrawal Threshold is exceeded and, therefore, the Withdrawal Extended Period is granted.

The Issuer's obligation to pay principal and interest due under the New Notes and the New Notes Indenture (as defined below) will be secured by a collateral fiduciary assignment of receivables governed by Argentine law, granted pursuant to the Onshore Collateral Trust Agreement (as defined below), assigning any and all of the Issuer's right, title and interest in the receivables under the Assigned PPAs (as defined below). Furthermore, the Onshore Collateral Trust Agreement will establish an Onshore Peso Collection Account and Onshore U.S. Dollar Accrual Account (each as defined below).

The New Notes will be our senior secured obligations and will: (i) be effectively senior to our other indebtedness to the extent of the value of the collateral; (ii) to the extent not secured by the Collateral, rank equal in right of payment with all of our existing and future unsecured and unsubordinated indebtedness (except those obligations preferred by operation of law, including without limitation labor and tax claims); (iii) rank senior in right of payment to any of our future subordinated indebtedness; (iv) to the extent not secured by the Collateral, be effectively subordinated to all of our existing and future secured indebtedness to the extent of the value of the assets securing such indebtedness; and (v) be effectively subordinated to all existing and future indebtedness and other liabilities of our subsidiaries.

The New Notes will constitute "*obligaciones negociables simples no convertibles en acciones*" (simple, non-convertible notes) under and will be issued pursuant to, and in compliance with all the requirements of, and will be entitled to the benefits set forth and subject to the procedural requirements established in the Argentine Negotiable Obligations Law No. 23,576, as amended, among others, by the Productive Financing Law No. 27,440 (the "Productive Financing Law") (the "Negotiable Obligations Law"), the Capital Markets Law No. 26,831 as amended, among others, by the Productive Financing Law (the "Argentine Capital Markets Law"), and the General Resolution No. 622/2013 issued by the Argentine Securities Commission (Comisión Nacional de Valores, "CNV") as amended and supplemented (the "CNV Rules").

The adoption of the Proposed Amendments (as defined below) requires the affirmative consent of holders of more than 50% of the outstanding aggregate principal amount of Series XX Notes under the Series XX Notes Indenture. Subject to the Minimum Tender Condition, if we obtain the requisite Consents, the Series XX Notes Indenture (as defined below) will be amended pursuant to the Supplemental Indenture (as defined below) that will amend certain restrictive covenants and events of default of the Series XX Notes Indenture, as described under the section "The Proposed Amendments." No separate or additional consideration will be paid in connection with the Solicitation. The Solicitation is conducted pursuant to Section 14 of the Negotiable Obligations Law.

We also require Consents from holders of Private Notes, holding more than 50% of the outstanding principal amount.

No Tender Order for Private Notes can be submitted without submitting the applicable Transfer Certificate. No Transfer Certificate can be submitted without submitting Tender Orders in relation to the Consents submitted thereunder.

Participating in the Offer and Solicitation and investing in the New Notes involves risks. See "Risk Factors" beginning on page 44 of this Exchange Offer Memorandum and Consent Solicitation Statement for a discussion of the risks Eligible Holders should consider prior to submitting a Tender Order under the Offer and Solicitation.

Application is expected to be made to list the New Notes on the Official List of the Luxembourg Stock Exchange for trading on the Euro MTF Market. We also intend to apply to have the New Notes listed and admitted for trading on Bolsas y Mercados Argentinos S.A. ("ByMA") through the Buenos Aires Stock Exchange, including ByMA's Green Bond's Panel, and admitted to trading on the Mercado Abierto Electrónico S.A. ("MAE"). There can be no assurance that these applications will be accepted.

The New Notes have not been registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or with any securities regulatory authority of any state or other jurisdiction of the United States. We are offering the New Notes (1) in the United States, only to "qualified institutional buyers" (as defined in Rule 144A under the Securities Act) in private transactions in reliance upon the exemption from the registration requirements of the Securities Act provided by Section 4(a)(2) thereof, (2) outside the United States in reliance on Regulation S under the Securities Act to (i) non-U.S. persons (as defined in Rule 902 under the Securities Act), (ii) not acting for the account or benefit of a U.S. person and (iii) who are "Non-U.S. Qualified Offerees" (as defined under "Transfer Restrictions").

Only holders of Existing Notes who have returned a duly completed Eligibility Letter (as defined below) certifying that they are within one of the categories described in the immediately preceding sentence are authorized to receive and review this Exchange Offer and Consent Solicitation Memorandum and to participate in the Offer and Solicitation.

The ability of certain Eligible Holders outside the United States to participate in the Exchange Offer will be subject to the delivery of additional documentation to satisfy Argentine tax regulations. In particular, Argentine Entity Offerees and Non-Cooperating Jurisdiction Offerees who participate in the Exchange Offer are required to complete, sign and submit to the Exchange and Information Agent the Transfer Certificate in the form attached as Exhibit A hereto. See "Taxation – Certain Argentine Tax Considerations." For a description of certain restrictions on the transfer of the New Notes, see "Transfer Restrictions."

The consummation of the Offer and Solicitation is conditioned upon, among other conditions, the valid submission of, at least, the Tender Orders required to reach the Minimum Tender Condition and the submission of more than 50% of the outstanding principal amount of Private Notes in the Exchange Offer. We may waive the Minimum Tender Condition in our sole discretion.

None of the SEC, the CNV or any other regulatory body has registered, recommended or approved the issuance of these securities or passed upon the accuracy or adequacy of this Exchange Offer and Consent Solicitation Memorandum, except that the CNV has authorized the public offering of the New Notes in Argentina under our Frequent Issuer Program, approved by resolution DI-2021-10-APN-GE#CNV of the CNV date April 19, 2021. The public offering of the New Notes in Argentina will be made through the Local Placement Agent. The public offering of the New Notes described in the Argentine Exchange Offer and Consent Solicitation Memorandum is included within the public offering authorization granted by the CNV to the Frequent Issuer Program, within the framework of the provisions of Article 41, Title II, Chapter V of the CNV Rules. This Exchange Offer and Consent Solicitation Memorandum is not intended for Holders in Argentina. Eligible Holders in Argentina are urged to read, must follow the procedures set forth in, and must rely exclusively on, the Argentine Exchange Offer and Consent Solicitation Memorandum. The Argentine Exchange Offer and Consent Solicitation Memorandum is substantially similar in all material respects to this Exchange Offer and Consent Solicitation Memorandum. The Argentine Exchange Offer and Consent Solicitation

Memorandum has not been previously reviewed or compiled by the CNV. In accordance with the procedure established in Section 51, Title II, Chapter V of CNV Rules, within five business days of the signing of the New Notes, the Issuer will submit the definitive documentation related to the New Notes to the CNV. Any representation to the contrary is a criminal offense.

Delivery of the New Notes is expected to be made in book-entry form through the facilities of The Depository Trust Company ("DTC") and its direct and indirect participants, including Euroclear Bank S.A./N.V. ("Euroclear") and Clearstream Banking, société *anonyme* ("Clearstream").

Dealer Managers and Solicitation Agents

BofA Securities **J.P. Morgan**

The date of this Exchange Offer and Consent Solicitation Memorandum is August 2, 2021.

THE EXCHANGE OFFER

Eligible Holders who validly submit a Tender Order at or prior to the Early Tender Date will be eligible to receive, for each US$1,000 principal amount of Existing Notes validly tendered, the Early Tender Consideration, as applicable. Eligible Holders who validly submit a Tender Order after the Early Tender Date but at or prior to the Expiration Date will be eligible to receive, for each US$1,000 principal amount of Existing Notes validly tendered, the Late Tender Consideration, as applicable. In addition to the Exchange Consideration, Eligible Holders whose Existing Notes are accepted for exchange in the Exchange Offer will also receive the Accrued Interest Payment, to be paid in cash on the Settlement Date.

The consummation of the Offer and Solicitation is conditioned upon, among other conditions, the submission of Tender Orders of (i) at least 70% of the aggregate outstanding principal amount of the Series XX Notes in the Offer and Solicitation, and (ii) more than 50% of the aggregate outstanding principal amount of Private Notes (the "Minimum Tender Condition").

We may waive, in our sole discretion, any of the conditions to consummation of the Offer and Solicitation, including but not limited to the Minimum Tender Condition (except the requirement to obtain the requisite Consents), subject to applicable law. See "The Offer and Solicitation—The Conditions."

If any of the conditions to consummation of the Offer and Solicitation, including, but not limited to, the Minimum Tender Condition, has not been satisfied or (to the extent permitted) waived, we will promptly cause the return of your Existing Notes to you.

Unless the context indicates otherwise, all references to a valid Tender Order of Existing Notes in this Exchange Offer and Consent Solicitation Memorandum shall mean that such Tender Order has been validly submitted at or prior to the Early Tender Date or the Expiration Date, as applicable, that such tender has not been validly revoked at or prior to the Withdrawal Date (or thereafter, if applicable) and that the required Consents have been submitted to the Exchange and Information Agent, as applicable.

NEW NOTES

The New Notes will be denominated and payable in U.S. dollars and mature six years from the Settlement Date. Principal of the New Notes will be amortized over ten substantially equal semi-annual installments, beginning on March 2, 2023. Interest will be payable on the New Notes semi-annually after the Settlement Date at a rate of 8.750% per annum.

The Issuer's obligation to pay principal, interest and Additional Amounts due under the New Notes and the New Notes Indenture will be secured by the Collateral.

The New Notes will be our senior secured obligations and will: (i) be effectively senior to our other indebtedness to the extent of the value of the collateral; (ii) to the extent not secured by the Collateral, rank equal in right of payment with all of our existing and future unsecured and unsubordinated indebtedness (except those obligations preferred by operation of law, including without limitation labor and tax claims); (iii) rank senior in right of payment to any of our future subordinated indebtedness; (iv) to the extent not secured by the Collateral, be effectively subordinated to all of our existing and future secured indebtedness to the extent of the value of the assets securing such indebtedness; and (v) be effectively subordinated to all existing and future indebtedness and other liabilities of our subsidiaries.

The New Notes will constitute "*obligaciones negociables simples no convertibles en acciones*" (simple, non-convertible notes) under and will be issued pursuant to, and in compliance with all the requirements of, and will be entitled to the benefits set forth and subject to the procedural requirements established in the Negotiable Obligations Law, as amended, among others, by the Productive Financing Law, the Argentine

Capital Markets Law, the CNV Rules, and any other applicable law and/or regulation of the Republic of Argentina.

The New Notes will be made eligible for delivery and clearing through the facilities of DTC (and through Euroclear and Clearstream via their applicable DTC Participants).

For more information see "Description of the New Notes."

THE CONSENT SOLICITATION

Each Eligible Holder of Series XX Notes that submits a Tender Order (and does not validly revoke it) consents to amend provisions of the indenture dated January 20, 2017, among the (i) Company, (ii) U.S. Bank National Association, as Trustee, Registrar, New York Transfer Agent and New York Paying Agent and (iii) Banco Santander Río S.A., as Argentine Registrar, Argentine Transfer Agent, Argentine Paying Agent and Representative of the Trustee in Argentina governing the Series XX Notes (as amended, modified and supplemented from time to time, the "Series XX Notes Indenture"), as more fully described herein (the "Proposed Amendments"). The Proposed Amendments will, among other matters, eliminate most restrictive covenants, certain affirmative covenants, certain events of default and conditions on acceleration. We will comply with the requirements of the Negotiable Obligations Law (in particular, Section 14 of such Law) and any other applicable Argentine regulations relating to the Solicitation. If the required Consents are obtained, a Supplemental Indenture giving effect to the Proposed Amendments will be executed. For more information on the Proposed Amendments. See "The Proposed Amendments."

We are seeking Consents to all the Proposed Amendments in order to amend the Series XX Notes Indenture and the Series XX Notes as a single proposal. If you deliver a Tender Order for Series XX Notes, you are also giving us your written Consent authorizing us and the Series XX Notes Trustee, and instructing the Series XX Notes Trustee, upon the satisfaction of the effectiveness conditions described below, to enter into the Supplemental Indenture in order to give effect to the Proposed Amendments.

If you are a Series XX Notes holder and do not submit your Tender Order and we consummate the Offer and Solicitation, you will continue to hold your Series XX Notes, but many restrictive covenants and other provisions of the Series XX Notes will be substantially eliminated or modified. See "Risk Factors—Risks Related to Your Failure to Participate in the Offer and Solicitation—Approval of the Proposed Amendments being sought in the Solicitation will afford reduced protection to holders of any Series XX Notes that are not exchanged."

Each Eligible Holder of Private Notes that submits a Tender Order must deliver to the Exchange and Information Agent at or prior the Early Tender Date or the Expiration Date, as applicable, and must have not withdrawn at or prior the Withdrawal Date, an executed Transfer Certificate for any Private Notes so tendered, waiving the Issuer's obligations to comply with Sections 7.06 (*Limitation on Debt*) and 7.09 (*Limitation on Liens*) of the Private Notes in connection with the Exchange Offer. Eligible Holders of Private Notes may not submit Tender Orders unless a Transfer Certificate is delivered for any Private Notes so tendered. No Transfer Certificate can be delivered without submitting a Tender Order for the Private Notes for which the Transfer Certificate is being given.

The effectiveness of the waiver of Eligible Holders of Private Notes will depend on the submission of Tender Orders of more than 50% of the outstanding aggregate principal amount of Private Notes in the Exchange Offer.

No separate letter of transmittal will be required for the submission of Tender Orders.

The Exchange Tender Consideration will not include any payment or remuneration with respect to the Consents provided under the Solicitation.

No separate or additional consideration will be paid in connection with the Solicitation.

TIMELINE FOR THE OFFER AND SOLICITATION

Expected Date and Time	Events
August 2, 2021.....	***Launch***. The Offer and Solicitation are launched.
August 16, 2021 at 5:00 p.m. New York City time	***Early Tender Date***. Holders must validly submit their Tender Orders at or prior to this date to be eligible to receive the Early Tender Consideration, which will be paid on the Settlement Date in respect of all Tender Orders validly submitted at or prior to the Early Tender Date. Holders who validly submit their Tender Orders after the Early Tender Date will only be eligible to receive the Late Tender Consideration on the Settlement Date. We reserve, subject to applicable law, the right to extend the Early Tender Date at our discretion. See "The Offer and Solicitation – Early Tender Date"
August 16, 2021 at 5:00 p.m. New York City time	***Withdrawal Date.*** The last time and date for Eligible Holders who have submitted their Tender Orders to revoke all or a portion of such Tender Order. During the course of this Exchange Offer, on or about August 11, 2021, we expect to issue our unaudited consolidated financial statements as of and for the six-month period ended June 30, 2021 in a supplement hereto. The Withdrawal Date will be extended for two business days if the Withdrawal Threshold is exceeded. See "Tender Offer and Solicitation– Revocation of Tender Orders".
August 30, 2021 at 5:00 p.m. New York City time	***Expiration Date***. Holders must validly submit their Tender Orders at or prior to this date to be eligible to receive the Late Tender Consideration, which will be paid on the Settlement Date in respect of all Tender Orders validly submitted at or prior to the Expiration Date. We reserve, subject to applicable law, the right to extend the Expiration Date at our discretion. The Expiration Date will be extended for two business days if the Extended Withdrawal Period occurs. See Tender Offer and Solicitation - Expiration Dates; Extensions; Termination; Amendments."
On or about August 31, 2021.....	***Acceptance Date***. On the business day following the Expiration Date, we will accept Tender Orders in respect of Existing Notes validly tendered at or prior to the Expiration Date pursuant to the Exchange Offer and Consent Solicitation; provided that all conditions of the Exchange Offer have been satisfied or (to the extent permitted) waived by us (if applicable). See Tender Offer and Solicitation - Expiration Dates; Extensions; Termination; Amendments."
On or about August 31, 2021.....	***Execution of the Supplemental Indenture.*** The Supplemental Indenture to the Series XX Notes Indenture shall be duly executed giving effect to the Proposed Amendments. The effectiveness of the Proposed

	Amendments will be conditioned on the occurrence of the Settlement Date. See "Proposed Amendments."
September 2, 2021, or as soon as practicable thereafter (the "Settlement Date").....	***Settlement Date and Execution of the Collateral.*** It is the date on which, provided that all conditions precedent to the Offer and Solicitation are satisfied or (to the extent permitted) waived, we expect to deliver the applicable Exchange Consideration, expected to be the third business day following the Expiration Date or as soon as practicable thereafter. If any condition precedent to the Offer and Solicitation is not satisfied and we do not, or it is not permitted to, waive it, we will promptly return all Existing Notes to their holders. See "Tender Offer and Solicitation - Settlement Date; Delivery of the applicable Exchange Consideration and Accrued Interest Payment". We will also execute the Onshore Collateral Trust Agreement. See "Description of the New Notes – Collateral".

CERTAIN OF THE FOREGOING DATES MAY BE MODIFIED FOR APPROXIMATELY TWO BUSINESS DAYS IN THE EVENT THAT THE WITHDRAWAL THRESHOLD IS EXCEEDED AND, THEREFORE, THE WITHDRAWAL EXTENDED PERIOD IS GRANTED.

The above times and dates are subject to our right to extend, amend and/or terminate the Offer and Solicitation (subject to applicable law and as provided in this Exchange Offer and Consent Solicitation Memorandum). Eligible Holders of Existing Notes are advised to check with any bank, securities broker or other intermediary through which they hold Existing Notes as to when such intermediary would need to receive instructions from an Eligible Holder in order for that Eligible Holder to be able to participate in, or withdraw their instruction to participate in, the Offer and the Solicitation before the deadlines specified in this Exchange Offer and Consent Solicitation Memorandum. The deadlines set by any such intermediary and DTC for the submission of tender instructions will be earlier than the relevant deadlines specified above.

QUESTIONS AND ANSWERS RELATING TO THE OFFER AND SOLICITATION

Q: What are the Offer and Solicitation?

A: We are asking holders of Existing Notes to validly submit their Tender Orders in the Offer and Solicitation. The purpose of the Offer and Solicitation is to extend the average maturity of our existing senior debt.

Q: What is being offered in return for the Existing Notes that I hold?

A: Eligible Holders who validly submit their Tender Orders at or prior to the Early Tender Date will be eligible to receive, for each US$1,000 principal amount of Existing Notes validly tendered, the Early Tender Consideration, as applicable. Eligible Holders who validly submit their Tender Orders after the Early Tender Date but at or prior to the Expiration Date will be eligible to receive, for each US$1,000 principal amount of Existing Notes validly tendered, the Late Tender Consideration, as applicable.

Eligible Holders of Series XX Notes may choose between two consideration options, detailed in the table on the cover either in the columns under the headings "Option A" and "Option B" See "-Terms of the Offer and Solicitation – Overview".

In addition to the Exchange Consideration, Eligible Holders whose Existing Notes are accepted for exchange in the Exchange Offer will also receive the Accrued Interest Payment, to be paid in cash on the Settlement Date.

Q: What are the New Notes?

A: The New Notes will be denominated and payable in U.S. dollars and mature six years from the anniversary of the Settlement Date. Principal of the New Notes will be amortized over ten substantially equal semi-annual installments. Interest will be payable on the New Notes semi-annually after the Settlement Date at a rate of 8.750% per annum.

The Issuer's obligation to pay principal and interest due under the New Notes and the New Notes Indenture will be secured by a collateral fiduciary assignment of receivables governed by Argentine law, granted pursuant to the Onshore Collateral Trust Agreement (as defined below), assigning any and all of the Issuer's right, title and interest in the receivables under the Assigned PPAs (as defined below). Furthermore, the Onshore Collateral Trust Agreement will establish an Onshore Peso Collection Account and Onshore U.S. Dollar Accrual Account.

The New Notes will be our senior secured obligations and will: (i) be effectively senior to our other indebtedness to the extent of the value of the collateral; (ii) to the extent not secured by the Collateral, rank equal in right of payment with all of our existing and future unsecured and unsubordinated indebtedness (except those obligations preferred by operation of law, including without limitation labor and tax claims); (iii) rank senior in right of payment to any of our future subordinated indebtedness; (iv) to the extent not secured by the Collateral, be effectively subordinated to all of our existing and future secured indebtedness to the extent of the value of the assets securing such indebtedness; and (v) be effectively subordinated to all existing and future indebtedness and other liabilities of our subsidiaries.

The New Notes will constitute "*obligaciones negociables simples no convertibles en acciones*" (simple, non-convertible notes) under and will be issued pursuant to, and in compliance with all the requirements of, and will be entitled to the benefits set forth and subject to the procedural requirements established in the Negotiable Obligations Law, as amended, among others, by the Productive Financing Law, the Argentine Capital Markets Law, the CNV Rules, and any other applicable law and/or regulation of the Republic of Argentina.

The New Notes will be made eligible for delivery and clearing through the facilities of DTC (and through Euroclear and Clearstream via their applicable DTC Participants). See "Description of the New Notes."

Q: How do I submit my Tender Order?

A: If you are a beneficial owner whose Existing Notes are held by a broker, dealer, commercial bank, trust company or other securities intermediary and you wish to participate in the Offer and Solicitation, you should

promptly instruct that securities intermediary to timely tender on your behalf or otherwise follow the instructions of that securities intermediary.

If you are a DTC Participant, as defined in "The Offer and Solicitation—Procedures for Tendering," that holds Series XX Notes, the Exchange and Information Agent and the Depository Trust Company ("DTC") have confirmed that the Offer and Solicitation are eligible for DTC's Automated Tender Offers Program ("ATOP"). Accordingly, DTC Participants must electronically transmit their acceptance of the Offer and Solicitation by causing DTC to transfer their Existing Notes to the Exchange and Information Agent in accordance with DTC's ATOP procedures for such transfer. DTC will then send a computer generated message (an "Agent's Message") to the Exchange and Information Agent. The delivery of such Agent's Message will constitute the agreement by the DTC Participant. See "The Offer and Solicitation—Procedures for Tendering." The submission of a Tender Order of Existing Notes by the submission of a valid electronic acceptance instruction to a clearing system will result in the blocking of such Existing Notes in the relevant clearing system upon receipt.

If your Series XX Notes are held through Euroclear or Clearstream you must comply with the procedures established by Euroclear or Clearstream, as applicable, to participate in the Offer and Solicitation. Euroclear and Clearstream intend to collect from their direct participants (a) instructions to (1) submit a Tender Order on behalf of their direct participants in the Offer and Solicitation, (2) "block" any transfer of Existing Notes so tendered until the completion of the Offer and Solicitation and (3) debit their account on or about the Settlement Date, or as soon as practicable thereafter, in respect of all Existing Notes accepted pursuant to the Offer and Solicitation by us; and (b) irrevocable authorizations to disclose the names of the direct participants and information about the foregoing instructions. Upon the receipt of these instructions, Euroclear and Clearstream will advise their applicable DTC Participant to electronically transmit their holders' acceptances of the Offer and Solicitation by causing DTC to transfer their Existing Notes to the Exchange and Information Agent in accordance with DTC's ATOP procedures for such transfer. Euroclear and Clearstream may impose additional earlier deadlines in order to properly process these instructions. As a part of tendering through Euroclear or Clearstream, you are required to become aware of any such deadlines. See "The Offer and Solicitation—Procedures for Tendering.

To submit Tender Orders of Private Notes held through Euroclear or Clearstream, you should deliver, or arrange to have delivered on your behalf, via Euroclear or Clearstream, as applicable, and in accordance with the requirements of such clearing system, a valid Tender Instruction (as described in "Procedures for Tendering") that is received by the Exchange and Information Agent prior to the Early Tender Date or the Expiration Date, as applicable.

Eligible Holders who represent to be Argentine Entity Offerees, Non-Cooperating Jurisdiction Offerees or an Eligible Holder of Private Notes must also properly complete and submit the Transfer Certificate to the Exchange and Information Agent together with their Tender Orders.

Other than the Transfer Certificate required to be delivered by Argentine Entity Offerees, by Non-Cooperating Jurisdiction Offerees and Eligible Holders tendering Private Notes, there is no separate letter of transmittal in connection with this Exchange Offer and Consent Solicitation Memorandum.

Q: As a holder of Series XX Notes, how do I deliver my Consent to the Proposed Amendments?

A: Each Eligible Holder of Series XX Notes that submits a Tender Order (and does not validly revoke it) thereby also consents to amend provisions of the Series XX Notes Indenture and the Series XX Notes in accordance with the Proposed Amendments.

Q: As a holder of Private Notes, how do I deliver my Transfer Certificate?

A: An executed Transfer Certificate must be timely received by the Exchange and Information Agent at its address set forth on the back cover page of this Exchange Offer and Consent Solicitation Memorandum at or prior to the Early Tender Date or the Expiration Date, as applicable, by mail, fax, hand delivery or email.

Q: Can I trade my Existing Notes after submitting a Tender Order?

A: No, by submitting your Tender Order you will be deemed to acknowledge, represent, warrant and agree that you will not sell, pledge, hypothecate or otherwise encumber or transfer any Existing Notes tendered thereby or any interest therein from the date of the tender until the Settlement Date.

Q: When will the Offer and Solicitation expire?

A: The Offer and Solicitation will expire at 5:00 p.m., New York City time, on August 30, 2021, unless we extend such date at our sole discretion.

The Expiration Date will be extended for two business days if the Withdrawal Threshold is exceeded and the Extended Withdrawal Period is granted. See "The Offer and Solicitation—Expiration Dates; Extensions; Termination; Amendments."

Q: What is the latest date to revoke my Tender Order?

A: If you have submitted a Tender Order, the last time and date to revoke all or a portion of such Tender Order is 5:00 p.m. (New York City time) on August 16, 2021, unless otherwise extended by us.

The Withdrawal Date will be extended for two business days if the Withdrawal Threshold is exceeded.

Q: If I submit a Tender Order, will I receive accrued but unpaid interest on my Existing Notes so tendered?

A: Yes. In addition to the Early Tender Consideration or Late Tender Consideration, holders will receive the Accrued Interest Payment, which consists of a cash payment equal to all accrued and unpaid interest on their Existing Notes accepted for exchange from the last interest payment date to, but not including, the Settlement Date.

Q: If I submit a Tender Order, how will I be notified that you have accepted my Tender Order?

A: Subject to the terms and conditions of the Offer and Solicitation being satisfied or (to the extent permitted) waived, and our right to extend, amend, terminate or withdraw the Offer and Solicitation, we will accept for exchange all Tender Orders validly submitted. You will not receive a notice that your specific Tender Order has been accepted. We will, however, announce our acceptance of Tender Orders by issuing a press release.

The amount of the Early A Consideration and the composition of the Early XX B Consideration will be determined on the Early Tender Date, unless the Withdrawal Threshold is exceeded and the Extended Withdrawal Period is granted . See "The Offer and Solicitation—Exchange Consideration."

Q: Are there any conditions to the consummation of the Offer and Solicitation?

A: Yes. The consummation of the Offer and Solicitation is conditioned upon, among other conditions, the submission of Tender Orders of (i) at least 70% of the aggregate outstanding principal amount of the Series XX Notes in the Offer and Solicitation, and (ii) more than 50% of the aggregate outstanding principal amount of Private Notes. We may waive the conditions to consummation of the Offer and Solicitation, including but not limited to the Minimum Tender Condition, in our sole discretion (except the requirement that we obtain the requisite Consents). If the conditions to the Offer and Solicitation are not satisfied or waived, we will promptly return your Existing Notes to you. See "The Offer and Solicitation—The Conditions" for a full description of the conditions to completion of the Offer and Solicitation.

Q: How will my Existing Notes be affected if the Company is unable to consummate the Exchange Offer?

A: Due to the current macroeconomic situation in Argentina, we may not be able to refinance our debt under the Existing Notes in advance to their maturity. Additionally, foreign exchange regulations may prevent us from accessing the foreign exchange market, in order to repay outstanding principal under the Existing Notes. Therefore, if we are unable to consummate the Exchange Offer, we may not be able to repay our debt under the Existing Notes at maturity.

Q: If I decide not to submit a Tender Order and the Offer and Solicitation are consummated, how will the Offer and Solicitation affect the Existing Notes that I continue to hold?

A: If you do not validly submit a Tender Order in the Offer and we consummate the Offer and Solicitation, you will continue to hold Existing Notes and you will not receive the Early Tender Consideration or Late Tender Consideration, as the case may be. In the case of holders of Series XX Notes, the Proposed Amendments will eliminate many of the covenants and other provisions contained in the Series XX Notes Indenture. As a result, if you continue to hold Series XX Notes after the Proposed Amendments become operative, you will no longer have the protection of those provisions. See "The Proposed Amendments" for a full description of the Proposed Amendments.

Q: Under what circumstances can the Offer and Solicitation be extended, amended, waived or terminated?

A: Subject to the terms and conditions set forth in this Exchange Offer and Consent Solicitation Memorandum, we expressly reserve the right, but will not be obligated, at any time or from time to time, at or prior to the Expiration Date, to extend or amend the Offer and Solicitation in any respect.

If we make a material change in the terms of the Offer and Solicitation or the information concerning the Offer and Solicitation, or if we waive a material condition of the Offer and Solicitation, we will disseminate additional materials relating to the Offer and Solicitation and extend the Offer and Solicitation to the extent required by law. In addition, we may extend the Offer and Solicitation for any other reason we deem appropriate. If we do materially modify or extend the terms of the Offer and Solicitation, we will provide for reasonable revocation rights to any tendering holders.

We expressly reserve the right, in our sole discretion, to terminate the Offer and Solicitation if any of the conditions set forth in "The Offer and Solicitation—Conditions" shall not have been satisfied or waived (to the extent permitted) by us. In the event that we terminate the Offer and Solicitation, we will give notice thereof to the Exchange and Information Agent and will make a public announcement in the manner described in "The Offer and Solicitation—Offering Restrictions; Eligible Holders—Expiration Dates; Extensions; Termination; Amendments."

We will promptly announce any extension, amendment, waiver or termination. Without limiting the manner in which we may choose to make this announcement, unless otherwise required by law or pursuant to the requirements of the Luxembourg Stock Exchange on which certain of the Existing Notes are listed, we will (i) inform the Exchange and Information Agent, (ii) publish a press release and (iii) publish an announcement with the Luxembourg Stock Exchange.

Q: What are the tax implications of the Offer and Solicitation?

A: You should read the section "Taxation" for a discussion of certain Argentine and United States federal income tax consequences of the Offer and Solicitation and the ownership and disposition of the New Notes. You should consult your own tax advisor concerning the Argentine and United States federal income tax consequences in light of your particular situation, as well as any tax consequences arising under the laws of any other jurisdiction. Holders who decide not to submit a Tender Order for any or all of their Existing Notes should read the section "Taxation – Certain United States Federal Income Tax Considerations" for a discussion of certain United States federal income tax consequences of the Proposed Amendments.

Q: Where can I obtain further information about the Offer and Solicitation?

A: You may obtain additional copies of the Offer and Solicitation Documents by contacting the Exchange and Information Agent at the appropriate address and telephone number set forth on the back-cover page of this Exchange Offer and Consent Solicitation Memorandum. Questions relating to the mechanics of the Offer and Solicitation should also be directed to the Exchange and Information Agent. None of the Exchange and Information Agent, the Series XX Notes Trustee, the trustee for the New Notes (the "New Notes Trustee") or the Luxembourg Listing Agent are permitted to or will provide advice, make recommendations or otherwise discuss the merits of the Offer and Solicitation.

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Exhibit A – Transfer Certificate

Exhibit B – Eligibility Letter

You should carefully read this entire Exchange Offer and Consent Solicitation Memorandum. We have not, and the dealer managers and solicitation agents have not, authorized anyone to provide you with any other information, and we, the dealer managers and the solicitation agents take no responsibility for any other information that anyone else may provide you. You should assume that the information appearing in this Exchange Offer and Consent Solicitation Memorandum is accurate as of the date on the front cover of this Exchange Offer and Consent Solicitation Memorandum only. Our business, financial condition, results of operations and prospects may have changed since that date. Neither the delivery of this Exchange Offer and Consent Solicitation Memorandum nor exchange of Existing Notes made hereunder shall under any circumstances imply that the information herein is correct as of any date subsequent to the date on the cover of this Exchange Offer and Consent Solicitation Memorandum.

This Exchange Offer and Consent Solicitation Memorandum is personal to the offeree to whom it has been delivered and does not constitute an offer to any other person or to the public in general to participate in the Offer and Solicitation and subscribe for the New Notes. Distribution of this Exchange Offer and Consent Solicitation Memorandum to any person other than the offeree and any person retained to advise such offeree is unauthorized, and any disclosure of any of its contents without our prior written consent is prohibited. Each offeree, by accepting delivery of this Exchange Offer and Consent Solicitation Memorandum, agrees to the foregoing and agrees not to make copies of this Exchange Offer and Consent Solicitation Memorandum, in whole or in part.

Any questions regarding procedures for submitting Tender Orders or requests for additional copies of this Exchange Offer and Consent Solicitation Memorandum, the Eligibility Letter and the Transfer Certificate should be directed to the Exchange and Information Agent. You may also contact your broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Offer and Solicitation. Copies

of this Exchange Offer and Consent Solicitation Memorandum and the Transfer Certificate are available for Eligible Holders at the following web address: https://gbsc-usa.com/eligibility/genneia.

This Exchange Offer and Consent Solicitation Memorandum is not intended for Eligible Holders in Argentina. Eligible Holders in Argentina are urged to read, must follow the procedures set forth in, and must rely exclusively on, the Argentine Exchange Offer and Consent Solicitation Memorandum. The Argentine Exchange Offer and Consent Solicitation Memorandum is substantially similar in all material respects to this Exchange Offer and Consent Solicitation Memorandum.

This Exchange Offer and Consent Solicitation Memorandum is intended solely for use in connection with the Offer and Solicitation and does not purport to summarize all of the terms, conditions, covenants and other provisions relating to the terms of the New Notes contained in the indenture being entered into in connection with the issuance of the New Notes (the "New Notes Indenture").

Certain market information in this Exchange Offer and Consent Solicitation Memorandum has been obtained by us from publicly available sources deemed by us to be reliable. We accept responsibility for correctly extracting and reproducing such information.

You acknowledge that:

- you had an opportunity to review all financial and other information considered by you to be necessary to make your investment decision and to verify the accuracy of, or to supplement, the information contained in this Exchange Offer and Consent Solicitation Memorandum;
- you have not relied on dealer managers and solicitation agents or us or any person affiliated with the dealer managers and solicitation agents or us in connection with your investigation of the accuracy of such information or your investment decision; and
- no person has been authorized to give any information or to make any representation concerning us or the New Notes other than as set forth in this Exchange Offer and Consent Solicitation Memorandum.

This Exchange Offer and Consent Solicitation Memorandum does not constitute an offer to sell, or a solicitation of an offer to buy, any New Notes in any jurisdiction in which it is unlawful to make an offer or solicitation. You must comply with all applicable laws and regulations in force in any jurisdiction in which you purchase, offer or sell the New Notes and you must obtain any consent, approval or permission required for your purchase, offer or sale of the New Notes under the laws and regulations in force in any jurisdiction to which you are subject or in which you make such purchases, offers or sales, and we will not have any responsibility therefor.

Neither we, the dealer managers and solicitation agents nor any of our or their respective affiliates or representatives are making any representation to any offeree or purchaser of the New Notes offered hereby regarding the legality of any investment by such offeree or purchaser under any applicable law.

In making your decision whether to accept the Offer and Solicitation and invest in the New Notes, you must rely on your own examination of us and the terms of the Offer and Solicitation, including the merits and risks involved. You should not construe the contents of this Exchange Offer and Consent Solicitation Memorandum as legal, business, financial or tax advice. You should consult your own advisors as needed to make your investment decision and to determine whether you are legally permitted to purchase the New Notes under applicable legal investment or similar laws or regulations. You should be aware that you may be required to bear the financial risks of an investment in the New Notes for an indefinite period of time.

The New Notes will be issued under our Frequent Issuer Program, which has been authorized by the CNV pursuant to Resolution No. DI-2021-10-APN-GE#CNV dated April 19, 2021. The Exchange Offer and the issuance of the New Notes were approved at a meeting of our board of directors dated August 2, 2021.

The New Notes have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold in the United States except in transactions exempt from or not subject to the requirements of the Securities Act and any applicable state

securities laws. The New Notes offered through this Exchange Offer and Consent Solicitation Memorandum are subject to restrictions on transferability and resale, and may not be transferred or resold in the United States except as permitted under the Securities Act and applicable U.S. state securities laws pursuant to registration under, or exemption from, such laws. By submitting a Tender Order for your Existing Notes into the Offer and Solicitation and by delivering the Eligibility Letter, you will be deemed to have made certain acknowledgments, representations and agreements as set forth under "Transfer Restrictions" in this Exchange Offer and Consent Solicitation Memorandum.

The New Notes have not been approved or recommended by the U.S Securities and Exchange Commission or any U.S. federal or state securities commission or any other U.S. regulatory authority. Furthermore, the foregoing authorities have not passed upon or endorsed the merits of the offering or confirmed the accuracy or determined the adequacy of this Exchange Offer and Consent Solicitation Memorandum. Any representation to the contrary is a criminal offense in the United States.

The dealer managers and solicitation agents may, whether on their own account or on behalf of us or a noteholder, engage in stabilizing and similar transactions in the secondary market with a view to stabilizing the price of the New Notes in accordance with CNV rules but are under no obligation to do so and any stabilization may be discontinued at any time without notice. All stabilizing transactions: (i) must conclude no later than 30 calendar days after the issuance date; (ii) may only be conducted to prevent or moderate price declines; and (iii) may not be carried out at prices above neither those of the initial placement nor those negotiated in transactions between parties unrelated to the distribution and placement of the New Notes.

The dealer managers and solicitation agents make no representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this Exchange Offer and Consent Solicitation Memorandum. Nothing contained in this Exchange Offer and Consent Solicitation Memorandum is, or shall be relied upon as, a promise or representation by the dealer managers and solicitation agents as to the past or future. The dealer managers and solicitation agents assume no responsibility for the accuracy or completeness of any such information.

ADDITIONAL INFORMATION

We have agreed that while any New Notes remain outstanding and are "restricted securities" as defined in Rule 144(a)(3) under the Securities Act, we will make available, upon request, to any holder or prospective purchaser of New Notes the information required pursuant to Rule 144A(d)(4) under the Securities Act with respect to us during any period in which we are not subject to Section 13 or 15(d) of the U.S. Securities and Exchange Act of 1934, as amended (the "Exchange Act") or exempt by virtue of Rule 12g3-2(b) thereunder. Any such request should be directed to us at our principal office at Nicolás Repetto 3676, 3° Floor, Olivos (1636), Provincia de Buenos Aires. Argentina.

We are also required to furnish periodically certain information in Spanish with the CNV, the ByMA (through the Buenos Aires Stock Exchange) and the MAE such as quarterly and annual reports and notices of material events (*hechos relevantes*). All such reports and notices are available on the CNV website (http://www.argentina.gob.ar/cnv), the ByMA website (http://www.bolsar.com) and the MAE website (http://www.mae.com.ar). The documents filed with the CNV, the ByMA and the MAE are not a part of this Exchange Offer and Consent Solicitation Memorandum and are not incorporated by reference herein. Web addresses named in this section or elsewhere in this Exchange Offer and Consent Solicitation Memorandum and the information therein are not part of this Exchange Offer and Consent Solicitation Memorandum and are not incorporated by reference herein.

FORWARD-LOOKING STATEMENTS

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

The risks and uncertainties that may affect our forward-looking statements include, but are not limited to, the following:

- political, macroeconomic, financial, business, regulatory and social conditions in Argentina;
- changes in governmental policies in Argentina and their effect on the economy and the electricity industry;
- sustained levels of high inflation in Argentina;
- exchange rate fluctuations, including a continued devaluation of the Argentine peso;
- exchange controls, restrictions on transfers abroad and restrictions on capital inflows and outflows;
- the availability of financing on reasonable terms, including as a result of conditions in regional and global markets;
- governmental policies and regulations affecting the electricity industry in Argentina, including the continued investment in renewable generation;
- market conditions in the electricity industry, including changes in prices, supply and demand and in the payment capacity of our clients;
- our ability to win new energy generation projects, and our ability to complete our expansion plans as planned, in a timely manner and according to budget;
- our ability to undertake acquisitions on favorable terms, or at all;
- competition in our markets;
- transmission and distribution constraints in Argentina;
- the availability of our power plants;
- uncertainty regarding the accuracy of our assumptions and estimates with respect to the expected wind resources, wind speed and load factors available at our wind farm and wind farm projects;
- the financial ability and willingness of Compañía Administradora del Mercado Mayorista Eléctrico Sociedad Anónima (CAMMESA), and Integración Energética Argentina S.A. (IEASA), in which the Argentine government holds a significant stake, to meet its payment obligations under our PPAs and our ability to collect amounts in a timely manner from CAMMESA or IEASA, or other clients;
- our ability to renew or enter into new PPAs for the sale of generation capacity and electricity on favorable terms, or at all;
- our ability to sell assets relating to our thermal generation plants upon the expiration of our PPAs;
- the operational risks related to the generation of electricity;

- our ability to retain key members of our senior management and technical employees;
- our relationship with our employees;
- macroeconomic or political developments in other countries that impact conditions in Argentina;
- downturns in the capital markets and changes in capital markets in general that may affect perceptions towards Argentina or Argentine companies;
- the impact of the ongoing COVID-19 pandemic, along with the Argentine government's measures to contain the spread of the virus; and
- additional matters identified in "Risk Factors."

The forward-looking statements contained in this Exchange Offer and Consent Solicitation Memorandum speak only as of the date of this Exchange Offer and Consent Solicitation Memorandum, and we do not undertake any obligation to update any forward-looking statement or other information to reflect events or circumstances occurring after the date of this Exchange Offer and Consent Solicitation Memorandum.

ENFORCEMENT OF JUDGMENTS AGAINST FOREIGN PERSONS

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

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

We have been advised by our Argentine counsel, Bruchou, Fernández Madero & Lombardi, that there is doubt as to whether the courts of Argentina would enforce in all respects, to the same extent and in a timely manner as a U.S. court or non-Argentine court, an original action predicated solely upon the civil liability provisions of the U.S. federal or other non-Argentine securities law. Judgments of U.S. or other non-Argentine courts for civil liabilities based upon the U.S. federal or other non-Argentine securities laws could be enforced in Argentina, provided that the requirements of Argentine law are met as follows: (i) the judgment, which must be final in the jurisdiction where rendered, was issued by a competent court in accordance with the Argentine principles regarding international jurisdiction and resulted from a personal action, or an in rem action with respect to personal property if the property was transferred to Argentine territory during or after the prosecution of the foreign action, (ii) the defendant against whom enforcement of the judgment is sought was personally served with the summons and, in accordance with due process of law, was given an opportunity to defend against foreign action, (iii) the judgment is valid in the jurisdiction where rendered and meets authenticity requirements under Argentine law, (iv) the judgment does not violate the principles of public policy of Argentine law, and (v) (a) the judgment is not contrary to a prior or simultaneous judgment of an Argentine court, (b) in respect of any document in a language other than Spanish (including, without limitation, the foreign judgment and other documents related thereto), a duly legalized translation by a sworn public translator into the Spanish language is submitted to the relevant court, (c) the filing of claims with the Argentine judicial system is subject to the payment of a court tax to be paid by the person filing the claim, which tax rates vary from one jurisdiction to another (the current court tax in the courts sitting in the City of Buenos Aires is levied at a rate of 3% of the amount claimed in conformity with Article 2 of Argentine Law No. 23,898), and (d) pursuant to Argentine Law No. 26,589 as amended, certain mediation procedures must be exhausted prior to the initiation of lawsuits in Argentina (with the exception, among others, of bankruptcy and executory proceedings, including the enforcement of foreign judgments, in which case mediation procedures remain optional for the plaintiff). Subject to compliance with the requirements of Argentine law described above, a judgment against us or the persons described above obtained outside Argentina should be enforceable in Argentina without reconsideration of the merits.

See "Risk Factors—Risks Relating to the New Notes and the New Notes Offering—Holders of the New Notes may find it difficult to enforce civil liabilities against us or our directors, officers and controlling persons."

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Certain Defined Terms

In this Exchange Offer and Consent Solicitation Memorandum, unless otherwise specified or the context otherwise requires, references to: "Genneia," the "company," "we," "us," "our" and words of similar import are to Genneia S.A. and its consolidated subsidiaries.

In this Exchange Offer and Consent Solicitation Memorandum, references to "pesos" or "Ps." are to Argentine pesos, and "dollars," "U.S. dollars" or "U.S.$" are to United States dollars.

For certain other defined terms used in this Exchange Offer and Consent Solicitation Memorandum, see "Technical and Regulatory Terms" and "Description of the New Notes—Certain Definitions."

Financial Statements

This Exchange Offer and Consent Solicitation Memorandum includes (i) our audited consolidated financial statements as of and for the years ended December 31, 2020, 2019 and 2018 (our "annual financial statements") (ii) our unaudited consolidated financial statements as of and for the three-month period ended March 31, 2021, presented with comparative information for the statement of financial position for the fiscal year ended December 31, 2020 and for the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the three-month period ended March 31, 2020 (the "interim financial statements" and together with our annual financial statements, the "Financial Statements").

During the course of this Exchange Offer, on or about August 11, 2021, we expect to issue our unaudited consolidated financial statements as of and for the six-month period ended June 30, 2021 in a supplement hereto.

Our Financial Statements were prepared in accordance with IFRS as adopted by the Argentine Federation of Professional Councils in Economic Sciences ("FACPCE") as professional accounting standards, and as approved by the International Accounting Standards Board ("IASB") and also in accordance with the General Resolution No. 622/2013 of the CNV (as amended and supplemented, the "CNV Rules"). By means of Technical Pronouncement No. 26, as amended, the FACPCE resolved to adopt IFRS, as issued by the IASB, in their entirety. Our interim financial statements were prepared according to IAS 34 "Interim Financial Reporting". Our annual financial statements for statutory, legal and regulatory purposes in Argentina are those prepared in Argentine pesos, issued and filed with the CNV and approved by our Board of Directors.

Our Financial Statements included in this Exchange Offer and Consent Solicitation Memorandum are presented in U.S. dollars. In accordance with IFRS, transactions in currencies other than our functional currency (U.S. dollar) are recognized in our Financial Statements at the exchange rate prevailing at the date of the transaction. At the end of each reporting year, monetary assets and liabilities denominated in currencies other than U.S. dollars are translated into U.S. dollars at the exchange rate prevailing at that date. Foreign exchange gains and losses on monetary items are recognized in profit or loss in the period in which they arise. See notes 3.1 and 3.2 to our Financial Statements. See also "Risk Factors—Risks Relating to Argentina—Fluctuations in the value of the peso could adversely affect the Argentine economy and consequently our results of operations or financial condition" and "Exchange Rates and Exchange Controls."

Rounding

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

Non-IFRS Financial Measures

This Exchange Offer and Consent Solicitation Memorandum discloses certain non-IFRS financial measures, including Adjusted EBITDA, Adjusted EBITDA margin and the net debt to Adjusted EBITDA ratio. Our

Adjusted EBITDA has been calculated by adding back to our consolidated net profit (loss) for continuing operations for each year/period: (i) income tax; (ii) financial expenses, net; (iii) depreciation and amortization; (iv) other expenses, net; and (v) loss on long term investment in joint ventures (which includes our holding on the net result of Vientos Sudamericanos Chubut Norte IV S.A., Vientos Patagónicos Chubut Norte III S.A. and Vientos de Necochea S.A.). For a reconciliation to consolidated net income of Adjusted EBITDA, see "Selected Financial Data—Non-IFRS Data." Our net debt to Adjusted EBITDA ratio has been calculated by dividing our net debt at the end of the period by our Adjusted EBITDA for such period.

Our management uses Adjusted EBITDA and Adjusted EBITDA margin to evaluate our business performance and believes that disclosure of Adjusted EBITDA and other non-IFRS financial measures can provide useful supplemental information to investors and financial analysts in their review of our business. Adjusted EBITDA and Adjusted EBITDA margin may not be comparable to other similarly titled measures of other companies and have limitations as analytical tools. They should not be considered in isolation or as a substitute for analysis of our operating results as reported under IFRS. Non-IFRS measures, including Adjusted EBITDA and Adjusted EBITDA margin, are not measurements of our performance or liquidity under IFRS and should not be considered as an alternative to operating income or net profit or any other performance measures derived in accordance with IFRS, or as an alternative to cash flow from operating, investing or financing activities. The net debt to Adjusted EBITDA ratio is a measure for financial leverage, which indicates the relationship between our net financial obligations over the Adjusted EBITDA flows for a last twelve-months period. In other words, it indicates the number of years in Adjusted EBITDA needed to repay all net financial obligations.

Adjusted EBITDA and other non-IFRS financial measures as presented in this Exchange Offer and Consent Solicitation Memorandum may differ from the corresponding definition used for purposes of the covenants under the indenture governing the New Notes.

Industry and Market Data

Market data and other statistical information used in this Exchange Offer and Consent Solicitation Memorandum is based on data collected by and available from the Ministry of Economy, the former Ministry of Energy, the SE, the INDEC, CAMMESA and ENARGAS, among other sources. Certain data is also based on our estimates, which are derived from our review of internal surveys as well as independent sources. Although we believe these sources are reliable, we have not independently verified the information and cannot guarantee its accuracy or completeness.

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

TECHNICAL AND REGULATORY TERMS

In this Exchange Offer and Consent Solicitation Memorandum,

- references to "we," "us," and "our" refer to Genneia S.A., together with its subsidiaries;
- references to "U.S.$" are to U.S. dollars, and references to "Ps." are to Argentine pesos;
- "AFIP" refers to the Administración Federal de Ingresos Públicos (Argentine Federal Tax Administration);
- "Argentine Capital Markets Law" refers to Law No. 26,831, as amended and supplemented;
- "Argentine General Companies law" refers to Law No. 19,550, as amended and supplemented;
- "availability factor" refers to the percentage of hours a power generation unit is available for generation of electricity in the relevant period, whether or not the unit is actually used for generating and delivering power;
- "Base Energy Remuneration Scheme" means the remuneration scheme established under Resolution No. 19/2017, as amended by Resolution 31/2020, with effect from February 1, 2020;
- "CAMMESA" refers to Compañía Administradora del Mercado Mayorista Eléctrico Sociedad Anónima, a nonprofit private stock corporation (*sociedad anónima*) created pursuant to the Electricity Law and Decree No. 1.192/1992, owned by the Argentine government and four other associations that represent the WEM agents with a 20% ownership interest each. CAMMESA oversees the administration of the WEM and the dispatch of electricity into the NIS;
- "Centrales de la Costa" refers to Centrales de la Costa Atlántica S.A., a company controlled by the province of Buenos Aires and our joint venture partner for our Necochea wind farm project;
- "Certified Emission Reductions" or "CERs" refers to carbon credits or carbon offsets, issued in return for a reduction of atmospheric carbon emissions through projects under the Kyoto Protocol's clean development mechanism;
- "CNDC" refers to the Comisión Nacional de Defensa de la Competencia (the Argentine Antitrust Regulatory Agency);
- references to "commercial operation date" or "COD" are to the date CAMMESA or IEASA certifies as the beginning of commercial operation with respect to a certain power generation unit under the respective PPA;
- "current debt" refers to our current loans (including, without limitation, negotiable obligations) as set forth in our Financial Statements. See note 5.h to our annual financial statements and note 5(i) of our interim financial statements;
- "Central Bank" refers to the Central Bank of Argentina;
- "CNV" refers to the Argentine Securities Commission (*Comisión Nacional de Valores*);
- "CO2e" refers to carbon dioxide equivalent;
- "CPI" refers to consumer price index;
- "Electricity Law" refers to Law No. 15,336, enacted on September 20, 1960, as amended by Law No. 24,065, which was enacted on December 19, 1991, partially promulgated by Decree No. 13/92, and regulated by Decree No. 1398/92 and Decree No. 186/95, and its amendments, which, together with further regulations, establishes the fundamental regulatory framework of Argentina's electricity sector;
- "ENARGAS" refers to the Ente Nacional Regulador del Gas (the Argentine National Gas Regulatory Agency);
- "ENRE" refers to the Ente Nacional Regulador de la Electricidad (the Argentine National Electricity Regulatory Agency);

- "Exchange Offer" refers to our offer to exchange any and all of the outstanding Existing Notes issued by us for the applicable amount of New Notes issued by us and cash, as applicable;
- "firm capacity" refers to the amount of capacity that is recognized and remunerated to each power generation unit for being available to cover the demand in peak hours;
- "FODER" refers to the *Fondo Fiduciario para el Desarrollo de Energías Renovables*, a trust fund created by Law No. 27,191 in which the Argentine government is the trustor and Banco de Inversión y Comercio Exterior ("BICE") is the trustee, created to allocate its assets to granting loans, making capital contributions, and for the acquisition of all other financial instruments aimed at the execution, guaranteeing and funding of eligible projects of electricity generation from renewable sources;
- "Framework Agreement" refers to the Acuerdo Marco (Framework Agreement) entered into by and among us and the SE on April 18, 2012, as amended from time to time;
- "Frequent Issuer's Regime" refers to our U.S.$800 million Frequent Issuer's prospectus, which has been authorized by the CNV pursuant to Resolutions No. DI-2021-10-APN-GE#CNV, dated April 19, 2021;
- "GDP" refers to gross domestic product;
- "GEDESA" refers to Genneia Desarrollos S.A.;
- "GETSA" refers to Generadora Eléctrica de Tucumán S.A.;
- "GW," "GWm" and "GWh" refer to gigawatts, gigawatt per month and gigawatt per hour, respectively;
- "ICSID" refers to the International Centre for Settlement of Investment Disputes;
- "IEASA" refers to Integración Energética Argentina Sociedad Anónima, formerly Energía Argentina Sociedad Anónima (ENARSA), a private stock corporation (*sociedad anónima*) controlled and managed by the Argentine government for the exploration, exploitation and commercialization of petroleum and natural gas, as well as the generation, transmission and commercialization of electricity;
- "IFRS" refers to International Financial Reporting Standards as issued by the International Accounting Standards Board;
- "IMF" refers to the International Monetary Fund;
- "INDEC" refers to the Argentine National Institute of Statistics and Census (*Instituto Nacional de* Estadística y Censos);
- "installed capacity" refers to the amount of MW a turbine is designed to produce upon installation (name-plate capacity);
- "km" refers to kilometers;
- "kV" refers to kilovolts;
- "kW" and "kWh" refer to kilowatts and kilowatts per hour, respectively;
- "Kyoto Protocol" refers to the treaty within the United Nations Framework Convention on Climate Change, pursuant to which certain industrialized countries that have ratified its terms committed to reduce their greenhouse gas emissions by 5% on average, in comparison with their emission levels in 1990, from 2008 to 2012. In Doha, Qatar, on 8 December 2012, the Doha Amendment to the Kyoto Protocol was adopted for a second commitment period, starting in 2013 and lasting until 2020. However, the Doha Amendment has not yet entered into force;
- "load factor" refers to the ratio of the wind farm's actual output over a period of time, to its potential output if it were possible for it to operate at full installed capacity continuously over such period of time;
- "Loma Negra" refers to Loma Negra C.I.A.S.A.;
- "m3" and "m3d" refer to cubic meters and cubic meters per day, respectively;

- "MEG" refers to the Mercado Electrónico de Gas (MEG) Sociedad Anónima (the Argentine Electronic Gas Market);
- "Ministry of Economy" refers to the Argentine Ministerio de Economía, formerly Ministerio de Hacienda y Finanzas Públicas (Ministry of Treasury and Public Finance) and Ministerio de Economía y Finanzas Públicas (Ministry of Economy and Public Finance);
- "Ministry of Energy" refers to former the Argentine Ministerio de Energía (Ministry of Energy);
- "MLC" means the free foreign exchange market of the Republic of Argentina.
- "MMBtu" refers to one million British thermal units;
- "MW," "MWm" and "MWh" refer to megawatts, megawatts per month and megawatts per hour, respectively;
- "net debt" refers to our total debt net of cash and cash equivalents;
- "New Notes" refers to the 8.750% senior notes due 2027 to be issued by us in exchange for Existing Notes tendered during the Exchange Offer;
- "NIS" refers to the Sistema de Interconexión Nacional (the Argentine National Interconnection System);
- "non-current debt" refers to our non-current loans (including, without limitation, negotiable obligations) as set forth in our Financial Statements. See note 5(i) of our annual financial statements and note 5 (i) of our interim financial statements;
- "Nordex" refers, as the context may require, to Nordex Windpower S.A., Nordex Energy GmbH or any relevant affiliate thereof;
- "OECD" refers to the Organization for Economic Co-operation and Development;
- "Parque Eólico Loma Blanca IV" refers to Parque Eólico Loma Blanca IV S.A. (formerly known as Isolux Corsan Energías Renovables S.A.) and the wind farm owned by such entity (currently referred to as Trelew wind farm);
- "PPA" refers to power purchase agreements;
- "PR" is a measure of the quality of a photovoltaic plant, that is independent of location and it therefore described as a quality factor;
- "Renewable Energy Program" refers to the Regime for the Development of Renewable Energy Generation Sources introduced by the Renewable Energy Laws and the implementing regulations issued by the Ministry of Energy;
- "Renewable Energy Laws" refers to Argentine Law No. 26,190, as amended by Law No. 27,191;
- "RFP" refers to request for proposal;
- "SCADA" refers to the Supervisory Control and Data Acquisition system;
- "SE" refers to the *Secretaría de Energía de la Nación* (the Argentine National Secretariat of Energy);
- "Thermal Energy Program" refers to the Program for Development of New Distributed Power Generation Infrastructure introduced by SE Resolution No. 220/2007 and No. 1,836/2007, and subsequently supplemented by SE Resolution No. 21/2016;
- "total debt" refers to our current loans and non-current loans (including, without limitation, negotiable obligations) as set forth in our Financial Statements. See note 5(i) to our Financial Statements;
- "Ullum 1" refers to Ullum 1 Solar S.A.U. and the solar farm owned by such entity;
- "Ullum 2" refers to Ullum 2 Solar S.A.U. and the solar farm owned by such entity;
- "Ullum 3" refers to Ullum 3 Solar S.A.U. and the solar farm owned by such entity;
- "Ullum Solar Farms" refers to Ullum 1, Ullum 2 and Ullum 3, collectively;

- "Vestas" refer, as the context may require, to Vestas Wind Systems A/S, Vestas Chile Turbinas Eólicas Limitada, Vestas Argentina S.A., or any relevant affiliate thereof;
- "WEM" refers to the Argentine wholesale electricity market, administered by CAMMESA;
- "WEM Agreements" refers to, as the context may require, PPAs entered into between CAMMESA and us, pursuant to which we supply firm capacity (solely in the case of our thermal power plants) and electricity to the WEM administered by CAMMESA; and
- "WPI" refers to Wholesale Price Index (*Índice de Precios Internos al por Mayor*).

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

SUMMARY

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

Overview

We are an Argentine independent power generation company whose mission is to provide reliable and sustainable energy. As of the date of this Exchange Offer and Consent Solicitation Memorandum, we operate an estimated 22% of the wind and solar installed capacity in the country, making us the leading renewable power company in Argentina. We are involved in the entire cycle of power generation: we prospect, develop, build and operate renewable and conventional power plants. As of the date of this Exchange Offer and Consent Solicitation Memorandum, we own and operate a gross installed capacity of 1,279 MW (866 MW of renewable energy and 413 MW of conventional energy). We primarily derive our revenues from long-term U.S. dollar denominated PPAs, which provide us with stable and predictable cash flows. In the year ended December 31, 2020, net sales were U.S.$302.2 million (75.1% from electric power generation from renewable sources, 21.9% from electric power generation from conventional sources and 3.0% from corporate and other segments) and our Adjusted EBITDA totaled U.S.$252.3 million.

Our mission. Our mission is to provide sustainable and reliable energy. We are a pioneer in promoting renewable energy practices in Argentina, committed to the highest environmental standards. In 2012, we built Rawson I & II, the biggest wind farm during the first wave of renewable energy in Argentina. Aligned with our long-term strategy, over the past four years we have undergone a major transformation towards a more sustainable energy profile. In 2016, we initiated a renewable energy investment plan of over U.S.$1.0 billion that increased our renewable energy gross capacity by 706 MW. In 2018 and 2019, we built Madryn I & II of 222 MW, the biggest wind farm during the second wave of renewable energy in Argentina. Electric power generation from all renewable sources represented 85.6% of our total generation and 75.1% of our net sales in the year ended December 31, 2020, compared to 25.6% and 27.9%, respectively, in the year ended December 31, 2016.

Electric power generation from renewable sources segment. We own and operate a diversified portfolio of high-quality wind and solar farms built using state of the art technology. As an early participant in the local renewable energy market, we have secured access to premium locations with strong wind resources and access to the electrical grid, as well as substantial in-house expertise. Most of our operating wind farms (Rawson I, II & III, Madryn I & II, Trelew and Chubut Norte I, II, III & IV) are located in the Province of Chubut in the Patagonia region, except our Villalonga I & II and Necochea wind farms, which are located in the south of the Province of Buenos Aires, and our Pomona I & II wind farms, which are located in the Province of Río Negro. We also own and operate three solar photovoltaic farms located in the Province of San Juan named Ullum I, II & III. In 2020, the average load factor of our wind and solar farms with COD on or after November 2018 was 49.9% and 29.1%, respectively. We believe that these high dispatch levels show that Argentina has one of the world's most favorable natural endowments for the development of wind and solar energy. In 2020, we generated 2,776 GWh in renewable energy, accounting for approximately 26% of the solar and wind energy generated nationwide, according to information released by CAMMESA. All renewable energy assets in Argentina benefit from priority in dispatch to the grid and its remuneration is based on the energy effectively delivered.

Electric power generation from conventional sources segment. We also have solid expertise in the development and operation of thermal power plants. We operate two thermal power plants with a combined installed capacity of 413 MW strategically located in the provinces of Buenos Aires and Tucumán. These power plants, due to the technology their generation units are equipped with, are capable of covering the demand in peak hours and compensate for the intermittency of a growing renewable energy base. Substantially all revenues from our thermal plants are derived from selling firm capacity. As a result, the performance of the electric power generation from conventional sources segment is mainly driven by the availability factor of the power plants. Our thermal power plants achieved a weighted average availability factor of 98.1% for the year ended December 31, 2020.

Corporate and Other segments. We are also engaged in the business of trading natural gas on the MEG with power companies and industrial users, and in the business of trading natural gas transport capacity assigned to us.

Our Assets

The tables below show information relating to our operating facilities and projects which have been awarded PPAs as of the date of this Exchange Offer and Consent Solicitation Memorandum:

Facility	Type of Energy	Status	COD	MW[(1)]	Price[(2)]	PPA regime[(3)]	PPA term
Rawson I	Wind	In operation	January 2012	52.50	128.7	GENREN	15 years
Rawson II	Wind	In operation	January 2012	31.15	124.2	GENREN	15 years
Rawson III	Wind	In operation	December 2017	25.05	-	MATER	-
Trelew	Wind	In operation	August 2013	51.00	127.0	GENREN	15 years
Madryn I	Wind	In operation	November 2018	71.10	76.2	Resolution 202	20 years
Madryn II	Wind	In operation	September 2019	151.20	76.2	Resolution 202	20 years
Villalonga I	Wind	In operation	December 2018	51.75	55.0	RenovAr	20 years
Villalonga II	Wind	In operation	February 2019	3.45	-	MATER	-
Pomona I	Wind	In operation	July 2019	101.40	54.9	RenovAr	20 years
Pomona II	Wind	In operation	August 2019	12.00	-	MATER	-
Chubut Norte I	Wind	In operation	December 2018	28.80	66.0	RenovAr	20 years
Chubut Norte II	Wind	In operation	March 2021	26.28	-	MATER	-
Chubut Norte III[(4)]	Wind	In operation	February 2021	57.66	38.9	RenovAr	20 years
Chubut Norte IV[(5)]	Wind	In operation	February 2021	83.22	38.9	RenovAr	20 years
Necochea[(4)]	Wind	In operation	February 2020	37.95	55.5	RenovAr	20 years
Ullum I	Solar	In operation	December 2018	25.00	53.7	RenovAr	20 years
Ullum II	Solar	In operation	December 2018	25.00	55.2	RenovAr	20 years
Ullum III	Solar	In operation	December 2018	32.00	57.6	RenovAr	20 years
La Florida[(6)]	Biomass	Awarded	June 2022	19.00	106.7	RenovAr	20 years
Bragado II	Thermal	In operation	February 2017	58.01	25,000	Resolution 21	10 years
Bragado III	Thermal	In operation	May 2017	60.30	19,000	Resolution 21	10 years

Notes:

(1) Gross interest.

(2) Prices expressed in U.S. dollars: for (i) thermal energy: monthly per MW of installed capacity, and (ii) renewable energy: in MW/hour for effectively dispatched electricity. The annual adjustment factor is not included for PPAs awarded under the RenovAr program and Resolution 202. See "- Our PPAs - RenovAr and Resolution 202/2016 PPAs – main credit strengths" and "Industry Overview and Regulation."

(3) CAMMESA is the off-taker under PPAs RenovAr, GENREN, Resolution 202, Resolution 220 and Resolution 21. Several large industrial users are the off-takers under the MATER program.

(4) Genneia equity interest is 51%.

(5) Genneia equity interest is 50%.

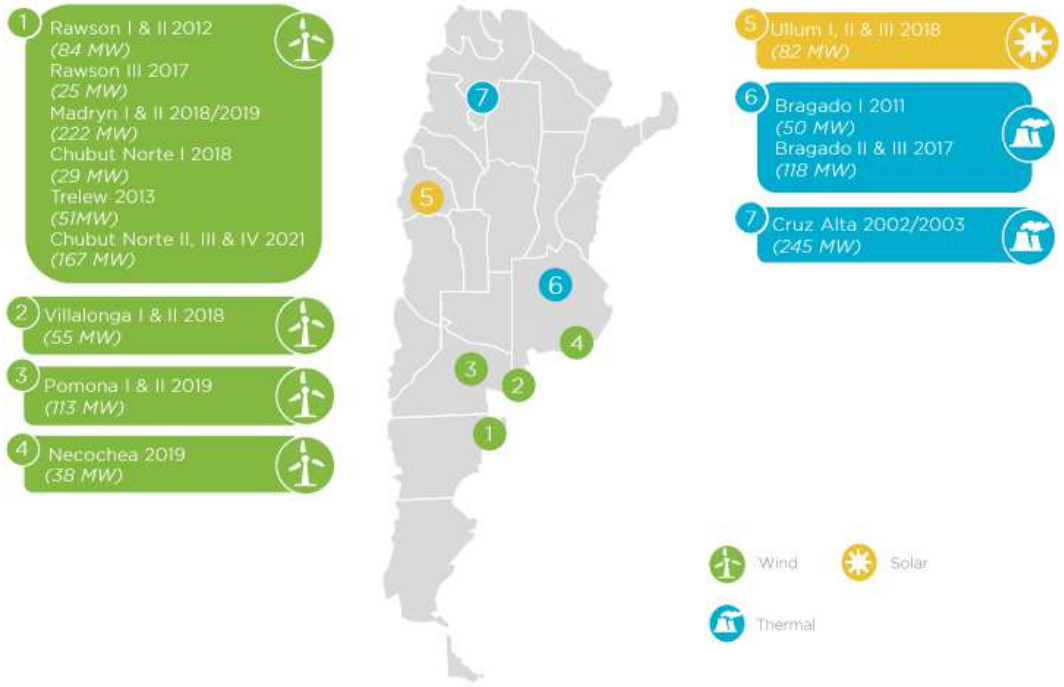
(6) As of the date of this Exchange Offer and Consent Solicitation Memorandum, the timeline for completion of the La Florida project is uncertain due to several factors, which have altered the terms originally agreed upon the PPA, making it difficult to obtain the required project financing to ensure the ordinary course development of the construction project. See "Risk Factors—Circumstances beyond our control may prevent us from achieving, or delay, the commercial operation of our expansion projects."

The table below shows information relating to our operating facilities which are governed by the Base Energy Remuneration Scheme:

Facility	Type of Energy	Status	COD	MW	Off-taker
Cruz Alta	Thermal	In operation	January 2002/February 2003	245.00	CAMMESA
Bragado 1	Thermal	In operation	June 2011	50.00	CAMMESA

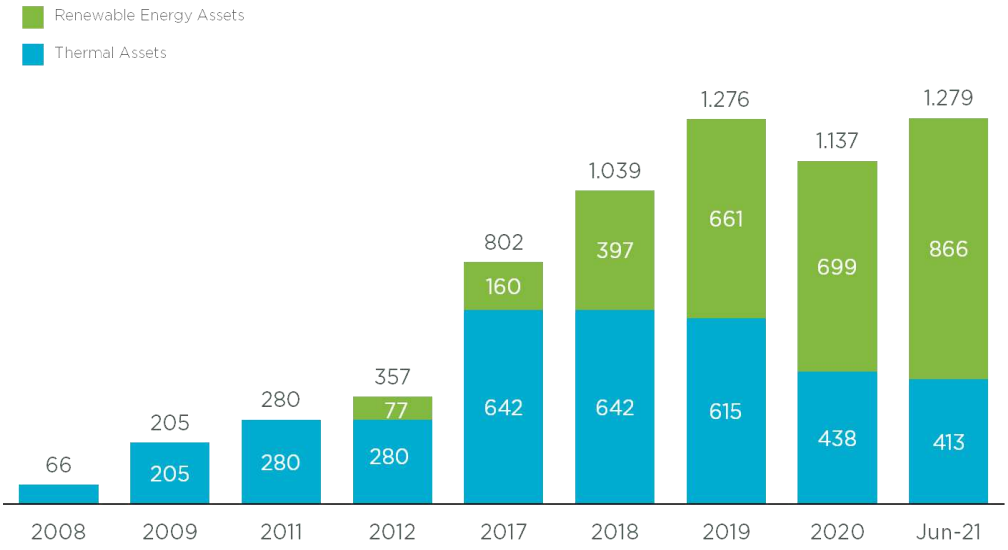
Note: Base Energy Remuneration Scheme has no term. See "Industry Overview and Regulation."

The map below shows the geographic locations of our operating facilities as of the date of this Exchange Offer and Consent Solicitation Memorandum:



Development of our installed capacity. Our first wind farms, Rawson I & II, began commercial operation in January 2012. The Trelew wind farm, which we acquired in November 2017, started commercial operation in August 2013. In December 2017, our Rawson III wind farm started commercial operation. In 2016, we initiated a renewable energy investment plan of over U.S.$1.0 billion that increased our renewable energy gross capacity by 706MW. Between November and December 2018, the Madryn I, Chubut Norte I, Villalonga I & II wind farms and the Ullum solar photovoltaic farms started commercial operation. In 2019, the Pomona I, Pomona II and Madryn II wind farms reached commercial operation. In February 2020, the Necochea wind farm achieved commercial operation. In February 2021, the Chubut Norte III and Chubut Norte IV wind farms achieved commercial operation. In March 2021, the Chubut Norte II wind farm achieved commercial operation. Our thermal power plants began commercial operation between June 2011 and May 2017, except for our Cruz Alta plant which began commercial operation in 2002 and 2003 and was acquired by us in August 2017.

The chart below shows the evolution of our gross installed capacity by segment (in MW):



Our PPAs

We primarily derive our revenues from long-term U.S. dollar denominated PPAs, which provide us with stable and predictable cash flows. For the three month period ended March 31, 2021, 97% of our net sales comes from PPAs denominated in U.S. dollar signed with CAMMESA and large industrial users.

Most of our renewable energy assets that reached commercial operation between 2018 and 2021 have PPAs awarded under the RenovAr program and Resolution 202/2016. These PPAs are for a term of 20 years, denominated in U.S. dollars, and backed by the FODER and sovereign guarantees, while some of them are backed by the guarantee provided by the World Bank (the "World Bank Guarantee"). For the three month period ended March 31, 2021, the PPAs awarded under RenovAr and Resolution 202 represent 57% of our net sales. Other PPAs of our portfolio of assets where CAMMESA is the off-taker are (i) GENREN (the first renewable auction in Argentina, representing 20% of our net sales for the three month period ended March 31, 2021), (ii) Resolution 21 (electric power generation from conventional sources power auction awarded in 2016, representing 10% of our net sales) and (iii) Resolution 220 (electric power generation from conventional sources power auction awarded in 2007, representing 7% of our net sales for the three month period ended March 31, 2021). Large industrial users which signed renewable energy PPAs with us represent 4% of our net sales for the three month period ended March 31, 2021. Our main large industrial off-takers are Loma Negra, Compañía de Alimentos Fargo (Bimbo), Cargill, Royal Canin, Banco Macro, Oroplata (Goldcorp), Pilkington and McCain Argentina, among others.

As of the date of this Exchange Offer and Consent Solicitation Memorandum, the average remaining term of our PPAs is 15 years (16 years for our wind PPAs, 17 years for solar PPAs and 6 years for thermal PPAs). For more details on the calculation of the terms of our PPAs, see "Business—Power Generation—Power Purchase Agreements or PPAs."

RenovAr and Resolution 202/2016 PPAs – main credit strengths. The RenovAr program was created within the framework of the Renewable Energy Law (Law No. 27,191) approved in 2015. These PPAs, where CAMMESA acts as the off-taker, are for a term of 20 years and are denominated in U.S. dollars. These are the main credit features of the PPAs under the RenovAr and Resolution 202/2016 programs:

(a) **FODER**: CAMMESA's obligations under the PPAs awarded as part of the RenovAr program are guaranteed by the FODER. To enhance the attractiveness of the RenovAr program, FODER included a set of guarantees that mainly cover two types of payment obligations:

(i) FODER Energy Payment Guarantee: this guarantee covers the renewable energy asset from risks associated with the lack of timely payments for energy sales under the PPA The FODER has a segregated 12-month reserve account for PPAs under the RenovAr 1.0 and 1.5 programs and Resolution 202/2016, and a segregated 6-month reserve account for PPAs under the RenovAr 2.0

program. The FODER's Energy Payment Guarantee allowed us to receive monthly revenues for the periods 2019, 2020 and 2021 as agreed upon under the PPAs, without facing any delay.

(ii) FODER Termination Payment Guarantee: this guarantee covers the renewable energy asset from specific macroeconomic or sector risks. Upon a default in payment by CAMMESA and/or upon any grounds for termination, the sponsor of the renewable energy asset has the right to sell the project to the trustor (the federal government, currently acting through the Secretariat of Energy). The FODER Termination Payment Guarantee assures the payment of the price for the potential sale of the project, which may be exercised under certain assumptions, as detailed in the section "Business-Power Generation-Power Purchase Agreements or PPAs." See "Business—Power Generation—Our Power Purchase Agreements"

(b) **Sovereign Guarantee**. Where applicable and to the extent the FODER does not have the amounts due in the FODER Termination Payment Guarantee accounts, the trustee will ask the Argentine government, as trustor to contribute the funds shortfall.

(c) **World Bank Guarantee**. In the event the sovereign does not have sufficient funds to honor its commitments under the guarantee, the World Bank has partially guaranteed the sovereign guarantee. According to an indemnity agreement entered between the World Bank and the Argentine government, if the World Bank is required to pay for this guarantee, the sovereign will have to replenish the funds immediately. Failure to do so may result in the suspension, withdrawal or acceleration of the existing credit facilities between the World Bank and Argentina. Considering the maximum guaranteed amount available to each individual project, it is possible that, in some cases, the World Bank Guarantee covers the project put price partially, and not in full.

The table below shows the list of outstanding FODER and World Bank guarantees as of the date of this Exchange Offer and Consent Solicitation Memorandum:

Facility	Type of Energy	Status	COD	MW	PPA	FODER	World Bank Guarantee
Madryn I	Wind	In operation	November 2018	71.10	Resolution 202	YES	
Madryn II	Wind	In operation	September 2019	151.20	Resolution 202	YES	
Villalonga I	Wind	In operation	December 2018	51.75	RenovAr	YES	YES
Pomona I	Wind	In operation	July 2019	101.40	RenovAr	YES	YES
Chubut Norte I	Wind	In operation	December 2018	28.80	RenovAr	YES	YES
Chubut Norte III	Wind	In operation	February 2021	57.66	RenovAr	YES	
Chubut Norte IV	Wind	In operation	February 2021	83.22	RenovAr	YES	
Necochea	Wind	In operation	February 2020	37.95	RenovAr	YES	
Ullum I	Solar	In operation	December 2018	25.00	RenovAr	YES	
Ullum II	Solar	In operation	December 2018	25.00	RenovAr	YES	
Ullum III	Solar	In operation	December 2018	32.00	RenovAr	YES	
La Florida	Biomass	Awarded	June 2022	19.00	RenovAr	YES	YES

Operating Performance

Our power generation plants are modern, reliable and efficient for Argentina's electricity sector.

Since the beginning of their commercial operation in January 2012, the Rawson I and II wind farms have been generating electricity without major interruptions and have obtained an average load factor of 41.1% through December 31, 2020. Since the beginning of its commercial operation in December 2017, the Rawson III wind farm averaged a load factor of 51.5% through December 31, 2020. The Trelew wind farm, which we acquired in November 2017, has averaged a load factor of 38.6% since the beginning of its commercial operation in August 2013 through December 31, 2020. Our wind farms that reached commercial operation in 2018 and 2019, averaged a load factor of 49.9% during the year ended December 31, 2020. Moreover, we have achieved a strong track record of maintaining the availability of our thermal plants, achieving a weighted average availability factor of 98.1% during the year ended December 31, 2020.

The tables below show information relating to our operating data for the periods indicated based on gross interest:

				Renewable Energy Sales (GWh)				
				Years Ended December 31,			Three-Month period Ended March 31,	
Facility	Type of Energy	COD	MW	2020	2019	2018	2021	2020
Rawson I	Wind	January 2012	52.50	183	184	176	42	44
Rawson II	Wind	January 2012	31.15	113	113	107	27	27
Rawson III	Wind	December 2017	25.05	108	114	107	26	27
Trelew	Wind	August 2013	51.00	158	153	159	35	42
Madryn I	Wind	November 2018	71.10	330	324	70	75	81
Madryn II	Wind	September 2019	151.20	670	244	—	152	163
Villalonga I	Wind	December 2018	51.75	252	236	23	55	59
Villalonga II	Wind	February 2019	3.45	17	16	—	4	4
Pomona I	Wind	July 2019	101.40	390	212	—	82	87
Pomona II	Wind	August 2019	11.70	41	20	—	11	10
Chubut Norte I	Wind	December 2018	28.80	141	140	15	33	35
Necochea	Wind	February 2020	37.95	150	—	—	39	24
Chubut Norte II	Wind	March 2021	26.28	—	—	—	26	—
Chubut Norte III	Wind	February 2021	57.66	—	—	—	23	—
Chubut Norte IV	Wind	February 2021	83.22	—	—	—	47	—
Ullum I	Solar	December 2018	25.00	64	58	4	17	18
Ullum II	Solar	December 2018	25.00	63	60	4	18	19
Ullum III	Solar	December 2018	32.00	83	75	3	22	24

				Thermal Availability Factor (%)				
				Years Ended December 31,			Three-Month period Ended March 31,	
Facility	Type of Energy	COD	MW	2020	2019	2018	2021	2020
Bragado I	Thermal	June 2011	50.00	99.6	99.5	99.7	99.7	99/8
Bragado II	Thermal	February 2017	58.01	91.4	98.6	93.0	65.6	98.9
Bragado III	Thermal	May 2017	60.30	99.4	98.6	93.3	99.5	99.1
Cruz Alta	Thermal	Jan. 2002/Feb. 2003	245.00	100.0	99.8	98.6	99.6	99.9

Financial Performance

Our net sales for the period ended March 31, 2021 totaled U.S.$68.2 million, with a gross profit of U.S.$42.8 million, net profit of U.S.$10.3 million and Adjusted EBITDA of U.S.$56.6 million. Gross profit margin and Adjusted EBITDA margin were 62.8% and 83.1%, respectively.

Our net sales for the period ended March 31, 2020 totaled U.S.$76.8 million, with a gross profit of U.S.$52.5 million, net profit of U.S.$8.8 million and Adjusted EBITDA of U.S.$66 million. Gross profit margin and Adjusted EBITDA margin were 68.4% and 86%, respectively. Our net sales for the year ended December 31, 2020 totaled U.S.$302.2 million, with a gross profit of U.S.$200 million, net profit of U.S.$25.3 million and Adjusted EBITDA of U.S.$252.3 million. Gross profit margin and Adjusted EBITDA margin were 66.2% and 83.5%, respectively. Our net sales for the year ended December 31, 2019 totaled U.S.$269.6 million, with a gross profit of U.S.$171.8 million, net loss of U.S.$19.7 million and Adjusted EBITDA of U.S.$222.8 million. Gross profit margin and Adjusted EBITDA margin were 63.7% and 82.6%, respectively. Our net sales for the year ended December 31, 2018 totaled U.S.$202.4 million, with a gross profit of U.S.$115.9 million, net loss of

U.S.$22.1 million and Adjusted EBITDA of U.S.$152 million. Gross profit margin and Adjusted EBITDA margin were 57.3% and 75.1%, respectively.

The results from our joint ventures are not included in the calculation of our Adjusted EBITDA, since those results of operations are recorded in our Financial Statements based on equity method and, hence, they are not considered in the calculation of our consolidated Adjusted EBITDA. For summarized financial information about our joint ventures i) Vientos de Necochea S.A. (in which we hold a 50% equity interest, and it is the owner of the Necochea wind farm), ii) Vientos Patagónicos Chubut Norte III S.A. (in which we hold a 51% equity interest, and it is the owner of the Chubut Norte III wind farm), and iii) Vientos Sudamericanos Chubut Norte IV S.A. (in which we hold a 51% equity interest, and it is the owner of the Chubut Norte IV wind farm), see "Selected Financial Data—Non-IFRS Data" and note 5.b to our annual financial statements as of December 31, 2020.

The table below shows the evolution of our Adjusted EBITDA by segment.

	Year ended December 31,			Three-Month period ended March 31,	
	2020	**2019**	**2018**	**2021**	**2020**
			(U.S.$ in millions)		
Electric power generation from renewable sources	206.3	150.2	63.2	47.9	51.4
Electric power generation from conventional sources	54.4	83.5	106.1	9.6	16.1
	(4.2)	(3.7)	(3.3)	(0.8)	(0.9)
Trading of natural gas and gas transportation					
Corporate and others	(12.6)	(14.7)	(20.6)	(1.6)	(2.3)
Adjusted EBITDA	**252.3**	**222.8**	**152.0**	**56.6**	**66.0**

Adjusted EBITDA by segment allows to show the evolution of the Company's different segments and their contribution to Adjusted EBITDA. The following table reconciles the Net profit (loss) before financial expense net and income tax from each segment with their Adjusted EBITDA.

Business Segment: Electric power generation from renewable sources

	Year ended December 31,			Three-Month period ended March 31,	
	2020	**2019**	**2018**	**2021**	**2020**
			(U.S.$ in millions)		
Net profit before financial expense, net and income tax of the segment	163.3	115.5	37.2	35.2	40.3
Fixed assets depreciation and intangible assets amortization	40.3	31.3	16.3	10.8	9.8
Impairment loss on intangible assets and goodwill	—	—	8.3	—	—
Results for long-term investments	2.7	3.3	1.4	1.8	1.3
Adjusted EBITDA of the segment	**206.3**	**150.2**	**63.3**	**47.9**	**51.4**

Business Segment: Electric power generation from conventional sources

	Year ended December 31,			Three-Month period ended March 31,	
	2020	2019	2018	2021	2020
			(U.S.$ in millions)		
Net profit before financial expense, net and income tax of the segment	15.0	25.7	65.0	3.1	8.9
Fixed assets depreciation and intangible assets amortization	27.7	35.2	41.1	6.4	7.2
Impairment loss on intangible assets and goodwill	—	27.6	—	—	—
Other net expenses	11.6	(5.0)	—	—	—
Adjusted EBITDA of the segment	**54.4**	**83.5**	**106.1**	**9.6**	**16.1**

Business Segment: Trading of natural gas and gas transportation

	Year ended December 31,			Three-Month period ended March 31,	
	2020	2019	2018	2021	2020
			(U.S.$ in millions)		
Net profit before financial expense, net and income tax of the segment	3.6	2.9	3.2	0.6	0.7
Fixed assets depreciation and intangible assets amortization	0.7	0.8	0.1	0.2	0.2
Adjusted EBITDA of the segment	**4.2**	**3.7**	**3.3**	**0.8**	**0.9**

Business Segment: Corporate and others

	Year ended December 31,			Three-Month period ended March 31,	
	2020	2019	2018	2021	2020
			(U.S.$ in millions)		
Net profit before financial expense, net and income tax of the segment	(17.8)	(21.3)	(26.6)	(2.9)	(3.4)
Fixed assets depreciation and intangible assets amortization	1.1	1.2	1.3	0.3	0.3
Other net expenses	4.1	5.4	4.6	1.0	0.9
Adjusted EBITDA of the segment	**(12.6)**	**(14.7)**	**(20.6)**	**(1.6)**	**(2.3)**

Our Sustainable Value Strategy

We are committed to doing business with honesty, integrity and transparency, following the highest environmental, social and governance ("ESG") standards. We strive to be an efficient and reliable company that creates sustainable value for all our stakeholders and protects the environment for future generations. As a pioneer in the renewable energy sector in Argentina, we have rapidly adopted the best international practices regarding environmental and social standards. In 2013, we achieved and maintained certain international certifications awarded by TÜV Rheinland and ISO. Since 2016, our renewable energy expansion plan has complied with the International Finance Corporation Performance Standards on Environmental and Social Sustainability, required under i) the World Bank guarantee of the RenovAr program and ii) the project finance facilities granted by development banks and export credit agencies. Additionally, in 2020, we conducted our first materiality assessment based on the feedback from all our stakeholders, according to the globally accepted GRI standards and we obtained the certification as a Great Place to Work. We engage and work constructively with a range of key stakeholders to identify our most material issues and to monitor emerging trends.

Our sustainable value strategy is based on the following principles:

- Leadership in renewable energy;
- Innovation and knowledge management;
- Economic, social and environmental impact management;
- Promotion of human rights and welfare of our personnel and community;
- Inclusive growth in our value chain;
- Business transparency;
- Social investment; and
- Development of our value chain under local, environmental and social inclusion criteria.

Our policies and procedures are consistent with our Integrated Management System, which manages our Quality, Occupational Health and Safety, Environment and Social areas. Our Integrated Management System is structured according the following international standards: Environmental Management (ISO 14.001:2015), Occupational Health and Safety (ISO 45.001:2018), International Finance Corporation Performance Standards (IFC:2012), Quality Management (ISO 9001:2015), Information Security Management (ISO 27.001:2013), Enterprise Risk Management (COSO 2017), U.S. Foreign Corrupt Practices Act, and the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

We contribute to the Sustainable Development Goals (SDG) from the United Nations, focused specially on SDG 7 (affordable and clean energy), strengthening Argentina's energy matrix, and the SDG 13 (Climate Action) having started the reduction of our carbon emissions. We also have over 389 MW of renewable energy capacity qualified under the Verified Carbon Standard protocol, able to issue Certified Emission Reductions in respect of all energy produced. The sites are Rawson I &II, Villalonga I & II, Pomona I & II and Chubut Norte I & II wind farms, and Ullum I, II & III solar PV farms.

Our renewable energy investment plan led to a reduction in our carbon intensity. In 2016, we initiated a renewable energy investment plan of over U.S.$1.0 billion that increased our renewable energy gross capacity by 706 MW. In 2020, our renewable energy generation increased by 6.5x compared to 2016 and represented 86% of total generation. In the same vein, our renewable energy investment plan led to a reduction of 82% in our carbon intensity (Scope 1), from 462g CO_2e/kWh in 2016 to 85g CO_2e/kWh in 2020. The table below shows historical information about our energy generation footprint based on gross interest:

Years Ended December 31	Renewable Energy (GWh)	Thermal Energy (GWh)	Total (GWh)	Renewable as % of Total	CO_2 Scope 1 (in tons)[1]	Carbon intensity (g CO2e/kWh)
2012	282	669	951	30%	445,581	469
2013	290	701	991	29%	444,445	449
2014	294	712	1,006	29%	439,554	437
2015	286	816	1,102	26%	515,213	467
2016	257	747	1,004	26%	463,798	462
2017	395	779	1,174	34%	536,329	457
2018	668	669	1,338	50%	399,432	299
2019	1,949	650	2,598	75%	383,038	147
2020	2,763	468	3,244	86%	275,052	85

Note:—

(1) Scope 1 (direct greenhouse emissions that occur from our generation activities). Internal estimates based on fuel consumption; not certified by third parties.

Our Key Strengths

Leader in renewable energy in Argentina. We are the leading renewable power company in Argentina, operating an estimated 22% of the installed wind and solar capacity in the country as of the date of this Exchange Offer and Consent Solicitation Memorandum. We own and operate a diversified portfolio of high-quality assets built with state of the art technology. As an early participant in the renewable energy market, we have access to premium locations with strong wind and solar resources and access to the electrical grid as well as substantial in-house expertise. In 2020, the average load factor of our wind and solar farms with COD on or after November 2018 was 49.9% and 29.1%, respectively. These high dispatch levels show that Argentina has one of the world's most favorable natural endowments for the development of wind and solar energy.

Highly reliable generation assets. We have achieved a strong track record of high load and availability factors for our plants, which allow us to generate stable and predictable cash flows under our PPAs. Our wind and solar farms have achieved a weighted average availability factor of 94.68% and 80.35% respectively during the year ended December 31, 2020 and our thermal power plants have achieved a weighted average availability factor of 98% during 2020, 99.4% during 2019 and 98.5% during 2018. We have entered into a services and availability agreements with Vestas (for our Rawson I, II and III, Madryn I & II, Villalonga I & II, Chubut Norte I and Necochea wind farms), Nordex (for our Pomona I & II and Chubut Norte II, III & IV wind farms) and Alstom (now GE, for our Trelew wind farm) pursuant to which those services providers have agreed to guarantee and availability factor between 96% and 98%, depending on each agreement. In addition, we have insurance coverage in the event of material damage, breakdown machinery and significant business interruption at our plants.

Stable and predictable cash flows based on long-term U.S. dollar-denominated PPAs. We primarily derive our revenues from long-term U.S. dollar-denominated PPAs, which provide us with stable and predictable cash flows. Most of our renewable assets that reached commercial operation during 2018-2020 have PPAs awarded under the RenovAr program and Resolution 202/2016. These PPAs are for a term of 20 years, denominated in U.S. dollars, and backed by the FODER and sovereign guarantees, while some of them are backed by the World Bank Guarantee.

As of the date of this Exchange Offer and Consent Solicitation Memorandum, the average remaining term of our PPAs is 15 years (16 years for our wind PPAs, 17 years for solar PPAs and 6 years for thermal PPAs). For more details on the calculation of the terms of our PPAs, see "Business-Power Generation-Power Purchase Agreements or PPAs."

Seasoned management with a strong track record across all phases of execution. Our management team has extensive industry and financial experience, including significant experience in the Argentine energy sector. Our management team has expertise in the entire cycle of electrical power generation, from prospecting and developing projects to building and operating plants for both renewable and conventional power generation. Our management team has shown its capacity to deliver projects on time and on budget and to operate existing plants efficiently, even in adverse conditions.

Strong equity capitalization and a track record of accessing financings. Our shareholders have used their financial capability to commit a substantial amount of capital to support our growth, including contributions totaling U.S.$100.0 million in 2017 and U.S.$20 million in 2018 and another U.S.$ 181 million since inception. We have tapped the international debt capital markets twice since 2017 and we are a frequent participant in the domestic debt capital market. Also, we have secured long-term project financings at the subsidiary level, without recourse to us, with certain export credit agencies and development banks.

Our Strategy

We strive to create sustainable and long-term value for our stakeholders through the adoption of strategies that aim to improve our operating margins, enhance our financial profile and investment in existing and new projects. In order to achieve these objectives, we carry out the following strategies:

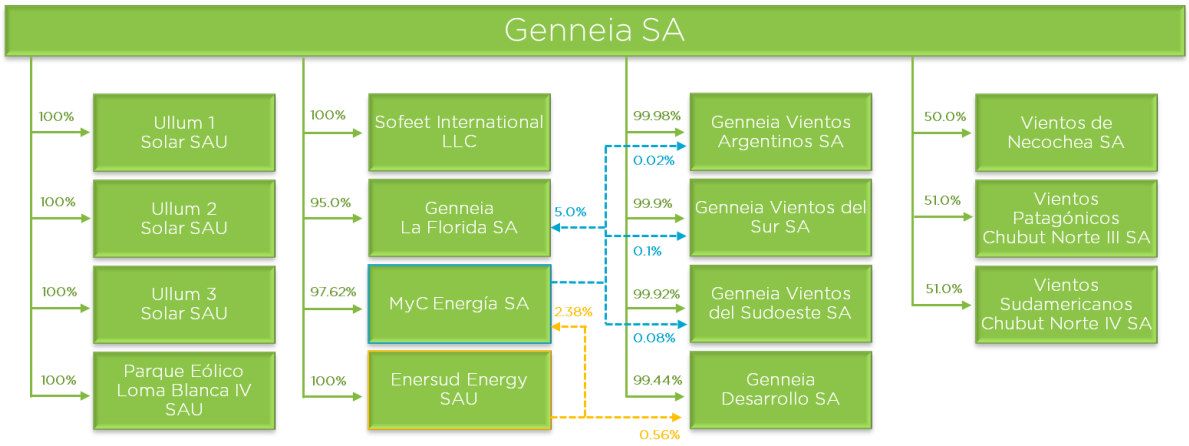
Maintain a sound and efficient operation of our power plants. We are committed to maintaining a sound and efficient operation of our power plants to generate predictable and stable cash flows. We are focused on continuing the high availability factor of our plants currently in operation and achieving similar results with our projects under construction. In this regard, we plan to continue investing in equipment to improve efficiency and availability.

Sustained growth based on predictable contracted cash flows. Based on our projected cash flows, our financing capabilities and the support shown by our shareholders, we continue assessing energy projects that will allow us to achieve sustained growth and expect to leverage on our experience to keep expanding our power generation project pipeline. We aim to accompany our expansion with predictable cash flows by investing in new projects and securing attractive, long-term PPAs for the new facilities and, from time to time, consider the acquisition of projects developed (totally or partially) by third parties if the terms are attractive to us and the profile of the project fits within our long-term growth strategy.

Adhere to strict environmental, social responsibility and corporate governance standards. We are committed to strict ESG and seek to ensure transparency, accountability and responsibility in the operation of our business for our stakeholders. We also strive to provide a high-quality service while operating our facilities safely and sustainably. In terms of sustainability, we seek to be good corporate citizens and operate our business in a manner which complies with applicable legal and environmental regulations. In terms of safety, we implement and follow the industry safety standards in Argentina in order to ensure the safety of our employees and contractors and the communities where our operations are located. See "Sustainable Value Strategy" for more information.

Our Corporate and Shareholder Structure

The following chart depicts our main subsidiaries as of the date of this Exchange Offer and Consent Solicitation Memorandum:



The following wind farms (Rawson I, II and III, Madryn I and II, Chubut Norte II, Pomona II and Villalonga II), and the following thermal power plants (Bragado I, II and III) are directly owned by Genneia S.A.

Our main subsidiaries are: Enersud Energy S.A.U. (engaged in the energy trading business), Genneia Vientos Argentinos S.A. (owner of the Villalonga I wind farm), Genneia Vientos del Sur S.A. (owner of the Chubut Norte I wind farm), Genneia Vientos del Sudoeste S.A. (owner of the Pomona I wind farm), Genneia Desarrollos S.A. (or GEDESA, owner of the Cruz Alta thermal plant), Parque Eólico Loma Blanca IV S.A. (owner of the Trelew wind farm), Ullum 1 Solar SAU (owner of Ullum I solar farm), Ullum 2 Solar SAU (owner of Ullum II solar farm), Ullum 3 Solar SAU (owner of Ullum III solar farm), Genneia La Florida S.A. and Sofeet International LLC; and our joint ventures are: Vientos Sudamericanos Chubut Norte IV S.A. (51% equity interest joint venture, owner of the Chubut Norte IV wind farm), Vientos Patagónicos Chubut Norte III S.A. (51% equity interest joint venture, owner of the Chubut Norte III wind farm), Vientos de Necochea S.A. (50% equity interest joint venture, owner of the Necochea wind farm). The rest of our subsidiaries are currently non-operational subsidiaries. For more details, see "Our Corporate and Shareholder Structure".

As of the date of this Exchange Offer and Consent Solicitation Memorandum, the following entities are Unrestricted Subsidiaries for purposes of the "Description of the New Notes": Genneia Vientos Argentinos S.A., Genneia Vientos del Sudoeste S.A., Genneia Vientos del Sur S.A., Genneia Desarrollos S.A., Vientos Sudamericanos Chubut Norte IV S.A., Vientos Patagónicos Chubut Norte III S.A., and Vientos de Necochea S.A.

Our Contact Information

Our principal executive offices are located at Nicolás Repetto 3676, 3rd floor, Olivos (1636), Province of Buenos Aires, Argentina. Our telephone number is +54 (11) 6090-3200, our fax number is +54 (11) 6090-3201, and our email address is investors@genneia.com.ar. Our website is www.genneia.com.ar. Information in or connected to our website is not part of this Exchange Offer and Consent Solicitation Memorandum.

SUMMARY OF THE OFFER AND SOLICITATION

The following is a brief summary of certain terms of the Offer and Solicitation. For a more complete description of the Offer and Solicitation, see "The Offer and Solicitation" and "The Proposed Amendments" in this Exchange Offer and Consent Solicitation Memorandum.

Purpose of the Offer and Solicitation..... The principal purpose of the Offer is to exchange the Existing Notes for the New Notes, which will extend the average maturity of our existing senior debt.

The purpose of the Solicitation is to eliminate substantially all of the covenants in the Series XX Notes Indenture, including certain restrictive and affirmative covenants and certain events of default and modify the conditions to acceleration in the Series XX Notes Indenture. We are also requesting Consents from holders of Private Notes to waive the Issuer's obligations to comply with Sections 7.06 (*Limitation on Debt*) and 7.09 (*Limitation on Liens*) of the Private Notes, in connection with the Exchange Offer.

The Offer; Exchange Consideration ..... Upon the terms and subject to the conditions set forth in this Exchange Offer and Consent Solicitation Memorandum, we are offering to exchange, for each US$1,000 principal amount of Existing Notes tendered in the Offer, the following consideration.

If Tender Orders are validly submitted at or prior to the Early Tender Date, an Eligible Holder of the Existing Notes would receive the Early Tender Consideration, as applicable, (subject to any tax withholdings applicable), as set forth in the table on the cover page of this Exchange Offer and Consent Solicitation Memorandum.

If Tender Orders are validly submitted after the Early Tender Date but at or prior to the Expiration Date, an Eligible Holder of the Existing Notes would receive the Late Tender Consideration, as applicable (subject to any tax withholdings applicable), as set forth in the table on the cover page of this Exchange Offer and Consent Solicitation Memorandum. In each case, Eligible Holders will also receive the Accrued Interest Payment (subject to any tax withholdings applicable).

Eligible Holders of Series XX Notes may choose between two consideration options, detailed in the table on the cover either in the columns under the headings "Option A" and "Option B". See "-Terms of the Offer and Solicitation – Overview."

If 100% of the Existing Notes are tendered into the Offer and Solicitation, in exchange for either Early XX A Consideration or Early Private Consideration, up to the Maximum A Consideration and thereafter in exchange for the Early XX B Consideration, holders of Existing Notes will receive, in the aggregate, US$455,286,000 of New Notes, and US$100,000,000 of cash.

The amount of New Notes that will actually be issued will depend on the levels of participation in the Offer, the options chosen by Eligible Holders of Series XX Notes, the application of the Option A Maximum Amount and proration.

If the Withdrawal Threshold, which would result in a composition under Early XX B Consideration of 30% Early Cash Consideration and 70% principal amount of New Notes, is exceeded, then the Extended Withdrawal Period will is granted.

	During the Extended Withdrawal Period, Eligible Holders who validly submitted Tender Orders will be able to revoke their Tender Orders.
Accrued Interest Payment	In addition to the applicable Exchange Consideration, all Eligible Holders whose Existing Notes are validly tendered and accepted by us for exchange will receive the Accrued Interest Payment, equal to all accrued and unpaid interest on their Existing Notes accepted for exchange from the last interest payment date to, but not including, the Settlement Date, (subject to any tax withholdings applicable). Under no circumstances will any interest be payable because of any delay in the transmission of funds to Eligible Holders by DTC, Euroclear, Clearstream or any other clearing system.
Denominations	Tender Orders in respect of Series XX Notes may only be submitted in principal amounts equal to minimum denominations of US$1,000 and integral multiples in excess thereof. Tender Orders in respect of Private Notes may be submitted in principal amounts equal to minimum denominations of US$1,000 and integral multiples in excess thereof. The New Notes will be issued in denominations of US$1,000 and integral multiples of US$1.00 in excess thereof.
No Fractional Interests.....	The New Notes will be issued in minimum denominations of US$1,000 and integral multiples of US$1.00 in excess thereof and we will not issue any fractional New Notes. If any tendering holder's allocation of Existing Notes would otherwise result in the issuance to such holder of fractional New Notes, we will round down to the nearest US$1.00 and we will not compensate such holder for such fractional Existing Note. Any Tender Order of Existing Notes that would result in the issuance of a New Note to a holder below the minimum denomination of US $1,000 of New Notes will be rejected, and such Existing Note will be returned to the holder.
The Solicitation	Each Eligible Holder of Series XX Notes that submits a Tender Order (and does not validly revoke it) thereby also consents to the Proposed Amendments. If we obtain the required Consents of Series XX Notes, we will execute the Supplemental Indenture on or about August 31, 2021; however, the Proposed Amendments will only become operative upon the payment of the applicable Exchange Consideration. If the Proposed Amendments become operative they will be binding on all holders of the Series XX Notes even those who did not submit Tender Orders for their Series XX Notes. If we do not obtain the required Consents for any reason, the Supplemental Indenture will not be executed and the Proposed Amendments will not become operative and the Series XX Notes Indenture will remain in effect in its present form and the Consents received will no longer be valid. We will comply with the requirements of the Negotiable Obligations Law and any other applicable Argentine regulations relating to the Solicitation. See "The Proposed Amendments."

	We are also requesting Consents from holders of Private Notes to waive the Issuer's obligations to comply with Sections 7.06 (*Limitation on Debt*) and 7.09 (*Limitation on Liens*) of the Private Notes, in connection with the Exchange Offer. Each Eligible Holder of Private Notes that submits a Tender Order must deliver the Transfer Certificate to the Exchange and Information Agent at or prior the Early Tender Date or the Expiration Date, as applicable, and must not have withdrawn at or prior the Withdrawal Date, any Private Notes so tendered. No separate or additional consideration will be paid in connection with the Solicitation.
Eligibility	You may only participate in the Offer and Solicitation if you are an Eligible Holder as defined in "The Offer and Solicitation—Offering Restrictions; Eligible Holders" and sign and return a duly completed Eligibility Letter and, in the case of Argentine Entity Offerees, Non-Cooperating Jurisdiction Offerees and Eligible Holders of Private Notes, the Transfer Certificate.
Early Tender Date	5:00 p.m. (New York City time) on August 16, 2021 with respect to the Offer and Solicitation, unless further extended or earlier terminated by us.
Withdrawal Date.....	5:00 p.m. (New York City time) on August 16, 2021 with respect to the Offer and Solicitation, unless further extended or earlier terminated by us. The Withdrawal Date will be extended for two business days if the Withdrawal Threshold, which would result in a composition under the Early XX B Consideration of 30% Early Cash Consideration and 70% principal amount of New Notes, is exceeded.
Revocation of Tender Orders	Tender Orders may be validly revoked at any time at or prior to the Withdrawal Date. Tender Orders submitted after the Withdrawal Date may not be revoked, except in limited circumstances. After the Withdrawal Date, Tender Orders may not be validly revoked unless we amend or otherwise change the Offer in a manner material to tendering Eligible Holders or as otherwise required by law to permit withdrawal (as determined by us in our reasonable discretion). Tender Orders may not be revoked after the Withdrawal Date, except under certain limited circumstances in which the terms of the Offer and the Solicitation are materially modified or as otherwise required by law. Revocation of Tender Orders for Private Notes will be deemed a withdrawal of the Transfer Certificates related to the Tender Orders so revoked. See "The Offer and Solicitation—Revocation of Tender Orders."
Expiration Time; Extension.....	The Offer and Solicitation will expire at 5:00 p.m., New York City time, on August 30, 2021, unless further extended or earlier terminated by us. We may extend the expiration time for any reason. The Expiration Date will be extended for two business days if the Extended Withdrawal Period occurs. If we decide to extend the Offer and Solicitation, we will announce any extensions by press release or other permitted

	means no later than 9:00 a.m., New York City time, on the business day immediately following the previously scheduled expiration time.
Minimum Tender Condition.....	The consummation of the Offer and Solicitation is conditioned upon, among other conditions, the submission of Tender Orders of (i) at least 70% of the aggregate outstanding principal amount of the Series XX Notes in the Offer and Solicitation, and (ii) more than 50% of the aggregate outstanding principal amount of Private Notes. We may waive the conditions to consummation of the Offer and Solicitation, including but not limited to the Minimum Tender Condition, in our sole discretion.
Other Conditions	See "The Offer and Solicitation—The Conditions" for a full description of the conditions to consummation of the Offer and Solicitation.
How to Participate If You Are a Beneficial Owner	If you are a beneficial owner whose Existing Notes are held by a broker, dealer, commercial bank, trust company or other securities intermediary and you wish to participate in the Offer and Solicitation, you should promptly instruct that securities intermediary to timely tender on your behalf by following the instructions of your securities intermediary.
How to Participate If You are a DTC Participant.....	If you are a DTC Participant, as defined in "The Offer and Solicitation—Procedures for Tendering," that holds Series XX Notes, the Exchange and Information Agent and DTC have confirmed that the Offer and Solicitation are eligible for ATOP. Accordingly, DTC Participants must electronically transmit their acceptance of the Offer and Solicitation by causing DTC to transfer their Existing Notes to the Exchange and Information Agent in accordance with DTC's ATOP procedures for such transfer. DTC will then send an Agent's Message to the Exchange and Information Agent. The delivery of such Agent's Message will constitute the agreement by the DTC Participant. The submission of a Tender Order of Existing Notes by the submission of a valid electronic acceptance instruction to a clearing system will result in the blocking of such Existing Notes in the relevant clearing system upon receipt. See "The Offer and Solicitation—Procedures for Tendering."
How to Participate If You Hold Existing Notes Through Clearstream or Euroclear...	If your Existing Notes are held through Euroclear or Clearstream you must comply with the procedures established by Euroclear or Clearstream, as applicable, to participate in the Offer and Solicitation. Euroclear and Clearstream intend to collect from their direct participants (a) instructions to (1) submit a Tender Order on behalf of their direct participants in the Offer and Solicitation, (2) "block" any transfer of Existing Notes so tendered until the completion of the Offer and Solicitation and (3) debit their account on or about the Settlement Date, or as soon as practicable thereafter, in respect of all Existing Notes accepted pursuant to the Offer and Solicitation by us; and (b) irrevocable authorizations to disclose the names of the direct participants and information about the foregoing instructions. Upon the receipt of these instructions, Euroclear and Clearstream will advise their applicable DTC Participant to electronically transmit their holders' acceptances of the Offer and Solicitation by causing DTC to transfer their Existing Notes to the Exchange and

	Information Agent in accordance with DTC's ATOP procedures for such transfer. Euroclear and Clearstream may impose additional earlier deadlines in order to properly process these instructions. As a part of tendering through Euroclear or Clearstream, you are required to become aware of any such deadlines. See "The Offer and Solicitation—Procedures for Tendering. To submit Tender Orders of Private Notes held through Euroclear or Clearstream, you should deliver, or arrange to have delivered on your behalf, via Euroclear or Clearstream, as applicable, and in accordance with the requirements of such clearing system, a valid Tender Instruction that is received by the Exchange and Information Agent prior to the Early Tender Date or the Expiration Date, as applicable.
Delivery.....	New Notes issued in exchange for Existing Notes and any Exchange Consideration payable will be delivered to the DTC Participant you specify in the Agent's Message and to Euroclear and Clearstream participants to the account from where tender instructions were submitted. Cash payments for the Existing Notes accepted for exchange shall be made on the Settlement Date by the deposit of the (i) Accrued Interest Payment plus (ii) the Early Cash Consideration, as applicable, for all Existing Notes being tendered and accepted in immediately available funds with DTC, Euroclear or Clearstream, as applicable. Under no circumstances will interest on the Exchange Consideration be paid by the Company by reason of any delay on the part of DTC, Euroclear or Clearstream in making payment to holders or otherwise
Settlement Date.....	We expect to deliver the applicable Exchange Consideration on the third business day following the Expiration Date, or as soon as practicable thereafter.
Exchange and Information Agent.....	Global Bondholder Services Corporation is the Exchange and Information Agent for the Offer and Solicitation. The address and telephone number of the Exchange and Information Agent are set forth on the back-cover page of this Exchange Offer and Consent Solicitation Memorandum.
Further Information.....	Any questions or requests for assistance concerning the Offer and Solicitation may be directed to the Exchange and Information Agent at its address and telephone number set forth on the back-cover page of this Exchange Offer and Consent Solicitation Memorandum. Additional copies of this Exchange Offer and Consent Solicitation Memorandum may be obtained by contacting the Exchange and Information Agent at its address and telephone number set forth on the back-cover page of this Exchange Offer and Consent Solicitation Memorandum.
Use of Proceeds.....	We will not receive any cash proceeds from the Offer and Solicitation or the issuance of the New Notes in connection with the Offer and Solicitation. The issuance of the New Notes is made to refinance our debt pursuant to Section 36 of the Negotiable Obligations Law and Resolution 861 of the CNV. The debt refinanced will be allocated in accordance with our green bond framework issued on February 2021 to finance and/or

	refinance, in whole or in part, one or more new or existing Eligible Projects. See "Use of Proceeds."
Taxation.....	For a summary of certain Argentine tax consequences and U.S. federal income tax consequences of the Offer and Solicitation and the ownership and disposition of the New Notes, see "Taxation."
Series XX Notes Trustee.....	U.S. Bank National Association
Dealer Managers and Solicitation Agents ...	J.P. Morgan Securities LLC and BofA Securities, Inc.
Argentine Placement Agent	Macro Securities S.A.
Risk Factors.....	Participating in the Offer and Solicitation and investing in the New Notes involves certain risks. See "Risk Factors."

CERTAIN OF THE FOREGOING DATES MAY BE MODIFIED FOR APPROXIMATELY TWO BUSINESS DAYS IN THE EVENT THAT THE WITHDRAWAL THRESHOLD IS EXCEEDED AND, THEREFORE, THE WITHDRAWAL EXTENDED PERIOD IS GRANTED.

SUMMARY OF THE NEW NOTES

The following is a brief summary of certain terms of this offering. For a more complete description of the terms of the New Notes, see "Description of the New Notes" in this Exchange Offer and Consent Solicitation Memorandum.

Issuer	Genneia S.A. a corporation organized under Argentine law.
Title	8.750% Senior Secured Notes due 2027
Final Maturity Date	September 2, 2027
Amortization of Principal	In ten substantially equal semi-annual installments, each equivalent to 10% of the original principal amount of the outstanding New Notes, on each March 2 and September 2, commencing on March 2, 2023, with a final maturity on September 2, 2027.
Payment of Interest	Interest will accrue on the New Notes at the rate of 8.750% per annum, payable semi-annually in arrears on each March 2 and September 2 of each year, commencing on March 2, 2022. Interest on the New Notes will be calculated on the basis of a 360-day year of twelve 30-day months and, in the case of an incomplete month, the number of days elapsed but not more than 30 days in a month.
Currency	U.S. dollars.
Collateral	The Issuer's obligation to pay principal, interest and Additional Amounts due under the New Notes and the New Notes Indenture will be secured by a collateral fiduciary assignment of receivables governed by Argentine law, granted pursuant to the Onshore Collateral Trust Agreement, assigning any and all of the Issuer's right, title and interest in the receivables under the Assigned PPAs. Furthermore, the Onshore Collateral Trust Agreement will establish an Onshore Peso Collection Account and Onshore US Dollar Accrual Account.
Status and Ranking	The New Notes will constitute "*obligaciones negociables simples no convertibles en acciones*" (simple, non-convertible notes) under Argentine law, and will be issued pursuant to, and in compliance with, all the requirements of the Negotiable Obligations Law and any other applicable Argentine laws and regulations, and will be the Issuer's senior secured obligations and will: - be effectively senior to other indebtedness to the extent of the value of the Collateral; - to the extent not secured by the Collateral, rank equal in right of payment with all of our existing and future unsecured and unsubordinated indebtedness (except those obligations preferred by operation of law, including without limitation labor and tax claims); - rank senior in right of payment to any of our future subordinated indebtedness; - to the extent not secured by the Collateral, be effectively subordinated to all of our existing and future secured indebtedness to the extent of the value of the assets securing such indebtedness; and

- be effectively subordinated to all existing and future indebtedness and other liabilities of our subsidiaries.

As of March 31, 2021, we had US$889 million of total debt, US$259 million of which was secured and US$244 million of which was debt of our subsidiaries. Subsequent to March 31, 2021, our total debt decreased by US$30 million, US$7 million of which was secured debt and US$9 million of which was debt of our subsidiaries. In addition, concurrently with the Offer, the Company plans to announce an offering of Argentine law-governed notes in Argentina for an aggregate principal amount of between U.S.$40 million and U.S.$80 million, the use of proceeds of which would be for working capital, debt refinancing (including, potentially, payments under the Series XX Notes), purchase of fixed assets in Argentina and other uses permitted under section 36 of the Negotiable Obligations Law. No assurance can be given that the Company will be able to issue such notes in Argentina at satisfactory conditions or at all.

See "Description of the New Notes—Ranking."

Additional Amounts..... All payments of principal, premium, if any, and interest in respect of the New Notes will be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature ("Taxes") imposed, levied, collected, withheld or assessed by or within Argentina or any other jurisdiction through which payments are made in respect of the New Notes or any political subdivision thereof or any authority therein or thereof having power to tax (each a "Relevant Jurisdiction"), unless such withholding or deduction is required by law. In the event of any such withholding or deduction of Taxes by a Relevant Jurisdiction, the Issuer will pay to holders such additional amounts as will result in the receipt by each holder of the net amount that would otherwise have been receivable by such holder in the absence of such withholding or deduction. The payment of additional amounts will be subject to certain exceptions. See "Description of the New Notes—Additional Amounts."

Optional Redemption ..... We may redeem the New Notes, in whole or in part, at any time prior to September 2, 2023 at a redemption price based on a "make whole" premium, plus accrued and unpaid interest.

On or after September 2, 2023, we may redeem the New Notes, in whole or in part, at the redemption prices set forth in this Exchange Offer and Consent Solicitation Memorandum, plus accrued and unpaid interest, if any, to (but excluding) the date of redemption. At any time prior to September 2, 2023, we may redeem up to 35% of the original principal amount of the New Notes with the proceeds of certain equity offerings at a redemption price of 108.750% of the principal amount of the New Notes, plus accrued and unpaid interest, if any, to (but excluding) the date of redemption.

	See "Description of the New Notes— Optional Redemption—Optional Redemption.".
Optional Redemption for Tax Reasons.....	We may redeem the New Notes, in whole but not in part, at a price equal to 100% of the outstanding principal amount thereof plus accrued and unpaid interest, if any, to (but excluding) the redemption date together with any additional amounts, upon the occurrence of specified tax events. See "Description of the New Notes—Optional Redemption—Optional Redemption upon a Tax Event."
Purchases of Notes.....	We and our subsidiaries may at any time, or from time to time, subject to the terms and conditions of the New Notes, purchase New Notes through market purchases, by tender or by private agreement. See "Description of the New Notes—Purchases of New Notes."
Certain Covenants.....	We will issue our New Notes under the New Notes Indenture. The New Notes Indenture will, among other things, require us to provide certain reports to holders and limit our and our restricted subsidiaries ability to: - incur additional subordinated indebtedness; - pay dividends or make distributions or repurchase or redeem stock; - prepay, redeem or repurchase certain indebtedness; - make loans and investments; - sell assets; - incur liens; - enter into transactions with affiliates; - enter into agreements restricting the ability of our restricted subsidiaries to pay dividends; and - consolidate, merge or sell all or substantially all of our assets. These covenants will be subject to a number of exceptions and qualifications. For more details, see "Description of the New Notes—Certain Covenants." If, following the issue date, the New Notes achieve Investment Grade ratings (as defined under "Description of the New Notes"), certain covenants under the New Notes Indenture will cease to apply to the New Notes. See "Description of the New Notes—Certain Covenants—Suspension of Certain Covenants."
Change of Control.....	Upon the occurrence of a Change of Control (as defined herein), we will be required to offer to purchase the outstanding New Notes at a price equal to 101% of their principal amount plus accrued and unpaid interest, if any, to (but excluding) the date of purchase. See "Description of the New Notes—Certain Covenants—Purchase of New Notes Upon a Change of Control."
Events of Default.....	For a discussion of events that will permit acceleration of the payment of the principal of and accrued interest on our New Notes, see "Description of the New Notes—Events of Default."

Additional Notes.....	Subject to the covenants contained in the New Notes Indenture and prior authorization from the CNV (to the extent required) we may issue additional New Notes under the New Notes Indenture having identical terms and conditions as the New Notes, other than the issue date, initial issuance price and the first interest payment date; *provided* that any additional New Notes shall be issued under a separate CUSIP or ISIN number unless the additional New Notes are issued pursuant to a "qualified reopening" of the original series, are otherwise treated as part of the same "issue" of debt instruments as the original series or are issued at a premium, at the stated redemption price at maturity, or with less than a de minimis amount of original issue discount, in each case for U.S. federal income tax purposes. Any additional New Notes under the New Notes Indenture will be part of a single class with the New Notes offered hereby and will vote on all matters with the New Notes. See "Description of the New Notes – Additional Notes".
Form and Denomination.....	The New Notes will initially be issued in the form of one or more global notes without interest coupons, registered in the name of DTC or its nominee. The New Notes will be issued in minimum denominations of US$1,000 and integral multiples of US$1.00 in excess thereof.
Listing	Application is expected to be made to list the New Notes on the Official List of the Luxembourg Stock Exchange for trading on the Euro MTF Market. We also intend to apply to have the New Notes listed and admitted for trading on ByMA through the Buenos Aires Stock Exchange, including ByMA's Green Bonds' Panel, and admitted to trading on the MAE. There can be no assurance that these applications will be accepted.
Governing Law.....	Each of the New Notes Indenture and the New Notes will be governed by the laws of the State of New York; provided that all matters related to the due authorization, including the CNV's authorization for the public offering of the New Notes in Argentina, and matters related to public offering in Argentina and the legal requirements necessary in order for the New Notes to qualify as "*obligaciones negociables*" under Argentine law, as well as meetings of holders, including quorums, majorities, and requirements for convocation, will be governed by the Negotiable Obligations Law, the Argentine Corporations Law No. 19,550, as amended, and the CNV Rules. The Onshore Collateral Trust Agreement will be governed by Argentine law.
Jurisdiction.....	We will irrevocably submit to the non-exclusive jurisdiction of any state or federal court sitting in the Borough of Manhattan, City of New York, United States of America, and any Argentine court sitting in the City of Buenos Aires. Argentina. Notwithstanding the foregoing, in accordance with section 46 of the Argentine Capital Markets Law, holders of New Notes may submit disputes regarding the New Notes to the non-exclusive jurisdiction of the Arbitral Tribunal of the BCBA (*Tribunal de Arbitraje General*) or the ordinary courts for commercial matters.

Summary Executive Proceedings	Under the terms of Section 29 of the Negotiable Obligations Law, notes constituting "*obligaciones negociables*" grant their holders the right to institute summary executive proceedings to seek to obtain the payment of principal and interest amounts that are overdue under such notes (including any additional amounts), which right may not be impaired or affected without such holder's prior consent. In accordance with Section 129 of the Argentine Capital Markets Law, any beneficial owner who presents a certificate issued by the relevant depositary in respect of the New Notes represented by a global note may institute proceedings before any competent court in Argentina, including summary executive proceedings, to obtain any overdue amount under the New Notes.
Certain Argentine Considerations.....	The New Notes will constitute "*obligaciones negociables simples no convertibles en acciones*" (simple, non-convertible notes) under and will be issued pursuant to, and in compliance with all the requirements of, and will be entitled to the benefits set forth and subject to the procedural requirements established in the Negotiable Obligations Law, as amended, among others, by the Productive Financing Law, the Argentine Capital Markets Law, the CNV Rules, and any other applicable law and/or regulation of the Republic of Argentina. The New Notes will be issued under our Frequent Issuer Program approved by the CNV on April 21, 2021. The CNV's authorization means only that the information requirements of the CNV have been satisfied. Offer of the New Notes to holders of the Existing Notes in Argentina will be made by: (i) a pricing supplement in the Spanish language in accordance with the CNV Rules (the "Argentine Exchange Offer and Consent Solicitation Memorandum") and (ii) our Frequent Issuer Program Prospectus, containing, in each case, substantially the same information as this Exchange Offer and Consent Solicitation Memorandum. The Argentine Exchange Offer and Consent Solicitation Memorandum has not been subject to the approval of the CNV and the CNV has not rendered any opinion with respect to the accuracy of the information contained in the Argentine Exchange Offer and Consent Solicitation Memorandum. This Exchange Offer and Consent Solicitation Memorandum is not intended for Eligible Holders in Argentina. Holders in Argentina are urged to read, must follow the procedures set forth in, and must rely exclusively on, the Argentine Exchange Offer and Consent Solicitation Memorandum.
New Notes Trustee, Registrar, Transfer Agent and Paying Agent.....	UMB Bank, N.A.
Representative of the Trustee in Argentina, Argentine Registrar, Transfer Agent and Paying Agent	Banco Santander Río S.A.
Onshore Trustee.....	Banco Comafi S.A.
Luxembourg Listing Agent.....	Banque Internationale à Luxembourg S.A.
Transfer Restrictions.....	The New Notes have not been and will not be registered under the Securities Act or the securities laws of any state in

	the United States and are subject to certain restrictions on transfer and resale. See "Transfer Restrictions."

THE FOREGOING DATES OF THE NEW NOTES MAY BE MODIFIED IF THE EXPIRATION DATE IS EXTENDED, INCLUDING FOR APPROXIMATELY TWO BUSINESS DAYS IN THE EVENT THAT THE WITHDRAWAL THRESHOLD IS EXCEEDED AND, THEREFORE, THE WITHDRAWAL EXTENDED PERIOD IS GRANTED.

SUMMARY FINANCIAL AND OPERATING INFORMATION

The following tables present summary consolidated financial and operating data as of and for the years ended December 31, 2020, 2019 and 2018, and as of and for the three-month periods ended March 31, 2021 and 2020, which financial data is derived from our annual financial statements and our interim financial statements, respectively, in each case prepared in U.S. dollars in accordance with IFRS.

The summary financial and operating data included herein is qualified in its entirety and should be read together with our Financial Statements as well as the sections entitled "Presentation of Financial and Other Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Selected Consolidated Statements of Profits or Loss and Other Comprehensive Income Data

	Year ended December 31,			Three-Month Period ended March 31,	
	2020	**2019**	**2018**	**2021**	**2020**
			(***U.S.$ in millions***)		
Net sales	302.2	269.6	202.4	68.2	76.8
Cost of sales	(102.2)	(97.8)	(86.5)	(25.3)	(24.3)
Gross profit	**200.0**	**171.8**	**115.9**	**42.8**	**52.5**
Selling expenses	(2.7)	(2.4)	(1.7)	(0.5)	(0.5)
Administrative expenses	(14.9)	(15.2)	(21.1)	(3.4)	(3.4)
Other expenses, net	(15.7)	(27.9)	(12.9)	(1.0)	(0.9)
Loss on long term investment in joint ventures	(2.7)	(3.3)	(1.4)	(1.8)	(1.3)
Financial expense, net	(111.3)	(101.9)	(87.2)	(21.9)	(25.3)
Net profit (loss) before income tax	**52.8**	**21.0**	**(8.4)**	**14.2**	**21.2**
Income tax	(27.5)	(40.7)	(13.8)	(3.9)	(12.4)
Net profit (loss) for the year/period	**25.3**	**(19.7)**	**(22.1)**	**10.3**	**8.8**
Other comprehensive income					
Translation differences from investments in companies	(0.9)	0.8	1.8	(0.4)	(0.1)
Total other comprehensive (loss) income	**(0.9)**	**0.8**	**1.8**	**(0.4)**	**(0.1)**
Total comprehensive income (loss) for the year/period	**24.3**	**(18.9)**	**(20.3)**	**9.9**	**8.7**
Profit attributable to:					
Owners of the Company	25.3	(19.7)	(22.1)	10.3	8.8
Net profit (loss) for the year/period	**25.3**	**(19.7)**	**(22.1)**	**10.3**	**8.8**
Total comprehensive income (loss) attributable to:					
Owners of the Company	24.3	(18.9)	(20.3)	9.9	8.7
Total comprehensive income (loss) for the year/period	**24.3**	**(18.9)**	**(20.3)**	**9.9**	**8.7**

Selected Consolidated Statement of Financial Position Data

	As of December 31,			As of March 31,
	2020	2019	2018	2021
	(U.S.$ in millions)			
Assets:				
Current				
Cash and banks	55.6	63.7	150.1	60.5
Investments	66.6	27.6	3.9	70.6
Trade receivables	73	79.2	46.5	67.9
Other receivables	23.4	34	55.8	25.3
Inventories	1.3	1.7	1.1	1.3
Total current assets	219.9	206.3	257.4	225.5
Non-Current				
Trade receivables	—	3.4	10.6	—
Other receivables	29.4	45.6	129.4	24.9
Investments	53.8	52.0	11.2	51.9
Inventories	9	7.9	9.4	9.5
Goodwill	—	—	17.6	—
Fixed assets	1,068.3	1,124.5	951.4	1,059.4
Intangible assets	25.3	29	32.6	24.4
Total non-current assets	1,186	1,262	1,162.4	1,170.2
Total assets	**1,405.9**	**1,468.7**	**1,419.8**	**1,395.7**
Liabilities:				
Current				
Accounts payable	66.1	131.8	128.9	66.1
Loans	92.1	190.7	91.8	623.3
Salaries and social security payable	6.1	5.9	4.9	5.0
Taxes payable	4.7	11.3	1.2	10.3
Other liabilities	0.1	1.7	7.6	0.2
Provisions	2.6	3.5	4	2.3
Total current liabilities	171.8	344.9	238.3	707.2
Non-Current				
Loans	819.3	755.1	831.1	265.7
Taxes payable	—	—	0.1	—
Other liabilities	8.9	8.3	7	8.9
Deferred income tax liability	142.4	121.3	85.1	140.5
Total non-current liabilities	970.5	884.6	923.3	415.1
Total liabilities	**1,142.3**	**1,229.5**	**1,161.6**	**1,122.3**
Shareholders' equity (per corresponding statements)				
Capital stock	19.5	19.5	19.5	19.5
Share premium	276	276	276	276.0
Capital contributions	5.3	5.3	5.3	5.3
Legal reserve	1.2	1.2	1.2	1.2
Facultative reserve	—	—	23	—
Accumulated other comprehensive loss	(2.9)	(2.0)	(2.8)	(3.3)

	As of December 31,			As of March 31,
	2020	2019	2018	2021
Unappropriated retained results	(35.6)	(60.9)	(64.1)	(25.3)
Shareholders' equity attributable to owners of the Company	**263.5**	**239.2**	**258.1**	**273.5**
Total liabilities and shareholders' equity	**1,405.9**	**1,468.7**	**1,419.8**	**1,395.7**

Other Financial Data

	Year ended December 31,			Three-Month Period ended March 31,	
	2020	2019	2018	2021	2020
	(U.S.$ in millions, except percentages and ratios)				
Adjusted EBITDA[(1)]	252.3	222.8	152.0	56.6	66.0
Adjusted EBITDA margin[(2)]	83.5%	82.6%	75.1%	83.1%	86.0%
Net debt [(3)]	804.8	854.5	768.8	792.7	—
Net debt/Adjusted EBITDA[(4)]	3.19x	3.84x	5.06x	—	—
Gross profit margin[(5)]	66.2%	63.7%	57.3%	62.8%	68.4%

Notes:—

(1) We calculate Adjusted EBITDA by adding back to our consolidated net profit (loss): (i) income tax; (ii) financial expenses, net; (iii) depreciation and amortization; (iv) other expenses, net; and (v) loss on long term investment in joint ventures. Adjusted EBITDA is not a presentation made in accordance with IFRS. Adjusted EBITDA may not be comparable to other similarly titled measures of other companies and have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of our operating results as reported under IFRS. For a reconciliation to our consolidated net profit (loss) of Adjusted EBITDA, see "Selected Financial Data—Non-IFRS Data."

(2) Adjusted EBITDA margin has been calculated by dividing Adjusted EBITDA by net sales for the year/period. For a reconciliation to our consolidated net profit (loss) of Adjusted EBITDA, see "Selected Financial Data—Non-IFRS Data."

(3) We calculate our net debt as our consolidated total loans net of cash and cash equivalents at the end of the year/period.

(4) The net debt to Adjusted EBITDA ratio has been calculated by dividing our net debt at the end of the year by our Adjusted EBITDA for such year. For a reconciliation to our consolidated net profit (loss) of Adjusted EBITDA, see "Selected Financial Data—Non-IFRS Data."

(5) Gross profit margin has been calculated by dividing Gross profit by net sales for the year/period.

Operating Data

The following table presents certain of our operating data for the periods indicated based on gross interest.

	Year ended December 31,			Three-Month Period ended March 31,	
	2020	2019	2018	2021	2020
Availability Factor (%)					
Thermal Power Plant	**98.0**	**99.0**	**98.4**	**90.4**	**99.7**
Matheu[(2)]	100	99.8	100.0	—	99.9
Paraná[(2)]	91.6	99.8	100.0	—	100.0
Concepción del Uruguay[(2)]	100.0	99.7	100.0	—	100.0
Olavarría[(2)]	97.8	99.9	99.9	—	99.8
Las Armas	88.8	98.9	99.5	58.4	98.7

	Year ended December 31,			Three-Month Period ended March 31,	
	2020	2019	2018	2021	2020
Bragado I, II and III	96.6	98.9	97.2	87.7	99.3
Pinamar[2]	—	88.8	98.9	—	—
Gobernador Costa[3]	—	66.5	60.2	—	—
Río Mayo[3]	—	99.9	99.0	—	—
Cruz Alta	100.0	99.8	98.6	99.6	99.9
Wind Farms	**94.7**	**94.6**	**90.8**	**88.8**	**95.4**
Rawson I y II	97.0	97,2	97.9	95.9	97.6
Rawson III	93.6	97.7	97.0	94.6	97.99
Trelew	81.1	78.3	84.9	76.8	86.5
Madryn I	97.5	95.7	94.2	97.5	97.0
Madryn II	97.2	97.9	—	96.9	96.3
Villalonga I	97.1	95.9	95.8	97.3	98.0
Villalonga II	97.8	96.4	—	98.3	98.2
Chubut Norte I	96.4	96.0	86.6	97.7	97.0
Pomona I	93.2	92.7	—	93.8	92.5
Pomona II	80.4	98.2	—	98.3	93.3
Necochea	96.9	—	—	97.3	89.4
Chubut Norte II[4]	—	—	—	26.8	—
Chubut Norte III[4]	—	—	—	69.9	—
Chubut Norte IV[4]	—	—	—	40.3	—
Solar Farms	**80.6**	**77.0**	**—**	**77.9**	**77.4**
Ullum I	79.2	76.2	—	76.8	75,9
Ullum II	79.9	78.1	—	79.2	78,3
Ullum III	81.6	76.7	—	77.7	77.9
Total weighted average availability factor	**95.0**	**95.7**	**96.0**	**88.9**	**96.3**
Energy Sales (GWh)					
Thermal Power Plant	**468**	**648**	**669**	**110**	**171**
Matheu [2]	9	22	5	—	7
Paraná[2]	3	13	6	—	—
Concepción del Uruguay[2]	1	11	3	—	—
Olavarría[2]	35	35	8	—	12
Las Armas[2]	105	113	80	1	37
Bragado I, II y III[1]	306	420	460	96	110
Pinamar[2]	—	11	34	—	—
Gobernador Costa[3]	—	1	9	—	—
Río Mayo[3]	—	2	12	—	—
Cruz Alta	8	20	52	4	5
Wind Farms	**2,553**	**1,755**	**657**	**654**	**603**
Rawson I y II	296	297	283	69	72
Rawson III	108	114	107	26	27
Trelew	158	153	159	35	42
Madryn I[1]	330	324	70	75	81
Madryn II	670	244	—	152	163
Villalonga I[1]	252	236	23	55	59
Villalonga II	17	16	1	4	4
Chubut Norte I[1]	141	140	15	33	35
Pomona I	390	212	—	82	87
Pomona II	41	20	—	11	10

	Year ended December 31,			Three-Month Period ended March 31,	
	2020	2019	2018	2021	2020
Necochea	150	—	—	39	24
Chubut Norte II[4]	—	—	—	4	—
Chubut Norte III[4]	—	—	—	23	—
Chubut Norte IV[4]	—	—	—	47	—
Solar Farms	**210**	**193**	**11**	**57**	**61**
Ullum I[4]	64	58	4	17	18
Ullum II[4]	63	60	4	16	19
Ullum III[4]	83	75	3	22	24
Total energy sales	**3,231**	**2,596**	**1,337**	**811**	**835**

Notes:—

(1) Bragado II began operations in February 2017, while Bragado III began operations in May 2017.

(2) The Pinamar thermal plant ceased operations as of April 1, 2019, as provided by Resolution 2019-4-APN-SRRYME # MHA of the Ministry of Finance. The Matheu thermal plant ceased operations as of April 30, 2020, as provided by Resolution B-144924-1 of the Ministry of Finance. The Concepción del Uruguay thermal plant, Olavarria Thermal Plant and Las Armas 1 Thermal Plant ceased operation as of November 1, 2020, as provided by Resolution RESOL-2020-123-APN-SE#MDP, RESOL-202041-APN-SE#MDP and RESOL-2020-208-APNSE#MD respectively. The Paraná thermal plant ceased operation as of December 6, 2020, as provided by Resolution RESOL-2020-285-APNSE# MEC. Las Armas II Thermal plant ceased operation as of May 5, 2021 as provided by Resolution RESOL-2021-376-APN-SE#MEC.

(3) On April 4, 2019, we handed over, through a court proceeding, the properties, facilities and other assets that make up the power generation plants of the towns of Río Mayo and Gobernador Costa to the Province of Chubut. As of that date, we consider that these power plants ceased to be our property and, therefore, stopped invoicing for the sale of energy to the Province of Chubut. For more details, see "Business—Operating Power Plants—Thermal Power Plants" and "Business – Legal Proceedings – Province of Chubut - Situation with the Province of Chubut with regards to the Rio Mayo and Governor Costa plants".

Operational data according to CAMMESA, includes GWh generated prior to the commercial operations date.

RISK FACTORS

Prior to investing in the New Notes, you should carefully consider the risks described below, in addition to the other information contained in this Exchange Offer and Consent Solicitation Memorandum. We also may face additional risks and uncertainties that are not presently known to us, or that, as of the date of this Exchange Offer and Consent Solicitation Memorandum, we deem immaterial, which may impair our business. If any of these events occur, the trading price of the New Notes could decline, and we may not be able to pay all or part of the interest or principal on the New Notes, and you may lose part or all of your investment. In general, you take more risk when you invest in the securities of issuers in emerging markets such as Argentina than when you invest in the securities of issuers in the United States and other developed markets. The information in this Risk Factors section includes forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in the forward-looking statements as a result of numerous factors, including those described in "Forward-Looking Statements."

RISKS RELATING TO ARGENTINA

Investing in an emerging economy such as Argentina entails certain inherent risks.

Argentina is an emerging economy and investing in such markets generally carries risks. These risks include political, social and economic instability that may affect Argentina's economic results. In the past, instability in Argentina has been caused by many different factors, including the following:

- adverse external economic events or factors;
- fiscal deficits;
- inconsistent fiscal and monetary policies;
- strong dependence on external financing;
- changes in governmental economic or tax policies;
- high levels of inflation;
- abrupt changes in currency values;
- high interest rates;
- wage increases, prohibition of dismissals, increase in mandatory severance payments and price controls;
- exchange and capital controls;
- political and social unrest;
- fluctuations in Central Bank reserves;
- restrictions on exports and imports; and
- measures imposed by government authorities to control the spread of COVID-19.

Any of the above factors, either individually or taken together, could have adverse consequences on the Argentine economy as well as on our business, results of operations and financial condition.

Political and economic instability in Argentina, similar to what has been experienced in the recent past, may have an adverse effect on the Argentine economy and our business, results of operations and financial condition.

Argentina has experienced political and socio-economic instability in the past and may experience further instability in the future. In 2001 and 2002, Argentina suffered a major political, economic and social crisis, which resulted in institutional instability and a severe contraction of the economy (GDP contracted 10.9% in 2002), with significant increases in unemployment and poverty rates. Among other consequences, the crisis caused large currency devaluation and led the federal government of Argentina to default on its external debt.

In response, the federal government implemented a series of emergency measures, including strict foreign exchange controls and monthly limits on bank withdrawals.

The Argentine economy experienced a recovery following the 2001-2002 crisis. Since 2008, however, it has struggled to curb strong inflationary pressures and stagnant and negative growth, primarily as a result of swinging monetary and fiscal policies introduced by previous administrations; strict foreign exchange controls coupled with overvalued real exchange rates that constrained foreign trade and investments; difficulty or inability to obtain international financing and a decline in prices of agricultural products. The ensuing erosion of confidence in the Argentine economy resulted, among other things, in capital outflows, decreasing private investment and a significant and continuous decline in the Central Bank's international reserves. According to INDEC, Argentina's real GDP decreased by 2.6% in 2018, 2.0% in 2019 and 9.9% in 2020.

Furthermore, on June 24, 2021, Morgan Stanley Capital International ("**MSCI**") announced the reclassification of Argentina to the standalone or independent category with effect from November 2021, thus being excluded from the MSCI indexes. In June 2019, Argentina had entered the emerging market category. According to MSCI the main reason for this decision lies in the exchange controls that have been in force since September 2019.

We cannot assure that the Argentine government will not adopt other measures in the future that may adversely affect the Argentine economy or our businesses, financial position or results of operations. Nor can we assure that future economic, regulatory, social and political developments in Argentina will not adversely affect our businesses, financial position or results of operations.

Argentina's political and economic instability has had, and is expected to continue to have, a substantial impact on us. We cannot assure that the future economic, social and political development in Argentina will not be detrimental to our business and financial condition or to our results of operations.

The Energy and Tariff Emergency decreed by the Social Solidarity and Productive Reactivation Law within the framework of the Public Emergency and the new measures to be implemented by the government could adversely affect our results of operations.

On December 21, 2019, the Argentine Congress enacted the Social Solidarity and Productive Reactivation Law (Law No. 27,541) (the "Solidarity Law"), declaring Argentina in economic, financial, administrative, social security, energy, public health and social emergency, and vesting the Executive Branch with broad powers to ensure public debt sustainability, rule the energy system's tariff restructuring by renegotiating the current comprehensive tariff review, and rearrange the energy system's regulatory authorities, among other things.

Concerning the energy sector, the law has primarily empowered the Executive Branch to:

- maintain electricity and natural gas tariffs under federal jurisdiction at current levels and "engage in the renegotiation of the current comprehensive tariff review or engage in an extraordinary review, pursuant to the terms of Law No. 24,065, Law No. 24,076 and other related provisions," for a term of up to 180 days from the entry into force date of the law, seeking to relieve the tariff burden on households, businesses and manufacturing facilities in 2020; and
- place ENRE and ENARGAS into administrative receivership for 1 year and reinstate export duties on hydrocarbons (which was subsequently extended). The administrative receivership was implemented by means for Decrees No. 277/2020 (ENRE) and 278/2020 (ENARGAS).

By means of Decree No. 311/2020, the Executive Branch established the prohibition for electric energy service providers (among other services) to suspend or cut off services in case of default or non-payment of up to seven consecutive or alternate invoices, due as from March 1, 2020 (subsequently modified to six (6) invoices). Such measure is applicable with respect to beneficiaries of subsidies and public pension plans, such as the Universal Child Allowance (AUH) and Pregnancy Allowance; beneficiaries of Non-Contributory Pensions; retirees and pensioners; and workers in a relationship of dependency who receive a gross remuneration lower or equal to two Minimum Vital and Mobile Wages, among others. The measure was later extended until December 31, 2020, through Decree No. 756/2020. On June 19, 2020, by means of Decree No.

543/2020, the Executive Branch extended the above-referred tariff freeze for an additional 180 days from the expiration of the previous term, with the purpose of reducing the tariff burden in real terms on households and companies by the year 2020.

On December 17, 2020, Decree No. 1020/2020 was published in the Official Gazette, by means of which:

(i) the beginning of the renegotiation of the current comprehensive rate review corresponding to the providers of public transportation and distribution services of electricity and natural gas that are under federal jurisdiction was ordered (which term may not exceed two (2) years from the issuance of the aforementioned Decree):

(ii) the period for maintaining the electricity and natural gas rates was extended; and

(iii) the extension of the intervention of ENARGAS and ENRE was ordered for a term of one (1) year from their expiration date (that is, as of December 31, 2020) or until the renegotiation of the rate review set forth herein, whichever occurs first.

On January 19, 2021, through Resolutions Nos. 16/2021 and 17/2021, the ENRE formally began the procedure for the temporary adjustment of the rates of public energy distribution and transportation services under jurisdiction of the federal government, with the objective of establishing a transitional tariff regime, until a Definitive Renegotiation Agreement is reached.

On March 5, 2021, the ENRE issued Resolution No. 58/2021, instructing EDENOR and EDESUR to issue the invoices for the electricity distribution public service including only the amounts due for consumption in the invoiced period, and separately, inform debts originated or accrued during the mandatory quarantine (ASPO) and the social distancing measure (DISPO), without contemplating interests.

The amounts owed to these distribution companies shall be paid following the guidelines to be established by the ENRE. Until then, EDENOR and EDESUR must not pursue its collection. In addition, EDENOR and EDESUR must refrain from suspending supply of their services due to the amounts owed up to February 28, 2021.

On the fiscal front, the main measures include:

- a tax compliance plan applicable to tax and social security debts due until July 31, 2020. The Solidarity Law excludes from this regime persons (except for micro, small and medium sized businesses, non-profit entities and small taxpayers) that have financial assets abroad and do not repatriate at least 30% of such assets within 60 days from the date they adhere to the tax moratorium;

- an increase in the personal asset tax rate effective from fiscal year 2019 onwards, empowering the Executive Power to impose higher rates on assets based abroad (said higher rates were later implemented through Decree 99/2019, published in the Official Gazette on December 28, 2019);

- concerning income tax, the law has modified the inflation adjustment calculation method. Effective since fiscal year 2020, the "Schedular Tax" applicable to yields from investments in securities was repealed. Interest on certain deposits held at financial institutions is exempted from said tax (excluding interest accrued on deposits subject to an adjustment clause). Since fiscal year 2020, profits earned by resident individuals and Argentine-based undivided estates from the trading, exchange, swap or disposal of government securities, notes and other securities are exempted from tax, provided such securities are listed in stock exchanges or markets authorized by the CNV; the tax rate reduction envisaged under Law No. 27,430 was suspended until fiscal years commenced on and after January 1, 2021. In April 2021, the Executive Branch proposed a bill to amend the corporate income tax rate by providing a progressive tax rate system with a maximum 35 % rate and the application of a 7% withholding rate to any dividend or profit generated as from January 1, 2018, inclusive, disregarding the tax period when the respective dividend or profit is made available to the shareholder. If approved with no further changes, this amendment to the income tax law would be applicable as from tax periods starting on January 1, 2021, inclusive;

- creation of the Tax for an Inclusive and Caring Argentina (*Impuesto Para una Argentina Inclusiva y Solidaria, "PAIS"*), for a term of five (5) fiscal years as of the entry into effect of the Solidarity Law and Productive Revival Law, levied on the purchase of foreign currency for saving purposes; purchase of foreign currency used to pay for goods or services provided by foreign parties and paid for with credit card, debit or payment cards or similar payment means (including withdrawals or cash advances made abroad); hiring of services abroad through local travel agencies; and purchase of transport services to travel abroad, if foreign currencies are bought in the foreign exchange market to pay for such services. The applicable rate is, in general, 30% (8% rate in the case of digital services);
- as part of the package aimed at curbing the fiscal deficit, the law has suspended the retirement income indexation method then in place for a term of 180 days.

The impact that this law, as well as the measures that might be adopted by the administration at the national, provincial and municipal level, will have on the Argentine economy or on Argentina's ability to meet its financial obligations continues to be uncertain, which may adversely affect our business, financial condition and results of operations. We cannot assure you that future economic, regulatory, social and political developments in Argentina will not continue to affect our businesses, financial position or results of operations.

The implementation of exchange controls and restrictions on capital inflows and outflows could limit the availability of international credit, which may adversely affect the Argentine economy and, as a result, our financial position and results of operations.

In the past, and primarily from 2011 up to December 2015, the Argentine government increased controls on the sale of foreign currency, limiting the possibility of transferring funds abroad. The existing regulations in force in 2011, together with regulations established in 2012 that subjected certain foreign exchange transactions to prior approval by Argentine tax authorities or the Central Bank, significantly curtailed access to the foreign exchange market by individuals and private sector entities. These measures also included *de facto* restrictions, such as limitations on the ability of local residents and businesses to purchase foreign currency through the exchange market to make payments abroad, such as dividends and payments for imported goods and services. Upon taking office in December 2015, the Macri administration lifted most exchange controls in place. Nevertheless, on September 1, 2019, in the wake of several factors affecting the development of the domestic economy and the resulting uncertainty in financial markets, and in an effort to address the Argentine government's concern about widespread exchange volatility and the uncertainty brought about by the election process underway, the Executive Branch passed Emergency Decree No. 609/2019 which, together with the Central Bank's Communication "A" 6770 (as amended and supplemented by several subsequent communications, including the revised language set forth in Communication "A" 6844) provided for, among other measures, the prohibition to access the exchange market to settle debts and other obligations denominated in foreign currency between residents, and for transactions entered into as from September 1, 2019. Following the change in the administration in December 2019, the Fernández administration extended the measures indefinitely, and established further restrictions, including a tax (*impuesto solidario*) on certain transactions involving the purchase of foreign currency by Argentine residents. We cannot assure you that the official exchange rate will not continue to fluctuate significantly in the future

Pursuant to Communications "A" 7106, 7133 and 7230 (currently replaced by Communication "A" 7272), the Central Bank issued regulations restricting access to the foreign exchange market for the repayment of principal payments under certain external financial indebtedness maturing between October 15, 2020 and December 31, 2021. Although this restriction does not apply to the Existing Notes, we cannot assure you whether the Central Bank will extend these restrictions, or adopt similar restrictions, in the future. For more details on the exchange controls in place as of the date of this Exchange Offer and Consent Solicitation Memorandum, see "Exchange Rates and Exchange Controls."

As a related matter, international reserves held by the Central Bank have decreased significantly over time. As of March 31, 2021, the Central Bank held U.S.$ 39.6 billion in international reserves. Future measures adopted by the Argentine government could further reduce the level of international reserves held by the Central Bank.

We cannot assure that the Argentine government will not impose stricter exchange controls and transfer restrictions than those currently in place. A potential crisis or political, economic and social turmoil in Argentina resulting in a substantial economic downturn may bring about dramatic changes in the economic, exchange and financial policies adopted by the government aimed at preserving the balance of payment and the Central Bank's reserves, as well as preventing a capital flight or a substantial depreciation of the Argentine peso. The implementation of such restrictive measures and the emergence of external factors beyond our control could substantially affect our ability to make payments in foreign currency.

A GDP decline and/or other economic, social and political events that could occur in the future in Argentina, which are beyond our control, could adversely affect our financial position and results of operations.

In recent decades, the Argentine economy has faced considerable volatility, with periods of GDP decline, rising inflation, currency devaluation and unemployment. Sustainable economic growth in Argentina depends on several factors, including international demand for Argentine exports, stability and competitiveness of the Argentine peso against other currencies, confidence among consumers and international and domestic investors, stable inflation and employment levels, fiscal deficit control, and the circumstances of its regional partners.

The Argentine economy has declined over the last three years, and remains vulnerable and unstable, despite the Argentine government's efforts to contain inflation and currency volatility, as reflected by the following economic conditions:

- based on data released by INDEC, GDP in 2020 fell 9.9%;
- Inflation remains high and may continue at similar or higher levels in the future; according to a report published by INDEC, cumulative inflation measured by the consumer price index from December 2017 to December 2018 was 47.64%, 53.8% during 2019, of 36.1% during 2020. The year-on-year inflation rate as of March 31, 2021 was 42.6%;
- Argentina's public debt as a percentage of GDP and implicit default probability is still high, despite efforts by the Argentine government to restructure its foreign debt in the course of 2020;
- the discretionary increase in public spending has resulted, and could continue to result, in fiscal deficit;
- investment as a percentage of GDP remains low to sustain the growth rate of years prior to 2018;
- a substantial number of demonstrations and strikes could take place, as happened in the past, which could adversely affect several sectors of the Argentine economy;
- the supply of electricity or natural gas could fail to meet industrial needs (thus limiting industrial development) and consumption;
- unemployment and informal employment remain high; according to INDEC, the unemployment rate in the fourth quarter of 2020 was 11%;
- the pronounced decline in tax collections by local tax authorities and in economic activity, as a result of the measures adopted by the Argentine government to tackle the COVID-19 pandemic; and
- the demand for foreign currency has increased after the Argentine government instituted exchange controls in order to curb capital flight; the Argentine peso depreciated by almost 40.5% in 2020 and 14.45% in the first six month of 2021 and inflation remained on the rise.

Argentina's fiscal imbalances, reliance on foreign currency inflows to cover its fiscal deficit, and structural deficiencies that have historically limited the economy's ability to absorb and adapt to external factors, have contributed to the current crisis.

The Argentine economy could be further adversely affected if social and political pressures prevent the Argentine government from implementing policies designed to contain inflation, curb the fiscal deficit, foster productive investment, drive growth, and build confidence among investors and consumers, or if the policies

adopted by the Argentine government designed to achieve these goals prove unsuccessful. These events could substantially and adversely affect our financial position and results of operations.

A decline in economic growth, growing economic volatility, or the expansion of the economic measures and policies adopted by the Argentine government to contain inflation or to address other macroeconomic events affecting private sector's entities, such as us, and which are beyond our control, could have an adverse impact on our financial position or results of operations.

Continuing inflation may have an adverse effect on the Argentine economy, and consequentially on our business, results of operations and financial condition.

High inflation rates are undermining the Argentine economy and the government's ability to create conditions conducive to sustainable growth. In recent years, Argentina has faced high inflation pressures, as evidenced by substantial hikes in fuel, energy and food prices, among other factors. In 2017, the inflation rate, as measured by the CPI compiled by INDEC, was 24.8%. The CPI in 2018 reached 47.64% in 2018, 53.81% in 2019, and 36.1% in 2020. As of May 2021, the CPI amounted to 21.5% for the year 2021. In the past, the Argentine government implemented several programs to contain inflation and control prices for essential goods and services, including attempts at freezing prices for certain essential products and reaching price agreements with private sector companies from several industries and markets, which failed to address the structural causes underlying inflation and, hence, could not curb it.

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

In addition, debt monetization policies carried out by the Central Bank to provide financial assistance to the Argentine Treasury in order to fund measures adopted in relation to the COVID-19 crisis could trigger further inflationary pressures in 2021.

Although substantially all of our revenues are linked to U.S. dollars, a part of our costs that is denominated in pesos. So, if the rate of inflation exceeds the devaluation of the peso our costs will increase. This may negatively affect our financial conditions and operational results.

The evolution of the Argentine economy is largely dependent on a successful restructuring of Argentina's public debt, including that held by the IMF and the Paris Club.

On March 13, 2020, the Minister of Economy addressed a letter to the Paris Club members expressing Argentina's decision to postpone until May 5, 2021 the U.S.$2.1 billion payment originally due on May 5, 2020, in accordance with the terms of the settlement agreement the Republic had reached with the Paris Club members on May 29, 2014 (the "Paris Club 2014 Settlement Agreement"). In addition, on April 7, 2020, the Minister of Economy sent the Paris Club members a proposal to modify the existing terms of the Paris Club 2014 Settlement Agreement, seeking mainly an extension of the maturity dates and a significant reduction in the interest rate. In June 2021, the parties agreed that Argentina would pay $430 million to the group before the end of July and the rest during the following year to avert default in July 2021.

On April 5, 2020, the Argentine government enacted Decree No. 346/2020 (i) deferring the payments of principal and interest on certain of its foreign currency bonds governed by Argentine law until December 31, 2020, or until such earlier date as the Ministry of Economy may determine, taking into account the degree of advance in the process designed to restore the sustainability of Argentina's public debt, and (ii) authorizing the Ministry of Economy to conduct liability management transactions or exchange offers, or to implement restructuring measures affecting foreign currency bonds governed by Argentine law which payments have been deferred pursuant to such Decree.

On April 21, 2020, Argentina invited holders of approximately U.S.$ 66.5 billion aggregate principal amount of its foreign currency external bonds to exchange such bonds for new bonds. The invitation contemplated the use of collective action clauses included in the terms and conditions of such bonds, whereby the decision by certain majorities would bind holders that do not tender into the exchange offer. On August 31, 2020 the Argentine government announced that it had obtained bondholder consents required to exchange and or modify 99.01% of the aggregate principal amount outstanding of all series of eligible bonds invited to participate in the exchange offer. The restructuring settled on September 4, 2020. As a result of the restructuring, the average interest rate paid by Argentina's foreign currency external bonds was lowered to 3.07%, with a maximum rate of 5.0%, compared to an average interest rate of 7.0% and a maximum rate of 8.28% prior to the invitation. In addition, the aggregate amount outstanding of Argentina's foreign currency external bonds was reduced by 1.9% and the average maturity of such bonds was extended.

On August 18, 2020, Argentina offered holders of its foreign currency bonds governed by Argentine law to exchange such bonds for new bonds, on terms that were equitable to the terms of the invitation made to holders of foreign law-governed bonds. On September 18, 2020, Argentina announced that holders representing 99.4% of the aggregate principal amount outstanding of all series of eligible bonds invited to participate in the local exchange offer had participated. As a result of the exchange offer, the average interest rate paid by Argentina's foreign currency bonds governed by Argentine law was lowered to 2.4%, compared to an average interest rate of 7.6% prior to the exchange. In addition, the exchange offer extended the average maturity of such bonds. Nonetheless, despite the efforts carried out by the Argentine government to restructure its foreign debt in the course of 2020, since October 2020, bond prices have dropped significantly and the projected implicit default probability arising from credit default swaps by the end of the Fernandez administration amounts to 90%, as of February 2021.

During the nine-month period ended September 30, 2020, Argentina sought to preserve the normal functioning of the local capital market for debt denominated in pesos, which it considers a key factor for the development of the domestic capital market. In particular, during this period, the Argentine government sought to recover the Treasury's financing capacity, create conditions for the development of the domestic capital markets and generate savings instruments with positive and sustainable real rates, in turn reducing its monetary financing needs and expanding the depth of the local debt market and the participation of relevant institutional investors. In addition, the Treasury expanded its menu of financing instruments to obtain the funds needed to cover its 2020 financial needs and to design the 2021 financial program according to the guidelines outlined in the 2021 budget.

The Argentine government has initiated negotiations with the IMF in order to renegotiate the principal maturities of the U.S.$ 44.1 billion disbursed between 2018 and 2019 under a Stand-By Agreement, originally planned for the years 2021, 2022 and 2023. We cannot assure you whether the Argentine government will be successful in the negotiations with the IMF, which could affect its ability to implement reforms and public policies and boost economic growth, nor the impact that the result of the renegotiation will have and Argentina's ability to access international financing (and indirectly in our ability to access those markets), and the Argentine economy and our economic and financial situation or in our capacity to extend the maturity dates of our debt or other conditions that could affect our results and operations or businesses.

Despite the restructuring made during 2020, if the Argentine government is not able to successfully renegotiate the terms and conditions of the IMF agreement or of the Paris Club 2014 Settlement Agreement or enters into another debt restructuring process as in 2020, the country's ability to access international credit markets may continue to be adversely affected. Additionally, the IMF may impose strict austerity measures as a condition to restructuring its debt. As a result, the Argentine government may not have the ability or the financial resources necessary to foster economic growth, which, in turn, could have a material adverse effect on the country's economy and, consequently, our business and results of operations. Furthermore, Argentina's inability to obtain credit in international markets could have a direct impact on our own ability to access international credit markets to finance our operations and growth, which could adversely affect our results of operations and financial condition.

Exchange controls and restrictions on the inflow and outflow of capital and future exchange controls have produced the existence of parallel exchange rate quotes.

As a consequence of the deepening of exchange controls, the difference between the official exchange rate, which is currently utilized for both commercial and financial operations, and other informal exchange rates that arose implicitly as a result of certain operations commonly carried out in the capital market (dollar "MEP" or "contado con liquidación"), increased during 2020, creating a gap of approximately 66% with the official exchange rate as of December 31, 2020 and 71%, as of June 30, 2021.

The Argentine government could maintain a single official exchange rate or create multiple exchange rates for different types of transactions, substantially modifying the applicable exchange rate at which we acquire currency to service our outstanding foreign currency denominated liabilities. Further, the imposition by the Argentine government of further regulations, exchange controls and restrictions and/or other measures in response to capital outflows or the devaluation of the peso could weaken public finances. Such weakening of public finances could have an adverse effect on the Argentine economy and, in turn, could adversely affect our business, results of operation and financial condition.

Government measures, as well as pressure from labor unions, could require salary increases or added worker benefits, all of which could increase companies' operating costs.

Labor relations in Argentina are governed by specific legislation, such as Labor Law No. 20,744 and Collective Bargaining Law No. 14,250, which, among other things, dictate how salary and other labor negotiations are to be conducted. Most industrial or commercial activities are regulated by a specific collective bargaining agreement that groups together companies by industry and trade unions. While the process of negotiation is standardized, each chamber of industrial or commercial activity and/or each company negotiates the increases of salaries and labor benefits with the relevant trade union of such commercial or industrial activity. Parties are bound by the final decision once it is approved by the labor authority and must observe the established salary increases for all employees that are represented by the respective union and to whom the collective bargaining agreement applies. In addition, each company is entitled, regardless of union-negotiated mandatory salary increases, to give its employees additional merit increases or the benefits of a variable compensation scheme.

Argentine employers, both in the public and private sectors, have experienced significant pressure from their employees and labor organizations to increase wages and to provide additional employee benefits. Due to the high levels of inflation, employees and labor organizations are demanding significant wage increases.

As part of the measures adopted by the Alberto Fernández's administration to tackle the economic, political and social turmoil prevailing in Argentina, on December 13, 2019, the Executive Branch enacted Decree No. 34/2019, which established that in case of dismissals without cause during six (6) months after the publication in the Official Gazette of such Decree, employees have the right to collect double indemnification, which was extended by Decree No. 39/2021 until December 31, 2021, although with a cap of Ps. 500,000. Decree No. 34/2019 was enacted due to the economical emergency and the increase of the unemployment, and its aim was to dissuade employers to dismiss personnel. This measure was further reinforced through Decree No. 329/2020, issued amid the COVID-19 pandemic crisis, by virtue of which dismissals without cause or with cause under the argument of force majeure or lack of/reduction of work not imputable to the employer were prohibited for 60 days (this last cause also applies for temporary suspensions), which prohibition was extended until December 31, 2021 by virtue of Decree 413/2021.

In the future, the government could take new measures requiring salary increases or additional benefits for workers, and the labor force and labor unions may apply pressure for such measures. Any such increase in wage or worker benefit could result in added costs and reduced results operations for Argentine companies, including us.

Fluctuations in the value of the peso could adversely affect the Argentine economy, and consequently our results of operations or financial condition.

The Argentine peso has suffered significant devaluations against the U.S. dollar in the past and has continued to devalue against the U.S. dollar over the past year. Despite the positive effects of the devaluation of the peso on the competitiveness of certain sectors of the Argentine economy, it can have far-reaching negative impacts on the Argentine economy and on businesses and individuals' financial condition. The devaluation of the peso in 2002, for example, had a negative impact on the ability of Argentine businesses to honor their foreign currency-denominated debt, initially led to very high inflation, significantly reduced real wages and thus had a negative impact on businesses whose success is dependent on domestic market demand, and adversely affected the government's ability to honor its foreign debt obligations.

After several years with modest fluctuations in the nominal exchange rate, the Argentine peso has been experiencing ongoing depreciation since 2012. The Argentine peso depreciated 18.4% against the US dollar in 2017, 101.4% in 2018, 58.4% in 2019, 40.5% in 2020, and 14.45% over the first six months of 2021. As of the date of this Exchange Offer and Consent Solicitation Memorandum, the seller exchange rate for electronic transfers (currencies) reported by Banco de la Nación Argentina was Ps. 96.4200 to U.S.$1.00.

On the other hand, a substantial increase in the value of the peso against the U.S. dollar also presents risks for the Argentine economy. A significant real appreciation of the peso would adversely affect exports, which could have a negative effect on GDP growth and employment, as well as reduce the Argentine public sector's revenues by reducing tax collection in real terms, given its current heavy reliance on taxes on exports.

On September 1, 2019, through Decree No. 609/2019, the Executive Branch imposed capital controls to curb the downward pressure on the local currency. Such decree was subsequently extended indefinitely by President Alberto Fernández through Decree No. 91/2019 and by the Central Bank via Communications "A" 6854 and 6856. See "Risk Factors—Risks Relating to Argentina—The implementation of exchange controls and restrictions on capital inflows and outflows could limit the availability of international credit, which may adversely affect the Argentine economy and, as a result, our financial position and results of operations." For more information on the current regulatory framework applicable to exchange controls, see "Exchange Rates and Exchange Controls."

The macroeconomic environment in which we conduct our business was affected by the aforementioned depreciation, which had an impact on our financial position. If the Argentine peso depreciated further, the Argentine economy would again experience all negative effects associated with such depreciation, with adverse implications on our business, financial position and results of operations.

We cannot predict the extent to which the Argentine peso might depreciate and how these fluctuations could affect the demand for our products and services. We cannot assure you that the Argentine government will not introduce additional regulatory changes preventing or limiting the risk compensation resulting from our exposure to other currencies and, if so, whether changes will have an impact on our financial position and results of operations.

The actions taken by the Argentine government to reduce imports may affect our ability to purchase significant capital goods.

The exchange controls introduced in September 2019 have had an impact on the regime for the importation of goods to Argentina and on the payment of such imports. Importers are required to declare to the Argentine customs authority, within 90 days, the entry of prepaid imported goods purchased from unrelated suppliers. On the other hand, the prepayment of imports to suppliers related to the importer requires the prior authorization of the Central Bank. Importers may access the foreign exchange market to make payment for imported goods or to satisfy debt obligations denominated in foreign currency related to the financing of the import, only and exclusively as long as certain conditions are met, including the requirement to declare and register the goods in the Import Payment Tracking system. See "Exchange Rates and Exchange Controls".

We cannot assure that the Argentine government will modify or maintain current export tax rates and import regulations. We cannot predict the impact that any changes may have on our results of operations and financial condition. The actions taken by the Argentine government to reduce imports may affect our ability

to purchase significant capital goods, necessary for our operations, which may have a negative impact in our results of operations.

Government intervention in the Argentine economy could adversely affect our results of operations or financial condition.

The federal government exercises substantial control over the Argentine economy and may increase its level of intervention in certain areas of the economy, including through the regulation of market conditions and prices.

In 2008, the Fernández de Kirchner administration absorbed and replaced the former private pension system for a public "pay-as-you-go" pension system. As a result, all resources administered by the private pension funds, including significant equity interests in a wide range of listed companies, were transferred to a separate fund, the Fondo de Garantía de Sustentabilidad, or the FGS, to be administered by the National Social Security Administration (*Administración Nacional de la Seguridad Social*) ("ANSES"). The dissolution of the private pension funds and the transfer of their financial assets to the FGS have had important repercussions on the financing of private sector companies. Debt and equity instruments, which previously could be placed with pension fund administrators, are now entirely subject to the discretion of the ANSES. Since acquiring equity interests in privately owned companies through the process of replacing the pension system, the ANSES is entitled to designate government representatives to the boards of directors of those entities. Pursuant to Decree No. 1,278/12, issued by the Executive Branch on July 25, 2012, ANSES's representatives must report directly to the Ministry of Economy, and are subject to a mandatory information-sharing regime, under which, among other obligations, they must immediately inform the Ministry of Economy of the agenda for each board of directors' meeting and provide related documentation.

In April 2012, the Fernández de Kirchner administration decreed the removal of directors and senior officers of YPF S.A., or YPF, Argentina's largest oil and gas company, which was controlled by the Spanish group Repsol, and submitted a bill to the Argentine Congress to expropriate shares held by Repsol representing 51% of the shares of YPF. The Argentine Congress approved the bill in May 2012 through the passage of Law No. 26,741, which declared the production, industrialization, transportation and marketing of hydrocarbons to be activities of public interest and fundamental policies of Argentina and empowered the Argentine government to adopt any measures necessary to achieve self-sufficiency in hydrocarbon supply. In February 2014, the Argentine government and Repsol announced that they had reached an agreement on the terms of the compensation payable to Repsol for the expropriation of the YPF shares. Such compensation totaled U.S.$5.0 billion (Ps.79.3 billion) payable by delivery of Argentine sovereign bonds with various maturities. The agreement, which was ratified by Law No. 26,932, settled the claim filed by Repsol with the ICSID.

In December 2012 and August 2013, the federal congress established new regulations relating to domestic capital markets. The regulations generally provided for increased intervention in the capital markets by the federal government, authorizing, for example, the CNV to appoint observers with the ability to veto the board decisions of listed companies under certain circumstances and suspend the board of directors for a period of up to 180 days. Nonetheless, on May 9, 2018, the Argentine Congress approved Law No. 27,440 on productive financing, which reformed the Law No. 24,083 on investment funds and the law on negotiable obligations, among others, introducing substantial changes to the regulatory scheme for exchanges and markets and agents operating in the capital markets, as well as certain competencies of the CNV.

In September 2014, the Fernández de Kirchner administration enacted a law that enables the federal government to intervene in certain markets when it considers that any party to the market is trying to impose prices or supply restrictions in the market. This law applies to all economic processes linked to goods, facilities and services which, either directly or indirectly, satisfy basic needs of the population (so-called "basic needs goods"), and grants broad powers to the relevant enforcing agency to become involved in such processes. It also empowers the enforcing agency to order the sale, production, distribution and/or delivery of basic needs goods throughout the country in case of a shortage of supply.

In the future, the level of intervention in the economy by the Argentine government may continue or increase, which may adversely affect Argentina's economy. For example, new exchange controls have been

enacted since the general election in 2019. Furthermore, in March 2020, the Argentine government ordered the intervention of the ENRE and ENARGAS (as defined below). More recently, the executive branch issued Decree No. 690/2020 which, among other measures, amends the current legal framework to (i) declare information and communications technology ("ICT") services and access to telecommunications networks as essential and strategic public services, (ii) establishes new rules regarding the pricing of such services, and (iii) declares mobile telephone services a public service. Decree 690/2020 also ordered the suspension of any price increase by ICT licensees until December 31, 2020. Moreover, in the midst of a judicial reorganization procedure, the current administration intended to intervene in the main producer of soymeal livestock, Vicentin S.A.I.C. Even though the Argentine government abandoned the expropriation project, we cannot assure you that similar measures will not be adopted in the future, including in response to the COVID-19 pandemic and social unrest, such as expropriation, nationalization, intervention by the CNV, forced renegotiation or modification of existing contracts, new taxation policies, establishment of prices, changes in laws, regulations and policies affecting foreign trade, investment, etc., and that they will not have a material adverse effect on the Argentine economy and, consequently, will not adversely affect our business, financial condition and results of operations. Therefore, our business, results of operations and capacity to fulfill our obligations is subject to political uncertainty, including the risk of expropriation or nationalization of our business or assets, or to the renegotiation or revocation of existing contracts, and other similar risks.

The Argentine government could reinstate regulations resulting in increased government intervention. Private-sector economists seem to agree that the past expropriations, pricing and exchange controls, and other direct intervention measures in the economy had an adverse impact on investment levels in Argentina, on Argentine companies' access to international capital markets, and Argentina's trade and diplomatic relations with other countries.

In the past, the credibility of certain Argentine economic indexes has been called into question, which may lead to a lack of confidence in the Argentine economy and, in turn, our business, results of operations and financial condition.

Since 2007, the INDEC, which is the only institution in Argentina with the statutory authority to produce official national statistics, experienced a process of institutional and methodological reforms that have given rise to controversy regarding the reliability of the information that it produced, including inflation, GDP and unemployment data. In spite of the Macri administration's reforms, the credibility of the CPI, as well as other indexes published by the INDEC has been affected, with allegations that the inflation rate in Argentina and the other rates calculated by INDEC could be substantially different than as indicated in official reports.

On January 7, 2016, former President's administration declared a state of administrative emergency in respect of the national statistical system and the INDEC until December 31, 2016, which was not renewed. The INDEC suspended the publication of certain statistical data until it completed a reorganization of its technical and administrative structure to recover its ability to produce sufficient and reliable statistical information. During such reorganization period, the INDEC published official CPI figures published by the City of Buenos Aires and the Province of San Luis for reference. Certain revised foreign trade, balance of payment and GDP data for the years 2011 through 2015 and the CPI from May through December 2016 were released by the INDEC after the state of administrative emergency declared on January 8, 2016. On November 9, 2016, the executive directors of the IMF lifted the motion of censure, noting that Argentina had resumed the publication of data in a manner consistent with its obligations under the IMF's Articles of Agreement, enabling Argentina to borrow from the IMF again. Notwithstanding the federal government's inflation and GDP statistics, we cannot assure you that the federal government may not vary or introduce any other measures that may affect the national statistics system and consequently the Argentine economy, in particular by undermining consumer and investor confidence, which ultimately could have a material adverse effect on our business, results of operations and financial conditions.

The Argentine economy could be adversely affected by economic events in other markets.

Argentina's economy is vulnerable to external shocks that could be caused by adverse developments affecting its principal trading partners. A significant decline in the economic growth of any of Argentina's major trading partners (including Brazil, the European Union, China and the United States) could have a

material adverse impact on Argentina's balance of trade and adversely affect Argentina's economic growth. Declining demand for Argentine exports could have a material adverse effect on Argentina's economic growth.

The Argentine economy is still vulnerable to external shocks that could be prompted by adverse developments in the region or at a global level. A significant decline in the economic growth of any of Argentina's major trading partners (including Brazil, the European Union, China and the United States) could have a material adverse impact on Argentina's balance of trade and adversely affect its economy. In particular, the economy of Brazil, Argentina's largest export market and its principal source of imports, is currently experiencing local currency devaluation and an economic slowdown, which may adversely affect the Argentine economy. The Argentine economy could be undermined by the "contagion" effect. Often times, international investors' reaction to events occurring in a given developing country seems to follow a "contagion" pattern, with an entire region or an entire class of investment being put at a disadvantage by international investors. In the past, the Argentine economy was badly affected by these contagion effects on several occasions, such as in 2008, when the global economic crisis gave rise to a sharp decline in the country's economic activity in 2009.

The Argentine economy could also be affected by the conditions prevailing in developed economies, such as the United States, which are Argentina's trading partners or have influence on international business cycles. If interest rates experience substantial hikes in developed economies, including the United States, Argentina and its trade partners from developing economies, such as Brazil, could find it harder and more expensive to borrow money and refinance existing indebtedness, which could adversely affect their economic growth. Lagging growth in Argentina's trade partners could have a material adverse impact on its export markets and, in turn, adversely affect its economic growth. Any of these potential risks relating to the Argentine economy could have a substantial adverse impact on our businesses, financial position and results of operations.

Former President of the United States Mr. Donald Trump created significant uncertainty about the relationships between the United States and other countries, including with respect to trade policies, treaties, government regulations and tariffs applicable to the relationships between the United States and other countries. On November 4, 2020, Mr. Joe Biden was elected new President of the United States. We cannot predict whether the Biden administration will continue applying similar protectionist measures to the trade relationships between the United States and other countries or how these measures may affect Argentina, global economic conditions and the stability of global financial markets.

In July 2019, the Common Market of the South ("MERCOSUR") signed a strategic partnership agreement with the European Union (the "EU"), which is expected to enter into force in 2021, subject to approval by the relevant legislatures of each member country. Such approval is pending as of the date hereof. The objective of this agreement is to promote investments, regional integration, increase the competitiveness of the economy and achieve an increase in GDP. However, the effect that this agreement could have on the Argentine economy and the policies implemented by the Argentine government is uncertain. Regarding other free trade agreements negotiations, the Fernandez administration announced on April 24, 2020 that it would stop participating in negotiations for Mercosur trade agreements with countries such as South Korea, Singapore, Lebanon, Canada and India, excluding those already concluded with the European Union (EU).

On the other hand, the challenges faced by the European Union to stabilize certain of its member economies have had and may continue to have international implications affecting the stability of global financial markets, which has hindered economies worldwide.

In a referendum held in the United Kingdom in June 2016, a majority voted for the country's exit from the European Union. The United Kingdom formally exited the European Union on January 31, 2020 ("Brexit"). However, as from February 1, 2020, a transition period began until December 31, 2020, during which the United Kingdom remained in the European market. During such period, the European Union, and the United Kingdom carried out a process of negotiations to determine the terms and conditions .of their ties as from the end of the transitional period, which culminated in the signing of the Cooperation and Trade Agreement between the European Union and the United Kingdom signed on December 24, 2020. The United

Kingdom Parliament ratified such agreement on December 30, 2020, and the European Parliament ratified such agreement on April 28, 2021.

However, having passed the transitioning period, the uncertainty as to law enforcement and access to fishing waters, and the perceived economic impact, could adversely affect business activities and economic conditions in the United Kingdom and the European Union and negatively affect international financial markets. Besides, Brexit could prompt increased levels of political and economic instability in the EU, which could affect trades between Argentina and that region.

Currently, the major financial markets worldwide have been deeply affected by the COVID-19 pandemic. On March 11, 2020, the World Health Organization designated the rapidly spreading coronavirus outbreak as a "pandemic," asserting it would probably spread all around the world.

As a result of the above-described circumstances, we cannot ensure that Argentina will be able to access markets for financing to honor its obligations. In turn, Argentina's inability to resort to international markets for credit could have a direct impact on our ability to access such markets to finance our operations and growth, including to finance capital expenditures, which could adversely affect our financial position, results of operations and cash flows.

Foreign shareholders of companies doing business in Argentina have brought investment arbitration proceedings against Argentina which have resulted, or could result in, arbitration awards and/or injunctions against Argentina and its assets and, in turn, limit its financial resources.

Several foreign shareholders have filed claims with the ICSID alleging that the emergency measures adopted by the federal government during the economic crisis in 2001 and 2002 were inconsistent with the fair and equal treatment standards enshrined in several bilateral investment treaties to which Argentina was a party at that time.

Claimants have also filed claims with the United Nations Commission on International Trade Law and also under the arbitration rules of the International Chamber of Commerce ("ICC").

In July 2017, in a split decision, an ICSID tribunal ruled that Argentina had breached the terms of a bilateral investment treaty with Spain, in connection with the expropriation by the Federal Government of Aerolíneas Argentinas in 2008. Argentine moved to have the ruling annulled. On May 29, 2019, the ICSID dismissed Argentina's motion and ratified the previous ruling. Accordingly, the ICSID confirmed the expropriation was unlawful, and Argentina was ordered to pay U.S.$320.8 million in damages and attorney's fees. Even though Argentina may still file a last appeal against the award, the outcome of such an appeal is uncertain as of the date of this Exchange Offer and Consent Solicitation Memorandum.

In June 2019, a claim brought by a group of Dutch companies, ING, NNH and NNI Insurance International, with the ICSID against Argentina was made known. The claim was in connection with the nationalization of private pension funds in 2018 mandated under Cristina Fernández de Kirchner's administration. As reported in the ICSID's web site, the amount involved in the claim is U.S.$500.0 million.

As of the date of this Exchange Offer and Consent Solicitation Memorandum, the outcome of these claims is still uncertain. The claims pending with the ICSID and other arbitration tribunals might give rise to new awards against Argentina, which could affect the Argentine government's ability to access credit or international capital markets, which, in turn, could adversely affect our business, financial position or results of operations.

The inability to adequately address actual and perceived risks of institutional deterioration and corruption might adversely affect the Argentine economy and financial position.

A lack of a solid institutional framework and corruption have been identified as and continue to be a significant problem for Argentina. In Transparency International's 2020 Corruption Perceptions Index survey of 180 countries, Argentina was ranked 78, improving from the previous survey in 2018. In the World Bank's Doing Business 2020 report, Argentina ranked 126 out of 190 countries, down from 119 in 2019.

Acknowledging that these issues could unleash further political instability, distort the decision-making process and adversely affect Argentina's international reputation and ability to attract foreign investments, the

Argentine government has announced several measures aimed at strengthening Argentina's institutions and curb corruption, including, without limitation, reduced convictions in exchange for cooperating with the Argentine government in corruption investigations, increased access to information by the public, seizure of assets from corrupt officers, increased powers vested upon the Anticorruption Office, and the enactment of a new public ethics law. The Argentine government's ability to implement these initiatives is uncertain, for it would warrant the intervention of the judicial branch, which is an independent power, as well as legislative support. We cannot assure whether the implementation of these measures will be successful.

Argentina's economic performance has historically been, and will continue to be, influenced by its political environment. Political crises have affected, and will continue to affect, confidence among investors and the public at large, which has historically prompted economic downturns and increased volatility among securities with underlying Argentine risk. The recent economic turmoil in Argentina has damaged market confidence in the Argentine economy and has also undermined the political environment. Argentina's weak macroeconomic conditions continued during 2018, exacerbated from 2019 through the first quarter of 2021.

The Argentine government's inability to accurately address these actual and perceived risks of institutional deterioration and corruption might adversely affect the Argentine economy and financial position which, in turn, could adversely affect our business, financial position, and results of operations.

The outbreak and spread of a pandemic disease or similar threat to public health, such as the COVID-19 pandemic, could continue to have a material adverse impact on the global and the Argentine economy, as well as on our business, financial position and results of operations.

On March 11, 2020, the World Health Organization ("WHO") declared the outbreak of COVID-19 in Wuhan, China and its subsequent spread worldwide ("Coronavirus") a "Public Health Emergency of International Concern" and a global "pandemic."

At present, the major stock exchanges worldwide and the local capital market have been substantially affected by the Coronavirus, which has disrupted manufacturing activities and sales across a great variety of industries, materially disrupting or extending the terms of local and international supply chains and bringing about serious unemployment issues among several activities related to the provision of goods and services. Against this backdrop, the International Monetary Fund's highest-ranking authorities envisage the pandemic will unleash the most serious global recession after the crisis in 1929. The scope of the Coronavirus impact on our operating and financial performance will depend on several factors, including the development of the events (i.e., the spread and duration of the outbreak and the coping measures adopted by national and international government), the impact on CAMMESA, or employees and suppliers; the potential decline in industrial activity and a further hike in country risk, resulting in increasing interest rates and hindering our financing capacity. All these factors are uncertain and cannot be predicted.

On March 19, 2020, by means of Emergency Decree No. 297/2020, the Argentine government mandated social distancing measures, including restrictions on free movement nationwide. Such measures included certain exceptions applicable to activities deemed "essential" and, as such, excluded from such restrictions. As of the date of this Exchange Offer and Consent Solicitation Memorandum, the effective term of the measures was successively extended and modified, by means of a series of Emergency Decrees that differentiated the various geographic areas of the country, within the framework of the sanitary emergency originated by COVID-19, ranging from a framework known as "social, preventive and obligatory distancing" ("DISPO") to a stage of "social, preventive and obligatory isolation" ("ASPO"). Since June 2021, by means of Decree No. 875/2020, the Argentine government provided for the Metropolitan Area of Buenos Aires, as well as for other provinces, the DISPO regime that enables a greater opening of economic activities, following the protocols provided by the local health authority, and maintained certain restrictions of circulation, until November 29, 2020 inclusive, and may be extended again for as long as deemed necessary in view of the epidemiological situation. This measure was successively extended until May, 2021, including even more jurisdictions in the DISPO regime, and is applicable to all persons residing or passing through urban agglomerates, districts and departments of the provinces, as long as they positively verify certain epidemiological and sanitary parameters established by said Decree. In addition, several provinces in the interior of Argentina are complying with DISPO measures, which represent lesser restrictions than those

provinces or localities where the ASPO applies. These latter measures have resulted, among other things, in disruptions to private and public infrastructure, business closures, our customers being forced to shut down or significantly limit their operations and the adoption of measures to perform remote work, all measures that have an adverse impact on our business. In line with the announced objectives of mitigating the impact of the coronavirus outbreak in Argentina, curbing its spread and preserving Argentina's public health, the administration of Alberto Fernandez has taken various measures. Among them, through Decree No. 4/2021, a series of sanitary parameters were established based on which the governors and the head of the Buenos Aires government will have to decide whether or not to move forward with restrictions on traffic and nighttime activities. As of the date of this Exchange Offer and Consent Solicitation Memorandum, several measures and restrictions to free movement continue to be in place and are currently being managed both at a federal and at a provincial/local level, although the ASPO and DISPO stages have been concluded.

On May 21, 2021, through Decree No. 334/2021, the federal government reinstated the ASPO in the vast majority of the jurisdictions of the country, from May 22 to May 30, 2021. Several restrictions were reinserted as from June and are still in force as of the date of this Exchange Offer and Consent Solicitation Memorandum, through Decree No. 455/2021 effective until August 6, 2021.

Despite the fact our business is included within the exceptions set forth in such Decree as a qualifying "essential" activity, allowing us to arrange minimum on-duty staff to ensure business continuity and the maintenance of our power plants, we cannot predict the length of the measures already adopted or which additional measures the Argentine government may adopt in the future. At this stage, the long-term impacts on the Argentine and global economy are difficult to assess and may involve risks to our employees' health and safety, closure or interruption of facilities, constraints in the supply of spare parts and availability of technicians (including international technicians who are unable to travel to Argentina due to border closures or suspension of international flights; and/or replacement local technicians who may become infected with Coronavirus), thus putting in risk an efficient operation and maintenance of our facilities. We can also be affected by the need for implementing policies that restrict the efficiency and effectiveness of our operations.

In this respect, amidst the ongoing public health emergency, we have prioritized our employees' health and operations. Accordingly, we have implemented a Contingency Plan to minimize the risk of contagion and ensure business continuity. By reason of the social distancing measures mandated nationwide in Argentina, we have put in place a mandatory telework arrangement for all our employees, if so permitted by their respective duties, except for employees engaged in activities and services deemed essential to address the public health emergency, according to applicable laws. These employees are required to comply with all safety and prevention precautions imposed by the authorities and with such other measures specifically mandated by us, thus enabling the continuity of most of our activities.

As of the date of this Exchange Offer and Consent Solicitation Memorandum, and as a result of the above-described circumstances, we have noticed certain delays in payments by CAMMESA, primarily in connection with thermal generation and renewable PPAs without FODER guarantee. On the other hand, the Argentine Secretariat of Energy suspended the indexation of prices set forth by Resolution 31/2020. We have also noticed certain delays in the supply of inputs and materials to be primarily used in our works in process.

Also, within the framework of the COVID-19 pandemic, the government issued Decree No. 311/2020, which provided for a term of 180 days to prohibit electric power companies from suspending or cutting off service to users who are in arrears or fail to pay up to three consecutive or alternate invoices, with maturities as from March 1, 2020. The measure was subsequently extended until December 31, 2020, through Decree No. 756/2020. As of the date of this Exchange Offer and Consent Solicitation Memorandum, we cannot foresee the consequences of such measure.

Considering the nature of our business and operations, so far, the above-mentioned issues have not had a material impact on our cash flows, financial position and results of operations. However, we cannot give any assurance as to the effects the extension or deepening of the COVID-19 pandemic and the international and local emergency measures governments have already adopted or will adopt in the future might have on the global economy, on the economy of Argentina or its strategic partners', or on us; therefore, we cannot assure

you that such effects will not have a material impact on our cash flows, financial position and results of operations in the future.

The impact of the presidential, provincial and legislative elections on Argentina's future political and economic landscape is uncertain, but it will probably be substantial.

Presidential and legislative general elections were held in Argentina on October 27, 2019, resulting in the election of Dr. Alberto Fernández as President of Argentina, with 48.1% of the votes. Fernández took office on December 10, 2019. Since then, the Argentine Congress has been organized as follows: the *Frente de Todos* coalition holds a majority of the Senate with 41 seats, followed by the *Juntos por el Cambio* coalition with 28 seats. In the Argentine House of Representatives, *Juntos por el Cambio* has a slight majority with 119 seats, and *Frente de Todos* has 116 seats. Mid-term elections are expected to take place in November 2021.

The political uncertainty in Argentina regarding the measures that the Fernández administration could adopt with respect to the economy, including with respect to the crisis resulting from the current COVID-19 pandemic, could lead to volatility in the price of marketable securities issued by Argentine companies, or result in a decrease in their prices. This could be negatively affected by the uncertainty created by the mid-term election, and a potential loss for the current administration, which would prevent it from taking necessary measures to regain economic stability.

Furthermore, we cannot guarantee that future economic, regulatory, social and political impacts in Argentina will not harm our business, financial position or results of operations, or will not cause a decrease in the market value of our New Notes.

A drop in international prices of the principal Argentine main commodities could adversely affect the growth of the Argentine economy and our business.

The Argentine economy has been historically based on the export of commodities, which prices have been volatile in the past and beyond the Argentine government's control. Successive Argentine governments have imposed certain taxes on the export activity. The competitiveness of commodity prices, particularly of the price of its principal export commodity, soy, has significantly contributed to the increase in state revenues from taxes on exports. If commodity prices continue to drop in future, or if revenues from export taxes fall, the growth of the Argentine economy could be adversely affected. This would have a negative impact on the levels of the Argentine government's revenues, its ability to pay debts, and, ultimately, on our business. Such circumstances could have a negative impact on the levels of revenues for the state in the available currencies, and on the state's capacity to comply with its sovereign debt service, and they could generate recessive or inflationary pressures, depending on what the Argentine government's reaction is. Any of these results could have an adverse impact on Argentina's economic growth and, consequently, on our businesses, results of operations and financial position.

RISKS RELATING TO THE ARGENTINE ELECTRICITY SECTOR

The Argentine government has intervened in the electricity sector in the past and is likely continue intervening in the future.

Historically, the Argentine government has had an active role in the electricity sector in the form of ownership and management of state-owned companies engaged in the generation, transmission and distribution of electricity. Since 1992, following the privatization of several public sector companies, the Argentine government has reduced its control over the industry. However, like in most other countries, the electricity industry in Argentina remains subject to extensive regulation and government intervention. On the other hand, in response to the economic crisis of 2001 and 2002, the Argentine government enacted Law No. 25,561 (the "Public Emergency Law") and other regulations, introducing several material changes to the regulatory framework applicable to the electricity sector. These changes have adversely affected electricity generation, distribution and transmission companies, including, without limitation, a halt on hikes in distribution margins, elimination of inflation and other tariff indexation adjustments, restrictions on electricity distribution companies' ability to pass through cost increases resulting from regulatory charges, and

introduction of a new tariff setting mechanism in the WEM. All these changes have had a substantial impact on electricity generation companies and resulted in substantial price differences in the market.

Furthermore, since the Argentine economic crisis of 2001 and 2002, Argentina's electricity sector has been strongly characterized by emergency government regulations and policies that have generated significant distortions in the electricity market, particularly with respect to prices along the entire value chain of the sector (generation, transmission and distribution). For more information on the changes to the legal framework of the Argentine electricity industry brought about by the Public Emergency Law, see "Industry Overview and Regulation—Electricity Generation Remuneration."

More recently, on December 23, 2019, the Solidarity Law was enacted, by means of which the economic, financial, administrative, social, sanitary, tariff and energy emergency was declared. With respect to our business, such law provides that (i) natural gas tariffs and end-user electricity tariffs under federal jurisdiction remained unchanged for a term of one hundred eighty (180) days as from December 23, 2019 (which was subsequently extended), and (ii) the executive branch is empowered to renegotiate tariffs under federal jurisdiction, either within the framework of the current general tariff reviews or through an extraordinary review, in accordance with Law No. 24,065 (Electric Energy Regime). Likewise, the Solidarity Law also empowers the executive power to intervene ENARGAS and the ENRE. Additionally, by means of Resolution SRRyME No. 1/19, the Argentine government curtailed the generation capacity and energy prices under the Base Energy program that had been previously increased by Resolution SEE No. 19/17. According to the recitals to Resolution SRRyME No. 1/19, such change would be temporary in nature. However, we cannot assure that no further tariff reductions will occur in the future. Besides, by means of Resolution SRRyME No. 1/19, generation capacity and energy tariffs were set in U.S. dollars. Yet, as part of the energy emergency declared by the Argentine Congress through Law No. 27,541, on February 26, 2020, the Secretariat of Energy handed down Resolution No. 31/2020, amending several aspects of the remuneration arrangement approved under Resolution SEE No. 1/19 for generation companies authorized in the WEM. Such resolution does not have a material impact on us. For more information, see "Industry Overview and Regulation—Electricity Generation Remuneration".

The Argentine government may adopt certain measures that could adversely affect our businesses and results of operations, or may in the future enact emergency laws similar to the Public Emergency Law or other comparable resolutions which may have a direct impact on the regulatory framework applicable to the electricity sector and an adverse impact on the electricity generation industry and, as a result, on our financial position and results of operations.

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

We are subject to a wide range of federal, provincial and municipal regulations and supervision generally applicable to companies engaged in business in Argentina, including laws and regulations pertaining to labor, social security, public health, consumer protection, the environment, competition and price controls. Furthermore, Argentina has 23 provinces and one autonomous city (the City of Buenos Aires), each of which, under the Argentine National Constitution, has power to enact legislation concerning taxes, environmental matters and the use of public space. Within each province, municipal governments may also have powers to regulate such matters. Although the generation of electricity is considered an activity of general interest (*actividad de interés general*) and thus subject to federal legislation, because our facilities are located throughout various provinces, we are also subject to provincial and municipal legislation. We cannot assure you that future developments in the provinces and municipalities concerning taxes (including sales, security and health and general services taxes and rates), environmental matters, the use of public space or other matters, will not impact our business. Compliance with existing or future legislation and regulations at a national, provincial or municipal level could require us to make material expenditures and divert funds away from planned investment in a manner that could have a material adverse effect on our financial condition and results of operations.

In addition, our failure to comply with existing legislation and regulation, or reinterpretations of existing regulations and new legislation or regulations, such as those relating to fuel and other storage facilities, volatile

materials, cyber security, emissions or air quality, hazardous and solid waste transportation and disposal and other environmental matters, may subject us to fines and penalties and have a significant adverse impact on our results of operations.

Our ability to operate wind and solar farms profitably is highly dependent on suitable wind, solar and associated weather conditions.

The amount of energy generated by, and the profitability of, wind or solar farms are highly dependent on climate conditions, particularly wind conditions and irradiance, which can vary materially across locations, seasons and years. Variations in wind conditions at wind farm sites and irradiance at solar plant sites occur because of daily, monthly and seasonal fluctuations in wind currents and irradiance and, over the longer term, as a result of more general climate changes and shifts. Because wind turbines will only operate when wind speeds fall within certain specific ranges that vary by turbine type and manufacturer, if wind speeds fall outside or towards the lower end of these ranges, energy output at our wind farms would decline. Similarly, projections of solar resources depend on assumptions about weather patterns, shading and irradiance, which are inherently uncertain and may not be consistent with actual conditions at the site.

During the development phase and prior to the construction of any wind or solar farm, a wind or solar resource study to evaluate the potential wind or solar resource of the site is typically conducted over a period of several years. These wind or solar studies have been conducted by our own team and independent technical consultants with respect to the estimated load factor resulting from our wind studies and the model of turbines used. We base our core assumptions and investment decisions on the findings of these studies. We cannot assure you that observed climate conditions at a project site will conform to the assumptions that were made during the project development phase on the basis of these studies, and, therefore, we cannot assure that our wind or solar farm projects will be able to meet their anticipated production levels. It is possible that future wind or solar resource patterns and electricity production at our wind or solar farms will not reflect the historical wind or solar resource patterns at the respective sites or the projections, and wind or solar resource patterns at each site will change over time.

If, in the future, the wind resource in the areas where our wind farms are located or the solar resource in the areas where our solar plants are located is lower than expected, electricity production at such wind farms and/or solar plants would be lower than expected and consequently could materially adversely affect our results of operations.

Our power plants and new generation projects are subject to the constraints of Argentina's transmission and distribution facilities.

We depend on transmission and distribution facilities owned and operated by others to deliver the electricity we sell from our power generation plants. If transmission or distribution is disrupted, or if the transmission or distribution infrastructure is inadequate, our ability to sell and deliver electricity may be adversely impacted. Moreover, our strategy to develop new generation projects depends on the availability of adequate transmission and distribution infrastructure in the areas where these projects are located in order to connect the power plants to the NIS. Due to restrictive transmission and distribution price regulation, transmission and distribution companies have not had sufficient incentive to invest in expansion of transmission and distribution infrastructure. In recent years, the increase in electricity demand was greater than the structural increase in electricity generation, transmission and distribution capacities, which led to power shortages and disruptions. We cannot predict whether transmission and distribution facilities will be expanded in the country generally, or in the specific markets where we operate or seek to operate, to accommodate competitive access to those markets. If the demand for energy continues to increase in the future, the current levels of power transmission and distribution may not be sufficient to meet the demand and may cause disruptions. A sustained increase in disruptions in the electrical system could generate future shortages and could prevent us from delivering the electricity we produce and sell or could affect our ability to execute on our strategy of expanding our generation capacity, which, in turn, could adversely affect our business, financial condition and results of operations.

We face competition.

The power generation markets in which we operate are characterized by numerous strong and capable participants, some of which may have extensive developmental or operating experience (including both domestic and international) and financial resources significantly greater than ours. See "Business—Competition." We compete with other power generation companies for the MW of capacity that are allocated by the SE through public auction processes. In March 2016, the SE called for bids under Resolution No. 21/2016 to install new thermal generation units to become operational between summer 2016/2017 and summer 2017/2018, offering generators long-term PPAs with CAMMESA denominated in U.S. dollars. In May 2017, the SE called for bids under Resolution No. 287/2017 to install new thermal combined cycle and cogeneration units to satisfy demand in the WEM. The Macri administration received offers for 6.6 GW of new thermal power capacity, multiple times more than the government originally anticipated, and awarded approximately 4.8 GW of new thermal capacity. Additionally, in October 2015 the Argentine Congress amended the Renewable Energy Program, which aims to increase to 8% by 2018 and 20% by 2025 the total domestic demand of renewable energy, by mandating certain consumers and CAMMESA to cover a portion of their consumption from renewable energy sources of renewable energy and granting tax and other benefits to new renewable energy projects. In July and October 2016 and August 2017, the Ministry of Energy instructed CAMMESA to call for bids under the Renewable Energy Program to install additional generation units from renewable sources. Under round 1, round 1.5 and round 2 of the RenovAr program the government has received offers for 17.31 GW of new renewables generation capacity, many times more than the government originally anticipated, and awarded approximately 4.5 GW of new renewables capacity under round one, round 1.5 and round 2, mainly to wind and solar energy projects.

In addition, we and our competitors are connected to the same electrical grid that has limited capacity for transportation, which, under certain circumstances, may reach its capacity limits. Therefore, new generators may connect, or existing generators may increase, their outputs and dispatch more electricity to the same grid that would prevent us from delivering our energy. In addition, we cannot assure that the Argentine government will be able to incentivize the necessary investments to increase the system's capacity, which, in case there is an increase of energy output, would allow us and existing and new generators to efficiently dispatch our energy to the grid. As a result, an increase in competition could affect our ability to deliver our energy which would adversely affect our business, financial condition and results of operations.

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

The supply and price of natural gas and diesel fuel used in our thermal generation plants has been and may from time to time continue to be affected by, among other things, the availability of natural gas and diesel fuel in Argentina, the need to import a larger amount of natural gas and diesel fuel at a higher price than the price applicable to domestic supply as a result of low domestic production, and natural gas redistribution mandated by the SE, given the present shortage of natural gas supply and declining reserves. In particular, many oil and gas fields in Argentina are mature, and in recent years have not been subject to significant investment into development and exploration activities and, therefore, reserves are likely to be depleted.

Under our PPAs for our thermal power plants, CAMMESA is not obligated to provide us with natural gas or diesel fuel, but it has the option to either provide these to us or reimburse us for the cost of the natural gas and diesel fuel that we purchase. Nonetheless, pursuant to Resolution No. 95/2013 and 529/2014 issued by the SE, CAMMESA is in charge of managing and supplying all fuels required to run our thermal plants. Although CAMMESA currently provides us with the natural gas and diesel fuel necessary to run our thermal plants as required by Resolution No. 529/2014, we cannot assure you that CAMMESA will continue to do so or that the SE will maintain Resolution No. 529/2014 in place or without modification. If we were to become required to purchase natural gas or diesel fuel from third parties, we cannot assure you that we will be able to purchase natural gas or diesel fuel at prices that are fully reimbursable by CAMMESA and, even if CAMMESA accepted to reimburse such amounts, it would be uncertain when the reimbursement would happen. In addition, natural gas delivery depends on the infrastructure (including barge facilities, roadways and natural gas pipelines) available to serve each generation facility. As a result, our thermal plants are subject

to the risks of disruptions or curtailments in the fuel delivery chain and infrastructure. Any such disruption or curtailment may result in the unavailability, or higher prices, of natural gas or diesel oil.

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

Electricity demand may be affected by price increases, which could result in lower revenues for generators, such as us.

Between 2002 and 2017, electricity demand grew significantly, in comparison with previous years. There was an average inter-annual increase of 3.5% in the aggregate (despite a decline in 2009), according to information provided by CAMMESA. This increase in electricity demand was driven primarily by the relative low cost, in real terms, of electricity to consumers due to government subsidies.

The Macri administration implemented changes to the scheme of energy consumption subsidies and price system and issued certain resolutions substantially increasing prices of electricity in the WEM. Increases in the cost of electricity to customers, and reduction in government subsidies, may have a material adverse effect on electricity demand or a decline in collections from customers. A significant decline in electricity demand could adversely affect our sales revenue under our PPAs for the portion of such revenues that we derive from energy we dispatch or may affect our ability to renew our PPAs or enter into new PPAs on favorable terms or at all. All of this may result in lower revenues than we currently anticipate which may, in turn, have a material adverse effect on our results of operation.

Compliance with environmental, health and safety regulations may require significant expenditures that could adversely affect our results of operations.

Our operations are subject to a wide range of environmental, health and safety requirements by federal, provincial and municipal regulations. These laws and regulations also require us to obtain and maintain environmental permits, licenses and approvals for the construction of new facilities or the installation and operation of new equipment required for our business. Some of these permits, licenses and approvals are subject to periodic renewal. Failure to comply with environmental requirements can result in fines, claims for environmental damages, remediation obligations, the revocation of environmental permits, licenses and approvals, the temporary or permanent closure of facilities or other sanctions. We are currently in compliance with the environmental and social issues insurance requirements of Argentine law. Additionally, we have civil liability coverage for sudden, unforeseen and accidental contamination. See "Business—Environmental Matters."

We have made, and will continue to make, significant expenditures to maintain compliance with environmental, health and safety requirements. These requirements, and the enforcement and interpretation thereof, change frequently and tend to become more stringent over time. Compliance with changed or new environmental, health and safety regulations could also require us to make significant capital investments, and our ability to expand our infrastructure and meet increased demand could be limited by such future requirements. While some of our PPAs include pass-through provisions with respect to capital, operating or compliance costs resulting from certain changes in law and, in particular, environmental laws, future changes in environmental health and safety laws, or in the interpretation of those laws, including new or stricter requirements related to air, noise, hazardous waste and wastewater emissions or green taxes, could subject our business to the risk of higher capital, operating or compliance costs resulting from these changes and could limit the availability of our funds for other purposes as well as our ability to expand our infrastructure and meet increased demand, which could adversely affect our business and results of operations.

Operational difficulties may limit our ability to generate electricity, which could significantly and adversely affect our financial condition and results of operations.

Power generation activities are subject to particular industry-specific operational risks, some of which are beyond our control, including unforeseen mechanical and engineering difficulties; low turbine performance, turbine shutdowns due to wear and tear and other equipment failures; lower yield levels and/or unexpected higher domestic consumption; design defects; shortages, unavailability or high costs of essential equipment or spare parts, supplies, personnel and services; accidents, including environmental hazards such as diesel spills or gas leaks; potential harm to wildlife; compliance with governmental laws and regulations; changes in the regulatory environment and potential government regulation or intervention; and litigation and other disputes. Also, the estimated cost of executing our expansion plans may not be accurate and remain dependent upon a number of factors, some of which are beyond our control.

The control and management of operational risks is normally based on adequate information and personnel training and on the existence of operational procedures and prevention maintenance plans that minimize the likelihood and impact of any of these events.

We may experience operational difficulties whether as a result of human error or as a consequence of certain external events, which may require a temporary suspension of activities, and significantly impacting our availability. Under the PPAs for our thermal plants, we receive a fixed availability charge that is proportionally reduced by the percentage of deviation from full availability. We may be subject to large penalties or lower revenues in case our availability falls below certain thresholds. While we have back-up turbines for our thermal plants, agreements to guarantee the operating performance and availability of our wind and solar farms, additionally, we have back-up solar panels in storage, in order maintain a high availability, and while we carry insurance to protect against operating risks, operational difficulties could have a material adverse effect on our business, results of operations and financial condition.

Energy demand is seasonal, largely due to climate conditions.

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

The power generation business is subject to risk of disasters arising from natural or accidental or intentional human causes.

Our generation facilities, or the third-party transportation or electricity transmission and distribution infrastructure that we rely on, may be damaged by disasters arising from natural or accidental or intentional human causes, including lightning strikes, blade icings, earthquakes, tornados, extreme winds, severe storms, wildfires and terrorist attacks. Disasters could damage, or require the shutdown of, turbines or related project equipment and facilities or transmission or distribution facilities. We could experience severe business disruptions, significant decreases in revenues based on lower demand arising from catastrophic events, or significant additional costs to us not otherwise covered by business interruption insurance clauses. There may be an important time lag between a major accident, catastrophic event or terrorist attack and our definitive recovery from our insurance policies, which typically carry non-recoverable deductible amounts and are subject to caps per event. In addition, any of these events could cause adverse effects on the energy demand of some of our customers and of consumers generally in the affected market. Some of these considerations, among others, could materially and adversely affect our business, results of operations and financial condition.

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

The energy industry is subject to far-reaching technological change, both in the generation side and on the demand side. For example, with respect to energy generation, the development of energy storage devices (battery storage in the megawatt range) or facilities for the temporary storage of power through conversion to

gas "power-to-gas-technology"), the increase in energy supply due to new technological applications such as fracking or the digitalization of generation and distribution networks should be mentioned.

New technologies to increase energy efficiency and improve heat insulation, for the direct generation of power at the consumer level, or that enable improve refeeding (for example, by using power storage for renewable generation) may, on the demand side, lead to structural market changes in favor of energy sources with low or zero CO2 or in favor of decentralized power generation, for instance via small-scale power plants within or close to residential areas or industrial facilities.

If our business is unable to react to changes caused by new technological developments and the associated changes in market structure, our equity, financial or other position, or our results, operation and business, could be adversely affected.

We may be subject to expropriation or similar risks.

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

Climate change and greenhouse gas restrictions may adversely affect our results of operations in thermal power plants.

A number of countries (including Argentina) have adopted, or are considering the adoption of, regulatory frameworks to reduce greenhouse gas emissions due to the concern about climate change. These regulatory measures in various jurisdictions include the adoption of cap and trade regimes, carbon taxes, increased efficiency standards, and incentives or mandates for renewable energy. Growing concerns about climate change and greenhouse gases, such as those adopted under the United Nations COP-21 Paris Agreement, may result in the imposition of additional environmental regulations. Compliance with changes in laws, regulations and obligations relating to climate change, including as a result of such international negotiations, could increase our costs related to operating and maintaining our thermal power plants and require us to install new emission controls, acquire allowances or pay taxes related to our greenhouse gas emissions, or administer and manage a greenhouse gas emissions program, which, in turn, could adversely affect our business and results of operations.

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

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

The development of new and existing power plants may face opposition from several stakeholders, such as, environmental groups, landowners, farmers, local communities and political parties, among others, all of which may impact the sponsoring company's reputation and goodwill. The operation of our current thermal power plants may also affect our goodwill with stakeholders, due to emissions such as particulate matter, sulfur dioxide and nitrogen oxides. Although we have made significant investments to reduce such emissions, we could adversely affect the environment in the event these investments do not reach the results that we expect. Damage to our relationship with stakeholders could prevent us from continuing to operate our current assets or prevent us from winning and developing new projects, which, in turn, could adversely affect our business and results of operations.

RISKS RELATING TO OUR COMPANY

We may be unable to collect amounts, or to collect them in a timely manner, from CAMMESA and other customers in the electricity sector, which could have a material adverse effect on our financial condition and results of operations.

We make substantially all sales under our PPAs to CAMMESA. Our sales to CAMMESA and IEASA accounted for 93%, 95%, and 92% of our consolidated net sales in the years ended December 31, 2020, 2019 and 2018, respectively; and 93% of our consolidated net sales in the periods ended March 31, 2021 and 2020, respectively. In addition, our sales for the Cruz Alta and Bragado I thermal plants under the Base Energy Remuneration Scheme and are also to CAMMESA. Sales under our Rawson I, Rawson II and Trelew PPAs, made to IEASA over the abovementioned periods, are currently being made to CAMMESA, and therefore remain subject to the risk described herein.

Payments to us by CAMMESA depend upon payments that CAMMESA in turn receives from other WEM agents such as electricity distributors and from the Argentine government. During the 2001 and 2002 economic crisis in Argentina, a significant number of WEM agents breached their payment obligations with CAMMESA.

In addition, the stabilization fund created by SE Resolution No. 61/92 to cover the differences between the seasonal and the spot price of electricity (the "Stabilization Fund")—which is administered by CAMMESA—has registered a deficit mainly due to the measures introduced by the Public Emergency Law and Resolution No. 240/2003. Although this deficit is covered by the Argentine government, we cannot assure you that the Argentine government will maintain the Stabilization Fund or continue to fully cover its deficit in a timely manner or at all.

The inability of CAMMESA to collect payments from WEM agents, or to do so in a timely manner, and the continued deficit of the Stabilization Fund have resulted in significant delays in CAMMESA' payment obligations to generators. In particular, in 2019, we started experiencing substantial delays in receiving payments from CAMMESA, in line with general budgeting constraints that are likely to continue based in the requirements of the Argentine government's agreement with the IMF. We cannot assure you that, in the future, CAMMESA will be able to make payments to generators on a timely basis, in full or at all. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Principal Factors Affecting our Results of Operations—Billing and Collection."

In addition, the rates under our PPAs with CAMMESA are denominated in U.S. dollars and payable in pesos. Although CAMMESA covers any exchange rate fluctuation effects during the first 41 days after the end date of any month of invoiced supplied energy by making payments based on the reference exchange rate on the billing date at the expiration of such 41 days period, such exchange rate fluctuations may have a negative effect on our results to the extent there is devaluation of the peso during the period between the 42nd day after such billing date and the actual payment date, which effect may be increased if there are payment delays. Our results of operations have been affected and will continue to be affected by the fluctuation of the U.S. dollar/peso exchange rate.

We have made a claim against CAMMESA for an aggregate amount of U.S.$13.0 million for compensation relating to exchange rate differences resulting from the devaluation of the peso during certain periods up to December 2015 between the 42nd day after the billing date and the actual payment date. See "*Legal Proceedings – CAMMESA"*.

The inability of CAMMESA to collect payments from WEM agents, or to do so in a timely manner, the constant deficit of the Stabilization Fund, could adversely affect the ability of CAMMESA to meet its own payment in full, in a timely manner or at all, which could have a material adverse effect on our results of operations and financial condition.

During 2020, as a result of the COVID-19 pandemic, there have been delays in payments days by CAMMESA, mainly with respect to thermal generation and renewable energy contracts without the FODER guarantee (Rawson I, II and Trelew wind farms).

In the short term, due to COVID-19, we expect to continue to experience delays in certain payments from CAMMESA.

We may not be able to renew our PPAs or enter into new PPAs for the sale of firm capacity and electricity in the future, or such PPAs may be unilaterally modified or terminated.

We may not be able to renew our PPAs or enter into new PPAs on favorable terms or at all, including for reasons beyond our control. As of the date of this Exchange Offer and Consent Solicitation Memorandum, our PPAs for our operating wind farm had an estimated weighted average remaining term of approximately 16 years, our PPAs for our solar power plants had an estimated weighted average remaining term of approximately 17 years, and our PPAs for our operating thermal power plants had an estimated weighted average remaining term of approximately six years. See "Business—Power Generation—Our Power Purchase Agreements." There is no PPA with respect to the Cruz Alta and Bragado I power plants; which currently operate under the Base Energy Remuneration Scheme.

In addition, the terms and conditions of our PPAs may be modified or terminated unilaterally, or even be subject to breach of contract for reasons beyond our control. For example, under the PPAs for our thermal power plants, if a force majeure event (as defined under the Argentine Civil and Commercial Code) occurs and does not end within 120 days after it began, either party can terminate the PPA without being required to pay damages to (or claim damages from) the other party.

The non-renewal, termination or modification in a manner materially adverse to our interests of any of our PPAs could have a material adverse effect on our business and results of operations.

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

We have participated, and plan to continue participating, in bidding processes for both renewable and thermal energy sources announced by the Argentine government. However, we cannot assure you that our bids will be successful or that we will be able to enter into new PPAs in the future.

Delays in construction or commencement of operations of our expansion projects could lead to an increase in our financial needs and also cause our financial returns on new investments to be lower than expected, which could materially and adversely affect our financial condition. Factors that may impact our ability to build, or commence operations at, our new plants include: (i) the failure of contractors to complete or commission the facilities or auxiliary facilities by the agreed upon date or within budget; (ii) the unexpected delays of third parties in providing or agreeing to project milestones in the construction or development of necessary infrastructure linked to our generation business; (iii) the delays or failure by our turbine suppliers in providing fully operational turbines in a timely manner; (iv) difficulty or delays in obtaining the necessary financing in terms satisfactory to us or at all; (v) delays in obtaining regulatory approvals, including environmental permits; (vi) court rulings against governmental approvals already granted, such as environmental permits; (vii) shortages or increases in the price of equipment reflected through change orders, materials or labor; (viii) opposition by local and/or international political, environmental and ethnic groups; (ix) strikes; (x) adverse changes in the political and regulatory environment in Argentina; (xi) unforeseen engineering, environmental and geological problems; and (xii) natural disasters, pandemics and severe weather conditions (including lightning strike, blade icing, earthquakes, tornados, extreme winds, severe storms and wildfires), accidents or other unforeseen events. We cannot assure you that cost overruns would not be material. Moreover, because of the competition among generation companies in bidding processes and the limited capacity awarded in these processes, we cannot predict whether we will be awarded new projects.

Moreover, with respect to our expansion projects, we may be subject to significant fines, if our projects do not reach commercial operation by the date contemplated in the relevant PPA. See "Business—Power Generation—Our Power Purchase Agreements."

Our business will require substantial capital expenditures for ongoing maintenance requirements and for the expansion of our current generation capacity and we intend to finance in part those expenditures through the raising of money in the capital markets.

Incremental capital expenditures will be required to fund ongoing maintenance necessary to maintain our power generation and operating performance and/or improve the capabilities of our electricity generation facilities. Older facilities and equipment, despite good maintenance, may require significant capital expenditures to achieve continued and efficient functioning, or to adapt them to new environmental regulations. Newer facilities may likewise require additional capital expenditures to optimize operational performance. Furthermore, capital expenditures will be required to finance the cost of our current and future expansion of our generation capacity. We intend to finance a significant portion of those expenditures through the issue of debt securities and other instruments in the international and domestic capital markets. Our financing ability will depend on many factors, including factors beyond our control, such as global market and economic conditions, general macroeconomic conditions in Argentina and market restrictions generally and in particular by limitations on financing availability for Argentine companies and also by the Indenture governing the Existing Notes and will depend in part on our business and operating results and the market's perception of our ability to repay our indebtedness. If we are unable to finance any such capital expenditures in terms satisfactory to us or at all, our business, results of operations and financial condition could be adversely affected.

We may not be able to make successful acquisitions.

In 2017, we acquired the Cruz Alta plant (through the acquisition of GETSA), the Trelew wind farm (through the acquisition of Parque Eólico Loma Blanca IV S.A.) and in April 2018 we acquired the Ullum Solar Plants (through our acquisition of Ullum 1, Ullum 2 and Ullum 3). Our growth strategy may require us to evaluate strategic acquisitions opportunities to expand our operations and geographic footprint in the future, but we may not be able to identify appropriate acquisitions opportunities, or, if we do, we may overpay for these acquisitions or may not otherwise be able to negotiate terms and conditions that are acceptable to us. We may also face difficulties obtaining financing to pay for acquisitions. In addition, we may not be able to obtain regulatory approvals including antitrust approvals, required to consummate acquisitions. Furthermore, even if we are able to successfully consummate an acquisition, we may encounter challenges in integrating our acquisitions, effectively and profitably into our operations. The integration of an acquisition involves a number of factors that may affect our operations, including diversion of management's attention, difficulties in retaining personnel and entry into unfamiliar markets. Acquired business may not achieve the levels of anticipated productivity or otherwise perform as expected. In addition, we may be subject to undisclosed liabilities related to labor, commercial, civil, tax, criminal and environmental contingencies incurred by businesses we acquire as part of our growth strategy, that we may not be able to identify or that may not be adequately indemnified under our acquisitions agreements with the sellers of such businesses, in which case our financial conditions and results of operations may be negatively and adversely affected. Even if such liabilities are assumed by the sellers, we may have difficulties enforcing our rights, contractual or otherwise. We cannot assure you that future acquisitions will meet our strategic objectives, which could have a negative effect on our growth strategy.

We may be subject to large penalties or liabilities and lower revenues in case of default under our PPAs.

We may be subject to large penalties or lower revenues in case of default under our PPAs. Under the PPAs for our thermal plants, we receive a fixed availability charge that is proportionally reduced by the percentage of deviation from full availability. If our availability falls below certain thresholds, penalties may be imposed. During 2018, 2019 and 2020, we received fines of U.S.$0.2 million, U.S.$0.2 million and U.S.$0.3 million, respectively, as a result of not achieving the minimum availability threshold for certain plants. Furthermore, under the PPAs for our expansion projects, we are required to meet certain scheduled commercial operation dates for the projects. Failure to do so, absent a force majeure event, may result in large penalties or liabilities. During 2017, we received a claim of a fine of Ps. 37 million (approximately U.S.$2 million) by CAMMESA for not meeting the scheduled commercial operation date provided by CAMMESA with respect to our Bragado II expansion project. On March 20, 2017, we challenged the fine and rejected the

invoice. In November 2018, CAMMESA began to deduct the fine from our account in 48 monthly installments in dollars, assessing annual interest at an annual effective rate of 1.7% on the balance. In December 2019, we brought legal proceedings against CAMMESA and the Argentine Secretariat of Energy seeking to have the fine imposed by CAMMESA annulled. On January 24, 2020, CAMMESA notified Ullum 1 and Ullum 2 that fines in an aggregate amount of USD 2.1 million, would be deducted from the sale price for the energy such companies would be entitled to receive as a result of the January 2020 economic transaction, in 48 monthly, equal and consecutive installments, accruing interest at an annual effective rate of 1.7%. See "*Legal Proceedings - Ullum 1 & 2 Penalty*". We cannot assure you that we will be able to comply fully with the commercial start dates for our new PPAs for our biomass plants, which could lead to a material adverse impact on our business and results of operations.

We depend upon third parties and their technology for the operation of our wind farms.

We rely on a third-party service provider, Vestas, to operate and provide availability guarantees of our Rawson I, II and III, Villalonga I and II, Chubut Norte I, Madryn and Madryn II, and Necochea wind farms, on Nordex to operate our Pomona I & II and Chubut Norte II, III and IV wind farms, and General Electric to operate our Trelew wind farm. We expect to use Vestas, General Electric, Nordex or another world class third-party service provider with a strong track record to operate new wind farm projects in the foreseeable future. As a result, the availability and performance of our operating wind farms and new wind farm projects may depend on factors beyond our control, including the quality and continuity of the service provided by the relevant service provider and the continuing performance of the technology they provide.

If we experience interruptions in the performance of our technology or if we are unable to find qualified service providers, the performance of our wind farms could be impaired. As a result, our business and results of operations may be adversely affected by our dependence on third party service providers.

We may not be able to successfully expand our generation capacity into biomass energy.

We cannot assure you that we will be able to replicate our success in wind, solar and thermal power generation into biomass power projects. Our expansion into biomass power may be subject to additional challenges that we are not familiar with. If we are unable to overcome these challenges, we may not be able to successfully expand into biomass energy; which could have a negative effect on our growth strategy.

A new and more efficient energy generation technology could adversely affect our business and results of operation.

The introduction of a more efficient energy generation technology could adversely affect the competitiveness of our thermal power plants in the dispatch order. As such, we may face potential displacement in merit order dispatch if new and more efficient technologies were to become available in our market. Any displacement of merit order dispatch could affect our competitiveness and thereby impact our ability to renew or enter into new long-term PPAs for our thermal power plants. If we are unable to renew or enter into new long-term PPAs, we may be required to sell electricity under other regulatory frameworks at prices that may be below the prices established in our PPAs, which could lead to a material adverse impact on our business and results of operations.

We are subject to anti-corruption, anti-bribery, anti-money laundering and antitrust laws and regulations in Argentina, and violations of any such laws or regulations could have a material adverse impact on our reputation and results of operations.

Entities controlled by the Argentine government, or in which the Argentine government participates, constitute our principal customers. We are subject to anti-corruption, anti-bribery, anti-money laundering, antitrust and other national and international laws and regulations and are required to comply with the applicable laws and regulations of Argentina. In addition, we are subject to economic sanctions regulations that restrict our dealings with certain sanctioned countries, individuals and entities. We cannot assure you that our internal policies and procedures will be sufficient to prevent or detect all inappropriate practices, fraud or violations of law by our affiliates, employees, directors, officers, partners, agents and service and equipment

providers or that any such persons will not take actions in violation of our policies and procedures. Any violations by us of anti-bribery and anti-corruption laws or sanctions regulations could have a material adverse effect on our business, reputation and results of operations.

Conflicts with unions and an increase in employee salaries and/or benefits may adversely affect operations.

The operation and maintenance personnel of our thermal plants (which represented 25.30% of our payroll on April 30, 2021) are members of the Luz y Fuerza union and 2.77% of our workforce is represented by other unions. Certain of our administrative personnel (which represented 0.79% of our payroll) are members of the Empleados de Comercio union. Approximately 28.06% of our workers are covered by collective bargaining agreements. In addition, the employees of certain third-party service providers responsible for the servicing of our wind farms are members of trade unions. Although historically we have had good relations with our unions and we have not experienced any strikes in the history of our company (with the exception of a short strike by employees of a third-party service provider), we cannot assure you we will not experience strikes, disruptions or work stoppages in the future. Conflicts with such unions, organized labor actions such as work disruptions or stoppages or requirements to increase employee salaries and/or benefits as a result of new collective bargaining agreements, governmental regulations or policies or otherwise could cause us to suffer a material adverse effect on our business, results of operations and financial condition, and on our ability to repay the New Notes.

We face risks related to certain legal proceedings that could materially and adversely affect our business and results of operations in the event of an unfavorable ruling.

Our business may expose us to labor, civil, commercial, regulatory, tax and administrative disputes, governmental investigations and criminal prosecution, among other legal proceedings, which could, if resolved in whole or in part adversely to us, result in fines, damages and losses, as well as complementary sanctions or injunctions affecting our ability to continue our operations or to be awarded with future agreements, concessions, permits or licenses by the Argentine government, which could in turn affect our business and results of operations. See "Business—Legal Proceedings." While in general we may contest these unfavorable rulings and make insurance claims when appropriate, legal proceedings are inherently costly and unpredictable, making it difficult to accurately estimate the outcome. Although we believe we have provisioned, and plan to continue provisioning, for such risks appropriately based on the opinions and advice of our external counsels and in accordance with applicable accounting rules, these contingencies are subject to change due as new information develops, and, due to the inherent uncertainties in the estimation process, the amounts that we reserve could vary significantly from any amounts we actually pay if proceedings are decided in whole or in part adversely to us.

Our performance is largely dependent on recruiting and retaining key personnel.

Our current and future performance and the operation of our business are dependent upon the contribution of our senior management and our highly-skilled team of engineers and other key employees. We depend on our ability to attract, train, motivate and retain key management and specialized personnel with the necessary skills and experience. We cannot assure you that we will be successful in retaining and attracting key personnel, and the replacement of any key personnel who were to leave could be difficult and time consuming. The loss of the experience and services of key personnel or the inability to recruit suitable replacements or additional staff could have a material adverse effect on our business.

We may not have adequate insurance to cover all potential losses and the cost of our current insurance coverage could increase, which could adversely affect our business and results of operation.

We maintain insurance coverage to mitigate the principal risks inherent in the industry in which we operate. Insurance policies to cover some risks, such as environmental risks, are not currently available in Argentina. We cannot assure you that all the risks to which we are exposed are covered by our current insurance coverage. We also cannot assure you that our insurance policies provide sufficient coverage for any risk or loss. If an accident or other event occurs that is not covered by our current insurance policies, which losses exceed the amount for which we are insured, we may experience material losses or have to disburse

significant amounts from our own funds, which could have a material adverse effect on our financial condition and results of operations.

Our insurance policies are subject to periodic review by our insurance brokers or independent firms. We may not be able to obtain insurance in the future under similar terms as our current insurance policies or at all. If our premium amounts increase, we may not be able to maintain coverage comparable to our current coverage, or we may only be able to do so at a significantly higher cost. Any additional cost could have a material adverse effect on our business, financial condition and results of operations.

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

We are required to obtain and maintain performance bonds to secure compliance with our obligations under some of our PPAs throughout their term, and we may experience difficulties obtaining or maintaining them. In addition, we may become subject to obligations to reimburse amounts drawn with respect to any such instruments in the event there is a drawdown on any such instrument due to our failure to satisfactorily perform our obligations under the agreements to which such instruments may be issued. Failure to maintain or provide performance bonds or other forms of guarantees, or any failure to reimburse potential obligations arising from a drawdown thereunder, could have a material adverse effect on our business and results of operations. So far, we have posted all performance bonds required for the execution of our PPAs.

Our generation operations require us to handle hazardous elements such as fuels, which could potentially result in damage to our facilities or injuries to our personnel.

Although we comply with all applicable environmental safety laws and best practices, any accident involving the fuels with which we operate our thermal power plants could have adverse environmental consequences and could damage our industrial facilities or our personnel.

A cyber-attack could adversely affect our business, financial condition and results of operation.

Information security risks have generally increased in recent years due to the proliferation of new technologies and the increased sophistication and activities of cyber-attacks. We have increasingly connected equipment and systems to the Internet. Because of the critical nature of our infrastructure and the increased accessibility enabled through connection to the Internet, we may face a heightened risk of cyber-attack. For example, the performance of our wind turbines is monitored remotely via the internet. We have not been subject to any such attacks in the past. In the event of such an attack, we could have our business operations disrupted, property damaged and customer information stolen; experience substantial loss of revenues, response costs and other financial loss; and be subject to increased litigation and damage to our reputation. A cyber-attack could adversely affect our business, results of operations and financial condition.

We depend on information and processing systems to operate our business, the failure of which could adversely affect our business, financial condition and results of operation.

Information and processing systems are vital to our ability to monitor our plants, network performance and adequate provision of our services, bill customers, control our costs and achieve operating efficiencies. We routinely evaluate, upgrade and modernize our systems as needed by both in-house technicians and outside service providers. However, the failure of technicians and outside service providers to successfully integrate and upgrade our systems, to adequately provide their services or the failure in the future of any of these systems to operate properly, could have a material adverse effect on our business, financial condition and results of operation.

Uncertainty relating to the LIBOR transition process and the phasing out of LIBOR may adversely affect us.

On July 27, 2017, the Chief Executive of the United Kingdom Financial Conduct Authority, which regulates the London inter-bank Offered Rate ("LIBOR"), announced that it intends to stop persuading or compelling banks to submit rates for the calibration of LIBOR to the administrator of LIBOR after 2021.

The announcement indicates that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021, which has been extended to June 30, 2023. We are borrowers to certain loans that are indexed to LIBOR. We cannot predict whether and to what extent LIBOR will be supported or whether any additional reforms to LIBOR may be enacted. At this time, no consensus exists as to what rate or rates may become acceptable alternatives to LIBOR (with the exception of overnight repurchase agreements, which are expected to be based on the Secured Overnight Financing Rate ("SOFR"). When LIBOR rates are no longer available, and we are required to implement substitute indices for the calculation of interest rates under our loan agreements with our lenders, we may experience expenses in effecting the transition, and may be subject to disputes or litigation with lenders over the appropriateness or comparability to LIBOR of the substitute indices, which could have an adverse effect on our results of operations.

The interests of our majority shareholders may differ from the interests of holders of New Notes.

As of the date of this Exchange Offer and Consent Solicitation Memorandum, our shares are held by the shareholders set forth in section "Principal Shareholders." There may be circumstances in which the interest of our shareholders may differ from the interest of holders of our New Notes.

RISKS RELATING TO THE EXCHANGE OFFER AND THE EXISTING NOTES

If we are unable to consummate the Exchange Offer, we will consider other restructuring or relief alternatives available under applicable laws. Any such alternatives could be on terms less favorable to the holders of Existing Notes than the terms of the Exchange Offer.

If we are unable to consummate the Exchange Offer, we will consider other restructuring or relief alternatives available to us. Those alternatives may include asset dispositions, joint ventures, alternative refinancing transactions or relief under applicable insolvency laws. Any such alternatives could be on terms less favorable to the holders of Existing Notes than the terms of the Exchange Offer and the New Notes. Accordingly, there is a risk that the ability of the holders of Existing Notes to recover their investments would be substantially delayed and/or impaired if the proposed Exchange Offer is not consummated.

If the Exchange Offer is not consummated, the Company may be unable to repay the Existing Notes pursuant to the provisions of Section 3.17 of Communication "A" 7272 of the Central Bank.

Pursuant to the provisions of Section 3.17 of Communication "A" 7272 of the Central Bank (as amended and supplemented from time to time), the Central Bank has established additional requirements regarding access to the local exchange market for the payment of foreign financial indebtedness, including an adjustment of the terms and conditions of certain instruments. See "Our foreign financial indebtedness and debt denominated in foreign currency with access to the local exchange market is affected by Section 3.17 of Communication "A" 7272 of the Central Bank" and "Exchange Rate and Exchange Controls." As of the date of this memorandum, this regulation is applicable to payments of principal due until December 31, 2021, and therefore does not currently apply to principal payments under the Existing Notes. However, there can be no assurance that Section 3.17 will not be extended, thus affecting principal payments under the Existing Notes, for the payment of which we would not be able to access the foreign exchange market, other than in the way approved by the Central Bank pursuant to the refinancing plan that we would need to file.

If we consummate the Exchange Offer, no assurance can be given that we will be able to repay principal of the Existing Notes that remain untendered.

The final maturity of the Existing Notes is January 20, 2022. If we consummate the Exchange Offer, we expect to use cash on hand and certain financing options to repay the Existing Notes that are not tendered and accepted in the Exchange Offer. However, depending on the level of participation, our capacity to pay such Existing Notes at maturity will depend on several factors outside of our control, including market, financing and regulatory conditions at the time, including our capacity to access the local exchange market for the payment of foreign financial indebtedness. Additionally, a default under the Series XX Notes will not trigger a cross-default under the New Notes.

The Exchange Offer may result in reduced liquidity for any Existing Notes that are not exchanged.

The trading market for Existing Notes that are not exchanged could become more limited than the existing trading market for the Existing Notes and could cease to exist altogether due to the reduction in the principal amount of the Existing Notes outstanding upon consummation of the Exchange Offer . A more limited trading market might adversely affect the liquidity, market price and price volatility of the Existing Notes. If a market for the Existing Notes that are not exchanged exists or develops, the Existing Notes may trade at a discount to the price at which they would trade if the principal amount outstanding were not reduced. There can, however, be no assurance that an active market in the Existing Notes will exist, develop or be maintained, or as to the prices at which the Existing Notes may trade, after the Exchange Offer is consummated.

You may not receive the Exchange Consideration in the Exchange Offer if you do not follow the procedures for the Exchange Offer.

We will pay the Exchange Consideration, in exchange for your Existing Notes only if you tender your Existing Notes in accordance to the terms of the Exchange Offer. You should allow sufficient time to ensure timely delivery of the necessary documents. Neither we nor the Exchange Agent is under any duty to give notification of defects or irregularities with respect to the tenders of Existing Notes for exchange. If you are the beneficial owner of Existing Notes that are registered in the name of your broker, dealer, commercial bank, trust company or other nominee, and you wish to tender in the Exchange Offer , you should promptly contact the person in whose name your Existing Notes are registered and instruct that person to tender on your behalf.

The Exchange Consideration and the amount of New Notes that will actually be issued under the Exchange Offer will depend on the levels of participation in the Exchange Offer, the options chosen by Eligible Holders of Series XX Notes, and the application of the Option A Maximum Amount and the related proration.

Tender Orders of Existing Notes submitted under Option A at or prior to the Early Tender Date will receive a minimum of US$1,010 and a maximum of US$1,020 principal amount of New Notes per US$1,000 principal amount of Existing Notes validly tendered and accepted for exchange, depending on the level of Eligible Holders' participation under the Option A. Additionally, Option A is subject to the Option A Maximum Amount, and Tender Orders of Series XX Notes validly submitted under Option A at or prior to the Early Tender Date in excess of the Option A Maximum Amount will be, on a pro rata basis, automatically deemed submitted under Option B. The Early XX B Consideration will consist of a combination of Early Cash Consideration and New Notes, so that the total Early XX B Consideration will be equal to US$1,000 of Early Cash Consideration and principal amount of New Notes per US$1,000 principal amount of Existing Notes validly tendered and accepted for exchange. The combination of Early Cash Consideration and New Notes could vary from a minimum of US$200 Early Cash Consideration and a maximum of US$800 principal amount of New Notes, to approximately US$500 Early Cash Consideration and approximately US$500 principal amount of New Notes, depending on Eligible Holders' participation under Option B. Moreover, such combination of Early Cash Consideration and New Notes could vary further if the Minimum Tender Condition is waived by us, as we may do in our sole discretion. Therefore, there is a high degree of uncertainty as to the exact Exchange Consideration that Eligible Holders will receive if their Existing Notes are accepted in the Offer.

The Withdrawal Date will be extended for two business days if the Withdrawal Threshold, which would result in a composition under the Early XX B Consideration of 30% Early Cash Consideration and 70% principal amount of New Notes, is exceeded.

Revocations of Tender Orders, submitted during the Extended Withdrawal Period, may change the participation in the Early A Consideration and the Early XX B Consideration, and consequently change any applicable proration factor in and composition of the Early A Consideration and the composition of the Early XX B Consideration.

The consummation of the Exchange Offer may be delayed or may not occur.

We are not obligated to complete the Exchange Offer under certain circumstances and unless and until certain conditions are satisfied, as described more fully under "Description of the Exchange Offer — Conditions to the Exchange Offer." Even if the Exchange Offer is completed, it may not be completed on the

schedule described in this Exchange Offer and Consent Solicitation Memorandum. Accordingly, Eligible Holders participating in the Exchange Offer may have to wait longer than expected to receive their Exchange Consideration, during which time those Eligible Holders will not be able to effect transfers of their Existing Notes tendered in the Exchange Offer.

The Exchange Consideration to be received in the Exchange Offer does not reflect any valuation of the Existing Notes or the New Notes.

Our board of directors has made no determination that the consideration to be received in the Exchange Offer represents a fair valuation of either the Existing Notes or the New Notes. We have not obtained a fairness opinion from any financial advisor about the fairness to us or to you of the consideration to be received by Eligible Holders of Existing Notes. Accordingly, none of us, our board of directors, our officers, any Dealer Managers, the Exchange and Information Agent, the Existing Notes Trustee, the New Notes Trustee or any other person is making any recommendation regarding the Exchange Offer , and you have to make your own decision as to whether to tender Existing Notes.

U.S. Holders may recognize gain on the exchange of Existing Notes for New Notes.

A U.S. Holder (as defined under "Taxation—Certain United States Federal Income Tax Considerations") may recognize gain on the exchange of Existing Notes for New Notes pursuant to the Exchange Offer. To the extent relevant to the Company, the Company intends to treat the exchange of Existing Notes for New Notes pursuant to the Exchange Offer as a taxable disposition of the Existing Notes for U.S. federal income tax purposes.

The Company intends to take the position (to the extent relevant to the Company) that the exchange of the Series XX Notes for New Notes qualifies as a recapitalization for U.S. federal income tax purposes. However, a U.S. Holder may nevertheless recognize gain for U.S. federal income tax purposes upon the exchange in an amount equal to the lesser of (i) the excess, if any, of the U.S. Holder's amount realized in the Exchange Offer over the U.S. Holder's adjusted tax basis in the Series XX Notes tendered and (ii) the sum of (a) the amount of cash payments (other than payments of accrued but unpaid interest), if any, and (b) the fair market value of the excess, if any, of the principal amount of the New Notes that the U.S. Holder receives in the exchange over the principal amount of the Series XX Notes that such holder surrenders in the exchange.

The Company intends to take the position (to the extent relevant to the Company) that the exchange of the Private Notes for New Notes pursuant to the Exchange Offer is a taxable exchange that does not qualify as a recapitalization. A U.S. Holder may recognize gain (or loss) for U.S. federal income tax purposes upon the exchange in an amount equal to the difference between (a) the issue price of the New Notes received and (b) the U.S. Holder's adjusted tax basis in the Private Notes that such holder surrenders in the exchange.

U.S. Holders are urged to consult their tax advisors as to the consequences of participating in the Exchange Offer. For more information, see "Taxation—Certain United States Federal Income Tax Considerations."

The New Notes may be issued with original issue discount for U.S. federal income tax purposes.

The New Notes may be issued with original issue discount ("OID") for U.S. federal income tax purposes. In such event, U.S. Holders (as defined under "Taxation—Certain United States. Federal Income Tax Considerations") with an initial tax basis in the New Notes less than their stated principal amount generally will be required to include such OID in gross income (as ordinary income) on an annual basis under a constant yield accrual method regardless of their regular method of accounting for U.S. federal income tax purposes. As a result, U.S. Holders generally will include any OID in income in advance of the receipt of cash attributable to such income. See "Taxation—Certain United States Federal Income Tax Considerations—Tax Consequences to U.S. Holders of Holding and Disposing of New Notes—Original Issue Discount."

The spread of the COVID-19 outbreak could have an unpredictable effect on international and local securities markets.

At present, the major stock exchanges worldwide and the local capital market have been substantially disrupted by the COVID-19 pandemic, which has affected manufacturing activities and sales across a great

variety of industries, causing significant disruption or extending the terms of local and international supply chains, and bringing about serious unemployment issues among several activities related to the provision of goods and services. The IMF's highest-ranking authorities envisage the pandemic will unleash the most serious global recession after the 1929 crisis. The impact of the pandemic, in tandem with the measures adopted by the governments of affected countries to mitigate its economic impact, prompted irregular fluctuations in international and local stock markets.

As of the date of this Exchange Offer and Consent Solicitation Memorandum, we cannot predict the impact the global COVID-19 pandemic will have or which the scope of the emergency measures adopted by international and national governments will be, or which the consequences of such measures will be on international and local stock markets. See "Risk Factors—The outbreak and spread of a pandemic disease or similar threat to public health, such as the COVID-19 pandemic, could have a material adverse impact on the global and the Argentine economy, as well as on our business, financial position and results of operations."

A substantial amount of cash that would otherwise be available to satisfy payments under the Existing Notes at maturity will instead be used to pay the Cash Consideration described under the heading "Option B" in the table on the cover, as well as the Accrued Interest Payment.

Eligible Holders of Existing Notes that participate in the Exchange Offer under either the Early XX B Consideration, the Late XX B Consideration, the Early Private B Consideration or the Late Private B Consideration, will receive the Cash Consideration described under the heading "Option B" in the table on the cover. Eligible Holders of Series XX Notes will also receive the Accrued Interest Payment, in cash. These payments will constitute a substantial cash expense that will reduce the amount of cash available to us to make payments due on the Existing Notes. Holders of the Existing Notes that do not submit Tender Orders may be subject to the risk that the Company does not have sufficient funds available to pay principal and interest on the Existing Notes at maturity.

If we consummate the Consent Solicitation and the Proposed Amendments become operative, holders of Existing Notes will no longer benefit from the protections provided by substantially all of the existing restrictive covenants, certain of the affirmative covenants, certain events of default and other provisions.

If the Proposed Amendments become operative, which will occur upon acceptance and payment for the Existing Notes, Existing Notes that are not validly tendered and accepted pursuant to the Exchange Offer will remain outstanding immediately following the completion of the Exchange Offer and will be subject to the terms of the Series XX Notes Indenture as modified by the Supplemental Indenture. Among other things, as a result of the Proposed Amendments, substantially all of the restrictive covenants, certain of the affirmative covenants and certain events of default contained in the Series XX Notes Indenture and the Existing Notes will be eliminated or modified.

Upon the Proposed Amendments becoming operative, holders of Series XX Notes not tendered or accepted for exchange in the Exchange Offer will no longer be entitled to the benefits and protections of such covenants, events of default and other provisions. Subject to the terms of our other indebtedness, the elimination of these protections will permit us and our subsidiaries to take certain actions previously prohibited that could increase our credit risks with respect to the remaining Series XX Notes, as well as adversely affect the market price and credit rating of the remaining Series XX Notes. Additionally, a default under the Series XX Notes will not trigger a cross-default under the New Notes.

Series XX Notes that remain outstanding will be effectively subordinated to all of our existing and future debt that is secured to the extent of the value of the property and assets securing such debt, including the New Notes. See "The Offer and Solicitation" and "The Proposed Amendments."

RISKS RELATING TO THE NEW NOTES AND THE NEW NOTES OFFERING

The indenture relating to the New Notes will impose significant operating and financial restrictions on us which may prevent us from capitalizing on business opportunities.

The indenture that will govern the New Notes will include covenants that, among other things, limit our ability to:

- incur additional indebtedness;
- pay dividends or make distributions or repurchase or redeem stock;
- prepay, redeem or repurchase certain indebtedness;
- make loans and investments;
- sell assets;
- incur liens;
- enter into transactions with affiliates;
- enter into agreements restricting our restricted subsidiaries' ability to pay dividends; and
- consolidate, merge or sell all or substantially all of our assets.

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

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

We intend to apply to list the New Notes on the BYMA, including BYMA's Green Bond's Panel, and on the MAE and application is expected to be made to have the New Notes listed on the Official List of the Luxembourg Stock Exchange for trading on its Euro MTF Market, the New Notes will be new issues of securities with no established trading market or prior trading history. We cannot assure you that any such applications would be approved. In addition, we cannot assure you that a market for the New Notes will develop or, if one does develop, that it will be maintained. If a trading market does not develop or is not maintained, you may experience difficulty in reselling the New Notes or may be unable to sell them at an attractive price or at all. Further, even if a market develops, the liquidity of any market for the New Notes will depend on the number of holders of the New Notes, the interest of securities dealers in making a market in the New Notes and other factors. Furthermore, the market value and liquidity of, and trading markets for, the New Notes may be materially and adversely affected by changes in interest rates and declines and volatility in the markets for similar securities and in the overall economy, as well as by any changes in our financial condition or results of operations. We cannot assure you that the New Notes will not trade at a discount from their initial trading price, whether for reasons related or unrelated to us.

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

The New Notes have not been registered under the Securities Act or any state securities laws, and we are not required to and currently do not plan on making any such registration in the immediate future. The New Notes may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the

registration requirements of the Securities Act and applicable state securities laws. Such exemptions include offers and sales that occur outside the United States for non-U.S. persons in compliance with Regulation S and in accordance with any applicable securities laws of any other jurisdiction, and sales to U.S. qualified institutional buyers as defined under Rule 144A. You should be aware that investors may be required to bear the financial risks of this investment for an indefinite period of time. See "Transfer Restrictions" for a more detailed explanation of such restrictions.

We may redeem the New Notes prior to maturity.

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

The terms of the Indenture provide only limited protection against significant events that could adversely impact your investment in the New Notes.

Upon the occurrence of a Change of Control Repurchase Event (as defined in the "Description of the New Notes") we will be required to offer to repurchase all outstanding New Notes, as provided in the New Notes Indenture. However, the Change of Control Repurchase Event provisions will not afford you protection in the event of certain highly leveraged transactions that may adversely affect you. For example, any leveraged recapitalization, refinancing, restructuring or acquisition initiated by us generally will not constitute a Change of Control Repurchase Event. As a result, we could enter into any such transaction even though the transaction could increase the total amount of our outstanding indebtedness, adversely affect our capital structure or credit rating or otherwise adversely affect the holders of the New Notes. If any such transaction were to occur, the value of your New Notes could decline. In addition, the financial covenants in the New Notes Indenture are subject to significant exceptions.

The price at which holders will be able to sell their New Notes prior to maturity will depend on a number of factors and may be substantially less than the amount holders originally invested.

The market value of the New Notes at any time may be affected by changes in the level risks perceived in connection with the Company or the market. For example, an increase in the level of the risk perceived could cause a decrease in the market value of the New Notes. Conversely, a decrease in the level of risk perceived may cause an increase in the market value of the New Notes.

The level of risk perceived will be influenced by complex and interrelated political, economic, financial and other factors that can affect the money markets generally and/or the market in which the Company operates. Volatility is the term used to describe the size and frequency of market fluctuations. If the volatility of the perception of the risk varies, the market value of the New Notes may change.

Holders of New Notes may find it difficult to enforce civil liabilities against us or our directors, officers and controlling persons.

We are organized under the laws of Argentina and our principal place of business (*domicilio social*) is in the Province of Buenos Aires, Argentina. Our directors, officers and controlling persons reside outside the United States. In addition, a substantial portion of our assets and their assets is located outside the United States. As a result, it may be difficult for holders of New Notes to effect service of process within the United States on such persons or to enforce judgments against them, including in any action based on civil liabilities under the U.S. federal securities laws. In addition, under Argentine law, enforcement of foreign judgments would be recognized, provided that the requirements of Articles 517 through 519 of the Federal Code of Civil and Commercial Procedure are complied with, including the requirement that the judgment does not violate principles of public policy of Argentine law, as determined by the Argentine court. We cannot assure you that an Argentine court would not deem the enforcement of foreign judgments, requiring us to make a payment under the New Notes in foreign currency outside of Argentina, to be contrary to Argentine public policy, if at that time there are legal restrictions prohibiting Argentine debtors from transferring foreign currency outside

of Argentina to cancel indebtedness. Based on the opinion of our Argentine counsel, there is doubt as to the enforceability against our directors, officers and controlling persons in Argentina, in original actions, of liabilities based solely on the U.S. federal securities laws.

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

Certain of our assets may not be attached or foreclosed on.

Pursuant to Argentine law, assets that are essential to the provision of public services may not be attached, whether preliminarily or in aid of execution. As a result, Argentine courts may not order enforceability of judgments against any of our assets that are found by a court of law to be essential to the provision of a public service.

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

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

We may be unable to repurchase the New Notes upon a Change of Control Repurchase Event.

Upon the occurrence of a Change of Control Repurchase Event (as defined in the "Description of the New Notes"), we will be required to offer to repurchase all outstanding New Notes at a price of 101% of their principal amount plus accrued and unpaid interest. Our source of funds for any such purchase of the New Notes will be available cash, cash generated from our subsidiaries or other sources, including borrowings, sales of assets or sales of equity. The sources of cash may not be adequate to permit us to repurchase the New Notes upon a Change of Control Repurchase Event. Any failure on our part to offer to repurchase the New Notes, or to repurchase New Notes tendered following a Change of Control Repurchase Event, may result in a default under the New Notes Indenture and may be an event of default under the agreements governing our other indebtedness. We cannot assure you that our future indebtedness will not prohibit us from purchasing New Notes in the event of a Change of Control, provided that a Change of Control is a default or require repurchase upon a Change of Control. For further information, see "Description of the New Notes—Repurchase of Notes upon a Change of Control."

Payments to investors resident in, or that channeled their investments through, certain "non-cooperative" jurisdictions may be subject to tax withholding.

Argentina introduced comprehensive tax reforms that may require us to withhold taxes from interest payments in respect of the New Notes made to holders resident in, or that channeled their investment through, certain "non-cooperative" jurisdictions. The application of the new legislation is not entirely clear. In addition,

although the United States and many other developed countries are currently not considered "non-cooperative" jurisdictions, there is no assurance that the list of jurisdictions considered as "non-cooperative" will not change in the future. Payments of interest to holders of the New Notes resident in, or that channeled their investment through, those jurisdictions will be subject to a 35% withholding tax, and we will not make any gross-up payments in this respect to those holders. As a result of the uncertainty created by this legislation, the New Notes could face reduced liquidity, which could adversely affect the market price and marketability of the New Notes. For a list of "non-cooperative jurisdictions," please see "Taxation—Certain Argentine Tax Considerations." See also "Description of the New Notes—Additional Amounts."

Your decision to tender Existing Notes for New Notes exposes you to the risk of nonpayment for a longer period of time.

The Existing Notes will mature in January 2022. The New Notes will mature in 2027. If, following the maturity dates of the Existing Notes but prior to the maturity date of the New Notes, we were to become subject to a bankruptcy, taking of possession, liquidation or similar proceeding, the Eligible Holders of Existing Notes who did not exchange their Existing Notes for New Notes could have been paid in full and there would exist a risk that Eligible Holders of Existing Notes who exchanged their Existing Notes for New Notes would not be paid in full, if at all. Your decision to tender your Existing Notes should be made with the understanding that the lengthened maturity of the New Notes exposes you to the risk of nonpayment for a longer period of time if we were become subject to a bankruptcy, tacking of possession, liquidation or similar proceedings.

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

As of March 31, 2021, our consolidated total debt was U.S.$889 million. Subsequent to March 31, 2021, our total debt decreased by U.S.$30 million. In addition, concurrently with the Offer, the Company plans to announce an offering of Argentine law-governed notes in Argentina for an aggregate principal amount of between U.S.$40 million and U.S.$80 million, the use of proceeds of which would be for working capital, debt refinancing (including, potentially, payments under the Series XX Notes), purchase of fixed assets in Argentina and other uses permitted under section 36 of the Negotiable Obligations Law. No assurance can be given that the Company will be able to issue such notes in Argentina at satisfactory conditions or at all.

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

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

Although the New Notes Indenture restricts our ability to incur additional indebtedness, these restrictions are subject to a number of qualifications and exceptions, and the indebtedness we may incur in compliance with these restrictions could be significant. For instance, under the New Notes Indenture, we may incur indebtedness if, immediately after giving effect on a pro forma basis to the incurrence of such indebtedness

and the receipt and application of the proceeds therefrom, (A) our Interest Coverage Ratio is not less than 2.00 to 1.00, and (B) our Net Leverage Ratio is not greater than 3.75 to 1.00. Furthermore, we may provide guarantees in respect of debt of our project finance subsidiaries for up to the greater of (x) U.S.$60 million (or the equivalent in other currencies) or (y) 10% of Consolidated Total Assets that are not be included in the calculation of the ratios included in the covenants of the New Notes offered hereby. In addition, we have a general basket for indebtedness not to exceed the greater of U.S.$80.0 million and 20% of our Consolidated Net Tangible Assets. We also have several specific baskets, including a basket for up to the greater of (x) U.S.$60 million (or the equivalent in other currencies) or (y) 10% of Consolidated Total Assets equity contributions in, or guarantees of debt of, project finance subsidiaries. Furthermore, in certain circumstances, we may incur indebtedness equal to two times the equity contributions made into our company. For more information about the restrictive covenant related to limitation on debt, see "Description of the New Notes—Certain Covenants—Limitation on Debt" of the Offering Memorandum of the Existing Notes.

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

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

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

A downgrade in the credit ratings of our securities could have an adverse impact on our operations and financial position and the marketability of the New Notes.

Our securities are rated by Fix Scr S.A. ("Fix"), an affiliate of Fitch Ratings, and have been assigned a rating of "A+"; Rating Watch Negative, at a national level. Our Series XX Notes have also been assigned international ratings of Caa3 from Moody's and CCC from Fitch.

Such ratings are limited in scope and reflect only the views of the rating agencies at the time the ratings are issued. Our current ratings depend in part upon economic conditions and other factors affecting credit risk that are outside our control. Detailed explanations of the ratings may be obtained from the rating agencies. In its most recent report published on July 2, 2021, Fix asserts that our ratings could be affected by an increase in our indebtedness or regulatory changes affecting our expected business profitability could lead to a rating downgrade. Moreover, Fix highlighted the need for refinancing a portion of our Series XX Notes. Fix states that the Rating Watch Negative will change to Stable Outlook if Genneia successfully refinances its Series XX Notes. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Ratings." Negative developments in our business, financial condition and results of operations or other factors could cause the ratings agencies to lower the credit ratings, or ratings outlook, of our short and long-term debt, which may impair our ability to raise new financing or refinance our current borrowings and increase our costs of issuing any new debt instruments. A rating's downgrade or the removal of ratings could have an adverse effect on the price and marketability of the New Notes.

We may make investments and make other restricted payments even when highly leveraged.

The New Notes Indenture will restrict our ability and that of our restricted subsidiaries to make certain restricted payments, including paying dividends, making distributions or redemptions with respect to our capital stock or making payments on debt that is subordinated to the New Notes. However, these restrictions are subject to significant exceptions. Moreover, the Indenture does not fully restrict our ability and that of our restricted subsidiaries to make investments, including investments in unrestricted project finance subsidiaries. These exceptions include a general permitted investment basket in an amount equal to the greater of U.S.$100.0 million and 25% of our Consolidated Net Tangible Assets, as well as a basket for investments in project finance subsidiaries in an amount equal to the greater of U.S.$100.0 million and 25% of Consolidated Net Tangible Assets. See "Description of Notes—Certain Covenants—Limitation on Restricted Payments" and "Description of Notes—Certain Definitions—Permitted Investments."

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

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

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

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

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

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

Specifically, the Bankruptcy Law establishes that, in case of securities issued in series, such as the New Notes, the holders thereof will participate in the voting made to obtain the necessary consent to approve an agreement with creditors and/or the restructuring of our debts subject to a procedure for the calculation of majorities different from those required with respect to other unsecured creditors. Under this procedure: (i) a meeting of holders will be called by the trustee or the competent judge, as applicable; (ii) the holders present in such meeting will vote in favor or against the proposed restructure plan indicating the selected option, in case the plan is approved; (iii) the plan will be considered approved or rejected considering the aggregate principal amount voting in favor and the aggregate principal amount voting against the proposal plus the agreement of the other creditors; (iv) the decision will be stated for the record by the trustee or the person

appointed to such end by the meeting and evidenced by the meeting minutes; (v) a meeting of holders may not be called if the applicable laws or regulations permit a different method for obtaining the consent of creditors satisfactory to the judge; (vi) in the event the trustee were considered the creditor pursuant to the relevant proof of claims, as established in Section 32 of the Bankruptcy Law, it may divide its vote, voting in favor of the proposed plan with respect to the principal amount held by the beneficiary holders, who are also entitled to participate in the meeting, instructing it to accept the same as established in the Indenture or the applicable law and against it with respect to those instructing it to reject it. The proposal will be considered accepted or rejected based on the majority vote; (vii) the preceding provisions will also apply in case of proxies representing several holders duly admitted under Section 32 of the Bankruptcy Law and the provisions set forth in point (vi) will be applicable to the voting regime; (viii) in all cases, the judge may order specific measures to ensure the participation of the creditors and the legality of the voting procedure; and (ix) when calculating the votes related to the proposal in the meeting of holders all the positive votes are deemed to be in favor of the proposal and all the negative votes are deemed to be against the proposal.

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

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

In 2001 and 2002 Argentina imposed exchange controls and transfer restrictions, substantially limiting the ability of companies to retain foreign currency or make payments abroad. In addition, between 2011 and 2015, the administration of Fernández de Kirchner issued new regulations which significantly curtailed access to the foreign exchange market by individuals and private sector entities.

Between late 2015 and 2017, the Macri Administration lifted substantially all exchange controls then in place. Nevertheless, on September 1, 2019, in the wake of several factors affecting the development of the domestic economy and the resulting uncertainty in financial markets, and in an effort to address the Argentine government's concern about widespread exchange volatility and the uncertainty brought about by the election process underway, the Executive Branch passed Emergency Decree No. 609/2019 together with the Central Bank's Communication "A" 6770 (as amended and supplemented by several subsequent communications, including the revised language set forth in Communication "A" 6844) providing for, among other measures, and initially until December 31, 2019, the prohibition to access the exchange market to settle debt and other obligations in foreign currency between residents, and for transactions entered into as from September 1, 2019. By means of Decree No. 91/2019 and Central Bank's Communications "A" 6854 and 6856, the term of such exchange controls was extended for an indefinite period. Moreover, pursuant to Communications "A" 7106, 7133 and 7230 (currently replace by Communication "A" 7272), the Central Bank issued regulations restricting access to the foreign exchange market for the repayment of principal payments under certain external financial indebtedness maturing between October 15, 2020 and December 31, 2021. Although this restriction does not apply to the Existing Notes, we cannot assure you whether the Central Bank will extend these restrictions, or adopt similar restrictions, in the future. For more details on the exchange controls in place as of the date of this Exchange Offer and Consent Solicitation Memorandum, see "Exchange Rates and Exchange Controls."

As of the date of this Exchange Offer and Consent Solicitation Memorandum, we cannot predict whether Argentina will impose further exchange controls and transfer restrictions, among other things, in response to capital flight or a significant depreciation of the peso. In such event, our ability to make payments abroad may be affected and therefore your ability to receive payments on the New Notes may be impaired.

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

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

There can be no assurance that the projects funded with the proceeds of the Existing Notes, being refinanced by means of this Exchange Offer, will meet investor' criteria and expectations regarding environmental impact.

Although we have obtained an independent opinion stating that our Eligible Projects and this Exchange Offer are aligned with the United Nations Development Program, as described further under "Use of Proceeds," there is currently no market consensus on what precise attributes are required for a particular project to be defined as 'green,' and no assurance can be provided that the use of the amounts refinanced by means of this Exchange Offer will satisfy, whether in whole or in part, any present or future investor expectations or requirements regarding its environmental impact. Furthermore, such independent opinion may not reflect the potential impact of all risks related to our Eligible Projects, market and other factors that may affect the value of the New Notes. In addition, adverse environmental impacts may occur during the design and operation of such projects or the projects may become controversial or criticized by activist groups or other stakeholders.

The New Notes will be effectively subordinated to our secured debt (except for the Collateral), and the existing and future liabilities of our subsidiaries, as applicable

The New Notes will constitute our unsubordinated obligations and will rank *pari passu*, without any preferences among themselves, with all of our other present and future unsecured and unsubordinated debt obligations (other than obligations preferred by operation of law), to the extent not secured by the Collateral. Under the Argentine Bankruptcy Law, the obligations under the New Notes are subordinated to certain statutory preferences including claims for salaries, wages, social security, taxes and court fees and expenses. If we are subject to bankruptcy, judicial or non-judicial reorganization proceedings or the equivalent, the rights of the holders of the New Notes will rank junior to the above statutory preferences and, as a result, the ability to pay amounts outstanding under the New Notes may be affected.

The New Notes are not secured by any of our assets, other than the Collateral. Any claims of secured creditors with respect to other of our assets securing their financing will be prior to any claim of the holders of the New Notes with respect to those assets.

Our subsidiaries are separate and distinct legal entities from us. Our subsidiaries have no obligation to pay any amounts due on the New Notes or to provide us with funds to meet our payment obligations on the New Notes, whether in the form of dividends, distributions, loans, guarantees or other payments. In addition, any payment of dividends, loans or advances by our subsidiaries could be subject to statutory or contractual restrictions. Payments to us by our subsidiaries will also be contingent upon the subsidiaries' earnings and business considerations. Our right to receive any assets of any of our subsidiaries upon their bankruptcy, liquidation or reorganization, and therefore the right of the holders of the New Notes to participate in those assets, will be effectively subordinated to the claims of that subsidiary's creditors, including trade creditors.

Risks Relating to the Collateral

The Collateral will not be funded from any sources other than the Receivables, and any failure to purchase foreign currency to fund the Onshore U.S. Dollar Accrual Account shall not constitute an Event of Default under the New Notes

The Collateral will be funded with proceeds from the fiduciary assignment of certain receivables under the Assigned PPAs (the "Receivables") for the benefit of the holders. We will enter into the Onshore Collateral Trust Agreement in order to fund the Collateral with the Receivables, as permitted by current foreign exchange regulations. We will not be required to fund the Collateral from any source other than collections from the Receivables, there is no minimum amount up to which the Collateral needs to be funded, and CAMMESA could delay payments of the Receivables, which could materially affect the value of the Collateral.

For the year ended December 31, 2020, net sales of the Issuer under the Assigned PPAs were US$90 million. The collections from the Receivables under the Assigned PPAs are expected to be sufficient to cover scheduled interest payments under the New Notes and, assuming that an aggregate of up to US$350 million principal amount of New Notes are outstanding after the Exchange Offer, the collections from the Receivables should also suffice to cover scheduled payments of principal under the New Notes. However, if more than US$350 million principal amount of New Notes are outstanding after the Exchange Offer, the collections from the Receivables under the assigned PPAs would not suffice to cover scheduled payments of both interest and principal under the New Notes and the Issuer would need to use other resources to ensure that those payments are made in full.

Additionally, any failure to purchase foreign currency and/or to fund the Onshore U.S. Dollar Accrual Account shall not constitute an Event of Default under the New Notes, but instead limit the possibility that any amounts on deposit in the Onshore Peso Collection Account (not deposited in the Onshore U.S. Dollar Accrual Account) be transferred back to us.

Foreign exchange regulations may limit our ability to fund the Onshore U.S. Dollar Accrual Account

Central Bank regulations currently limit the amount of foreign currency that can be purchased and transferred to the Onshore U.S. Dollar Accrual Account. As of the date of this Exchange Offer and Consent Solicitation Memorandum, the Onshore Trustee is entitled to apply the Receivables paid by CAMMESA to purchase one sixth (1/6) of the next debt service under the New Notes each month. Notwithstanding the foregoing, there can be no assurances regarding the continuance of the ability of the Onshore Trustee to purchase foreign currency and transfer them to fund the Onshore U.S. Dollar Accrual Account, which may be limited by the foreign exchange regulations in effect at the time of the funding.

Insolvency and treatment of proceeds in the Collateral

Principal and interest under the New Notes will be secured by the Collateral and any funds therein pursuant to the Onshore Collateral Trust Agreement governed by Argentine law. If we were subject to an insolvency proceeding in Argentina, our unsecured creditors may challenge the validity of the Onshore Collateral Trust Agreement and of the security interest created thereunder. We cannot give you any assurance that the Onshore Collateral Trust Agreement or the security interest created thereunder will be held valid by an Argentine court in the context of an insolvency procedure. As a result, holders of the New Notes may not be able to prevail on the recognition of their preferred claims to the Collateral and the funds therein in the context of an insolvency procedure in Argentina. In that case, the entirety of their claim under the New Notes may be considered unsecured and any recovery made on the Collateral and any proceeds therein may be subject to clawback.

The laws of Argentina may limit the enforcement of rights to the Collateral

The creation and perfection of the security interest in favor of the Onshore Trustee for the benefit of the Holders and enforcement of the rights in respect of the Collateral are governed by the laws of Argentina. The laws relating to the creation and perfection of security interests in Argentina differ from those in the United States and their enforcement may be subject to restrictions and limitations, including the effect of

fraudulent conveyance and similar laws. The enforcement of contract rights against us, as trustors of the Onshore Collateral Trust, would depend on successful enforcement action, as established in the Onshore Collateral Trust Agreement. These restrictions and limitations may have the effect of preventing, limiting and/or delaying the enforcement of rights over the Collateral, and may materially impair the claims of the Holders. Any such delay in having an enforceable claim could also diminish the value of the interest of the Holders in the Collateral due to, among other things, the existence of other potential creditors and claimants. Such a diminished interest could materially affect the ability of holders of New Notes to recover their proportionate share of the value of the Collateral in an Event of Default (as defined in section Description of the New Notes) or default under the New Notes.

Failure by CAMMESA to pay the Receivables under the PPAs could have a material adverse effect on our ability to make payments under the New Notes and fund the Collateral.

Since the funds to pay the New Notes will be derived from the Assigned PPAs, any failure by CAMMESA to make payments under the Assigned PPAs could have a material adverse effect on our ability to make payments under the New Notes and fund the Collateral. Although current regulations dictate when CAMMESA should pay the Receivables each month with respect to energy generation and sale during the month preceding the payment, there can be no assurance that CAMMESA will make timely payments with respect to the Receivables under the Assigned PPAs, or that upon their failure to do so, there will be sufficient funds in the Onshore Peso Collection Account and the Onshore U.S. Dollar Accrual Account to pay principal of and interest on the New Notes when due.

USE OF PROCEEDS

We will not receive any cash proceeds from the issuance of the New Notes in the Exchange Offer. The Existing Notes exchanged in the Offer will be retired or cancelled and will not be reissued. The issuance of the New Notes is made to refinance our debt pursuant to Section 36 of the Negotiable Obligations Law and Resolution 861 of the CNV.

The debt refinanced will be allocated in accordance with our green bond framework issued on February 2021 (the "Framework") to finance and/or refinance, in whole or in part, one or more new or existing "Eligible Projects", as defined below. This is expected to include investments and expenditure (including improvements of Eligible Projects and research and development initiatives) on any such projects by us or any of our Subsidiaries and/or affiliates: (i) 36 months prior to the issuance date of the New Notes or (ii) within 36 months since the issuance date of the New Notes. For purposes of this paragraph, "affiliate" means any person that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, us.

We anticipate that our New Notes will support the achievement of the United Nations SDGs (Sustainable Development Goals) noted below and will meet our sustainability priorities.

Eligible Projects

Eligible Project Category	Eligibility Criteria and Project Examples	SDG Alignment
Renewable Energy	Expenditures related to the construction, development, expansion, production, acquisition, maintenance and operation of renewable energy including: • Wind • Solar • Biomass[1] • Small hydro (<25 MW) • Green hydrogen[2] • Battery storage facilities associated with renewable energy.	

[1] Subject to an emissions threshold of 100gCO2e/kWh and that the feedstock should be certified by credible certification schemes, such as Bonsucro.

[2] Using electrolysis powered by renewable energy.

Process for Project Evaluation and Selection

A Sustainability Finance Committee consisting of representatives from our Sustainability, Development and Finance teams will be responsible for the assessment and selection of Eligible Projects, on an annual basis, to ensure alignment with the Framework. The Sustainability Finance Committee reports directly to our Chief Financial Officer. The same governance structure and project evaluation process also applies to our subsidiaries and affiliates.

Management of Proceeds

Our Finance department plans to track the amounts refinanced by means of this Exchange Offer, spent on Eligible Projects. Pending allocation, refinanced amounts may be temporarily invested in cash, cash equivalents, and/or held in accordance with our internal liquidity policy. Any payment of principal and interest on any New Notes is expected to be made from our general account and would not be linked to the performance of any Eligible Project.

Reporting

Annually, until full allocation of the amounts refinanced by means of this Exchange Offer, and on a timely basis in case of material developments, we intend to publish a report on our website www.genneia.com.ar detailing, at a minimum, the allocation of amounts refinanced by means of this Exchange Offer to Eligible Projects and expected impact metrics, where feasible, (the "Green Bond Report").

Allocation Reporting

We aim to report, where feasible and subject to data availability and competition concerns, on the following metrics:

(i) The amounts refinanced by means of this Exchange Offer that have been allocated to one or more Eligible Projects either individually or by category, subject to confidentiality considerations;

(ii) The list of Eligible Project categories with a selection of brief descriptions; and

(iii) The amounts refinanced by means of this Exchange Offer yet to be allocated to Eligible Projects at the end of the reporting period.

Impact Reporting

We aim to report, where feasible and subject to data availability and competition concerns, on the following metrics:

(i) Expected annual electricity output in GWh; and

(ii) Expected annual greenhouse gas emissions avoided in metric tons of CO2e.

CAPITALIZATION

The table below sets forth our current debt, non-current debt and capitalization as of March 31, 2021,on an actual basis.

This information should be read in conjunction with our interim financial statements included elsewhere in this Exchange Offer and Consent Solicitation Memorandum and with the information under "Presentation of Financial and Other Information." During the course of this Exchange Offer, on or about August 11, 2021, we expect to issue our unaudited consolidated financial statements as of and for the six month period ended June 30, 2021.

	As of March 31, 2021
	Actual
	(U.S.$ in millions)
Current Debt[(1)]	
Negotiable debt obligations	524.7
Leasings	0.8
Bank loans and others	54.6
Related parties net of commissions	43.1
Total current debt	**623.3**
Non-current Debt[(2)]	
Negotiable debt obligations	50.7
Leasings	2.4
Bank loans and others	212.6
Total non-current debt	**265.7**
Total current and non-current debt	**889.0**
Total shareholders' equity	**273.5**
Total capitalization[(3)]	**1,162.4**

Notes:—

(4) Refers to current loans (including, without limitation, negotiable obligations) as set forth in note 5(h) of our interim financial statements.

(5) Refers to non-current loans (including, without limitation, negotiable obligations) as set forth in note 5(h) of our interim financial statements.

(6) Includes current debt and non-current debt plus shareholders' equity.

Subsequent to March 31, 2021, our total debt decreased by U.S.$30 million. In addition, concurrently with the Offer, the Company plans to announce an offering of Argentine law-governed notes in Argentina for an aggregate principal amount of between U.S.$40 million and U.S.$80 million, the use of proceeds of which would be for working capital, debt refinancing (including, potentially, payments under the Series XX Notes), purchase of fixed assets in Argentina and other uses permitted under section 36 of the Negotiable Obligations Law. No assurance can be given that the Company will be able to issue such notes in Argentina at satisfactory conditions or at all.

See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Indebtedness."

EXCHANGE RATES AND EXCHANGE CONTROLS

The following table sets forth the annual high, low, average and period-end exchange rates for the periods indicated, expressed in pesos per U.S. dollar and expressed in nominal terms.

	High[(1)]	Low[(1)]	Average[(2)]	Period End
Year Ended December 31,				
2012	4.9173	4.3048	4.5515	4.9173
2013	6.5180	4.9228	5.4798	6.5180
2014	8.5555	6.5430	8.1188	8.5520
2015	13.7633	8.5537	9.2689	13.0050
2016	16.0392	13.0692	14.7794	15.8502
2017	18.8300	15.1742	16.5567	18.7742
2018	40.8967	18.4158	28.0937	38.5700
2019	60.0000	37.0400	48.2553	59.9000
2020	84.1450	51.8152	71.6057	84.1450
Month Ended				
January	87.2983	84.7033	85.9708	87.2983
February	89.8250	87.6520	88.6746	89.8250
March	91.9850	90.0850	91.0664	91.9850
April	93.5550	92.2367	92.8638	93.5550
May	94.6850	93.6750	94.1048	94.6850
June	95.7267	94.7350	95.2543	95.7267
July[1]	96.6850	95.7667	96.2378	96.6850

Source: Reference Exchange Rates published by the Central Bank (Communication "A" 3500 of the Central Bank).

Notes:—

(1) Exchange rates are the actual low and high daily for each period.

(2) The yearly average rate is calculated as the average of the exchange rates on the last day of each month during the period. The monthly average rate is calculated on a day-to-day basis for each month.

Exchange Controls

On September 1, 2019, Decree of Necessity and Urgency No. 609/2019 (as amended by Decree No. 91/2019, "Decree No. 609") was published in the Official Gazette. Such Decree established that the consideration for the export of goods and services shall enter the country in foreign currency and/or settled on the foreign exchange market on the terms and conditions established by the Central Bank from time to time, implementing capital controls to reduce the devaluation stress on the Peso. The effective term of such rules was extended for an indefinite period of time by the administration of Alberto Fernández pursuant to Decree No. 91/2019 and Communication "A" 6854 and 6856 issued by the Central Bank.

In such context, the Central Bank issued Communication "A" 6770 (as amended and/or supplemented) whereby restrictions were imposed on access to the foreign exchange market for purchase of foreign currency and precious metals (coins) and transfers abroad, and measures were implemented to prevent practices and transactions intended to circumvent such measures through government securities and other instruments.

In addition, Decree No. 609 provides that the Central Bank will determine the events in which access to the foreign exchange market for purchase of foreign currency and precious metals and transfers abroad will

[1] NTD: Please complete

require previous authorization, based on objectives standards consistent with the conditions prevailing in the exchange market and drawing a distinction between individuals and legal entities. Likewise, the Central Bank is empowered to issue regulations to prevent practices and transactions intended to circumvent this measure through government securities or other instruments.

Section 4 of Decree No. 609 has replaced Section 2 of Decree No. 596/2019 ("Decree No. 596") which established that the deferral pursuant to such decree did not apply to short-term Argentine sovereign debt securities held of record as of July 31, 2019 with Caja de Valores S.A. by individuals who continue to hold them as of the payment date; and the new section clarifies the scope of the direct and indirect holding by individuals, providing that such deferral does not apply to short-term Argentine sovereign debt securities if: (a) the holdings are recorded as of July 31, 2019 in systems of record through local institutions whose registrations are verifiable by the controlling authorities of the Argentine Republic, and (b) they are held, either directly or indirectly, by individuals who continue to hold them as of the payment date and the traceability of which may be verified by the government controlling agencies referred to above.

The same regulations shall apply to securities subscribed under the tender process dated August 13, 2019 by individuals who continue to hold them as of the respective payment date. Such section shall also apply to debt securities governed by this decree, whose holder is an individual who has tendered them to secure market transactions and then recovers them and holds them as of the payment date, always provided that that their ownership is traceable as determined by the CNV.

Decree No. 609 also established that holders of such government debt securities under Decree No. 596, the original maturity date of which has already occurred, may deliver them in payment, at their technical value calculated as of the date of the original maturity, to discharge the following social security liabilities due and payable as of July 31, 2019: (1) Employers' and employees' contributions to the Argentine Integrated Social Security System (*Sistema Previsional Integrado Argentino*), created by Law No. 24,241, as amended and supplemented; (2) Employers' and employees' contributions to the Argentine Institute of Social Services for Retirees and Pensioners (*Instituto Nacional de Servicios Sociales para Jubilados y Pensionados*), created by Law No. 19,032 as amended; (3) Contributions to the Family Allowance Regime (*Régimen Nacional de Asignaciones Familiares*), created by Law No. 24,714 as amended; and (4) Contributions to the Argentine Employment Fund (*Fondo Nacional de Empleo*), created by Law No. 24,013. The liabilities above, plus compensatory, default interest and penalties will be calculated until the date of payment by surrendering the securities under Decree 596 in lieu of payment.

The most relevant aspects of the Central Bank's regulations are outlined below based on the consolidated text of Communication "A" 7272 (as amended or supplemented, the "Consolidated Communication 7272"), as amended and supplemented, related to the inflow and outflow of funds into and from Argentina:

Specific provisions on inflows of funds through the exchange market

Collection of Proceeds from Exports of Goods

Pursuant to Section 7.1 of Consolidated Communication 7272, consideration in foreign currency for exports officially recorded on or after September 2, 2019 until reaching the invoiced amount based on the selling conditions agreed upon shall enter Argentina and be settled on the foreign exchange market within 15 to 180 calendar days from the date of the shipment certificate issued by the Customs Office depending on the tariff code of the exported goods.

Exceptionally, any such transactions performed under the "*Exporta Simple*" regime shall be entered and settled through the exchange market within 365 days from the date of shipment, irrespective of the type of goods exported.

Those exporters who engaged in transactions with related parties in relation to certain goods may request the entity in charge of monitoring the customs regime (*destinación*) applicable thereto to extend the term up to 180 days if: (i) the importer is a company controlled by an Argentine exporter; (ii) the exporter has not recorded exports for an aggregate amount in excess of the equivalent amount of U.S.$50 million in the calendar year immediately preceding the official validation of the customs regime applicable thereto. If the exporter

has recorded exports for a higher value and the goods exported are classified under certain tariff codes, the extension may be requested for up to 120 days.

If the institution has verified that the customs regime applicable to the export consists of a transaction meeting these requirements, the term may be extended for such period of time specified in Section 7.1.1 of Consolidated Communication 7272 for the product concerned. If the entity has verified that the customs regime applicable to the export was erroneously declared before the Customs Office as a transaction with a related party, the term may be extended for such period of time applicable pursuant to Section 7.1.1 of Consolidated Communication 7272 for the product concerned.

Transactions with related parties means any such transactions involving a resident and a counterparty where their relationship falls within the types described in subsection 1.2.2. of the rules on Large exposures to the credit risk ("*Grandes exposiciones al riesgo de crédito*") issued by the Central Bank.

Notwithstanding the maximum terms above, the proceeds from exports must be entered and settled through the local exchange market within 5 business days of the collection date.

The amounts in foreign currency originating in insurance proceeds as a result of insurance policies purchased (in the context of exports), to the extent that they cover the value of the exported goods, are subject to such obligation.

The exporter is required to designate a financial entity to "Monitor trading in foreign currency from export of goods." The obligation to enter and settle foreign currency from a shipping permit will be deemed to be discharged when the entity has certified such situation through the mechanisms established for such purpose.

Application of Export Proceeds

Application of proceeds from exports of goods and services in foreign currency shall be authorized provided that the following conditions are met in each case, to:

(a) Payment of principal and interest on external financial indebtedness the funds of which have been entered and settled through the exchange market on or after October 2, 2020 and used in the financing of projects that meet the conditions set forth in Section 7.9.2 of Consolidated Communication 7272, provided that the average life thereof is not shorter than 1 (one) year, taking into account payments of principal and interest.

(b) Repatriation of direct investments from non-residents in companies not controlling domestic financial institutions the funds of which have been entered and settled through the exchange market on or after October 2, 2020 and used in financing of projects that meet the conditions set forth in Section 7.9.2. of Consolidated Communication 7272, provided that the repatriation is carried out after the date of completion and start-up of the investment project and, at least 1 (one) year after entry of the capital contribution through the exchange market.

(c) Payment of principal and interest on issues of debt securities publicly registered in Argentina denominated in foreign currency, that meet the conditions set forth in Section 3.6.1.3 of Consolidated Communication 7272, the proceeds from which have been settled through the exchange market on or after October 16, 2020 and used in financing of projects that meet the conditions set forth in Section 7.9.2. of Consolidated Communication 7272, provided that the average life thereof is not shorter than 1 (one) year taking into account the due dates of principal and interest.

(d) Payment of principal and interest on issues of debt securities publicly registered in Argentina denominated in foreign currency, with service payments in foreign currency in Argentina or issues of debt securities publicly registered abroad, consummated on or after October 9, 2020, with an average life not shorter than 2 (two) years and delivery of which to the creditors has resulted in the refinancing standards set forth under Section 3.17 of Consolidated Communication 7272 being reached.

(e) Payment of principal and interest on external financial indebtedness the proceeds from which have been entered and settled through the exchange market on or after October 16, 2020 and as a result of which the refinancing standards under Section 3.17 of Consolidated Communication 7272 have been reached.

(f) Payment of principal and interest on issues of debt securities publicly registered in Argentina denominated in foreign currency, that meet the conditions set forth in Section 3.6.1.3. of Consolidated Communication 7272 the proceeds from which have been settled through the exchange market on or after October 16, 2020 and as a result of which the refinancing standards under Section 3.17 of Consolidated Communication 7272 have been reached.

(g) Payment of principal and interest on issues of debt securities publicly registered in Argentina, denominated in foreign currency, with service payments in foreign currency in Argentina or issues of debt securities publicly registered abroad, consummated from January 7, 2021 to March 31, 2021, carried out in a context of transactions involving exchange of debt securities or interest refinancing and/or repayment of principal of external financial indebtedness due until December 31, 2022 based on transactions that had a final maturity date after March 31, 2021, provided that upon taking into account the transaction in the aggregate the average life of the new debt results in an increase of no less than 18 months with respect to the refinanced maturity dates.

(h) Payment of principal and interest on issues of debt securities publicly registered in Argentina, denominated in foreign currency, with service payments in foreign currency in Argentina or issues of debt securities publicly registered abroad, consummated on or after April 1, 2021, carried out in a context of transactions involving exchange of debt securities or interest refinancing and/or repayment of principal of external financial indebtedness due until December 31, 2022 based on transactions with a final maturity date after December 31, 2021, provided that upon taking into account the transaction in the aggregate the average life of the new debt results in an increase of no less than 18 months with respect to the refinanced maturity dates.

The transactions outlined in (a), (b) and (c) above will be eligible provided that the settled proceeds are used in investment project financing in Argentina and if they result in: (i) an increase in production of goods that are mostly placed in foreign markets and/or that will enable substitution of imports of goods. Such condition will be deemed to be satisfied upon providing reasonable evidence that at least two thirds of the increase in production of goods resulting from the project will be allocated to foreign markets and/or substitution of imports in the period of 3 (three) years following completion of the project, with a positive effect on the foreign exchange balance of goods and services, and/or (ii) an increase in the transportation capacity of goods and services upon performing infrastructure construction works at the ports, airports and land terminals for international shipment.

In turn, pursuant to Section 10.12 of Consolidated Communication 7272 the amount that enables importers to have access to the foreign exchange market on the conditions set forth in Section 10.11 of Consolidated Communication 7272 will be increased by the equivalent amount of 50% of the amounts entered and settled by the importer on or after October 2, 2020 through the exchange market on account of advance payments or prefinancing of exports from foreign countries within a minimum term of 180 days. In the event of transactions settled on or after March 19, 2021, access to the foreign exchange market will be also authorized for the remaining 50% provided that the additional portion is related to advance payments for capital goods and/or goods that qualify as supplies required for production of exportable goods, and the entity will be required to have an affidavit from the customer regarding the type of good concerned and its qualification as an input required for production of exportable goods.

Proceeds from exports may also be applied to advance payments and repayment of export prefinancing loans as follows:

(i) Prefinancing and financing granted or secured by local financial institutions.

(ii) Prefinancing, advance payments and financings entered and settled through the local exchange market and declared in the survey of external assets and liabilities.

(iii) Financial loans under agreements in effect as of August 31, 2019 the conditions of which provide for service payment through allocation abroad of export proceeds.

(iv) Financing granted by financial institutions to foreign importers.

Any such applications of export proceeds that are not outlined in (i) to (iv) above require the previous authorization from the Central Bank.

Export Prefinancing

Section 7.5.2. of Consolidated Communication 7272 sets forth that if the amount to be entered from the transactions has been prefinanced in full and the funds have been settled through the exchange market as domestic and/or foreign export prefinancing, the term for settlement of foreign currency from the shipment permit may be extended until the due date of the relevant financing.

In turn, if the exporter shows that it has settled through the exchange market the amount received as a result of export post-financings covering the full amount pending entry under the permit and provided that there is no impediment preventing issuance of the certification of application, the term for settlement of foreign currency under the shipment permit may be extended until the due date of the loan with the longer term discounted and/or assigned by the exporter.

The foregoing will also apply if the exporter has prefinanced the transaction in part and shows that it has settled through the exchange market, prior to the due date, export post-financings covering the remaining amount pending entry.

Local collection of export proceeds under the rancho regulations from foreign means of transportation

Section 8.5.18 of Consolidated Communication 7272 establishes that, in relation to local collection of export proceeds under the rancho regulations from foreign means of transportation, it may be considered that the follow-up on a shipment permit has been satisfied in full or in part for the amount equivalent to the amounts paid locally in Pesos and/or foreign currency to the exporter by a local agent of the company owning the foreign means of transportation, provided that the following conditions are met:

(i) The documentation allows verification of the fact that the exported goods have been delivered in the country, and that the local agent of the company owning the foreign means of transportation has made payment to the exporter locally and the currency in which such payment was made.

(ii) The entity has a certification issued by an entity showing that such local agent had access to the foreign exchange market under Section 3.2.2 of the Consolidated Text of Foreign Exchange Regulations (*Exterior y Cambios*) for the equivalent amount in foreign currency sought to be allocated to the permit.

The entity issuing such certification shall previously:

(a) verify compliance with all requirements under foreign exchange regulations for access to the exchange market pursuant to Section 3.2.2. of Consolidated Communication 7272, except for the provisions of Section 3.16.1 thereof.

(b) have an affidavit from such local agent showing that it has not transferred or will not transfer funds abroad for the proportional portion of the transactions covered by the certification.

(iii) In the event that the amounts have been received in Argentina in foreign currency, the entity shall have the certification of settlement of funds through the exchange market.

(iv) The local agent has not used this mechanism for an amount in excess of the equivalent amount of U.S.$ 250,000 in the same calendar month.

Obligation to enter and settle service export transactions

Pursuant to Section 2.2 of Consolidated Communication 7272 collections of service export proceeds must be entered and settled through the foreign exchange market within no more than five business days of the date of receipt abroad or in Argentina, or of the date when such amount was credited into accounts held abroad.

In the case of funds received or credited abroad, it may be considered that the entry and settlement requirement has been met for the amount equivalent to ordinary expenses debited by the foreign financial institutions for the transfer of funds to Argentina.

Service export proceeds may be applied to payment of principal and interest on external financial indebtedness or debt securities publicly registered in Argentina and denominated in foreign currency, with service payments in foreign currency within Argentina or to the repatriation of contributions of direct investments, provided that the requirements set forth in Section 7.9 of Consolidated Communication 7272 are met.

In addition, provided that the requirements set forth in Sections 3.11.3. and 7.9.5. of Consolidated Communication 7272 are met, collections of service export proceeds may be accumulated in accounts held with local or foreign financial institutions, for the amounts due under indebtedness agreements, in order to secure payment of principal and interest on external financial indebtedness and/or issues of debt securities publicly registered in Argentina and denominated in foreign currency, and the services of which are payable in foreign currency in Argentina.

Disposal of non-produced non-financial assets

Section 2.3 of Consolidated Communication 7272 sets forth that the receipt by residents of amounts in foreign currency for the disposal of non-produced non-financial assets to non-residents must be entered and settled through the foreign exchange market within 5 business days of the date of receipt of the funds in Argentina or abroad or the date when such funds are credited into foreign accounts.

In the case of funds received or credited abroad, the entry and settlement requirement may be deemed to be met for the amount equivalent to the ordinary expenses debited by foreign financial institutions for the transfer of funds to Argentina.

Settlement of External Indebtedness – Access Obligation and Requirements

Section 2.4 of Consolidated Communication 7272 establishes the obligation to enter and settle through the local exchange market new external financial debts disbursed on or after September 1, 2019 and the obligation to show compliance with such requirement for access to the exchange market for payment of principal and interest thereon.

In the case of entities authorized to trade in foreign exchange, the obligations of the foregoing paragraph will be deemed to be satisfied upon entry of the funds as part of the General Foreign Exchange Position (*Posición General de Cambios, PGC*).

Issues of foreign currency denominated debt securities publicly registered in Argentina

In turn, Section 2.5 of Consolidated Communication 7272 sets forth that issues by residents of debt securities publicly registered in Argentina on or after November 29, 2019, that are denominated and subscribed in foreign currency and the principal and interest on which are payable in Argentina in foreign currency must be settled in the exchange market as a prerequisite for subsequent access thereto in order to make such payments of principal and interest.

In the case of entities authorized to trade in foreign exchange, the obligations of the foregoing paragraph will be deemed to be satisfied upon entry of the funds to the PGC.

Exceptions to the Settlement Obligation

Section 2.6 of Consolidated Communication 7272 establishes an exception on the obligation to settle in the exchange market the foreign currency proceeds received by residents from exports of goods and services and the disposition of non-financial, non-produced assets, or as a condition for repayment in the case of external indebtedness and issues by residents of debt securities publicly registered in Argentina, to the extent that all the following conditions are met:

(a) The funds enter the country in order to be credited in a foreign currency accounts held by the customer with a local financial institution;

(b) The funds are entered within the term set for settling the funds in the exchange market, depending on the applicable transaction;

(c) The funds in foreign currency are simultaneously applied to transactions in respect of which access to the exchange market with local currency is allowed, taking into account the limits set for each applicable item.

If the inflow of funds relates to new external financial indebtedness to be applied to the prepayment of local debts in foreign currency vis-à-vis a financial institution, the new external indebtedness shall have a longer average life than the one prepaid to the local institution.

(d) Use of this mechanism should be neutral from a tax perspective.

Swaps and arbitrage transactions with customers related to inflows of foreign currency

The entities may carry out such transactions with customers to the extent that they do not involve transactions subject to the obligation of settlement through the foreign exchange market. For such transactions, the financial institutions shall permit the inflows funds in foreign currency from abroad be credited into the account held by the customer in foreign currency. If the transfer is carried out in the same currency in which the account is denominated, the institution shall credit the same amount received from abroad. If the institution determines that a fee and/or charge shall be payable for such transactions, it shall be recorded through a specific item.

Specific regulations applicable to outflows through the exchange market

General

Notwithstanding the conditions and requirements set forth in the foreign exchange regulations for each type of transaction, Sections 3.1. to 3.15. of Consolidated Communication 7272 (except for any such transactions carried out by individuals to build up external assets pursuant to Section 3.8. of Consolidated Communication 7272) establish that the participating institution shall have the Central Bank's previous consent, unless the customer provides an affidavit setting forth that at the time of access to the exchange market:

(a) (i) It had no liquid and available external assets at the beginning of the day on which it requests access to the market for a higher amount equivalent to U.S.$ 100,000 (U.S. Dollars One Hundred Thousand) and (ii) all of its foreign currency holdings in Argentina are deposited in accounts held with financial institutions. "Liquid external assets" means for the purposes hereof the holding of bills and coins in foreign currency, good delivery gold in coins or bars, demand deposits with foreign financial institutions and other investments convertible into immediately available funds in foreign currency. In turn, any such funds deposited abroad that may not be used by the customer for being reserve or guarantee funds under external indebtedness contracts or funds set up as guarantee to secure derivative transactions with foreign entities shall not qualify as liquid and available external assets.

If the customer has liquid and available external assets for an amount in excess of the amount set forth above, the institution may also accept an affidavit from the customer setting forth that such amount is not exceeded if it considered that, in whole or in part, such assets: (1) were used during

such day to make payments that would have had access to the local exchange market; (2) were transferred to the customer to a correspondent account with a local institution authorized to trade in foreign exchange; (3) are funds deposited with foreign bank accounts originating in proceeds from exports of goods and/or services or advance payments, prefinancing or post-financing of exports of goods granted by non-residents, or in the disposal of non-financial and non-produced assets for which the 5-(five)-business-day term since receipt has not lapsed; (4) are funds deposited with foreign bank accounts originating in external financial indebtedness and the amount thereof does not exceed the equivalent amount payable on account of principal and interest within the following 365 (three hundred and sixty-five) calendar days.

(b) It agrees to settle through the exchange market, within five business days of the date on which they are made available, any such funds received abroad and originating in (i) collection of loans granted to third parties, (ii) collection of a term deposit or (iii) the sale of any type of asset, (in any of the events (i), (ii) and (iii) above, if the transaction concerned has been carried out after May 28, 2020).

The customer's affidavit shall not be required for outflows regarding: (i) transactions carried out by customers pursuant to Sections 3.8., 3.13. and 3.14.1. to 3.14.4. of Consolidated Communication 7272; (ii) transactions carried out by the institution itself as a customer; (iii) repayments of foreign currency financing granted by local financial institutions for purchases in foreign currency through credit or purchase cards; or (iv) payments abroad to non-financial card issuers for use of credit, purchase, debit or prepaid cards issued in Argentina.

In turn, Section 3.16.3 of Consolidated Communication 7272 establishes that for customers' transactions related to outflows through the foreign exchange market –including transactions carried out through swaps or arbitrages – the participating institution shall require the Central Bank's previous consent (in addition to the requirements for the institution authorized to trade in foreign exchange to process the transaction) unless the customer provides an affidavit setting forth that (i) on the day on which it requests access to the exchange market and for the preceding 90 calendar days it has not carried out in Argentina sales of securities with settlement in foreign currency or transfers thereof to foreign depositaries (until July 30, 2020, the affidavit in this paragraph shall be deemed to include only the period elapsed from and including May 1, 2020); and (ii) it agrees not to carry out in Argentina sales of securities with settlement in foreign currency or transfers thereof to foreign depositaries after applying for access and for the immediately succeeding 90 calendar days. It must be noted that performance of a securities sale transaction with settlement in foreign currency or transfer thereof to foreign depositaries may restrict access to the foreign exchange market for payment of liabilities denominated in foreign currency, whether or not access is expressly set forth in foreign exchange regulations. For purposes of such affidavits, transfers of securities to foreign depositaries carried out or to be carried out by the customer to take part in an exchange of debt securities issued by the National Government, local governments or resident issuers of the private sector shall not be taken into account. The customer shall agree to submit the relevant certification for the so exchanged debt securities.

The requirement of the foregoing paragraph shall not be applicable to outflows related to: (i) transactions carried out by customers pursuant to Sections 3.14.2. to 3.14.4 of Consolidated Communication 7272, (ii) transactions carried out by the institution itself as a customer, (iii) repayments of foreign currency financing granted by local financial institutions, including payments for purchases in foreign currency through credit or purchase cards and (iv) transactions falling within the scope of Section 3.13.4. of Consolidated Communication 7272 provided that they are automatically carried out by the institution as attorney-in-fact of the non-resident beneficiary.

In addition to the above, by means of Communication "A" 7327, the Central Bank established that, as of July 12, 2021, in order for residents to be granted access to the foreign exchange market, it will be required (in addition to the preexisting conditions), that:

(i) on the same day that such access is required and within the previous 90 days, such local resident has not exchanged securities for other foreign assets (in addition to the already existing requirement of not having sold securities with settlement in foreign currency or transferred them to depository institutions abroad during the same period); and

(ii) for legal entities, to submit a sworn statement informing (a) a list of the persons or legal entities that directly control the client; and (b) that within the previous 90 days (or since July 12, 2021, in the event that 90 days have not yet elapsed since that date), the legal entity has not delivered in the country any funds in local currency or other liquid local assets to any of the aforementioned persons (except for those directly associated with usual transactions involving the acquisition of goods and/or services). Alternatively, the requirement set forth in (b) may be considered fulfilled if the legal entity submits a sworn statement executed by each of those persons exercising direct control stating that, during the same period, no sales of securities with settlement in foreign currency, or exchanges of securities for other external assets, or transfers thereof to depository institutions abroad, have been made.

Section 3.17 of Consolidated Communication 7272 establishes that those who should make repayments of principal with due dates until December 31, 2021 for the following transactions: (a) financial indebtedness to a foreign creditor of the non-financial private sector that is not a party related to the debtor, or (b) external financial indebtedness based on transactions carried out by the institutions themselves, or (c) issues of debt securities publicly registered in Argentina and denominated in foreign currency by customers of the private sector or the institutions themselves, to have access to the exchange market shall submit before the Central Bank a detailed statement of a refinancing plan based on the following criteria: (a) the net amount for which access will be granted to the exchange market on the original terms shall not exceed 40% of the principal amount that was due to expire, and (b) the remaining principal amount shall have been refinanced at least by a new external indebtedness with an average life of 2 years.

In addition to the refinancing granted by the original creditor, the refinancing scheme shall be deemed to be satisfied when the debtor has access to the exchange market to repay the principal amount in excess of 40 % of the principal amount that was due, provided that the debtor has settlements through the exchange market on or after October 9, 2020 for an amount equal to or higher than the excess amount over 40%, on account of: (i) issues of debt securities publicly registered abroad or other external financial indebtedness; (ii) issues of debt securities publicly registered in Argentina and denominated in foreign currency that meet the conditions set forth in Section 3.6.1.3 of Consolidated Communication 7272.

The foregoing shall not apply if: (i) the indebtedness is acquired with international organizations or their associated agencies or secured by them; (ii) the indebtedness is acquired under loans granted to the debtor by official credit agencies or secured by them; (iii) the indebtedness originates on or after January 1, 2020 and the proceeds from which have been entered and settled through the exchange market; (iv) the indebtedness originates on or after January 1, 2020 consisting of refinancing of principal with due dates subsequent to such date, to the extent that as a result of the refinancing the parameters established in Section 3.17.3 of Consolidated Communication 7272 have been met; (v) the remaining portion of indebtedness that has been already refinanced provided that as a result of such refinancing the parameters established in Section 3.17.3 of Consolidated Communication 7272 have been met; and (vi) it is a debtor that will have access to the foreign exchange market for repayment of principal not in excess of the equivalent amount of USD 2,000,000 (United States Dollars Two Million) in the calendar month and considering all institutions in the aggregate.

In addition, Section 3.16.4 of Consolidated Communication 7272 establishes that the institutions shall require the Central Bank' previous consent to grant access to the exchange market to any such individuals or legal entities included by the Argentine tax authority (AFIP) in the database of invoices or equivalent documents listed as fake by such agency. This requirement shall not be applicable for access to the market for repayments of financing in foreign currency granted by local financial institutions, including payments for purchases in foreign currency carried out through credit or purchase cards.

Investment Promotion Regime for Exports

Section 7.10 of Consolidated Communication 7272 establishes that proceeds from exports of goods under projects eligible for the benefits under the investment promotion regime for exports created by Decree No. 234/21 (the "Promotion Regime") and on the terms established by the enforcement authority, may be used in the following transactions: (a) payment after the due date of principal and interest on debts derived from the import of goods and services; (b) payment after the due date of principal and interest on external financial

indebtedness; (c) payment of profits and dividends resulting from closed and annual financial statements; and (d) repatriation of direct investments by non-residents in companies not controlling local financial institutions.

Such applications shall be subject to satisfaction of the following conditions:

(i) the applied amount shall not exceed 20% of the amount in foreign currency of the export permit under which proceeds are applied;

(ii) the amount applied in the calendar year does not exceed the equivalent amount of 25% of the gross amount of foreign currency entered through the foreign exchange market to finance execution of the project that generates the exports so applied. Such gross amount will be derived from the accumulated amount of settlements made through the foreign exchange market after April 7, 2021 on account of (a) external financial indebtedness and, (b) contributions of direct foreign investment. Settlements may be computed upon the lapse of one calendar year since settlement through the exchange market;

(iii) exporters who choose such mechanism must designate a local financial institution to monitor the project subject to the Promotion Regime.

In addition, proceeds from exports of goods received by an exporter that are eligible to be applied as described above and that are not simultaneously applied may be deposited until allocation in foreign correspondent accounts of local financial institutions and/or in local accounts denominated in foreign currency held with local financial institutions. If the application is not consummated as of expiration of the period for settlement of foreign currency under the relevant shipment permit, the exporter may request the institution in charge of monitoring such term for an extension until the date on which application is expected.

Payments of imports and other purchases of goods abroad

Section 3.1 of Consolidated Communication 7272 allows access to the exchange market to pay imports of goods, and it establishes different conditions on the various payments of imports of goods cleared through customs or payments of imports of goods that are pending customs clearance. In addition, it reinstates the SEPAIMPO system of follow-up of payment of imports to monitor import payments, import financings and evidence of entry of goods to Argentina.

In addition, the local importer must appoint a local financial institution to act as follow-up bank, which shall be responsible for verifying compliance with the applicable laws, including, inter alia, the settlement of import financings and the entry of imported goods.

Notwithstanding the foregoing provisions, pursuant to Section 10.11 of Consolidated Communication 7272, until December 31, 2021, the previous consent from the Central Bank shall be required to have access to the exchange market for making payments of imports of goods or advance payments of imports of goods or repayment of the principal amount of debts originating in the import of goods (item code P13), except in any of the following events:

(a) The participating institution has an affidavit from the customer setting forth that the total amount of payment related to its imports of goods processed through the exchange market on or after January 1, 2020, including such payment for which authorization is being requested does not exceed by more than the equivalent amount of U.S.$1,000,000 the amount resulting from taking into account (i) the amount for which the importer would have access to the exchange market upon computing imports of goods recorded in its name in the SEPAIMPO system and that were officially validated between January 1, 2020 and the day prior to access to the exchange market, (ii) plus the amount of payments cleared through the foreign exchange market on or after July 6, 2020 for imports of goods entered through a Private Application or Courier or transactions under the scope of Sections 10.9.1, 10.9.2 and 10.9.3 of Consolidated Communication 7272 that have been shipped on or after July 1, 2020 or if previously shipped have not arrived in Argentina prior to such date, (iii) plus the amount of payments made in the context of b) to g) below, not related to imports falling within the scope of clauses (i) and (ii) of this paragraph, (iv) less the amount pending clearance for payments of imports with pending customs registration made between September 1, 2019 and December 31, 2019.

(b) A deferred or demand payment of imports of goods for transactions that have been shipped on or after July 1, 2020 or that have been shipped prior thereto but have not arrived in Argentina prior to such date.

(c) A payment related to a transaction not falling within the scope of clause (b) provided that it is intended to be used in payment of a trade debt for imports of goods to an export credit agency or a foreign financial institution or secured by them.

(d) A payment by: (i) the public sector, (ii) all business organizations, irrespective of their legal forms, where the Argentine Government holds a majority stake in the capital or voting of corporate actions, or (iii) the trusts created out of contributions from the national public sector.

(e) A payment with pending customs clearance registration to be made by a legal entity responsible for supplying critical medicines to be entered upon a private request from the beneficiary of such medical coverage.

(f) A payment of imports with pending customs clearance registration for the purchase of kits used in detection of COVID-19 or other goods with tariff items listed in Decree No. 333/2020 as supplemented.

(g) An advance payment of imports intended to purchase capital goods.

(h) The entity has an affidavit from the customer setting forth that, including the advance payment for which authorization is being requested, the equivalent amount of U.S.$3,000,000 (United States Dollars Three Million Dollars) is not exceed over the amount resulting from taking into account the amounts included in a) and they consist of payments for the import of products related to the supply of medicines or other goods related to health and/or medical care of the population or supplies that are required for domestic manufacture thereof.

Prior to processing payments of imports of goods, the participating institution shall, in addition to requesting the affidavit from the customer, confirm that such affidavit is consistent with data held by the Central Bank based on the online system implemented for such purposes.

The amount for which importers may have access to the exchange market on the conditions set forth in Section 10.11 of Consolidated Communication 7272 will be increased by such amount equivalent to 50% of the amounts entered and settled by the importer on or after October 2, 2020 through the exchange market on account of advance payments or prefinancing of exports from abroad within a minimum term of 180 days.

In the event of transactions settled on or after January 4, 2021, access to the exchange market will also be authorized for the remaining 50% to the extent that the additional portion relates to advance payments of capital goods, and the institution shall have supporting documentation to establish that the tariff code for the goods so paid is BK (Capital Goods) under the MERCOSUR Common Nomenclature (Decree No. 690/02 as supplemented).

The institution shall have any such documents required to verify compliance with the other requirements established for the transaction in the foreign exchange regulations.

The Central Bank shall see to compliance with such provisions based on the information available to it about payments of imports of goods processed through the exchange market and the detailed statement of official validations of imports included in the SEPAIMPO system.

In turn, pursuant to Communication "A" 7138, the Central Bank established as a prerequisite for access to the foreign exchange market for payment of imports of goods with pending customs clearance registration that the importer shall have completed an affidavit through the Integral System of Import Monitoring (SIMI) with the status "*SALIDA*" in relation to the goods imported, provided that such affidavit is a requirement for registration of the application for determination of the customs regime for import for consumption purposes.

In turn, Section 10.4.2.6 of Consolidated Communication 7272 established that effective as of November 2, 2020, delay status shall be afforded to payments of imports of goods with pending customs clearance registration made between September 2, 2019 and October 31, 2019 for transactions consisting of:

(i) demand payments upon presentment of shipping documents;

(ii) payments of trade debts abroad; and

(iii) discharge of commercial guarantees for imports of goods furnished by local institutions, which are not compliant, for no evidence has been provided before the institution in charge of monitoring such payment (for up to the amount so paid) of the existence of:

(a) a customs clearance registration in its name or in the name of a third party;

(b) the settlement through the exchange market of foreign currency related to return of the payment so made;

(c) other forms of making it compliant pursuant foreign exchange regulations; and/or

(d) the Central Bank's approval to consider that a part of or the full transaction is in compliance.

Until such transactions with delay status are made compliant, importers shall not have access to the foreign exchange market to make new advance payments of imports of goods.

In addition, Sections 10.3.2.5 and 10.3.2.6 of Consolidated Communication 7272 impose exchange market access restrictions by limiting access for import of goods classified as luxury and finished goods (including luxury products such as luxury cars and motorcycles; private jets with a value in excess of one million dollars; recreational vessels; beverages such as champagne, whisky, liquors and other alcoholic beverages for a price in excess of 50 dollars per liter; caviar; pearls, diamonds and other precious stones, among other).

The Central Bank's previous consent shall be required to have access to the exchange market for:

(a) Payments of imports of goods the tariff codes of which are included in Section 10.10.1 of Consolidated Communication 7272. The importers may have access to the official exchange market only after 90 days of shipment to destination of such products.

(b) Payments of imports of goods the tariff codes of which are included in Section 10.10.2 of Consolidated Communication 7272. The importers may have access to the official exchange market only after 365 days of shipment to destination of such products.

(c) Access by financial institutions for repayment of trade credit facilities from foreign entities used on or after January 7, 2021 in financing imports of goods the tariff codes of which are included in Sections 10.10.1 and 10.10.2 of Consolidated Communication 7272, except where access take places after expiration of the term stipulated in the foregoing paragraphs.

Such period of time shall not be applicable if the goods have been shipped until January 6, 2021 or the exclusion conditions established for the tariff item are met. If payments are made for such items prior to the stipulated term, the institution shall file and make available to the SEFyC the documentation pursuant to which it could consider that payment was exempted from such requirement.

Payments of services rendered by non-residents

Pursuant to Section 3.2 of Consolidated Communication 7272, access to the exchange market is allowed to pay services rendered by non-residents (always provided that they are not related entities, save for certain specific exceptions, including payment of reinsurance premiums abroad, whose beneficiary has been declared admissible by the Argentine Insurance Superintendency and payments for operating leases of ships authorized by the Argentine Ministry of Transportation and used to render services exclusively to other non-related resident, to the extent that the amount payable abroad does not exceed the amount paid by the latter net of commissions, reimbursement of expenses or other items required to be withheld by the resident making the payment abroad), provided that supporting documentation is provided as evidence of the existence of such service, and it confirmed that the transaction has been reported, as applicable, in the most recent filing made under the Survey of External Assets and Liabilities Regime.

The Central Bank's previous consent to access the exchange market shall be required to prepay debts for services.

Payments of interest on debts for imports of goods and services

Pursuant to Section 3.3 of Consolidated Communication 7272, access to the exchange market is allowed to pay interest on debts for imports of goods and services, provided that evidence is submitted to the effect that the transaction was reported, as applicable, in the most recent filing made under the Survey of External Assets and Liabilities Regime.

The Central Bank's previous consent shall be also required to access the exchange market to prepay debts for imports of goods and services.

Remittances of profits and dividends

Section 3.4 of Consolidated Communication 7272 allows access to the exchange market to remit foreign currency abroad for the payment of dividends and profits to non-resident shareholders, provided that the following conditions are met:

(a) Dividends shall be supported by audited, duly closed financial statements.

(b) The total amount paid to non-resident shareholders shall not exceed the amount in Pesos that is payable to them according to the distribution resolved by the shareholders' meeting.

(c) If applicable, the transactions involved shall have complied with the Survey of External Assets and Liabilities Regime.

(d) The company shall fall within the scope of any of the following events:

(i) It has direct investment contributions made from January 17, 2020 onwards, in which case (i) the total amount of remittances made through the exchange market under this item as from such date shall not exceed 30% of the amount of new capital contributions made in the resident company, entered and settled through the exchange market from such date onwards; (ii) the financial institution involved shall have secured a certificate issued by the entity that executed the settlement to the effect that it has not issued any certificates for the purpose contemplated in this item in an amount in excess of 30% of the amount so settled; (iii) access to the exchange market shall take place not less than thirty (30) calendar days since the date of payment of the most recent capital contribution that is being computed for purposes of determining the above mentioned 30% limit; and (iv) upon accessing the exchange market, evidence shall be given of the final capitalization of the contribution or, otherwise, of the start of proceedings for registering the contribution with the Public Register of Commerce. In the latter case, evidence of such final capitalization shall be given within 365 calendar days from the start of the registration proceedings.

(ii) In the case of profits derived from projects under the Gas Plan: (i) profits shall derive from direct foreign investment contributions entered and settled through the exchange market from November 16, 2020 onwards, intended to be used to finance projects under such plan; (ii) access to the exchange market shall occur at least 2 (two) calendar years after the date of settlement of the contribution qualifying under this item in the exchange market; and (iii) the customer shall file the documents evidencing the final capitalization of the contribution in question.

Any cases not falling under the scope of the events mentioned above will require the Central Bank's previous consent for accessing the exchange market.

Payments of principal of and interest on external financial indebtedness

In this regard, Section 3.5 of Consolidated Communication 7272 allows access to the exchange market to pay principal of and interest on financial indebtedness, provided that the following requirements are met:

(a) The debtor shall evidence that an amount equivalent to the principal amount of the external financial indebtedness has been previously entered and settled in the exchange market, which condition will be deemed met in connection any of the following sums:

(i) any funds disbursed as from September 1, 2019, which have been previously entered and settled in the exchange market. This requirement shall not apply in case of external indebtedness originated from September 1, 2019 onwards, provided that it does not imply any disbursement on account of having previously accessed the exchange market as a refinancing of external financial debt, and to the extent such refinancing does not prepay the original debt;

(ii) the amount of the applicable transaction and/or issuance expenses and other expenses debited abroad in connection with the banking transactions involved;

(iii) the difference between the actual issue amount and the principal amount of issues of debt securities publicly registered abroad, placed under par;

(iv) the portion relating to any capitalization of interest as contemplated in the credit agreement;

(v) the portion of issues of debt securities publicly registered abroad, made as from October 9, 2020, with an average life of at least 2 (two) years, delivered to creditors of external financial indebtedness and/or debt securities publicly registered in Argentina, denominated in foreign currency, maturing from October 15, 2020, until December 31, 2021, which made it possible to reach the refinancing standards set forth in Section 3.17 of Consolidated Communication 7272;

(vi) the portion of issues of debt securities publicly registered abroad, made as from January 7, 2021, to the extent that they were delivered to creditors to refinance existing financial indebtedness providing for an extension in their average life, corresponding the refinanced principal amount, interest accrued until the refinancing date, and, provided that the new debt securities do not have any principal maturities prior to January 1, 2023, an amount equivalent to the interest that would accrue until December 31, 2022, on the indebtedness that is subject to early refinancing and/or the extension of the maturity of the refinanced principal amount and/or the interest that would accrue on the refinanced amounts;

(vii) the portion subscribed with foreign currency in Argentina of issues of debt securities publicly registered abroad, made as from February 5, 2021, to the extent that all the following conditions are satisfied: (i) the debtor evidences that it has made exports before the issue of the debt securities or that the placement proceeds were used to satisfy external commitments. If at least one of the two conditions set forth above is not met, the issue has been previously approved by the Central Bank; (ii) the average life of the debt securities is at least five (5) years; (iii) the first payment of principal takes place no earlier than three (3) years after the issue date; (iv) the local subscription does not exceed 25% of the total subscription amount of the issue in question; and (v) as of the access date, all the funds subscribed abroad and in Argentina have been already settled in the exchange market.

(b) Evidence should be provided, to the extent applicable, that the transaction was reported in the most recent filing made under the Survey of External Assets and Liabilities Regime.

(c) Access to the exchange market occurs on a date that is not earlier than 3 (three) business days before the date of maturity of the applicable principal or interest payment. The Central Bank's previous consent will be required for accessing the exchange market on an earlier date, unless the debtor falls under the scope of any of the following events, and all the conditions set forth in each case are met:

(i) Prepayment of principal and interest simultaneously with the settlement of new external financial indebtedness:

- Such prepayment is made simultaneously with funds settled as a result of new financial indebtedness disbursed as of such date.

- The new indebtedness has an average life longer than the debt balance that is being prepaid.
- The first principal payment date of the new indebtedness occurs on a subsequent date and for an amount not higher than the one due on the immediately following principal maturity date in connection with the debt that is being prepaid.

(ii) Prepayment of interest under a process of exchange of debt securities:

- The prepayment is made under the scope of a process of exchange of debt securities issued by the client;
- The prepaid amount relates to interest accrued as of the exchange closing date;
- The average life of the new debt securities is longer than the remaining average life of the exchanged securities; and
- The cumulative amount of the principal maturities of the new securities shall not exceed at any time the amount that have accrued the capital maturities of the exchanged title.

(iii) Prepayment under a refinancing process pursuant to the provisions of Section 3.17 of Consolidated Communication 7272:

- Prepayment of principal and/or interest occurs under the scope of a debt refinancing process that satisfies the conditions set forth in Section 3.17;
- Access to the exchange market occurs within 45 (forty-five) calendar days before the maturity date;
- The interest amount paid does not exceed the amount of interest accrued on the refinanced indebtedness until the refinancing's closing date; and
- The cumulative amount of principal maturities of the new indebtedness does not exceed the cumulative amount of the principal maturities of the refinanced indebtedness. To the extent that the Central Bank's previous consent is required to access the exchange market to repay principal maturities of external financial indebtedness of the non-financial private sector whenever the creditor is a counterparty related to the debtor, this requirement will not apply provided that all the following conditions are met:

  (i) the funds have been entered and settled through the exchange market as from October 2, 2020; and

  (ii) the indebtedness has an average life of at least 2 (two) years.

(d) To the extent that the Central Bank's previous consent is required to access the exchange market to repay principal of and interest on external financial indebtedness upon maturity, this requirement will not apply provided that all the following conditions are met:

(viii) the funds have been used to finance projects under the scope of the Gas.Ar Plan;

(ix) the proceeds have been entered and settled through the exchange market as from November 16, 2020; and

(x) the indebtedness has an average life of at least 2 (two) years.

(e) In the case of external financial indebtedness, it will be possible to repay principal and interest amounts on their maturity dates by allocating the proceeds of exports of goods and services, provided that the requirements set forth in Section 7.9 of Consolidated Communication 7272 are met.

(f) Until December 31, 2021, the Central Bank's previous consent will be required to access the exchange market to repay principal amounts of external financial indebtedness whenever the creditor is a counterparty related to the debtor, provided, however, that this requirement will not apply to transactions made by local financial institutions.

(g) If the debtor has principal maturities scheduled until December 31, 2021 in connection with indebtedness referred to in this paragraph, it shall comply with the provisions of Section 3.17 of Consolidated Communication 7272.

In line with the rules established by the Central Bank, the CNV issued General Resolution No. 861 to facilitate debt refinancing transactions through the capital markets. In this regard, it provided that whenever the issuer intends to refinance debts through an exchange offer or new issues of negotiable obligations, in both cases offered in exchange or as consideration for negotiable obligations previously issued by the company and placed privately and/or existing claims against it, the requirement of placement by public offering will be deemed met when the new issue is subscribed through this method, by creditors of the company who are holders of negotiable obligations without public offering and/or existing claims representing a percentage of not more than thirty percent (30%) of the total amount effectively placed, and the remaining percentage is subscribed or paid in cash or in kind, by delivering negotiable obligations originally placed by public offering, or other securities publicly offered and listed and/or traded in markets authorized by the CNV, issued by the same company, by persons domiciled in Argentina or in countries not included in the list of non-cooperating jurisdictions for purposes of fiscal transparency, as contemplated in Section 24 of the Exhibit to Decree No. 862/2019 or any rules that may succeed it. Moreover, it established that certain requirements should be met to comply with the requirement of placement by public offering.

For further information, investors should refer to General Resolution No. 861 of the CNV.

Creation of guarantees to secure new indebtedness

Residents will have access to the exchange market to create guarantees securing indebtedness incurred as from January 7, 2021, falling under the scope of Section 7.9 of Consolidated Communication 7272, or trusts set up in Argentina to secure the payment of principal of and interest on such indebtedness. The guarantees shall be created in accounts maintained with local financial institutions or, in the case of external indebtedness, with offshore financial institutions, for up to the amounts outstanding under the credit agreements, subject to the following conditions:

(i) purchases shall be made simultaneously with the settlement of foreign currency and/or with inflows of funds made in the name of the exporter in an offshore correspondent account with a local entity; and

(ii) cumulative guarantees in foreign currency shall not exceed an amount equivalent to 125% of the principal and interest payments falling due in the current month and the next six calendar months, according to the maturity schedule agreed with the creditors.

Any funds in foreign currency which are not used to repay debt and/or to replenish the guarantee amount set forth in the previous paragraph shall be settled in the exchange market within 5 business days following the maturity date.

Payments of foreign currency-denominated debt securities publicly registered in Argentina made among residents

Section 3.6 of Consolidated Communication 7272 prohibits access to the exchange market to pay foreign currency debts and other liabilities among residents, agreed as from September 1, 2019. However, the payment of principal of and interest on the following debts is exempted:

- Foreign currency financings granted by local financial institutions (including payments of credit card purchases made in foreign currency);
- Foreign currency obligations among residents, implemented through public records or deeds as of August 30, 2019;
- Debt securities issued as from September 1, 2019 to refinance foreign currency obligations among residents, instrumented through public records or deeds as of August 30, 2019, resulting in an increase in the average life of the obligations;

- Payments of principal of and interest on new issues of debt securities made as from November 29, 2019, publicly registered in Argentina, denominated and payable in foreign currency in Argentina, which payments are made on their respective maturity dates, to the extent that: (i) they are denominated and subscribed in foreign currency; (ii) principal and interests service payments are payable in Argentina in foreign currency; and (iii) all the proceeds of the issue are settled through the exchange market.
- Issues of debt securities publicly registered in Argentina, denominated in foreign currency, and repayable in foreign currency in Argentina, made as from October 9, 2020, provided that their average life is at least 2 (two) years and the delivery of such securities to creditors has allowed to satisfy the refinancing standards set forth in Section 3.17;
- Issues of debt securities publicly registered in Argentina, denominated in foreign currency, and repayable in foreign currency in Argentina, made as from January 7, 2021, to the extent that the securities have been delivered to creditors to refinance existing financial indebtedness by providing for an extension in their average life, corresponding the refinanced principal amount, interest accrued until the refinancing date and, provided that the new debt securities do not have any principal maturities prior to 2023, an amount equivalent to the interest that would accrue until December 31, 2022, on the indebtedness that is subject to early refinancing and/or the extension of the maturity of the refinanced principal amount and/or the interest that would accrue on the refinanced amounts.

Payments of foreign currency indebtedness owed by residents to trusts organized in Argentina to secure service payments

Section 3.7 of Consolidated Communication 7272 provides that financial institutions may allow the access to the exchange market to make principal or interest payments to trusts set up in Argentina by a resident to secure principal and interest service payments for which such resident is liable, to the extent that evidence is provided that the borrower had access to make the payment in its name as it complied with the applicable regulations. Moreover, subject to certain conditions, a trustee will be able to access the exchange market to secure certain principal and interest payments of external financial indebtedness and anticipate access thereto.

Purchase of foreign currency by resident individuals to build up external assets, provide family assistance and enter into derivative transactions

Section 3.8 of Consolidated Communication 7272 provides that the Central Bank`s previous consent is required for resident individuals to access the exchange market to build up certain external assets, provide family assistance and enter into derivative transactions (other than those referred to in Section 3.12.1 of Consolidated Communication 7272) for an amount in excess of the equivalent to U.S.$ 200 per month vis-à-vis all the financial institutions authorized to deal in foreign exchange and for all the purposes mentioned above. If the amount does not exceed U.S.$ 200, financial institutions may allow access to the exchange market provided that all the following conditions are met:

- The transaction shall be made by debiting customer accounts with local financial institutions or using cash in local currency in transactions for up to an amount equivalent to U.S.$ 100 (one hundred dollars) per calendar month vis-a-vis all the financial institutions and in connection with all the items mentioned above.
- The client has not exceeded the above mentioned limits in the preceding calendar month.
- The client commits not to execute any securities transactions to be settled in foreign currency in Argentina from the moment it requests access and for a term of 90 (ninety) calendar days thereafter.
- The client has no outstanding financings relating to:

  (i) refinancings contemplated in Section 2.1.1. of the regulations on “Financial services under the scope of the health emergency ordered by Decree No. 260/2020 Coronavirus (COVID-19)”;

(ii) "Zero Rate Loans", "Culture Zero Rate Loans" or "Corporate Subsidized Rate Loans", as set forth in Sections 2.1.2. and 2.1.3. of the regulations on "Financial services under the scope of the health emergency ordered by Decree No. 260/2020 Coronavirus (COVID-19)";

(iii) financings in Pesos contemplated in paragraph 2 of Communication "A" 6937, and paragraphs 2 and 3 of Communication "A" 7006, as supplemented.

- The client is not a beneficiary of the freezing of instalment amounts as provided in Section 2 of Decree No. 319/2020, as supplemented and regulated.
- The client is not serving as a federal public officer with the rank of Undersecretary of State or higher (or an equivalent rank) and is not member of the board of directors of any national public bank or the Central Bank.
- The client is not subject to the provisions of the Joint Resolution of the President of the Argentine Senate and the President of the Argentine House of Representatives No. 12/2020 dated October 1, 2020.
- The institution has obtained an affidavit by the client to the effect that the client meets the requirements set forth above.
- The institution has verified at the online system implemented to such effect, that the client's affidavit is consistent with the data filed at the Central Bank.
- Whenever the purpose is the build-up of external assets by the customer, the authorized institution that carries out the sale shall deliver the banknotes or traveler checks in foreign currency or shall credit the funds in a foreign currency account held by the customer with a local financial institution or an offshore bank account held by the customer, as applicable.

Notwithstanding the foregoing, Section 3.9 of Consolidated Communication 7272 provides that access by individuals to the exchange market is allowed for the purpose of purchasing foreign currency to be simultaneously applied to purchase real estate in Argentina intended to be used as a single, family, permanent dwelling, to the extent that certain requirements are met.

Moreover, Section 3.6.5 of Consolidated Communication 7272 provides that when the amounts allocated to offshore purchases with debit card by debiting local accounts in pesos and the amounts in foreign currency purchased to satisfy liabilities among residents, including payments of purchases made in foreign currency via credit cards, exceed U.S.$ 200 per month (including those used to build up external assets), such deduction will be carried forward to the maximum computable amounts of subsequent months until reaching the amount so acquired.

The AFIP, through AFIP Resolution 4815/2020, provided that any transactions reached by PAIS (that is to say, the withholding of 30%) and those taxpayers defined in Section 36 of the Solidarity Law, as amended, who qualify as Argentine residents, pursuant to the provisions of Section 116 et seq. of the Income Tax Law, will be subject to an additional withholding of thirty-five percent (35%) on the amounts in Pesos that are mentioned in each case in Section 39 of the Solidarity Law.

Such withholdings will be computed as tax payments and may be credited against the annual income tax return or, as applicable, the personal assets tax return, for the fiscal period in which they were made.

In addition, AFIP Resolution 4815/2020 provides a refunding system for those taxpayers from whom the above-mentioned withholdings were made and who are not subject to the payment of income tax or, as applicable, personal assets tax.

Purchase of foreign currency by non-residents

Section 3.8 of Consolidated Communication 7272 provides that the Central Bank's previous consent shall be required for non-residents to access the exchange market for purposes of purchasing foreign currency.

The following transactions are exempted from the rule mentioned in the previous paragraph: (a) international bodies and institutions serving as official export credit agencies; (b) diplomatic and consular representations and accredited diplomatic staff based in Argentina, with respect to transfers made in the course of their duties; (c) Argentine-based representative offices of Courts, Authorities or Bureaus, Special Missions, Commissions or Bilateral Agencies established by International Treaties or Conventions to which Argentina is party, to the extent the transfers are made in the course of their duties; (d) transfers made abroad in the name of individuals who are beneficiaries of retirement benefits and/or pensions paid by the Argentine Social Security Administration (*Administración Nacional de la Seguridad Social, ANSES*), to the extent of the amount paid by such administration in the applicable calendar month and provided that the transfer is made to a bank account held by the beneficiary in their registered country of residence; (e) purchase of foreign currency by non-resident individuals in connection with tourism and travel activities for a maximum amount equivalent to U.S.$ 100 (one hundred U.S. Dollars) vis-à-vis all the institutions. This mechanism shall be authorized from the moment the sale of foreign currency settled by the customer has been registered with the Central Bank by the incumbent financial institution, pursuant to customary practices; (f) transfers to offshore bank accounts held by individuals in connection with funds received by them in Argentina related to the benefits granted by the Argentine Government under Laws 24,043, 24,411 and 25,914 and related provisions; and (g) remittances of direct investments by non-residents in companies that are not controlling companies of local financial institutions, provided that the capital contribution has been entered and settled in the exchange market as from October 2, 2020, and the remittance is made at least 2 (two) years after the inflow of funds.

In addition, Communication "A" 7106 provided that non-residents will be prevented from carrying out sales of securities settled in foreign currency in Argentina, other than those sales of securities which have been acquired in Argentina and are settled in foreign currency as from September 16, 2020, and which have been held by the non-resident for a term of at least one year.

Purchase of foreign currency by other residents—excluding financial institutions—to build up external assets and for entering into derivative transactions

In this regard, Section 3.10 of Consolidated Communication 7272 provides that the Central Bank's previous consent is required for legal entities, local governments, mutual funds, trusts and other universalities set up in Argentina to access the exchange market for the purpose of building up external assets and setting up any kind of securities related to derivative transactions entered into by them.

Financial Derivatives

Section 3.12 of Consolidated Communication 7272 provides that the settlement of any futures transactions in regulated markets, as well as forwards, options and any other kind of derivative transactions made in Argentina by financial institutions shall be made in local currency as from September 11, 2019.

Moreover, access to the exchange market is allowed to pay premiums, set up guarantees and terminate transactions involving interest rate hedging agreements, in connection with offshore obligations by residents that have been reported and validated, as applicable, under the Survey of External Assets and Liabilities regime, provided that the risks covered do not exceed the external liabilities actually recorded by the debtor in terms of the interest rate that is being hedged thereby.

Any customer accessing the exchange market through this mechanism shall nominate an institution authorized to deal in foreign exchange to follow up the transaction and shall sign an affidavit stating that the customer promises to enter and settle the funds payable to the local customer as a result of such transaction or the release of the collateral money, within the following five business days.

Other specific provisions

New Investment Promotion Regime for Exports

On April 7, 2021, the Argentine Executive Branch issued Decree No. 234/2021, establishing the Promotion Regime, aiming to, among others, increase exports of goods and promote sustainable economic

development. The Ministry of Economy and the Ministry of Productive Development will be the enforcement authorities of this Promotion Regime.

The Promotion Regime includes investments for new productive projects in, among others, forestry, mining, hydrocarbon, manufacturing and agro-industrial activities, as well as the expansion of existing business units, which require investments for the purpose of increasing their production. The benefits of this regime do not apply to commodities, such as wheat, corn, soybean and biodiesel, among others. Although the regulators may include and/or exclude activities from this Promotion Regime, the Decree states that acquired rights will not be affected.

The eligibility requirements include:

(a) Both resident and non-resident legal entities and individuals may apply;

(b) An "Export Investment Project" shall be filed, consisting in a minimum direct investment of one hundred million U.S. Dollars (U.S.$ 100,000,000);

(c) The beneficiaries shall comply with the terms and conditions of the projects filed and approved by the regulators;

(d) The following persons will be prevented from joining the Promotion Regime: (i) individuals and legal entities whose representatives/directors have been convicted for certain offenses with imprisonment and/or disbarment penalties for a certain period of time, (ii) individuals and legal entities that have due and unpaid tax or social security debts, or where imposed the payment of taxes, duties, fines or surcharges by a final judicial or administrative decision in connection with customs, foreign exchange, tax or social security matters, and (iii) persons that have defaulted, without justification, their obligations in connection with other promotion regimes.

Upon satisfaction of the applicable requirements, the enforcement authorities will approve the project and issue an "Export Investment Certificate" for enjoying the benefits set forth in the Promotion Regime, which shall be in effect for a term of 15 years.

The beneficiaries of the Promotion Regime may apply up to 20% of the foreign currency revenues derived from exports related to the project to (i) pay principal of and interest on financial or trade liabilities abroad; (ii) pay dividends; and (iii) repatriation of direct investments by non-residents. However, this benefit shall not exceed an annual cap equal to 25% of the gross amount of foreign currency settled by such beneficiary through the exchange market to finance the development of the project. To estimate the gross amount of foreign currency settled by the beneficiary in the exchange market to finance the project, foreign currency inflows derived from exports will not be computed.

The benefits of the Promotion Regime shall cease (i) upon expiration of the utilization term; (ii) in certain cases, when the beneficiary is no longer able to develop the activity that is the subject matter of the investment project, as set forth in the applicable regime; or (iii) if the beneficiary unreasonably defaults on its obligations under the Promotion Regime.

Swaps and arbitrage transactions with customers

Section 4.2 of Consolidated Communication 7272 allows financial institutions to carry out swap and arbitrage transactions with their customers not related to an inflow of foreign currency from abroad in the following cases: (i) transfers of foreign currency abroad by individuals from their local accounts denominated in foreign currency to their own bank accounts abroad; (ii) transfer of foreign currency abroad by local common depositaries of securities in connection with proceeds of principal and interest payments on Argentine Treasury bonds; (iii) transfer by individuals of foreign currency abroad from their local accounts in foreign currency to offshore accounts for up to an equivalent to U.S.$ 500 (five hundred U.S. dollars) in each calendar month, vis-à-vis all the financial institutions; (iv) arbitrage transactions not originated in transfers from abroad, to the extent that the funds are debited from an account in foreign currency held by the customer with a local financial institution; and (v) the remaining swap and arbitrage transactions with customers may be made without the Central Bank's previous consent to the extent that, if they were implemented as individual

transactions exchanged for pesos, they would be allowed without need of such consent in accordance with the applicable regulations.

Repayment of offshore commercial credit facilities by financial institutions

Section 3.15 of Consolidated Communication 7272 provides that financial institutions shall be able to access the exchange market to repay upon maturity commercial credit facilities granted by foreign financial institutions, used to finance export or import transactions by residents. Access is also granted to prepay such credit facilities to the extent that the financing granted by the local institution has been prepaid by the borrower. The financial institution shall have secured a validated affidavit under the "Survey of External Assets and Liabilities" regime, to the extent applicable.

Securities transactions

Section 4.3 of Consolidated Communication 7272 provides that securities transactions executed abroad shall not be settled in pesos in Argentina; only transactions executed in Argentina may be settled in pesos in Argentina.

Institutions authorized to deal in foreign exchange shall not be allowed to purchase securities with settlement in foreign currency in the over-the-counter market or use any holdings in their general foreign exchange position to make payments to local suppliers.

Section 4.3 of Consolidated Communication 7272 provides that no sales of securities with settlement in foreign currency may be executed in Argentina, and such securities may not be transferred to foreign depositaries, by the following persons:

- beneficiaries of refinancings contemplated under Section 2.1.1. of the regulations on "Financial services under the scope of the health emergency ordered by Decree No. 260/2020 Coronavirus (COVID-19)" until their full repayment;
- beneficiaries of "Zero Rate Loans", "Culture Zero Rate Loans" or "Corporate Subsidized Rate Loans" contemplated in Sections 2.12. and 2.1.3. of the regulations on "Financial services under the scope of the health emergency ordered by Decree No. 260/2020 Coronavirus (COVID-19)" until their full repayment;
- beneficiaries of financings in pesos falling under the scope of the provisions of paragraph 2 of Communication "A" 6937, paragraphs 2 and 3 of Communication "A" 7006 and regulations issued thereunder, until their full repayment;
- beneficiaries of the provisions of Section 2 of Decree No. 319/2020, as supplemented and regulated, for as long as the installment amount remains frozen;
- individuals subject to the provisions of the Joint Resolution of the President of the Argentine Senate and the President of the Argentine House of Representatives No. 12/2020 dated October 1, 2020.

Transfers of securities to offshore depositaries made by customers to participate in an exchange of debt securities issued by the Argentine Government, local governments or resident corporate issuers, do not fall within the provisions set forth above. The customer shall file the relevant certificate evidencing the debt securities so exchanged. Similar limitations and requirements apply to borrowers under other special lending or financing programs granted by the Argentine Government in the context of the COVID-19 pandemic, including the supplementary salaries granted under the ATP agreed pursuant to Section 8 of Decree No. 332/2020, as amended and supplemented from time to time. In this regard, in its capacity as employer, the Company has not been beneficiary of the ATP).

Moreover, pursuant to General Resolution 871/2020 (as amended by General Resolution 878/2021 and 895/2021), sales transactions of securities to be settled in foreign currency and in a foreign jurisdiction will be carried out provided that a minimum holding period of two (2) business days is observed to be counted as from the date such securities are credited with the relevant depositary. As regards sales of securities to be settled in foreign currency and in a local jurisdiction, the minimum holding period will be one (1) business day to be

counted as from the date such securities are credited with the relevant depositary. These minimum holding periods shall not be applicable in the case of purchases of securities to be settled in foreign currency.

In addition, transfers of securities acquired from foreign depositaries to be settled in pesos will be processed subject to a minimum holding period of two (2) business days counted as from the crediting thereof with the depositary, unless such crediting results from a primary placement of securities issued by the National Treasury or refers to shares and/or Argentine deposit certificates (CEDEARs) traded on markets regulated by the CNV. Settlement and clearing agents and trading agents must verify compliance with the aforementioned minimum holding period of the securities.

As regards incoming transfers, General Resolution No. 871/2020 provided that securities transferred by foreign depositaries and credited with a central depositary may not be allocated to the settlement of transactions in foreign currency and in a foreign jurisdiction until three (3) business days after such crediting into sub-account(s) in the local custodian. If such securities are allocated to the settlement of transactions in foreign currency and in local jurisdiction, the minimum holding period will be one (1) business day after such crediting into sub-account(s) in the local custodian.

In addition, in the price-time priority order matching segment, transactions for the purchase and sale of fixed-income securities denominated and payable in US dollars issued by the Republic of Argentina under local laws by sub-accounts subject to Section 6 of Chapter V, Title VI, and that are also regarded as Qualified Investors, the following requirements must be observed.

(i) for the aggregate of such securities, the nominal amount of securities purchased and to be settled in pesos may not exceed the nominal amount of securities sold and to be settled in pesos, on the same trading day and for each customer sub-account;

(ii) for the aggregate of such securities, the nominal amount of securities sold and to be settled in foreign currency and in a local jurisdiction may not exceed the nominal amount of securities bought and to be settled in such currency and jurisdiction, on the same trading day and for each customer sub-account; and

(iii) for the aggregate of such securities, the nominal amount of securities sold and to be settled in foreign currency and in a foreign jurisdiction may not exceed the nominal amount of securities purchased and to be settled in such currency and jurisdiction, on the same trading day and for each customer sub-account.

Before executing an instruction to purchase securities in Pesos which are intended to be sold subsequently in foreign currency or transferred to offshore depositaries, Trading Agents and Settlement and Clearing Agents shall request that their customers submit an affidavit from the holder to the effect that it is not beneficiary, in its capacity as employer, of the supplementary salary granted under the ATP Program created under Decree No. 332/2020, within the terms and in compliance with the requirements set forth in DECAD-2020-817-APN-JGM dated May 17, 2020, as amended. Moreover, such affidavit shall include a reference to the effect that the person involved is not subject to any legal or regulatory restriction to carry out the referred transactions and/or transfers.

Moreover, pursuant to General Resolution 895/2021, the CNV established a cap for the price-time priority order matching segment, in the proportion of the number of securities denominated and payable in U.S. dollars issued by the Republic of Argentina under domestic law and sold with settlement in foreign currency and in a foreign jurisdiction over the number of such securities purchased with settlement in such currency and jurisdiction by the customer sub-accounts not subject to the provisions of Section 5, Chapter V, Title XVIII "Temporary Provisions", and with respect to the aggregate number of such securities. At the closing of each calendar week, it shall be checked whether the amount of securities sold with settlement in foreign currency and in a foreign jurisdiction does not exceed 50,000 in nominal amount vs. the amount of securities purchased with settlement in such currency and jurisdiction, which cap will apply to each customer sub-account and the aggregate number of customer sub-accounts held by a single person individually or as co-holder.

Central Bank's Reporting Systems

Advance information on foreign exchange transactions

The financial institutions authorized to deal in foreign exchange shall provide the Central Bank, at the end of each business day and two business days in advance, with information on transactions relative to outflows through the foreign exchange market in daily amounts equal to or higher than the equivalent of U.S.$ 50,000 (fifty thousand U.S. Dollars).

Customers of licensed institutions shall provide such institutions with information sufficiently in advance so that they may comply with the requirements under this reporting regime and, accordingly, to the extent any further requirements set forth in the exchange regulations are simultaneously satisfied, they may process the exchange transactions.

Registry of foreign exchange information on exporters and importers of goods

Section 3.16.5 of Consolidated Communication 7272 established a "Registry of foreign exchange information on exporters and importers of goods". Exporters and importers who export and/or import significant volumes of goods are required to be enrolled in this registry by April 30, 2021.

Beginning May 1, 2020, any payments made from Argentina through the foreign exchange market—including those executed through swap or arbitration by persons required to be registered in the "Registry of foreign exchange information on exporters and importers of goods"—will require the Central Bank's previous consent if done by entities that appear as "not registered" in such registry.

Criminal Exchange Regime

Any transactions that violate the foreign exchange regulations will be subject to the criminal exchange regime contemplated in Law No. 19,359, as amended.

Restrictions on Mutual Investment Funds

General Resolution CNV 835/2020

On April 23, 2020, the CNV issued General Resolution No. 835/2020 ("General Resolution CNV 835") modifying the limitations on liquidity and cash applicable to open mutual funds (other than money market funds):

(1) All funds, in general, may hold up to 100% (one hundred percent) of their equity in pesos or quotas in money market funds.

(2) Mutual funds denominated in foreign currency may hold up to 100% (one hundred percent) of their equity in such currency, in either onshore or offshore accounts.

(3) Mutual funds denominated in foreign currency with quotas subscribed in pesos may hold up to 25% of their equity in the fund's denomination currency, both in onshore and offshore accounts. Such limitation does not reach those mutual funds which have been authorized under the scope of the transparency initiative set forth in Law No. 27,260 or the amounts deposited by quota holders not falling under the scope of Decrees No. 596/19 and 141/20.

Moreover, mutual funds in pesos whose investment assets are composed of foreign currency may only invest in foreign currency up to 25% of their equity, which should be deposited in onshore or offshore accounts. This limitation does not extend to the amounts deposited by quota holders not falling under the scope of Decrees No. 596/19 and 141/20.

General Resolution CNV 836/2020

On April 28, 2020, the CNV issued General Resolution No. 836/2020 ("General Resolution CNV 836"), which provides that mutual funds denominated in Argentine legal tender shall invest at least 75% of their equity in financial instruments and securities issued in Argentina, exclusively in Argentine legal tender.

General Resolution CNV 838/2020

On May 13, 2020, the CNV issued General Resolution No. 838/2020 ("General Resolution CNV 838") clarifying certain limitations imposed by General Resolution CNV 835 and General Resolution CNV 836. Specifically, it provided that:

(a) The restriction imposed under General Resolution CNV 836 does not apply to investments made in instruments issued or denominated in foreign currency but subscribed and paid in pesos, the interest and principal amounts of which are paid exclusively in Argentine legal tender (such as the so-called "Dollar Linked" securities).

(b) Investments made by mutual funds in (1) notes issued and traded in Argentina; and (2) provincial and municipal public debt securities issued in foreign currency and purchased before the effective date of General Resolution CNV 836, may be held until maturity.

(c) Foreign currency proceeds from the payment of interest coupons and/or repayment of principal or the disposition of the assets mentioned in paragraph (b) above in the over-the-counter market, may be reinvested in instruments issued in foreign currency intended to finance SMEs and/or productive projects in regional economies and infrastructure and/or provincial and municipal public debt securities issued in such currency.

(d) Finally, the restriction set forth in General Resolution CNV 836 does not apply to holdings of public debt instruments denominated in foreign currency tendered in the voluntary exchange of sovereign debt contemplated under Decree No. 391/2020 (as amended by Decree No. 404/2020) and the instruments received as a result of such exchange.

In general, the above mentioned resolutions (as well as any others modifying the portfolio assets that a mutual fund may hold) are aimed at causing such fund to dispose of them (within a short timeframe), usually adversely impacting on the value of the mutual fund's referred quotas. As of the date of this Offering Memorandum, the Company does not hold any quotas in mutual funds subject to the provisions of General Resolution CNV 835, General Resolution CNV 836 and/or General Resolution CNV 838.

SELECTED FINANCIAL AND OTHER INFORMATION

The following tables present selected consolidated financial data as of and for the years ended December 31, 2020, 2019 and 2018, and for the three-month period ended March 31, 2021, presented with comparative information for the statement of financial position for the fiscal year ended December 31, 2020 and for the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the three-month period ended March 31, 2020, which is derived from our annual financial statement and our interim financial statements, respectively, in each case prepared in U.S. dollars in accordance with IFRS and included elsewhere in this Exchange Offer and Consent Solicitation Memorandum. Our interim financial statements have been prepared in accordance with IAS No. 34.

The selected financial data included herein is qualified in its entirety and should be read together with our Financial Statements as well as the sections entitled "Presentation of Financial and Other Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Consolidated Statements of Profits or Loss and Other Comprehensive Income

	Year ended December 31,			Three-Month period ended March 31,	
	2020	**2019**	**2018**	**2021**	**2020**
		(U.S.$ in millions)			
Net sales	302.2	269.6	202.4	68.2	76.8
Cost of sales	(102.2)	(97.8)	(86.5)	(25.3)	(24.3)
Gross profit	**200**	**171.8**	**115.9**	**42.8**	**52.5**
Selling expenses	(2.7)	(2.4)	(1.7)	(0.5)	(0.5)
Administrative expenses	(14.9)	(15.2)	(21.1)	(3.4)	(3.4)
Other expenses, net	(15.7)	(27.9)	(12.9)	(1.0)	(0.9)
Loss on long term investment in joint ventures	(2.7)	(3.3)	(1.4)	(1.8)	(1.3)
Financial expense, net	(111.3)	(101.9)	(87.2)	(21.9)	(25.3)
Net profit (loss) before income tax	**52.8**	**21**	**(8.4)**	**14.2**	**21.2**
Income tax	(27.5)	(40.7)	(13.8)	(3.9)	(12.4)
Net profit (loss) for the year/period	**25.3**	**(19.7)**	**(22.1)**	**10.3**	**8.8**
Other comprehensive income					
Translation differences from investments in companies	(0.9)	0.8	1.8	(0.4)	(0.1)
Total other comprehensive (loss) income	**(0.9)**	**0.8**	**1.8**	**(0.4)**	**(0.1)**
Total comprehensive income (loss) for the year/period	**24.3**	**(18.9)**	**(20.3)**	**9.9**	**8.7**
Profit attributable to:					
Owners of the Company	25.3	(19.7)	(22.1)	10.3	8.8
Net profit (loss) for the year/period	**25.3**	**(19.7)**	**(22.1)**	**10.3**	**8.8**
Total comprehensive income (loss) attributable to:					
Owners of the Company	24.3	(18.9)	(20.3)	9.9	8.7
Total comprehensive income (loss) for the year/period	**24.3**	**(18.9)**	**(20.3)**	**9.9**	**8.7**

Selected Consolidated Statement of Financial Position Data

	As of December 31,			As of March 31,
	2020	2019	2018	2021
	(U.S.$ in millions)			
Assets:				
Current				
Cash and banks	55.6	63.7	150.1	60.5
Investments	66.6	27.6	3.9	70.6
Trade receivables	73	79.2	46.5	67.9
Other receivables	23.4	34	55.8	25.3
Inventories	1.3	1.7	1.1	1.3
Total current assets	219.9	206.3	257.4	225.5
Non-Current				
Trade receivables	—	3.4	10.6	—
Other receivables	29.4	45.6	129.4	24.9
Investments	53.8	52.0	11.2	51.9
Inventories	9	7.9	9.4	9.5
Goodwill	—	—	17.6	—
Fixed assets	1,068.3	1,124.5	951.4	1,059.4
Intangible assets	25.3	29	32.6	24.4
Total non-current assets	1,186	1,262.5	1,162.4	1,170.2
Total assets	**1,405.9**	**1,468.7**	**1,419.8**	**1,395.7**
Liabilities:				
Current				
Accounts payable	66.1	131.8	128.9	66.1
Loans	92.1	190.7	91.8	623.3
Salaries and social security payable	6.1	5.9	4.9	5.0
Taxes payable	4.7	11.3	1.2	10.3
Other liabilities	0.1	1.7	7.6	0.2
Provisions	2.6	3.5	4	2.3
Total current liabilities	171.8	344.9	238.3	707.2
Non-Current				
Loans	819.3	755.1	831.1	265.7
Taxes payable	—	—	0.1	—
Other liabilities	8.9	8.3	7	8.9
Deferred income tax liability	142.4	121.3	85.1	140.5
Total non-current liabilities	970.5	884.6	923.3	415.1
Total liabilities	**1,142.3**	**1,229.5**	**1,161.6**	**1,122.3**
Shareholders' equity (per corresponding statements)				
Capital stock	19.5	19.5	19.5	19.5
Share premium	276	276	276	276.0
Capital contributions	5.3	5.3	5.3	5.3
Legal reserve	1.2	1.2	1.2	1.2

	As of December 31,			As of March 31,
	2020	2019	2018	2021
Facultative reserve	—	—	23	—
Accumulated other comprehensive loss	(2.9)	(2.0)	(2.8)	(3.3)
Unappropriated retained results	(35.6)	(60.9)	(64.1)	(25.3)
Shareholders' equity attributable to owners of the Company	**263.5**	**239.2**	**258.1**	**273.5**
Total liabilities and shareholders' equity	**1,405.9**	**1,468.7**	**1,419.8**	**1,395.7**

Non-IFRS Data

The following table reconciles our consolidated net profit (loss) to Adjusted EBITDA for the periods shown:

	Year ended December 31,			Three-Month period ended March 31,	
	2020	2019	2018	2021	2020
			(U.S.$ in millions)		
Consolidated net profit (loss)	25.3	(19.7)	(22.1)	10.3	8.8
Income tax	27.5	40.7	13.8	3.9	12.4
Financial expenses, net	111.3	101.9	87.2	21.9	25.3
Depreciation and amortization	69.8	68.6	58.9	17.8	17.4
Other expenses, net[(1)]	15.7	27.9	12.9	1.0	0.9
Loss on long term investment in joint ventures	2.7	3.3	1.4	1.8	1.3
Adjusted EBITDA	252.3	222.8	152.0	56.6	66.0

Note:—

(1) For the year ended December 31, 2018, includes tax on debits and credits in an amount of U.S.$4.6 million and U.S.$8.3 million related to impairment of goodwill and intangible assets. For the year ended December 31, 2019, includes tax on debits and credits in an amount of U.S.$4 million, U.S.$27.6 million related to impairment of goodwill and fixed assets, U.S.$4.9 million of result of the sale for the generation equipment associated with the Pinamar thermal power plant and U.S.$1.3 million of others. For the year ended December 31, 2020, includes tax on debits and credits in an amount of U.S.$4.2 million, U.S.$11.6 million related to impairment of fixed assets and U.S.$0.1 million of others. The periods ended March 31, 2020 and 2021, include tax on debits and credits in an amount of U.S.$1 million.

Adjusted EBITDA and Adjusted EBITDA by segment are not financial measures under IFRS. Adjusted EBITDA and Adjusted EBITDA by segment are included in this Exchange Offer and Consent Solicitation Memorandum because we believe both can provide useful supplemental information to investors and financial analysts in their review of our business. Adjusted EBITDA and Adjusted EBITDA by segment may not be comparable to other similarly titled measures of other companies, has limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of our operating results as reported under IFRS. Adjusted EBITDA and Adjusted EBITDA by segment are not measurements of our performance or liquidity under IFRS and should not be considered as an alternative to operating income or net profit or any other performance measures derived in accordance with IFRS, or as an alternative to cash flow from operating, investing or financing activities. Adjusted EBITDA and Adjusted EBITDA by segment as presented in this Exchange Offer and Consent Solicitation Memorandum may be different from the corresponding definition used for purposes of the covenants under the indenture governing the New Notes.

The results from our joint ventures are not included in the calculation of our Adjusted EBITDA, since those results of operations are recorded in our consolidated financial statements at equity method and hence, they are not representative in the calculation of our consolidated Adjusted EBITDA (its results contain items such as Income Tax, Depreciations, and financial results, that are not considered in the Adjusted EBITDA calculation). For summarized financial information about our joint ventures i) Vientos de Necochea S.A. (on which we hold a 50% equity interest, and it is the owner of the Necochea wind farm), ii) Vientos Patagónicos Chubut Norte III S.A. (on which we hold a 51% equity interest, and it is the owner of the Chubut Norte III wind farm), and iii) Vientos Sudamericanos Chubut Norte IV S.A. (on which we hold a 51% equity interest, and it is the owner of the Chubut Norte IV wind farm), see note 5.b to our annual financial statements as of December 31, 2020.

Investments in Joint Ventures

Vientos de Necochea S.A.

Statement of financial position

	Year ended December 31,			Three-Month period ended March 31,
	2020	**2019**	**2018**	**2021**
		(in thousands of U.S.$)		
Current assets[(1)]	9,325	8,349	13,842	10,664
Non-current assets	68,383	60,477	13,429	67,797
Current liabilities[(2)]	15,672	18,517	3,246	4,199
Non-current liabilities[(2)]	36,062	24,445	1,539	48,320
Shareholders' equity	25,974	25,864	22,486	25,942

Notes:—

(1) Includes cash and equivalents for an amount of U.S.$8,468 thousand, U.S.$6,619 thousand, U.S.$3,679 thousand and U.S.$12,388 thousand as of the three-month period ended March 31, 2021 and years ended December 31, 2020, 2019 and 2018, respectively.

(2) Includes financial debts with third parties in the amount of U.S.$37,592 thousand, U.S.$22,960 thousand, U.S.$585 thousand and U.S.$593 thousand as of the three-month period ended March 31, 2021 and years ended December 31, 2020, 2019 and 2018, respectively.

Statement of profit or loss and other comprehensive income

	Year ended December 31,			Three-Month period ended March 31,	
	2020	**2019**	**2018**	**2021**	**2020**
			(in thousands of U.S.$)		
Net sales	9,773	—	—	2,532	1,469
Cost of sales[(1)]	(3,504)	—	—	(991)	(567)
Administration expenses	(98)	(43)	(39)	(26)	(20)
Other expenses, net	(68)	(361)	(40)	(82)	(59)
Financial expenses, net	(5,861)	15	267	(1,984)	(723)
Net profit (loss) before income tax	242	(389)	188	(551)	100
Income tax	(127)	(638)	(3,304)	518	(974)
Net income (loss) for the period/year	115	(1,027)	(2,846)	(33)	(874)

Note:—

(1) Includes depreciation of fixed assets for an amount of U.S.$591 thousand, U.S.$396 thousand, and U.S.$2,168 thousand as of the three-month period ended March 31, 2021, March 31, 2020 and the year ended December 31, 2020, respectively.

Vientos Sudamericanos Chubut Norte IV S.A.

Statement of financial position

	Year ended December 31,			Three-Month period ended March 31,
	2020	**2019**	**2018[3]**	**2021**
		(in thousands of U.S.$)		
Current assets[1]	15,628	44,832	—	16,326
Non-current assets	119,915	90,032	—	127,204
Current liabilities[2]	65,898	25,013	—	74,413
Non-current liabilities[2]	21,481	61,095	—	21,273
Shareholders' equity	48,164	48,756	—	47,844

Notes:—

(1) Includes cash and equivalents for an amount of U.S.$2,975 thousand, U.S.$3,245 thousand and U.S.$33,071 thousand as of the three-month period ended March 31, 2021 and years ended December 31, 2020 and 2019, respectively.

(2) Includes financial debts with third parties in the amount of U.S.$55,869 thousand, U.S.$54,691 thousand and U.S.$43,223 thousand as of the three-month period ended March 31, 2021 and years ended December 31, 2020 and 2019, respectively.

(3) No comparative information is presented for the company Vientos Sudamericanos Chubut Norte IV S.A. since as of December 31, 2018, it was a controlled company (please see note 5.b note to our annual financial statements as of December 31, 2020.).

Statement of profit or loss and other comprehensive income

	Year ended December 31,			Three-Month period ended March 31,	
	2020	**2019**	**2018**	**2021**	**2020**
			(in thousands of U.S.$)		
Net sales	—	—	—	1,089	—
Cost of sales[1]	—	—	—	(681)	—
Administration expenses	(88)	(87)	—	(20)	(20)
Other expenses, net	(49)	(551)	—	(3)	(36)
Financial expenses, net	(4,749)	(2,883)	—	(1,065)	(1,159)
Net loss before income tax	(4,886)	(3,521)	—	(680)	(1,215)
Income tax	405	196	—	477	(185
Net loss for the period/year	(4,481)	(3,325)	—	(203)	(1,400)

Notes:—

(1) Includes depreciation of fixed assets for an amount of U.S.$680 thousand as of the three-month period ended March 31, 2021.

(2) No comparative information is presented for the company Vientos Sudamericanos Chubut Norte IV S.A. since as of December 31, 2018, it was a controlled company (please see note 5.b note to our annual financial statements as of December 31, 2020.).

Vientos Patagónicos Chubut Norte III S.A.

Statement of financial position

	Year ended December 31,			Three-Month period ended March 31,
	2020	2019	2018[3]	2021
	(in thousands of U.S.$)			
Current assets[1]	18,001	19,719	—	17,770
Non-current assets	76,795	44,097	—	81,824
Current liabilities[2]	52,670	4,391	—	58,443
Non-current liabilities[2]	10,178	31,541	—	12,570
Shareholders' equity	31,948	27,884	—	28,581

Notes:—

(1) Includes cash and equivalents for an amount of U.S.$8,304 thousand, U.S.$8,538 thousand and U.S.$75 thousand as of the three-month period ended March 31, 2021 and years ended December 31, 2020 and 2019, respectively.

(2) Includes financial debts with third parties in the amount of U.S.$38,160 thousand, U.S.$37,357 thousand and U.S.$22,319 thousand as of the three-month period ended March 31, 2021 and years ended December 31, 2020 and 2019, respectively.

(3) No comparative information is presented for the company Vientos Patagónicos Chubut Norte III S.A. since as of December 31, 2018, it was a controlled company (please see note 5.b note to our annual financial statements as of December 31, 2020).

Statement of profit or loss and other comprehensive income

	Year ended December 31,			Three-Month period ended March 31,	
	2020	2019	2018[2]	2021	2020
	(in thousands of U.S.$)				
Net sales	—	—	—	690	—
Cost of sales[1]	—	—	—	(462)	—
Administration expenses	(70)	(71)	—	(16)	(17)
Other expenses, net	(214)	(166)	—	(2)	(76)
Financial expenses, net	(3,576)	(940)	—	(1,336)	(416)
Net loss before income tax	(3,860)	(1,177)	—	(1,126)	(509)
Income tax	3,018	(441)	—	(2,238)	201
Net loss for the period/year	(842)	(1,618)	—	(3,364)	(308)

Notes:—

(1) Includes depreciation of fixed assets for an amount of U.S.$462 thousand as of the three-month period ended March 31, 2021.

(2) No comparative information is presented for the company Vientos Patagónicos Chubut Norte III S.A. since as of December 31, 2018, it was a controlled company (please see note 5.b note to our annual financial statements as of December 31, 2020).

Adjusted EBITDA by segment:

The table below shows the evolution of our Adjusted EBITDA by segment.

	Year ended December 31,			Three-Month period ended March 31,	
	2020	**2019**	**2018**	**2021**	**2020**
			(***U.S.$ in millions***)		
Electric power generation from renewable sources	206.3	150.2	63.2	47.9	51.4
Electric power generation from conventional sources	54.4	83.5	106.1	9.6	16.1
Trading of natural gas and gas transportation	4.2	3.7	3.3	0.8	0.9
Corporate and others	(12.6)	(14.7)	(20.6)	(1.6)	(2.3)
Adjusted EBITDA	**252.3**	**222.8**	**152.0**	**56.6**	**66.0**

The Adjusted EBITDA by segment allows to show the evolution of the Company's different segments and their contribution to the adjusted EBITDA. The following table reconciles the Net profit before financial expense net and income tax from each segment with their Adjusted EBITDA.

Business Segment: Electric power generation from renewable sources

	Year ended December 31,			Three-Month period ended March 31,	
	2020	**2019**	**2018**	**2021**	**2020**
			(***U.S.$ in millions***)		
Net profit before financial expense, net and income tax of the segment	163.3	115.5	37.2	35.2	40.3
Fixed assets depreciation and intangible assets amortization	40.3	31.3	16.3	10.8	9.8
Impairment loss on intangible assets and goodwill	—	—	8.3	—	—
Results for long-term investments	2.7	3.3	1.4	1.8	1.3
Adjusted EBITDA of the segment	**206.3**	**150.2**	**63.3**	**47.9**	**51.4**

Business Segment: Electric power generation from conventional sources

	Year ended December 31,			Three-Month period ended March 31,	
	2020	**2019**	**2018**	**2021**	**2020**
			(***U.S.$ in millions***)		
Net profit before financial expense, net and income tax of the segment	15.0	25.7	65.0	3.1	8.9

	Year ended December 31,			Three-Month period ended March 31,	
	2020	**2019**	**2018**	**2021**	**2020**
Fixed assets depreciation and intangible assets amortization	27.7	35.2	41.1	6.4	7.2
Impairment loss on intangible assets and goodwill	—	27.6	—	—	—
Other net expenses	11.6	(5.0)	-	—	—
Adjusted EBITDA of the segment	**54.4**	**83.5**	**106.1**	**9.6**	**16.1**

Business Segment: Trading of natural gas and gas transportation

	Year ended December 31,			Three-Month period ended March 31,	
	2020	**2019**	**2018**	**2021**	**2020**
			(***U.S.$ in millions***)		
Net profit before financial expense, net and income tax of the segment	3.6	2.9	3.2	0.6	0.7
Fixed assets depreciation and intangible assets amortization	0.7	0.8	0.1	0.2	0.2
Adjusted EBITDA of the segment	**4.2**	**3.7**	**3.3**	**0.8**	**0.9**

Business Segment: Corporate and others

	Year ended December 31,			Three-Month period ended March 31,	
	2020	**2019**	**2018**	**2021**	**2020**
			(***U.S.$ in millions***)		
Net profit before financial expense, net and income tax of the segment	(17.8)	(21.3)	(26.6)	(2.9)	(3.4)
Fixed assets depreciation and intangible assets amortization	1.1	1.2	1.3	0.3	0.3
Other net expenses	4.1	5.4	4.6	1.0	0.9
Adjusted EBITDA of the segment	**(12.6)**	**(14.7)**	**(20.6)**	**(1.6)**	**(2.3)**

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

The following discussion is based on, and should be read in conjunction with, our annual financial statements and interim financial statements included elsewhere in this Exchange Offer and Consent Solicitation Memorandum, as well as the information set forth in Presentation of Financial and Other Information. Our Financial Statements were prepared in U.S. dollars in accordance with IFRS. The discussion includes forward-looking statements which involve risks and uncertainties, as described in "Forward-Looking Statements." You should review the Risk Factors set forth elsewhere in this Exchange Offer and Consent Solicitation Memorandum for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained herein.

Overview

We are an Argentine independent power generation company whose mission is to provide reliable and sustainable energy. As of the date of this Exchange Offer and Consent Solicitation Memorandum, we operate an estimated 22% of the wind and solar installed capacity in the country, making us the leading renewable power company in Argentina. We are involved in the entire cycle of power generation: we prospect, develop, build and operate renewable and conventional power plants. As of the date of this Exchange Offer and Consent Solicitation Memorandum, we own and operate a gross installed capacity of 1,279 MW (866 MW of renewable energy and 413 MW of conventional energy). We primarily derive our revenues from long-term U.S. dollar denominated PPAs, which provide us with stable and predictable cash flows. In the year ended December 31, 2020, net sales were U.S.$302.2 million (75.1% from electric power generation from renewable sources, 21.9% from electric power generation from conventional sources and 3.0% from corporate and other segments) and our Adjusted EBITDA totaled U.S.$252.3 million.

Our mission. Our mission is to provide sustainable and reliable energy. We are a pioneer in promoting renewable energy practices in Argentina, committed to the highest environmental standards. In 2012, we built Rawson I & II, the biggest wind farm during the first wave of renewable energy in Argentina. Aligned with our long-term strategy, over the past four years we have undergone a major transformation towards a more sustainable energy profile. In 2016, we initiated a renewable energy investment plan of over U.S.$1.0 billion that increased our renewable energy gross capacity by 706 MW. In 2018 and 2019, we built Madryn I & II of 222 MW, the biggest wind farm during the second wave of renewable energy in Argentina. Electric power generation from all renewable sources represented 85.6% of our total generation and 75.1% of our net sales in the year ended December 31, 2020, compared to 25.6% and 27.9%, respectively, in the year ended December 31, 2016.

Electric power generation from renewable sources segment. We own and operate a diversified portfolio of high-quality wind and solar farms built using state of the art technology. As an early participant in the local renewable energy market, we have secured access to premium locations with strong wind resources and access to the electrical grid, as well as substantial in-house expertise. Most of our operating wind farms (Rawson I, II & III, Madryn I & II, Trelew and Chubut Norte I, II, III & IV) are located in the Province of Chubut in the Patagonia region, except our Villalonga I & II and Necochea wind farms, which are located in the south of the Province of Buenos Aires, and our Pomona I & II wind farms, which are located in the Province of Río Negro. We also own and operate three solar photovoltaic farms located in the Province of San Juan named Ullum I, II & III. In 2020, the average load factor of our wind and solar farms with COD on or after November 2018 was 49.9% and 29.1%, respectively. We believe that these high dispatch levels show that Argentina has one of the world's most favorable natural endowments for the development of wind and solar energy. In 2020, we generated 2,776 GWh in renewable energy, accounting for approximately 26% of the solar and wind energy generated nationwide, according to information released by CAMMESA. All renewable energy assets in Argentina benefit from priority in dispatch to the grid and its remuneration is based on the energy effectively delivered.

Electric power generation from conventional sources segment. We also have solid expertise in the development and operation of thermal power plants. We operate two thermal power plants with a combined installed capacity of 413 MW strategically located in the provinces of Buenos Aires and Tucumán. These power plants, due to the technology their generation units are equipped with, are capable of covering the demand in peak hours and compensate for the intermittency of a growing renewable energy base. Substantially all revenues from our thermal plants are derived from selling firm capacity. As a result, the performance of the electric power generation from conventional sources segment is mainly driven by the availability factor of the power plants. Our thermal power plants achieved a weighted average availability factor of 98.1% for the year ended December 31, 2020.

Corporate and Other segments. We are also engaged in the business of trading natural gas on the MEG with power companies and industrial users, and in the business of trading natural gas transport capacity assigned to us.

Presentation of Financial Information

We prepared our annual financial statements included in this Exchange Offer and Consent Solicitation Memorandum in U.S. dollars, our functional currency, and according with IFRS as issued by the IASB. For a description of our significant accounting policies, see note 3 to our annual financial statements. For a description of our critical accounting policies where our management exercises significant judgment, see "— Critical Accounting Policies and Estimates." Our annual financial statements for statutory, legal and regulatory purposes in Argentina are those prepared in Argentine pesos, issued and filed with the CNV and approved by our Board of Directors. We expect to issue our unaudited consolidated financial statements as of and for the six-month period ended June 30, 2021 on or about August 11, 2021. In light of this, the company expects to update the financial information contained herein by means of a supplement to this Exchange Offer and Consent Solicitation Memorandum.

We have prepared our interim financial statements in accordance with IAS No. 34.

Our Business Segments

We develop our activities in the following business segments: (i) electric power generation from renewable sources (wind and solar power generation); (ii) electric power generation from conventional sources (thermal power generation); (iii) gas trading and transportation; and (iv) corporate and others (costs and assets related to the corporate administration and other income (expense)).

The table below shows a breakdown of our net sales by segment:

	Year ended December 31,						Three-month period ended March 31,			
	2020		2019		2018		2021		2020	
	(in millions of U.S.$, except percentages)									
Revenue from electric power generation from renewable sources	227.0	75.1%	163.1	60.5%	69.6	34.4%	52.5	77.1%	55.7	72.6%
Revenue from electric power generation from conventional sources	66.1	21.9%	99.8	37.0%	126.9	62.7%	12.6	18.5%	18.6	24.3%
Revenue from trading of natural gas and gas transportation	5.2	1.7%	5.0	1.8%	5.1	2.5%	1.0	1,5%	1.1	1.4%
Corporate and others	3.8	1.3%	1.7	0.6%	0.8	0.4%	2.0	3.0%	1.3	1.8%
Total	**302.2**	**100%**	**269.6**	**100%**	**202.4**	**100%**	**68.2**	**100%**	**76.8**	**100%**

The table below shows a breakdown of our net profit before financial expense, net and income tax by segment:

	Year ended December 31,						Three-Month period ended March 31,			
	2020		2019		2018		2021		2020	
	(in millions of U.S.$, except percentages)									
Electric power generation from renewable sources	163.3	99.5%	115.5	94%	37.2	47.2%	35.2	97.6%	40.3	86.7%
Electric power generation from conventional sources	15	9.2%	25.7	20.9%	65	82.5%	3.1	8.6%	8.9	19.1%
Trading of natural gas and gas transportation	3.6	2.2%	2.9	2.3%	3.2	4%	0.6	1.8%	0.7	1.5%
Corporate and others[(1)]	(17.8)	(10.9)%	(21.2)	(17.3)%	(26.6)	(33.7)%	(2.9)	(8)%	(3.4)	(7.4)%
Total	**164.1**	**100%**	**122.9**	**100%**	**78.8**	**100%**	**36.1**	**100%**	**46.4**	**100%**

Note:—

(1) Financial expense, net and income tax are allocated to the corporate and others segment.

For more information on our business segments, see note 13 to our annual financial statements.

PRINCIPAL FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Argentine Macroeconomic Conditions

As substantially all of our operations, facilities and customers are located in Argentina, we are affected by macroeconomic conditions in the country, including inflation, fluctuations in foreign exchange rates and stagnation. Volatility in the Argentine economy and certain measures taken by the government have had, and are expected to continue to have, a significant impact on our business. See "Risk Factors—Risks Relating to Argentina."

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

	2020	2019	2018
Economic Activity			
Real GDP (pesos of 2004) (% change) (as a % of GDP)	9.9%	(2.0)%	(2.5)%
Real GDP (in billions of constant 2004 pesos)	624.5	693.0	707.3
Price Indexes and Exchange Rate Information			
Consumer Price Index (INDEC CPI) (% change)	36.1%	53.8%	47.6%
Nominal Exchange Rate[(1)] (in Ps./U.S.$ at year end)	84.1	59.9	37.8

Sources: Ministry of Economy, Central Bank and INDEC

(1) Wholesale reference exchange rates quoted by the Central Bank (*tipo de cambio de referencia mayorista*) (Communication "A" 3500 of Central Bank).

See "Risk Factors—Risks Relating to Argentina—In the past, the credibility of certain Argentine economic indexes has been called into question, which may lead to a lack of confidence in the Argentine economy and in turn, our business, results of operations and financial condition."

Inflation

Argentina has faced and continues to face inflationary pressures. From 2011 through the first quarter of 2021, Argentina experienced significant increases in inflation as measured by CPI and WPI that reflected the

growth in the levels of private consumption and economic activity, which applied upward pressure on the demand for goods and services, and/or corresponded to the depreciation of the Argentine peso. For Argentina's inflation rates from 2018 to the first quarter of 2021, see "—Argentine Macroeconomic Conditions." The increase in inflationary risk may erode macroeconomic growth and further limit the availability of financing. See "Risk Factors—Risks Relating to Argentina—Continuing inflation may have an adverse effect on the Argentine economy, and consequently on our business results of operations and financial condition." The accuracy of the measurements of inflation by INDEC has been called into question, and the actual inflation for 2015 and previous years could be substantially higher than that indicated by INDEC. In addition, despite recent reforms, there remains uncertainty as to whether official data and measurement procedures sufficiently reflect inflation in the country. Over the course of 2019 and the period going from January to June 2021, Argentina experienced a significant increase in inflation, reaching its highest level since 1991.

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

Exchange Rate Fluctuations

Substantially all of the rates under our PPAs are denominated in U.S. dollars and payable in pesos primarily at the wholesale reference exchange rate (*tipo de cambio de referencia mayorista*) quoted by the Central Bank pursuant to Communication "A" 3500. U.S. dollar denominated rates are converted into pesos on the PPA payment date (41 days after billing date) rather than the date of actual payment which may have a negative effect on our results to the extent there is devaluation of the peso during the period between the 42nd day after the billing date and the actual payment date and which effect may be increased if there are payment delays as referred to in "—Billing and Collection." However, we believe that we have the right to claim exchange differences that occur between the billing date and the date of actual payment, although we have not been able to recover from CAMMESA and IEASA such amounts as of the date of this Exchange Offer and Consent Solicitation Memorandum. See note 11.4 to our annual financial statements. In addition, a substantial portion of our operating costs and most of our debt are denominated in U.S. dollars. This arrangement creates a natural hedge against exchange rate fluctuation and allows us to use U.S. dollars as our functional currency for accounting purposes.

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

See "Risk Factors—Risks Relating to Argentina—Fluctuations in the value of the peso could adversely affect the Argentine economy, and consequently our results of operations or financial condition" and "Exchange Rates."

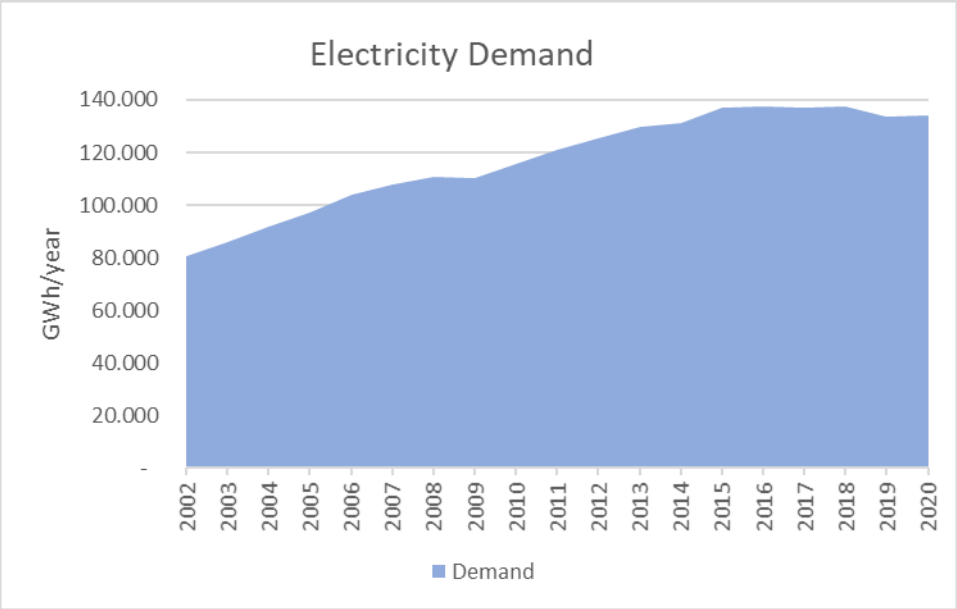
Electricity Demand and Supply

Demand for electricity depends, to a significant extent, on macroeconomic conditions prevailing from time to time in Argentina, as well as seasonal factors. During 2020 and the first quarter of 2021, the COVID-19 pandemic affected energy demand as well as the economy. In general, the demand for electricity varies depending on the performance of the Argentine economy, as businesses and individuals generally consume more energy and are better able to pay their bills during periods of economic stability or growth. As a result, energy demand is affected by Argentine governmental actions concerning the economy, including with respect to exchange rates, inflation, interest rates, price controls, taxes and energy tariffs and regulations related to the COVID-19 pandemic.

Following the 2001-2002 economic crisis, demand for electricity in Argentina grew, driven by the economic recovery and frozen tariffs (except in 2009, 2017, 2019 and 2020). During the first quarter of 2021, electricity demand declined 0.1% compared to 2020, from 35,348 GWh to 35,328 GWh.

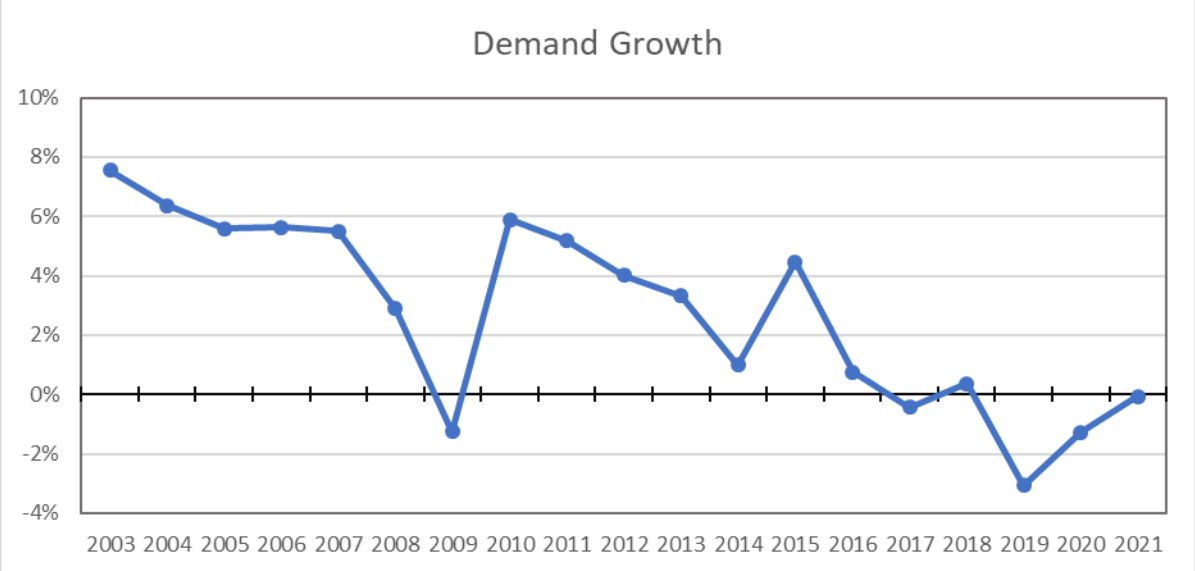
The demand for electricity shows an average growth trend in the last 10 years, with a decline in demand in periods of economic downturn, including due to the COVID-19 pandemic.

The chart below shows electricity demand in Argentina.



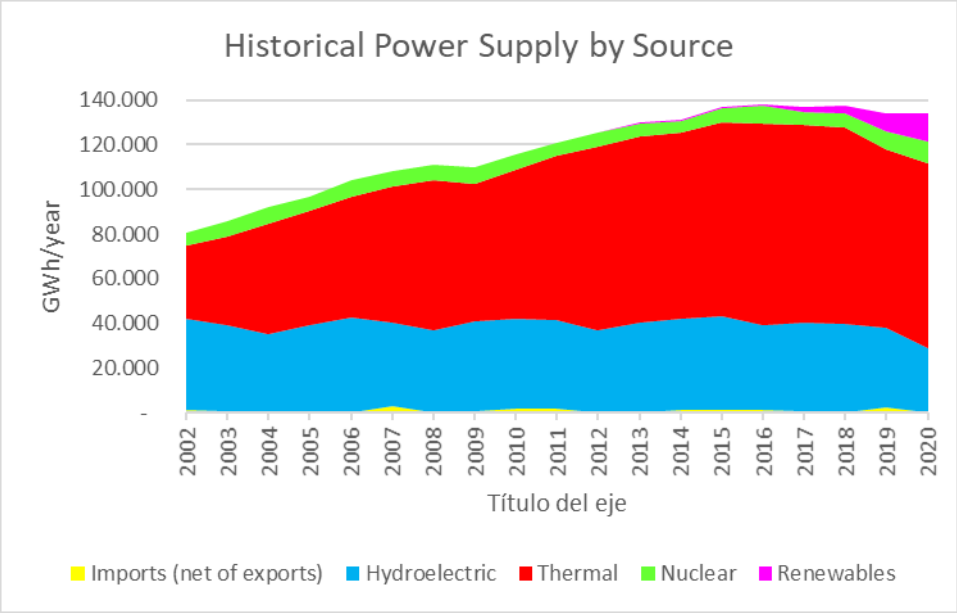
Source: CAMMESA

The chart below shows rate of growth of electricity demand in Argentina.



Source: CAMMESA

The chart below shows the supply of electricity in Argentina by source, including generation within Argentina from hydroelectric, thermal, nuclear, renewables, as well as electricity imported from neighboring countries (net of exports).



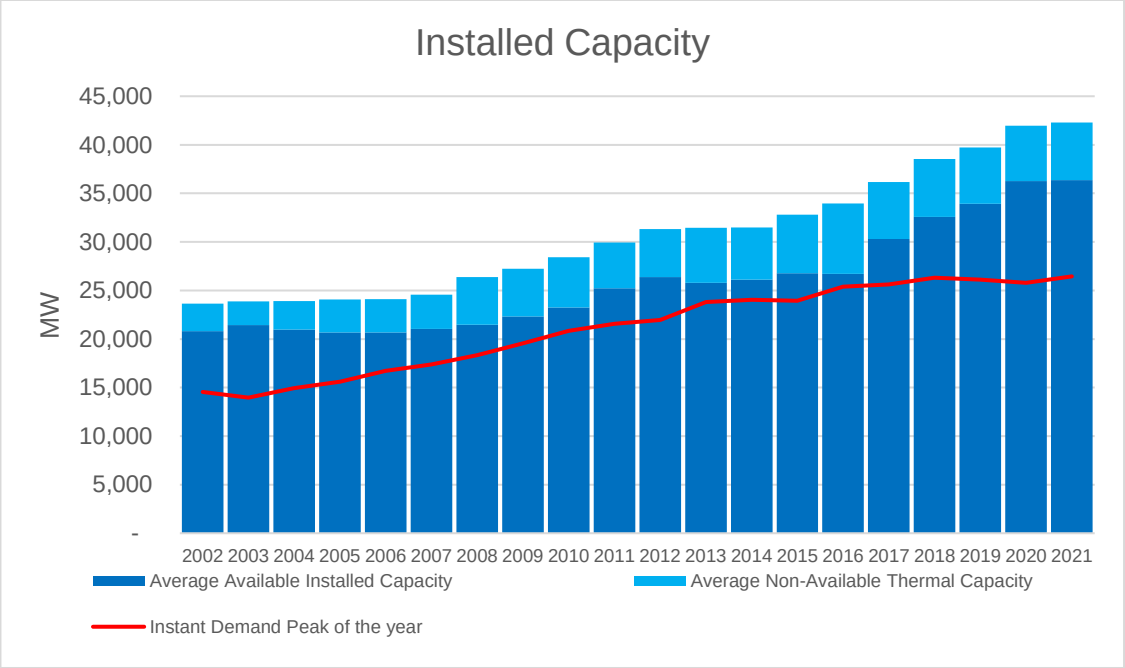
Source: CAMMESA

During the first quarter of 2021, thermal generation continued to be the main resource used to supply energy demand, contributing 22,794 GWh (approximately 64.5%), followed by hydroelectric generation net of pumping, which contributed 6,676 GWh (approximately 18.9%), renewable generation, which contributed 3,941 GWh (approximately 11.2%) and nuclear generation, which contributed 1,917 GWh (approximately 5.4%). There were also imports, in the amount of 114 GWh, and exports, in the amount of 1,105 GWh.

Renewable and thermal generation during the first quarter of 2021 registered an increase of approximately 42% and 2%, respectively, when compared to the first quarter 2020, while nuclear and hydroelectric generation registered a decrease of approximately 24% and 14% respectively, compared to the first quarter 2020. Nevertheless, thermal generation continued to be the main source for the supply of electricity, fuelled both by natural gas and by liquid fuels (diesel oil and fuel oil), as well as mineral coal mainly during the winter months.

During the first quarter of 2021, generation facilities increased their installed capacity from 41,951 GW in 2020 to 42,286 GW in 2021. This increase was caused mainly by the new capacity of wind farms and biomass power plants deployed under the RENOVAR program.

The chart below shows that, although total installed capacity is higher than instant demand peak, until 2016 reserves were decreasing when average available installed capacity is compared with instant demand peak. However, since 2017, reserves have increased compared to 2016, mainly due to new capacity installed under Resolution 21, Resolution 287 and the RenovAr program. On the other hand, instant demand peak has increased 2.6% as compared to 2020.



Source: CAMMESA

Changes to the Regulatory Framework of the Argentine Electricity Sector

Given the narrowing gap between demand and supply during the period between 2013-2015, there was a need for the addition of new capacity in Argentina. As a result, a bidding process for new generation projects, both from conventional and renewable sources, was conducted. The SE called for bids under the Thermal Energy Program to install new thermal generation units that become operational between summer 2016/2017 and summer 2017/2018, offering generators long-term PPAs with CAMMESA. In May 2017, the SE called for bids under Resolution No. 287/2017 to install new thermal combined cycle and cogeneration units to satisfy demand in the WEM. The government received offers for 6.6 GW of new thermal power capacity and awarded approximately 4.8 GW of new thermal capacity.

In October 2015, the Argentine Congress amended the Renewable Energy Program, setting as goal to reach a contribution of renewable energy to total demand consumption of 8% for 2017 and 20% for 2025, by mandating certain industrial and commercial consumers to cover a portion of their consumption from renewable energy sources, and granting tax and other benefits to new renewable energy projects. In July and October 2016 and August 2017, the Ministry of Energy instructed CAMMESA to call for bids under the Renewable Energy Program to install additional generation units from renewable sources. Following round 1, round 1.5 and round 2 of the RenovAr program the government received offers for 17.31 GW of new renewables generation capacity and awarded 4.5 GW of new renewable energy capacity under round one, round 1.5 and round 2, mainly to wind and solar energy projects. In August 2019, CAMMESA awarded 259 MW under the MINIREN–ROUND 3 bidding process to small renewable energy projects.

In order to continue installing new generation units, the Argentine government introduced certain changes to the applicable laws and regulations in an attempt to encourage power transmission expansion projects,

including the regulatory framework for public-private participation contracts and a new methodology to develop an Electricity Transmission Master Plan, known as "TransportAR program".

The main changes the administration has introduced to date include:

- By means of Executive Decree No. 50/19, certain structural changes were introduced, and the Secretariat of Energy was under the purview of the Ministry of Productive Development. However, Executive Decree No. 706/20 placed the Secretariat of Energy under the purview of the Ministry of Economy.
- By means of Resolution No. 12/19, fuel management will be centralized by CAMMESA and generation companies will not purchase fuel.
- Resolution 31/20 decreases energy and capacity tariffs for generation since February 2020. Tariffs' currency is pesos, but the resolution established a formula to adjust the tariffs with certain indexes.
- Decrees 277/20 and 278/20 appointed the controllers of ENRE and ENARGAS regulatory entities. Decree 963/20 changed the controller of ENRE.
- Decree 297/20 established social isolation requirements due to the COVID-19 pandemic and also determined that gas and electricity are essential services.
- By means of note NO-2020-24910606-APN-SE#MDP, the Secretary of Energy decided that the formula to adjust generation tariffs will not be applied.
- The government, through ENRE and ENARGAS will carry out a process to review electricity and natural gas distribution and transport tariffs (Decree 1020/20). During March 2021, the ENRE and ENARGAS carried out public hearings to review electricity and natural gas distribution and transport tariffs.
- The Secretary of Energy carried out the tender to supply natural gas in accordance with the Plan for the Promotion of the Production of Argentine Natural Gas – Supply and Demand Scheme 2020-2024 (Resolution SE 317/20). The Secretary of Energy established the priorities to purchase gas and to dispatch the generation units (Resolution SE 354/2020).
- The Government approved incentives to reduce the debts of the electricity distribution companies with CAMMESA (Law 27591 and Resolution SE 40/21).

Dispatch and Availability

With respect to our wind and solar farms, our revenues are derived from electricity effectively delivered. All renewable energy assets in Argentina benefit from priority in dispatch to the grid. As a result, in our power generation from renewable sources segment, our Adjusted EBITDA is driven by the availability factor of our wind and solar farms and wind and solar irradiance conditions. In turn, substantially all of our revenues from our thermal power plants are derived from selling firm capacity. As a result, in our power generation from conventional sources segment, our Adjusted EBITDA is mainly driven by the availability factor of our thermal power plants.

The table below shows the availability factor for our thermal power plants and our wind and solar farms in operation for the periods indicated.

	Year ended December 31,			Three month period ended March 31,	
	2020	2019	2018	2021	2020
Availability Factor (%)					
Thermal power plants	**98.0**	**99.4**	**98.5**	**90.4**	**99.7**
Matheu[(6)]	100.9	99.8	100.0	—	99.9
Paraná[(6)]	91.6	99.8	100.0	—	100.0

	Year ended December 31,			Three month period ended March 31,	
	2020	2019	2018	2021	2020
Concepción del Uruguay[6]	100.0	99.7	100.0	—	100.0
Olavarría[6]	97.8	99.9	99.9	—	99.8
Las Armas[6]	88.8	98.9	99.5	58.4	98.7
Bragado I, II & III	96.6	98.9	97.4	87.7	99.3
Pinamar[3]	—	88.8	98.9	—	—
Gobernador Costa[4]	—	66.5	60.2	—	—
Río Mayo[4]	—	99.9	99.0	—	—
Cruz Alta[1]	100.0	99.8	98.6	99.6	99.9
Wind farms	**94.68**	**93.7**	**95.5**	**88.8**	**95.4**
Rawson I and II	97.0	97.2	95.5	95.9	97.6
Rawson III	93.6	97.7	98.5	94.6	97.9
Trelew[2]	81.1	78.3	98.8	76.8	86.5
Madryn I	97.5	95.7	94.2	97.5	97.0
Villalonga I	97.1	95.9	94.2	96.9	96.3
Chubut Norte I	96.4	96.0	86.6	97.3	98.0
Villalonga II	97.8	96.4	—	98.3	98.2
Pomona I	93.2	92.7	—	97.7	97.0
Pomona II	80.4	98.2	—	93.8	92.5
Madryn II	97.2	97.9	—	98.3	93.3
Necochea	96.9	—	—	97.3	89.4
Solar farms[5]	**80.6**	**76.9**	—	26.8	86.5
Ullum I	79.2	76.2	—	69.9	97.0
Ullum II	79.9	78.1	—	40.3	96.3
Ullum III	81.6	76.7	—	**77.9**	**77.4**
Total availability factor	**95.0**	**95.4**	**97.2**	**88.9**	**96.3**

Notes:—

(1) The commercial operation of this plant began in January 2002 and February 2003 but has only been operated by us (through GEDESA) since August 11, 2017.

(2) According to information provided by CAMMESA, Trelew wind farm's energy sales were 158GWh for the year ended December 2018. According to information available to us in monthly operation reports (CAMMESA does not provide information on wind farm availability), Trelew wind farm's availability was 85% for the year ended December 2018, respectively.

(3) Thermal plant Pinamar ceased operations after April 1, 2019, pursuant to Resolution 2019-4-APNSRRYME# MHA of the Ministry of the Treasury. For more details, see "Business—Operating Power Plants—Thermal Power Plants."

(4) On April 4, 2019, we handed over, through a court proceeding, the properties, facilities and other assets that make up the power generation plants of the towns of Río Mayo and Gobernador Costa to the Province of Chubut. As of that date, we consider that these power plants ceased to be our property and, therefore, stopped invoicing for the sale of energy to the Province of Chubut. For more details, see "Business—Operating Power Plants—Thermal Power Plants".

(5) In Ullum solar farms, it refers to the Performance Ratio PR.

(6) Thermal plant Matheu ceased operations after April 30, 2020, as provided by Resolution B-144924-1 of the Ministry of Finance. The Concepción del Uruguay thermal plant, Olavarria Thermal Plant and Las Armas 1 Thermal Plant ceased operation as of November 1, 2020, as provided by Resolution RESOL-2020-123-APN-SE#MDP, RESOL-202041-APN-SE#MDP and RESOL-2020-208-APNSE#MD respectively. The Paraná thermal plant ceased operation as of December 9, 2020, as provided by Resolucion RESOL-2020-285-APN-SE#MEC. The Las Armas II Thermal Plant ceased operation on May 5, 2021 as provided by Resolution RESOL-2021-376-APN-SE#MEC.

Our wind and solar farms have achieved an weighted average availability factor of 94.7% and performance ratio of 80.35%, respectively, during the year 2020 and our thermal power plants have achieved a weighted average availability factor of 98.1% during the same period. In the event that our thermal power plants do not meet the required thresholds, absent a *force majeure* event or scheduled maintenance unavailability, CAMMESA has the ability to impose monetary fines on us (and it has done so in the past).

Climate Conditions Affect Our Wind and Solar Farms

Our ability to generate and deliver electricity to the NIS from wind sources and solar sources depends on climate conditions, particularly wind speeds and solar irradiation, over which we have no control.

During the year ended December 31, 2020, our Rawson I, II, and III wind farms generated energy sales of 404 GWh based on an availability factor of 96%, our Madryn I & II, Pomona I & II Villalonga I & II and Chubut Norte I, wind farms generated energy sales of 1,840 GWh, based on an availability factor of 95.7%, and our Ullum I, II & III solar farms generated energy sales of 210 GWh, based on a performance ratio of 80.35%. In February 2020 our Necochea wind farm started commercial operation, generating energy sales of 150 GWh, based on an availability factor of 96.9%.

During the year ended December 31, 2019, our Rawson I, II, and III wind farms generated energy sales of 411 GWh based on an availability factor of 97.3%, our Madryn I & II, Pomona I & II Villalonga I & II and Chubut Norte I, wind farms generated energy sales of 11.91 GWh, based on an availability factor of 95.9%, and our Ullum I, II & III solar farms generated energy sales of 193 GWh, based on a performance ratio of 77%.

During the year ended December 31, 2018, our Rawson I, II, III wind farms generated energy sales of 290 GWh based on an availability factor of 97.6%, our Madryn I, Villalonga I and Chubut Norte I, wind farms achieved commercial operation date and generated energy sales of 108 GWh, based on an availability factor of 87.9%. During the same period, our Trelew wind farm generated energy sales of 153 GWh based on an availability factor of 78.3% and energy sales of 159 GWh, based on an availability factor of 84.9% (according to information provided by CAMMESA and, with respect to availability factor, available to us in monthly operation reports).

For additional information about the impact of wind speed, resource and the uncertainties and risks associated with weather conditions, see "Risk Factors—Risks Relating to the Argentine electricity sector—Our ability to operate wind and solar farms profitably is highly dependent on suitable wind, solar and associated weather conditions."

Terms of Our PPAs

We have entered into 14 long-term PPAs (excluding PPAs with private users) for our operating plants that expire between 2021 and 2041. We have one PPA with IEASA for our Trelew wind farm and, regarding our operating thermal power plants, we have two PPAs with CAMMESA for each of our thermal power plants, Bragado II and III.

In 2017, we entered into six long-term PPAs with CAMMESA for our Villalonga I, Chubut Norte I, Madryn I and II, Pomona I and Necochea wind farms. In 2018, we entered into three long-term PPAs with CAMMESA, for our Chubut Norte III and Chubut Norte IV wind farms and La Florida expansion project; and we acquired three long-term PPAs with CAMMESA for our Ullum Solar Plant. For additional information with respect to our PPAs, see "Business—Our Power Purchase Agreements."

As of March 31, 2020, the estimated weighted average remaining life of our PPAs for our operating wind farms is 16 years. As of the date of this Exchange Offer and Consent Solicitation Memorandum, the estimated weighted average remaining life of our PPAs for our operating thermal power plants is 6 years and the estimated weighted average remaining life of our PPAs for our solar farms is 17 years. For additional information with respect to our PPAs, see "Business—Our Power Purchase Agreements.".

Our Cruz Alta and Bragado I power plants do not have PPAs but operate under the Base Energy Remuneration Scheme with CAMMESA, which compensates us for firm capacity, as well as to a lesser extent generation, based on tariffs that are set by the Secretary of Energy. We are currently assessing the potential sale of thermal assets which are no longer operational.

The following table sets forth the expiration dates of our executed PPAs in effect as of the date of this Exchange Offer and Consent Solicitation Memorandum.

	Status	Expiration date
Wind Farms		
Rawson I	In operation	12/2026[(1)]
Rawson II	In operation	01/2027[(1)]
Trelew	In operation	08/2028[(1)]
Rawson III		12/2037[(2)]
		04/2028[(2)]
	In operation	07/2028[(2)]
Villalonga II	In operation	07/2038[(3)]
Pomona II	In operation	12/2033[(3)]
Chubut Norte II	In operation	07/2028[(3)]
Madryn I	In operation	11/2038
Villalonga I	In operation	12/2038
Chubut Norte I	In operation	12/2038
Madryn II	In operation	9/2039
Pomona I	In operation	08/2039
Necochea	In operation	02/2040
Chubut Norte III	In operation	02/2041
Chubut Norte IV	In operation	02/2041
Biomass Farm		
La Florida	Awarded	11/2041[(4)]
Solar Farms		
Ullum 1	In operation	12/2038
Ullum 2	In operation	12/2038
Ullum 3	In operation	12/2038
Thermal Power Plants		
Bragado II	In operation	02/2027
Bragado III	In operation	05/2027

Notes:—

(1) The expiration date of our PPAs for the Rawson I and II wind farms and Trelew wind farm is the earlier of (i) 15 years after the commercial operation date of each power plant or (ii) the dispatch of the maximum quantity of energy committed to be purchased.

(2) In connection with Rawson III wind farm, in September 2016 we entered into a PPA with Loma Negra C.I.A.S.A., the first PPA with a private user in Argentina for approximately 60% of the installed capacity of our Rawson III wind farm. In April 2018, we entered into a ten-year U.S. dollar-denominated PPA with Oroplata for approximately 40% of the installed capacity of our Rawson III wind farm. As of June 2018, we entered into a PPA with Banco Macro for the remaining installed capacity of our Rawson III wind farm.

(3) In connection with Chubut Norte II, Pomona II and Villalonga II wind farms, we entered into with the following private users in Argentina: in June 2018, we entered into a PPA with Meranol S.A.C.I.; in September 2018, we entered into a PPA with Curtiembre Arlei S.A.; in December 2019, we entered into PPAs with Bemis Argentina S.A.U., Royal Canin S.A. and Compañía de Alimentos Fargo S.A.; in 2020, we signed PPAs with Mc CAIN Argentina S.A., Grupo Dos Leguas S.A.U., CARGILL S.A.C.I., Vidrieria Argentina S.A. and Pilkington Automotive

Argentina S.A. Our PPAs are denominated in dollars and valid for five years, with the exception of Grupo Dos Leguas S.A.U.'s PPA, which is valid for 15 years. See "PPAs entered into with Private Users in Argentina".

(4) For our expansion project, estimated expiration date is based on the expected commercial operation date.

Generation Capacity Expansion

We currently have fifteen wind farms in operation with an installed capacity of 784 MW, including our flagship project, Madryn I & II, and two operating thermal power plants connected to the NIS with a combined installed capacity of 413 MW, including Bragado II and III. We developed each of our wind farm and thermal power plants except for the Cruz Alta thermal power plant and Trelew wind farms which were acquired in 2017. In April 2018, we acquired the Ullum Solar Plants with PPAs already awarded and a committed installed capacity of 82 MW. In addition, we have been awarded a bid and entered into a PPA with CAMMESA for La Florida to add 19 MW of installed capacity. Additionally, we have entered into PPAs with industrial users for the provision of energy from our Rawson III, Villalonga II, Chubut Norte II, and Pomona II wind farms.

The following table sets forth the actual or expected commencement dates of commercial operation of our plants.

	Status	Commencement date of commercial operation
Wind Farms		
Rawson I and II	In operation	January 2012
Trelew	In operation	August 2013[(1)]
Rawson III	In operation	December 2017
Chubut Norte I	In operation	December 2018
Madryn I	In operation	November 2018
Villalonga I	In operation	December 2018
Villalonga II	In operation	February 2019
Madryn II	In operation	September 2019
Pomona I	In operation	July 2019
Pomona II	In operation	August 2019
Necochea	In operation	February 2020
Chubut Norte II	In operation	March 2021
Chubut Norte III	In operation	February 2021
Chubut Norte IV	In operation	February 2021
Solar Farms		
Ullum 1 and 2	In operation	December 2018
Ullum 3	In operation	December 2018
Biomass Project		
La Florida	Awarded	June 2022[(2)]
Thermal Power Plants		
Bragado II and III	In operation	February 2017 / May 2017[(4)]
Cruz Alta	In operation	January 2002 / February 2003[(5)]

Notes:—

(1) Our Trelew wind farm reached commercial operation in August 2013 but it has only been operated by us since November 29, 2017.

(2) Committed commencement date according to the PPA and the extensions for the fulfillment of the progress milestones provided by notes from the Ministry of Energy, which are formal communications that are received from the Ministry of Energy; for example: through "note NO-2020-37458730-APN-SE#MDP" dated June 10, 2020, the Ministry of Energy suspended calculation of deadlines in the framework of the execution of the contracts for the RenovAr Programs between March 12, 2020 and September 12, 2020 due to the COVID-19 pandemic. See "POWER GENERATION - Wind Farms."

(3) 59 MW related to Bragado II PPA reached commercial operation in February 2017 and 59 MW related to Bragado III PPA reached commercial operation in May 2017.

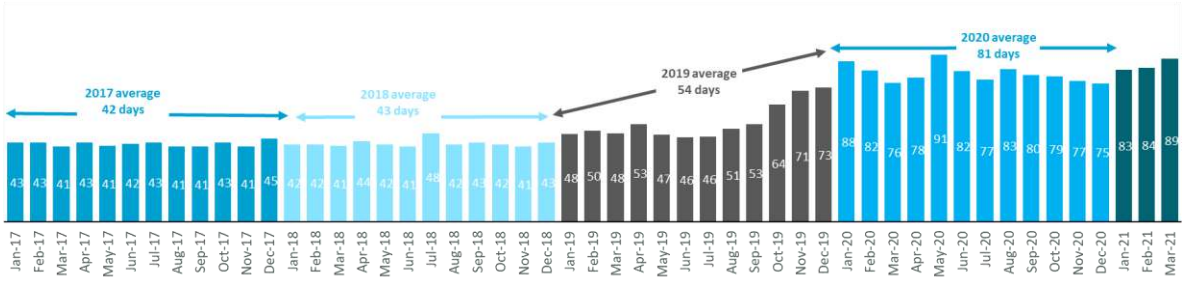
(4) The Cruz Alta plant reached commercial operation in January 2002 and February 2003 but it has been operated by us (through GEDESA) since its acquisition on August 11, 2017.

Billing and Collection

For the years ended December 31, 2018, 2019 and 2020, 92%, 95% and 93% of our net sales, respectively, were derived from CAMMESA and IEASA. For the three-month periods ended March 31, 2020 and 2021, 93% of our net sales were derived from CAMMESA and IEASA. We are entitled to receive payments from CAMMESA under our PPAs within 42 days from the date of billing, subject to the prior funding of proceeds to CAMMESA from other WEM agents, such as electricity distributors, large consumers and direct funding from the Argentine government.

In 2017, there was an improvement in CAMMESA's profile, both from an operational and a creditworthiness perspective, which in turn improved CAMMESA's payment cycle to generation companies, including us. As a result, during 2017 and 2018, our collection cycle reduced significantly. During 2018, it averaged 43 days and then it increased to 54 days in 2019. In 2019, the Argentine government's fiscal constraints delayed cash contributions to CAMMESA. Accordingly, the payment cycle started to deteriorate through 2019. Such delay only affects receivables that are not guaranteed by FODER. As of December 31, 2020, such receivables account for approximately 64% of our receivables while approximately 36% of our receivables are backed by the FODER guarantee. As of March 31, 2021, such receivables account for approximately 66% of our receivables while approximately 34% of our receivables are backed by the FODER guarantee. During 2020, the collection cycle averaged 81 days. As of the date of this Exchange Offer and Consent Solicitation Memorandum, our collection cycle for receivables guaranteed by FODER has remained steady at averaging 42 days throughout 2020 and the first quarter of 2021.

The chart below shows the payment cycle of CAMMESA, for receivables not guaranteed by FODER, in terms of number of days that CAMMESA took to pay the balances each month from January 2017 to January 2021:



Source: CAMMESA

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

In the application of accounting policies, our management and board of directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized

in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future years.

The following is a description of the main accounting areas and items that require our management to make significant judgments and estimates in preparing our Financial Statements, as detailed in note 4 to our annual financial statements.

Series XX Notes expiration. In relation to the maturity of the financial debt for the Series XX Notes for U.S.$500 million in January 2022, our management considers that there is a reasonable probability of refinancing or canceling said debt at maturity and, therefore, there is no material uncertainty about our ability to continue as a going concern. In this sense, in the evaluation carried out by our Directorate and Management, critical judgment factors have included i) that we are in a solid operating and financial position -which is reflected in the increase in the flow of available funds and a reduction in the net financial debt to EBITDA-ratio, as can be seen from the information reported in our financial statements; ii) that we have successfully demonstrated having access to the international and local capital markets on several occasions; iii) that we have access to bank financing lines; and iv) that we maintain frequent contact with banks and investors, which is extremely useful to know the situation of the debt market and their opinion of us.

Functional currency. Our Management applies its professional judgment in determining its functional currency and of its controlled entities. Judgement is basically made regarding the currency that mainly influences and determines sales prices, labor and material costs, investments and other costs, as well as the financing and collections derived from its operating activities in the long-term.

Recoverable value of trade receivables and other receivables. As detailed in Notes 11.4 y 11.5 to our annual financial statements, we have significant receivables from entities with state participation or dependent on funds from the public sector, recognized as trade receivables and other receivables as a result of its generation operations. Management makes an ongoing assessment of the recoverability of receivables based on aging, payment capacity of the counterparty, nature of the client, security interest received, its legal rights, among others, and accounts for provisions based on the estimated recoverable value of such receivables.

Recognition of the account for future investments. As mentioned in Notes 5.d and in Note 11.12 to our annual financial statements as of December 31, 2019 CAMMESA deducts from its monthly payments to the Company an amount appropriated to set up an "Account for future investments" which might be used to the installation of certain power plants. Such deductions are recorded as other receivables and Company's revenues in the period of accrual based on the regulatory and legal analysis made by Company's management, in consultation with its legal advisors. As of December 31, 2020, the deductions have ceased and the entire credit has been collected.

Recoverable value of deferred tax assets, tax loss carry-forwards and credits for minimum presumed income tax. We recognize tax loss carryforwards and other tax credits as deferred tax assets when it is probable they will be deducted against future taxable income. To that effect, based on paragraph 26 of NIC 12, we consider the projected taxable income and the reversal of temporary liability differences. In order to determine the likelihood of realization and estimate the recoverable amount of such assets, Management projects taxable income on the basis of several future variables, including the estimate of the Argentine currency devaluation against the U.S. dollar for the following years. Such estimates are periodically reviewed and their effects are recognized in the period in which a revision is performed.

Useful life of fixed assets, recoverable value of fixed assets, assets under concession and intangible assets. We estimate the useful life of their fixed assets, assets under concession and intangible assets, mainly wind power plant and thermal generation plants, based on the technology of the corresponding assets and their type and characteristic of use. In addition, we generally estimate the recoverable value of fixed assets, assets under concession and intangible assets on the basis of their economic value in use, calculated as the discounted expected future cash flows generated by each asset or group of assets under evaluation, considering their estimated useful life. With the exception of those thermal generation plants whose contract with CAMMESA has ended whose recoverable value has been estimated based on their estimated disposal value less costs to sell. In order to estimate cash flows, the our Management calculates revenues and future costs based on its best estimate of the regulatory framework, tariffs, fuel costs, devaluation and inflation of the Argentine peso,

salaries, wind farm utilization factor, useful life of the assets and the rate used to discount such cash flows, among others.

Impairment of goodwill. Determining whether goodwill is impaired requires an estimation of the value in use of the cash generating units to which goodwill has been allocated. The value in use calculation requires Management to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, a material impairment loss may arise and we have recognized an impairment loss in the year ended December 31, 2019 for the goodwill related to the acquisition of GETSA.

Estimate of contingent liabilities for claims and lawsuits. The final outcome arising from litigation, claims and other contingencies, as well as the perspective given to each issue by the Management may vary from their estimates due to different interpretations of laws, contracts, opinions and final assessments of the amount of the claims. Changes in the facts or circumstances related to these types of contingencies can have, as a consequence, a significant effect on the amount of the provisions for litigation and other contingencies recorded or the perspective given by the Management.

New Accounting Standards and Interpretations

For a description of our accounting standards and interpretations, see note 2 to our annual financial statements.

Description of Principal Line Items

Net Sales

Our net sales include revenues received from the following businesses in which we participate: (i) power generation from renewable sources; (ii) power generation from conventional sources; (iii) gas trading and transport; and (iv) other revenues. See note 5(m) to our annual financial statements.

Cost of Sales

Our costs of sales include direct costs related to power generation and trading activities such as (i) fuel for thermal power generation (natural gas and diesel fuel), (ii) salaries and benefits, social security and other contributions, fees for professional services and other personnel expenses, (iii) freight and insurance, (iv) taxes, charges and other contributions, maintenance and repairs, our works agreements and other services, and (v) fixed assets depreciation and amortization of intangible assets. See note 5(n) to our annual financial statements.

Gross Profit

Our gross profit reflects our net sales minus our cost of sales.

Selling Expenses

Our selling expenses include taxes (mainly turnover tax), doubtful accounts receivable, salaries and benefits and other expenses. See note 5(o) to our annual financial statements.

Administrative Expenses

Our administrative expenses include indirect expenses, such as (i) salaries and benefits, social security and other contributions with respect to our administrative personnel, fees for professional services, fees for directors, other personnel expenses; (ii) machinery and equipment rentals; (iii) maintenance and repairs; and (iv) fixed assets depreciation. See note 5(o) to our annual financial statements.

Other Expenses, Net

Other expenses, net, mainly includes tax on debits and credits, fixed asset retirements, impairment of goodwill and fixed assets and other miscellaneous non-recurring expenses. See note 5(p) to our annual financial statements.

Financial Expense, Net

Our financial expense, net includes (i) financial income, composed of interest income and (ii) financial expense, composed of interest expense, exchange variations net, issuance costs and withholding taxes and (iii) fair value gains and losses of financial instruments measured at fair value through profit or loss. See note 5(q) to our annual financial statements.

Income Tax

Income tax includes current income tax and deferred income tax. We recognize tax loss carry-forwards and other tax credits as deferred tax assets when their deduction against future taxable income is probable. For a description of our tax loss carry-forwards, see note 5(r) to our annual financial statements.

Net Profit

Net profit is the net gain after deducting or adding income tax.

Results of Operations

Selected Results of Operations for the three-month period ended March 31, 2021 compared to the three-month period ended March 31, 2020

	Three-month period ended March 31,			
	2021	2020	Change	
	(in millions of U.S.$, except percentages)			
Net sales	68.2	76.8	(8.6)	(11.2)%
Cost of sales	(25.3)	(24.3)	(1.1)	4.5%
Gross profit	42.8	52.5	(9.7)	(18.4)%
Selling expenses	(0.5)	(0.5)	-	-%
Administrative expenses	(3.4)	(3.4)	(0.1)	1.8%
Other expenses, net	(1.0)	(0.9)	(0.1)	10.4%
Loss, profit on long term investment in joint ventures	(1.8)	(1.3)	(0.5)	40.1%
Financial expense, net	(21.9)	(25.3)	3.4	(13.4)%
Net profit before income tax	14.2	21.2	(6.9)	(32.8)%
Income tax	(3.9)	(12.4)	8.4	(68.2)%
Net profit for the year	10.3	8.8	1.5	17.2%

Net Sales

Net sales for the three-month period ended March 31, 2021 were U.S.$68.2 million, a U.S.$8.6 million or 11.2% decrease compared to the U.S.$76.8 million for the three-month period ended March 31, 2020. The table below shows the breakdown of our net sales by segment for 2021 and 2020:

	Three-Month period ended March 31,			
	2021	2020	Change	
	(in millions of U.S.$, except percentages)			
Net sales	68.2	76.8	(8.6)	(11.2)%

	Three-Month period ended March 31,			
	2021	2020	Change	
	(in millions of U.S.$, except percentages)			
Revenues from electric power generation from renewable sources	52.5	55.7	(3.2)	(5.7)%
Revenues from electric power generation from conventional sources	12.6	18.6	(6.0)	(32.5)%
Revenues from gas trading and transportation	1.0	1.1	(0.1)	(5.2)%
Other revenues	2.0	1.3	0.7	49.7%

Revenues from Electric Power Generation from Renewable Sources: our net sales from the electric power generation from renewable sources segment decreased U.S.$3.2 million or 5.7%, from U.S.$55.7 million for 2020 to U.S.$52.5 million for 2021, mainly due to lower GWh generated during 2021. The volume of wind energy generated reached 545 GWh in the three-month period ended March 31, 2021, compared to 579 GWh generated in the three-month period ended March 31, 2020, mainly due to a decline in wind resource. The volume of solar energy generated reached 56 GWh in the three-month period ended March 31, 2021, compared to 61 GWh generated in the three-month period ended March 31, 2020, mainly due to a decline in solar resource.

Revenues from Electric Power Generation from Conventional Sources: our net sales in the power generation from conventional sources segment decreased U.S.$6 million or 32.5%, from U.S.$18.6 million for the three-month period ended March 31, 2020 to U.S.$12.6 million for the three-month period ended March 31, 2021. This decrease was mainly due to: (i) the termination of the contractual term relating to the units Matheu, Paraná, Concepción del Uruguay, Olavarría and Las Armas I; and (ii) a new Base Energy Remuneration Scheme after publication of Resolution 31/20 in February 2020. The volume of thermal energy generated reached 101 GWh in the three-month period ended March 31, 2021, compared to 171 GWh generated in the three-month period ended March 31, 2020.

Revenues from Gas Trading and Transport: our net sales in the gas trading segment decreased U.S.$0.1 million, or 5.2%, from U.S.$1.1 million for the three-month period ended March 31, 2020 to U.S.$1.0 million for the three-month period ended March 31, 2021.

Other Revenues: our corporate and other revenues increased U.S.$0.7 million, from U.S.$1.3 million for the three-month period ended March 31, 2020 to U.S.$2.0 million for the three-month period ended March 31, 2021.

For an additional breakdown of our net sales, see note 5(m) to our interim financial statements.

Cost of Sales

Cost of sales for the period ended March 31, 2021 was U.S.$25.3 million, a 4.5% increase compared to U.S.$24.3 million for the period ended March 31, 2020. The table below shows the breakdown of our cost of sales by segment for 2021 and 2020:

	Three-month period ended March 31,			
	2021	2020	Change	
	(in millions of U.S.$, except percentages)			
Cost of sales	(25.3)	(24.3)	(1.1)	4.5%
Operating costs of electric power generation from renewable sources	(15.5)	(14.1)	(1.4)	9.6%
Operating costs of electric power generation from conventional sources	(9.2)	(8.8)	(0.3)	3.9%

	Three-month period ended March 31,			
	2021	2020	Change	
	(in millions of U.S.$, except percentages)			
Operating costs of gas trading and transportation	(0.2)	(0.2)	-	-%
Purchases for electric power generation from conventional sources	(0.3)	(0.9)	0.6	(68.3)%
Purchases for gas trading and transportation	(0.2)	(0.2)	-	-%

Operating Costs of Electric Power Generation from Renewable Sources: our cost of sales in the power generation from renewable sources segment increased U.S.$1.4 million or 9.6%, from U.S.$14.1 million for the three-month period ended March 31, 2020 to U.S.$15.5 million for the three-month period ended March 31, 2021. This increase was mainly due to fixed assets depreciation.

Operating Costs of Electric Power Generation from Conventional Sources: our cost of sales in the power generation from conventional sources segment increased U.S.$0.3 million or 3.9%, from U.S.$8.8 million for the period ended March 31, 2020 to U.S.$9.2 million for the three-month period ended March 31, 2021. This increase was mainly due to salaries and benefits.

Operating Costs of Gas Trading and Transport: our cost of sales in operating costs of gas trading and transport were U.S.$0.2 million for the three-month period ended March 31, 2020 and 2021.

Purchases for Electric Power Generation from Conventional Sources: our cost of purchase for electric power generation from conventional sources decreased U.S.$0.6 million or 68.3%, from U.S.$0.9 million in the three-month period ended March 31, 2020 to U.S.$0.3 million for the three-month period ended March 31, 2021.

Purchases for Gas Trading and Transport: our cost of purchase for gas trading and transport were U.S.$0.2 million for the period ended March 31, 2020 and 2021.

For an additional breakdown of our cost of sales, see note 5(n) to our interim financial statements.

Gross Profit

Gross profit for the three-month period ended March 31, 2021 was U.S.$42.8 million, a 18.4% decrease compared to U.S.$52.5 million for the three-month period ended March 31, 2020. Gross profit margin was 62.8% during 2021 and 68.4% during the three-month ended March 31, 2020.

Selling Expenses

Our selling expenses for the period ended March 31, 2021 amounted to U.S.$0.5 million for the three-month periods ended March 31, 2020 and 2021.

For an additional breakdown of our selling expenses, see note 5(o) to our interim financial statements.

Administrative Expenses

Our administrative expenses amounted to U.S.$3.4 million for the three-month period ended March 31, 2020 and 2021.

For an additional breakdown of our administrative expenses, see note 5(o) to our interim financial statements.

Other Expenses, Net

Other expenses, net for the three-month period ended March 31, 2021 were U.S.$1.0 million, representing a U.S.$0.1 million increase compared to U.S.$0.9 million for the three-month period ended March 31, 2020.

For an additional breakdown of our other expenses, see note 5(p) to our interim financial statements.

Loss on long term investment in joint ventures

Our loss on long term investment in joint ventures for the three-month period ended March 31, 2020 amounted to U.S.$1.8 million, or a 40.1% increase compared to U.S.$1.3 million for the three-month period ended March 31, 2021. Such results are attributable to our holdings in Vientos Sudamericanos Chubut Norte IV S.A., Vientos Patagónicos Chubut Norte III S.A. and Vientos de Necochea S.A. due to our share on the results of those companies during the period ended March 31, 2021. See note 5(b) to our interim financial statements. This increase was mainly due to a higher income tax expense in Vientos Patagónicos Chubut Norte III S.A. for the three-month period ended March 31, 2021 compared to the three-month period ended March 31, 2020.

Financial Expenses, Net

Financial expenses, net, for the three-month period ended March 31, 2021 were U.S.$21.9 million, a 13.4% decrease compared to U.S.$25.3 million for the three-month period ended March 31, 2020. This decrease was mainly attributable to lower financial debt.

For an additional breakdown of our financial expenses, see note 5(q) to our interim financial statements.

Income Tax

Our income tax expense for the three-month period ended March 31, 2021 amounted to a loss of U.S.$3.9 million, resulting in a decrease in that tax loss of 68.2%, compared to a loss of U.S.$12.4 million for the three-month period ended March 31, 2020. The decrease is explained by a lower peso depreciation against the U.S. dollar. This resulted in a lower negative impact on a) the deferred tax on fixed assets and intangibles and b) the tax loss carryforwards and their recoverability.

For an additional breakdown of our income tax, see note 5(r) to our interim financial statements.

Net Profit

Our net profit for the three-month period ended March 31, 2021 amounted to U.S.$10.3 million compared to U.S.$8.8 million net profit for the three-month period ended March 31, 2020. Such change was primarily attributable to the reasons explained above.

Selected Results of Operations for the year ended December 31, 2020 compared to the year ended December 31, 2019

	Year ended December 31,			
	2020	**2019**	**Change**	
	(in millions of U.S.$, except percentages)			
Net sales	302.2	269.6	32.6	12.1%
Cost of sales	(102.2)	(97.8)	(4.4)	4.5%
Gross profit	200	171.8	28.2	16.4%
Selling expenses	(2.7)	(2.4)	(0.3)	11.3%
Administrative expenses	(14.9)	(15.2)	0.4	(2.4)%
Other expenses, net	(15.7)	(27.9)	12.2	(43.7)%
Loss, profit on long term investment in joint ventures	(2.7)	(3.3)	0.7	(20.4)%
Financial expense, net	(111.3)	(101.9)	(9.4)	9.2%
Net profit (loss) before income tax	52.8	21	31.8	151.3%
Income tax	(27.5)	(40.7)	13.2	(32.4)%
Net profit (loss) for the year	25.3	(19.7)	45	(228.1)%

Net Sales

Net sales for the year ended December 31, 2020 were U.S.$302.2 million, a U.S.$32.6 million or 12.1% increase compared to the U.S.$269.6 million for the year ended December 31, 2019. The table below shows the breakdown of our net sales by segment for 2020 and 2019:

	Year ended December 31,			
	2020	**2019**	**Change**	
	(in millions of U.S.$, except percentages)			
Net sales	302.2	269.6	32.6	12.1%
Revenues from electric power generation from renewable sources	227	163.1	63.9	39.2%
Revenues from electric power generation from conventional sources	66.1	99.8	(33.6)	(33.7)%
Revenues from gas trading and transportation	5.2	5	0.3	5.1%
Other revenues	3.8	1.7	2.1	119.8%

Revenues from Electric Power Generation from Renewable Sources: our net sales from the power generation from renewable sources segment increased U.S.$63.9 million or 39.2%, from U.S.$163.1 million for 2019 to U.S.$227 million for 2020, mainly due to: commissioning of wind farms Villalonga II (February 2019), Pomona I (July 2019), Pomona II (August 2019) and Madryn II (September 2019). The volume of wind energy generated reached 2,402 GWh in the year ended December 31, 2020, compared to 1,755 GWh generated in the year ended December 31, 2019. The volume of solar energy generated reached 210 GWh in the year ended December 31, 2020, compared to 193 GWh generated in the year ended December 31, 2019.

Revenues from Electric Power Generation from Conventional Sources: our net sales in the power generation from conventional sources segment decreased U.S.$33.6 million or 33.7%, from U.S.$99.8 million for the year ended December 31, 2019 to U.S.$66.1 million for the year ended December 31, 2020. This decrease was mainly due to: (i) the termination of the contractual term relating to the units Matheu (November 2018), Paraná (June 2019), Concepción del Uruguay (October 2019), Olavarría (September 29019) and Las Armas I (November 2019); and (ii) a new Base Energy Remuneration Scheme after publication of Resolution 31/20 in February 2020. The volume of thermal energy generated reached 467 GWh in the year ended December 31, 2020, compared to 656 GWh generated in the year ended December 31, 2019.

Revenues from Gas Trading and Transport: our net sales in the gas trading segment increased U.S.$0.3 million, or 5.1%, from U.S.$5 million for the year ended December 31, 2019 to U.S.$5.2 million for the year ended December 31, 2020.

Other Revenues: our corporate and other revenues increased U.S.$2.1 million, from U.S.$1.7 million for the year ended December 31, 2019 to U.S.$3.8 million for the year ended December 31, 2020.

For an additional breakdown of our net sales, see note 5(m) to our annual financial statements.

Cost of Sales

Cost of sales for the year ended December 31, 2020 was U.S.$102.2 million, a 4.5% increase compared to U.S.$97.8 million for the year ended December 31, 2019. The table below shows the breakdown of our cost of sales by segment for 2020 and 2019:

	Year ended December 31,			
	2020	**2019**	**Change**	
	(in millions of U.S.$, except percentages)			
Cost of sales	**(102.2)**	**(97.8)**	**(4.4)**	**4.5%**

	Year ended December 31,			
	2020	2019	Change	
	(in millions of U.S.$, except percentages)			
Operating costs of electric power generation from renewable sources	(61)	(44.2)	(16.8)	37.9%
Operating costs of electric power generation from conventional sources	(37)	(46.5)	9.6	(20.6)%
Operating costs of gas trading and transport	(0.8)	(0.9)	0.1	(11.0)%
Purchases for electric power generation from conventional sources	(2.5)	(4.9)	2.4	(48.2)%
Purchases for gas trading and transportation	(0.9)	(1.2)	0.3	(22.5)%

Operating Costs of Electric Power Generation from Renewable Sources: our cost of sales in the power generation from renewable sources segment increased U.S.$16.8 million or 37.9%, from U.S.$44.2 million for the year ended December 31, 2019 to U.S.$61 million for the year ended December 31, 2020, mainly due to the higher costs resulting from commissioning of wind farms Villalonga II (February 2019), Pomona I (July 2019), Pomona II (August 2019) and Madryn II (September 2019).

Operating Costs of Electric Power Generation from Conventional Sources: our cost of sales in the power generation from conventional sources segment decreased U.S.$9.6 million or 20.6%, from U.S.$46.5 million for the year ended December 31, 2019 to U.S.$37 million for the year ended December 31, 2020, mainly due to the termination of the contractual term relating to the units Matheu (November 2018), Paraná (June 2019), Concepción del Uruguay (October 2019), Olavarría (September 29019) and Las Armas I (November 2019).

Operating Costs of Gas Trading and Transport: our cost of sales in operating costs of gas trading and transport decreased U.S.$0.1 million or 11%, from U.S.$0.9 million for the year ended December 31, 2019 to U.S.$0.8 million for the year ended December 31, 2020.

Purchases for Electric Power Generation from Conventional Sources: our cost of purchase for electric power generation from conventional sources decreased U.S.$2.4 million or 49.0%, from U.S.$4.9 million in the year ended December 31, 2019 to U.S.$2.5 million for the year ended December 31, 2020, primarily due to the decommissioning of certain thermal plants.

Purchases for Gas Trading and Transport: our cost of purchase for gas trading and transport decreased U.S.$0.3 million or 22.5%, from U.S.$1.2 million for the year ended December 31, 2019 to U.S.$0.9 million the year ended December 31, 2020.

For an additional breakdown of our cost of sales, see note 5(n) to our annual financial statements.

Gross Profit

Gross profit for the year ended December 31, 2020 was U.S.$200 million, a 16.4% increase compared to U.S.$171.8 million for the year ended December 31, 2019. Gross profit margin was 66.2% during 2020 and 63.7% during 2019.

Selling Expenses

Our selling expenses for the year ended December 31, 2020 amounted to U.S.$2.7 million, or a 11.3% increase compared to U.S.$2.4 million for the year ended December 31, 2019, mainly due to the increase in payments to FODER for commissioning wind farms mentioned above. See “Technical and Regulatory Terms.”

For an additional breakdown of our selling expenses, see note 5(o) to our annual financial statements.

Administrative Expenses

Our administrative expenses for the year ended December 31, 2020 amounted to U.S.$14.9 million, or a 2.4% decrease compared to U.S.$15.2 million for the year ended December 31, 2019.

For an additional breakdown of our administrative expenses, see note 5(o) to our annual financial statements.

Other Expenses, Net

Other expenses, net for the year ended December 31, 2020 were U.S.$15.7 million, representing a U.S.$12.2 million decrease compared to U.S.$27.9 million for the year ended December 31, 2019. This decrease in expenses was mainly due to the enactment of Resolution SRRYME No. 1/19, which repealed the remuneration scheme established by Resolution SEE No.19/17, with the ensuing decline in the current and future revenues of our thermal generation units which operated under the former resolution. Considering the adverse effect the new remuneration scheme is expected to have on the thermal generation units' future cash flows, we have reviewed the recoverable value of their respective goodwills and fixed assets (owned by us and our subsidiaries). As a result of such review, for the year ended December 31, 2019 we assessed an impairment loss for the full amount, or U.S.$17.6 million, of the goodwill associated with the acquisition of Generadora Eléctrica de Tucumán S.A. and a partial impairment loss on the fixed assets in the amount of U.S.$10 million. For the year ended December 31, 2020 the partial impairment of fixed assets amounted to U.S.$11.6 million.

For an additional breakdown of our other expenses, see note 5(p) to our annual financial statements.

Loss on long term investment in joint ventures

Our loss on long term investment in joint ventures for the year ended December 31, 2020 amounted to U.S.$2.7 million, or a 20.4% decrease compared to U.S.$3.3 million for the year ended December 31, 2019. These results are attributable to our holdings in Vientos Sudamericanos Chubut Norte IV S.A., Vientos Patagónicos Chubut Norte III S.A. and Vientos de Necochea S.A. due to our share on the results of those companies during the year ended December 31, 2020. See note 5(b) to our annual financial statements. This decrease was mainly due to lower income tax in Vientos Patagónicos Chubut Norte III S.A. for the year ended December 31, 2021 compared to the year ended December 31, 2020.

Financial Expenses, Net

Financial expenses, net, for the year ended December 31, 2020 were U.S.$111 million, a 9.2% increase compared to U.S.$101.9 million for the year ended December 31, 2019. This increase was mainly attributable to higher interest expenses due to cessation of interest capitalization in respect of works in progress that reached their COD and due to the charge for the foreign exchange difference on our active position in pesos.

For an additional breakdown of our financial expenses, see note 5(q) to our annual financial statements.

Income Tax

Our income tax expense for the year ended December 31, 2020 amounted to a loss of U.S.$27.5 million, a decrease in that loss by 32.4% compared to a loss of U.S.$40.7 million for the year ended December 31, 2019. This change was primarily attributable to the lower devaluation of the Argentine peso during 2020, which represented lower negative impacts on the calculation of the deferred tax on fixed assets and intangibles and on the devaluation of the activated tax loss. This positive effect was partially offset by higher taxable profit in the current year.

For an additional breakdown of our income tax, see note 5(r) to our annual financial statements.

Net Profit

Our net profit for the year ended December 31, 2020 amounted to U.S.$25.3 million compared to a net loss of U.S.$19.7 million for the year ended December 31, 2019. This change was primarily attributable to the reasons explained above.

Selected Results of Operations for the year ended December 31, 2019 compared to the year ended December 31, 2018.

	Year ended December 31,			
	2019	2018	Change	
	(in millions of U.S.$, except percentages)			
Net sales	269.6	202.4	67.2	33.2%
Cost of sales	(97.8)	(86.5)	(11.3)	13.1%
Gross profit	171.8	115.9	55.9	48.2%
Selling expenses	(2.4)	(1.7)	(0.7)	41.1%
Administrative expenses	(15.2)	(21.1)	5.8	(27.7)%
Other expenses, net	(27.9)	(12.9)	(15)	116.0%
Loss on long term investment in joint ventures	(3.3)	(1.4)	(1.9)	134.6%
Financial expense, net	(101.9)	(87.2)	(14.7)	16.9%
Net profit (loss) before income tax	21	(8.4)	29.4	(351.5)%
Income tax	(40.7)	(13.8)	(27)	195.4%
Net loss for the year	(19.7)	(22.1)	2.4	(10.9)%

Net Sales

Net sales for 2019 amounted to U.S.$269.6 million, a U.S.$67.2 million or 33.2% increase compared to the U.S.$202.4 million for the year ended December 31, 2018. The table below shows the breakdown of our net sales by segment for 2019 and 2018:

	Year ended December 31,			
	2019	2018	Change	
	(in millions of U.S.$, except percentages)			
Net sales	269.6	202.4	67.2	33.2%
Revenues from electric power generation from renewable sources	163.1	69.6	93.6	134.5%
Revenues from electric power generation from conventional sources	99.8	126.9	(27.2)	(21.4)%
Revenues from gas trading and transport	5	5.1	(0.1)	(2.0)%
Other revenues	1.7	0.8	0.9	115.2%

Revenues from Electric Power Generation from Renewable Sources: Our net sales in the electric power generation from renewable sources segment increased U.S.$93.6 million, or 134.5%, from U.S.$69.6 million for the year ended December 31 2018 to U.S.$163.1 million for the year ended December 31 2019, primarily due to the commissioning of Madryn I & II, Villalonga I & II, Chubut Norte I, and Pomona I & II windfarms and the commissioning of Ullum I, II & III solar farms. The volume of wind energy generated reached 1,662 GWh in the year ended December 31, 2019, compared to 617 GWh generated as of December 31, 2018. The volume of solar energy generated reached 192 GWh in the year ended December 31, 2019.

Revenues from Electric Power Generation from Conventional Sources: Our net sales in the power generation from conventional sources segment decreased U.S.$27.2 million, or 21.4%, from U.S.$126.9 million for the year ended December 31, 2018 to U.S.$99.8 million for the year ended December 31, 2019. Such decrease was attributable to: (i) the termination of the contractual term relating to Matheu, Paraná, Concepción del Uruguay, Olavarría and Las Armas I power plants; (ii) the new Base Energy Remuneration Scheme under Resolution 01/2019; and (iii) lower revenues from power made available to discontinued operating facilities (Pinamar, Gobernador Costa and Rio Mayo). As of December 31, 2019 and 2018, the total volume of energy generated by the segment amounted to 656 GWh and 658 GWh, respectively. This accounts for a 2% increase in the dispatched volume using natural gas (638 GWh) and a 43% decline (18 GWh) in the dispatched volume using liquid fuels.

Revenues from Gas Trading and Transport: Our net sales in the gas trading segment decreased U.S.$0.1 million, or 2%, from U.S.$5.1 million for the year ended December 31, 2018 to U.S.$5.0 million for the year ended December 31, 2019, primarily due to the effect of the peso devaluation despite an increase in transported volumes.

For an additional breakdown of our net sales, see note 5(m) to our annual financial statements.

Cost of Sales

Cost of sales for 2019 was U.S.$97.8 million, a 13.1% increase compared to U.S.$86.5 million for 2018. The table below shows the breakdown of our cost of sales by segment for the year ended December 31, 2019 and December 31, 2018:

	Year ended December 31,			
	2019	2018	Change	
	(in millions of U.S.$, except percentages)			
Cost of sales	(97.8)	(86.5)	(11.3)	13.1%
Operating costs of electric power generation from renewable sources	(44.2)	(22.6)	(21.6)	95.6%
Operating costs of electric power generation from conventional sources	(46.5)	(55.5)	9	(16.2)%
Operating costs of gas trading and transport	(0.9)	(0.2)	(0.7)	265.4%
Purchases for electric power generation from conventional sources	(4.9)	(6.4)	1.4	(22.6)%
Purchases for gas trading and transport	(1.2)	(1.7)	0.5	(29)%

Operating Costs of Electric Power Generation from Renewable Sources: Our costs of sales in the electric power generation from renewable sources segment increased U.S.$21.6 million, or 95.6%, from U.S.$22.6 million for the year ended December 31, 2018 to U.S.$44.2 million for the year ended December 31, 2019, primarily due to incremental costs due to the commissioning of the wind farms PEM I & II, Villalonga I & II, Chubut Norte I, Pomona I & II, and solar farms ULLUM I, II & III.

Operating Costs of Electric Power Generation from Conventional Sources: Our costs of sales in the electric power generation from conventional sources segment decreased U.S.$9 million, or 16.2%, from U.S.$55.5 million for the year ended December 31, 2018 to U.S.$46.5 million for the year ended December 31, 2019, mainly due to the depreciation of the peso against the U.S. dollar, affecting costs denominated in pesos.

Operating Costs of Gas Trading and Transport: Our cost of sales associated with our operations in the gas trading and transport segment increased U.S.$0.7 million, or 265.4%, from U.S.$0.2 million for the year ended December 31, 2018 to U.S.$0.9 million for the year ended December 31, 2019, primarily due to an increase in revenues from larger transported volumes.

Purchases for Electric Power Generation from Conventional Sources: our cost of purchase for electric power generation from conventional sources decreased U.S.$1.4 million or 22.6%, from U.S.$6.4 million in 2018 to U.S.$4.9 million for 2019.

Purchases for Gas Trading and Transport: our cost of purchase for gas trading and transport decreased U.S.$0.5 million or 29%, from U.S.$1.7 million for 2018 to U.S.$1.2 million for 2019.

For an additional breakdown of our cost of sales, see note 5(n) to our annual financial statements.

Gross Profit

Gross profit for the year ended December 31, 2019 was U.S.$171.8 million, a 48.2% increase compared to U.S.$115.9 million for the year ended December 31, 2018. Gross profit margin was 63.7% during 2019 and 57.3% during 2018.

Selling Expenses

Our selling expenses for the year ended December 31, 2019 amounted to U.S.$2.4 million, or a 41.1% increase compared to U.S.$1.7 million for the year ended December 31, 2018, as a consequence of an increase in labor costs due to pay rises in tandem with inflation for the year, and an increase in our gross receipts tax liability for the year associated with an increase in turnover for the year.

For an additional breakdown of our selling expenses, see note 5(o) to our annual financial statements.

Administrative Expenses

Our administrative expenses for the year ended December 31, 2019 amounted to U.S.$15.2 million, or a 27.7% decrease compared to U.S.$21.1 million for the year ended December 31, 2018. This decrease was mainly attributable to the depreciation of the peso against the U.S. dollar, affecting costs denominated in pesos.

For an additional breakdown of our administrative expenses, see note 5(o) to our annual financial statements.

Other Expenses, Net

Other expenses for the year ended December 31, 2019 increased to U.S.$27.9 million, or a 116% increase compared to U.S.$12.9 million for the year ended December 31, 2018. As mentioned in note 15 to our Financial Statements as of December 31, 2019, other expenses rose as a result of the enactment of Resolution SRRYME NO. 1/19, which repealed the remuneration scheme established by Resolution SEE No.19/17, with the ensuing decline in the current and future revenues of our thermal generation units which operated under the former resolution. Considering the adverse effect the new remuneration scheme will have on the thermal generation units' future cash flows, we have reviewed the recoverable value of their respective goodwills and fixed assets (owned by us and our subsidiaries). As a result of such review, we assessed an impairment loss for the full amount, or U.S.$18 million, of the goodwill associated with the acquisition of Generadora Eléctrica de Tucumán S.A. and a partial impairment loss on the fixed assets in the amount of U.S.$2.5 million. For Genneia S.A., the partial impairment of fixed assets amounted to U.S.$6 million.

For an additional breakdown of our other expenses, net see note 5(p) to our annual financial statements.

Loss on long term investment in joint ventures

Our loss on long term investment in joint ventures for the year ended December 31, 2019 amounted to U.S.$3.3 million, or a 134.6% decrease compared to U.S.$1.4 million as of December 31, 2018. Such results are attributable to our interests in Vientos de Necochea S.A., Vientos Patagónicos Chubut Norte III S.A. and Vientos Sudamericanos Chubut Norte IV S.A. as of December 31, 2019 and to our interest in Vientos de Necochea S.A. as of December 31, 2018. See note 5(b) to our annual financial statements.

Financial Expenses, Net

Our financial expenses, net for the year ended December 31, 2019 amounted to U.S.$101.9 million, or a 16.9% increase compared to U.S.$87.2 million for the year ended December 31, 2018. Such increase was primarily attributable to higher interest accrual for the year, due to the combined effect of the several sources of financing we relied on to fund the construction of our several projects and higher interest expenses due to cessation of interest capitalization to works in progress that reached its COD during the year. These effects were partially offset by the income derived from instruments measured at fair value. Exchange losses decreases by 9.4%, to U.S.$29 million compared to U.S.$32 million recorded in the previous year, as a result of the effect of the peso devaluation during the year on a more limited asset position in pesos. With respect to currency devaluation, as at December 31, 2019, the peso depreciated 58% against the U.S. dollar versus the previous year during which the peso had depreciated 101%. On the other hand, the balances receivable for the sale of energy to CAMMESA and IEASA are settled in pesos at the exchange rate prevailing at the theoretical expiration of the sale settlement despite the fact that the PPAs entered into with these entities have dollarized rates and there are mechanisms in place for them, for which we maintain the right to receive an adjustment for the exchange difference produced by the evolution of the exchange rate used for billing up to the moment of effective collection.

For an additional breakdown of our financial expenses, see note 5(q) to our annual financial statements.

Income Tax

Our income tax expense for the year ended December 31, 2019 amounted to a loss of U.S.$40.7 million, up by 195.4% compared to a loss of U.S.$13.8 million for the year ended December 31, 2018. Such change was primarily attributable to the effect of the adoption of the inflation adjustment during the period, as established by applicable tax laws, the effect during the period of the peso depreciation against the U.S. dollar on the calculation of deferred tax on a larger balance of PP&E and intangible assets and the effect of devaluation on capitalized tax losses and their recoverability.

For an additional breakdown of our income tax, see note 5(r) to our annual financial statements.

Net Loss

Our net loss for the year ended December 31, 2019 amounted to U.S.$19.7 million, compared to a net loss of U.S.$22.1 million for the year ended December 31, 2018. Such change was primarily attributable to increased gross profits due to the commissioning of the wind farms PEM I, Villalonga I & II, and Chubut Norte I and solar farms ULLUM I, II & III by the end of the year 2018, the commissioning during the current year of the wind farms PEM II, Pomona I & II and Villalonga II and net of an increase in other expenses, financial expenses and income tax as detailed above.

Liquidity and Capital Resources

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

We believe that our source of liquidity, including debt and/or equity offerings in the capital markets, will be sufficient to meet our working capital, debt services and capital expenditures. Our main refinancing need is related to the maturity of our Series XX Notes, which we intend to resolve by means of this Exchange Offer and Consent Solicitation Memorandum. See “Quantitative and Qualitative Disclosures on Market Risks - Managing Liquidity Risk” regarding the maturity of Series XX Notes.

The ability of our subsidiaries to pay dividends to us is subject to the compliance with certain requirements under local law to set aside a portion of their net income in each year to legal reserves and to certain financial covenants and distribution tests established in our project finance agreements. In accordance with Argentine law, our subsidiaries must set aside at least 5% of their net profit (determined on the basis of

their statutory accounts) in each year to legal reserves, until such reserves equal 20% of their respective issued share capital.

Cash Flows

The table below reflects our cash position at the dates indicated and the net cash provided by (used in) operating, investing and financing activities during the periods indicated:

	Years ended December 31,			Three-month period ended March 31,	
	2020	2019	2018	2021	2020
	(in millions of U.S.$)				
Cash and cash equivalents at the beginning of the year/period	91.3	154.1	98.1	106.6	91.3
Cash flow provided by operating activities	178.8	167.1	79.6	30.9	42.7
Cash flow used in investing activities	(109.4)	(246.7)	(406.7)	(20.2)	(76.8)
Cash flow (used in) provided by financing activities	(46.2)	19.3	404.9	(17.1)	10.7
Exchange differences on cash and cash equivalents	(7.9)	(2.7)	(21.8)	(3.8)	(1.2)
Cash and cash equivalents at the end of the year/period	106.6	91.3	154.1	96.3	66.8

Cash Provided by Operating Activities

Years Ended December 31, 2019 and 2018

Cash provided by operating activities in the year ended December 31, 2019 was U.S.$167.1 million, compared to U.S.$79.6 million for year ended December 31, 2018. Increased cash provided by operating activities was attributable to the higher gross profit for the year ended on December 31, 2019 as compared to the year ended December 31, 2018.

Years Ended December 31, 2020 and 2019

Cash provided by operating activities in the year ended December 31, 2020 was U.S.$178.8 million, compared to U.S.$167.1 million for the same year ended December 31, 2019. Increased cash provided by operating activities was attributable to commissioning of wind farms Pomona II (August 2019) and Madryn II (September 2019) for the year ended on December 31, 2020 as compared to the year ended December 31, 2019.

Three-Month Periods Ended March 31, 2021 and 2020

Cash provided by operating activities for the period ended March 31, 2021 was U.S.$30.9 million, as compared to U.S.$42.7 million for the same period in 2020. Decreased cash provided by operating activities was attributable to the higher exchange differences, higher collections of other receivables and lower sales during the period ended March 31, 2020. Moreover, gross profit related to operating activities was lower during the three-month period ended March 31, 2021 than in the same period of 2020.

Cash Used in Investing Activities

Years Ended December 31, 2019 and 2018

Cash used in investing activities for the year ended December 31, 2019 was U.S.$246.7 million, compared to U.S.$406.7 million for the year ended December 31, 2018. In 2019, cash was used to pay for investments in the wind farms Madryn II, Chubut Norte II, and Pomona I & II. In 2018, cash was used to advance payments relating to the wind farms Madryn I & II, Chubut Norte I, Villalonga I & II and Pomona I; and solar farms Ullums, including U.S.$27.2 million and U.S.$10.8 million relating to payments for interest capitalized in PP&E for the years ended December 31, 2019 and 2018, respectively.

Years Ended December 31, 2020 and 2019

Cash used in investing activities for the year ended December 31, 2020 was U.S.$109.4 million, compared to U.S.$246.7 million for 2019. In 2020, cash was used to pay for investments in the Madryn II, Chubut Norte II and Pomona I and II wind farms. The decrease is mainly due to lower payments for fixed assets acquisitions during the period ended December 31, 2020.

Three-Month Periods Ended March 31, 2021 and 2020

Cash used in investing activities for the three-month period ended March 31, 2021 was U.S.$20.2 million, compared to U.S.$76.8 million for the three-month period ended March 31, 2020. The decrease is mainly due to lower payments for fixed assets acquisitions during the period ended March 31, 2021.

Cash Provided by Financing Activities

Years Ended December 31, 2019 and 2018

Cash provided by financing activities for the year ended December 31, 2019 amounted to U.S.$19.3 million, compared to U.S.$404.9 million provided in the year ended December 31, 2018. Cash provided by financing activities in the year ended December 31, 2019 was mainly due to the disbursement of proceeds from the following loans granted by Banco Ciudad for U.S.$2.0 million and U.S.$7.5 million, Banco Provincia for U.S.$5.5 million, U.S.$2.9 million and Ps.198 million, Banco Itaú S.A. for U.S.$3.0 million, Banco Macro S.A. for U.S.$22.5 million, Banco Mariva S.A. for U.S.$1.2 million and U.S.$1.0 million, a syndicated loan for up to U.S.$20.0 million and Banco Chubut S.A. for U.S.$2.5 million. We also completed new placements of notes, namely Series XXIII and Class XXV Notes for an aggregate amount of U.S.$6.9 million and Ps.441.2 million, respectively. We also received new disbursements under the project finance arrangements related to Genneia Vientos Argentinos S.A., Genneia Vientos del Sur S.A. and Genneia Vientos del Sudoeste S.A., all which was offset by the settlement of loans granted by Banco Ciudad for U.S.$19.0 million, Banco Chubut for U.S.$2.0 million, Banco Provincia for U.S.$18.0 million, Banco Itaú S.A. for U.S.$20.0 million, ICBC for U.S.$10.0 million, Banco Macro for U.S.$10.0 million and Banco Mariva S.A. for U.S.$1.2 million; and by the partial payment of certain financial indebtedness borrowed by Parque Eólico Loma Blanca IV S.A. and Genneia Desarrollos S.A.

Years Ended December 31, 2020 and 2019

Cash used in financing activities for the year ended December 31, 2020 totaled U.S.$46.2 million, compared to cash provided in U.S.$19.3 million in the year ended December 31, 2019. Cash provided by financing activities in the year ended December 31, 2020 was mainly due to the U.S.$26.7 million disbursement of a corporate loan with KfW and the issuance of new negotiable obligations: Class XXVII for U.S.$21.4 million, Class XXVIII for U.S.$13.2 million, Class XXIX for U.S.$12.8 million and Class XXX for U.S.$30.9 million. Additionally, new project finance disbursements for Genneia Vientos Argentinos S.A., Genneia Vientos del Sur S.A. and Genneia Vientos del Sudoeste S.A. amounting to U.S.$ 31 million. This was offset by the total cancellation of the negotiable obligations for Class XVIII, CCI, XXIII and XXV, the loan granted by Banco Macro S.A. for U.S.$12.5 million, the partial repurchases of negotiable obligations for Class ON XVII and ON XVIII, the kfW loan and Project Finance and the partial cancellation of the financial debt owned by Parque Eólico Loma Blanca IV S.A. and Genneia Desarrollos S.A. We note that the Class XVIII negotiable obligations were partially exchanged for Class XXCIII and Class XXIX negotiable obligations for U.S.$1.8 million and U.S.$0.8 million, respectively. Class XXI was partially exchanged for Class XXX for U.S.$15.5 million.

Three-Month Periods Ended March 31, 2021 and 2020

Cash used in financing activities for the three-month period ended March 31, 2021 totaled U.S.$17.1 million, as compared to U.S.$10.7 million provided in the three-month period ended March 31, 2020, due to the partial cancellation of notes Class XVII and XVIII, the syndicated loan and the partial cancellation of the financial debt owed by Parque Eólico Loma Blanca IV S.A. and Genneia Desarrollos S.A. In addition, there were new disbursements of the project finances of Genneia Vientos del Sudoeste S.A.

Capital Expenditures

Our main capital expenditures (fixed assets increases) have been related to the development of our power generation business primarily in renewable generation units comprising our wind farms Madryn I & II, Villalonga I & II, Pomona I & II, Chubut Norte I and solar farms Ullum I, II & III, with a combined capacity of 501 MW. The information for the years ended December 31, 2018 and 2019 is net of the increases related to the projects Chubut Norte III y IV which are considered Joint Ventures.

During the year ended December 31, 2018, our gross capital expenditures related to the construction of new wind and solar generation projects amounted to approximately U.S.$441.5 million.

During the year ended December 31, 2019, our gross capital expenditures related to the construction of new wind and solar generation projects amounted to approximately U.S.$252.9 million.

During the year ended December 31, 2020, our gross capital expenditures related to the construction of new wind generation projects amounted to approximately U.S.$23.4 million.

During the period ended March 31, 2021, our gross capital expenditures related to the construction of new wind generation projects amounted to approximately U.S.$5.7 million.

Additionally, there have been capital expenditures related to the development of our joint ventures wind farms Chubut Norte III, Chubut Norte IV and Necochea, with a combined capacity of 179 MW.

During the year ended December 31, 2018, the gross capital expenditures made by the joint ventures amounted to approximately U.S.$10.0 million.

During the year ended December 31, 2019, the gross capital expenditures made by the joint ventures amounted to approximately U.S.$126.1 million.

During the year ended December 31, 2020, the gross capital expenditures made by the joint ventures amounted to approximately U.S.$113.5 million.

During the period ended March 31, 2021, the gross capital expenditures made by the joint ventures amounted to approximately U.S.$21.6 million.

According to our capital expenditures plan, as in effect on the date of this Exchange Offer and Consent Solicitation Memorandum, the joint ventures anticipate making additional capital expenditures in 2021 of approximately U.S.$18 million, related to the construction of our wind farm projects Chubut Norte II, III & IV.

Our capital expenditure plan may change due to participation in new public bidding processes for the development of new power generation projects (which is part of our business strategy) and potential mergers and acquisitions.

Contractual Obligations

The following table sets forth our contractual obligations as of March 31, 2021. Amounts do not include debt incurred or repaid subsequent to March 31, 2021 or future interest payments.

	Payments Due by Period				
	Less than 1 year	**1 to 3 years**	**Between 3 and 5 years**	**Subsequent years**	**Total**
	(in millions of U.S.$)				
Negotiable obligations	545.5	51.1	—	—	596.6
Other bank and financial debts	49.5	89.5	29.2	135.5	303.7
Wind turbine suppliers	5.7	—	—	—	5.7
Civil and electrical works contracts	0.4	—	—	—	0.4
EPC contracts	0.8	—	—	—	0.8
O&M services	13.7	36.8	22.9	26.4	99.8

	Payments Due by Period				
	Less than 1 year	1 to 3 years	Between 3 and 5 years	Subsequent years	Total
	(in millions of U.S.$)				
Total amount of contractual obligations.....	615.7	177.3	52.2	161.8	1,007.0

Following March 31, 2021, a disbursement on our financing related to our Chubut Norte II project amounting 2.5 million took place. We also paid off our Series XXVII Notes, amounting U.S.$21.4 million and we paid an installment corresponding to our syndicated loan for 2.9 million.

Indebtedness

The following table provides a summary of our total debt as of December 31, 2020, 2019 and 2018, and as of March 31, 2021.

	Year Ended December 31,			As of March 31,
	2020	2019	2018	2021
	(in millions of U.S.$)			
Current loans:				
Negotiable obligations.....	37.7	103.5	17.8	524.7
Other bank and financial debts	54.2	73.8	73.5	54.6
Related parties, net of commissions	—	12.5	—	43.1
Leasings.....	0.3	0.9	0.4	0.8
Total current loans	**92.1**	**190.7**	**91.7**	**623.3**
Non-current loans:				
Negotiable obligations.....	557.3	504.7	577.3	50.7
Other bank and financial debts	217.7	186.3	201.2	212.6
Related parties, net of commissions	41.4	61.1	49.5	—
Leasings.....	2.9	3	3.1	2.4
Total non-current loans	**819.3**	**755.1**	**831.1**	**265.7**
Total loans.....	**911.4**	**945.8**	**922.8**	**889.0**

Negotiable Obligations

On April 19, 2021, CNV approved our Frequent Issuer's Regime which authorizes us to issue, without possibility to re-issue, short-term, medium-term or long-term, subordinated or unsubordinated, secured or unsecured, simple non-convertible notes (*obligaciones negociables simples no convertibles en acciones*) for up to a principal amount of U.S.$ 800 million or its equivalent in other currencies.

The following table summarizes the principal terms and conditions of our outstanding notes issued under our Program as of the date of this Exchange Offer and Consent Solicitation Memorandum:

Notes	Outstanding principal as of March 31, 2021	Interest Rate	Issue Date	Maturity
	(in millions of U.S.$)			
Series XX	U.S.$350.0	8.75%	01/20/2017	January 20, 2022
Series XX (Retap)	U.S.$150.0	8.75%	01/30/2018	January 20, 2022
Series XXVII[(1)]	U.S.$21.4	5.0%	05/26/2020	May 26, 2021

Notes	Outstanding principal as of March 31, 2021	Interest Rate	Issue Date	Maturity
	(in millions of U.S.$)			
Series XXVIII[(2)]	U.S.$13.2	0.0%	08/28/2020	August 28, 2022
Series XXIX	U.S.$12.8	2.0%	08/28/2020	August 28, 2023
Series XXX	U.S.$30.9	12.0%	11/24/2020	November 24, 2022

Notes:—

(1) As of March 31, 2021 the company had in its portfolio U.S.$6.2 of principal. As of the date of this Exchange Offer and Consent Solicitation Memorandum this note was cancelled.

(2) As of March 31, 2021 the company had in its portfolio U.S.$5.9 of principal.

On January 20, 2017, we issued notes in the international market under our Program for an aggregate principal amount of U.S.$350 million, maturing on January 2022 and bearing interest at a rate of 8.75% per annum, payable semi-annually. The notes include customary restrictions including, but not limited to (i) the repurchase of the notes in the event of a change of control of Genneia; (ii) cross-default provisions for amounts greater than U.S.$20 million; (iii) compliance with certain financial ratios as a requirement for new indebtedness; and (iv) limitations on the payment of dividends in certain circumstances, the creation of liens on assets, our revenues or obligations, the disposal of our assets, mergers and divisions, certain transactions with related parties and certain types of investments. The proceeds of the notes were partially used to refinance liabilities, mainly to repay the Series II and III notes, the syndicated loan granted by Banco Itaú Argentina S.A., Industrial and Commercial Bank of China (Argentina) S.A. and Banco Macro S.A. in the amount of U.S.$102 million, two loans granted by Banco Hipotecario S.A. in the amount of U.S.$20 million and U.S.$10 million, respectively, and the Series XVI, XIX and XVII notes.

On January 30, 2018, we issued U.S.$150 million additional notes pursuant to a reopening of the original issuance. The proceeds of these notes were used to repay debt, to finance capital expenditures with respect to certain of our expansion projects and for working capital purposes in Argentina.

On August 28, 2020, we issued Series XXVIII notes under our Program for an aggregate amount of U.S.$13.2 million (U.S.$11.4 million were new funding and U.S.$1.7 million were integrated in kind with Series XVIII), which do not bear interest. Our Series XXVIII notes expire 24 months after the issue date. Proceeds from our Series XXVIII notes will be used to refinance short-term liabilities and finance the productive investment plan for the electric power generation process.

On August 28, 2020, we issued Series XXIX notes under our Program for an aggregate amount of U.S.$12.9 million (U.S.$12.0 million were new funding and U.S.$0.8 million were integrated in kind with Series XVIII), bearing interest at an annual nominal fixed rate of 2.0%, to be paid quarterly. Our Series XXIX notes expire 36 months after the issue date. Proceeds from our Series XXIX notes will be used to refinance short-term liabilities and finance the productive investment plan for the electric power generation process.

On November 24, 2020, we issued Series XXX notes under our Program for an aggregate amount of U.S.$30.9 million (U.S.$15.4 million of which was new funding and U.S.$29.4 million of which was integrated in kind with Series XXI), bearing interest at an annual nominal fixed rate of 12%. Our Series XXX notes expire 24 months after the issue date. Proceeds from our Series XXX notes will be used to refinance short-term liabilities and finance the productive investment plan for the electric power generation process.

Other Bank and Financial Debts

The following table summarizes the principal terms and conditions of our outstanding bank and financial debts as of March 31, 2021:

Loans	Outstanding principal as of March 31, 2021	Interest Rate	Disbursement Date	Maturity
		(in millions of U.S.$)		
Private Negotiable Debt Obligation	30.3	0% - 14.5%[1]	12-21-2018	01-22-2022
Syndicated Loan	8.5	10.75%	07-19-2019	12-17-2021
KfW Corporate Loan–Pomona II	4.8	LIBOR + 1.5%	02-18-2020	08-29-2023
KfW Corporate Loan–Chubut Norte II	14.2	LIBOR + 1.5%	02-18-2020	03-04-2024
ICBC, ITAÚ, Banco Hipotecario and BACS Loans to GEDESA	19.7	BADLAR +8.5% - LIBOR +5.5%- UVA +7.5%[2]	11-16-2020	11-16-2023
Parque Eólico Loma Blanca IV S.A. Notes	27.8	LIBOR + 8%	12-22-2011	12-31-2026
Project Finance–Pomona I				
Genneia Vientos del Sudoeste S.A.	112.6	4.7%	06-08-2018	06-30-2034
Project Finance–Chubut Norte I				
Genneia Vientos del Sur S.A.	44.5	7.2%[3]	06-19-2018	04-30-2033
Project Finance–Villalonga I				
Genneia Vientos Argentinos S.A.	69.1	7.2%/LIBOR +1.20%[3]	06-19-2018	04-30-2033

Notes:—

(1) The notes bear interest at an initial interest rate of 13.0% per annum plus annual increases.

(2) 42% of the outstanding principal has an average interest rate of LIBOR + 5.5%, other 36% of the outstanding principal has an interest rate of BADLAR + 8.5%. The remaining 22% of the outstanding principal has an interest rate of UVA + 7.5%

(3) 75% of the outstanding principal has an average interest rate of 7.2%. The other 25% of the outstanding principal has an interest rate of LIBOR + 1.20%

Loans

Private Negotiable Debt Obligation

On December 21, 2018, we issued unsecured, non-convertible notes (*obligaciones negociables simples, no convertibles en acciones*), for up to U.S.$50 million principal amount at any time outstanding due on January 22, 2022, as resolved at the shareholders' meetings dated October 9, 2018 and December 3, 2018. The notes were placed privately and subscribed by certain of our shareholders. The proceeds from the placement of the notes were used for our and/or our subsidiaries' productive investments or for the payment or early payment of short-term debt. The notes bear interest at an initial interest rate of 13%, plus annual increases. At all times we are entitled to pay interest in kind (PIK). In this regard, on June 21, 2019, we issued additional notes for an aggregate amount of U.S.$3.3 million, delivered to our shareholders who had invested in the notes as payment-in-kind of interest due on such date. At the shareholders' meeting held on December 18, 2019, our shareholders unanimously resolved to extend the term of accrual and payment of interest and fees in respect of the notes until January 22, 2022. Subsequent to that meeting, we and the holders of the notes executed the respective amending instruments to the notes. On September 15, 2020, our subsidiary Sofeet International LLC purchased U.S.$23 million in principal amount of notes from certain of our shareholders.

Syndicated Loan

On July 15, 2019, we entered into a syndicated loan agreement for up to U.S.$70 million. On July 19, 2019, Santander and BICE provided an initial disbursement for U.S.$20 million. The proceeds from the facility were used for capital expenditures in renewable energies and for general corporate purposes. The principal outstanding under this loan is payable in seven quarterly installments beginning June 17, 2020. The loan accrues interest at an annual rate of 10.75%, payable on a quarterly basis. This loan is unsecured. The principal outstanding under the loan as of March 31, 2021 is U.S.$8.4 million.

Financing of Pomona II and Chubut Norte II Wind Farms

On July 23, 2019, we entered into a corporate loan agreement for up to U.S.$31 million with KfW for the construction of Pomona II (12 MW) and Chubut Norte II (26 MW) wind farms. The financing agreement involves a 4-year secured loan provided by KfW. The KfW loan is guaranteed by the German Export Credit Agency Euler Hermes.

On January 28, 2020, we entered into an addendum to the loan agreement in order to make certain adjustments for the exchange controls in place.

The total amount disbursed as of March 31, 2021 is U.S.$7.7 million for Pomona II and U.S.$ 18.9 million for Chubut Norte II.

GEDESA Loan

On November 22, 2017, GEDESA entered into a loan agreement for up to U.S.$45 million with Industrial and Commercial Bank of China Dubai (DIFC) Branch, Sucursal, Banco Itaú Unibanco SA Nassau, Banco Hipotecario S.A. and BACS Banco de Crédito y Securitización S.A., which proceeds would be used for general corporate purposes, including, without limitation, debt repayment. The principal outstanding under this facility is payable in 12 quarterly installments, the first one due on February 22, 2018 and the last one to come due on November 22, 2020. The loan accrues interest at LIBOR, plus 5.5%, payable on a quarterly basis. This loan is unsecured.

Notwithstanding that the intention of GEDESA at the time of entering into the loan agreement was to refinance the last repayment installment, on November 13, 2020, and in compliance with the requirements of the detailed regulations issued by the Central Bank, GEDESA entered into an agreement with the borrowing entities to finance the last installment of the loan due on November 22, 2020, under the following conditions:

- 60% of the debt with ICBC Dubai and Itau Nassau, for a total of USD 8,634,600, was refinanced according to a new maturity schedule and rate. The principal will be paid in U.S. dollars in 12 consecutive quarterly installments. The first corresponding to February 16, 2021 and the last, on November 16, 2023. The financing interest rate is equivalent to three months Libor plus 7.25%, which will be paid quarterly.
- The remaining 40% of the debt with ICBC Dubai and Itaú Nassau and 40% of the debt with Banco Hipotecario and BACS, for a total of USD 8,634,600, was paid with funds obtained through a new financing with BH, ICBC Argentina, Itau Argentina and BACS for an amount of AR $ 719,352,541. The principal will be paid in pesos in 36 monthly and consecutive installments. The first corresponds to December 16, 2020 and the last, on November 16, 2023. The financing interest rate is equivalent to a Corrected Badlar Rate plus 8.5%, which will be paid monthly.

The remaining 60% of the debt with Banco Hipotecario and BACS, for a total of USD 4,317,300, was canceled with funds obtained through a new financing with Banco Hipotecario and BACS denominated in Purchasing Value Units (“UVA”), an instrument adjustable according to the Index of the Reference Stabilization Coefficient (“CER”) published by the BCRA. The principal, equivalent to 5,699,468 UVA, will be paid in pesos in 12 quarterly and consecutive installments. The first corresponding to February 16, 2021 and the last, on November 16, 2023. The financing interest rate is equivalent to a fixed rate of 7.5%, which will be paid monthly.

Genneia S.A. has granted limited guarantees on the syndicated loans, in favor of TMF Trust Company (Argentina) S.A., in its capacity as agent and on behalf of the lenders. The obligations under the surety bonds will only be enforceable as of the expiration of the obligations according to the payment schedule of each loan and limited to the amount due on each payment date. The guarantees can only be accelerated in certain cases provided for therein and related to the guarantor and are not accelerated for other cases provided for in the loan contracts.

As of March 31, 2021, we repaid Ps. 27.6 million for the tranche in pesos, U.S.$ 431 thousand for the tranche in U.S. dollars and Ps. 19.1 million for the tranche in UVA.

Loma Blanca Series I Financial Trust I

In December 2011, Parque Eólico Loma Blanca IV S.A. issued Class A and Class B Secured Notes (the "Loma Blanca Notes") by means of a private and unlisted placement for an aggregate amount of U.S.$29.9 million and U.S.$73.1 million, respectively the proceeds of which were used to fund the construction of Trelew wind farm. These instruments are secured by the receivables under the respective PPA.

Then, the holders of the Loma Blanca Trust created a financial trust named Loma Blanca Series I (the "Trust") and transferred the Loma Blanca Notes for the benefit of Nación Fideicomisos S.A. (the "Trustee"). As consideration for the transfer, the Trustee issued listed trust securities for an aggregate amount of U.S.$103.0 million, comprising: (i) Class A Debt Securities for an aggregate principal amount in pesos equivalent to U.S.$29.9 million ("Class A Debt Securities"); and (ii) Class B Debt Securities, for an aggregate principal amount of U.S.$73.1 million ("Class B Debt Securities;" and jointly with the Class A Debt Securities, the "Debt Securities"). The Loma Blanca Notes and the Debt Securities, in their respective classes, contain the same terms and conditions relating to interest rate, payment frequency, and use of proceeds. The underwriter of the Debt Securities was Banco de la Nación Argentina.

The payments made by CAMMESA for the energy produced under the PPA, from the receivables pledged as collateral, will be directly credited to the trust account. The Trust expenses and taxes will be borne by Parque Eólico Loma Blanca IV S.A. The Trust has two funds: (i) an operating expense fund; and (ii) a reserve fund. The Debt Securities are subject to a "pass-through" repayment arrangement, where interest is payable at variable rate, while excess cash flows will be used to repay principal.

Class A Debt Securities were fully repaid in May 2016. Class B Debt Securities accrue interest at a nominal reference rate (30-day LIBOR) plus a nominal 8% margin per year. Principal and interest on the Class B Debt Securities are repayable on a monthly basis. As of March 31, 2021, the "outstanding residual value" of Class B Debt Securities amounts to U.S.$26.9 million, equal to 37% of the original principal amount. Payments mature on December 31, 2026.

As of March 31, 2021, the liability related to Class B Debt Securities amounts to U.S.$15.5 million carried as current liabilities and U.S.$11.3 million as non-current liabilities.

Project Finance

Pomona I Project Financing

On June 8, 2018, GVSO, a wholly-owned subsidiary, entered into financing agreements for the Pomona I wind farm. This financing agreement includes up to U.S.$142.0 million, which were used to pay for construction and laying costs in progress of the project.

The financing agreements included a 16-year guaranteed non-recourse loan granted by KfW and a loan without guarantee or recourse to us for 15 years granted by DEG - Deutsche Investitionsk - Und Entwicklungsgesellschaft Mbh ("DEG"). The KfW loan is guaranteed by the German Export Credit Agency Euler Hermes, through a comprehensive commercial and political credit agreement for export.

As of that date of this Exchange Offer and Consent Solicitation Memorandum, disbursements of funds have been received according to the financial documents.

The financing agreements contain clauses that limit the ability of GVSO to pay dividends and provide for the granting of various guarantees in favor of creditors, among which are the transfer of the real rights of usufruct over the property of the project, direct assignments, fiduciary or in guarantee, total or partial, of certain rights of GVSO, including the collection rights under the Renewable Electricity Supply Contract entered into with CAMMESA, insurance and other documents related to the wind farm; pledge on shares representing 100% of the capital stock of GVSO, guarantees on bank accounts and pledge on the main assets of GVSO, all characteristics of traditional project finance without recourse.

On February 6, 2020, we agreed to cancel the loan granted by DEG in connection with the financing of the Pomona I wind farm without receiving any disbursements under such contract. As a result, the total financing committed for the construction of the Pomona I wind farm was reduced by U.S.$20.7 million and the maximum amount available is U.S.$121.0 million. The cancellation of the loan was principally related to the fact that the loan did not conform with the Exchange regulations implemented in Argentina as of September 2019. The cancellation of this loan did not affect the original financing plan for costs of construction and of construction and implementation of the project.

On February 18, 2020 and April 29, 2020, we received disbursements totaling U.S.$7.8 million. On January 20, 2021 GVSO received a disbursement for U.S.$1.4 million. As of March 31, 2021, our disbursements totaled U.S.$117.9 million. The payment of the principal owed by virtue of the disbursements is being paid semi-annually since March 31, 2020. On April 30, 2021 Genneia S.A. received the equivalent in pesos for U.S.$ 9 million as distributions to the sponsor, by virtue of the accumulated revenues since its commercial operation date. This milestone was achieved due to the fulfillment of the Completion conditions.

Villalonga I and Chubut Norte I Project Financing

On June 19, 2018, GVA and GVS, wholly owned subsidiaries, entered into financing agreements for the Villalonga and Chubut Norte I wind farms for up to U.S.$130.7 million, which were used to meet the construction and start-up costs of said projects.

Financing agreements include guaranteed tranches and unsecured tranches. The Danish Export Credit Agency ("EKF") directly grants a first Tranche, and Sumitomo Mitsui Banking Corporation ("SMBC") grants the second Tranche. The Tranche granted by SMBC is guaranteed by EKF through an integral commercial and political export credit guarantee agreement.

Additionally, the financing includes two unsecured tranches: (a) a 15-year unsecured loan without recourse granted by the Andean Development Corporation ("CAF") and (b) a 15-year unsecured loan with no recourse granted. by Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden NV ("FMO"). Disbursement funds are subject to the satisfaction of certain precedent conditions agreed upon.

As of the date of this Exchange Offer and Consent Solicitation Memorandum, disbursements of funds have been received in accordance with the financial documentation.

The financing agreements contain clauses that limit the ability of GVA and GVS to pay dividends and provide for the granting of various guarantees in favor of the creditors, among which are mortgages on the project's properties, direct assignments, fiduciary or in guarantee, total or partial, of certain rights of GVA and GVS, including the collection rights under Renewable Electricity Supply Contracts entered into with CAMMESA, insurance and other documents related to the Farms; pledge on shares representing 100% of the capital stock of GVA and GVS, guarantees on bank accounts and pledge on the main assets of the project.

On April 7, 2020 Genneia Vientos Argentinos S.A. and Genneia Vientos del Sur S.A. agreed to a U.S.$8.5 million reduction in the financing described in note 9.2.10 to our annual financial statements. As a result, the total financing committed for the construction of the Villalonga I and Chubut Norte I wind farms totaled U.S.$122.2 million. This reduction is primarily related to the available funds were associated with the costs of construction of the projects which came into operation under budget. The reduction of this loan did not affect the original financing plan for costs of construction and of construction and implementation of the project.

On April 24, 2020, we received a disbursement of U.S.$7.8 million for a one-time repayment to Genneia S.A. linked to the successful management of projects, having completed them early and below budget.

On October 30, 2020, Genneia Vientos Argentinos S.A. and Genneia Vientos del Sur S.A. received a disbursement of U.S.$10.7 million within the financing, totaling the amount agreed for the financing line. The disbursement received was used for a loan to Genneia S.A.

As of March 31, 2021, the committed amount has been fully disbursed, totaling U.S.$122.2 million. The payment of the principal owed by virtue of the disbursements is being paid semi-annually since October 31, 2019.

Financing of "Chubut Norte III" and "Chubut Norte IV" (Joint ventures)

On July 15, 2019, Vientos Patagónicos Chubut Norte III S.A. (formerly Genneia Vientos Patagónicos S.A.) and Vientos Sudamericanos Chubut Norte IV S.A. (formerly Genneia Vientos Sudamericanos S.A.), entered into financing agreements, without recourse against us, for the construction and commercial operation of "Chubut Norte III" and "Chubut Norte IV" with KfW, for an aggregate amount of U.S.$131.0 million, combining a loan for the construction term plus 15 years to be provided by KfW and guaranteed by the German Export Credit Agency Euler Hermes through a comprehensive credit insurance agreement (which provides 95% of the coverage).

On July 16, 2019, we and our subsidiary MyC Energía S.A. agreed to transfer to Pan American Fueguina S.A., a subsidiary of Pan American Energy SL, a 49% equity interest in Genneia Vientos Patagónicos S.A. and Genneia Vientos Sudamericanos S.A. for the joint development of two wind power generation projects nearby the city of Puerto Madryn, Province of Chubut (Chubut Norte III and IV). The transfer of the shares was consummated on August 26, 2019.

As of March 31, 2021, total disbursements under the agreements totaled U.S.$117.7 million. Payment of the principal owed by virtue of the disbursements estimated semiannual payments beginning on October 31, 2020. Given the delays that occurred during the construction phase of the projects, Vientos Patagónicos Chubut Norte III S.A. and Vientos Sudamericanos Chubut Norte IV S.A. were unable to accomplish the first amortizations. Such situation derived in a breach on the initially agreed conditions under the Financing Agreements, which, in strict interpretation of the accounting standards in force, leads to the exposure of this debt within the Current Liabilities. In order to respect the initially agreed structure which established the repayment of capital and interest through the generation of income of the Wind Farms, as of the date of this Exchange Offer and Consent Solicitation Memorandum, the companies are working together with the lender to amend the corresponding financial documentation and adapt the definitive schedule according to the commercial operation dates of the Wind Farms, achieved in February 2021. On April 29, 2021 and May 7, 2021, the companies received disbursements from the lender for U.S.$ 9.1 million, and U.S.$ 3.1 million, respectively.

Financing of "Necochea" wind farm (Joint venture)

On August 2, 2019, Vientos de Necochea S.A., our subsidiary under joint control with Centrales de la Costa Atlántica S.A., entered into financing agreements, without recourse against us, for the construction and commercial operation of the "Necochea" wind farm with Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V. ("FMO") for an aggregate principal amount of U.S.$51.0 million, combining a loan for the construction term plus 15 years to be provided by FMO and guaranteed by EKF Denmark's Export Credit Agency through a comprehensive credit insurance agreement.

Financing Agreement A includes a guaranteed tranche and an uncovered tranche. The guaranteed tranche is provided by FMO and is guaranteed by EKF, and the second tranche is provided directly by FMO. Financing Agreement B is awarded directly by FMO. The transaction is organized by SMBC and FMO.

The financing agreements contain clauses that limit the ability of the subsidiaries to pay dividends and provide for the granting of various guarantees in favor of creditors, among which are the transfer of real usufruct rights over the buildings where the Projects will be installed, direct, fiduciary or guarantee transfers, total or partial, of certain rights of the subsidiaries, including the collection rights under the Contract for the supply of renewable electricity entered into with CAMMESA, insurance and other documents related to wind

farms; Pledge on shares that represent 100% of the capital stock of the subsidiaries, guarantees in bank accounts and pledge on the main assets of the projects.

On October 16, 2020, we agreed to reduce the loan granted by FMO. Consequently, the total financing committed for the construction of the Necochea wind farm was reduced by U.S.$6.73 million and therefore the maximum amount to be received in relation to it, is U.S.$44.27 million.

On March 12, 2021 Vientos de Necochea S.A. received a disbursement for U.S.$30.3 million, included in both guaranteed and uncovered tranches. The capital owed by virtue of the disbursements is U.S.$44 million as of March 31, 2021. The principal owed is being paid semi-annually since October 31, 2020.

Leases

As of March 31, 2021, we had U.S.$3.3 million of outstanding debt under financial leases corresponding to the leasing of the land corresponding to the subsidiaries Genneia Vientos del Sudoeste S.A., Genneia La Florida S.A. and Parque Eólico Loma Blanca IV S.A.

Performance Bonds

In accordance with the terms of our PPAs, we are required to contract and maintain performance bonds (*seguros de caución*) to guarantee compliance with our obligations under the PPAs throughout their term. We have contracted and maintain the following performance bonds with reputable insurance companies such as Fianzas y Créditos S.A. Compañia de Seguros, Allianz Argentina Compañía de Seguros S.A., Opción Seguros S.A., Alba Caución S.A., Aseguradora de Créditos y Garantías S.A., Gestión-Compañía Argentina de Seguros S.A. Mapfre Argentina S.A., Aseguradora de Cauciones SA, Testimonio Compañía de Seguros SA., and Boston Aseguradora S.A:

- for our thermal power plant Bragado II, we maintain a performance bond with an aggregate coverage amount of approximately U.S.$2.6 million;
- for our Rawson I and II wind farms, we maintain two performance bonds with an aggregate coverage amount of approximately U.S.$9.7 million;
- for our Vientos de Necochea S.A. wind farm, we maintain performance bonds with an aggregate coverage amount of approximately U.S.$11.4 million;
- for our Chubut Norte III wind farm, we maintain performance bonds with an aggregate coverage amount of approximately U.S.$18.7 million;
- for our Chubut Norte IV wind farm, we maintain performance bonds with an aggregate coverage amount of approximately U.S.$27.0 million;
- for our La Florida biomass plant, we maintain performance bonds with an aggregate coverage amount of approximately U.S.$6.2 million;
- for the Ullum I Solar Plants, Ullum I Solar S.A.U. maintains performance bonds with an aggregate coverage amount of approximately U.S.$7.5 million;
- for the Ullum II Solar Plants, Ullum I Solar S.A.U. maintains performance bonds with an aggregate coverage amount of approximately U.S.$7.5 million; and
- for the Trelew wind farm, Parque Eólico Loma Blanca IV S.A. maintains performance bonds with an aggregate coverage amount of approximately U.S.$6.7 million.

During 2020, we paid an aggregate amount of approximately U.S.$0.195 million in premiums in connection with the above-mentioned performance bonds.

We do not record our performance bonds as liabilities in our financial statements unless amounts are drawn thereunder in the event of our non-performance under the related PPA or resolution. As of the date of this Exchange Offer and Consent Solicitation Memorandum, we maintain performance bonds with insurance companies providing total coverage for approximately U.S.$94.7 million.

Off-Balance Sheet Arrangements

We are not party to any off-balance sheet arrangements.

Quantitative and Qualitative Disclosures on Market Risks

Our business faces (i) market risks, including foreign currency risk, interest rate risk and price risk, (ii) credit risk and (iii) liquidity risk. We do not engage in speculative dealings with financial instruments. For more detailed information on market risks, see note 7.3 to our annual financial statements.

Interest rate risk management. As of December 31, 2020, 70% of our consolidated debt obligations were issued at a fixed interest rate, while the remaining 30% were issued at variable interest rates, mostly based on BADLAR and LIBOR. The following sensitivity analysis has been prepared on basis of the exposure to the interest rates for financial instruments at the end of the year 2020. For variable-rate liabilities, the analysis was prepared assuming that the outstanding balance at the end of the year was outstanding for the whole year. As of December 31, 2020, if BADLAR/LIBOR market interest rate for borrowings in Argentine pesos and in U.S. dollars would have been 500 and 50 basis points, respectively, higher than the Company, the net interest expense for the year ended December 31, 2020 would have increased by approximately U.S.$ 0.57 million. We do not currently hedge against interest rate risks. These calculations do not take into account debt incurred or repaid subsequent to December 31, 2020.

Currency risk management. As of December 31, 2020, almost all of our loans are denominated in U.S. dollars amounting to U.S.$ 911.4 million. As our functional currency is the U.S. dollar, a variation in the exchange rate of the Argentine peso against the U.S. dollar, would have not resulted in a significant variation in our consolidated debt denominated in U.S. dollars during the year ended December 31, 2020. In addition, a large portion of our operating costs were denominated in U.S. dollars. However, our business is naturally hedged long term since substantially all of our revenues are denominated in the same currency, which allowed us to use U.S. dollars as functional currency for accounting purposes.

Management of credit risk. Credit risk refers to the risk of default by our debtors, which results in losses to us. Substantially all of our sales from electric power generation from conventional and renewable sources are carried out with companies in which the Argentine government has an ownership interest. The Argentine government has considerable power to force renegotiation of contract terms with their contracting parties. Forced renegotiation and delays or defaults in payment by public sector agencies may have a substantial adverse effect on our results of operations. However, for the three-month period ended March 2021, the PPAs backed by the FODER guarantee represent 54% of our net sales. Our management is periodically assessing the recoverability of receivables based on aging, payment capacity of the counterparty, nature of the client, security interest received, legal rights, among others, and forecast the estimated recoverable value of such receivables.

Management of liquidity risk. Liquidity risk is the risk of mismatch between cash requirements (related to operating and financial expenses, investments, debt maturities, and dividends) and the financing sources (net profit, divestitures, and capacity for new financing). We manage liquidity risk by maintaining adequate cash reserves, and banking facilities, by continuously monitoring forecasts and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. On January 20, 2022, the principal of the Class XX Negotiable Obligations will be due, for US $ 500 million issued by the Company in two tranches (U.S.$ 350 million on January 20, 2017 and US $ 150 million January 30, 2018). See “Risks Relating to the Exchange Offer and the Existing Notes”.

BUSINESS

OUR HISTORY

We were incorporated in October 1991, as an Argentine stock corporation (*sociedad anónima*) under the name "Empresa de Gas del Sudeste—Emgasud S.A," to engage in the natural gas distribution business. In 2004, we incorporated our subsidiary Enersud to engage in the energy trading business. In 2007, we began developing our thermal power generation assets with the construction of thermal power plants. In addition, in 2007 we entered into the natural gas transportation business. In 2010 we entered into the wind power generation business and we were awarded the right to develop and operate Rawson I and II wind farms and Madryn wind farm, in the Province of Chubut.

In April 2012, our shareholders changed our corporate name to "Genneia S.A.", a name that represents more adequately our core business of power generation. In May 2012 and March 2013, respectively, we completed the divestiture of our natural gas transportation and distribution business. In 2016, we were awarded the projects Villalonga I, Chubut Norte I, Pomona I and Necochea. In 2017 we were awarded the projects Chubut Norte III, Chubut Norte IV and La Florida. In August 2017, we also acquired the Cruz Alta plant in the Province of Tucumán through the purchase of GETSA by our wholly-owned subsidiary GEDESA. In November 2017, we expanded our wind portfolio in Chubut with the acquisition of the Trelew wind farm through its parent company, Parque Eólico Loma Blanca IV S.A., and, in April 2018, we acquired the Ullum Solar Plants.

An aggregate capacity of 707 MW of renewable power became operational since 2018. In 2018, the Madryn I, Chubut Norte I, Villalonga I and II wind farms and the Ullum I, II and III became operational. In 2019, the Madryn II, and Pomona I & II entered operations.

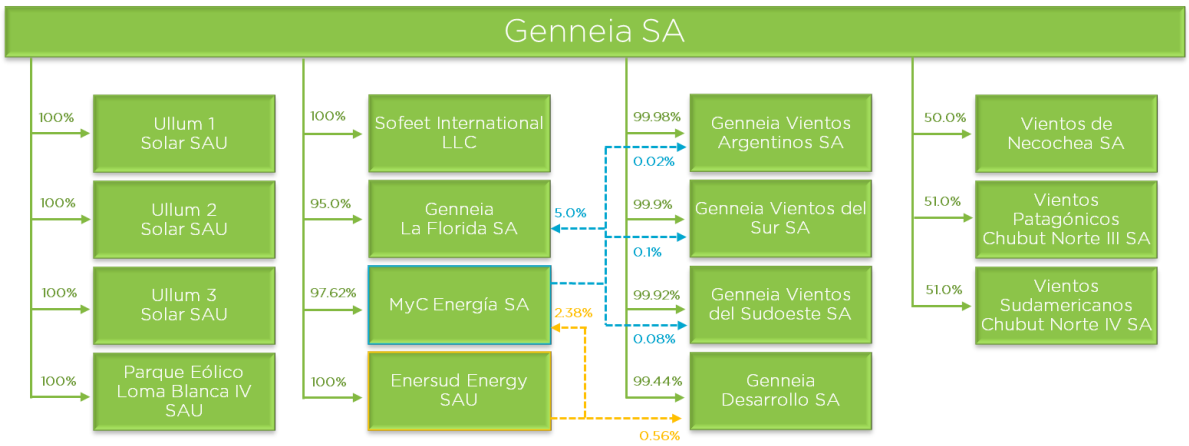
The Necochea project was awarded in 2016 to Centrales de la Costa, a company controlled by the Province of Buenos Aires. We entered into a joint venture in equal parts (50/50) with Centrales de la Costa S.A. to develop and operate this project.

On July 16, 2019, Genneia and its subsidiary MyC Energía S.A. agreed to transfer to Pan American Fueguina S.A., a subsidiary of Pan American Energy, SL, a 49% equity interest in Vientos Patagónicos and Vientos Sudamericanos, subject to compliance with certain conditions precedent. The transfer of the shares was consummated on August 26, 2019.

In February 2020, the Necochea wind farm was authorized to begin commercial operations by CAMMESA. In February 2021, the Chubut Norte III and Chubut Norte IV wind farms were authorized to begin commercial operations by CAMMESA. In March 2021, the Chubut Norte II wind farm achieved commercial operation.

Our Corporate and Shareholder Structure

The following chart depicts our main subsidiaries as of the date of this Exchange Offer and Consent Solicitation Memorandum:



Our Rawson I, II and III wind farms, our Madryn I and II, Villalonga II and Pomona II wind farms, the Chubut Norte II wind farm project, and our thermal power plants (except for the Cruz Alta plant) are directly owned by Genneia.

Our main subsidiaries are Enersud Energy S.A.U., Genneia Vientos Argentinos S.A., Genneia Vientos del Sur S.A., Genneia Vientos del Sudoeste S.A., Vientos Sudamericanos Chubut Norte IV S.A., Vientos Patagónicos Chubut Norte III S.A., Vientos de Necochea S.A., Genneia Desarrollos S.A. (or GEDESA), Parque Eólico Loma Blanca IV S.A., Genneia La Florida S.A., Ullum 1, Ullum 2, Ullum 3 and Sofeet International LLC. The rest of our subsidiaries are currently non-operational subsidiaries.

Below is a brief description of our main subsidiaries:

(a) Enersud Energy S.A.U. is a subsidiary incorporated in 2004, engaged in the energy trading business. See "Our Power Purchase Agreements—Trading of Natural Gas and Transportation Capacity."

(b) Genneia Vientos Argentinos S.A. is a subsidiary incorporated in 2016, as a special purpose vehicle for the execution, development and operation of our Villalonga wind farm.

(c) Genneia Vientos del Sur S.A. is a subsidiary incorporated in 2016, as a special purpose vehicle for the execution, development and operation of our Chubut Norte I wind farm.

(d) Genneia Vientos del Sudoeste S.A. is a subsidiary incorporated in 2016, as a special purpose vehicle for the execution, development and operation of our Pomona wind farm.

(e) GEDESA was incorporated in 2008 and is currently the subsidiary which operates the Cruz Alta plant, through the acquisition of (and subsequent merger with) GETSA in August 11, 2017.

(f) Parque Eólico Loma Blanca IV S.A. is a subsidiary incorporated in 2009, as a special purpose vehicle for the execution, development and operation of the Trelew wind farm, acquired by us on November 29, 2017.

(g) Genneia La Florida S.A. is a subsidiary incorporated in 2018, as a special purpose vehicle for the execution, development and operation of our La Florida project.

(h) Ullum 1 Solar S.A.U. is a subsidiary incorporated in 2016, as a special purpose vehicle for the execution, development and operation of our Ullum 1 solar plant, acquired by us on April 9, 2018. On April 23, 2020, the CNV authorized it to issue notes through the public offering regime (*Régimen de Oferta Pública de Obligaciones Negociables*).

(i) Ullum 2 Solar S.A.U. is a subsidiary incorporated in 2016, as a special purpose vehicle for the execution, development and operation of our Ullum 2 solar plant, acquired by us on April 9, 2018. On April 23, 2020, the CNV authorized it to issue notes through the public offering regime (*Régimen de Oferta Pública de Obligaciones Negociables*).

(j) Ullum 3 Solar S.A.U. is a subsidiary incorporated in 2016, as a special purpose vehicle for the execution, development and operation of our Ullum 3 solar plant, acquired by us on April 9, 2018. On April 23, 2020, the CNV authorized it to issue notes through the public offering regime (*Régimen de Oferta Pública de Obligaciones Negociables*).

(k) Sofeet International LLC is a subsidiary incorporated in Delaware, United States on July 9, 2018, and acquired by us on June 15, 2020, in order to carry out any business permitted under the laws of the State of Delaware, in particular, investment activities and guaranteeing our debt and other activities abroad which complement those provided for in our bylaws.

Within our subsidiaries, we have participations in the following Joint Ventures:

(l) Vientos Sudamericanos Chubut Norte IV S.A. (formerly Genneia Vientos Sudamericanos S.A.) is a subsidiary incorporated in 2016, as a special purpose vehicle for the execution, development and operation of our Chubut Norte IV wind farm. On August 26, 2019, we and our subsidiary MyC Energía S.A. transferred to Pan American Fueguina S.A., a subsidiary of Pan American Energy SL, our 49% equity interest in Genneia Vientos Sudamericanos S.A. for the joint development of the above-mentioned wind power generation project. On that same date, the subsidiary changed its corporate name to Vientos Sudamericanos Chubut Norte IV S.A.

(m) Vientos de Necochea S.A. is a subsidiary incorporated in 2016, as a special purpose vehicle for the execution, development and operation of the Necochea wind farm. We and Centrales de la Costa, a company controlled by the province of Buenos Aires, entered a joint venture agreement to develop this project and each party owns 50% of Vientos de Necochea S.A. During the first four fiscal years of Vientos de Necochea S.A., the chairman was one of our appointed directors, who had double vote in the event of deadlock, with the exception of certain issues. We will carry out the management and operation of the project. Having elapsed the first four years of the project, the Chairman has been appointed by Centrales de la Costa.

(n) Vientos Patagónicos Chubut Norte III S.A. (formerly, "Genneia Vientos Patagónicos S.A.") is a subsidiary incorporated in 2018, as a special purpose vehicle for the execution, development and operation of our Chubut Norte III wind farm. On August 26, 2019, we and our subsidiary MyC Energía S.A. transferred to Pan American Fueguina S.A., a subsidiary of Pan American Energy SL, our 49% equity interest in Genneia Vientos Patagónicos S.A. for the joint development of the above-mentioned wind power generation project. On that same date, the subsidiary changed its corporate name to Vientos Patagónicos Chubut Norte III S.A.

OUR KEY STRENGTHS

Leader in renewable energy in Argentina. We are the leading renewable power company in Argentina, operating an estimated 22% of the installed wind and solar capacity in the country as of the date of this Exchange Offer and Consent Solicitation Memorandum. We own and operate a diversified portfolio of high-quality assets built with state of the art technology. As an early participant in the renewable energy market, we have access to premium locations with strong wind and solar resources and access to the electrical grid as well as substantial in-house expertise. In 2020, the average load factor of our wind and solar farms with COD on or after November 2018 was 49.9% and 29.1%, respectively. These high dispatch levels show that Argentina has one of the world's most favorable natural endowments for the development of wind and solar energy.

Highly reliable generation assets. We have achieved a strong track record of high load and availability factors for our plants, which allow us to generate stable and predictable cash flows under our PPAs. Our wind and solar farms have achieved a weighted average availability factor of 94.68% and 80.35% respectively during the year ended December 31, 2020 and our thermal power plants have achieved a weighted average availability factor of 98% during 2020, 99.4% during 2019 and 98.5% during 2018. We have entered into a services and availability agreements with Vestas (for our Rawson I, II and III, Madryn I & II, Villalonga I & II, Chubut Norte I and Necochea wind farms), Nordex (for our Pomona I & II and Chubut Norte II, III & IV wind farms) and

Alstom (now GE, for our Trelew wind farm) pursuant to which those services providers have agreed to guarantee and availability factor between 96% and 98%, depending on each agreement. In addition, we have insurance coverage in the event of material damage, breakdown machinery and significant business interruption at our plants.

Stable and predictable cash flows based on long-term U.S. dollar-denominated PPAs. We primarily derive our revenues from long-term U.S. dollar-denominated PPAs, which provide us with stable and predictable cash flows. Most of our renewable assets that reached commercial operation during 2018-2020 have PPAs awarded under the RenovAr program and Resolution 202/2016. These PPAs are for a term of 20 years, denominated in U.S. dollars, and backed by the FODER and sovereign guarantees, while some of them are backed by the World Bank Guarantee.

As of the date of this Exchange Offer and Consent Solicitation Memorandum, the average remaining term of our PPAs is 15 years (16 years for our wind PPAs, 17 years for solar PPAs and 6 years for thermal PPAs). For more details on the calculation of the terms of our PPAs, see "Business-Power Generation-Power Purchase Agreements or PPAs."

Seasoned management with a strong track record across all phases of execution. Our management team has extensive industry and financial experience, including significant experience in the Argentine energy sector. Our management team has expertise in the entire cycle of electrical power generation, from prospecting and developing projects to building and operating plants for both renewable and conventional power generation. Our management team has shown its capacity to deliver projects on time and on budget and to operate existing plants efficiently, even in adverse conditions.

Strong equity capitalization and a track record of accessing financings. Our shareholders have used their financial capability to commit a substantial amount of capital to support our growth, including contributions totaling U.S.$100.0 million in 2017 and U.S.$20 million in 2018 and another U.S.$ 181 million since inception. We have tapped the international debt capital markets twice since 2017 and we are a frequent participant in the domestic debt capital market. Also, we have secured long-term project financings at the subsidiary level, without recourse to us, with certain export credit agencies and development banks.

OUR STRATEGY

We strive to create sustainable and long-term value for our stakeholders through the adoption of strategies that aim to improve our operating margins, enhance our financial profile and investment in existing and new projects. In order to achieve these objectives, we carry out the following strategies:

Maintain a sound and efficient operation of our power plants. We are committed to maintaining a sound and efficient operation of our power plants to generate predictable and stable cash flows. We are focused on continuing the high availability factor of our plants currently in operation and achieving similar results with our projects under construction. In this regard, we plan to continue investing in equipment to improve efficiency and availability.

Sustained growth based **on predictable contracted cash flows.** Based on our projected cash flows, our financing capabilities and the support shown by our shareholders, we continue assessing energy projects that will allow us to achieve sustained growth and expect to leverage on our experience to keep expanding our power generation project pipeline. We aim to accompany our expansion with predictable cash flows by investing in new projects and securing attractive, long-term PPAs for the new facilities and, from time to time, consider the acquisition of projects developed (totally or partially) by third parties if the terms are attractive to us and the profile of the project fits within our long-term growth strategy.

Adhere to strict environmental, social responsibility and corporate governance standards. We are committed to strict ESG and seek to ensure transparency, accountability and responsibility in the operation of our business for our stakeholders. We also strive to provide a high-quality service while operating our facilities safely and sustainably. In terms of sustainability, we seek to be good corporate citizens and operate our business in a manner which complies with applicable legal and environmental regulations. In terms of safety, we implement and follow the industry safety standards in Argentina in order to ensure the safety of our employees and contractors and the communities where our operations are located. See "Sustainable Value Strategy" for more information.

POWER GENERATION

The following table sets forth key information about our power plants in operation, based on gross interest.

	Location	Commencement date of commercial operation	Installed Capacity as of the date of this memorandum (MW)
Wind Farms			
Rawson I and II	Province of Chubut	January 2012	83.65
Trelew	Province of Chubut	August 2013[(1)]	51.00
Rawson III	Province of Chubut	December 2017	25.05
Madryn I	Province of Chubut	November 2018	71.10
Villalonga I	Province of Buenos Aires	December 2018	51.75
Chubut Norte I	Province of Chubut	December 2018	28.80
Chubut Norte II	Province of Chubut	March 2021	26.3
Chubut Norte III	Province of Chubut	February 2021	57.7
Chubut Norte IV	Province of Chubut	February 2021	83.2
Villalonga II	Province of Buenos Aires	February 2019	3.45
Pomona I	Province of Rio Negro	July 2019	101.40
Pomona II	Province of Rio Negro	August 2019	12.00
Madryn II	Province of Chubut	September 2019	151.20
Necochea	Province of Buenos Aires	February 2020	37.95
Bragado I, II and III	Province of Buenos Aires	June 2011 / February 2017/ May 2017	168.00
Cruz Alta	Province of Tucuman	January 2002 / February 2003[(2)]	245.00
Solar Farms			
Ullum I	Province of San Juan	December 2018	25.00
Ullum II	Province of San Juan	December 2018	25.00
Ullum III	Province of San Juan	December 2018	32.00
Total			**1,279**

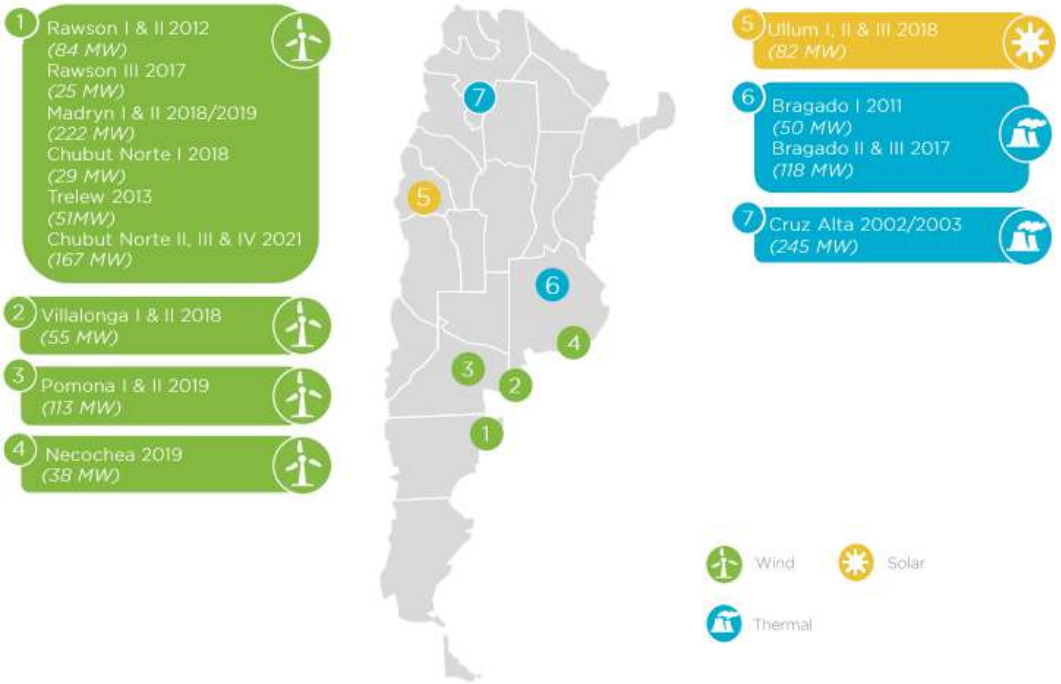
Notes: —

(1) This plant reached commercial operation in August 2013 but has been operated by us since November 29, 2017 when we acquired the wind farm.

(2) This plant reached commercial operation in January 2002 and February 2003 but has been operated by us (through GEDESA) since August 11, 2017, when we acquired the thermal power plant.

(3) The Secretary of Energy enabled the disconnection of the Thermal Power Plants, which ceased to be operational on: (i) April 30, 2020 in the case of the Matheu Thermal Power Plant, with effective; (ii) November 1, 2020 in the case of the Thermal Power Plants of Olavarría, Concepción del Uruguay I and II, and Las Armas I, and (iii) on May 5, 2021 in the case of the Las Armas II Thermal Plan.

The map below shows the geographic locations of our power generation assets in operation as of the date of this Exchange Offer and Consent Solicitation Memorandum.



Operating Power Plants

The table below provides the net sales, availability factor and net generation of our power generation assets for the years ended December 31, 2018, 2019 and 2020.

	Year ended December 31,		
	2020	**2019**	**2018**
	(in millions of U.S.$)		
Wind Farms			
Rawson I and II			
Net Sales	38.4	37.7	35.8
Availability Factor	97.0%	97.2%	97.9%
Net Generation (GWh)	296	297	283
Rawson III[(1)]			
Net Sales	7.4	7.9	7.1
Availability Factor	93.6%	97.7%	97%
Net Generation (GWh)	108	114	107
Trelew			
Net Sales	20.1	19.4	20.3
Availability Factor	81.1%	78.3%	84.9%
Net Generation (GWh)	158	153	159
Chubut Norte I			
Net Sales	11.1	10.8	0.6

	Year ended December 31,		
	2020	2019	2018
	(in millions of U.S.$)		
Availability Factor	96.4%	96.0%	86.6%
Net Generation (GWh)	141	140	15
Madryn I			
Net Sales	29.9	29.1	4.8
Availability Factor	97.5%	95.7%	94.2%
Net Generation (GWh)	330	324	70
Madryn II			
Net Sales	60.6	16.7	—
Availability Factor	97.2%	97.9%	—
Net Generation (GWh)	671	244	—
Villalonga I			
Net Sales	16.6	15.3	0.5
Availability Factor	97.1%	95.9%	95.8%
Net Generation (GWh)	252	236	23
Villalonga II			
Net Sales	1.0	0.8	—
Availability Factor	97.8%	96.4%	—
Net Generation (GWh)	17	16	—
Pomona I			
Net Sales	25.6	11.6	—
Availability Factor	93.2%	92.7%	—
Net Generation (GWh)	390	212	—
Pomona II			
Net Sales	2.3	1.0	—
Availability Factor	80.4%	98.2%	—
Net Generation (GWh)	41	20	—
Necochea			
Net Sales	9.7	—	—
Availability Factor	96.9%	—	—
Net Generation (GWh)	150	—	—
Solar Plants			
Ullum Solar I[(5)]			
Net Sales	4.1	3.7	0.1
Availability Factor	79.2%	76.2%	—
Net Generation (GWh)	64	58	4
Ullum Solar II[(5)]			
Net Sales	4.2	3.9	0.1
Availability Factor	79.9%	78.1%	—
Net Generation (GWh)	63	60	4
Ullum Solar III[(5)]			
Net Sales	5.7	5.1	0.1
Availability Factor	81.6%	76.7%	—
Net Generation (GWh)	83	75	3
Thermal Power Plants			

	Year ended December 31,		
	2020	2019	2018
	(in millions of U.S.$)		
Matheu[3]			
Net Sales	0.6	2.8	9.3
Availability Factor	100%	99.8%	100.0%
Net Generation (GWh)	9	22	5
Paraná[3]			
Net Sales	1.3	6.3	10.5
Availability Factor	91.6%	99.8%	100.0%
Net Generation (GWh)	3	13	6
Concepción del Uruguay[3]			
Net Sales	1.2	9.0	10.5
Availability Factor	100.0%	99.7%	100.0%
Net Generation (GWh)	1	11	3
Olavarría[3]			
Net Sales	1.5	8.5	10.5
Availability Factor	97.8%	99.9%	99.9%
Net Generation (GWh)	35	35	8
Las Armas			
Net Sales	7.4	9.7	9.6
Availability Factor	88.8%	98.9%	99.5%
Net Generation (GWh)	105	113	80
Bragado[2]			
Net Sales	45.1	48.0	48.3
Availability Factor	96.6%	98.9%	97.2%
Net Generation (GWh)	306	420	460
Pinamar[3]			
Net Sales	—	0.5	2.4
Availability Factor	—	88.8%	98.9%
Net Generation (GWh)	—	11	34
Gobernador Costa[4]			
Net Sales	—	0.3	1.4
Availability Factor	—	66.5%	60.2%
Net Generation (GWh)	—	2	9
Río Mayo[4]			
Net Sales	—	0.2	2.2
Availability Factor	—	99.9%	99.0%
Net Generation (GWh)	—	2	12
Cruz Alta			
Net Sales	19.0	14.5	22.2
Availability Factor	100.0%	99.8%	98.60%
Net Generation (GWh)	8	20	52

Notes:

(1) Rawson III began commercial operations in December 21, 2017.

(2) Bragado II and III obtained their commercial authorizations on February 18, 2017 and May 5, 2017, respectively.

The Pinamar Facility ceased operations on April 1, 2019, as stated by Resolution 2019-4-APN-SRRYME # MHA of the Ministry of Finance. The Concepción del Uruguay, Olavarría and Las Armas I facilities ceased operations on November 1, 2020, as determined by Resolutions RESOL-2020-123-APN-SE#MDP, RESOL-202041-APN-SE#MDP and RESOL-2020-208-APNSE#MD, respectively. The Paraná facility ceased operations on December 9, 2020, as stated by Resolution RESOL-2020-285-APN-SE#MEC. Las Armas II facility ceased its operations on May 5, 2021, as of Resolution RESOL-2021-376-APN-SE#MEC.

(3) On April 4, 2019, we handed over, through a court proceeding, the properties, facilities and other assets that make up the power generation plants of the towns of Río Mayo and Gobernador Costa to the Province of Chubut.

(4) Ullum Solar I and II began operations on December 19, 2018. Ullum Solar III began operations on December 22, 2018.

The table below provides the net sales, availability factor and net generation of our power generation assets for the periods ended March 31, 2021 and 2020.

	Three-month period ended March 31,	
	2021	2020
	(in millions of U.S.$)	
Wind Farms		
Rawson I and II		
Net Sales	8.9	9.3
Availability Factor	95.9%	97.6%
Net Generation (GWh)	69	72
Rawson III		
Net Sales	1.8	1.9
Availability Factor	94.6%	97.9%
Net Generation (GWh)	26	27
Trelew		
Net Sales	4.4	5.4
Availability Factor	76.8%	86.5%
Net Generation (GWh)	35	42
Chubut Norte I		
Net Sales	2.6	2.8
Availability Factor	97.7%	97%
Net Generation (GWh)	33	35
Madryn I		
Net Sales	7.0	7.4
Availability Factor	97.5%	97.4%
Net Generation (GWh)	75	81
Madryn II		
Net Sales	13.9	14.6
Availability Factor	96.9%	96.4%
Net Generation (GWh)	152	163
Villalonga I		
Net Sales	3.7	3.8
Availability Factor	97.3%	98%
Net Generation (GWh)	55	59
Villalonga II		
Net Sales	0.2	0.2
Availability Factor	98.3%	98.2%
Net Generation (GWh)	4	4

	Three-month period ended March 31,	
	2021	2020
	(in millions of U.S.$)	
Pomona I		
Net Sales	5.5	5.7
Availability Factor	93.8%	93%
Net Generation (GWh)	82	87
Pomona II		
Net Sales	0.6	0.6
Availability Factor	98.3%	93.2%
Net Generation (GWh)	11	10
Necochea		
Net Sales	2.5	1.5
Availability Factor	97.3%	89.4%
Net Generation (GWh)	39	24
Chubut Norte II		
Net Sales	0.03	—
Availability Factor	26.8%	—
Net Generation (GWh)	4	—
Chubut Norte III		
Net Sales	0.7	—
Availability Factor	69.9%	—
Net Generation (GWh)	23	—
Chubut Norte IV		
Net Sales	1.1	—
Availability Factor	40.3%	—
Net Generation (GWh)	47	—
Solar Plants		
Ullum Solar I		
Net Sales	1.1	1.2
Availability Factor	76.8%	75.9%
Net Generation (GWh)	17	18
Ullum Solar II		
Net Sales	1.2	1.2
Availability Factor	79.2%	78.4%
Net Generation (GWh)	18	19
Ullum Solar III		
Net Sales	1.5	1.7
Availability Factor	77.7%	77.9%
Net Generation (GWh)	22	24
Thermal Power Plants		
Matheu		
Net Sales	—	0.5
Availability Factor	—	99.9%
Net Generation (GWh)	—	7
Paraná		

	Three-month period ended March 31,	
	2021	2020
	(in millions of U.S.$)	
Net Sales	—	0.4
Availability Factor	—	100.0%
Net Generation (GWh)	—	0.4
Concepción del Uruguay		
Net Sales	—	0.4
Availability Factor	—	100.0%
Net Generation (GWh)	—	0.31
Olavarría		
Net Sales	—	0.6
Availability Factor	—	99.8%
Net Generation (GWh)	—	12
Las Armas		
Net Sales	0.2	2.0
Availability Factor	58.4%	98.7%
Net Generation (GWh)	1	37
Bragado		
Net Sales	10.7	11.9
Availability Factor	87.7%	99.3%
Net Generation (GWh)	96	110
Cruz Alta		
Net Sales	1.8	2.8
Availability Factor	99.6%	100.0%
Net Generation (GWh)	4	5

Wind Farms

Rawson I and II wind farms

In 2009, we participated in an international bidding process (RFP No. 1/2009) conducted by IEASA in accordance with the Renewable Energy Program to develop and operate new renewable energy. In 2010, we were awarded the right to develop and operate the wind farms located in Rawson in the Province of Chubut. The Rawson I and II wind farms comprise a wind power generation plant with an installed capacity as of the date of this Exchange Offer and Consent Solicitation Memorandum of 84 MW provided by 43 wind turbines (model V90 1.8 MW, class IEC IIA) acquired from Vestas in 2010. Our Rawson I and II wind turbines are operated and monitored remotely by our team through the SCADA system, in coordination with the Vestas control center in India, which operates and monitors wind farms globally on a continuous basis. Vestas' maximum liability under this agreement is generally limited to the aggregate annual fees payable to Vestas throughout the term of the agreement.

The Rawson I and II wind farms reached commercial operation in January 2012. The total amount invested by us in connection with this project was U.S.$154.3 million, which was funded through equity contributions and debt incurrence. The wind towers and turbines of the Rawson wind farm are located on properties owned by us, and access roads to these assets are built and maintained by us.

In 2010, we entered into a services and availability agreement with Vestas pursuant to which Vestas agreed to provide technical assistance, training and maintenance services to us with respect to the turbines comprising the Rawson I and II wind farms, for an initial five year term. On May 23, 2017, we entered into a unified services and availability agreement with Vestas for the Rawson I and II wind farms and the Rawson III wind farm which extended the duration of the agreement for another ten-year period. In addition, under this agreement, Vestas

agreed to guarantee an availability factor of 97.6% during the first year of the agreement and 98% for the remaining period. Our Rawson wind turbines are operated and monitored remotely by our team through the SCADA system, in coordination with the Vestas control center in India, which operates and monitors wind farms globally on a continuous basis. Vestas' maximum liability under this agreement is generally limited to the aggregate annual fees payable to Vestas throughout the term of the agreement.

The load factor of a wind farm refers to the ratio of the wind farm's actual output over a period of time, to its potential output if it were possible for it to operate at full installed capacity continuously over the same period of time. Since the beginning of its commercial operation, the Rawson I and II wind farms have been generating electricity without major interruptions and have obtained an average load factor of 41.14% since the start of commercial operation until December 31, 2020.

In accordance with the Kyoto Protocol to which Argentina is a signatory, we obtained the registration of the Rawson wind farm as "Clean Development Mechanism" before the United Nations. In 2013, we entered into an agreement with Mercuria Energy Trading S.A., or Mercuria, for the sale of the first 355,000 CERs that we issue for a fixed price of €1,050,000 (approximately U.S.$1.3 million as of June 30, 2018). In addition, in 2015 we entered into an agreement with Natura Cosmeticos S.A. for the sale of 70,000 VCUs for an aggregate price of U.S.$301,000.

As of the date of this Exchange Offer and Consent Solicitation Memorandum, the Secretary of Energy instructed the assignment of Rawson I and II wind farms WEM Agreements in our favor. The Sub-Secretary for the Electricity Market, by means of note NO-2019-93090962-APN-SSME-MHA, authorized that change. Since November 2019, we are the counterparty to the Rawson I and II wind farms WEM Agreements and CAMMESA makes payments directly to us.

Rawson III wind farm

In December 2017, our Rawson III wind farm reached commercial operation, which expanded the installed capacity of our Rawson I and II wind farms by 25 MW, intended to generate electric power to be sold in the MATER. The cost of this project was approximately U.S.$39 million.

Since September 2016, we have entered into private PPAs with private users in Argentina, for the capacity of our Rawson III Wind Farm. See *"*Our Power Purchase Agreements- PPAs entered into with Private Users in Argentina - PPAs for Rawson III Wind Farm*"*.

The Rawson III wind farm is located in a property nearby our Rawson wind farms—which we believe to be strategic both from a wind resource and access to the NIS perspective—near the city of Rawson, five kilometers south of National Route No. 25 and at kilometer 158 of Provincial Route No. 1, which is the wind farm's main access road. On the basis of independent technical consultants we believe that could reach a load factor of 49.2% with a 50% probability (also known in the industry as "P50") for a ten-year period. The Rawson III wind farm has twelve wind turbines with approximately 2 MW-rated power. We currently have usufruct rights (which have been conveyed to us by public deed (*escritura*)) on the property on which the wind farm is located with the right to transfer the property domain in our name. During the 2020, the Rawson III wind farm achieved an average load factor of 49.1%

Our Rawson wind turbines are operated and monitored remotely by our team through the SCADA system, in coordination with the Vestas control center in India, which operates and monitors wind farms globally on a continuous basis. Vestas' maximum liability under this agreement is generally limited to the aggregate annual fees payable to Vestas throughout the term of the agreement.

Trelew wind farm

On November 29, 2017, as part of our strategic objective to build a wind generation hub with more than 500 MW of installed capacity in the Province of Chubut, we expanded our wind portfolio through the acquisition from Sideli S.A. of 100% of the shares of Parque Eólico Loma Blanca IV, which owns and operates the Trelew wind farm, with an installed capacity of 51 MW. The CNDC approved this transaction on April 16, 2018.

The Trelew wind farm is a wind power generation center, originally awarded by IEASA to Isolux Corsán, then shareholder of Parque Eólico Loma Blanca IV, under Tender No. 1/2009. The Trelew wind farm is composed of 17 Alstom/General Electric wind turbines (ECO100 model, 3 MW each), for a total installed capacity of 51 MW. The wind towers and turbines of the Trelew wind farm are located on a real estate over

which we have usufruct rights granted by third parties and conveyed to us by public deed. The term of the usufruct rights granted by third parties exceed the term of the PPA.

The Trelew wind farm has averaged a load factor of 38.6% since the beginning of its commercial operation in August 2013 until December 2020.

The Trelew wind farm was built in 2013 and reached commercial operation in August 2013 but has been operated by us since November 29, 2017. The total amount paid to Sideli S.A. to acquire Parque Eólico Loma Blanca IV was U.S.$40.0 million, which was funded through equity contributions, debt incurrence and debt assumption. Under the share purchase agreement for the acquisition of Parque Eólico Loma Blanca, we acquired a company which had a financial debt from the Loma Blanca Series I Financial Trust (*Fideicomiso Financiero Loma Blanca Serie I*), which as of November 29, 2017, amounted to U.S.$55.0 million. For more information, see "Loans—Loma Blanca Series I Financial Trust." Based on press news on an action brought by certain federal congressmen in connection with such acquisition, in February 2018, we made a spontaneous filing putting ourselves at the disposition of the competent judicial authorities to explain in detail the transaction background and submitting the share purchase agreement as evidence that the transaction was lawful and valid.

As of the date of this Exchange Offer and Consent Solicitation Memorandum, neither we nor any of our current or former officers or employees are involved in any investigation related to these legal proceedings or have received any request for additional information or documents from the pertinent judicial authorities.

The Secretary of Energy instructed the assignment of Trelew Wind Farm WEM Agreement in favor of Parque Éolico Loma Blanca IV. The Sub-Secretary for the Electricity Market, through Note NO-2021-29585336-APN-SSEE%MEC, authorized that change, provisionally, until the administrative decision is fully in force.

Madryn I and II wind farms

On September 28, 2016, the then Ministry of Energy and Mining issued Resolution No. 202 - E/2016, which, among others, established the terms and conditions under which renewable project owners with PPA subscribed with IEASA under Resolution SE No. 712/2009, such as the PEM I, PEM II, PEM Norte, PEM Sur and PEM Oeste Wind Farms, could enter into new contracts with CAMMESA.

On May 31, 2017, we entered into two 20-year PPA in dollars with CAMMESA for the entire installed capacity of the Puerto Madryn wind farm based on the PPAs models included in Resolutions No. 202-E/2016 and 168-E/ 2017, respectively. PPAs will expire 20 years after the date CAMMESA granted commercial authorization to operate in the WEM.

Based on our estimates and assumptions, which, among others, factor in the wind studies we have carried out and the evaluations of wind data prepared by independent technical advisors on the basis of our wind studies, we believe that the Madryn I & Madryn II wind farms can achieve an average load factor of 51.7% and 50.2% respectively, with a P50 over a period of ten years. During the 2020, the Madryn I and II wind farms achieved an average load factor of 52.8% and 50.4% respectively.

On November 2, 2018, Madryn I wind farm became operational. With an installed power of 71.1 MW, the project to be completed in May 2019, became operational six months earlier than provided for in the contract with CAMMESA entered into under Resolution No. 202/16 of the Ministry of Energy and Mining and the Renewable Energy Promotion Regime established by Laws No. 26.190 and 27.191. The farm consists of 20 wind turbines of 3.6 MW of power each and is located in a rural land of our property.

On September 26, 2019, Madryn II wind farm became operational. With an installed power of 151.2 MW, the project to be completed in November 2019, became operational two months earlier than provided for in the contract with CAMMESA entered into under Resolution No. 202/16 of the Ministry of Energy and Mining of the Nation and the Renewable Energy Promotion Regime established by Laws No. 26.190 and 27.191. The farm consists of 42 wind turbines of 3.6 MW of power each and is located in a rural land of our property.

Villalonga I wind farm

In the context of the RenovAr public bid, on January 12, 2017, we (through our subsidiary, Genneia Vientos Argentinos S.A.) entered into a PPA denominated in U.S. dollars for 20 years with CAMMESA for the 51.75 MW of installed capacity of the Villalonga I wind farm.

On May 23, 2017, Genneia Vientos Argentinos S.A. entered into a service and availability contract with Vestas, under which Vestas agreed to provide us technical assistance, training and maintenance services with respect to the turbines that make up the Villalonga I wind farm for a period of ten years. In addition, under this agreement, Vestas agreed to guarantee an availability factor of 96% or 97%, depending on the occurrence of certain events, for the first year of the agreement and 97% or 98%, depending on the occurrence of certain events, for the remaining period of the contract.

On June 19, 2018, Genneia Vientos Argentinos S.A. and Genneia Vientos del Sur SA, our wholly owned subsidiaries, entered into financing agreements for the Villalonga I and Chubut Norte I wind farms for up to U.S.$130.7 million with EKF, SMBC, CAF and FMO, to be used for construction and initial project costs. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Indebtedness".

On December 19, 2018, five months before the committed, the Villalonga wind farm became operational and is located on a 727-hectares of our property in the south of the Province of Buenos Aires. Based on our estimates and assumptions, which, among other factors, take into consideration four years of wind studies prepared by us and wind assessments prepared by independent technical advisors based on our wind studies, we believe that the Villalonga I wind farm can reach an average load factor of 52% with P50 over a period of ten years. During the 2020, the Villalonga I wind farm achieved an average load factor of 55.5%

Villalonga II wind farm

The Villalonga II wind farm is one of our newest renewable power plants, generating power to be sold in MATER or in the spot market. The Villalonga II wind farm has a committed installed capacity of 3.45 MW.

On May 18, 2018, we entered into a service and availability contract with Vestas, under which Vestas agreed to provide us technical assistance, training and maintenance services with respect to the turbines that make up the Villalonga II wind farm for a period of ten years. Under this agreement, Vestas also agreed to guarantee an availability factor of 96%, conditioned on the occurrence of certain events, for the first year of the agreement and 97%, conditioned on the occurrence of certain events, for the remaining period of the contract.

The Villalonga II wind farm began operations in December 2018 and obtained commercial authorization in February 2019. It is located in an area of our property adjacent to the Villalonga I wind farm in the south of the Province of Buenos Aires. Based on our estimates and assumptions, which, among other factors, take into consideration four years of wind studies prepared by us and wind assessments prepared by independent technical advisors based on our wind studies, we believe that the Villalonga I wind farm can reach an average load factor of 49% with P50 over a period of ten years. During the 2020, the Villalonga II wind farm achieved an average load factor of 54.7%

Chubut Norte I wind farm

On October 7, 2016, the Ministry of Energy issued Resolution No. 213, through which it awarded us the right to develop the Chubut Norte I wind project. On January 12, 2017, we (through our subsidiary, Genneia Vientos del Sur S.A.) entered into a U.S. dollar-denominated PPA for 20 years with CAMMESA, for the total installed capacity of the Chubut Norte I wind farm and based on the form of PPA included in Resolution No. 136 issued by the Ministry of Energy.

On May 23, 2017, Genneia Vientos del Sur S.A. entered into a services and availability contract with Vestas, under which Vestas agreed to provide us technical assistance, training and maintenance services with respect to the turbines that make up the Chubut Norte I wind farm for a period of ten years. Under this agreement, Vestas also agreed to guarantee an availability factor of 96% or 97%, depending on the occurrence of certain events, for the first year of the contract and 97% or 98%, depending on the occurrence of certain events, for the remaining period of the contract.

On June 19, 2018, Genneia Vientos Argentinos S.A. and Genneia Vientos del Sur SA, our wholly owned subsidiaries, entered into financing agreements for the Villalonga I and Chubut Norte I wind farms for up to U.S.$130.7 million with EKF, SMBC, CAF and FMO, to be used for construction and initial project costs. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Indebtedness."

The Chubut Norte I wind farm began commercial operations in December 2018 and is located on an 834-hectare site of our property in the northeast region of the Province of Chubut. Based on our estimates and assumptions, which, among other factors, take into consideration four years of wind studies prepared by us and

assessments of wind data prepared by independent technical advisors based on our wind studies, we believe that the Chubut Norte I wind farm can reach a load factor of 50.9% with P50 over a period of ten years. During the 2020, the Chubut Norte I wind farm achieved an average load factor of 55.6%.

Pomona I Wind Farm

On November 25, 2016, the Ministry of Energy handed down Resolution No. 281 awarding us the right to build the Pomona I wind farm. In May 2017, we (through our subsidiary Genneia Vientos del Sudoeste S.A.) entered into a PPA denominated in U.S. dollars at 20 years with CAMMESA for the entire installed capacity of Pomona I wind farm.

The Pomona I wind farm is located on a 1,365-hectare plot in the central part of the Province of Río Negro approximately 4 km west of the Choele Choel 500kV transformation station. We possess usufruct entitlement over the land on which the Pomona I wind farm is installed, this wind farm has required an investment of U.S.$135.0 million. It has an installed capacity of 101.4 MW and 26 wind turbines with a capacity of 3.9 MW each. Based on our own estimates, which, among other things, take into account two years of wind studies prepared by us, we believe that Pomona I wind farm project could reach an average load factor of 45.1%, with a P50 in a 10-year period. During the 2020, the Pomona I wind farm achieved an average load factor of 43.7%.

On September 29, 2017, our subsidiary Genneia Vientos del Sudoeste S.A. entered into a services and availability agreement with Nordex pursuant to which Nordex agreed to provide technical assistance, training and maintenance services to us with respect to the turbines comprising the Pomona I wind farm for a 10-year period. In addition, under this agreement, Nordex agreed to guarantee an availability factor of 96% for the first year of the agreement and 98% for the remaining period of the agreement.

On July 8, 2018, our subsidiary Genneia Vientos del Sudoeste S.A. executed a financing agreement with KfW and DEG in the amount of U.S.$142.0 million. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Indebtedness.”

On July 12, 2019, CAMMESA authorized Pomona I wind farm, to begin commercial operation for the dispatch of wind power into the grid (NIS). It should be noted that the start-up of Pomona I wind farm took place before the date agreed upon under the contract with CAMMESA, executed as part of round 1.5 of the RenovAr program.

Pomona II Wind Farm

The Pomona II Wind Farm is part of our renewable power stations, intended to generate electric power to be sold in the MATER or in the spot market. The Pomona II Wind Farm has a committed installed capacity of 12 MW and an estimated cost of U.S.$14.4 million.

The Pomona II Wind Farm is located on a plot adjacent to Pomona I Wind Farm, in the central part of the Province of Río Negro approximately 4 km west of the Choele Choel 500kV transformation station. Based on our own estimates, which, among other things, take into account two years of wind studies prepared by us, we believe that once fully operational, the Pomona II Wind Farm could reach an average load factor of 44.9%, with a P50 in a 10-year period. During the 2020, the Pomona II wind farm achieved an average load factor of 39.8%.

On April 5, 2018, we entered into a services and availability contract with Nordex under which Nordex agreed to provide us technical assistance, training and maintenance services with respect to the turbines that make up the Pomona II Wind Farm for a period of ten years. Also, by virtue of this contract, Nordex agreed to guarantee an availability factor of 96% during the first year of the contract and 98% for the remaining period.

On July 23, 2019, we entered into a corporate loan agreement for up to U.S.$31 million with KfW for the construction of Pomona II and Chubut Norte II wind farms. The financing agreement consist in a 4-year secured loan provided by KfW and is guaranteed by the German Export Credit Agency Euler Hermes.

As of the date of this Exchange Offer and Consent Solicitation Memorandum, the construction of the Pomona II Wind Farm has been completed, with an installed capacity of 12 MW and 3 wind turbines with a capacity of 3.9 MW each and has been in commercial operation since August 2019.

Necochea Wind Farm

On November 21, 2016, we entered into an agreement with Centrales de la Costa for the joint development and financing of the 37.95 MW Necochea wind farm project. On November 25, 2016, the Ministry of Energy issued Resolution No. 281 awarding Centrales de la Costa the right to develop Vientos de Necochea I wind farm project.

On November 21, 2017, Vientos de Necochea S.A., in which we hold a 50% interest and Centrales de la Costa holds the remaining 50%, signed a 20-year PPA with CAMMESA for all the installed capacity of the Vientos de Necochea I wind farm.

In 2018, Vientos de Necochea S.A. executed an agreement with Vestas Argentinas S.A. for wind turbine maintenance and guarantee of availability. The Necochea wind farm is composed of 11 Vestas V126 wind turbines.

Based on our own estimates and assumptions, which, among other things, take into account two years of wind studies prepared by us, we believe that the Necochea Wind Farm could reach an average load factor of 47.6%, with a P50 in a 10-year period. During the 2020, the Necochea wind farm achieved an average load factor of 49.2%.

On February 8, 2020, CAMMESA granted authorization for Vientos de Necochea wind farm to begin commercial operation. This meant a delay in the terms committed under the PPA, since the commercial operation date agreed upon thereunder was December 11, 2019. Vientos de Neochea made several filings with CAMMESA to report several events which, in its understanding, purported to be force majeure events. On June 9, 2021, CAMMESA notified Vientos de Necochea that it would enforce a fine of U.S.$2.897 million, for the 55 days delay in achieving the commercial operation date committed under the PPA. Accordingly, on July 12, 2021 CAMMESA began to debit from the current account of Vientos de Necochea on a monthly basis, for the respective PPA, the total amount of the fine, in 48 installments in dollars with an annual interest of 1.7% on the balance.

Nevertheless, through note NO-2021-19390103-APN-SE-MEC dated March 4, 2021, the Ministry of Energy provided for the granting of an additional extension for the fulfillment of the progress milestones (and, consequently, for the expected commercial operation date of each of the projects), for a period of 88 days (i.e., between September 1, 2019 and November 28, 2019), taking into account the delays that the projects may have suffered as a result of the establishment of exchange restrictions by the enactment of UND No. 609/2019 and Communication "A" 6770 of the Central Bank. The effective granting of the latter extension to each project is conditional on the owner of the respective project meeting certain conditions, including the waiver of any claim related to foreign exchange restrictions.

As of the date of this Exchange Offer and Consent Solicitation Memorandum, and our legal advisors believe that, if Vientos de Necochea expresses its intention to enter into such extension to the Ministry of Energy, we have sufficient grounds to dismiss or reverse the fine enforced by CAMMESA.

Chubut Norte IV Wind Farm

On November 29, 2017, the Ministry of Energy issued Resolution No. 473 E/2017 awarding us the right to develop the 83.2 MW Chubut Norte IV wind farm project. On June 26, 2018, we (through our subsidiary Vientos Sudamericanos Chubut Norte IV S.A., "Vientos Sudamericanos") entered into a 20 year U.S. dollar-denominated PPA with CAMMESA for the entire installed capacity of the Chubut Norte IV wind farm based on the relevant form of PPA included in Resolution No. 275 E/2017 issued by the Ministry of Energy. As required by Resolution No. 275 E/2017, we will provide performance bonds to CAMMESA for a total amount of U.S.$20.7 million to guarantee our obligations under the PPA.

Chubut Norte IV is near Chubut Norte II and III wind farms, and is located on National Route No. 3, approximately 18 kilometres northeast of the City of Puerto Madryn. The wind farms Chubut Norte II, III and IV are located on a property that is co-owned by Vientos Sudamericanos (for the Chubut Norte IV), Vientos Patagónicos Chubut Norte III S.A. (for Chubut Norte III) and WEM (for Chubut Norte II), for the following undivided parts: (i) Genneia: 28.36%; (ii) Vientos Sudamericanos: 43.29%; y (iii) Vientos Patagónicos: 28.35%. Such companies prepared and filed a division plan with the real estate registry, which has not yet been approved.

As a result of estimates and assumptions prepared by independent technical consultants based on our wind studies, we believe that Chubut IV wind farm could reach an average load factor of 54.4% with P50 over twenty years.

On August 13, 2018, Vientos Patagónicos S.A. celebrated with (i) a "turn-key" engineering, procurement and construction agreement for the Chubut Norte IV wind farm with Nordex Energy GmbH and Nordex Windpower SA, including all the works required in relation to the design, engineering, supply of wind turbines, construction (civil and electrical works), connection, testing, start-up and completion of the wind farm; and (ii) an agreement for the provision of operation and maintenance services (O&M Agreement) with Nordex Argentina S.A in respect of the wind farm's equipment, which will terminate ten years after the commercial operation date. Under this contract, Nordex committed to an availability of 96% for the first year of the agreement and 97.5% for the remaining period of the contract. The Chubut Norte IV wind farm is composed of 1 Nordex N149 wind turbines.

On February 4, 2021, CAMMESA granted authorization for Chubut Norte IV wind farm to begin commercial operation. This meant a delay in the terms committed under the PPA, since the commercial operation date agreed (April 2, 2020). Accordingly, CAMMESA may seek to enforce the fine set forth under the PPA against Vientos Sudamericanos, amounting to U.S.$1,388 per each megawatt of contracted power, per each day of delay in reaching the commercial operation date relative to that committed under contract.

Nevertheless, through note NO-2020-37458730-APN-SE#MDP dated June 10, 2020, the Ministry of Energy suspended calculation of deadlines in the framework of the execution of the contracts for the RenovAr Programs between March 12, 2020 and September 12, 2020 due to the COVID-19 pandemic. Through note NO-2020-60366379-APN-SSEE#MEC dated September 10, 2020 the Ministry of Energy extended the suspension period until November 15, 2020. The Ministry of Energy extended the term for an additional 45 days, though the note NO-2020-88681913-APN-SE#MEC dated December 18, 2020. Consequently, the new COD was January 22, 2021.

On March 4, 2021, the Ministry of Energy, by Note NO-2021-19390103-APN-SE-MEC, provided for the granting of an additional extension for the fulfillment of the progress milestones (and, consequently, for the expected commercial operation date of each of the projects), for a period of 88 days (i.e., between September 1, 2019 and November 28, 2019), taking into account the delays that the projects may have suffered as a result of the establishment of exchange restrictions by the enactment of UND No. 609/2019 and Communication "A" 6770 of the Central Bank. The effective granting of the latter extension to each project is conditional on the owner of the respective project meeting certain conditions, including the waiver of any claim related to foreign exchange restrictions.

As of the date of this Exchange Offer and Consent Solicitation Memorandum, Vientos Sudamericanos has expressed its intention to enter into such extension to the Ministry of Energy.

In relation to the financing of Chubut IV wind farm, see "*Project Finance - Financing of "Chubut Norte III" and "Chubut Norte IV."*

Chubut Norte III Wind Farm

On November 30, 2017, the Ministry of Energy issued Resolution No. 473-E/2017 awarding us the right to develop the 57.7 MW Chubut Norte III wind farm project. On June 26, 2018, we (through our subsidiary, Vientos Patagónicos Chubut Norte III V S.A., "Vientos Patagónicos") entered into a 20-year U.S. dollar-denominated PPA with CAMMESA for the entire installed capacity of the Chubut Norte III wind farm based on the relevant form of PPA included in Resolution No. 275-E/2017 issued by the Ministry of Energy. As required by Resolution No. 275-E/2017, we will provide performance bonds to CAMMESA for a total amount of U.S.$14.4 million to guarantee our obligations under the PPA.

The Chubut Norte III wind farm is next to the Chubut Norte II and IV wind farms, and is located on National Route No. 3, approximately 18 kilometers Norwest to the City of Puerto Madryn. The wind farms Chubut Norte II, III and IV are located over a property that is co-owned by Vientos Sudamericanos (for the Chubut Norte IV), Vientos Patagónicos Chubut Norte III S.A. (for Chubut Norte III) and WEM (for Chubut Norte II), for the following undivided parts: (i) Genneia: 28.36%; (ii) Vientos Sudamericanos: 43.29%; and (iii) Vientos Patagónicos: 28.35%. Such companies prepared and filed a division plan with the real estate registry, which has not yet been approved.

As a result of estimates and assumptions prepared by independent technical consultants based on our wind studies, the Chubut Norte III wind farm could reach an average load factor of 53.3% with P50 over twenty years.

On August 13, 2018, Vientos Patagónicos celebrated with (i) a "turn-key" engineering, procurement and construction agreement for the Chubut Norte III wind farm with Nordex Energy GmbH and Nordex Windpower SA, including all the works required in relation to the design, engineering, supply of wind turbines, construction (civil and electrical works), connection, testing, start-up and completion of the wind farm; and (ii) an agreement for the provision of operation and maintenance services (O&M Agreement) with Nordex Argentina S.A in respect of the wind farm's equipment, during the period of ten years since the commercial operation date. Under this contract, Nordex committed to an availability of 96% for the first year of the agreement and 97.5% for the remaining period of the contract. The Chubut Norte IV wind farm is composed of 13 Nordex N149 wind turbines.

On February 25, 2021, CAMMESA granted authorization for Chubut Norte III wind farm to begin commercial operation. This meant a delay in the terms committed under the PPA, since the commercial operation date agreed (on April 2, 2020). Accordingly, CAMMESA may seek to enforce the fine set forth under the PPA against Vientos Patagónicos, amounting to U.S.$1,388 per each megawatt of contracted power, per each day of delay in reaching the commercial operation date relative to that committed under contract.

Nevertheless, through note NO-2020-37458730-APN-SE#MDP dated June 10, 2020, the Ministry of Energy considered the unprecedented situation as a result of the COVID-19 pandemic and expressed that it was necessary to review the enforceability of conditions of certain obligations arising from the contracts entered into and current regulations. As a result, the Ministry of Energy called for the suspension of the calculation of deadlines in the framework of the execution of the contracts for the RenovAr Programs (Rounds 1, 1.5, 2 and 3) between March 12, 2020 and September 12, 2020. Through note NO-2020-60366379-APN-SSEE#MEC dated September 10, 2020 the Ministry of Energy extended the suspension period until November 15, 2020. The Ministry of Energy extended the term for an additional 45 days, though the note NO-2020-88681913-APN-SE#MEC dated December 18, 2020. Consequently, the new COD for projects is January 22, 2021. It also instructed CAMMESA to suspend injunctions for non-compliance with the scheduled dates of progress of works, both for the increase of the guarantee of compliance with contract as well as the imposition of fines.

On March 4, 2021, the Ministry of Energy, by Note NO-2021-19390103-APN-SE-MEC, provided for the granting of an additional extension for the fulfillment of the progress milestones (and, consequently, for the expected commercial operation date of each of the projects), for a period of 88 days (i.e., between September 1, 2019 and November 28, 2019), taking into account the delays that the projects may have suffered as a result of the establishment of exchange restrictions by the enactment of UND No. 609/2019 and Communication "A" 6770 of the Central Bank. The effective granting of the latter extension to each project is conditional on the owner of the respective project meeting certain conditions, including the waiver of any claim related to foreign exchange restrictions. Vientos Patagónicos has expressed its intention to enter into such extension to the Ministry of Energy.

Chubut Norte II Wind Farm

The Chubut Norte II wind farm is part of our renewable power stations, intended to generate electric power to be sold in the MATER or in the spot market. The Chubut Norte II wind farm has an installed capacity of 26.28 MW and is composed of 6 wind turbines.

The Chubut Norte II wind farm is next to the Chubut Norte III and IV wind farms, and is located on National Route No. 3, approximately 18 kilometers northeast to the City of Puerto Madryn. The wind farms Chubut Norte II, III and IV are located over a property that is co-owned by Vientos Sudamericanos (for the Chubut Norte IV), Vientos Patagónicos Chubut Norte III S.A. (for Chubut Norte III) and WEM (for Chubut Norte II), for the following undivided parts: (i) Genneia: 28.36%; (ii) Vientos Sudamericanos: 43.29%; y (iii) Vientos Patagónicos: 28.35%. Such companies prepared and filed a division plan with the Real Estate Registry, which has not yet been approved.

Based on estimates and assumptions prepared by independent technical advisors, which take into account wind studies we prepared, we believe that the Chubut Norte II wind farm can reach a load factor of 52.8%, with P50 over a period of 20 years.

On August 10, 2018, we executed (i) a "turn-key" engineering, procurement and construction agreement for the Chubut Norte II wind farm with Nordex Energy GmbH and Nordex Windpower SA, including all the

works required in relation to the design, engineering, supply of wind turbines, construction (civil and electrical works), connection, testing, start-up and completion of the wind farm; and (ii) an agreement for the provision of operation and maintenance services (O&M Agreement) with Nordex Argentina S.A in respect of the wind farm's equipment, during the period of ten years since the Commercial Operation Date. Under this contract, Nordex committed to an availability of 96% for the first year of the agreement and 97.5% for the remaining period of the contract.

In relation to the financing of Chubut Norte II wind farm, see "Financing – Financing of *the Pomona II Wind Farm and Chubut Norte II Wind Farm* Projects".

On March 27, 2021, CAMMESA granted authorization for Chubut Norte II wind farm to begin commercial operation.

Solar Farms

Ullum Solar Farms

Within the framework of Round 1.5 of the RenovAr Program, the Ministry of Energy issued Resolution No. 281 E-2016, awarding the right to develop the Ullum Solar Plants to the original developer. On May 26, 2017 and June 30, 2017, Ullum 1, Ullum 2 and Ullum 3, entered into 20-year U.S.-dollar denominated PPAs with CAMMESA for the total installed capacity of the Ullum Solar Plants, based on the form of PPA included in Resolution No. 252 issued by the Ministry of Energy.

In April 2018, we acquired Ullum 1, Ullum 2 and Ullum 3, each with PPAs signed with CAMMESA in respect of the Ullum Solar Plants. On April 9, 2018, Ullum 1, Ullum 2 and Ullum 3 entered into a "turn-key" engineering, procurement and construction agreement (EPC) for the Ullum Solar Plants with Energías Sustentables S.A., including all services required in relation to the design, engineering, supply of wind turbines, construction (civil and electrical works), connection, testing, start-up and completion of the Ullum Solar Plants (the "Ullum EPC Contracts"). On March 26, 2019, we entered into an existing agreement with Ullum 1, Ullum 2 and Ullum 3 for the provision of operation and maintenance services of the Ullum Solar Plants.

The Ullum Solar Plants are located in the department of Ullum, Province of San Juan, Argentina. Ullum 1, Ullum 2 and Ullum 3 have entered into 30-year leases for a total of over 295 hectares on which the Ullum Solar Plants are located.

On July 31, 2018, an independent technical consultant undertook a solar study of the Ullum Power Plants, where Ullum 1 showed a performance ratio of 77.4%, Ullum 2 showed a performance ratio of 77.4% and Ullum 3 showed a performance ratio of 77.2%. During the 2020, our solar plants achieved an average performance ratio of 79.2%, 79.9% and 81.6% respectively.

The Ullum 1 & 2 Solar Plants began commercial operation on December 19, 2018, that is, 32 days after the date agreed upon under their respective PPAs. Ullum 1 and Ullum 2 made several filings with CAMMESA to report several events which, in their understanding, purported to force majeure events. If accepted as such, these events would release the subsidiaries from liability for the fines imposed by reason of the delay in obtaining authorization to begin commercial operation. CAMMESA recognized 2 days of force majeure only. Accordingly, on March 21, 2019, it notified Ullum 1 and Ullum 2 that it would enforce a fine of U.S.$1.0 million on each, for the 30 days' delay in achieving the commercial operation date committed under the PPAs.

On January 24, 2020, CAMMESA notified Ullum 1 and Ullum 2 that the fines would be deducted from the sale price for the energy such companies would be entitled to receive as a result of the January 2020 economic transaction, in 48 monthly, equal and consecutive installments, accruing interest at an annual effective rate of 1.7%; all of which as indicated by such companies and pursuant to the terms of Resolution MEyM No. 285/2018.

On April 27, 2020, the companies Ullum 1 and Ullum 2 notified CAMMESA of the start of an arbitration process under the terms provided for in the PPAs, questioning the origin of said fines. See "*Legal Proceedings - Ullum 1& 2 Penalty*".

Thermal Power Plants

In 2007, we participated in an international bidding process (RFP No. 1/2007 and 2/2007) conducted by IEASA in accordance with the Thermal Energy Program to develop and operate new thermal power installed

capacity. We were awarded the right to develop and operate seven thermal generation plants located in Pinamar, Matheu, Olavarría, Bragado and Las Armas in the province of Buenos Aires, and Paraná and Concepción del Uruguay in the province of Entre Ríos, with a combined installed capacity of 273 MW. The Secretary of Energy allowed the disconnection of the following thermal power plants, which ceased to be operational in 2020: Matheu, Olavarría, Concepción del Uruguay I and II, and Las Armas I. The Las Armas II Thermal Power Plant ceased to be operational in 2021.

In 2016, we participated in a bidding process conducted by the Ministry of Energy on new generation capacity and electricity production for the period summer 2016/2017, winter 2017 and summer 2017/2018. We were awarded two PPAs for our Bragado II and III expansion projects with a combined installed capacity of 118 MW. The Bragado II and III projects also have thermal dual-fuel (natural gas and diesel fuel) generation turbines (four GE TM2500 Gen8 turbines). The commercial operation date was February 6, 2017 for the first stage of 59 MW (Bragado II plant) and May 5, 2017 for the second stage of 59 MW (Bragado III plant).

On August 11, 2017, we acquired from Pluspetrol Resources Corporation B.V. and Pluspetrol Resources Corporation our largest thermal plant, the Cruz Alta plant in Tucumán with a combined installed capacity of 245 MW, through the acquisition of GETSA, by our wholly-owned subsidiary GEDESA. This power plant has two General Electric 9171 E units of 122.5 MW each fueled by natural gas and connected to an electrical substation of 132 KV. The commercial operation date of this plant was January 2002 and February 2003 but it has only been operated by us (through GEDESA) since August 2017. On December 2, 2017, GEDESA and GETSA entered into a definitive merger agreement, by means of which GEDESA absorbed GETSA. This plant is under the Base Energy Remuneration Scheme set forth in Resolution No. 19-E/2017. See "Industry Overview and Regulation."

All our thermal power plants are built on properties which we own or use pursuant to leases granted by third parties. The term of these leases, easements or usufruct rights granted by third parties, are linked to the term of the relevant PPA.

To continuously improve the availability factor of our power generation from conventional sources, during 2013-2017 we implemented the Genneia operational excellence initiative consisting of (i) understanding and anticipating failures of key equipment so as to increase the reliability of our operations; and (ii) reducing operational maintenance times, by carrying out a strategic review of critical spare parts and adding new materials and services suppliers. The Genneia operational excellence initiative has increased the availability factor of our thermal power plants connected to the grid (NIS) to 98% in 2020 (including figures pertaining to the Cruz Alta plant for that period, based on information published by CAMMESA)

As of the date of this Exchange Offer and Consent Solicitation Memorandum, our Cruz Alta, Bragado I, Bragado II and Bragado III plants are in operation. The Cruz Alta and Bragado I power plants do not have PPAs but operate under the Remuneration Scheme approved by the Secretary of Energy in Resolution SE 31/20, which compensates the generator for firm capacity as well as, to a lesser extent, the generation based on rates that are reviewed by the Secretary of Energy calculated monthly by CAMMESA in accordance with the formula established in Resolution SE 31/20 (however, the update of rates was interrupted by the Secretary of Energy due to the economic situation). For more information, see "Industry Overview and Regulation".

In addition, we were authorized by CAMMESA to disconnect the Pinamar, Matheu, Concepción del Uruguay, Olavarría, Las Armas I, Las Armas II and Paraná thermal power plants, with the objective of selling the assets that comprise it (generation turbines), which was approved by the Ministry of Economy by means of Resolution 2019-4-APN-SRRYME#MHA by Order DI-2019-105-APN-SSME#MHA, RESOL-2020-123-APN-SE#MDP, RESOL-202041-APN-SE#MDP and RESOL-2020-208-APNSE#MD and RESOL-2020-285-APN-SE#MEC for which the Pinamar and Matheu thermal power plants ceased to be operational as from April 1, 2019 and April 30, 2020, respectively, Concepción del Uruguay, Olavarría, Las Armas I ceased to be operational from November 1, 2020 and Paraná ceased to be operational as from December 9, 2020. By the resolution RESOL-2021-376-APN-SE#MEC, the Las Armas II thermal power plant was authorized by CAMMESA to ceased to be operational since May 5, 2021.

Fuel Supply for our Thermal Power Plants

We use different types of fuel to operate our thermal facilities. The fuel used determines the variable cost of production of each facility.

All of the turbines we use (except for the turbines in the Cruz Alta plant, which operate only with natural gas) are dual fueled and can operate using natural gas and diesel fuel. Our plants operate mostly using natural gas during most of the year and using diesel fuel during the winter season, when natural gas is curtailed by the Ministry of Energy and its supply is mostly limited to residential use. Under our PPAs for our thermal power plants, CAMMESA is not obliged to provide us with natural gas or diesel fuel but has the option to do so or reimburse us for the cost of natural gas and diesel fuel. Nonetheless, pursuant to Resolutions No. 95/2013 and 529/2014 issued by the SEN, CAMMESA is in charge of managing and supplying all fuels required to operate our thermal plants, and, since June 2014, CAMMESA has provided us with the natural gas and diesel fuel necessary to fire our thermal plants.

Our Expansion Projects

The following table sets forth key information about our energy projects as of the date of this Exchange Offer and Consent Solicitation Memorandum:

	Location	Expected Installed Capacity (MW)	Expected capital expenditure (in millions U.S.$)
Biomass Project			
La Florida	Province of Tucumán	19.00	51.0

La Florida Biomass Awarded Project

On December 22, 2017, the Ministry of Energy issued Resolution No. 488-E/2017 awarding us the right to develop the Florida Biomass Project. We expect this project to cost approximately U.S.$57.9 million and reach commercial operation in June 2022. On June 26, 2018, we (through our subsidiary, Genneia La Florida S.A. entered into a 20-year U.S. dollar-denominated PPA with CAMMESA for the entire installed capacity of the La Florida biomass farm based on the relevant form of PPA included in Resolution No. 488-E/2017 issued by the Ministry of Energy. As required by Resolution No. 275-E/2017, we provided performance bonds to CAMMESA for a total amount of U.S.$6 million to guarantee our obligations under the PPA.

As of the date of this Exchange Offer and Consent Solicitation Memorandum, the project construction has not continued because of several factors, including the macroeconomic situation prevailing in Argentina, the economic-financial developments resulting from the exchange controls the Central Bank has imposed since September 2019, the ongoing COVID-19 pandemic, and the measures adopted by the Executive Branch to contain the virus spread nationwide, which have altered the originally agreed upon terms of the PPA, making it difficult to obtain the required project financing to ensure the ordinary development of the construction project.

Our Power Purchase Agreements

Our revenues from power generation are derived from selling firm capacity of our thermal power plants and from electricity effectively delivered by our wind and solar farms, and thermal power plants under PPAs with CAMMESA.

Under the PPAs for our Rawson I and II wind farms, we are entitled to receive payments of U.S.$128.70/MWh and U.S.$124.20/MWh delivered, respectively.

Under the PPA for our Madryn I and Madryn II wind farm projects, we will be entitled to receive payments of U.S.$76.23/MWh delivered. Under the PPA for our Villalonga I wind farm, we are entitled to receive payments of U.S.$54.96/MWh delivered. Under the PPA for our Chubut Norte I wind farm we are entitled to receive payments of U.S.$54.96/MWh delivered. Under the PPA for our Pomona I wind farm we are entitled to receive payments of U.S.$54.88/MWh delivered. Under our PPA for the Vientos de Necochea I wind farm, Vientos de Necochea S.A. is entitled to receive payments of U.S.$55.50/MWh delivered. In each of the foregoing PPAs, we are entitled to an additional annual adjustment set forth in the PPA as a percentage of the price for electricity effectively dispatched, but we are not entitled to any firm capacity rate.

Under the PPA for our Trelew wind farm, we are entitled to receive payments of U.S.$127.01/MWh delivered, but we are not entitled to receive any firm capacity payments. Under the PPA for our Ullum Solar Plants, we are entitled to receive the following payments: Ullum 1: U.S.$53.73/MWh of electricity delivered and an additional annual adjustment set forth in the PPA as a percentage of the price for electricity effectively dispatched; Ullum 2: U.S.$55.23/MWh of electricity delivered and an additional annual adjustment set forth in the PPA as a percentage of the price for electricity effectively dispatched; and Ullum 3: U.S.$57.63/MWh of electricity delivered and an additional annual adjustment set forth in the PPA as a percentage of the price for electricity effectively dispatched.

Under our PPAs for our thermal power plants with CAMMESA, we are entitled to receive firm capacity rates of U.S.$21,275/MWm for making our generation assets available to the NIS (other than our PPAs for Bragado II and III). We are also entitled to receive payments to compensate our variable operating and maintenance expenses, which range from U.S.$7.45/MWh to U.S.$10.00/MWh for electricity effectively generated by our power plants using natural gas and from U.S.$10.15/MWh to U.S.$14.90/MWh for electricity effectively generated by using diesel fuel. Under the PPAs, CAMMESA has the option to provide us with all the fuel required to fire our thermal power generation plants. Nonetheless, pursuant to resolution of the SE, CAMMESA is currently in charge of managing and supplying all fuels required to operate our thermal plants, and since June 2014 CAMMESA has provided us with the natural gas and diesel fuel necessary to operate our thermal power plants. In case we have to purchase natural gas or diesel fuel, would pass our costs on to CAMMESA. Under the PPAs for our thermal plants we can request to pass on increases in costs (including as a result of higher inflation) that we incur to operate and maintain our plants and generate electricity based on a process where every six months we inform CAMMESA of our updated costs and request an adjustment, after which CAMMESA either grants or does not grant approval in consultation with the SEN. The two PPAs for our Bragado II and III plants contemplate substantially similar terms, with a combined firm capacity rate averaging U.S.$22,000/MWm and expense compensation rates of U.S.$7.45/MWh and U.S.$10.15/MWh, depending on the use of natural gas or diesel fuel.

As of the date of this Exchange Offer and Consent Solicitation Memorandum, the Cruz Alta's PPA and Bragado I's PPA have expired. These plants operate under the Base Energy Remuneration Scheme with CAMMESA.

As of December 31, 2020, the estimated weighted average remaining life of our PPAs for our operating wind farms is 16 years. However, the weighted average life of our wind farm PPAs may be affected by the expiration date of our PPAs for the Rawson I and II and Trelew wind farms. The expiration date of these two PPAs will be the earlier of fifteen years after the commercial operation date or the dispatch of the maximum quantity of energy committed to be purchased by the buyer. Based on the historical quantities of energy purchased by the buyer, we expect to reach the maximum quantity of energy committed before the fifteenth year. As of March 31, 2021, the estimated weighted average remaining life of our PPAs for our operating thermal power plants is 4 years and the estimated weighted average remaining life of our PPAs for our solar farms is 18 years.

The following table summarizes the main terms and conditions of our executed PPAs:

	Status	Gross Installed capacity (MW)[1]	Contracted capacity (%/MW)[2]	Tariffs for firm capacity[3][4]	Required availability factor[3][5]	Reimbursement of expenses for electricity delivered [6][7]	Tariffs for electricity delivered[7]	Expiration date	Counter party
Wind Farms:									
Rawson I.....	Operating	52.50	100%	N/A	N/A	N/A	128.70	12/2026[10]	CAMMESA
Rawson II ...	Operating	31.15	100%	N/A	N/A	N/A	124.20	01/2027[10]	CAMMESA
Trelew.....	Operating	51.00	100%	N/A	N/A	N/A	127.01	08/2028[10]	IEASA
Rawson III ..	Operating	25.05	100%	N/A	N/A	N/A	-	12/2037[8]	Private Parties
Villalonga II	Operating	3.45	100%	N/A	N/A	N/A	-	12/2037[8]	Private Parties
Pomona II ...	Operating	12.00	100%	N/A	N/A	N/A	-	04/2028[8]	Private Parties
			100%					07/2028[8]	
								07/2038[8]	
Chubut								12/2033[8]	
Norte II	Operating	26.28		N/A	N/A	N/A	-	01/2034[8]	Private Parties
Madryn I.....	Operating	71.10	100%	N/A	N/A	N/A	76.23	11/2038	CAMMESA

	Status	Gross Installed capacity (MW)[1]	Contracted capacity (%/MW)[2]	Tariffs for firm capacity[3][4]	Required availability factor[3][5]	Reimbursement of expenses for electricity delivered [6][7]	Tariffs for electricity delivered[7]	Expiration date	Counter party
Villalonga I.	Operating	51.75	100%	N/A	N/A	N/A	54.96	12/2038	CAMMESA
Chubut Norte I	Operating	28.80	100%	N/A	N/A	N/A	66.00	12/2038	CAMMESA
Madryn II....	Operating	151.2	100%	N/A	N/A	N/A	76.23	09/2039	CAMMESA
Chubut Norte III..	Operating	57.66	100%	N/A	N/A	N/A	38.90	01/2041	CAMMESA
Chubut Norte IV..	Operating	83.22	100%	N/A	N/A	N/A	38.90	01/2041	CAMMESA
Pomona I.....	Operating	101.40	100%	N/A	N/A	N/A	54.88	07/2039	CAMMESA
Necochea	Operating	37.95	100%	N/A	N/A	N/A	55.50	02/2040	CAMMESA
Solar Power Plants									
Ullum 1[10]...	Operating	25.00	100%	N/A	N/A	N/A	53.73	12/2038	CAMMESA
Ullum 2[10]...	Operating	25.00	100%	N/A	N/A	N/A	55.73	12/2038	CAMMESA
Ullum 3[10]...	Operating	32.00	100%	N/A	N/A	N/A	57.73	12/2038	CAMMESA
Biomass Plant									
La Florida ...	Awarded	19.00	100%	N/A	N/A	N/A	106.73	11/2041	CAMMESA
Thermal Power Plants									
Bragado II...	Operating	58.00	59.2	25.000	N/A	7.45/10.15	N/A	02/2027	CAMMESA
Bragado III..	Operating	60.30	59.2	19.000	N/A	7.45/10.15	N/A	05/2027	CAMMESA

Notes:—

(1) For our wind farms, the contracted capacity is calculated as a percentage of the installed capacity. For our thermal power plants, the contracted capacity is calculated in MW.

(2) Our PPAs for wind farms do not provide for firm capacity rates nor required availability factor.

(3) In U.S.$/MWm, unless otherwise indicated.

(4) Firm capacity rates are subject to the availability factors sets forth herein. In the event that the availability factor is reduced, payments for firm capacity shall also be reduced accordingly and penalties imposed, as set forth under the relevant PPA.

(5) Our PPAs for thermal power plants provide for different rates depending on what fuel is used for firing the turbines (i.e., natural gas or diesel fuel). Rates separated with a slash refer to rates for natural gas-fired generation and diesel fuel-fired generation, respectively.

(6) In U.S.$/MWh, unless otherwise indicated.

(7) In September 2016 we entered into a PPA with Loma Negra C.I.A.S.A., the first PPA with a private user in Argentina, for approximately 60% of the installed capacity of our Rawson III wind farm. In April 2018, we entered into a PPA with Oroplata for approximately 40% of the installed capacity of our Rawson III wind farm. As of June 2018, we entered into a PPA with Banco Macro for the remaining installed capacity of our Rawson III wind farm.

(8) In June 2018, we entered into PPA with Meranol S.A.C.I. to provide energy from any of our wind farms not subject to other PPAs. In September 2018, we entered into PPA with Curtiembre Arlei S.A. to provide energy from any of our wind farms not subject to other PPAs. In December 2018, we entered into PPA with Bemis Argentina S.A.U. to provide energy from any of our wind farms not subject to other PPAs. In August and September 2019, we entered into two PPAs with private users, one with Royal Canin S.A. and another with Compañía de Alimentos Fargo S.A. This PPA expires on January 31, 2034. All of the commitments assumed under the aforementioned agreements, are to be met by any of our wind farms not already subject to other PPAs. In June 2020, we signed a PPA with Mc CAIN Argentina S.A., a private user in Argentina, in relation to any of its wind farms that are not subject to other PPAs (Chubut Norte II, Pomona II and Villalonga II). The PPA is denominated in dollars and is valid for five years. Also, in September 2020, we signed PPAs with Grupo Dos Leguas S.A.U., CARGILL S.A.C.I., Vidrieria Argentina S.A. and Pilkington Automotive Argentina S.A., all private users in Argentina, in relation to any of our wind farms that are not subject to other PPAs (Chubut Norte II, Pomona II and Villalonga II). These PPAs are denominated in dollars and valid for five years, with the exception of Grupo Dos Leguas S.A.U.'s PPA, which is valid for 15 years.

(9) The expiration date of our PPAs for the Rawson I and II and Trelew wind farms is the earlier of (i) 15 years after the commercial operation date of each power plant or (ii) the dispatch of the maximum quantity of energy committed to be purchased by IEASA.

(10) We entered into three PPAs with CAMMESA for solar power. The PPAs cover 100% of the installed capacity of our Ullum Solar Plants.

FODER

The FODER Trust Agreement (executed between the Federal Government –trustor– and BICE –trustee– on August 5, 2016) and the FODER Joinder Agreement (executed between the Federal Government –trustor–, BICE –trustee– and the awarded generator –beneficiary–) set forth the generator's right to sell the project and the trustor's obligation to buy the project if certain triggering events occur (the "**Causes of Sale**").

The Causes of Sale are listed in Section 7.1 of the FODER Joinder Agreement, as follows:

(a) lack of payment by CAMMESA of **(i)** four (4) consecutive sales statements (and the possible invoices and credit or debit notes, if any), or **(ii)** six (6) non-consecutive sales statements (plus any pending invoices, credit or debit notes, if any) during any twelve-month (12) period;

(b) an inconvertibility event (defined as an event or a series of events resulting from the inability of the generator to purchase US dollars or to convert Argentine Pesos to US dollars in the Argentine Republic, in each case, for an amount equivalent to or greater than the billing amount of the generator received within the six (6) months subsequent to the occurrence of such event or series of events for the needed amount to make any payment of interests under the financing documents, whichever is higher; in both cases, as long as there is no other proceeding or instrument to purchase US dollars or to convert Argentine Pesos to US dollars in any market) after the project's commercial operation date, as long as the long-term debt in a foreign currency of the Argentine Republic does not hold an investment grade qualification,

(c) a non-transferability event (defined as an event or a series of events resulting from the inability of the generator to pay or transfer US dollars to individuals or bank accounts located outside the Argentine Republic, in each case, for an amount equivalent to or greater than the billing amount of the generator received within the six (6) months subsequent to the occurrence of such event or series of events or for the needed amount to make any payment of interests under the financing documents, whichever is higher; in both cases, as long as there is no other proceeding or instrument to transfer US dollars to individuals or bank accounts located outside the Argentine Republic) after the project's commercial operation date, to the extent that the long-term debt in a foreign currency of the Argentine Republic does not hold an investment grade qualification,

(d) (i) the early termination of the FODER due to reasons attributable to the Argentine Government or (ii) any amendment or addendum to the FODER Trust Agreement, as long as in each of the cases mentioned in (i) and (ii), excludes the support provided by the FODER Guarantee Account, at the expense of the generator, acting in his capacity of Beneficiary, without the generator's prior written consent, as long as it is not replaced by any other equivalent guarantee instrument; or

CAMMESA's non-compliance with the provisions of any arbitral award or court judgment resulting from a dispute submitted to the procedure set forth in the PPA.

PPAs entered into with CAMMESA for our Wind and Solar Farms

PPAs for Rawson I & II Wind Farms

The two PPAs in connection with the Rawson I and II wind farms will expire the earlier of (i) 15 years (which can be extended for an additional 18 months) as from the date on which the first generating unit was commissioned and certified by CAMMESA and ENRE, and (ii) the date in which the actual dispatch of the maximum quantity of energy committed to be purchased by the buyers (2,400 GWh for Rawson I and 1,425 GWh for Rawson II) has been reached.

Below is a summary of the principal terms of the PPAs for our Rawson wind farms:

- We have the obligation to operate and maintain the wind farms subject to such agreements and sell electricity when dispatched by CAMMESA, as coordinator of the dispatch of electricity.
- Under these PPAs, we are entitled to receive payments for electricity effectively dispatched by us in an amount in U.S. dollars per MWh. However, because the electricity generated by the Rawson wind farm benefits from certain priority dispatch established by the current regulatory framework, we are not entitled to receive firm capacity charges, as is customary in wind power projects.
- The buyer has no "take or pay" obligations and, thus, is not required to purchase a minimum volume of electricity generated by us. In addition, the buyer is only obliged to purchase up to a maximum quantity of energy effectively delivered to the NIS (2,400 GWh for Rawson I and 1,425 GWh for Rawson II).
- Electricity effectively delivered is compensated through a charge of U.S.$128.7/MWh for Rawson I and U.S.$124.2/MWh for Rawson II.
- In the event that our operating or maintenance costs increase due to inflation or other factors, we cannot pass any cost increases on to the buyer.
- Amounts payable to us under these PPAs are denominated in U.S. dollars and payable in pesos at the wholesale reference exchange rate (*tipo de cambio de referencia mayorista*) quoted by the Central Bank pursuant to Communication "A" 3,500 as calculated on the business day prior to the expiration of the payment obligation by CAMMESA.
- Upon the agreement by the parties that a *force majeure* event (as defined under the Argentine Civil and Commercial Code) has occurred, any of the parties may suspend performance under the contract until the *force majeure* event has ended.
- The buyer has the right to apply monetary fines under certain circumstances. If, in the aggregate, such monetary fines applied exceed 15% of the total amount of the PPA, the buyer has the right to terminate the PPA upon prior written notice to us.

As of the date of this Exchange Offer and Consent Solicitation Memorandum, the Secretary of Energy has instructed the assignment of Rawson I and II Wind Farms WEM Agreements in our favour. The Sub-Secretary of Electric Market, through Note NO-2019-93090962-APN-SSME#MHA, authorized that change. Therefore, as from November 2019, we are the counterparty of the Rawons I and II WEM Agreements and CAMMESA pays us directly.

PPA for Trelew Wind Farm

In accordance with the PPA executed (through our subsidiary Parque Eólico Loma Blanca IV) in relation to the Trelew wind farm, we have the right to receive payments in the amount of U.S.$127.01/MWh for the electric power delivered but it is not entitled to receive rates for the firm capacity. The PPAs will expire on the earlier of (i) fifteen years (which can be extended by the buyer for an additional 18 months) after the date on which the first generating unit was commissioned and certified by CAMMESA and ENRE, and (ii) the actual dispatch of the maximum quantity of energy committed to be purchased by the buyer (i.e., 2,600 GWh).

The main terms of these PPAs are similar to the PPA for the Rawson I and II wind farm, except for the following:

- Electricity effectively delivered is compensated through a charge of U.S.$127.01/MWh.
- The buyer is only obliged to purchase up to 2,600 GWh effectively delivered to the NIS.

As of the date of this Exchange Offer and Consent Solicitation Memorandum, the Secretary of Energy instructed the assignment of the Trelew Wind Farm WEM Agreement in favour of Parque Éolico Loma Blanca IV. The Sub-Secretary of Electric Market, through Note NO-2021-29585336-APN-SSEE%MEC authorized that change, provisionally, until the administrative decision is fully in force.

PPA for Madryn Wind Farm

We entered into two PPAs in connection with the Madryn wind farm project that replaced the PPAs entered into with CAMMESA under Resolutions 712/2009 of the Secretary of Energy. These PPAs will expire 20 years

after the commercial authorization to operate the project in the WEM (commercial operation date). On November 2, 2018 the Madryn I wind farm became operational, with an installed capacity of 71.1 MW and on September 26, 2019 the Madryn II wind farm became operational, with an installed capacity of 151.2 MW.

Below is a summary of the main terms of the PPAs for our Madryn wind farm project:

- We will have the obligation to build, operate and maintain the wind farm subject to such agreements and sell the electricity to CAMMESA (acting in representation of the WEM agents).
- We will commit 220 MW of power capacity.
- CAMMESA must purchase all electricity produced by the project and delivered by us to the delivery point established in the PPAs.
- Under these PPAs, we will be entitled to receive (i) a payment for electricity effectively dispatched of at least U.S.$76.23/MWh, and (ii) an additional annual adjustment set forth in the PPAs as a percentage of the price for electricity effectively dispatched.
- Amounts payable to us under these PPAs will be denominated in U.S. dollars and payable in pesos at the prevailing exchange rate of the immediately preceding business day of the payment date.
- Upon the occurrence of a *force majeure* event (as defined under the Argentine Civil and Commercial Code) we will be permitted to suspend performance until the *force majeure* event has ended.
- CAMMESA will have the right to impose monetary fines on us or terminate the PPA in the event that we incur in any of the events of defaults set forth therein.
- CAMMESA's obligations under the PPAs will be guaranteed by the FODER in which the Argentine government is the trustor.
- FODER's payment obligations are limited to the existing funds in the energy payment guarantee account, at each moment.
- In case the CoD is not met, CAMMESA will be entitled to impose a penalty of U.S.$1,388/MW committed per day of delay.

In order to comply with the conditions precedent set forth in Resolution No. 202-E/2016, on December 12, 2016, we entered into an agreement with Parque Eólico Loma Blanca I S.A., Parque Eólico Loma Blanca II S.A. and Parque Eólico Loma Blanca III S.A. (each controlled by Goldwind), as amended on September 15, 2017, in connection with the construction of the interconnection system of our Madryn wind farm and Loma Blanca I, II and III wind farms to the NIS, or the Resolution 202 Agreement.

The Puerto Madryn 500 kV transforming station has already been built and has been operational since September 2019.

PPAs for Villalonga I and Chubut Norte I Wind Farms

Under the RenovAr round 1 bidding process, Genneia was awarded (by means of Resolution No. 213 of the Ministry of Energy), the right to develop the Chubut Norte I and Villalonga projects. On January 12, 2017, we (through our subsidiaries, Genneia Vientos Argentinos S.A. and Genneia Vientos del Sur S.A.) entered into PPAs related to the Villalonga I and Chubut Norte I wind farm projects with CAMMESA, which will expire on December 18, 2038 and December 11, 2038, respectively.

The main terms of these PPAs are similar to the PPA for the Madryn wind farm project, except for the following:

- The price that CAMMESA will pay will be U.S.$54.96/MWh (for the Villalonga wind farm project) and U.S.$66/MWh (for the Chubut Norte I wind farm project) and an additional annual adjustment set forth in the PPAs as a percentage of the price for electricity effectively dispatched.
- Pursuant to the PPAs the power capacity committed by us is 50 MW for the Villalonga wind farm project and 28.35 MW for the Chubut Norte I wind farm project.

PPA for Pomona I Wind Farm

Under the RenovAr round 1.5 bidding process, Genneia was awarded (by means of Resolution No. 281 of the Ministry of Energy), the right to develop the Pomona project. On May 26, 2017, we (through our subsidiary, Genneia Vientos del Sudoeste S.A.) entered into a PPA related to the Pomona wind farm project with CAMMESA, which will expire 20 years after the commercial authorization to operate in the WEM.

The main terms of this PPA is similar to the PPA for the Madryn wind farm, except for the following:

- The price that CAMMESA will pay will be U.S.$54.88/MWh and an additional annual adjustment set forth in the PPAs as a percentage of the price for electricity effectively dispatched.
- Pursuant to the PPA the power capacity committed by us is 100 MW.

PPA for Necochea Wind Farm

Under the RenovAr round 1.5 bidding process, Centrales de la Costa, our joint venture partner for our Vientos de Necochea I wind farm project, was awarded (by means of Resolution No. 281 of the Ministry of Energy) the right to develop the Necochea project. On November 21, 2017, Vientos de Necochea S.A. (with respect to which Centrales de la Costa and we each own 50% equity interest and voting rights) entered into a PPA related to the Vientos de Necochea I wind farm project, which will expire 20 years after the date in which CAMMESA granted the commercial authorization to operate in the WEM.

The main terms of the Necochea PPA are similar to that of the Madryn wind farm, with the following exceptions:

- The price that CAMMESA will pay Vientos de Necochea S.A. will be U.S.$55.50/MWh, with and an additional annual adjustment set forth in the PPAs as a percentage of the price for electricity effectively dispatched.
- Pursuant to the PPA the power capacity to be committed by Vientos de Necochea S.A. is 37.95 MW.

PPAs for Ullum Solar Farms

Under the RenovAr round 1.5 bidding process, the right to develop the Ullum Solar Plants projects was awarded to their previous owner by means of Resolution No. 281 of the Ministry of Energy. In November 2017 and December 2017, the PPAs related to the Ullum Solar Farms projects were executed with CAMMESA. They will expire on December 18, 2038 (Ullum I and II) and December 21, 2038 (Ullum III).

The main terms of these PPAs are similar to the PPA for the Madryn wind farm project, except for the following:

- The price that CAMMESA will pay will be U.S.$53.73/MWh for Ullum 1, U.S.$55.23/MWh for Ullum 2 and U.S.$57.63/MWh for Ullum 3 plus an additional annual adjustment set forth in the PPAs as a percentage of the price for electricity effectively dispatched.
- Pursuant to the PPAs the power capacity committed by us is 25 MW for Ullum 1, 25 MW for Ullum 2 and 32 MW for Ullum 3.

See "*Legal Proceedings—Ullum1& 2 Penalty*".

PPAs for Chubut Norte III and Chubut Norte IV Wind Farms and La Florida Biomass Farm Project

Under the RenovAr round 2 bidding process, Genneia was awarded the right to develop (i) the Chubut Norte III and Chubut Norte IV projects; and (ii) the La Florida project. On June 26, 2018, we (through our subsidiaries) executed the PPAs related to those projects, which will expire 20 years after the date in which CAMMESA grants the commercial authorization to operate in the WEM. On February 4 and 25, 2021, CAMMESA granted commercial authorizations to the Chubut Norte IV and III wind farms. We will provide CAMMESA with performance bonds for a total amount of U.S.$39.8 million, based on the relevant form of PPA included in Resolution No. 275-E/2017.

The main terms of these PPAs are similar to the PPA for the Madryn wind farm project, except for the following:

- The price that CAMMESA will pay will be U.S.$38.90/MWh (for the Chubut Norte III and Chubut Norte IV wind farms projects) and U.S.$106.73/MWh (for La Florida biomass farm project), in both cases plus an additional annual adjustment set forth in the PPAs as a percentage of the price for electricity effectively dispatched.
- Pursuant to the PPAs the power capacity committed by us is 59 MW for the Chubut Norte III wind farm project, 84 MW for the Chubut Norte IV wind farm project and 19 MW for La Florida biomass farm project.

PPAs entered into with CAMMESA for our Thermal Power Plants

The original PPAs for our thermal power plants were entered into with IEASA and were effective for three years from their respective commercial operation dates. In accordance with the Framework Agreement, the current PPAs entered into with CAMMESA for our thermal power plants connected to the NIS have an additional term of seven years from the date of expiration of the original PPAs. Below is a summary of the most important terms of these PPAs:

- We have the obligation to operate and maintain the power generation assets subject to such agreements, make firm capacity available and sell electricity to CAMMESA.
- We are entitled to receive firm capacity rates of U.S.$21,275/MWm for making our generation assets available to the NIS.
- CAMMESA has no "take or pay" obligations and, thus, is not required to purchase a minimum volume of electricity generated by us.
- The electricity effectively delivered by us is compensated at a U.S. dollar amount ranging from U.S.$7.45/MWh to U.S.$10.00/MWh, for natural gas-fired generation, and ranging from U.S.$10.15/MWh to U.S.$14.90/MWh, for diesel fuel-fired generation, reflecting our cost per MWh of operating and maintaining our thermal plants as approved by the SEN.
- In the event that our operating or maintenance costs increase (including as a result of higher inflation), we have the can pass cost increases on to CAMMESA.
- Under our PPAs, CAMMESA is not obliged to provide us with natural gas or diesel fuel, having the option to do so or reimburse us for the cost of diesel fuel and natural gas actually used, provided that the amount of fuel used matches the specific fuel consumption guaranteed to be used by us. Nonetheless, pursuant to Resolutions No. 95/2013 and 529/2014 issued by the SEN, CAMMESA is in charge of managing and supplying all fuel required to fire our thermal plants. Although CAMMESA currently provides us with the natural gas and diesel fuel necessary to operate our thermal plants as required by Resolution No. 529/2015, as amended and supplemented, we cannot assure that CAMMESA will continue to do so or that the SE will maintain Resolution No. 529/2014. In case we have to purchase natural gas or diesel fuel, we can pass our costs on to CAMMESA.
- Amounts payable to us under these PPAs are denominated in U.S. dollars and payable in pesos at the wholesale reference exchange rate (*tipo de cambio de referencia mayorista*) quoted by the Central Bank pursuant to Communication "A" 3,500.
- Upon the occurrence of a *force majeure* event (as defined under the Argentine Civil and Commercial Code) each of the parties is permitted to suspend performance until the *force majeure* event has ended. If a single suspension extends for more than 90 days, or multiple suspensions extend for more than 180 days in the aggregate, any party, provided that such party is not in default, may terminate the agreement.
- In the event that 92% of our installed capacity becomes unavailable for a period of two months, absent a *force majeure* event or scheduled maintenance unavailability, CAMMESA has the right to impose monetary fines which are offset against firm capacity rates owed to us.

PPAs for the Bragado II and III Power Plants

We entered into PPAs with CAMMESA in connection with the Bragado expansion power plants, under the regime set forth in Resolution No. 21/2016 of the Secretary of Electric Energy. These PPAs will expire on January 31, 2027, in the case of Bragado II plant and on May 31, 2027, in the case of Bragado III plant.

The most salient terms of these PPAs are the following:

- We have the obligation to make available to CAMMESA up to 60.40 MW of power capacity from May to October of each year and 58 MW of power capacity from November to April of each year and deliver the electricity produced by our generation units pursuant to the requests of CAMMESA.
- In both PPAs we have the obligation to satisfy a guaranteed fuel consumption of 2,500.00 Kcal/kWh for the generation units.
- In both PPAs we have the obligation to hold enough natural gas and gas oil consumption capacity, capacity to access to the electricity transmission system and fuel storage capacity.
- In both PPAs we assumed the obligation to have available a liquid fuel storage capacity in both power plants that allows at least 120hs of continuous and full power operation of the generation units and assets by means of which we can provide the power capacity and electricity agreed upon in the PPAs. Such obligation is not applicable in the case of supply of natural gas through gas networks.
- We are entitled to receive firm capacity rates of U.S.$25,000/MWm for making our generation assets available to the NIS, with respect to Bragado II, and U.S.$19.00/MWm, with respect to Bragado III.
- CAMMESA has no "take or pay" obligations and, thus, is not required to purchase a minimum volume of electricity generated by us.
- In the event that our operating or maintenance costs increase (including as a result of higher inflation), we can pass cost increases on to CAMMESA.
- Under our PPAs, CAMMESA is not obliged to provide us with natural gas or diesel fuel, but has the option to do so or reimburse us for the cost of diesel fuel and natural gas actually used, provided that the amount of fuel used matches the specific fuel consumption guaranteed by us. Nonetheless, pursuant to Resolutions No. 95/2013 and 529/2014 issued by the Secretary of Energy, CAMMESA is in charge of managing and supplying all fuel required to fire our thermal plants. Although CAMMESA currently provides us with the natural gas and diesel fuel necessary to operate our thermal plants as required by Resolution No. 529/2014, as amended and supplemented, we cannot assure that CAMMESA will continue to do so or that the Ministry of Energy will maintain Resolution No. 529/2015. In case we have to purchase natural gas or diesel fuel, we can pass our costs on to CAMMESA.
- Amounts payable to us under these PPAs are denominated in U.S. dollars and payable in pesos at the wholesale reference exchange rate (*tipo de cambio de referencia mayorista*) quoted by the Central Bank pursuant to Communication "A" 3,500.
- Upon the occurrence of a *force majeure* event (as defined under the Argentine Civil and Commercial Code) we are permitted to suspend performance until the *force majeure* event has ended.
- In case we breach any of the obligations assumed under the PPAs, CAMMESA can impose monetary fines on us (calculated pursuant to mathematic formulas set forth in such agreements) or even terminate the PPAs. In addition, and in case the COD is not met, CAMMESA can impose a penalty of U.S.$1.0 million per week of delay in Bragado II and U.S.$0.8 million per week of delay for Bragado III.

The Bragado II power plant achieved commercial operation in February 2017. CAMMESA alleged a delay in achieving the commercial operation committed under the PPA and consequently applied a contractual fine and issued a Ps.37 million invoice. On March 20, 2017, we challenged the fine and rejected the invoice. On May 23, 2017, CAMMESA rejected the grounds for such challenge and invited us to initiate an arbitration process. As of the date of this Exchange Offer and Consent Solicitation Memorandum CAMMESA has not initiated such proceeding.

In September 2018, CAMMESA, invoking a resolution of the Secretariat of Energy, rejected our challenge of the fine. In November 2018, CAMMESA began to deduct the fine from our account, in 48 monthly installments in dollars, assessing annual interest of 1.7% on the remaining balance. On December 19, 2018, we filed an appeal for review before the Ministry of Energy. On October 11, 2019, we made a filing with the Undersecretariat of Energy seeking to have the appeal for review dismissed and to have judgment rendered on the appeal filed on a subsidiary basis, which has never been resolved (after elapsing of the total term of 35 days that purports to silence). Accordingly, on December 5, 2019, we filed a complaint against CAMMESA and the Secretariat of Energy, under the purview of the Ministry of Finance, which is pending with Federal Administrative Court No. 2.

In the opinion of our external legal advisors, we have solid arguments in support of a favorable outcome of a potential related legal action.

PPAs entered into with Private Users in Argentina

PPAs for Rawson III Wind Farm

PPA with Loma Negra

We entered into a PPA with Loma Negra (a private user in Argentina) in respect of the Rawson III wind farm. This PPA expires on December 31, 2037. The following is a summary of its main terms and conditions:

- We undertake to deliver up to 60,000 MWh/year of electricity generated from renewable sources and Loma Negra undertakes to acquire that electricity.
- Loma Negra will pay the amount in the form of firm capacity ("take or pay"), in consideration for 100% of the energy delivered regardless of consumption, and to the extent that it does not exceed 60,000 MWh/year. When we have delivered 90% of the agreed 60,000 MWh/year, we must inform the industrial user that it has reached that amount, and Loma Negra will be able, at that moment, to buy additional energy from us generated by 60% of the installed capacity in the Rawson III Wind Farm.
- The annual amount of energy stipulated in the PPA (60,000 MWh/year) is a maximum amount. Therefore, from us is not obliged to take or pay amounts in excess of this figure.
- The amounts that we are entitled to collect under this PPA are denominated in U.S. dollars and are payable in pesos at the exchange rate for remittances published by the Banco de la Nación Argentina or, in the case this exchange rate is not available, at the wholesale reference exchange rate published by the Central Bank in accordance with its Communication "A" 3500 or, failing that, at the exchange rate reported by the Mercado Abierto Electrónico (Electronic Open Market); in all cases, it will be calculated on the business day immediately preceding the effective payment date.
- Before the occurrence of a force majeure event (as the term is defined in the Civil and Commercial Code of Argentina), each of the parties has the right to suspend compliance with the contract until the end of the force majeure event. If a single suspension extends for more than 90 days, or several suspensions are extended for more than 180 days in total, the contract may be terminated by either of the parties, insofar as the terminating party is not in default. Conditions that affect wind will not be considered, under any circumstance, as a force majeure event.
- The contract establishes specific penalties in case of default and specific payments to be made in the event of early termination. The amount of the termination payments varies according to the time at which termination occurs, which may amount to U.S.$15.8 million, in the event of termination by us for breaches attributable to Loma Negra. The amount of the termination payment by Loma Negra due to a breach attributable to us is U.S.$3.6 million, plus the fine that would be applicable to the industrial user under the renewable energy program upon termination, if we do not deliver 30,000 MWh/year.

PPA with Oroplata S.A.

We entered into a PPA with Oroplata S.A. (a private user in Argentina) in connection with the Rawson III wind farm. This PPA expires on April 30, 2028. Below is a summary of its main terms:

- We have the obligation to deliver up to 38,000 MWh per year of electricity generated from renewable sources that the user will acquire.
- The private user will pay on a take or pay basis, for 90% of the electricity effectively delivered regardless of its actual consumption.
- The annual amount of energy set forth in the PPA (38,000 MWh/year) is a maximum amount. Therefore, the private user is not required to take nor pay an amount exceeding 90% of it.
- Amounts payable to us under this PPA are denominated in U.S. dollars and payable in pesos pursuant to the seller exchange rate for wire transfers reported by the Banco de la Nación Argentina, and if such rate is not available, pursuant to the wholesale reference exchange rate reported by the Central Bank pursuant to Communication "A" 3,500 or, if the latter is not available, pursuant to the exchange rate reported by the Mercado Abierto Electrónico (Electronic Open Market), and in all cases as calculated on the business day immediately prior to the effective payment date.
- Upon the occurrence of a *force majeure* event (as defined under the Argentine Civil and Commercial Code) each of the parties is permitted to suspend performance until the *force majeure* event has ended. If a single suspension extends for more than 90 days, or multiple suspensions extend for more than 180 days in the aggregate, any party, provided that such party is not in default, may terminate the agreement. Under no circumstance will conditions affecting the wind be considered a force majeure event.
- The agreement provides for specific penalties in case of default and specific payments to be made in case of an early termination. The amount of such termination payments varies depending on the moment in which such termination takes place and can be as high as U.S.$6.16 million in case of termination by us for breaches attributable to the private user. The amount of such payment in case of termination by the private user for a breach attributable to us is U.S.$3.6 million plus the fine that would be applicable to the industrial user under the Renewable Energy Program at the time of termination if we fail to dispatch 38,000 MWh/year.

PPA with Banco Macro S.A.

We entered into a PPA with Banco Macro S.A. (a private user in Argentina) in connection with the Rawson III wind farm. This PPA expires on July 31, 2028. Below is a summary of its main terms:

- We have the obligation to deliver up to 3,000 MWh/year of electricity generated from renewable sources that the user will acquire.
- The private user will pay on a take or pay basis, for 90% of the electricity effectively delivered regardless of its actual consumption.
- The annual amount of energy set forth in the PPA (3,000 MWh/year) is a maximum amount. Therefore, the private user is not required to take nor pay an amount exceeding 90% thereof. For the year 2018 only, the annual energy quota will be 800 MWh, and for the year 2028 only, the annual energy quota will be 1,800 MWh.
- Amounts payable to us under this PPA are denominated in U.S. dollars and payable in pesos pursuant to the seller exchange rate for wire transfers reported by the Banco de la Nación Argentina, and if such rate is not available, pursuant to the wholesale reference exchange rate reported by the Central Bank pursuant to Communication "A" 3,500 or, if the latter is not available, pursuant to the exchange rate reported by the Mercado Abierto Electrónico (Electronic Open Market), and in all cases as calculated on the business day immediately prior to the effective payment date.
- Upon the occurrence of a *force majeure* event (as defined under the Argentine Civil and Commercial Code) each of the parties is permitted to suspend performance until the *force majeure* event has ended. If a single suspension extends for more than 180 days in the aggregate, any party, provided that such party is not in default, may terminate the agreement.
- The agreement provides for specific penalties in case of default and specific payments to be made in case of an early termination. The amount of such termination payments varies depending on the moment in which such termination takes place.

PPAs for Chubut Norte II, Villalonga II & Pomona II Wind Farms

PPA with Meranol S.A.C.I.

We entered into a PPA with Meranol S.A.C.I. (a private user in Argentina) in connection with any of our wind farms not subject to other PPAs. This PPA expires on July 31, 2038. Below is a summary of certain terms:

- The private user will pay on a take or pay basis, for 80% of the electricity effectively delivered regardless of its actual consumption.
- Amounts payable to us under this PPA are denominated in U.S. dollars and payable in pesos pursuant to the seller exchange rate for wire transfers reported by the Banco de la Nación Argentina, and if such rate is not available, pursuant to the wholesale reference exchange rate reported by the Central Bank pursuant to Communication "A" 3,500 or, if the latter is not available, pursuant to the exchange rate reported by the Mercado Abierto Electrónico (Electronic Open Market), and in all cases as calculated on the business day immediately prior to the effective payment date.
- Upon the occurrence of a *force majeure* event (as defined under the Argentine Civil and Commercial Code) each of the parties is permitted to suspend performance until the *force majeure* event has ended. If a single suspension extends for more than 120 uninterrupted days, any party, provided that such party is not in default, may terminate the agreement.
- The agreement provides for specific penalties in case of default and specific payments to be made in case of an early termination. The amount of such termination payments varies depending on the moment in which such termination takes place.
- We may also deliver the committed energy amount of any of our operating wind farms that were not acquired under RenovAr and do not have PPAs with CAMMESA.

PPA with Curtiembre Arlei S.A.

We entered into a PPA with Curtiembre Arlei S.A. (a private user in Argentina) in connection with any of our wind farms not subject to other PPAs. This PPA expires on December 31, 2033. Below is a summary of its main terms:

- The private user will pay on a take or pay basis, for 90% of the electricity effectively delivered regardless of its actual consumption.
- Amounts payable to us under this PPA are denominated in U.S. dollars and payable in pesos pursuant to the seller exchange rate for wire transfers reported by the Banco de la Nación Argentina, and if such rate is not available, pursuant to the wholesale reference exchange rate reported by the Central Bank pursuant to Communication "A" 3,500 or, if the latter is not available, pursuant to the exchange rate reported by the Mercado Abierto Electrónico (Electronic Open Market), and in all cases as calculated on the business day immediately prior to the effective payment date.
- Upon the occurrence of a *force majeure* event (as defined under the Argentine Civil and Commercial Code) each of the parties is permitted to suspend performance until the *force majeure* event has ended. If a single suspension extends for more than 180 uninterrupted days, any party, provided that such party is not in default, may terminate the agreement.
- The agreement provides for specific penalties in case of default and specific payments to be made in case of an early termination. The amount of such termination payments varies depending on the moment in which such termination takes place.
- We may also deliver the committed energy amount of any of our operating wind farms that were not acquired under RenovAr and do not have PPAs with CAMMESA.

PPA with Bemis Argentina S.A.U.

We entered into a PPA with Bemis Argentina S.A.U. (a private user in Argentina) in connection with any of our wind farms not subject to other PPAs. This PPA expires on January 31, 2024. Below is a summary of its main terms:

- The private user will pay on a take or pay basis, for 90% of the electricity effectively delivered regardless of its actual consumption.
- Amounts payable to us under this PPA are denominated in U.S. dollars and payable in pesos pursuant to the seller exchange rate for wire transfers reported by the Banco de la Nación Argentina, and if such rate is not available, pursuant to the wholesale reference exchange rate reported by the Central Bank pursuant to Communication "A" 3,500 or, if the latter is not available, pursuant to the exchange rate reported by the Mercado Abierto Electrónico (Electronic Open Market), and in all cases as calculated on the business day immediately prior to the effective payment date.
- Upon the occurrence of a *force majeure* event (as defined under the Argentine Civil and Commercial Code) each of the parties is permitted to suspend performance until the *force majeure* event has ended. If a single suspension extends for more than 180 uninterrupted days, any party, provided that such party is not in default, may terminate the agreement.
- The agreement provides for specific penalties in case of default and specific payments to be made in case of an early termination. The amount of such termination payments varies depending on the moment in which such termination takes place.
- We may also deliver the committed energy amount of any of our operating wind farms that were not acquired under RenovAr and do not have PPAs with CAMMESA.

PPA with Royal Canin S.A.

We entered into a PPA with Royal Canin S.A. (a private user in Argentina) in connection with any of our wind farms not subject to other PPAs. This PPA expires on October 31, 2034. Below is a summary of its main terms:

- The private user will pay on a take or pay basis, for 90% of the electricity effectively delivered regardless of its actual consumption.
- Amounts payable to us under this PPA are denominated in U.S. dollars and payable in pesos pursuant to the seller exchange rate for wire transfers reported by the Banco de la Nación Argentina, and if such rate is not available, pursuant to the wholesale reference exchange rate reported by the Central Bank pursuant to Communication "A" 3,500 or, if the latter is not available, pursuant to the exchange rate reported by the Mercado Abierto Electrónico (Electronic Open Market), and in all cases as calculated on the business day immediately prior to the effective payment date.
- Upon the occurrence of a *force majeure* event (as defined under the Argentine Civil and Commercial Code) each of the parties is permitted to suspend performance until the *force majeure* event has ended. If a single suspension extends for more than 180 uninterrupted days, any party, provided that such party is not in default, may terminate the agreement.
- The agreement provides for specific penalties in case of default and specific payments to be made in case of an early termination. The amount of such termination payments varies depending on the moment in which such termination takes place.

PPA with Compañía de Alimentos Fargo S.A.

We entered into a PPA with Compañía de Alimentos Fargo S.A. (a private user in Argentina) in connection with any of our wind farms not subject to other PPAs. This PPA expires on December 31, 2034. Below is a summary of its main terms:

- The private user will pay on a take or pay basis, for 90% of the electricity effectively delivered regardless of its actual consumption.
- Amounts payable to us under this PPA are denominated in U.S. dollars and payable in pesos pursuant to the seller exchange rate for wire transfers reported by the Banco de la Nación Argentina, and if such rate is not available, pursuant to the wholesale reference exchange rate reported by the Central Bank pursuant to Communication "A" 3,500 or, if the latter is not available, pursuant to the exchange rate reported by the Mercado Abierto Electrónico (Electronic Open Market), and in all cases as calculated on the business day immediately prior to the effective payment date.

- Upon the occurrence of a *force majeure* event (as defined under the Argentine Civil and Commercial Code) each of the parties is permitted to suspend performance until the *force majeure* event has ended. If a single suspension extends for more than 180 uninterrupted days, any party, provided that such party is not in default, may terminate the agreement.
- The agreement provides for specific penalties in case of default and specific payments to be made in case of an early termination. The amount of such termination payments varies depending on the moment in which such termination takes place.

PPA with Mc CAIN Argentina S.A.

We entered into a PPA with Mc CAIN Argentina S.A. (a private user in Argentina) in connection with any of our wind farms not subject to other PPAs. This PPA expires on July 31, 2025. Below is a summary of its main terms:

- The private user will pay on a take or pay basis, for 80% of the electricity effectively delivered regardless of its actual consumption.
- Amounts payable to us under this PPA are denominated in U.S. dollars and payable in pesos pursuant to the seller exchange rate for wire transfers reported by the Banco de la Nación Argentina, and if such rate is not available, pursuant to the wholesale reference exchange rate reported by the Central Bank pursuant to Communication "A" 3,500 or, if the latter is not available, pursuant to the exchange rate reported by the Mercado Abierto Electrónico (Electronic Open Market), and in all cases as calculated on the business day immediately prior to the effective payment date.
- Upon the occurrence of a *force majeure* event (as defined under the Argentine Civil and Commercial Code) each of the parties is permitted to suspend performance until the *force majeure* event has ended. If a single suspension extends for more than 180 uninterrupted days, any party, provided that such party is not in default, may terminate the agreement.
- The agreement provides for specific penalties in case of default and specific payments to be made in case of an early termination. The amount of such termination payments varies depending on the moment in which such termination takes place.

PPA with "Envases Food Solutions S.A.U."

We entered into a PPA with "Envases Food Solutions S.A.U." (formerly named "Grupo Dos Leguas S.A.U.", a private user in Argentina) in connection with any of our wind farms not subject to other PPAs. This PPA expires on January 31, 2034. Below is a summary of its main terms:

- The private user will pay on a take or pay basis, for 90% of the electricity effectively delivered regardless of its actual consumption.
- Amounts payable to us under this PPA are denominated in U.S. dollars and payable in pesos pursuant to the seller exchange rate for wire transfers reported by the Banco de la Nación Argentina, and if such rate is not available, pursuant to the wholesale reference exchange rate reported by the Central Bank pursuant to Communication "A" 3,500 or, if the latter is not available, pursuant to the exchange rate reported by the Mercado Abierto Electrónico (Electronic Open Market), and in all cases as calculated on the business day immediately prior to the effective payment date.
- Upon the occurrence of a *force majeure event* (as defined under the Argentine Civil and Commercial Code) each of the parties is permitted to suspend performance until the *force majeure event* has ended. If a single suspension extends for more than 180 uninterrupted days, any party, provided that such party is not in default, may terminate the agreement.
- The agreement provides for specific penalties in case of default and specific payments to be made in case of an early termination. The amount of such termination payments varies depending on the moment in which such termination takes place.

PPA with CARGILL S.A.C.I.

We entered into a PPA with CARGILL S.A.C.I. (a private user in Argentina) in connection with any of our wind farms not subject to other PPAs. This PPA expires on October 31, 2025. Below is a summary of its main terms:

- The private user will pay on a take or pay basis, for 90% of the electricity effectively delivered regardless of its actual consumption.
- Amounts payable to us under this PPA are denominated in U.S. dollars and payable in pesos pursuant to the seller exchange rate for wire transfers reported by the Banco de la Nación Argentina, and if such rate is not available, pursuant to the wholesale reference exchange rate reported by the Central Bank pursuant to Communication "A" 3,500 or, if the latter is not available, pursuant to the exchange rate reported by the Mercado Abierto Electrónico (Electronic Open Market), and in all cases as calculated on the business day immediately prior to the effective payment date.
- Upon the occurrence of a *force majeure event* (as defined under the Argentine Civil and Commercial Code) each of the parties is permitted to suspend performance until the *force majeure event* has ended. If a single suspension extends for more than 180 uninterrupted days, any party, provided that such party is not in default, may terminate the agreement.
- The agreement provides for specific penalties in case of default and specific payments to be made in case of an early termination. The amount of such termination payments varies depending on the moment in which such termination takes place.

PPA with Vidrieria Argentina S.A.

We entered into a PPA with Vidrieria Argentina S.A. (a private user in Argentina) in connection with any of our wind farms not subject to other PPAs. This PPA expires on October 31, 2025. Below is a summary of its main terms:

- The private user will pay on a take or pay basis, for 90% of the electricity effectively delivered regardless of its actual consumption.
- Amounts payable to us under this PPA are denominated in U.S. dollars and payable in pesos pursuant to the seller exchange rate for wire transfers reported by the Banco de la Nación Argentina, and if such rate is not available, pursuant to the wholesale reference exchange rate reported by the Central Bank pursuant to Communication "A" 3,500 or, if the latter is not available, pursuant to the exchange rate reported by the Mercado Abierto Electrónico (Electronic Open Market), and in all cases as calculated on the business day immediately prior to the effective payment date.
- Upon the occurrence of a *force majeure event* (as defined under the Argentine Civil and Commercial Code) each of the parties is permitted to suspend performance until the *force majeure event* has ended. If a single suspension extends for more than 180 uninterrupted days, any party, provided that such party is not in default, may terminate the agreement.
- The agreement provides for specific penalties in case of default and specific payments to be made in case of an early termination. The amount of such termination payments varies depending on the moment in which such termination takes place.

PPA with Pilkington Automotive Argentina S.A.

We entered into a PPA with Pilkington Automotive Argentina S.A. (a private user in Argentina) in connection with any of our wind farms not subject to other PPAs. This PPA expires on October 31, 2025. Below is a summary of its main terms:

- The private user will pay on a take or pay basis, for 90% of the electricity effectively delivered regardless of its actual consumption.
- Amounts payable to us under this PPA are denominated in U.S. dollars and payable in pesos pursuant to the seller exchange rate for wire transfers reported by the Banco de la Nación Argentina, and if such rate is not available, pursuant to the wholesale reference exchange rate reported by the Central Bank pursuant to Communication "A" 3,500 or, if the latter is not available, pursuant to the exchange rate

reported by the Mercado Abierto Electrónico (Electronic Open Market), and in all cases as calculated on the business day immediately prior to the effective payment date.

- Upon the occurrence of a *force majeure event* (as defined under the Argentine Civil and Commercial Code) each of the parties is permitted to suspend performance until the *force majeure event* has ended. If a single suspension extends for more than 180 uninterrupted days, any party, provided that such party is not in default, may terminate the agreement.

The agreement provides for specific penalties in case of default and specific payments to be made in case of an early termination. The amount of such termination payments varies depending on the moment in which such termination takes place.

Trading of Natural Gas and Transportation Capacity

We are directly and through our subsidiary Enersud engaged in the business of trading natural gas on the MEG. To enter the energy trading business, we obtained a license to trade natural gas on the MEG. Our customers in this business are other power generation companies, large users of natural gas for industrial purposes, other trading companies and natural gas producers. We purchase natural gas both for our own account for subsequent sale to third party accounts.

In addition, we are engaged, both directly and through our subsidiary Enersud, in the business of marketing natural gas transportation capacity to other gas distribution companies and to large industrial users of natural gas. In 2005 and 2007, we participated in bidding processes (RFPs 2/2005 and 1/2007) conducted by TGS to assign natural gas transportation capacity through the San Martín pipeline, which runs across the provinces of Santa Cruz, Chubut, Río Negro and La Pampa in southern Argentina and is operated by TGS, and were awarded a 42-year contract and total transportation capacity of approximately 165,000 m3d as a result of a Ps.40.0 million (approximately U.S.$13.0 million) investment for the expansion of this pipeline. We use this transportation capacity for trading purposes, which provides us with stable cash flows from long term agreements with well-known companies in Argentina.

COMPETITION

The demand for power and electricity in Argentina is served by a variety of generation companies, both state-owned and private. Some of our competitors are substantially larger and have substantially greater resources than our company. According to information provided by CAMMESA, because of the very narrow gap between the demand and supply of electricity in Argentina (which has resulted in voluntary and forced blackouts at times of seasonal peak consumption), there has not been significant competitive pressure in the Argentine electricity sector over the past 12 years. Further, the power generation business is characterized by the need to make substantial investments in fixed assets and technological advancements, two aspects that create a natural barrier in the market. As a result, we believe that there will not be meaningful competitive pressure in the Argentine electricity market in the short- to medium- term.

In the power generation market, we face competition from well-known companies that operate on an ongoing basis, such as state-owned IEASA, Pampa Energia, Central Puerto and the Albanesi group. In the context of the bidding processes called by the Argentine government, other companies such as Envision Energy, Central Puerto and Pampa Energia will become new significant players in wind power generation.

ENVIRONMENTAL MATTERS

We must comply with applicable Argentine federal, provincial and local environmental standards, rules and regulations and believe that our current operations are substantially in compliance with such standards, rules and regulations as they have historically been interpreted and enforced. We either have been granted or have applied for all environmental permits required by the applicable environmental legislation necessary to operate our business.

We have developed a comprehensive environmental compliance and management program which is subject to periodic internal and external audits. Since February 4, 2014 to date, we have obtained from TÜV Argentina S.A. the ISO 14001:2004 and ISO 45001:2018 certifications for power supply generation and availability of our thermal power plants, wind farms and solar plants connected to the NIS.

While we believe we have an adequate level of insurance coverage, environmental laws in Argentina require a level of insurance that is not currently available in the Argentine market.

We are not party to any material pending or, to our knowledge, threatened litigation related to environmental matters.

INSURANCE

We maintain full-risk coverage against all insurable risks, including machinery breakdowns and business interruption. This insurance provides coverage for damages and losses arising from stoppages, due to strikes, earthquakes, hail, fire, lighting, floods and explosions for all our thermal plants and wind farms, among other events. We also maintain civil liability coverage for damages caused by us to third parties. We maintain full-risk coverage for our vehicles, buildings, property and electronic equipment. In addition, we usually acquire insurances against construction and assembling risks, with civil liability coverage, for the capital investment projects we undertake.

We believe that the level of insurance coverage and backing that we maintain is reasonably appropriate for the risks that our businesses face and are comparable to the level of insurance and reinsurance coverage maintained by other companies of comparable size operating in the businesses in which we are engaged. The following table provides a summary of our insurance policies as of the date of this Exchange Offer and Consent Solicitation Memorandum:

Risk/Insurer	Amount Insured	Business Interruption	Term[(1)]	
	U.S.$		From	Until
All Operating Risks				
Power GEN—GENNEIA SA.....	415,877,000	54,355,328	03/31/2020	03/31/2021
Allianz 46.5%—Starr 10%, Opción 25%—Sura 7.5%, Nación 11%				
Rawson I, II and III, PEM II, Villalonga II and Pomona II ...	455,654,490	133,332,390	03/31/2020	03/31/2021
Allianz 50%—Sura 50%				
Necochea.....	67,000,000	13,314,000	03/02/2021	03/31/2022
Allianz 100%				
Power GEN—Cruz Alta—Genneia Desarrollos SA	166,772,50	7,854,074	03/31/2020	03/31/2021
Allianz 46.5%—Starr 10%, Opción 25%—Sura 7.5%, Nación 10%				
Power GEN—Loma Blanca IV SA	64,330,350	19,707,839	03/31/2021	03/31/2021
Allianz 50%—Sura 50%				
Power GEN—All Operating Risks + Third-party Liab. Villalonga—Genneia Vientos Argentinos SA	67,448,000	19,598,896	12/10/2020	03/31/2022
Allianz 80%/Opción 20%				
Power GEN—All Operating Risks + Third-party Liab. Chubut Norte—Genneia Vientos del Sur SA.....	47,739,683	12,539,523	12/10/2020	03/31/2022
Allianz 80%/Opción 20%				
Power GEN—All Operating Risks + Acts of Terrorism +_ Third-party Liab. Pomona—Genneia Vientos del Sudoeste	113,740,605	23,765,000	07/23/2020	07/23/2021
Allianz 100%				
Power GEN—All Operating Risks Ullum I, II, III - Ullum Solar I, II, III SA.....				
Allianz 100% Ullum I	24,195,468	4,177,132	03/31/2020	03/31/2021
Allianz 100% Ullum II	24,197,226	4,293,746	03/31/2020	03/31/2021
Allianz 100% Ullum III	30,967,323	5,740,422	03/31/2020	03/31/2021
Construction and Assembly Risk				
Power GEN—CHN III—Genneia Vientos Patagónicos	64,850,150	12,284,000	07/05/2019	04/30/2021

Risk/Insurer	Amount Insured	Business Interruption	Term[(1)]	
	U.S.$		From	Until
Starr 100%				
Policy No. 62				
Power GEN—CHN IV—Sudamericanos	97,128,418	17,720,000	07/05/2019	04/30/2021
Starr 100%				
Policy No. 63				
Power GEN—CHN II—Genneia SA	32,341,200		10/26/2018	03/26/2021
Allianz 100%				
Policy No. 18021/692816				
Third-party Liability/D&O				
Third-party liability Genneia/Isolux/GEDESA/ Ullum	10,000,000		10/25/2020	10/25/2022
Sancor 100%				
D&O (Directors & Officers)	15,000,000		01/29/2021	01/29/2022
Starr 100%				

Note:—

(1) Policies that expired on 3/31/2021 were renewed under the same coverages. Only some deductibles were modified subject to market conditions with acceptable premiums. An asset valuation was carried out to update the insured amounts.

EMPLOYEE MATTERS

The following table provides a breakdown of our employees as of December 31, 2018, 2019 and 2020, and as of March 31, 2021:

	As of December 31,			As of March 31,
	2018	2019	2020	2021
Senior Management	7	8	7	7
Professionals	202	172	168	174
Administrative	21	21	16	15
Operation and maintenance personnel	122	94	85	63
Total Headcount	**352**	**295**	**276**	**259**

The operation and maintenance personnel of our thermal plants (which represented 25.30% of our payroll on April 30, 2021) are members of the Luz y Fuerza union and 2.77% of our workforce is represented by other unions. Certain of our administrative personnel (which represented 0.79% of our payroll) are members of the Empleados de Comercio union. Approximately 28.06% of our workers are covered by collective bargaining agreements.

Historically, we have had good relations with our employees' unions and we have not experienced any strikes in the history of our company.

LEGAL PROCEEDINGS

We are a party to a number of tax, labor and administrative proceedings arising in the ordinary course of our business. As of March 31, 2021, the total amount provisioned by us in connection for these legal proceedings was U.S.$2.3 million. See note 8 to our interim financial statements for additional disclosure about material legal proceedings.

Proceedings with the Argentine Secretary of Industry

On February 25, 2014, we were notified of Resolution No. 23 issued on February 14, 2014 by the Argentine Secretary of Industry and Services (*Secretaría de Industria y Servicios*). This resolution: (i) declared that we, as a contractor of IEASA, had breached the so called "buy Argentine work" legal regime (*régimen de compra de trabajo argentino*) by acquiring a power transformer for our Bragado I power plant from a foreign company; (ii) determined that such acquisition was null and void; and (iii) established that the Ministry of Planning should be notified for the determination of further sanctions. We filed a claim challenging the validity of this resolution before the federal administrative courts. As of the date of this Exchange Offer and Consent Solicitation Memorandum, this action is in the evidentiary period.

The "buy Argentine work" legal regime provides that, in case of breach thereunder, the relevant Ministry shall temporarily suspend the breaching company for three to ten years from being awarded with future agreements, concessions, permits or licenses by the Argentine government, its agencies, decentralized entities and state enterprises, or the disqualification penalty.

In connection with the proceedings with the Argentine Secretariat of Industry and Services described above, on July 4, 2014, we requested from the Ministry of Planning suspension of Resolution No. 23 and any administrative proceedings aimed to penalize us on the same grounds as Resolution No. 23, until the federal administrative court provides a final judgment. As of the date of this Exchange Offer and Consent Solicitation Memorandum, the Ministry of Planning has not issued a decision with respect to our petition.

Based on the opinion of our external counsel, we believe that (i) we have reasonable legal and factual grounds to obtain the judicial annulment of Resolution No. 23 or other resolutions declaring us in violation of the "buy Argentine work" legal regime and reject a disqualification penalty, if any, that may be imposed by the Ministry of Planning; and (ii) an adverse result in the proceedings would not impact our existing PPAs.

Province of Chubut

Situation with the Province of Chubut with regards to the Rio Mayo and Governor Costa plants

On June 12, 2007 Genneia entered into a contract with the Province of Chubut for the installation, operation and maintenance of equipment for thermoelectric generation in the towns of Río Mayo and Gobernador Costa. Following the construction of such plants, partly from 2011 and entirely from August 2013, the Province discontinued the payments of our invoices.

On August 22, 2017, we notified the Province the termination of the agreement due to such breach. Such termination was declared by us after providing the Province with multiple opportunities to remedy its breach under the agreement.

On November 7, 2017, we filed a lawsuit against the Province before the Provincial Supreme Court with respect to certain unpaid invoices, which was later broadened.

On March 6, 2018, the Province sanctioned Provincial Law VII-82, on the emergency and consolidation of all the provincial debt payable prior to February 28, 2018, under which, in order for us to collect the amounts owed by the Province, we had to carry out a verification of our credit with the Ministry of Economy and Public Credit of the Province. Under emergency law, balances consolidated as of February 28, 2018 would be cancelled by delivery of public securities (TICADEP, Series II), issued in pesos, amortized with a year of grace in four semi-annual equal installments, and would accrue interest at the BADLAR rate, payable quarterly. We filed in a timely manner our credit with the Province for verification.

In the context of the collection lawsuit, the Provincial Supreme Court ruled in favour the inclusion in the case, as a new fact, the accreditation and recognition by the Accounting General of the Province of the debt capital, the verification of which was requested by us.

On November 4, 2020, we and the Province entered into a transactional agreement whereby both parties waived, among others, their potential claims under the agreement for the Rio Mayo and Governador Costa plants and reached to a settlement agreement under which the Province will pay Ps.402.6 million, in TICADEP Series II bonds (the "Conciliatory Agreement"). The Conciliatory Agreement has been approved by the Provincial Executive Branch and was filed with the Provincial Supreme Court for its judicial ratification. As of the date of this Exchange Offer and Consent Solicitation Memorandum the issuance and delivery of the TICADEP Series II bonds to us is pending.

Local taxes of the Puerto Madryn County

On December 27, 2019, the Provincial Law XVI No. 101 was enacted, which expanded the municipal land of Puerto Madryn and, consequently, we and our subsidiaries, owners of wind farms within the municipality, became subject to the provisions of the Municipal Tax Code. In April 2020, by Ordinance No. 11.349 (as amended by Ordinance 11.546), the Municipality of Puerto Madryn established the applicable tax bases to the productions of wind power, for the authorization, inspection, safety and hygiene fee.

The Municipality started surveillance processes on us and our subsidiaries that own wind farms currently located in Puerto Madryn. The Municipality determined, by own initiative, the application of the "authorization, inspection, safety and hygiene and environmental control fee". In March 2021, the Company and its subsidiaries (Genneia Vientos del Sur SA, Vientos Patagónicos Chubut Norte III SA and Vientos Sudamericanos Chubut Norte IV SA), initiated before the Federal Justice of Rawson, each one respectively a declaratory action of certainty against the Municipality of Puerto Madryn, questioning the constitutionality of the rates that the municipality intends to charge and soliciting an injunction for the suspension of the effects of such resolutions and connected collection and sanction proceedings. On May 12, 2021, the Federal Court of Appeals of Comodoro Rivadavia resolved to order the Municipality to suspend all of the effects deriving from the "authorization, inspection, safety and hygiene and environmental control fee", and to refrain from taking forward collection proceedings and applying sanctions arising out of the lack of payment, until a firm court resolution is issued on the subject matter. The legal advisers of the Company consider that we have sufficient grounds to achieve a favorable result for our interests in court.

Since late 2019, in the context provided for by the PPAs for the wind farms Madryn I, Madryn II, Chubut Norte I, III and IV, we and our subsidiaries have made a series of filings with CAMMESA, requesting a revision of the prices under the PPAs in order to compensate the effect that such fees would have. On August 14, 2020, CAMMESA stated that it would raise the request to the Secretary of Energy. As of the date of this Exchange Offer and Consent Solicitation Memorandum, the Secretary of Energy has not issued its opinion on the matter.

IEASA

Since 2011, both we and our subsidiary Enersud began to accumulate debts with IEASA for the supply of natural gas, as a result of the extended delay by the Argentine government in replacing energy supply contracts with IEASA under the Distributed Energy Program, with new contracts with CAMMESA under the Res. SE 220/07.

On the other hand, at the same time, certain balances with IEASA began to accumulate for lack of payment and exchange rate differences between the issuing date and the payment date.

In 2015, we notified IEASA of the legal offset of our liabilities in the amount of U.S.$38.2 million resulting from invoices issued by IEASA under gas sales agreements, or the "Gas Debt", against our credits with IEASA for foreign exchange differences and for other items retained from the invoices paid by CAMMESA (on behalf of IEASA).

In October 2017 and July 2020, IEASA requested the payment of the Gas Debt and, therefore, implicitly ignored the compensation alleged by us. In December 2017 and July 2020, we objected to the request from IEASA.

Within the framework of the notification sent to IEASA in July 2020, we and our subsidiary Parque Eólico Loma Blanca IV S.A. summoned payment of the amounts owed under the PPAs of the Rawson I, Rawson II and Trelew Wind Farm PPAs, for the sum of U.S.$9.4 million and U.S.$5.8 million, respectively. Additionally, in January 2021, we and our subsidiary Parque Eólico Loma Blanca IV S.A. filed arbitration claims before the Arbitration Court of the Buenos Aires Stock Exchange, claiming the outstanding debt to date under the PPAs for U.S.$9.4 million and U.S.$10.5 million of capital, plus the applicable interest thereto. IEASA timely filed its response, denying its debt and claiming that the statute of limitation of two years should apply to certain invoices and debit notes claimed thereunder. On July 5, 2021 the court deferred its decision on the statute of limitation to its final decision on the subject matter.

Based on the opinion of our external advisors, we consider that the offset made is legal in nature and that we have solid legal and factual bases to reject any claim of IEASA aiming to object to the compensation, including any possible claim for interests associated with the Gas Debt.

PUI y GUI Claim

By way of certified letters received in November 2015 and July 2020, IEASA required us to pay invoices related to natural gas sold by IEASA and used by some of our thermal power plants at the prices then applicable for "Supplier of Last Instance" or "PUI" (U.S.$7.5/MMBtu) and "Natural Gas of Last Instance" or "GUI" (U.S.$12.8/MMBtu) for a total amount of U.S.$9.8 million.

We have timely challenged such invoices on the grounds that the billing and payment of the invoiced natural gas should have been done on an equal basis with the price regulated for generation, since the gas was used by our thermal power plants for the generation of electricity.

Based on our external counsel's opinion, we believe that we have strong legal and factual grounds to repeal any potential claim from IEASA with respect to the invoices issued at GUI and PUI prices and interest applicable thereto, in excess of a price which, although it remains undetermined, should be judicially determined on the basis of the price regulated for generation (U.S.$2.7/MMBtu).

CAMMESA

Under the WEM Agreements entered into under the Res. SE No. 220/2007 (Conception of Uruguay I, Concepción del Uruguay II, Las Armas I, Las Armas II, Matheu, Olavarría, Paraná and Pinamar plants), CAMMESA has been paying the invoices issued by us in part, since it did not include in those payments the amounts that arise from the difference between the exchange rate at the date of settlement and the exchange rate at the payment date. On occasions when CAMMESA has recognized differences in the exchange rate, it has done so between the settlement date and the date in which it unilaterally considered the "expiration" has taken place, which in CAMMESA's interpretation, not shared by us, would be 41 days after that date.

Accordingly, on December 5, 2019, we filed a judicial lawsuit against CAMMESA for U.S.$13.0 million, which is pending before Federal Administrative Court No. 4. In our complaint, the Secretary of Energy was cited as third party, in order for the judgment rendered upon the case to be enforceable against it as well. Since CAMMESA affirmed that in case the requested relief is granted it will be accountable for such payment, we withdraw the citation of the Secretary of Energy and requested the commencement of discovery. On July 1, 2021, the court approved the proofs offered for discovery. As of the date of this Exchange Offer and Consent Solicitation Memorandum the case is being studied for resolution.

Bragado II Penalty

The Bragado II power plant achieved commercial operation in February 2017. CAMMESA alleged a delay in achieving the commercial authorization agreed in the PPA and consequently applied a contractual fine and issued a Ps.37.0 million invoice, which was timely objected by us.

In September 2018, CAMMESA, invoking a resolution of the Ministry of Energy, rejected our challenge of the fine. On November 2018, CAMMESA began to deduct the fine from our account for the Bragado II PPA, in 48 monthly installments in dollars, assessing annual interest of 1.7% on the balance. On December 5, 2019, we filed a judicial lawsuit against CAMMESA and the Secretary of Energy, which is pending before the Federal Administrative Court No. 2, seeking to render null and void the Resolution passed on September 28, 2018 by Undersecretary of Energy and, therefore, the fine CAMMESA imposed to us, as ratified by said Resolution, for an aggregate amount of U.S.$2.3 million. As of the date of this Exchange Offer and Consent Solicitation Memorandum, service of the suit has not yet been ordered.

In the opinion of our external legal advisors, we have solid arguments in support of a favorable outcome of the legal action.

Ullum 1& 2 Penalty

The Ullum 1 & 2 Solar Plants began commercial operation on December 19, 2018, that is, 32 days after the date agreed upon under their respective PPAs. Ullum 1 and Ullum 2 made several filings with CAMMESA to report several events which, in their understanding, purported to force majeure events. If accepted as such, these events would release the subsidiaries from liability for the fines imposed by reason of the delay in obtaining authorization to begin commercial operation. CAMMESA recognized two days of force majeure only. Accordingly, on March 21, 2019, it notified Ullum 1 and Ullum two that it would enforce a fine of U.S.$1.0 million on each, for the 30 days' delay in achieving the commercial operation date committed under the PPAs.

On March 2020 CAMMESA began to debit from the current account of Ullum 1 and Ullum 2 on a monthly basis, for their respective PPAs, the total amount of the fine, in 48 installments in dollars, with an annual interest of 1.7% on the balance.

Pursuant to the terms of the "turn-key" construction, procurement, assembly and start-up agreement with Energías Sustentables S.A. ("ESSA") relating to the Ullum Solar Plants and other related agreements (the "EPC Contract"), ESSA agreed to pay the total amount of the fines CAMMESA could enforce due to delays in Ullum 1 and 2 beginning commercial operation, discounted at a 12% annual nominal rate.

ESSA's payment obligation is guaranteed by (i) U.S.$0.9 million deposited in a guarantee account established at U.S. Bank National Association, corresponding to the EPC Contract price remainder; and (ii) promissory notes drawn by ESSA and guaranteed by Fides Group S.A. and its shareholder for an aggregate amount of U.S.$0.9 million. As of the date of this Exchange Offer and Consent Solicitation Memorandum, Ullum 1 and 2 received the payment of the total amount related to the first guarantee mentioned in (i) above.

On April 27, 2020, the companies Ullum 1 and Ullum 2 notified CAMMESA of the start of an arbitration process under the terms provided for in the PPAs, questioning the origin of said penalties. As of the date of this Exchange Offer and Consent Solicitation Memorandum, the arbitration claim was filed and answered by CAMMESA and the case is in its discovery stage.

If, a final judgment is rendered reducing, in whole or in part, the amount of the fine, then, the companies shall have to reimburse ESSA for any discounted amount in excess of the final amount of the fine.

INDUSTRY OVERVIEW AND REGULATION

The following is a summary of certain matters relating to the electricity industry in Argentina, as well as provisions of Argentine laws and regulations applicable to the electricity industry.

Historical Background

By 1990, virtually all of the electricity supply in Argentina was controlled by the public sector (97% of total generation). The Argentine government had assumed responsibility for the regulation of the industry at the national level and controlled all of the national electricity companies. In addition, several Argentine provinces operated their own electricity companies. As part of the economic plan adopted by former President Carlos Menem, the Argentine government undertook an extensive privatization program of all major state-owned industries, including those in the electricity generation, transmission and distribution sectors. Argentine Law No. 23,696 passed in 1989, or the "Federal Reform Law," authorized the Argentine government to reorganize and privatize public companies. The privatization had two ultimate objectives: first, to reduce tariffs and improve service quality through free competition in the market and second, to avoid the concentration of control of each of the three subsectors of the market in a small group of participants to avoid price-fixing. To reach this balance, at the time of the deregulation and the segmentation of the industry, separate limitations and restrictions for each subsector were imposed. In accordance with the Federal Reform Law, Decree No. 634/1991 established guidelines for the decentralization of the electricity industry, for the basic structure of the electricity market, and for the participation of private generation, transmission and distribution companies.

General Overview of Legal Framework

Key Statutes and Complementary Regulations

The Argentine electricity regulatory framework currently in force is the Electricity Law. The Electricity Law implemented privatizations of government-owned companies in the electricity sector and separated the industry vertically into four categories: generation, transmission, distribution and demand (large users). Such law also provided for the organization of the WEM (described in greater detail below) based on the guidelines set forth in Decree No. 634/91. Decree No. 186/95 also created the notion of "participant," among which it is worth mentioning the "trader," which is defined as a company that is not a WEM agent but trades electricity in bulk.

The Electricity Law

The Electricity Law established the fundamental regulatory framework of the electricity sector, vertically dividing the sector into separate subsectors: generation, transmission and distribution, and subjecting each to different and specific regulations. It also organized the WEM and recognized large users as agents of such market.

This law also (i) established the ENRE, (ii) other institutional authorities for the industry including the Entity in charge of dispatch, currently CAMMESA; and (iii) established the foundation for the setting of the spot price, establishment of tariffs in regulated areas and the criteria for the valuation of assets to be privatized. The Electricity Law also had a profound, although indirect, impact at the provincial level, as virtually all of the provinces followed the federal regulatory guidelines and established similar institutions. Various provincial governments that followed the federal privatization have created their own regulatory entities, which are independently financed at the provincial level. Before privatization, the same public utility companies had a fundamental role in the creation of industry policies and the establishment of new tariffs applicable in the provinces.

Pursuant to the Electricity Law, both electricity transmission and distribution are public utilities and require a prior concession from the Executive Branch or local executive branch, as the case may be.

The distribution of energy is in general subject to provincial jurisdiction and control by local authorities, except for EDENOR and EDESUR. EDENOR and EDESUR were created under federal jurisdiction after their privatization and render services within the metropolitan area of Buenos Aires. Distribution is a public service regulated by either federal or provincial law, pursuant to concession agreements entered into with provincial or federal authorities, as the case may be.

Additionally, generation is considered a public interest activity operating in a competitive, but regulated, market. Without prejudice, the generation of energy through the use of public water courses for powers exceeding 500kV requires a concession from the Argentine government. The remaining forms of generation, both thermal and unconventional, do not require a concession by the Argentine government and must only comply with safety, regulatory, planning, environmental and health standards and permits to operate.

Ownership and Operational Restrictions

Restrictions imposed on the electricity sector by the Electricity Law are divided into vertical and horizontal restrictions as a function of their divisions in the above-mentioned subsectors.

Vertical Restrictions

The vertical restrictions apply to companies that intend to participate simultaneously in different sub-sectors of the electricity market. These vertical restrictions were imposed by the Electricity Law, and apply differently depending on each sub-sector as follows:

Generation

- neither a generation company, nor any of its controlled companies or its controlling company, can be an owner or a majority shareholder of a transmission company or the controlling entity of a transmission company. In accordance with various ENRE rulings, a controlled company or a controlling company of a transmission company is a company that owns more than 50% of the shares of the controlled company and exercises majority control; and
- since a distribution company cannot own generation units, a holder of generation units cannot own distribution concessions. However, the shareholders of an electricity generation company may own an entity that holds distribution units, either as shareholders of the generator or through any other entity created with the purpose of owning or controlling distribution units;

Transmission

- neither a transmission company nor any of its controlled companies nor its controlling entity (in accordance with various ENRE rulings, which refer to those companies that own more than 51% of the shares of a transmission company and exercise majority shareholder control) can be owner or majority shareholder or the controlling company of a generation company;
- neither a transmission company, any company controlled by a transmission company nor any company controlling a transmission company can own or be the majority shareholder or the controlling company of a distribution company; and
- transmission companies cannot buy or sell electricity;

Distribution

- neither a distribution company, nor any of its controlled companies or its controlling company, can be owner or majority shareholder or the controlling company of a transmission company; and
- a distribution company cannot own generation units. However, the shareholders of the electricity distributor may own generation units, either directly or through any other entity created with the purpose of owning or controlling generation units.

Definition of Control

The term "control" is not defined in the Electricity Law. Section 33 of the Argentine Companies Law states that "companies are considered as controlled by others when the holding company, either directly or through another company: (1) holds an interest, under any circumstance, that grants the necessary votes to control the corporate will in board meetings or ordinary shareholders' meetings; or (2) exercises a dominant influence by holding shares, quotas or equity interest or due to special linkage between the companies."

Notwithstanding the above, various ENRE rulings established that a controlled company or a controlling company is a company that owns more than 51% of the shares of the controlled company and exercises majority control.

Horizontal Restrictions

In addition to the vertical restrictions described above, distribution and transmission companies are subject to horizontal restrictions, as described below:

Generation

- although the Electricity Law does not impose horizontal restrictions on electricity generation, this sub-sector is subject to general anti-trust provisions and certain limitations could be imposed if through merger and acquisitions a company gains a significant market share; currently no generation company has a market share that exceeds 20-24%, as measured by installed capacity.

Transmission

- two or more transmission companies can merge or be part of the same economic group only if they obtain an express approval from the ENRE. Such approval is also necessary when a transmission company intends to acquire shares of another electricity transmission company;
- for companies delivering regional transmission services within a same region, the service is rendered by the concessionaries on an exclusive basis over certain areas indicated in the concession agreement; and
- for the high-voltage transmission system, comprising the entire 500kV system and some 200kV lines of the coastal system, the service is delivered by a sole company (Transener) holding a monopolistic position nationwide.

Distribution

- two or more distribution companies can merge or be part of the same economic group only if they obtain express approval from the ENRE. Such approval is necessary when a distribution company intends to acquire shares of another electricity transmission or distribution company; and
- pursuant to the concession agreements that govern the services rendered by private companies operating distribution networks, the service is rendered by the concessionaire on an exclusive basis over certain areas indicated in the concession agreement.

Regulatory Entities

The main regulatory entities in the Argentine electricity sector are (i) the Ministry of Economy, through the SE– Productive Development—through the SE, (ii) ENRE and (iii) CAMMESA.

(i) The Ministry of Economy (through the Secretary of Energy)

The Ministry of Economy is the principal governmental authority responsible for the Argentine electricity industry at a federal level. The role of the Ministry of Economy is primarily defined, in the Law on Ministries No. 22,520 and its amendments, and in particular, those introduced by Decree No.706/2020.

The Ministry of Economy's duties include, among others, the elaboration, proposal and execution of the national energy policy, and its powers include the following:

- Execute the plans, programs and projects in the area of its competence, prepared in accordance with the directives issued by the Executive Branch.
- To participate in the preparation, application and supervision of the tax and customs regime.
- Participate in the negotiations and modifications of contracts for public works and services, within the scope of its competence.
- To be in charge of the administration of majority or minority shareholdings held by the Argentine government in companies or enterprises within its orbit.
- To intervene in the development of Argentine government' enterprises and corporations, self-governing entities, decentralized or deconcentrated agencies, and special accounts and funds, whatever their name or legal nature, within its orbit, both as regards action plans and budgets and as regards their intervention, closure, liquidation, privatization, merger, dissolution or centralization, and

to intervene in those that do not belong to its jurisdiction, in accordance with the guidelines decided by the Chief of Staff with the supervision of the Executive Branch.

- To take part in the preparation and supervision of the fuel regime and to supervise the setting of fuel prices, when appropriate, in accordance with the respective guidelines.
- Overseeing the duties of the enforcement authority regarding the laws governing energy activities.
- Participating in the development of the policies and regulations of the public services in the area of its jurisdiction, supervising the control agencies and bodies of concessionaires of public works or services within its jurisdiction, as well as in the development of regulatory standards for public utility licenses under the federal regimes.
- To supervise the energy production markets, intervening through the areas of its competence, in order to promote and encourage the normal development of the economy in accordance with the objectives of national development with equity.

The Secretariat of Energy

First, it should be noted that the SE was transferred to the scope of the Ministry of Economy through Decree No. 732/2020, published in the Official Gazette on September 7, 2020 (previously, the SE was under the Ministry of Productive Development).

Pursuant to Decree No. 732/2020, the objectives of the Secretariat of Energy are:

- Intervene in the preparation and execution of the national energy policy.
- Participating in the plans, programs and projects of the area within its jurisdiction.
- Intervene in the preparation and supervision of the fuel regime and to take part in the setting of fuel prices, when appropriate, in accordance with the respective guidelines.
- Intervene in the development of the policies, rules and regulations that will govern the energy sector's public utility services, oversee the control agencies and bodies of public works or services, as well as in the development of regulatory standards for public service licenses applicable to federal energy regimes.
- Exercising the functions of enforcement authority of the laws that regulate the exercise of energy activities.
- To be involved in the development of tariff structures for energy.
- Participate in the design and execution and assist in the elaboration of the policy of reimbursements and export refunds.
- Assist the Minister in research and technological development in the different areas of energy.
- Exercise the powers granted to the Federal Government agencies in Law No. 27,007.
- Direct the representation in the companies of the energy sector, where the Secretariat owns shares and exercise the shareholding.
- Coordinate the management of the directors representing the Federal State in those companies of the energy sector with state participation within the Jurisdiction.
- Encouraging the enforcement of the sector policy, fostering the rational exploitation of natural resources and environmental preservation.
- Fostering the use of new energy sources, the incorporation of conventional hydroelectric offering and research applied to these areas.
- Assist in the execution of international and interjurisdictional cooperation and integration agreements on energy matters to which the Nation is a party and supervise their execution.
- To take part in the design and execution of the policy of survey, conservation, recovery, defense and development of natural resources in the energy area.

- To represent the Secretariat in the Federal Council of Electric Energy.
- To be involved in the definition of the nuclear policy, in all matters related to the peaceful uses of nuclear energy or radioactive sources, the fuel cycle, the management of radioactive waste, the development and research of nuclear activity, and in particular those related to the generation of nuclear power.
- Exercising oversight authority over ENRE, ENARGAS, the Unidad Especial del Sistema de Transmisión de Energía Eléctrica (UESTEE) and the Comisión Nacional de Energía Atómica (CONEA).

At a federal level, the energy sector's public policy has been directed by several federal governmental bodies over the years. Since 2001, the federal body in charge of the energy sector policy has had varying ranks and hierarchy, namely: (i) Secretary of Energy and Mining (2000-2001), (ii) Undersecretariat of Energy and Mining (2002), (iii) Secretariat of Energy (2002-2015), (iv) Ministry of Energy and Mining ("ME&M") (2015-2018), (v) Ministry of Energy (2018), (vi) Secretariat of the Government of Energy (2018-2019), and currently, since December 19, 2019, it has again become (vii) Secretariat of Energy, first under the purview of the Ministry of Productive Development, and afterwards transferred to the purview of the Ministry of Economy. Accordingly, for the sake of clarity, throughout this Exchange Offer and Consent Solicitation Memorandum, unless otherwise expressly stated, we will make reference to all authorities in all times as SE.

The ENRE

The ENRE is an autonomous entity created pursuant to the Electricity Law under the jurisdiction of the Minister of Economy and is responsible for regulating the electricity industry and monitoring compliance by companies (generators, transporters, distributors and other large users and industry participants under federal jurisdiction) with rules, regulations and their concession agreements.

The ENRE's main purpose is to take the necessary measures to fulfill national objectives regarding supply, transportation and distribution of electricity.

The ENRE is managed by a board of directors composed of five members, one of whom serves as chairman and another one, as vice-chairman. Members, one of whom serves as chairman and another one, as vice-chairman. Members are appointed by the National Executive Branch, two of whom are proposed by the Federal Advisory Board of Electrical Energy. The chairman remains in office for a term of five years and can be reelected. Through Decree No. 84/2018, the National Executive Branch appointed new to the ENRE's board of directors.

However, in late 2019, the Argentine government enacted the Social Solidarity and Productive Reactivation Law (Law No. 27,541) (the "Solidarity Law"), declaring Argentina in public emergency in several areas, including, without limitation, tariffs and energy, and delegating upon the Executive Branch broad powers to fulfill the purposes envisaged by said law. For instance, under Article 6 of the Solidarity Law, the National Executive Branch is empowered to place the ENRE into administrative receivership for a term of one year.

Accordingly, by means of Decree No. 277/2020, the National Executive Branch placed the ENRE into administrative receivership until December 31, 2020, appointing a receiver and defining his/her respective powers and authorities. In addition, effective since the entry into force of the decree, the then current members of the ENRE's Board of Directors were suspended from their duties for as long as the ENRE remained in administrative receivership.

Through Decree No. 1020/2020, dated December 16, 2020, the ENRE determined the beginning of a tariff revision negotiation and extended the intervention for a period of one year from its expiration date (December 31, 2020) or until the renegotiation of the tariff revision provided for by the decree is completed, whichever occurs first.

The ENRE's duties include the following among others:

- monitoring compliance with the Electricity Law and its supplementing regulations;
- controlling the provision of electricity services and monitoring concession agreements;

- adopting rules applicable to generators, transporters, distributors, users of electricity and other parties related to security, regulations and technical procedures, measurement and invoicing of electricity consumption, supply interruptions and reconnections, third-party access to buildings and property related to the electricity industry and quality of service;
- preventing anticompetitive conduct, monopolies and discrimination among industry participants;
- establishing tariffs for transportation and distribution concession agreements under federal jurisdiction;
- enforcing the sanctions set forth in the Electricity Law and under the concession agreements, always abiding by the principles of due process; and
- solving disputes between the agents and the industry participants as well as disputes between industry participants and residential customers.

CAMMESA

CAMMESA is a non-profit corporation created by means of Decree No. 1192/92, in order to manage the WEM and the dispatch of electricity within the federal grid, the Argentine Interconnection System- ("SADI"). CAMMESA is in charge of managing financial transaction within the WEM and dispatching energy within the SADI. In this role, the Secretary of Energy has authority to issue regulatory instructions that CAMMESA must comply with.

CAMMESA's share capital is divided equally between the Argentine government (represented by the SE), and associations representing generation companies, transmission companies, distribution companies and large users. In particular, it is in charge of:

- the dispatch of electricity into the SADI, maximizing the safety and the quality of electricity supplied and minimizing wholesale prices in the spot market (see "—Electricity Distribution");
- planning energy capacity needs and optimizing energy use in accordance with the rules set out from time to time by the SE;
- monitoring the operation of the term market and administering the technical dispatch of electricity under agreements entered into in that market;
- carrying out the duties entrusted to it in connection with the electricity industry, including billing and collecting payments for transactions between WEM agents;
- purchasing and/or selling electric power from abroad or to other countries by performing the relevant import/export transactions; and
- providing consulting and other related services.

CAMMESA is managed by a board formed by representatives of its shareholders. The board of CAMMESA is composed of 10 regular and 10 alternate directors. Each of the associations is entitled to appoint two regular and two alternate directors of CAMMESA. The other directors of CAMMESA are the Secretary of Energy, who is the board chairman, and an independent member, who acts as vice chairman. The decisions adopted by the board of directors require the affirmative vote of the board chairman.

CAMMESA's operating costs are financed, inter alia, through mandatory contributions made by the WEM agents and subsidies provided by the federal government.

The WEM

Overview

The WEM is the market in which generators, transmitters, distributors, large users and other industry participants buy and sell electricity, whether on the spot market or through long-term supply contracts.

The WEM consists of:

- a term market in which generators, distributors and large users enter into long-term agreements on quantities, prices and conditions, including agreements for electric power export and import. The

energy in excess that is not sold in the term market is sold in the spot market. However, pursuant to Resolution No. 95/2013 issued by the former Secretary of Energy, the term market is restricted to renewable energy, purchases made by CAMMESA and transactions under the Energía Plus Regime;

- a spot market, in which prices are established on an hourly basis ("Spot Price"). Purchases in the spot market vary according to the type of buyer: large users, generators and self-generators pay the Spot Price, while distributors pay a seasonal price calculated by CAMMESA and approved by the SE. Seasonal prices are periodically established by CAMMESA, and are maintained for six-month periods (subject to quarterly adjustments), in order to ensure distributors pay a stabilized price to generators that could then be passed through the tariffs paid by end users; and
- Stabilization Fund, managed by CAMMESA, which absorbs the differences between purchases by distributors at seasonal prices and payments to generators for energy sales at the Spot Price. The fund was created to stabilize the price paid by end users. See "—Stabilization Fund: Post-Energy Crisis Regulations and Legislation."

Operation of the WEM

The WEM operates under the administration of CAMMESA. Generators deliver all the electricity they generate into the SADI in accordance with CAMMESA's dispatch requirements, notwithstanding the existence of long-term agreements or spot transactions with off-takers. CAMMESA dispatches the available power units according to the variable generation costs declared by generators, with the most efficient units being dispatched first.

WEM Participants

The main WEM participants are generation, transmission and distribution companies. Large users and traders also operate in the WEM, although to a lesser extent.

In 1995, the Argentine government issued Decree No. 186/1995 to expand participation and stimulate investment in the WEM. Decree No. 186/1995 includes a list of entities allowed to participate in the WEM, namely:

- companies obtaining authorization to trade electricity from international interconnections and bi-national undertakings;
- companies that are not WEM agents but which nevertheless sell electricity in bulk; and
- companies that are not WEM agents but which nevertheless operate certain facilities to transport electricity.

Further regulations issued by the SE defining WEM participants also allow the participation of traders, trading provinces and foreign companies in the WEM. Traders may deal with generation, demand, import, export and royalties. The traders' function in the WEM is to buy and sell electricity produced and consumed by third parties, whether in the term market and/or in the spot market.

The WEM classifies large users into three categories: major large users, minor large users, and individual large users. Each of them may freely agree upon the prices of their supply contracts directly with generators or traders, not being limited to obtain supply from their local distribution company. However, Article 9 of Resolution 95/2013 passed by the former SE (the "Resolution No. 95") temporarily suspended the inclusion of new agreements in the term market, with certain exceptions (see "Electricity Generation Remuneration"). Their transactions in the spot market are invoiced by CAMMESA.

Electricity Generation

Generators deliver the electricity they generate into the SADI, in accordance with CAMMESA's dispatch requirements. CAMMESA dispatches the available power units according to the variable generation costs declared by the generators, with the most efficient units being dispatched first.

Electricity generators compete with one another to supply power to the market. Entry to the electricity generation market is allowed to any interested party after complying with all legal requirements set forth by the Electricity Law, Resolution No. 61/1992—issued by the former Secretary of Energy—as amended and complemented ("CAMMESA's Procedures") and all relevant regulations issued by the ENRE and the SE.

In general terms, such regulations refer to permits that authorize the generator to operate within the WEM under certain technical and quality standards.

According to the Electricity Law, electric power generation is classified as an activity of general interest associated with the provision of transmission and distribution of electricity but conducted within the framework of a competitive market. As a result of the privatization and incorporation of new market players, the power generation sector, even after a consolidation process that took place over the past few years, has a competitive structure with at least four important companies of the same size operating in the market: (i) Central Puerto; (ii) Endesa Argentina S.A. (which includes Endesa Costanera S.A., Central Dock Sud S.A. and Hidroeléctrica el Chocón S.A.); (iii) Pampa Energía S.A. (which includes Central Térmica Güemes S.A., Central Térmica Loma la Lata S.A., Inversora Piedra Buena S.A., Inversora Diamante S.A., CTG and Inversora Nihuiles; and the facilities previously owned by Petrobras Argentina S.A., which were acquired by Pampa Energía S.A; and (iv) AES Argentina Generación S.A. (which includes Central Térmica San Nicolás S.A. and Hidroeléctrica Alicurá S.A.); In addition, a significant portion of the generation sector is controlled by state-owned and state-controlled companies (e.g., Yacyretá, Salto Grande, Atucha and Embalse and YPF) and other private sector generators (e.g. Orazul, Albanesi, and Capex).

Electricity generators derive revenue from sales made in the spot market and in the term market through the term contracts entered into with distribution companies, large users and other off-takers such as CAMMESA. Generators, in particular those who generate from non-renewable sources, are not only compensated for the electricity sold in the market but also for the fixed payments in connection with firm capacity and are required to pay to the transmission companies (and, eventually, the distribution companies), the relevant charges for the use of their networks to place the power sold in the WEM. Please see section "Stabilization Fund: Post-Energy Crisis Regulations and Legislation."

The equipment installed in the electric power generation facilities in Argentina can be classified into the following types, according to the natural resource and the technology they use: thermal fossil, nuclear, hydraulic, wind, solar, biomass or, early form, geothermic.

Thermal fossil equipment, in turn, can be sub-classified into four technological types, according to the thermal cycle that they use in order to generate electric power: steam turbine, natural gas turbine, combined cycle, and diesel engines.

Export and Import of Electricity

The WEM is defined as an open market having boundaries through which energy may be exchanged with countries that are interconnected by means of the SADI. Pursuant to the Electricity Law, the export and import of electricity must be approved by the SE.

The SE and the former Governmental Secretariat of Energy issued regulations to assure the transparency of transactions involving the import or export of electricity and minimum reciprocity standards and certain symmetry between the WEM and the electric market of the bordering country. These conditions include, among others, an electricity dispatch system based on economic costs, open access to remaining transmission capacity, and non-discriminatory conditions for purchasers or sellers of both countries.

Independent generation agents, co-generators or traders can be the selling party of an export agreement in the term market and may also conduct spot export transactions. Distribution agents, large users or electricity traders may be the purchasing party of a term market import agreement. Traders may conduct spot import transactions. However, through Resolution No. 95, the SE suspended the execution of new agreements within the term market, with exception for those derived from Resolutions of the SE No. 1193/05, 1281/06, 220/07, 1836/07, 200/09, 712/09, 762/09, 108/11, 137/11, and any other type of electricity supply agreement with a differential remuneration system established. Furthermore, Resolution No. 95 provided that once the agreements in the market were determined were terminated, large users of the WEM were obliged to acquire their demand of electricity from CAMMESA. With regard to contracts executed in the term market, which were in force on March 22, 2013, the SE established that such contracts should be performed in accordance to existing regulations until their termination, without possibility of entering into renewals or extensions

Notwithstanding the foregoing, Section 10 of Law No. 27,191 excludes renewable power generation of the limitations imposed to the execution of contracts in the term market. In this context, the former ME&M issued Resolution No. 281/2017 ("Resolution No. 281"), creating the Renewable Energy Term Market (Mercado a

Término de las Energías Renovables -"MATER"-), in which generators, self-generators, co-generators and traders can enter into energy supply contracts, agreeing on their essential conditions in a framework of autonomy and contractual freedom.

Pursuant to Decree No. 974/97, import and export transactions are carried out through the Sistema de Transporte de Energía Eléctrica de Interconexión Internacional (TEII), a public service subject to a concession granted, currently, by the SE. The SE will grant concessions for the construction and operation, or only the operation of TEII Systems.

Electricity Transmission

Electric power is transmitted from the generators' delivery points to the distributors' or large users' reception points, as the case may be, through the transmission system owned and operated by different transmission companies. Transmission is divided into an extra high-voltage transmission system—operated by TRANSENER—and several high voltage trunk transmission systems, operated by TRANSNOA, DISTROCUYO, TRANSBA, TRANSNEA, TRANSPA and C.O.T.D.T. Comahue.

Tariffs applied by electric power transmission companies include a connection charge, a transmission capacity charge, and a charge for the energy effectively transmitted. An independent regulation applies for system extension charges. Transmission tariffs are passed through to final customers through distributors.

Electricity Distribution

Distributors supply electric power to final customers within a certain area. Although distributors' concession agreements do not contain specific requirements for investments, distributors have an obligation to connect new clients and to satisfy any increase in demand for electricity.

Each distribution company operates under a concession agreement entered into with the federal or a provincial government, as the case may be, that establishes, among other things, its concession area, the quality of service it is required to provide, the tariffs which it is permitted to charge and the characteristics of its obligation to satisfy demand. The ENRE or the provincial regulator monitors compliance by the distribution companies with the provisions of their respective concession agreements and with the Electricity Law or provincial laws, as the case may be, and provides a mechanism for public hearings at which complaints against distribution companies can be brought forward and solved.

In accordance with the Electricity Law, the tariffs approved by the ENRE that distributors may charge to final customers shall provide for costs associated with operation and maintenance of networks, costs of energy purchased on the market, and a return on their asset bases.

Emergency of the Electricity System

On December 20, 2019, the Solidarity Law was enacted by Congress, declaring the public emergency in tariff and energy matters, as well as in several other areas, including economic, financial, fiscal, administrative, social security, health and social, vesting upon the Executive Branch broad powers to fulfill the purposes envisaged in such law.

For instance, the Solidarity Law empowered the Executive Branch to maintain electricity and natural gas tariffs under federal jurisdiction at current levels and engage in the renegotiation of the current comprehensive tariff review or engage in an extraordinary review, for a term of up to 180 days from the law effective date, seeking to relieve the tariff burden on households, businesses and manufacturing facilities in 2020. The provinces were also invited to adhere to this policy.

By means of Decree No. 311/2020, the Executive Branch established the prohibition for electric energy service providers (among other services) to suspend or cut off services in case of default or non-payment of up to seven consecutive or alternate invoices, due as from March 1, 2020 (subsequently modified to six invoices). Such measure is applicable with respect to: beneficiaries of the Universal Child Allowance (AUH) and Pregnancy Allowance; beneficiaries of Non-Contributory Pensions who receive gross monthly income not exceeding two times the Minimum Living and Mobile Wage; users registered in the Social Monotax Regime; retirees and pensioners; workers in a relationship of dependency who receive a gross remuneration lower or equal to two Minimum Vital and Mobile Wages; monotax workers registered in a category whose monthly annual income does not exceed two times the Minimum Vital and Mobile Wage; users who receive unemployment insurance; electro-dependents, beneficiaries of Law No. 27,351; users included in the Special

Social Security Regime for Employees of Private Homes (Law No. 26,844); exempted from payment of ABL or local taxes of the same nature; Micro, Small and Medium-sized Enterprises (MSMEs), as provided for by Law No. 25,300 affected by the emergency; Cooperatives, Small and Medium-sized Enterprises (SMEs), as provided for by Law No. 25,300. 300 affected in the emergency; Work Cooperatives or Recovered Companies registered in the National Institute of Associativism and Social Economy (INAES) affected in the emergency; public and private health institutions affected in the emergency; Public Welfare Entities that contribute to the elaboration and distribution of food within the framework of the food emergency. Said prohibition to suspend or cut off services was extended by Decree No. 756/2020 until December 31, 2020.

On June 19, 2020, by means of Decree No. 543/2020, the Executive Branch extended the tariff freeze for an additional 180 days from the expiration of the previous term. All this, with the purpose of reducing the real tariff burden on households and companies by 2020.

On December 16, 2020, by means of Decree No. 1020/2020:

(i) the renegotiation of the integral tariff revision in force corresponding to the providers of public utilities of transportation and distribution of electric power and natural gas under federal jurisdiction was initiated, within the framework of the provisions of Article 5 of the Solidarity Law. The term of the renegotiation may not exceed two years as from the date of issuance of the referred Decree.

(ii) the Executive Branch extended the period for maintaining the electricity and natural gas rates established in Article 5 of Law No. 27,541 on Social Solidarity and Productive Reactivation in the Public Emergency Framework, extended by Decree No. 543/20 from its expiration date and for an additional period of 90 calendar days or until the new transitory tariff schedules resulting from the Transitional Tariff Regime for the public transport and distribution services of natural gas and energy come into force that are under federal jurisdiction, whichever occurs first, with the scope that corresponds in each case.

(iii) the Executive Branch extended the intervention of ENARGAS and ENRE for a term of one year from their expiration date (that is, as of December 31, 2020) or until the renegotiation of the rate review set forth herein, whichever occurs first.

Also, on January 19, 2021, through Resolutions No. 16/2021 and 17/2021, the ENRE formally initiated the procedure for the transitory adjustment of the tariffs of the public utilities of distribution and transportation of energy, with the purpose of establishing a Transitional Tariff Regime, until a Final Renegotiation Agreement is reached. For such purpose, it summoned EDENOR S.A., EDEDUR S.A., TRANSENER S.A., TRANSBA S.A., TRANSPA S.A., TRANSCO S.A., TRANSNEA S.A., TRANSNOA S.A., DISTROCUYO S.A., and the Ente Provincial de Energía del Neuquén.

In addition, on January 21, 2021, the SE issued Resolution No. 40/2021 ("Resolution 40"), by means of which it established:

(i) a "Special Regime for the Regularization of Obligations" for the debts maintained with CAMMESA and/or with the WEM of the electricity distributors agents of the MEM, whether for energy consumption, power, interest and/or penalties, accumulated as of September 30, 2020;

(ii) a "Special Credits Regime" for those electricity distributors that, being WEM agents, do not register debt with CAMMESA and/or the WEM or are considered within reasonable values in relation to their level of transactions as of September 30, 2020;

Both regimes will be implemented through the signing of particular *Actas Acuerdo* that will be signed between the electric power distributors agents of the WEM and its granting authority and/or control entity and the SE, where the treatment of the entirety of the comprised debt and the obligations to which the distributor will be subject. These *Actas Acuerdo* will include undertakings on energy efficiency, technology applied to the provision of the service and/or inclusion of subsidy targeting tools or tariff structuring based on the socioeconomic characteristics of the users. With respect to the "Special Regime for the Regularization of Obligations" -item (i) -, the SE may recognize credits equivalent up to 5 times the average monthly bill of the last moving year or up to 66% of existing debt. The credits may be applied to the accumulated debt as of September 30, 2020. Resolution 40 also establishes the undertakings that distributors must assume to access the regime, and the criteria that the SE will adopt to recognize the amounts.

Thus, Resolution 40 provides that, as a prerequisite for accessing the Special Regime for the Regularization of Obligations, the electricity distributor agent of the WEM together with the provincial authority with powers to set rates and determine the rate schedule (granting authority and/or regulatory entity) of each jurisdiction, must make a formal presentation to the SE with the information detailed in Annex III of that resolution. In addition, the distributors must submit: (i) a detailed Work Plan that allows the year 2021 to go through with such sustainability that distributors do not incur in defaults with CAMMESA's monthly billing payments; (ii) commitment of the granting authority to comply with the corrective measures proposed in the Work Plan to avoid new breaches; (iii) the distributor's commitment to assign the collection accounts to CAMMESA as collateral and/or to establish a special account where the sums they receive monthly corresponding to the supply, transportation and/or any other concept that must be paid to CAMMESA are deposited; these funds will be exclusively used for payment of the CAMMESA invoice. Additionally, other guarantees may be offered, all within the framework of the agreement of the Special Regime for the Regularization of Obligations that is subscribed; (iv) information regarding non-WEM agent providers within its concession scope with the following information; (v) detail of debt during the validity of Decree No. 311/2020 and amendments broken down into its different categories detailing the evolution of the number of users and amounts owed to distributors of 3 or more invoices with opening between capital and interest. Likewise, the evolution of the number of delinquent users and amounts in arrears must be reported on a monthly basis, taking into account the category of users and the number of unpaid invoices per category that are framed under Decree No. 311/2020 and amendments; (vi) number of users with the benefit of the social rate, open by inclusion criteria and amounts involved; (vii) the waiver of any right, action or administrative, judicial, extrajudicial or arbitral claim, in the Argentine Republic and / or abroad against the National State or any of its dependencies and / or CAMMESA, in relation to the maintenance of the tariff. of the year 2020, the provisions of Decree No. 311/2020 and its extensions and / or Laws No. 27,341, 27,431 and 27,541.

In order to determine the amount to be recognized as credit to be applied to the accumulated debt, according to article 1 of the Special Regime for the Regularization of Obligations in this ANNEX, the Application Authority will consider the following criteria: (a) adherence to article No. 5 of Law 27,541 and Decree No. 311/2020 and the date of the last rate update and, if applicable, the date on which the rate should have been adjusted. The maximum amount to be recognized by this criterion will be the equivalent of an average monthly invoice of the distributor in the year 2020; (b) evolution of the number of users, open in their different categories, and amounts involved during the validity of Decree 311/2020 and amendments, that are owing the distributors three (3) or more monthly invoices with opening between capital and interest. Likewise, users who fall under Decree No. 311/2020 and its amendments must be discriminated. The amount to be recognized for this concept must be exclusively destined to regularize the debt of said users; (c) evolution of users with social tariff: number of users with the benefit open by inclusion criteria and amounts involved; (d) evolution of total uncollectability and by category of user, as a percentage of the turnover of the corresponding category (residential, commercial, industrial); (e) measures implemented to recover collectability. The measures implemented in order to recover collectability will be considered positively; (f) Income from the sale of the regulated service, the components that make up the pass through (energy and transportation purchases) and the gross margin, that is, the Distribution Added Value (VAD), expressed in current values for the years 2019 and 2020; (g) evolution of costs expressed in current values for the years 2019 and 2020; (h) evolution of investments: opening of physical and monetary investments for the years 2019 and 2020. The maintenance of the investment level during the year 2020 will be considered positively; (i) in the appropriate cases, it will be informed if provisions regarding the seasonal price, taxes and / or current rate adjustments are pending transfer to the applicable rate tables.

Likewise, Resolution 40 provides that those distributors whose accumulated debt as of September 30, 2020 exceeds the credit recognized in the agreement must avail themselves of a Payment Plan under the following terms: (a) Grace period: up to 6 months, as of the date of signing the Agreement between the SE and the distributor and its granting authority and / or regulatory entity; (b) Term: up to 5 years, that is, up to 60 monthly installments once the grace period has ended; (c) Interest Rate: an interest rate of up to 50% of that in force in the Wholesale Electricity Market.

The distributors that agree on regularization plans must replicate the conditions of the same to the treatment of the debts that the Electric Power Distribution Cooperatives that provide services in their concession area maintain with them as a condition for the entry into force of their Agreement of regularization. In the event that the Cooperatives do not maintain debts with the distributors or they are considered within reasonable values in relation to their level of transactions as of September 30, 2020, they must respect conditions similar to those

provided for the compliant distributors with said non-agent providers. in accordance with article 2 of the Special Regime for the Regularization of Obligations.

In the event that the distributors fail to comply with their obligations to pay the current billing of the CAMMESA invoice, it must inform the SE, which will order the resolution of the regularization Agreement, or a part of it, which will imply the loss of the benefits recognized in the resolution, carrying out a new settlement of the debt with its accessories.

Regarding the "Special Credit Regime" (item (ii)), the SE will recognize the credits provided for in paragraph 7 of article 87 of Law No. 27,591 (provided in the next paragraph) to those Electric Power distributors, agents of the Wholesale Electricity Market (WEM) , that as of September 30, 2020 have no debt or its debt level is lower than an average transaction of the distributor for the year 2020.

In this sense, Article 87, paragraph 7, of Law No. 27,591 sets forth the following: "Establish a special credit regime for those distributors, administrations or provincial companies that distribute electricity, whatever their legal organization, that as of September 30, 2020 do not have debt or their level of debt is considered within reasonable values with CAMMESA and/or with the WHOLESALE ELECTRIC MARKET. These credits will be equivalent to FIVE (5) times the average monthly bill for the last year (2020), and the provincial authorities may allocate them to benefits for users and consumers of the public electricity service, to the automatic cancellation of payment obligations with CAMMESA and / or investment in infrastructure works in electrical energy that allow the improvement in the quality or the expansion of the service in their respective jurisdictions."

The amount of the recognized credits that are agreed between the SE with the WEM agent distributors and their granting authority and/or control entity, will be applied to the cancellation of CAMMESA's monthly invoice as long as it represents a maximum of thirty percent (30%) of the invoice that must be paid by the distributor, not being able to delay in its payments during the term of the same.

As a prerequisite to access the regime referred to in the previous paragraph, the Electric Power Distributor, agent of the WEM, together with the granting authority and/or regulatory entity of each jurisdiction, must make a formal presentation to the SE and CAMMESA, together with the information required according to Annex III of Resolution 40. Likewise, as a sworn declaration, the distribution company must renounce all right, action or administrative, judicial, extrajudicial or arbitral claim, in the Argentine Republic and / or abroad against the National State or any of its dependencies and / or CAMMESA, in relation to the rate maintenance of the year 2020, the provisions of Decree No. 311/2020 and its extensions and/or Laws No. 27,341, 27,431 and 27,541.

Additionally, the Distribution companies, with the endorsement of the granting authority, must submit as a sworn statement a report with the destination of the credit, the form of implementation, the application schedule, and the quantification of the expected benefits, being able to decide between the following options such as destination of the credit: (i) benefits to users of the public electricity service; (ii) application to the cancellation of debts contracted with CAMMESA; (iii) investment in infrastructure works, energy efficiency or incorporation of technology in the service that allow the improvement of the quality of the same in certain points of the distribution network, or the expansion of said network.

The regulatory entity with jurisdiction over the distribution company, or the body that fulfills the function of controlling the electricity distribution service, will be responsible for auditing compliance with the Agreement and must report monthly the progress of its implementation to the SE and CAMMESA.

In the event that the regulatory entity or control body does not present the progress report on the implementation of the Agreement or if it is detected that the application does not comply with what is committed in the signed agreement, CAMMESA will inform the SE, which will have the power, in case the distribution company does not remedy the situation, to declare the expiration of the Agreement as of the date of detection of the breach.

Finally, it is foreseen in Resolution 40, in relation to the Special Credits Regime, that in the agreements to be entered into will consider those credits registered by the distributors within the framework of the Electricity Rates Convergence Program and Reaffirmation of Federalism in the Argentine Republic for investment renderings submitted and approved in a timely manner and pending disbursements, in order to comply with the provisions of Article 15 of Law No. 27,341 in similar terms to the provisions of Article 6 of ANNEX I of Resolution 40 .

By means of Resolution No 53/2021, dated March 3, 2021, the ENRE called for a public hearing to discuss the "Transition Tarff Regime" to be applied by EDENOR and EDESUR, all within the integral tariff revision process. The public hearing will be held on March 30, 2021.

On March 5, 2021, the ENRE issued Resolution No. 58/2021, instructing EDENOR and EDESUR to issue the invoices for the electricity distribution public service including only the amounts due for consumption in the invoiced period, and separately, inform debts originated or accrued during the mandatory quarantine (ASPO) and the social distancing measure (DISPO), without contemplating interests.

The amounts owed to these distribution companies shall be paid following the guidelines to be established by the ENRE. Until then, EDENOR and EDESUR must not pursue its collection. In addition, EDENOR and EDESUR must refrain from suspending supply of their services due to the amounts owed up to February 28, 2021.

On April 30, 2021, the ENRE issued Resolutions No. 106 and 107, through which the values of the Own Distribution Cost and the values of the tariff regime of EDESUR (106) and EDENOR (107) were approved.

Prices

Seasonal Price

The actual price paid by distributors for the purchase of electricity must be approved by the SE in a biannual, seasonal forward-looking system calculated on the basis of projections of supply and demand of electricity made by CAMMESA and designed to mirror Spot Price variations and values. Such price is known as "seasonal price" and is based on an estimate of the weighted average Spot Price that would be paid by the next generator that would come on-line to satisfy a theoretical increase in demand (marginal cost), as well as the costs associated with the failure of the system and several other factors. CAMMESA uses seasonal databases and optimization models in determining the seasonal prices and would consider both anticipated energy supplies and demand, including, expected availability of generating capacity, committed imports and exports of electricity and the requirements of distributors and large users. However, since 2002, these values have been fixed by the SE regardless of the Spot Price and projections of supply and demand.

The amendments to the regulatory framework introduced in 2002 because of the emergency declared by Law No. 25,561 resulted in significant changes to the seasonal prices charged to distributors in the WEM, including the implementation of a pricing ladder organized by level of customer consumption (which varies depending on the category of customer) charged by CAMMESA to distributors at a price significantly below the price charged by generators.

The above described situation has led to a permanent shortfall in the seasonal price with respect to the real cost of energy. In this context, due to the freezing of distribution tariffs, the amounts collected by CAMMESA to pay the amount owed to the generators was not enough and the Stabilization Fund was used to reduce the shortfall. However, this circumstance has created a growing deficit in the Stabilization Fund that had been absorbed by the Argentine government through subsidies since 2001.

As a result of the deficit in the Stabilization Fund, the Argentine government, through SE's Resolution No. 406/2003, established an order of priority for the debt consolidation in favor of WEM creditors: (a) amounts due and owing to the unified fund created by the Electricity Law; (b) monthly incomes attributable to the WEM's funds and accounts; (c) the balance owed to the WEM agents once the items set forth in items (d), (e) and (f) following, shall have been paid; (d) items related to the payment of power and services rendered to the WEM; (e) amounts corresponding to: (i) energy produced and delivered in the spot market, valued at its operating costs in accordance with variable production costs declared and approved for thermal generators plus any transportation charges related thereto, (ii) energy produced and delivered in the spot market by hydroelectric power stations, valued at the average cost established in Annex 26 of CAMMESA's Procedures, plus any transportation charges related thereto, (iii) compensation corresponding to electric power transporters, and (iv) amounts due and owing to additional providers of transportation technical operation who are not distributors; and (f) the commitments undertaken in in connection with Annexes II, III and IV of SE's Resolution No. 01/2003.

Through Resolution No. 6/2016, the former Ministry of Energy acknowledged the mismatch between the real costs and the prevailing prices. However, based on social policy reasons, said Ministry fixed a new seasonal price for the WEM still at a price lower than the real cost of supply. Resolution No. 6 also aimed at moving forward in the progressive implementation of a program of standardization of the different macroeconomic variables, promoting the reasonable and efficient use of electricity and securing the proper conditions for the incorporation of private investment in the different activities and segments of the industry.

Since then, the National Executive Branch continued fixing the WEM seasonal prices, through several resolutions and orders, including: Resolution No. 22/2016 handed down by the former Secretariat of Electrical Energy ("SEE"), Resolution SEE No. 41/2016, Resolution SEE No. 384 E/2016, Resolution SEE No. 20 E/2017, Resolution SEE No. 256 E/2017, Resolution SEE No. 979 E/2017, Order No. 44/2018 handed down by the Undersecretariat of Electrical Energy ("SSEE"), Order SSEE No. 75/2018, Order SSEE No. 97/2018 and Resolutions Nos. 14/2019 and 38/2019 of the Secretariat of Renewable Resources and Electricity Market, and Resolution No. 70/2020 issued by the Secretary of Energy, which maintained the prices approved for the previous seasonal period.

Stabilization Fund: Post-Energy Crisis Regulations and Legislation

The Stabilization Fund was designed to absorb seasonal differences between purchases made by distributors at seasonal prices and payments to generators for energy sales at Spot Prices. When the Spot Price is lower than the seasonal price, the Stabilization Fund grows, whereas when the seasonal price is lower than the Spot Price, the Stabilization Fund gets smaller. The outstanding payment balance of the fund at any time reflects the accumulated differentiation between the seasonal price and the price of energy per hour on the spot market. The Stabilization Fund must maintain a minimum amount in order to cover payments made by generators when the spot market prices during a particular quarter are higher than the seasonal price.

As mentioned above, after the crisis of 2001 and the framework of the Public Emergency Law, some important reforms were implemented to the WEM's regulatory framework, in order to implement price controls on the spot market while maximizing the capacity to supply energy in order to satisfy increasing demand, in a special situation of insufficient natural gas to supply domestic demand.

To this end, the SE issued Resolution No. 240/2003, which established criteria that were used to fix the Spot Price on the WEM paid to electricity generation companies, without modifying seasonal prices paid by end-users. As an example, among the results of Resolution No. 240/2003, in the framework of the Public Emergency Law, are the following:

- the denomination in pesos of the Spot Price paid by generation companies;
- the implementation of price ceilings on the spot market paid to generation companies, at Ps.120 per MWh; and
- the failure to update tariffs for the public service of distribution of electricity, which results in lower seasonal prices as compared to the price on the electricity spot market.

In connection with this, the Stabilization Fund was negatively affected by modifications to the seasonal price and Spot Price introduced by the Public Emergency Law and Resolution No. 240/2003, which created substantial deficits. As of December 31, 2010, the Stabilization Fund deficit was approximately Ps.37.0 billion. This deficit was financed by the Argentine government through loans to CAMMESA but continues to be insufficient to cover the differences between the spot price and seasonal price.

As mentioned above, the difference between the seasonal price charged to end-users and the Spot Price paid to generation companies is absorbed by the Argentine government through subsidies to the Stabilization Fund and by generators who accrue a credit against CAMMESA. As a result of the deficit in the Stabilization Fund, the Argentine government, through SE Resolution No. 406/2003, established an order of priority of payment in order for CAMMESA to distribute funds charged for the electricity sales to end-users.

Electricity Generation Remuneration

Resolution No. 95/2013 handed down by the SE and published in the Official Gazette on March 26, 2013, established a new general regime which replaced the remuneration scheme in force for all the sector of generation of electricity (generators, auto-generators and co-generators), or the "Included Generators", with the exception

of: (i) binational hydro electrical centers and nuclear generators; and (ii) the power and/or energy governed by contracts regulated by the SE which contain a differential remuneration under Resolutions of the SE Nos. 1193/05, 1281/06, 220/07, 1836/07, 200/09, 712/09, 108/11, 137/11, as well as any other energy contract which has a differential remunerative scheme established by the SE (such as the supply agreements entered into under the RenovAr program that will be described below).

Each generator could join the new scheme, but should first waive any administrative and/or judicial claim initiated against the Argentine government, the SE and/or CAMMESA in relation to the "Agreement for Project Management and Operation, Increase of Thermal Generation Availability and Adaptation of Remuneration for Generation 2008-2011" and/or Resolution No. 406/2003 of the SE. As well, each generation agent had to agree to renounce to make any administrative and/or judicial claims against the Argentine government, the SE and/or CAMMESA referring to the aforementioned agreement and/or Resolution No. 406/2003 of the SE.

Those generators excluded from Resolution No. 95 or generators who failed to comply with the waiver requirement would remain subject to the remuneration scheme set forth under Resolution No. 240/2003 of the SE.

In addition, Article 8 of Resolution No. 95 provided that, in order to optimize and minimize the costs of the supply of fuels to the WEM generation plants, the dispatch agency (CAMMESA) would centralize the commercial management and dispatch of fuels. As from the date of publication of Resolution No. 95, and upon termination of the contractual relationships between the WEM agents and their providers of fuels and related supplies, such operation costs shall no longer be recognized by CAMMESA.

Nonetheless, through Resolution No. 70/2018 issued by the former Secretariat of Government of Energy, the generators, co-generators and self-generators of WEM were authorized to procure their own fuel supply for the generation of electric power. The generation costs with own fuel will be valued according to the mechanism of recognition of the variable production costs recognized by CAMMESA.

For agents not willing, or otherwise unable, to avail of such option, CAMMESA would continue with the commercial management and the dispatch of fuels under the terms of Resolution No. 95, or under terms agreed upon in special regimes.

However, Resolution No. 70/2018 was repealed by Resolution No. 12/2019 of the Ministry of Productive Development, and the provisions in Article 8 of Resolution No. 95 came into force again.

The remuneration scheme under Resolution No. 95 was comprised of three items:

- Remuneration of Included Generators' Fixed Costs: takes into account and remunerates the energy placed at disposal in the hour of remuneration of power. The remuneration is subject to compliance of a "disposal goal" which equals to the average availability of technology of the three previous calendar years and the historic average availability of each unit. The remuneration that the generator will receive, according to the degree of compliance with the disposal goal, distinguishes between the following technologies: thermal, conventional and hydroelectric. Resolution No. 95/2013 provides that in the cases in which the remuneration of fixed costs cannot be obtained for non-compliance with the parameters of the disposal goals, this remuneration will not be lower than U.S.$12/MWh;

- Remuneration of Included Generators' Variable Costs (non-fuels): new values are established that replace the remuneration of variable costs of maintenance and other variable non-fuel costs. Its calculation is monthly and depends on the energy generated by each type of fuel; and

- Included Generators' Additional Remuneration: effective from economic transactions carried out in February 2013, the remuneration will be based on the prices and distribution set forth in Schedule III to Resolution No. 95. A portion of such remuneration will be directly for the benefit of the Included Generators, while the remaining portion will be used for new infrastructure projects in the electricity sector. This remuneration is calculated monthly on the basis of total generated energy.

Furthermore, Article 9 of Resolution No. 95 temporarily suspended the inclusion of new contracts in the term market under the WEM and determined that once those existing prior to the issuance of such Resolution No. 95 have been terminated, the large users of the WEM had the obligation to acquire their electricity demand from CAMMESA, subject to the conditions set forth by the former SE to that effect.

On August 20, 2013, the SE, by means of Communication SE No. 4858/13, implemented a payment priority mechanism whereby CAMMESA, following certain guidelines, would be required to account for the amounts it received, as a result of the implementation of Article 9 of Resolution No. 95, directly from WEM large users for the supply of their demand. Such amounts were allocated primarily to pay the remuneration of the generators according to the following scheme: first to cover fixed costs, then variable costs and finally the direct additional remuneration.

As it concerns the generation of electricity from renewable sources, Law No. 27,191 excluded the enforcement of regulations that limit the execution of contracts in the term market and as a result, Resolution No. 281 was issued, which created the Renewable Energy Term Market, which remains fully operational.

On May 23, 2014, Resolution No. 529/2014 ("Resolution No. 529") issued by the former SE was published in the Official Gazette which updated the remuneration amounts fixed in Resolution No. 95 for all Included Generators.

In addition, Resolution No. 529 included a new scheme of remuneration for non-recurring maintenance works for thermal generation, which is calculated monthly on the basis of total generated energy.

On the other hand, a change of methodology was implemented for thermal generators' fixed cost remuneration scheme, based on disposal. The fixed cost remuneration will be variable, based on recorded disposal, disposal goal, historical disposal and time of the year.

On July 17, 2015, the former SEE issued Resolution 482/2015, or "Resolution No. 482," whereby: (i) it replaced Annexes I, II, III, IV and V to Resolution No. 529/2014 (which amended Resolution No. 95) updating the remuneration amounts fixed therein; (ii) amended the calculation of transmission variable charges applicable to hydroelectric and renewable generators; (iii) incorporated an additional item referred to as "Funds for FONINVEMEM 2015- 2018's Investments;" (iv) included a remuneration item referred to as "FONINVEMEM 2015-2018 Direct Remuneration" applicable to units installed within the framework of FONINVEMEM 2015-2018; (v) included a new specific contributions scheme for generators involved in investment projects approved by the SE and a new incentive scheme for energy production and operational efficiency for Included Generators.

The former SEE amended the remuneration scheme established by Resolution No. 482 through Resolution No. 22/16.

The remuneration scheme established by Resolution No. 22/2016 was repealed by Resolution SEE No. 19/17, which established a remuneration scheme in U.S. dollars.

Resolution SEE No. 19/2017 was then repealed and superseded by Resolution SEE No. 1/2019 of the Secretariat of Renewable Resources and Electricity Market ("Resolution No. 1"), which maintained a remuneration scheme in U.S. dollars.

Finally, Resolution No. 1 was amended by Resolution No. 31 of the SE, published in the Official Gazette on February 27, 2020 ("Resolution No. 31"). Resolution No. 31 established a remuneration scheme measured in Argentine pesos, leaving behind the previous U.S. dollar valuation basis.

Resolution No. 31 sets forth, in its Annex VI, a mechanism of monthly adjustments to the values set forth in Argentine pesos. However, this mechanism was suspended -until otherwise determined- by means of note NO-2020-2910606-APN-SE#MDP, issued by the SE on April 8, 2020. This mechanism was finally superseded by means of Resolution No. 440 (as defined below).

Excluded from the scope of Resolution No. 31 are WEM generators, co-generators and self-generators with generating units committed under centralized agreements to meet the WEM demand (WEM Supply Agreements), whose electricity output is set aside to fulfill such agreements.

Resolution No. 31 was amended by Resolution No. 440/2021 issued by the SE and published in the Official Gazette on May 21, 2021 ("Resolution No. 440").

(1) Current Remuneration Schedule—Resolution No. 31 (amended by Resolution No. 440/2021)

Resolution No. 31 superseded Schedules I, II, III, IV and V to Resolution No. 1, and repealed its Article 8, fixing new prices for the energy and power delivered in the spot market for authorized generators (generation units without supply agreements).

Resolution No. 31, as well as Resolution No. 1 and its predecessor Resolution No. 19/2017, fixed a specific remuneration for thermal generators providing guaranteed power offered (DIGO) to CAMMESA. The DIGO remuneration, as well as the guaranteed power offered (DIGO), depend on the time of the year: summer (December, January, February), winter (June, July, August) and the remainder of the year (March, April, May, September, October, November).

In addition, Resolution No. 31 introduced a new remuneration basis, concerning the first 25 (HMRT-1) and second 25 (HMRT-2) hours of maximum thermal dispatch ("HMRT") in each month, also establishing a distinction between the summer period, the winter period and the remaining periods.

All remuneration prices were set in Argentine pesos with a monthly adjustment parameter, considering IPIM (Wholesale Price Index, published by INDEC) and IPC indexes. However, through Note NO-2020-24910606-APN-SE#MDP, dated April 8, 2020, the Secretary of Energy instructed CAMMESA to postpone, until further notice, the application of Annex VI of Resolution No. 31. This mechanism was finally superseded by means of Resolution No. 440

Subsequently, Resolution No. 31 was modified by Resolution No. 440, which implemented the following measures (among others):

(i) Annexes II, III, IV and V of Resolution No. 31 are replaced by Annexes II, III, IV and V of Resolution No. 440;

(ii) Article 2 of Resolution 31 (which had established that the remuneration values expressed in Argentine pesos would be updated according to the procedure indicated in Annex VI of Resolution No. 31), is repealed.

(iii) It is established that in order for Resolution No. 440 to be applicable, each WEM generating agent must submit a note to CAMMESA, within 30 calendar days from the publication of Resolution No. 440, expressing fully and unconditionally to the satisfaction of CAMMESA the waiver to any administrative claim or judicial process in progress against the Argentine government, the SE and/or CAMMESA, related to article 2 of Resolution No. 31, as well as the waiver to file any administrative and/or judicial claim against the Argentine government, the SE and / or CAMMESA in the future, in relation to it.

In the event that the generating agent does not submit the waiver note, the sales settlement will be carried out with the remuneration values in force prior to the sanction of Resolution No. 440. If the presentation is made once the indicated term has expired, the new remuneration values will be applied from the transaction of the month that the note presents, not corresponding to the retroactive liquidation to February 2021;

(iv) CAMMESA is instructed to carry out the reliquidation of economic transactions for the sale of energy by each generating agent, within the framework of Resolution No. 31, which had already been carried out from February 2021 to the date of the Resolution No. 440 with the new remuneration values, as long as the provisions of point (iii) above have been complied with;

(v) The measure will enter into force and will be applicable from the economic transactions of February 2021.

In addition, on May 21, 2021, the Secretariat of Energy issued note NO-2021-45741345-APN-SE#MEC, instructing CAMMESA to request the generating agents to express the waiver required by Resolution No. 440 in accordance with the model letter attached therein.

The model waiver letter reads as follows:

"In my capacity as legal representative of XXXXX SA,, […] I fully and unconditionally declare the withdrawal of any administrative claim or ongoing judicial process brought against the NATIONAL STATE, the SECRETARIAT OF ENERGY and / or CAMMESA related to Article 2 of Resolution SECRETARIAT OF ENERGY No. 31/2020, as well as the waiver to filing any administrative and / or judicial claim before the NATIONAL STATE, the SECRETARIAT OF ENERGY and CAMMESA in the future in relation to the matter in question.

Likewise, my client undertakes to avoid and dismantle any type of presentation, claim or lawsuit that could eventually be formulated by any shareholder of the capital stock, within the Argentine Republic or abroad, or before international organizations and / or courts.

In this way and with full compliance and adherence to the regulations in question, I greet you with distinction and consideration."

The remuneration methodology for spot market generators established in Resolution No. 440 is the following:

Authorized Thermal Generators' Remuneration:

Thermal generators will receive a payment for monthly power available, generated energy, operated energy, and generated energy during HMRT.

(a) Payment for monthly power available

(a.1) Base price for power applicable to generators not declaring DIGO

Minimum Price for Power

Technology	PrecBasePot $/MW-month
Combined-cycle Large > 150 MW	129,839
Combined-cycle Small <= 150 MW	144,738
Steam Turbine Large > 100 MW	185,180
Steam Turbine Small <= 100 MW	221,364
Gas Turbine Large > 50 MW	151,124
Gas Turbine Small <= 50 MW	195,822
Internal Combustion Engines >42MW	221,364

(a.2) Price for Guaranteed Power Offered (DIGO) applicable to generators declaring DIGO

Guaranteed Power Offered (DIGO)

	PrecPotDIGO	
	Winter/Summer	Remainder
Technology	$/MW-month	$/MW- month
Combined-cycle Large > 150 MW	464,400	348,300
Combined-cycle Small <= 150 MW	464,400	348,300
Steam Turbine Large > 100 MW	464,400	348,300
Steam Turbine Small <= 100 MW	464,400	348,300
Gas Turbine Large > 50 MW	464,400	348,300
Gas Turbine Small <= 50 MW	464,400	348,300
Internal Combustion Engines <=42MW	541,800	425,700

(a.3) Utilization Factor (FU):

The Utilization Factor (FU) affects the power remuneration and is calculated as the ratio of Operated Energy to Current Power Available in the last 12 months before the relevant month, without considering the maintenance hours authorized by CAMMESA.

$$FUgm = GenopAñoMóv_m / (DRP_{g.m.prom} \times hs\ año\ móvil)$$

Where:

GenopAñoMóvm: is the total operated energy of the generating unit "g" in the mobile year prior to the month "n" of the DTE emission.

hs año móvil: total hours in the mobile year prior to the month "m" of the DTE emission.

DRPg.m.prom: is the average Real Power Availability of the generating unit "g" in the mobile year prior to the month "m" of the DTE emission.

$$\mathbf{DRP_{g.m.prom}\ (MW)} = \frac{\sum_{mes\ m-12}^{mes\ m-1}(\mathbf{DRP_{g.mes}} \mathbf{x\ kFM})}{\mathbf{12}}$$

Where:

kFM: number of hours out of maintenance periods (authorized by CAMMESA) divided by the number of hours in the month.

(a.4) Real Power Availability (DRP) for generators not declaring DIGO:

REM BASE [$/month] = PrecBasePot * DRP [MW] * kFM

Adjustment for FU to REM BASE

If FU < 30%

REM TOT ($/month) = REM BASE * 0.6

If 30 %<= FU < 70%

REM TOT ($/month) = REM BASE * (FU + 0.3)

If FU >= 70%

REM TOT ($/month) = REM BASE

(a.5) Remuneration for Guaranteed Power Offered Availability for Authorized Thermal Generators declaring DIGO:

If DRP ≥ DIGO

Then,

REM DIGO [$/month] = (DRP – DIGO) [MW] * kFM * PrecMinPot + DIGO [MW] * kFM *

PrecPotDIGO

If DRP < DIGO

Then,

REM DIGO [$/month] = MAX {REM BASE; DRP [MW] * kFM * PrecPotDIGO * DRP / DIGO}

Adjustment for FU to REM DIGO

If FU < 30%

REM TOT ($/month) = REM DIGO * 0.6

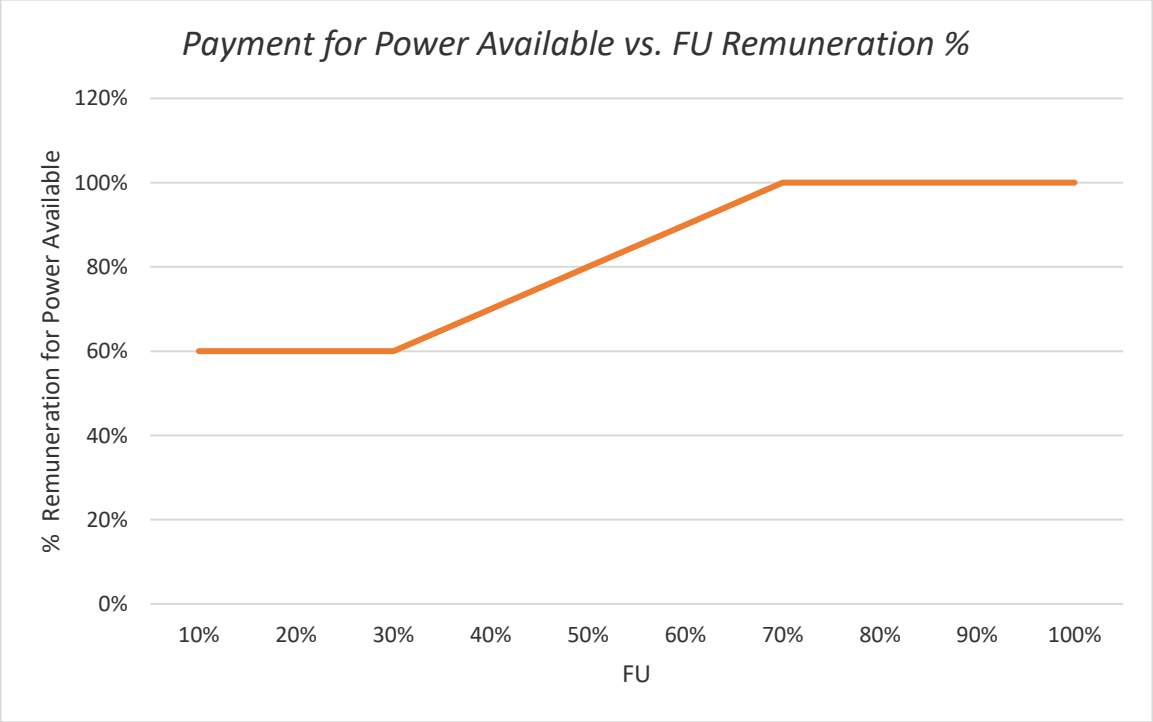
If 30 %<= FU < 70%

REM TOT ($/month) = REM DIGO * (FU + 0.3)

If FU >= 70%

REM TOT ($/month) = REM DIGO

The following chart shows the FU effect on the Remuneration for Power Available



(b) Remuneration for Generated and Operated Energy for Thermal Power Stations.

(b.1) The remuneration for Generated Energy must cover the O&M costs and depends on the type of fuel used. The following table shows the prices for Generated Energy:

	Generated Energy (O&M)			
	Natural Gas	**Fuel Oil/ Gas Oil**	**BioComb**	**Mineral Coal**
Technology/Scale		**$/MWh**		
Combined-cycle Large > 150 MW.....	310	542	774	0
Combined-cycle Small <= 150 MW	310	542	774	0
Steam Turbine Large > 100 MW	310	542	774	929
Steam Turbine Small <= 100 MW	310	542	774	929
Gas Turbine Large > 50 MW	310	542	774	0
Gas Turbine Small <= 50 MW.....	310	542	774	0
Internal Combustion Engines <=42MW	310	542	774	0

(b.2) The Operated Energy has a remuneration of $84/MWh for any type of fuel and is additional to rotating power over the month.

When a generation unit is dispatched out of the optimal dispatch for operational reasons not attributable to forced generation due to transmission, voltage control or safety requirements, the remuneration for operated energy will be calculated considering that such operated energy is equal to 60% of net installed capacity, regardless of the energy delivered by the generation unit, plus rotating power calculated as the difference between net installed capacity and generated energy.

(c) Remuneration for maximum thermal dispatch (“HMRT”) for thermal generators:

(c.1) This remuneration is applicable to the average power delivered during the 25 hours of HMRT in the relevant month, defined above as HMRT-1 and HMRT-2.

The remuneration price "PrecPHMRT" is $37,500/MW, and is affected by a seasonal factor FRPHMRT, as indicated in the table below:

	FRPHMRT			
HMRT	**Summer**	**Fall**	**Winter**	**Spring**
HMRT-1	1.2	0.2	1.2	0.2
HMRT-2	0.6	0	0.6	0

The remuneration during HMRT RemPHMRT for thermal power stations is calculated as:

RemPHMRT = Potgemhrt1 * PrecPHRT * FRPHMRT1 + Potgemhrt2 * PrecPHRT * FRPHMRT2

Where:

Potgemhrt1: average power generated during HMRT-1.

Potgemhrt2: average power generated during HMRT-2.

Remuneration of other technologies with spot market remuneration

The energy generated by authorized power stations from non-conventional sources, such as wind, solar, biomass and biogas, will be remunerated with a non-conventional energy price (PENC) set at $2,167/MWh.

The remuneration in Argentine pesos of Monthly Non-conventional Generated Energy is calculated by the hourly integration in the month of the energy generated by the generation unit.

Thermal Energy Program

In January 2007, the SE issued Resolution No. 220/2007, which provided a framework for entering into WEM Agreements between the WEM (represented by CAMMESA) and generators which were not WEM agents as of the date of the resolution or did not have the generation equipment to be used, but could contribute to new additional generation and power availability to the system through projects selected by the Ministry of Planning or in which the Argentine government and/or IEASA were involved.

As described above, Resolution No. 220/07 is excluded from the general regime established by Resolution No. 95. Therefore, the regime established by Resolution No. 220/07 remains in force only for those contracts providing for a differential remunerative scheme according to this resolution.

Resolution No. 220/2007 provides that the agreements entered into within the framework of the Thermal Energy Program shall have a maximum 10-year term, and that the relevant stations shall engage in generation to the extent they are dispatched by CAMMESA.

The resolution further established that the offers for the projects had to be submitted to the former SE and include the following information: (i) number of units to be engaged and authorized; (ii) units' guaranteed availability; (iii) proposed term of the supply agreements; (iv) offered power availability for the proposed term; and (v) an unbundling of variable and fixed costs, and particularly, the financing costs, as well as supporting documentation thereto.

The power and energy supplies received a monthly compensation calculated on the basis of the annuity of installation costs and/or the calculation methods and variable and fixed costs reflected in the relevant WEM Agreement, which are determined and acknowledged by the former SE upon acceptance of the offers for the relevant projects.

Such costs may be revised by the SE whenever any of its components is significantly altered in order to assure that such costs are covered by the price established in the corresponding supply agreement.

Resolution No. 220/2007 further established that, to the extent the SE's Resolution No. 406/2003 remains applicable, payment obligations under the WEM Agreements entered into within the framework of the Thermal

Energy Program shall benefit from the priority established in Section 4(e) of such resolution. It also states that, in the event of a regulatory change in such priority order, payment obligations under such supply agreements shall have at least the same priority recognized for the operating costs of thermal generators. In other words, recovery of costs related to the supply agreements entered into within the framework of the Thermal Energy Program shall have at least the same priority as recovery of, for instance, the cost of fuel used for already installed capacity.

Through Resolution No. 1,836/2007, the former SE instructed CAMMESA to enter into with IEASA, the WEM Agreements within the framework of the Thermal Energy Program in connection with facilities to be informed in each case, approving the sample agreement to be executed, and stating that the particular conditions of each WEM Agreement should be approved by the SE.

Within the framework of the Thermal Energy Program, IEASA launched RFP No. 1/2007, Price Competition No. 1/2008, and RFP No. 2/2007. We were awarded agreements to supply 273 MW of the Thermal Energy Program. See "Business-Power Generation."

New Electricity Generation Capacity: Resolution No. 21/2016

Within the framework of Decree No. 134/2015, the former ME&M acknowledged the need of incorporating new thermal generation capacity. On March 22, 2016, through Resolution No. 21/2016, the former SEE issued a call for bids on new generation capacity and electricity production for the periods summer 2016/2017, winter 2017 and summer 2017/2018.

On June 14, 2016, through Resolution No. 155/2016, the former SEE announced the companies that had been awarded under this tender, and authorized CAMMESA to start the negotiations for the execution of the wholesale demand agreements with these companies and authorized CAMMESA to subscribe wholesale demand agreements with the awardees.

In this context, by regulatory instruction of the former SEE, CAMMESA invited companies to improve the prices of their offers which were considered admissible, but not adjudicated through Resolution of the former SEE No. 155/2016 with the purpose of evaluating the possibility of contracting an additional volume of firm capacity.

On July 14, 2016, through Resolution No. 216/2016, the former SEE announced the companies that had been awarded under this tender, and authorized CAMMESA to start the negotiations for the execution of the wholesale demand agreements with these companies mentioned therein.

Regulatory Framework of Renewable Energy in Argentina

In recent years, the generation of electricity from renewable sources has been included in the Argentine government's agenda.

In 1998, the National Wind and Solar Power Regime was approved by Law No. 25,019 (with its implementing regulations introduced by Decree No. 1597/1999), declaring wind and solar power generation countrywide a matter of national interest, and providing several tax benefits for generation projects from such sources.

In addition, upon the enactment of Law No. 26,190 in December 2006, as amended and supplemented by Law N. 27,191, with the implementing regulations introduced to both of them by Decree No. 531/2016 (collectively, the "Renewable Energy Law"), renewable energy generation has been deemed to be a public service and to research for technological development, and the manufacturing of equipment for that purpose have been declared of national interest. The Renewable Energy Law established a clear goal: to achieve a 20% participation of renewable sources in the Argentine electric matrix by December 31, 2025. This special regime and the renewable power supply agreements entered into with CAMMESA are excluded from the general regime of remuneration established by Resolutions No. 95, as amended and by Resolution No. 31.

In addition, the Renewable Energy Law established an investment regime for new construction works aimed at the production of electricity from renewable sources, which shall be in effect for 10 years.

The beneficiaries of this regime may be the individuals and/or legal entities holding investments and concessions related to new infrastructure for the production of electricity generated from renewable sources,

approved by the competent authorities, and located in Argentina, whose output will be dispatched to the WEM and/or public services.

The amendments introduced by Law No. 27,191 seek to establish a legal framework to boost investment in the field of renewable energies and promote diversification of the electricity generation matrix, increasing the degree of participation of renewable sources in the Argentine market. To that effect, among other issues, the Law:

- sets a short- and long-term goal: electricity generation from renewable sources shall reach an 8% participation in the market's electricity consumption by December 31, 2017. This percentage must be increased progressively and reach a 20% participation by December 31, 2025;
- increases the power limit set for the hydroelectric plants included in the promotion regime from 30 MW to 50 MW;
- modifies and expands the tax benefit scheme for eligible projects;
- creates the FODER, a public trust administrated by the BICE, which, among other things guarantees the payments of CAMMESA and the Federal State to renewable energy projects awarded under the RenovAr program. The Federal State is the trustor, the BICE is the trustee. The primary functions of FODER are to grant loans, capital contributions, guarantee monthly energy payment owed by CAMMESA in its role as off-taker in the PPAs subscribed within the framework of the RenovAr program, and, if applicable, pay the sale price of the projects awarded in such context;
- sets obligations for large users and large demands: large users and large demands being clients of the public distribution utilities or of the distribution agents, with power demands equal or greater than 300 kW must comply with gradual goals by means of auto-generation or the execution of power purchase agreements from renewable sources. This power purchase could be made directly from the generator, through a distributor that acquires the power demand from a generator, a trader or directly from CAMMESA.

The Renewable Energy Law defines the renewable sources as non-fossil energy sources suitable for a sustainable use in the short, medium and long term, including wind power, solar thermal, solar photovoltaic, geothermic, tidal, wave, energy from ocean currents, hydroelectrical up to 50 MW capacity, biomass, landfill gas, treatment plant gas, biogas and biofuels (except for the uses set forth under Law No. 26,093).

As specified in the implementing regulations, the regime established by Law No. 27,191:

- names the former ME&E (currently the SE) as the enforcement authority of the law; creates a promotional regime that shall apply to projects in new facilities, and in extensions or repowering of existing facilities, over new or used equipment, provided that they incorporate new assets, works and other services directly connected to the project; and
- provides that the goals set forth in the law shall be audited yearly as from December 31, 2018, with a 10% tolerance for user per year for the accomplishment of power consumption objectives set forth in the law. The difference up to a 10% in any year must be compensated in the following year and a penalty shall be applied to the amount exceeding 10%. In addition, if the compensation obligation is not met, a penalty shall be applied.

According to Decree No. 531/16, projects under Resolutions No. 220/2007, 712/2009 and 108/2011 may benefit from the promotional regime established under the Renewable Energy Law if (i) they have not started construction, (ii) they have been selected by the enforcement authority and (iii) the executed agreement is terminated. If they have already started construction, projects may benefit from the promotional regime to the extent they agree to make the required amendments to their executed agreements for them to conform to the Renewable Energy Law. The enforcement authority shall set forth a merit order for projects that have been approved and determine the granting of the promotional benefits for each project.

Based on the above, on September 29, 2016, the Ministry of Energy issued Resolution No. 202-E/2016, through which, among other measures:

- repealed Resolutions No. SE 712/2009 (except for one provision modifying the Procedures) and 108/2011;

- established that the supply agreements executed under Resolutions SE No. 712/2009 and 108/2011 which power plants have reached commercial operation as of the publication of Resolution No. 202-E/2016 shall maintain the agreed upon contractual terms and conditions (although pending tax benefits shall change in accordance with the new regulations as established in such resolution);

- provided for the terms and conditions under which owners of renewable projects with contracts executed under Resolution SE No. 712/2009, in respect of which the parties had not executed the respective addenda, may qualify for the benefits established in the Renewable Energy Laws and execute new contracts under such law (following the terms provided for in Resolution No. 202—E/2016); and

- set forth the terms and conditions under which owners of renewable projects with PPAs executed under Resolution SE No. 712/2009 or Resolution SE No. 108/2011 with respect to which (i) a grounds for automatic termination has taken place and (ii) disbursements have been made associated to the generation facilities in levels such that the effective commencement of works has occurred under Article 9 of Law No. 26,190, as amended by Law No. 27,191, may request its incorporation to the regime established by the Renewable Energy Laws through the execution of new supply agreements pursuant to the that law (following the terms provided for in Resolution No. 202—E/2016).

Tax Benefits under Law No. 26,190

The former regime envisaged the possibility of benefitting from the advanced recovery of the VAT corresponding to the new depreciable assets, other than vehicles or infrastructure works included in the proposed investment project, or from accelerated depreciation for income tax purposes; however, the same project could not avail of both benefits at the same time:

- advanced recovery of the VAT on the project's new depreciable assets or infrastructure works: the VAT as invoiced to the beneficiaries on the purchase, production, manufacture or final import of capital goods or the execution of infrastructure works that would have been billed, shall be credited against other taxes by AFIP as soon as at least three fiscal periods have expired counted from the fiscal period in which the investments were made, or either, it shall be recoverable in the term provided upon approving the project, in the conditions and with the guarantees set forth in that respect;

- accelerated asset depreciation for purposes of income tax or infrastructure works: the beneficiaries may apply depreciations on the investments associated to the projects subsequent to the fiscal year of qualification of the property and in the terms therein set forth. These depreciations are subject to a differential treatment depending on their timing: within the first, second or third twelve-month period after project approval. This alternative is subject to the condition that the assets are to remain as property of the project holder for at least three years counted from the date of authorization; and

- the assets associated to the projects under the Renewable Energy Law will be excluded from the taxable base for purposes of the tax of minimum presumed income provided by Law No. 25,063. This benefit comprises three fiscal periods closed after the setting up of the corresponding project. The goods have to be affected by the relevant project and have to be acquired by the company after the approval of the project.

The regime also provides for certain additional compensation in terms of Section 5 of Law No. 25,019. In that regard, the projects will be entitled to an additional compensation equivalent to Ps.0.015/kWh payable to the generators that produce electricity from renewable sources, except in the case of solar-based electricity, for which generators engaged in delivering public services will collect Ps.0.9/kWh.

Tax Benefits Under Law No. 26,190 as amended by Law No. 27,191

The Renewable Energy Laws, together with Decree No. 531/2016 and the rules of the former ME&M, set forth the Renewable Energies Promotional Regime which attempts to promote the use of renewable energy sources for the production of electricity, and which basically foresees the following tax benefits:

- Anticipated VAT refund and accelerated amortization in income tax, being possible to simultaneously access both benefits, with a reduction of the scope of the benefits depending on the timing of the actual commencement of the implementation of the project;

- Extension to 10 years of the tax loss carry-forward term, tax loss carry-forwards arising from the promoted activity may only be set off against net profit arising from the same activity;
- Exclusion of the assets affected by the promoted activity from the Minimum Presumed Income Tax taxable base, until the eighth fiscal year (inclusive) as from the effective start of execution of the works of the project. Note that this tax was abrogated as from tax periods commencing after January 1, 2019, in terms of Law No. 27,260;
- Exemption of the 10% tax withholding on dividends distributed by companies entitled to the promotional regime to the extent such dividends are reinvested in new infrastructure projects within Argentina. Note that the application of the 10% tax withholding on dividends has later been eliminated for all dividend distributions pursuant to the provisions set forth by Law No. 27,260 (published in the Official Gazette on July 22, 2016); Upon the enactment of Law No. 27,430 (published in the Official Gazette on December 29, 2017), net income earned by individuals, undivided interests and foreign beneficiaries in the form of dividends and profits distributed by companies will again be liable to tax at the 13% rate for fiscal years commencing on January 1, 2018 until December 31, 2019 and thereafter at the 7% rate. Upon the enactment of Law No. 27,541 (published in the Official Gazette on December 23, 2019) the application of the 7% rate was suspended until fiscal years commencing on or after January 1, 2021. According to recent reports, there is a bill under discussion by the National Congress to extend the provisions of Article 48 of the Social Solidarity Law for fiscal years beginning on January 1, 2021 and up to and including December 31, 2021;
- Tax certificate to be applied to the payment of national taxes, Presumed Income Tax and Internal Taxes, Presumed Income Tax and Internal Taxes, for the equivalent to a certain percentage of the national component of the electromechanical facilities (excluding civil works), and to the extent that the referred national component used in the project reaches a certain percentage. The tax certificate may be assigned to third parties only once. The one-time assignment of the tax certificate shall be subject to the non-existence of a liquidated and enforceable debt with the national tax authorities;
- Possibility to freely negotiate and request an increase in the renewable energy tariff to reflect additional costs arising from national, provincial, municipal or CABA taxes, rates, contributions or charges incurred after the execution of the renewable energy supply contract. In the case of contracting with CAMMESA, the request shall be made with the corresponding documentation that demonstrates the increase of costs. CAMMESA will evaluate this request. Section V of Decree No. 531/2016 details what should be considered as a "tax increase" and what is excluded from the aforementioned concept.

  The fiscal increases that are covered are:

  (a) increases in the existing general taxes, contributions and charges that are not exclusive nor specific of the activity, as a result of (i) the enlargement of the taxable base, (ii) amendments of tax exemptions, and/or (iii) an increase of the applicable tax rate;

  (b) creation of new general taxes, contributions and charges, which are neither exclusive nor specific of the activity.

  The following cases are excluded from the scope:

  (a) the cancellation of the benefit of custom duties exemption as a result of the expiration of the validity term (December 31, 2017);

  (b) new specific taxes, cannons or royalties created by those local jurisdictions that adhere to the regime after the expiration of the validity term of the exemption from these contributions (December 31, 2025). This exemption does not include potential fees for the use of state-owned lands where the projects may be developed; and

  (c) the creation of new specific taxes, cannons or royalties, at any moment, by those jurisdictions that have not adhered to the regime.

Those interested in participating in the Renewable Energies Promotional Regime shall give up benefits established in previous regimes in the frame of Laws No. 25,019 and 26,360, whilst the projects benefited by

such regimes may only access the Renewable Energies Promotional Regime to the extent that the works agreed in the relevant contracts have not begun at the date of the filing.

Adhesions to the regime of Law No. 26,190 as amended by Law No. 27,191

The following jurisdictions in which we produced wind and solar power generation adhere to the Renewable Energy regime:

- the Province of Chubut enacted the Law XVII No. 134 whereby it adhered to all the benefits granted by the national Law No. 27,191 and the Decree No. 531/2016 to incentivize the development of renewable energy sources projects for the production of electricity in their province;
- the province of Rio Negro enacted Law No. 5,139 whereby it adhered to all the benefits granted by the national Law No. 27,191 and the Decree No. 531/2016 to incentivize the development of renewable energy sources projects for the production of electricity in their province;
- the province of San Juan enacted Law 1443-A adhering to all benefits granted under National Law No. 27,191 and the Decree No. 531/2016 to incentivize the development of renewable energy sources projects for the production of electricity in their province; and
- the province of Buenos Aires enacted Law No. 14,838, whereby it adhered to all benefits granted by the national Law No. 27,198 and the Decree No. 531/2016 and provided the following exemptions for the term of 15 years in the following taxes:

  (a) Real Estate Taxes: the exemption covers those properties or their parts destined to the installation of energy generation stations harnessed through renewable energy;

  (b) Stamp Tax for acts or specific contracts related with the activity of energy generation through renewable sources; and

  (c) Gross Income Tax for the activity of electricity generation by the utilization of renewable sources.

PPA Agreements with IEASA

Resolution No. 712/2009 approved the framework agreement to be entered into by and between the WEM (represented by CAMMESA) and ENARSA—currently IEASA—in connection with the supply of electric power from renewable sources generated under agreements awarded pursuant to ENARSA Bid No. 1/2009.

Resolution No. 712/2009 also added Annex 39 and superseded Annex 40 to the Procedures. In this regard, the new Annex 39 sets forth the guidelines for renewable energy generation, excluding hydroelectric and wind power. Annex 40 establishes the guidelines for wind power generation.

Concerning the agreements to be awarded, before their execution, ENARSA had to engage in certain efforts with the former SEE to have the available generation capacity bid approved pursuant to which it would enter into each PPA with CAMMESA.

Based on the analysis of the bids received, the former SEE would consider the merits of contracting the capacity available and the associated energy, would instruct CAMMESA to enter into a PPA with the parties whose bids had been accepted, and would submit the specific language of the agreement to be entered into.

Below is a detail of the main features of the agreements approved by Resolution SE No. 712/2009:

(1) The energy supplied must be generated by units designated in accordance with CAMMESA's dispatch requirements and must be suitable to the generator's capacity.

(2) The PPAs would be effective for a term of 15 years as from the commercial operation date of the committed units, renewable for an additional term of up to 18 months.

(3) When electricity is generated from renewable sources other than biofuels (as would be the case of wind energy and/or photovoltaic), no payments will be due in exchange for power. In such cases, consideration will consist in the compensation due in exchange for the electricity delivered, a charge for management and the payment of a fraction of overhead expenses (charges for transmission,

expenses, rates and other specifically pre-determined items). The price of the electricity provided will remain constant throughout the effective term of each specific agreement.

(4) It also established a fund that guarantees up to 20% of payment obligations under the renewable energy supply agreements. Said fund is funded by CAMMESA through a monthly additional charge of up to 10% of the applicable charges for generation and associated energy.

Resolution No. 712/2009 further establishes that, to the extent that former SE's Resolution No. 406/2003 remains applicable, payment obligations under the WEM Agreements entered into within the framework of the Renewable Energy Program shall benefit from the priority established in Section 4(e) of such resolution. It also stated that, in the event of a regulatory change in such priority order, payment obligations under such WEM Agreements shall have at least the same priority given to the operating costs of thermal generators. In other words, recovery of costs related to the WEM Agreements entered into within the framework of the Renewable Energy Program had at least the same priority as recovery of, for instance, the cost of fuel used for already installed capacity.

We were awarded 399.4 MW out of the total 1,015 MW that were subject to RFP No. 1/2009, which comprises our Rawson I and II wind farms, currently in operation, and our Madryn Wind Farm Project, currently under development pursuant to Law No. 27,191, following its incorporation in accordance with Resolution No. 202-E/2016. Also, under RFP No. 1/2009, the Trelew wind farm was awarded to the then shareholders of Parque Eólico Loma Blanca IV S.A. (see "Business—Power Generation.")

On September 29, 2016, the Ministry of Energy issued Resolution No. 202 - E/2016, repealing Resolution SE No. 712/2009.

RenovAr (Round 1): Bidding Process for Renewable Energy Generation Projects

Pursuant to Resolution No. 136/2016, the former ME&M (i) instructed CAMMESA to call for national and international bids (RenovAr program (round 1)) for the qualification and potential award of bids for the execution of power purchase agreements of electricity generated from renewable sources and (ii) approved the bidding terms and conditions.

Summarily, the PPAs executed under this process will have the following terms and conditions:

- Purpose: the sale of electricity associated with the new equipment for generation of electricity from renewable sources in the WEM;
- Seller: is the MEM generating agent, co-generator or self-generator whose project was awarded through a special purpose vehicle;
- Off-taker: CAMMESA, on behalf of distributors and large users of WEM (CAMMESA may assign the PPA to distributors agents and/or large users of WEM, in accordance with regulations yet to be issued);
- PPA term: 20 years as from the commercial operations date;
- PPA Terms: Type and energy technology to be supplied; the total committed energy to deliver per year; the generation capacity of each unit and total installed capacity committed; the compensation to be received by the seller and to be paid by the off-taker for the electricity supplied, based on the price quoted in U.S. dollars per megawatt per hour (U.S.$/MWh) (payments shall be made in pesos at the applicable exchange rate); the terms and conditions of the performance guarantee to be provided by the seller; the regime of contractual penalties for non-compliance;
- Priority of PPA payment: the payment of the PPA will be deemed first in the order of priority, equivalent to the priority of payment under PPAs under Resolution No. 220/2007, priority which will remain without prejudice to any future exclusive collection system that applies to the amount paid by the demand for the PPA;
- FODER Guarantees: the monthly energy payments under the PPA shall be guaranteed by FODER, which have a single segregated 12-month reserve account to support monthly invoice payments to generators. The FODER further guarantees the payment of the price for the potential project sale option, which may be exercised by the seller under certain assumptions;

- Optional World Bank Guarantee. Guarantee payment of the price at the option of the sale exercised by the generator in case of the occurrence of any of the events set forth in the FODER Accession and Incorporation Agreement. This Agreement was signed by each generator awarded in the RenovAr Program.

- Call Option: the FODER Adhesion and Incorporation Agreement provides that the Argentine Government has the right to exercise the option to purchase the Power Plant in the event of certain defaults by the seller; and

- The operations of the energy plant in the WEM are governed by the regulatory framework comprised of Laws No. 15,336 and No. 24,065 and its regulations, and particularly the CAMMESA's Procedures.

Furthermore, the PPAs provide for a progressive schedule for the completion of certain project milestones. Accordingly, seller will be required to reach the following milestones within certain term, namely: (i) financial closing date, (ii) construction start date, (iii) equipment arrival date, and (iv) commercial operation date.

If seller experiences more than 60 days' delays in achieving the milestones in (i), (ii) and (iii), seller will be required to increase the performance bond under the PPA by an amount equal to 20% of the then effective performance bond under that agreement.

If seller delays in achieving commercial operation date, the off-taker (CAMMESA) will be entitled to enforce a fine of U.S.$1,388/MW of contracted power, per each day of delay in achieving commercial operation date. If the commercial operation does not occur within 180 days as from the agreed-upon commercial operation date, the off-taker will be entitled to unilaterally terminate the agreement.

Concerning the fines, the former ME&M issued Resolution No. 285/2018 ("Resolution No. 285"), published in the Official Gazette on October 11, 2018. Among other things, such Resolution provides that:

- The amount of the fines imposed by CAMMESA by reason of the failure to reach the commercial operation date agreed upon under the PPAs entered into by the awardees under Rounds 1, 1.5 and 2 of the RenovAr program will be deducted from the sum to be received by the seller being sanctioned under the PPA, as from the actual commercial operation date, in 12 monthly, equal and consecutive instalments.

- Within 10 business days from the publication date of Resolution No. 285 or from the notice of the respective fine, as the case may be, the seller being sanctioned under the PPA may, at seller's option and by giving irrefutable notice to CAMMESA, have the amount of the applicable fines deducted as from the actual commercial operation date, in up to 48 monthly, equal and consecutive instalments, accruing interest on the outstanding balance at an annual effective rate of 1.7% denominated in U.S. dollars.

- Upon the failure to reach the agreed-upon commercial operation date, after considering any extension pursuant to Section 7.2 of the PPA (up to 180 days from commercial operation date), seller will be afforded additional 180 subsequent days to reach the commercial operation date, under penalty of terminating the agreement, if seller: (i) proves to have reached project completion by no less than 70%, at the time and under the terms established by the Undersecretariat of Renewable Energy, (ii) had increased the amount of the performance bond under the PPA due to the failure to comply with project completion milestones prior to commercial operation, (iii) increases the PPA performance bond, at least, 10 business days before the termination date of the 180 day term set forth under the aforementioned Section 7.2 of the PPA, by an amount equal to 30% of the original performance bond under the PPA. In order to fulfill this requirement, seller will have to replace the then effective performance bond under the PPA—that is, including the amounts resulting from increases that could have been made upon the failure to reach previous milestones—with a new performance bond, including the amount of the original performance bond plus a 30% increase. The new performance bond under the PPA will be effective for no less than one year.

- If the commercial operation date is not reached within the additional 180-day period set forth under Resolution No. 285, the PPA will be terminated and the performance bond posted thereunder will be foreclosed, pursuant to the terms of such Resolution.

The daily fine envisaged under PPAs on grounds of failure to reach commercial operation date (U.S.$1,388/MW of contracted power) will be applied until the end of the 180-day extended term set forth under Section 7.2 of the PPA. Then, during the additional 180-day term set forth under Resolution No. 285 and until the actual commercial operation date, a daily fine will be applied per each MW of contracted power, equal to the daily fine less the duly evidenced percentage of project completion, in accordance with the guidelines set forth under Resolution No. 285. Additional extensions were set forth, for RenovAr 2 projects through Resolution No. 52/2019.

Through Resolution No. 72/16, (Subsequently amended by Resolution No. 414/2019 issued by the Secretary of Government for Energy, the former ME&M established the procedure for obtaining the Certificate of Inclusion to the Promotional Regime set forth in the Renewable Energy Law. This procedure shall apply to holders of projects developed under individual contracts or in the framework of the bidding of the RenovAr, co-generation or self-generation projects.

Holders of investment projects and/or licensees awarded in the framework under the call for bids obtained the Certificate of Inclusion and requested promotional benefits of their bid, in either full or in part, as applicable.

To this end, the application of benefits and quantification will be made under the bid procedures in which the interested party participates, and applying the same criteria set out in the procedure approved by Resolution No. 72/2016, according to the relevant terms and conditions other documentation of the respective procedure.

On September 5, 2016, 123 bids were filed. Through Resolution No. 213/2016 the ME&M awarded twenty nine renewable power purchase agreements distributed as follows: 12 wind power contracts totaling 708 MW with a weighted average price of U.S.$59/MWh; four solar projects totaling 400 MW with a weighted average price of U.S.$60/MWh; five small hydro projects totaling 11 MW, all at a price of U.S.$105/MWh; six biogas projects with a total installed capacity of approximately 9 MW, with a weighted average price of U.S.$105/MWh; and six biogas projects with a total installed approximately 9 MW, with a weighted average price of U.S.$154/MWh; and two biomass projects, for a total installed capacity of approximately 15 MW, both at a price of U.S.$110/MWh.

Among them, the Chubut Norte I and Villalonga wind farms were awarded.

RenovAr (Round 1.5): Bidding Process for Renewable Energy Generation Projects

Pursuant to Resolution No. 252-E/2016, issued on October 28, 2016, or "Resolution No. 252," the former ME&M called for national and international bids—RenovAr program (round 1.5) for the qualification and potential award of power purchase agreements, for electricity generated from renewable sources. This tender was only opened for bidders of wind and solar technologies who had participated in RenovAr program (round 1)—regardless of whether they had been previously qualified or not-and were able to offer better bid prices. Resolution 252 also approved the bidding terms, maximum PPA prices and a cap for tax benefits.

The price for solar technology projects was capped at U.S.$59.75/MWh, and tax benefits were capped at U.S.$720,000/MW.

On November 11, 2016, offers under round 1.5 were submitted. By mean of Resolution No.281E/2016, the former ME&M awarded thirty renewable PPAs for a total capacity of 1281.5 MW, as follows: 10 wind power contracts for an aggregate capacity of 765.4 MW with a weighted average price of U.S.$ 53.34/MWh, a minimum price of U.S.$ 46 / MWh, and a maximum price of U.S.$ 59.4/MWh; and 20 solar power contracts for an aggregate capacity of 516.2 MW with a weighted average price of U.S.$ 54.94/MWh, a minimum price of U.S.$ 48.00 / MWh and a maximum price of U.S.$ $59.20/MWh.

Accordingly, Centrales de la Costa was awarded the right to develop the Necochea wind farm project. For more information on the Necochea joint venture, see "Business—Our Power Purchase Agreements—PPA for Necochea Wind Farm Project." The Pomona I, Ullum I, Ullum II and Ullum III projects were also awarded.

RenovAr (Round 2): Bidding Process for Renewable Energy Generation Projects

Pursuant to Resolution No. 275-E/2017 issued on August 16, 2017, the former ME&M instructed CAMMESA to call for national and international bids through the RenovAr program (round 2) for the qualification and potential award of power purchase agreements, for electricity generated from wind, solar photovoltaic, biomass, biogas, biogas from sanitary landfill resources and small hydroelectric plants. In the same opportunity, the former ME&M also approved the bidding terms and conditions.

In this edition of RenovAr, a total of 1,200 MW was awarded. The eligible projects needed to be (i) new power plants; or (ii) extensions or repowering of existing power plants; (iii) carried out on either new or used equipment; (iv) and proven technologies. The presentation of projects of co-generation or self-generation is allowed.

We submitted eleven projects, including six from our pipeline for wind and biomass power generation. Through Resolution No. 473-E/2017 issued on November 29, 2017 by the Ministry of Energy, we were awarded the right to develop our Chubut Norte III and Chubut Norte IV projects. In addition, through Resolution No. 488-E/2017 issued on December 19, 2017, we were awarded the right to develop La Florida Biomass Project. For more information on the Chubut Norte III, Chubut Norte IV and La Florida projects, see "Business—Power Generation—Our Expansion Projects."

Renewable Energies: New Term Market (MATER) Regime—Resolution No. 281

As explained above, to the extent that Law No. 27,191 excludes the generation of energy from renewable sources from the limits imposed on the subscription of forward market contracts, the former ME&M issued Resolution No. 281 (as amended by Resolution No. 230/2019 of the Secretary of the Government for Energy) which regulates the MATER, in which Generators, Generators, Auto generators, Co-generators and Marketers may enter into energy supply contracts, agreeing on their essential conditions within a framework of autonomy and contractual freedom, particularly with respect to the duration, allocation priorities, prices and other contractual conditions.

In this context, it established the conditions for compliance with the renewable energy consumption goals foreseen in Law N ° 27,191 by the large users of the WEM and the large demands (customers of the WEM distributors), while their demands for power are equal to or greater than three hundred kilowatts (300 kW) means, through individual contracting in the MATER or self-generation of renewable sources, in accordance with the provisions of Article 9 of Annex II of Decree No. 531/2016.

This Resolution was the result of a process of public hearings and sought to promote and encourage dynamic participation in the forward market, as well as the increase of private agreements between agents and WEM participants. In this way, Resolution No. 281 allowed large users to comply with their quotas for the consumption of electricity from renewable sources by means of: (i) the system of joint purchases developed by CAMMESA, (ii) individual hiring in MATER with generators or marketers (i.e., contracts for energy supply between private companies), or (iii) the development of self-generation or co-generation projects.

As a general principle, Resolution No. 281 established that the conditions of private supply contracts entered into in the MATER could be freely agreed upon by the parties in terms of duration, allocation priorities, prices and other contractual conditions.

For this purpose, projects for the generation, self-generation or co-generation of electrical energy from renewable sources authorized to supply electric power to large users ("Enabled Projects") must meet the following requirements: (a) They must be commercially enabled in accordance with CAMESSA's Procedures, after January 1, 2017; (b) Are registered in the Register of Electric Power Generation Projects of Renewable Source ("RENPER"); (c) They are not projects committed under another contractual regime, for the power already contracted.

Likewise, the generating agents, cogenerators or self-generation holders of the Enabled Projects may obtain the promotional benefits established in laws 26.190 and 27.191 in accordance with the provisions of article 1 of Resolution No. 72 of May 17, 2016, as will be explained in the following sections.

In this context, Enabled Projects are empowered to:

(i) Sell, through term market contracts, to large users or auto generator, the electric power produced or the one acquired through contracts with other generators, co-generators, self-generators or distributors of electric energy from renewable sources, in accordance with the rules governing transactions in the WEM.

(ii) Acquire, through term market contracts, other generators, co-generators, self-generators holders of qualified projects or marketers the energy they produce or market, according to the rules that govern transactions in the WEM.

(iii) Sell, through term market contracts, to other generators, co-generators, self-generators or electricity distributors from renewable sources, the electric power produced, according to the rules that govern transactions in the WEM.

(iv) Sell to CAMMESA the surplus of the electric power volumes committed in the contracts that they have entered into, in the terms and with the scope established in article 12, of Annex II of Decree No. 531 / 2016 and its modification. Such surpluses may not exceed ten percent (10%) of the generation of the Enabled Project.

(v) Act in the spot market, selling the surplus generated non-traded electricity in accordance with the provisions of the preceding paragraphs, which will be valued at the price established in Resolution No. 19 of January 27, 2017 or the one that replaces it in the future. (Resolution No. 1 and, currently, Resolution No. 31/2020).

Additionally, following the dispatch priority established in article 18 of Law No. 27,191, Resolution No. 281 provided for a priority regime applicable to generators of renewable source energy in cases of congestion associated with limitations in the available transport capacity. Thus, it established that the generation of the plants listed below will have the same dispatch priority and will have higher dispatch priority than the renewable generation that operates under the regime of Resolution No. 281 but has not requested priority according to the article 7 of its annex.

Thus, the following generation plants will be dispatched *pari passu*:

- run-of-river hydroelectric plants and power plants that generate from renewable energy sources that have entered into commercial operation prior to January 1, 2017;
- power plants that supply their energy in the framework of the PPAs celebrated by CAMMESA in the terms established in Resolutions SEE No. 712/2009 or No. 108/2011 that enter into commercial operation after January 1, 2017;
- power plants that supply their energy within the framework of the PPAs celebrated by CAMMESA through the system of joint purchases;
- power plants that supply their energy in compliance with the PPAs celebrated by CAMMESA within the framework of the provisions of Resolution No. 202/2016 of the former ME&M; and
- power plants that operate in the MATER including the self-generation and co-generation power plants, which have obtained the priority assignment in accordance with the provisions of articles 6 to 12 of the Annex to said resolution.

In general terms, Resolution No. 281 also provides for (i) the creation of the RENPER, (ii) the reduction of reserve and capacity charges to large users, (iii) a verification process to determine compliance with the consumption goals, (iv) penalties and (v) sanctions procedure.

Instructions issued by the SE in the context of the COVID-19 pandemic.

On June 10, 2020, the Secretary of Energy issued the note NO-2020-37458730-APN-SE#MDP, by which he instructed CAMMESA to suspend the computation of deadlines with respect to the execution of the contracts of the RenovAr Program Rounds 1, 1.5, 2 and 3, based on the health emergency declared by the Solidarity Law, the context of the global pandemic of COVID-19 and the preventive and mandatory social isolation provided by DNU No. 297/2020, from March 12 to September 12, 2020, inclusive (the "Suspension Period").

The Suspension Period was applicable to the computation of the terms of the obligations arising from the PPAs and reached the holders of projects that subscribed PPAs from renewable sources and contracts entered into under Resolutions No. 202/2016 and 281/2017 of the former ME&M and Resolution No. 287/2017 of the former Secretariat of Electric Energy, whose projects were not commercially enabled at the time of the beginning of the Suspension Period.

Subsequently, on September 10, 2020, the Undersecretary of Electric Energy issued note NO-2020-60366379-APN-SSEE#MEC, by which it instructed an extension of the Suspension Period until November 15, 2020 inclusive, for those projects that had not been commercially enabled as of March 12, inclusive. Notwithstanding the above, in order to benefit from such extension, each generator had to submit a note to

CAMMESA waiving the right to file any administrative and/or judicial claim before the National Government, the Energy Secretariat and CAMMESA in relation to the delays in each of the projects owned by it and due to the sanitary emergency.

On December 18, 2020, the Energy Secretariat issued the note NO-2020-88681913-APN-SE#MEC, by means of which the Suspension Period was extended for a term of 45 calendar days as from November 16, 2020, applicable only to those projects that have strictly complied with the provisions of the projects that strictly complied with the provisions of Note NO-2020-60366379-APN-SSEE#MEC.

On March 4, 2021, the Secretariat of Energy issued note NO-2021-19390103-APN-SE#MEC, setting forth the guidelines for CAMMESA to grant extensions of terms of up to 88 days to projects with contracts executed within the RenovAr Program (Rounds 1, 1.5, 2 and 3) and Resolution No. 202/16, with grounds on the foreign currency exchange restrictions imposed by Decree No. 609/2019 and Communication "A" 6770 of the Argentine Central Bank.

Pursuant to this note, CAMMESA may attend to requests for extensions of terms as long as:

(i) the companies prove that the issuance of Communication BCRA "A" 6770 had a negative impact in the fulfilment of the company's obligations under certain documents (and those that CAMMESA deems appropriate), namely: a) financing agreements breached due to the referred regulations; b) contracts executed with suppliers and contractors breached due to the referred regulations; c) other contracts affected by the referred regulations. These documents should be submitted along with a report from a public accountant or the president of the company owner of the project, describing the negative impact suffered during the execution of these contracts, due to the referred regulations;

(ii) the companies request a Review of Contractual Clauses under section 16.1. of their PPAs.

(iii) the companies and its Secured Lenders, if applicable, execute a waiver to any right, action or administrative, judicial, extra-judicial or arbitral claim in Argentina, abroad and internationally, against the National Government and/or CAMMESA, related to any action or omission during the 88-day term referred to in the note, and/or related to the causes mentioned in such presentation.

Environmental Regulations

Pursuant to Law No. 24,065, infrastructure, facilities and operation of the equipment associated with power generation, transmission and distribution of energy shall comply with certain measures to protect the watersheds and ecosystems. In addition, current or future emission standards established at a by competent authority, currently the Secretary of the Government of Energy. Law No. 24,065 further provides ENRE with the authority to protect real property, the environment and public security while building and operating electricity generation, transmission and distribution systems.

The Secretary of Energy and ENRE have enacted environmental protection standards, including but not limited to: (a) Resolution No. 475/87 of the SE that establishes that companies in the energy sector must submit to the SE the environmental impact assessment of the different alternatives proposed in energy projects and environmental studies carried out in all stages (inventory, prefeasibility, feasibility - executive), as well as the monitoring and environmental monitoring program during the useful life of the work; (b) Resolution No. 149/90 of the former Undersecretary of Energy of the Nation, amended by Resolutions No. 154/93 of the SE and 108/01 of the former Secretariat of Energy and Mining of the Nation, which sets the procedures for the environmental management of conventional thermal power generation plants; (c) Resolution No. 108/01 of the former Secretariat of Energy and Mining of the Nation that establishes emission standards for thermal power generation plants; and (d) Resolution No. 555/01 of the ENRE that establishes the obligation for all WEM agents to elaborate and implement environmental management systems and its complementary regulations such as, for example, Resolution No. 636/04 of the ENRE, among other regulations

In addition to the environmental standards specifically applicable to the electricity sector, we are also subject to other federal environmental standards such as (a) Law No. 24,051 and its Regulatory Decree No. 831/93 on the management of hazardous waste; (b) Law N ° 25,675 on general protection of the environment that, among other issues, establishes that any person who carries out activities that may represent a risk to the environment (according to Annex I of Resolution N ° 177/07 of the former Secretariat of Environment and Sustainable Development of the Nation) must acquire insurance for environmental damages of collective incidence to guarantee the payment of the remediation of the potential damage derived from said activities (in

accordance with Decree No. 447/2019); (c) Law No. 25,688 that establishes the minimum environmental budgets for the preservation of water, its use and rational use; and (d) Law No. 25,670 of minimum budgets for the management and elimination of biphenyls polychlorides ("PCBs") and its Regulatory Decree No. 853/07; and e) the standards related to fuel storage facilities such as, for example, Resolutions No. 419/93, 404/94, 1102/04 and 785/05 of the Secretariat of Energy of the Nation; among other regulations..

Since part of our business is conducted in the province of Buenos Aires, we are also subject to general environmental standards established by the legislation of the province of Buenos Aires, including but not limited to: (a) Law No. 11,723 as amended which establish the general environmental rules and regulations applicable in the province of Buenos Aires, including the obligation of abiding by the environmental impact study procedure, (b) Resolution No. 492/19 of the Provincial Organism for Sustainable Development ("OPDS") which establishes the environmental impact assessment procedure and the requirements for obtaining an environmental impact statement within the framework of Law No. 11,723; (c) Resolution No. 264/19 of the OPDS, which regulates the pre-feasibility of renewable energy projects; (d) Law No. 531/2019 and Regulatory Decree No. 1.741/96 which establishes the rules for the establishment of industries within the jurisdiction of the province of Buenos Aires, and (e) Law No. 11,720 and Regulatory Decree No. 806/97 which establishes special waste management rules and creates a registry for special waste generators and operators; (f) Law No. 14.343 on environmental liabilities which in turn provides for the obligation to contract environmental insurance for the execution of risky activities; g) Law No. 12,257 (Código de Aguas de la Provincia de Buenos Aires) and its complementary standards; among other things (h) Resolution No. 2222/2019 of the Water Authority, which regulates the processes for obtaining prefeasibility, suitability and permits: (i)Law No. 11,769, its amendments and its Regulatory Decree No. 2,479/04 that establish the regulatory framework of the electricity sector of the province of Buenos Aires; (j) Decree No. 1.074/18, regulation of Law No. 5.965 for the protection of sources of supply and courses and receiving bodies of water and the atmosphere, which establishes that all establishments generating gaseous emissions that discharge into the atmosphere should obtain the Licencia de Emisiones Gaseosas a la Atmósfera and Resolution No. 559/19 of the OPDS, which establishes the procedure for obtaining, modifying or renewing said License; and (k) Resolutions No. 231/96 (modified by Resolutions No. 1126/07 of the former Provincial Secretariat of Environmental Policy and 124/10 of the OPDS), 129/97 and 529/98 of the former Secretaría Provincial de Política Ambiental which establish that all the devices subject to pressure must be registered in the corresponding provincial registry and that these must be submitted to periodic tests; among other standards.

With regards to our business conducted in the Province of Chubut, we are subject to, for instance: (a) Law XI No. 35 (Provincial Environmental Code) regulated by Decrees No. 185/09 (amended by Decrees No. 1,379/13, 1,003/16 and 998/16) No. 1,005/16 and No. 1,540/16, which, among other issues, establish the duty to obtain the approval of the environmental impact study by the competent environmental authority and adhere to National Law No. 24,051 on hazardous waste and regulate liquid effluent emitting sources and the management of discharge permits; (b) Law XVII No. 53 (Provincial Water Code); (c) Law XVII No. 88 that establishes the provincial water policy, and its complementary rules such as, for example, Resolution No. 70/15 of the Ministry of Environment and Control of Sustainable Development of Chubut that establishes a series of applicable measures to those projects that contemplate water abstraction -surface or underground-; d) Law I No. 191 that establishes the regulatory framework for the electricity sector in the province of Chubut; ; and e) Resolution No. 37/17 of the Ministry of Environment and Sustainable Development Control, which establishes the specific methodology for the study of flying fauna to be carried out by proponents of wind projects within the framework of the environmental impact study; among other regulations

Moreover, due to the fact that most of our business is developed in the province of Entre Ríos, we are subject to, for instance: (a) Law No. 6,260 and its implementing Decrees No. 5,837/1991 and 5394/1997 (for the prevention and control of industrial contamination), (b) Decree No. 4,977/2009 (establishing the implementing regulations for the environmental impact study), (c) Law No. 8,880 (adhering to the federal hazardous waste law), (d) Decree No. 603/06 and its amendment Decree No. 664/17, by means of which the Provincial Registry of Generators, Operators and Transporters of Hazardous Waste is created; (e) Law No. 9,172 (Water Law of the Province of Entre Ríos) and its Regulatory Decree N°7,547/99; and (f) Law No. 8,916, as amended (which sets forth the regulatory framework of the electricity sector in the province of Entre Ríos), among others

Our activities in the province of Tucumán are subject to the environmental regulations of this jurisdiction. The regulations worth mentioning are, among others: a) Law No. 6,253, consolidated and regulated by Decree No. 2,204/91, which establishes the general norms and the methodology for the defense, conservation and

improvement of the environment and which, among other matters, regulates the provincial environmental impact b) Law No. 6,605, which adheres to National Law No. 24,051 on hazardous waste; c) Law No. 7,139 (Provincial Water Code); and d) Law No. 7,165, which creates the Registry of Polluting Activities; among other regulations.

Our activities in the province of San Juan are subject to compliance with the environmental regulations of that province. Among others, the following regulations are applicable a) Law No. 504-L and its Regulatory Decree No. 2,067-L, which establish the environmental impact assessment procedure; b) Law N°522-L (modified by Law N°2.059-L) and its Regulatory Decree N°1,211-L, by means of which the province adheres to National Law N° 24,051 and creates the Provincial Registry of Generators, Operators and Transporters of Hazardous Waste; c) Law N°348-L and its Regulatory Decree N°638-1989-L, which establish the measures for the preservation of soil, water and air, and provide for obtaining an authorization to discharge liquid effluents; d) Law N°190-L (Provincial Water Code); and e) Law N°524-A, which establishes the regulatory framework for the electricity sector in the province of San Juan; among other regulations.

In addition, considering that we also operate in the province of Río Negro, we are subject to compliance with the environmental regulations of that jurisdiction. These include, for example, the following: a) Law M N°3,266 and its Regulatory Decrees M N°1,224/02 and M N°656/04, which regulate the environmental impact assessment procedure; b) Law M N°3,250, which creates the Provincial System of Registration of Generators, Transporters and Operators of Special Waste; c) Law Q N°2,952 (consolidated text of the provincial Water Code); and d) Law J N°2,902, which establishes the regulatory framework for the province's electricity sector; among other regulations.

Anti-Money Laundering

The term money laundering is generally used to denote transactions intended to introduce criminal proceeds into the institutional system and thus to transform profits from illegal activities into assets of a seemingly legitimate origin.

On April 13, 2000, the National Congress passed Law No. 25,246, subsequently amended by Laws No. 26,087; 26,119; 26,268, 26,683 and 26,734, (collectively, the Anti-Money Laundering and Terrorism Financing Law(which created, at a national level, the Prevención de Lavado de Activos y Financiamiento del Terrorismo (PLA/FT) (Anti-Money Laundering and Terrorism Financing) regime, defining money laundering as a type of crime creating and appointing the Unidad de Información Financiera (Financial Information Unit) (the "UIF"), as the enforcement authority of the regime and imposing on several public and private entities the statutory obligations to provide information and cooperate with the UIF.

The UIF is a decentralized and self-governing agency with financial autarky under the scope of the Ministry of Treasury and Public Finance whose mission is to prevent and hinder money laundering and terrorism financing.

Below is a summary of certain provisions of the anti-money laundering regime set forth by the Anti-Money Laundering and Terrorism Financing Law, as amended and supplemented by other rules and regulations, including regulations issued by the UIF the CNV. Investors are advised to consult their own legal counsel and to read the Anti-Money Laundering and Terrorism Financing Law and its supplementary regulations.

Money laundering and terrorism financing crimes

(a) Money laundering

Section 303 of the Criminal Code (the "CC") defines money laundering as a crime committed by any person who exchanges, transfers, manages, sells, levies, disguises or in any other way commercializes goods obtained through a crime, with the possible consequence that the original assets or the substitute thereof appear to come from a lawful source, provided that their value exceeds Ps.300,000, whether such amount results from one or more related transactions. Whether through a single act or repeated series of related acts. Section 303 of the CC establishes the following penalties:

(i) imprisonment for three to 10 years and fines of two to 10 times the amount of the transaction. Such penalty shall be increased by one third of the maximum and half of the minimum, when:

(a) the person carries out the act on a regular basis or as a member of an association or gang organized with the aim of continuously committing acts of a similar nature;

(b) the person is a public official who carries out the act in the course of his duties. In this case, the person shall be banned from occupying public offices for three to ten years. The same penalty shall apply to the person who acted in the course of a profession or trade which requires special authorization;

(ii) The person who receives money or other assets originated in an illegal deed, with the aim to apply these funds to any of the operations described above, for them to appear to be legally obtained, shall be punished by imprisonment from between six (6) months to three (3) years;

(iii) if the value of the assets does not exceed Ps.300,000, the penalty shall be imprisonment for six (6) months to three (3) years.

(b) Criminal sanctions against legal entities

Section 304 of the CC foresees that when the illegal deeds have been made in the name, with the intervention or for the benefit, of a corporation, such entity shall receive, jointly or alternatively, the following sanctions:

(i) fine from two to 10 times the value of the assets object of the felony;

(ii) total or partial suspension of activities, which under no circumstance shall exceed 10 years;

(iii) suspension to participate in public bidding processes for works or public services or to carry out any activity in connection with the Government, which under no circumstance shall exceed ten (10) years;

(iv) annulment of legal personality if the entity was incorporated for the sole purpose of committing a crime, or such acts represent the entity's main business;

(v) loss or suspension of the state benefits to which it is entitled;

(vi) publication of an extract of the condemning judgment, at the legal entity's expense.

In order for these sanctions to be reduced, the judges shall take into consideration the breach of rules and internal procedures, the omission vigilance of the activities of the authors and accessories, the extension of the damage, the amount of money involved in the commission of the crime, the size, the natural and the economic capacity of the entity. If the continuity of the entity, a work or a particular service were necessary, the sanctions foreseen in subsections (ii) and (iv) above shall not be applied.

(a) Terrorism Financing

Furthermore, section 306 of the CC defines terrorism financing as a type of crime. It is committed by any person who, directly or indirectly, collected or provided money or assets, with the intention of applying them or knowing they will be applied totally or partially:

(i) to finance the commission of a crime with the objective set out in section 41 quinquies of the CC (acts committed with the aim of terrorizing the population or compel national public authorities, foreign governments or agents of an international organization to carry out or refrain from carrying out any acts);

(ii) by an organization which commits or attempts to commit crimes with the objective set out in section 41 quinquies of the CC;

(iii) by an individual who commits, attempts to commit, or is in any way an accessory to, the commission of crimes with the objective set out in section 41 quinquies of the CC.

The penalty for this crime is imprisonment of between five (5) to fifteen (15) years and a fine of between two and ten times the amount of the transactions. Likewise, the same sanctions as those imposed on legal entities, as described with respect to money laundering crimes, are applicable.

Parties under the duty to report to and cooperate with the UIF

In line with international PLA/FT standards, the Anti-Money Laundering and Terrorism Financing Law does not merely appoint the UIF as the agency responsible for preventing money laundering and terrorism financing, but it also imposes certain duties on various public and private sector entities which are designated as parties legally bound to report to and cooperate with the UIF.

According to the Anti-Money Laundering and Terrorism Financing Law, together with any supplementary rules thereof, the following persons, among others, are Parties legally bound to report to and cooperate with the UIF: (i) banks, financial institutions and insurance companies; (ii) exchange agencies and individuals and legal entities authorized by the Central Bank to operate in the purchase and sale of foreign currency in the form of cash or checks drawn in foreign currency or by means of credit or debit cards or via the transfer of funds within Argentina or abroad; (iii) Settlement and Clearing Agents; Trading Agents; Settlement and Clearing Agents, individuals and/or legal entities registered with the CNV engaged in the underwriting of Mutual Investment Funds or other collective investment products authorized by such Authority; Collective Financing Platforms, Global Investment Advisory Agents and legal entities discharging duties as financial trustees whose trust securities are authorized for public offering by the CNV and agents registered by such controlling authority that are engaged in the underwriting of marketable securities issued under the abovementioned financial trusts; (iv) governmental organizations, such as the Central Bank, the Argentine Tax Authority (AFIP), the National Superintendence of Insurance (Superintendencia de Seguros de la Nación), the CNV and the local public registry (*Inspección General de Justicia*) and (v) professionals in economics sciences and notaries public.

Pursuant to the Law, Parties legally bound to report to and cooperate with the UIF shall be deemed to include those Agents registered with the CNV under the sub-category of Settlement and Clearing Agents—Direct Participant—always provided that the scope of their duties is exclusively restricted to register futures contracts and futures option contracts, traded on markets under the CNV's supervision, for their own account and with their own funds and they do not offer intermediation services or the opening of trading accounts to third parties to place orders and operate the above-mentioned instruments; the foregoing, pursuant to the provisions of General Resolution No. 731/2018 issued by the CNV or any other regulations amending, supplementing or superseding same.

The parties under the duty to report to and cooperate with the UIF must comply with the following duties:

(i) obtaining documentation from their customers that irrefutably evidences their identity, legal status, domicile, and other data stipulated in each case (which may be embodied in a know your customer policy;

(ii) carrying out a due diligence process on their customers and reporting any suspicious event or transaction (which, according to the customary practices of the field involved, as well as to the experience and competence of the parties under the obligation to report to and cooperate with the UIF, are those transactions attempted or consummated that have been previously identified as unusual transactions by the parties under the obligation to report to and cooperate with the UIF, as well as any transactions that have no economic or legal justification or are unusually or unjustifiably complex, whether performed on a single occasion or repeatedly, regardless of the amount thereof); and

(iii) abstaining from disclosing to customers or third parties any act performed in compliance with the Anti-Money Laundering and Terrorism Financing Law. Within the framework of the analysis of a suspicious transaction report, the aforementioned individuals and legal entities cannot refrain from disclosing to the UIF any information required from it by claiming that such information is subject to bank, stock market or professional secrecy, or legal or contractual confidentiality agreements.

In accordance with Schedule I of Resolution No. 154/2018 issued by the UIF (providing for the mechanism for supervision and inspection by the UIF), both the Central Bank and the CNV are considered "Specific Control Organs." In such capacity, they must cooperate with the UIF in the evaluation of compliance with the PLA/FT proceedings by the parties under the obligation to report to and cooperate with the UIF, subject to their control. In that respect, they are entitled to supervise, monitor and inspect such entities. Denying, delaying or obstructing inspections by the Parties under the obligation to report to and cooperate with the UIF shall give rise to administrative penalties to be imposed by the UIF as well as criminal sanctions.

The Central Bank and the CNV shall also observe the PLAT/FT-related rules set forth by the UIF, including the duty to report suspicious transactions. Likewise, the Parties under the duty to report that are regulated by these agencies are subject to compliance with Resolutions (UIF) No. 30/17 and 21/2018, respectively. Such resolutions lay down the guidelines that such agencies must adopt and apply to manage, in compliance with their policies, proceedings and controls, the risk of being used by third parties with criminal purposes in connection with money laundering and terrorism financing.

The above-mentioned rules (as per the amended and revised texts subsequently approved by Resolution No. 156/18 issued by the UIF, to which it is recommended to refer to verify the updated versions thereof) changed the formalist approach in terms of statutory compliance to a Risk-based Approach (*Enfoque Basado en Riesgos*), pursuant to the revised recommendations of the Financial Action Task Force in 2012, so as to guarantee that the measures implemented are commensurate with the identified risks. Therefore, the Parties under the duty to report shall identify and evaluate their risks and, on such basis, they shall adopt measures aimed at managing and mitigating such risks, so as to more effectively prevent money laundering and terrorism financing. Furthermore, such rules integrate the provisions of Resolution No. 4/17 (UIF), whereby special due diligence proceedings may be carried out with respect to customers supervised abroad (formerly known as "international investors") and local customers that are Parties under the duty to report to the UIF.

CNV Rules

Among other issues, the CNV Rules provide that the Parties obliged to report that are under its control will only carry out the transactions contemplated under the public offering regime when such transactions are consummated or ordered by persons formed, domiciled or that are residents in countries, dominions, jurisdictions, or associated states that are not considered Non-cooperative or High-risk jurisdictions by the Financial Action Task Force.

Furthermore, payment methodologies and procedures for control of receipt and delivery of funds from and to customers are also included.

Tax Amnesty Regime

Additionally, within the framework of the voluntary statement system under the Argentine tax amnesty, Law No. 27,260 and its regulatory decree No. 895/16 (collectively, the "Tax Amnesty Regime") set forth that voluntary disclosed information may be used for investigating and punishing money laundering and terrorism financing crimes. For such purpose, the UIF is vested with powers to communicate information to other public intelligence or investigative agencies, based on a prior resolution of the UIF´s President, always provided that serious, precise and consistent indirect evidence exists of money laundering and/or terrorism financing crimes. Accordingly, the AFIP is obliged to report to the UIF any suspicious transactions that may be ascertained within the framework of the Tax Amnesty Regime and provide the UIF with any information as may be requested by it, without being able to allege tax privacy.

For an extensive analysis of the money laundering regime in effect as of the date of this Exchange Offer and Consent Solicitation Memorandum, investors should consult legal counsel and read Title XIII, Book 2 of the CC and any regulations issued by the UIF, the CNV and the Central Bank in their entirety. For such purposes, interested parties may visit the websites of the legislative information site at www.infoleg.gob.ar, the UIF at www.argentina.gob.ar/uif, the Argentine Ministry of Public Finance at www.argentina.gob.ar/economia, the CNV at https://www.argentina.gob.ar/cnv, and/or the Central Bank at www.bcra.gob.ar. The information found on such websites is not a part of this Exchange Offer and Consent Solicitation Memorandum.

Income Tax

a) Earnings from capital companies.

- Fiscal years starting from 01/01/2021.

By virtue of the modifications introduced by Law 27,630, for fiscal years beginning on January 1, 2021, the income tax rates for companies will be as follows:

Accumulated taxable net income		Will pay Ps.	More %	On the surplus of Ps.
More than Ps.	to Ps.			
Ps. 0	Ps. 5.000.000	Ps. 0	25%	Ps. 0
Ps. 5.000.000	Ps. 50.000.000	Ps. 1.250.000	30%	Ps. 5.000.000
Ps. 50.000.000	Onwards	Ps. 14.750.000	35%	Ps. 50.000.000

The aforementioned amounts will be updated annually, as of 01/01/2022, considering the annual variation of the CPI provided by INDEC, a decentralized body within the scope of the Ministry of Economy, corresponding to the month of October of the year prior to the adjustment, compared to the same month of the previous year.

b) Dividends and similar profits.

- Fiscal years starting from 01/01/2021.

The tax reform included in Law 27,430 applies a 7% rate to individuals for proceeds from an inheritance and is equally applicable to dividends and similar profits, capital gains from the sales of stock in Argentine companies, and in-kind distributions.

Said tax must be withheld by the entities that pay the aforementioned dividends and profits.

c) Validity of the applicable tax rates in the case of profits from capital companies and previous dividends and similar profits.

- Three (3) fiscal periods counted from the one beginning from 01/01/2018, inclusive.

For the preceding fiscal years, the 30% rate will apply to capital gains, while for dividends and similar profits it will be 7%, regardless of the fiscal period in which such dividends and profits are made available.

MANAGEMENT

Board of Directors

Our board of directors is currently composed of eight directors and seven alternate directors. Directors are elected by shareholders for a term of one year but must remain in office until new directors are appointed at a subsequent shareholders' meeting. The members of our board of directors were elected at a shareholders' meeting held on April 30, 2021 and their respective terms expire on December 31, 2021. The directors and alternate directors are elected separately for each class of shares. The Class A shareholders and the Class B shareholders each select four directors and four alternate directors. Two of our current directors and one alternate director are considered "independent" in accordance with the CNV Rules. The rest of the current directors and alternate directors are deemed "non-independent" in accordance with the CNV Rules.

Our board of directors must meet at least once every three months and whenever the chairman of the board deems it necessary or at the request of any acting director or of our supervisory committee. Quorum for a meeting of the board of directors requires the presence of five directors (of which at least two must be Class A directors and two must be Class B directors), and the board of director's resolution shall be adopted by an absolute majority of directors, which shall include the affirmative vote of at least two Class A directors and two Class B directors.

Pursuant to section 59 of the General Corporations Law, directors have the obligation to perform their duties with the loyalty and the diligence of a prudent businessperson. Directors are jointly and severally liable to the company, the shareholders and third parties for the improper performance of their duties, for violating the law, the company's bylaws or regulations, if any, and for any damage to these parties caused by fraud, abuse of authority or negligence, as provided for in Section 274 of the General Corporations Law.

A director shall not be responsible for the decisions taken in a board of directors' meeting as long as he or she states his or her opposition in writing and informs the supervisory committee before any claim arises. A director's decision approved by the company's shareholders releases that director of any responsibility for his decision, unless shareholders representing 5% or more of the company's capital stock object to that approval, or the decision was taken in violation of applicable law or the company's by-laws. The company is entitled to file judicial actions against a director if a majority of the company's shareholders at a shareholders' meeting request that action.

Under the General Corporations Law, our board of directors is in charge of our administration and, therefore, makes any and all decisions in connection therewith, as well as those decisions expressly provided for in the General Corporations Law, our by-laws and other applicable regulations. Furthermore, our board of directors is generally responsible for the execution of the resolutions passed by shareholders' meetings and for the performance of any particular task expressly delegated by the shareholders. Under the General Corporations Law, the duties and responsibilities of an alternate director, when acting in the place of a director on a temporary or permanent basis, are the same as those discussed above for directors, and they have no other duties or responsibilities as alternate directors.

Our directors and alternate directors as of the date of this Exchange Offer and Consent Solicitation Memorandum are as follows:

Name	Position	Class Designation[(1)]	Director since
Jorge Pablo Brito	Chairman and Director	Class B	2011
Darío Ezequiel Lizzano	Deputy Chairman and Director	Class A	2015
Carlos Alberto Palazón	Director	Class A	2015
Jorge De Pablo Cajal	Director	Class A	2007
Osvaldo Héctor Baños	Independent Director[(2)]	Class A	2016
Juan Facundo Genís	Director	Class B	2020
César Pablo Rossi	Director	Class B	2011
Carlos Alberto de la Vega	Independent Director[(2)]	Class B	2015
Julio Javier Lococo	Alternate Director	Class A	2015
Pedro Eugenio Aramburu	Alternate Director	Class A	2015

Name	Position	Class Designation[1]	Director since
Santiago Daireaux	Alternate Director	Class A	2015
Matías Gonzalo Bujan	Alternate Director	Class A	2015
Marcos Brito	Alternate Director	Class B	2011
Juan Pablo Catarineu	Alternate Independent Director[2]	Class B	2018
Delfín Federico Ezequiel Carballo	Alternate Director	Class B	2011

Notes:

(1) Refers to the class of shareholder that appointed such director. For a summary of the differences between our Class A and Class B shares, see "Principal Shareholders."

(2) According to the criteria established by the CNV and the NYSE.

See "Principal Shareholders—Shareholders' Agreement" for a description of the appointment and removal of our directors.

The address for each of our directors is Nicolás Repetto 3676 3rd floor, Olivos (1636), Province of Buenos Aires, Argentina. A brief biographical description of the members of our Board of Directors is set forth below.

Jorge Pablo Brito

Mr. Jorge Pablo Brito has been our director since November 2011 and our chairman since December 2015. Mr. Brito serves a member of the board of directors of Banco Macro S.A. He is also member of the Senior Credit Committee, Senior Legal Collections Committee, Operational Risk Committee, Systems Committee and Assets and Liabilities Committee of Banco Macro S.A. He is also the Chairman of Macro Warrants S.A. and serves as a member of the board of directors of Banco del Tucumán S.A. and Macro Securities S.A.

Darío Ezequiel Lizzano

Mr. Lizzano has been our director and our deputy chairman since December 2015. He is also an alternate director of our subsidiaries MyC Energía S.A., Enersud Energy S.A.U., Genneia Desarrollos S.A., Genneia Vientos Argentinos S.A., Genneia Vientos del Sur S.A., Genneia Vientos del Sudoeste S.A. Ullum, Ullum 2, Ullum 3, and Parque Eólico Loma Blanca IV S.A. He is also a board member of Argentina Commercial Properties S.A. (formerly Hoteles Sheraton de Argentina S.A.C.) and Plaza Logistica Argentina LLC. He was a Managing Director and senior Portfolio Manager of PointState Argentum LLC. He has worked for over 30 years in the Latin American and emerging market equity business. Prior to joining PointState Argentum in 2014, Mr. Lizzano worked at Morgan Stanley as Managing Director and headed the Latin America Institutional Equity Division and was member of the Latam management committee. He was also Director of Research and Head of the Global Emerging Markets Distribution Team for the Americas. Prior to Morgan Stanley, Mr. Lizzano worked at Santander from 1996 to 2007, initially as a Latin America Strategist and then as Head of the Latin America Equities business, before becoming the Global Head of Cash Equities. Mr. Lizzano was consistently ranked in the Institutional Investor Magazine and Latin Finance as one of the top Argentina country analysts and Latam equity strategists during 1996 and 2006.

Carlos Alberto Palazón

Mr. Palazón has been our director since December 2015. He is also our Chief Financial Officer since June 14, 2021. He is also a director of our subsidiaries MyC Energía S.A, Enersud Energy S.A.U., Genneia Desarrollos S.A., Genneia Vientos Argentinos S.A., Genneia Vientos del Sur S.A., Genneia Vientos del Sudoeste S.A., Vientos Patagónicos Chubut Norte III S.A., Vientos Sudamericanos Chubut Norte IV S.A., Ullum 1, Ullum 2, Ullum 3, Vientos de Necochea S.A., and Parque Eólico Loma Blanca IV S.A. He is a partner at LP Advisors, and advisor at PointState Argentum. He was a founding partner at CIMA Investments. He is also an alternate director of TGLT S.A., chairman of Argentina Commercial Properties S.A. (formerly Hoteles Sheraton de Argentina S.A.C.), director of Plaza Logística Argentina LLC and manager of Plaza Logística S.R.L. He has a degree in Economy from the Universidad Católica Argentina.

Jorge de Pablo Cajal

Mr. de Pablo has been our director since 2007. He is also Managing Partner of LAIG Investments and serves as Chairman of the Board of Wisehood Energy Efficiency. Mr. de Pablo is the co-founder, lead investor and Chairman of the Board of Directors of Gosmo, a fleet management solutions company in Mexico. He is also the founding investor and Chairman of the Board of Directors of Tactile Mobility, an Israeli artificial intelligence software company for the mobile industry. He holds a degree in Finance from CUNEF, Madrid.

Osvaldo Hector Baños

Mr. Baños has been our director since May 2016. He is also an alternate director of our subsidiaries MyC Energía S.A., Enersud, Energy S.A.U, Genneia Desarrollos S.A., Genneia Vientos Argentinos S.A., Genneia Vientos del Sur S.A., Genneia Vientos del Sudoeste S.A., Genneia La Florida S.A., Ullum 1, Ullum 2, Ullum 3, Parque Eólico Loma Blanca IV S.A., Vientos Patagónicos Chubut Norte III S.A., and Vientos Sudamericanos Chubut Norte IV S.A. He holds a degree in Public Accounting (CPA) from Universidad de Buenos Aires.

Juan Facundo Genís

Mr. Genís has been our director since 2020. He is also a director of our subsidiaries MyC Energía S.A., Enersud, Energy S.A.U, Genneia Desarrollos S.A., Genneia Vientos Argentinos S.A., Genneia Vientos del Sur S.A., Genneia Vientos del Sudoeste S.A., Genneia La Florida S.A., Ullum 1, Ullum 2, Ullum 3, and Parque Eólico Loma Blanca IV S.A. He is also an alternate director of our subsidiary Vientos Patagónicos Chubut Norte III S.A., Vientos Sudamericanos Chubut Norte IV S.A., and Vientos de Necochea S.A. He is a partner of the Estudio Juridico Catarineu & Asociados and a member of the Colegio Publico de Abogados de la Ciudad de Buenos Aires. He holds a degree in law from Universidad del Salvador.

Cesar Pablo Rossi

Mr. Rossi has been our director since June 2011. He is also director of our subsidiaries MyC Energía S.A, Enersud Energy S.A.U., Genneia Desarrollos S.A., Genneia Vientos Argentinos S.A., Genneia Vientos del Sur S.A., Genneia Vientos del Sudoeste S.A., Vientos Patagónicos Chubut Norte III S.A., Vientos Sudamericanos Chubut Norte IV S.A., Ullum 1, Ullum 2, Ullum 3 and Parque Eólico Loma Blanca IV S.A. He is also an alternate director of our subsidiary Vientos de Necochea S.A. He has worked as tax, structured finance and trusts manager in Banco Macro S.A. Mr. Rossi has an MBA from Universidad Torcuato di Tella and is a certified public accountant with a degree in accounting from the Universidad de Buenos Aires.

Carlos Alberto de la Vega

Mr. de la Vega has been our director since December 2015. He is also an alternate director of our subsidiaries Vientos Patagónicos Chubut Norte III S.A. and Vientos Sudamericanos Chubut Norte IV S.A. He is also a member of the consulting board of FIEL (Institute of Latin American Economic Studies). He has previously worked as Chairman and CEO of Camuzzi Gas Pampeana S.A. and Camuzzi Gas del Sur S.A., board member of Transportadora de Gas del Sur S.A. and CFO of Loma Negra C.I.A.S.A. Mr. de la Vega holds a CPA degree from the Universidad de Buenos Aires, and post-graduate studies in the University of Virginia—Darden Graduate Business School, and Duke University—The Fuqua School of Business.

Julio Javier Lococo

Mr. Lococo has been appointed as our alternate director in April 2018. He is a partner of the law firm Pérez Alati, Grondona, Benites & Arntsen. He holds a degree in Law from the Pontificia Universidad Católica Argentina in 1993, where he obtained the awards Editorial El Derecho and Julio Ojea Quintana. He attended a post graduate course on Civil Law at the University of Rome II, Tor Vergata in 2000.

Pedro Eugenio Aramburu

Mr. Aramburu has been our alternate director since December 2015. He is currently a Director of Compañía Naviera Horamar S.A., Empresas Verdes Argentinas S.A., Estancia Celina S.A., FGF Forestal Santa María S.A., Las Misiones S.A., Ojo de Vino S.A., Patagonia Organic Meat Company S.A., Imagine Communications de Argentina S.R.L, Aero Transport Engineering S.A.; Contitech Argentina S.R.L., Quimica True S.A.C.I.F., IVAX Argentina S.A., CVC Turismo S.A.U., OLA S.A., and Lilac Solutions S.A.U.; and is also an alternate Director

of Achernar S.A., Pesquera Cruz Del Sur S.A., Sato Argentina S.A., Estancia la Rivera Grande S.A., ESPA Argentina S.A. and Purtierra S.A. Mr. Aramburu is an statutory auditor of Servicios de Personal Logístico S.A., Open Bank S.A., Santander Río Asset Management Gerente de Fondos Comunes de Inversión S.A., Centro Logístico Aplicado S.A., Inversora Cordillera S.A., Los Grobo Agropecuaria S.A., Canepa Hermanos S.A.I.C.A.F., Usandizaga Perrone y Juliarena S.A., Agrofina S.A., Estancias y Colonias Arizona S.A., Kilwer S.A., Ketsal S.A., Grecoil y CIA S.A., Productores de Seguros Falabella S.A., Inversiones Falabella Argentina S.A., Falabella S.A. Petrolera El Trebol S.A., Lan Argentina, Establecimientos Levino Zaccardi y Cía S.A. and Sadia Alimentos S.A.; and is also an alternate statutory auditor of Grupo Los Grobo S.A., Super Digital S.A.U., PECOM Energia S.A., PCFG Advisory S.A., Pauen S.A., Bolland y CIA S.A., TEL 3 S.A.U., and Sudacia S.A. He is a partner of the law firm Pérez Alati, Grondona, Benites & Arntsen. He holds a degree in Law from the Universidad Católica Argentina and a Master of Laws degree (LL.M.) from Columbia University School of Law.

Santiago Daireaux

Mr. Daireaux has been our alternate director since December 2015. He is chairman of Guasaloma S.A., Ojo de Vino S.A., Glenmark S.A. and Patagonia Organic Meat Company S.A. He is Director of Purtierra S.A. He is also an alternate Director of Calaer S.A., Estancias y Colonias Arizona S.A, ODA Trading S.A.S., Diransa S.R.L., Alugar S.R.L., and Organic Argentina S.A He is also an statutory auditor of Estancia Celina S.A. Las Misiones S.A. Empresas Verdes Argentina S.A., Achernar S.A., Los Grobo Agropecuaria S.A., Grupo Los Grobo S.A., Los Grobo S.G.R., Canepa Hermanos SAICAyF, Usandizaga Perrone y Juliarena S.A., Agrofina S.A., Superdigital Argentina S.A.U., Open Bank Argentina S.A.; and an alternate statutory auditor of Metrogas S.A., BRS Investment S.A., Banco Santander Rio S.A., Santander Río Servicios S.A., Santander Río Trust S.A., Santander Río Valores S.A., Santander Tecnología Argentina S.A., Servicio Electrónico de Pago S.A., Quickfood S.A., Sudacia S.A., PCFG Advisory S.A., PECOM Servicios Energia Medioambientales S.A., PECOM Servicios Energia S.A., LAN Argentina S.A., Aerotransport Engineering Consulting S.A.U., Compañía Industrial Cervecera S.A., Decker Industrial S.A., Metacab S.A. and Inversora Cordillera S.A.. He is a partner of the law firm Pérez Alati, Grondona, Benites & Arntsen. He is a member of the Public Bar Association of the City of Buenos Aires (Colegio Público de Abogados de la Ciudad de Buenos Aires) and of the Bar Association of the State of New York. He holds a degree in Law from the Universidad Católica Argentina and a Master of Laws degree (LL.M.) from University of Pennsylvania Law School.

Matías Gonzalo Bujan

Mr. Bujan has been our alternate director since 2015. He is also a managing director at LAIG Investments and CEO of Wisehood Energy Efficiency. Mr. Buján has over 25 years of investing, operating and entrepreneurial experience in Latin America, including several chief executive officer positions overseeing more than 500 employees. He holds a degree in Agricultural Engineering from Universidad de Buenos Aires.

Marcos Brito

Mr. Marcos Brito has been our alternate director since June 2011. He serves as a member of the board of directors of Banco Macro S.A. and is a member of the Asset and Liability Committee and Legal Senior Collections Committee of Banco Macro S.A. He also serves as a member of the board of directors of Banco Privado de Inversiones S.A. He has previously worked as manager of the Santa Fe division and of the investments desk of Banco Macro S.A. and as CEO of Nuevo Banco Bisel S.A. Mr. Brito holds a degree in economics from the Universidad Torcuato Di Tella.

Delfín Federico Ezequiel Carballo

Mr. Ezequiel Carballo has been our alternate director since June 2011. He also serves as director of Santa Genoveva, Havanna S.A., Desarrollo ALPHA S.A. Mr. Carballo holds a degree in economics from the Universidad Torcuato Di Tella.

Juan Pablo Catarineu

Mr. Juan Pablo Catarineu has been our alternate director since February 2018. He is a name partner of the Estudio Juridico Catarineu & Asociados and a member of the Colegio Público de Abogados de la Ciudad de Buenos Aires. He holds a degree in law from Universidad Católica Argentina. He specializes in business law.

Senior Management

Our senior management is in charge of the implementation and execution of our overall short-term and strategic objectives and reports to our chief executive officer. The table below sets forth our senior managers as of the date of this Exchange Offer and Consent Solicitation Memorandum.

Name	Position	Age	Date of Appointment
Bernardo S. Andrews	Chief Executive Officer	48	August 1, 2016/April 1, 2021
Carlos Alberto Palazón.....	Chief Financial Officer	50	June 14, 2021
Federico Sbarbi Osuna	Chief Operating Officer	45	May 1, 2011/November 1, 2020
Patricio J. O. Neffa.....	Innovation and Development Director	50	July 1, 2014/ November 1, 2020
Mariano Muñoz.....	Human Resources Director	55	March 12, 2018
Gustavo Castagnino.....	Corporate Affairs Director	44	August 1, 2019

See "Principal Shareholders—Shareholders' Agreement" for a description of the appointment and removal of our executive officers.

The addresses for our senior managers are the addresses for our registered office listed on the back cover. A brief biographical description of our senior managers is set forth below.

Bernardo S. Andrews

Mr. Andrews was our Chief Financial Officer from August 2016 to May 2021. The Board recently appointed Mr. Andrews as CEO, effective as from April 1, 2021. Mr. Andrews is director of our following subsidiaries: MyC Energía S.A., Enersud Energy S.A.U., Genneia Desarrollos S.A., Genneia Vientos Argentinos S.A., Vientos Sudamericanos Chubut Norte IV S.A., Vientos Patagónicos Chubut Norte III S.A., Genneia Vientos del Sur S.A., Genneia Vientos del Sudoeste S.A., Genneia La Florida S.A., Ullum 1, Ullum 2, Ullum 3, Vientos de Necochea S.A., and Parque Eólico Loma Blanca IV S.A. Prior to joining Genneia, he was chief financial officer at Compañía General de Combustibles S.A. He was also portfolio manager, financial director, regional chief financial officer and regional director of corporate finance at GDF Suez and held several positions at the structured financing division of Enron Corporation in Argentina and Brazil. He holds a degree in economics from the Universidad de Buenos Aires and has conducted graduate studies in economics at the Universidad de Torcuato Di Tella in Buenos Aires.

Carlos Alberto Palazón - See "Board of Directors".

Federico Sbarbi Osuna

Mr. Osuna has been with us since May 1, 2011. He currently is our Chief Operating Officer. Previously he was the Strategy and Business Development Director, and the Operative Director responsible for the operation of our assets and responsible of commercial and business matters. Mr. Sbarni Osuna is alternate director of our subsidiaries MyC Energía S.A., Enersud Energy S.A.U., Genneia Desarrollos S.A., Genneia Vientos Argentinos S.A., Genneia Vientos del Sur S.A., Genneia Vientos del Sudoeste S.A., Genneia La Florida S.A., Ullum 1, Ullum 2, Ullum 3, and Parque Eólico Loma Blanca IV S.A. Before joining Genneia, he worked as a senior commercial consultant for several companies that provided information technology solutions for Customer Relationship Management (CRM). He holds a degree in information technology from the Centro de Altos Estudios en Ciencias Exactas and an MBA at Universidad Austral.

Patricio J. O. Neffa

Mr. Neffa has been with us since July 2014. He currently is our Innovation and Development Director. Previously he was our Projects and Operations Director and responsible for our GEO project. Mr. Neffa is alternate director of our subsidiaries MyC Energía S.A., Enersud Energy S.A.U., Genneia Desarrollos S.A., Genneia Vientos Argentinos S.A., Genneia Vientos del Sur S.A., Genneia Vientos del Sudoeste S.A., Genneia La Florida S.A., Ullum 1, Ullum 2, Ullum 3, and Parque Eólico Loma Blanca IV S.A. Before joining Genneia, he served as planning engineer for IBM and Group Vallourec, where he led the sectors of automotive and energy. He has held various positions at Renault, including, as responsible for the technical cooperation in Renault-GM (France), as industrial project leader in Moscow (Russia), as product engineering manager in Curitiba (Brazil), and as manager of the America vehicles program's. Mr. Neffa holds a degree in aeronautical engineering from the Universidad Nacional de la Plata and a master's degree in project management from the Université Paris IX Dauphine (France).

Mariano O. Muñoz

Mr. Muñoz has been our Human Resources Director since March 2018. He has experience in human resources both as member and as consultant for several industries. Before joining Genneia, he worked at the Ministerio de Trabajo de la Provincia de Buenos Aires, as Undersecretary. He also worked at "HRBS Consultores" as consultant, and Telecom Argentina S.A. as industrial relations manager. Mr. Muñoz holds a degree in law from the Universidad de Buenos Aires, a post-graduate studies in Strategic Human Resources Management from the Instituto para el Desarrollo Empresario Argentino and an L.L.M. in International Trade Law at the University of Turin.

Gustavo Castagnino

Mr. Castagnino has been our Corporate Affairs Director since August 2019. Before joining Genneia, he worked at Mercedes-Benz Argentina for over 13 years, serving on the Board of Directors of that company since 2014 through 2019. Mr. Castagnino served as chairman of the Argentine Civil Association of Communication Directors for two years, and currently serves as vice-chairman. He was also a Board member at the Argentine-Brazilian Chamber of Commerce, the Foundation of Hospital de Clínicas, Laureus Foundation, INECO Foundation, and the Asociación de Fábricas de Automotores. He was also a member of the communication committee of the Argentine-German Chamber of Commerce. Currently, he serves as a member of the Argentine Wind Chamber, Argentine Committee of the World Energy Council, and Fundación Universitaria del Río de la Plata. Mr. Castagnino holds a degree in international relations from Universidad del Salvador, an executive post-graduate degree from IAE, and other post-graduate degrees from Digital House and Universidad Austral. He is also a professor in the Master in Corporate Affairs program at Universidad Católica Argentina's Master.

Executive Committee

The executive committee is composed of the CEO, CFO, COO, and shareholders representatives. Decisions of the executive committee are made by unanimous consent or, otherwise, the matter under consideration must be submitted to the Board.

The Board may revoke any resolution of the Committee and no decision of the Executive Committee may contradict a decision previously adopted by the Board. The following matters should be approved by the Executive Committee: (i) annual budget and any modifications exceeding 10% of the approved amount; (ii) any contract with a value equal or greater than U.S.$500,000; (iii) any debt instrument with a value equal or higher to U.S.$5 million; (iv) transactions with affiliates; (v) key personnel contracts; (vi) consolidation of operations and disinvestments; (vii) changes in accounting and tax policies; and (viii) the initiation of judicial or administrative proceedings. The executive committee must meet at least once a week and its members have the right to propose issues to be included in the agenda of each meeting

Supervisory Committee

The General Corporations Law and the Argentine Capital Markets Law require any corporation that has made a public offering in Argentina, such as us, to have a supervisory committee (*comisión fiscalizadora*). Our bylaws provide for a supervisory committee composed of three statutory auditors (*síndicos*) and three alternate statutory auditors that serve for one fiscal year. Pursuant to the General Corporations Law, only lawyers and

accountants admitted to practice in Argentina or civil partnerships composed of such persons may serve as statutory auditors in an Argentine *sociedad anónima*.

The primary responsibilities of our supervisory committee are to monitor the management's compliance with the General Corporations Law, our bylaws, regulations, if any, and our shareholders' resolutions, and to perform other functions, including, but not limited to: (i) supervise and inspect the corporate books and records whenever necessary, but at least quarterly; (ii) attend meetings of the directors and shareholders; (iii) prepare an annual report concerning our financial condition and submit it to our shareholders at the ordinary annual meeting; (iv) call an extraordinary shareholders' meeting when necessary, on its own initiative or at the request of the shareholders, or an ordinary one when our board of directors fails to do so; (v) supervise and monitor our compliance with laws and regulations, the bylaws and the shareholders' resolutions; and (vi) investigate written complaints made by shareholders representing at least 2% of the capital stock.

In performing these functions, the supervisory committee does not control our operations or assess the merits of the decisions made by the directors. The duties and responsibilities of an alternate statutory auditor, when acting in the place of a statutory auditor on a temporary or permanent basis, are the same as those discussed above for statutory auditors. They have no other duties or responsibilities as alternate statutory auditors.

The following list includes the members of our statutory supervisory committee as of the date of this Exchange Offer and Consent Solicitation Memorandum, who were appointed at the shareholders' meeting held on April 30, 2021, and whose terms expires on December 31, 2021. Members of the supervisory committee will nonetheless remain in office until new members are appointed.

Name	Position	Class Designation	Member Since
Diego M. Serrano Redonnet	Member	A	2015
Alejandro Almarza	Member	B	2011
Ignacio Ramón Arrieta	Member	A and B	2020
Danilo Parodi Logioco	Alternate	A	2018
Carlos Javier Piazza	Alternate	B	2015
Ricardo José Mihura de Estrada	Alternate	A and B	2012

All of the members of our Supervisory Committee are independent pursuant to the provisions set forth in the Technical Resolutions issued by the Argentinian Federation of Professional Boards of Economical Sciences.

Below is a summary of the professional background of the members of the Supervisory Committee and its alternate members:

Diego M. Serrano Redonnet

Mr. Serrano Redonnet has been one of our statutory auditors since December 2015. He is also one of the statutory auditors of our subsidiaries MyC Energía S.A, Enersud Energy S.A., Genneia Desarrollos S.A., Patagonia Wind Energy S.A., Nor Aldyl San Lorenzo S.A., Nor Aldyl Bragado S.A., Genneia Vientos Argentinos S.A., Genneia Vientos del Sur S.A., Genneia Vientos del Sudoeste S.A., Ingentis II Esquel S.A., Vientos Patagónicos Chubut Norte III S.A., Vientos Sudamericanos Chubut Norte IV S.A., Ullum 1 Solar S.A.U., Ullum 2 Solar S.A.U., and Ullum 3 Solar S.A.U., Vientos de Necochea S.A. and Parque Eólico Loma Blanca IV S.A. He is currently partner at the law firm of Pérez Alati, Grondona, Benitez & Arntsen. He is a professor of corporate finance at the Universidad Católica Argentina. He is also a syndic of Banco Santander Río S.A., BRS Investment S.A., Santander Río Valores S.A., Santander Río Trust S.A., Santander Tecnologia Argentina S.A., Plaza Logística S.R.L. and Argentina Commercial Properties S.A. (formerly Hoteles Sheraton de Argentina S.A.C.). He holds a law degree from the Universidad Católica Argentina and a Master of Laws degree (L.L.M.) from Harvard Law School.

Alejandro Almarza

Mr. Almarza has been one of our statutory auditors since April 2012. He also serves as statutory auditors of our subsidiaries: MyC Energía S.A., Enersud Energy S.A., Genneia Desarrollos S.A., Genneia Vientos Argentinos S.A., Genneia Vientos del Sur S.A., Genneia Vientos del Sudoeste S.A., Ullum 1 Solar S.A.U., Ullum 2 Solar S.A.U., Ullum 3 Solar S.A.U., and Parque Eólico Loma Blanca IV S.A. He is also an alternate

statutory auditor of our subsidiary Vientos de Necochea S.A. Mr. Almarza is also a statutory auditor at Banco Macro S.A. He is currently partner at Estudio Della Rocca—Piazza—Almarza, member of HLB International, a world-wide network of independent accounting firms and business advisers. He has also served as syndic of Macro Securities S.A., Macro Fiducia S.A., Banco del Tucumán S.A., Macro Warrants S.A., and Seguro de Depositos S.A. Mr. Almarza is an Economy Professor of the Universidad de Buenos Aires, Economic Sciences. He holds an accounting degree from the University of Buenos Aires, in Argentina and he is admitted to the Accountants Professional Association of the City of Buenos Aires.

Ignacio Ramón Arrieta.

Mr. Arrieta has been one of our statutory auditors since April 2020. He also serves as statutory auditor at some of our subsidiaries, including MyC Energía S.A., Enersud Energy S.A.U., Genneia Desarrollos S.A., Genneia Vientos Argentinos S.A., Genneia Vientos del Sur S.A., Genneia Vientos del Sudoeste S.A., Genneia La Florida S.A., , Ullum 1 Solar S.A.U., Ullum 2 Solar S.A.U., Ullum 3 Solar S.A.U., and Parque Eólico Loma Blanca IV S.A. Mr. Arrieta is also a statutory auditor at TGLT S.A. He holds a law degree from Universidad de Buenos Aires and holds a master's degree in law from Chicago Law School.

Danilo Parodi Logioco

Mr. Parodi Logioco has been one of our alternate statutory auditors since April 2018. He also serves as alternate syndic in some of our subsidiaries, including Vientos Patagónicos Chubut Norte III S.A., Vientos Sudamericanos Chubut Norte IV S.A., Ullum 1 Solar S.A.U., Ullum 2 Solar S.A.U., and Ullum 3 Solar S.A.U.; as an alternate syndic in Plaza Logística SRL and Argentina Commercial Properties S.A. (formerly Hoteles Sheraton de Argentina S.A.C.). He is currently an associate at the law firm of Pérez Alati, Grondona, Benites, & Arntsen. He holds a law degree from the Universidad Nacional del Sur and a master's degree on corporate law from Pontificia Universidad Católica Argentina.

Carlos Javier Piazza

Mr. Piazza has been one of our alternate statutory auditors since April 2015. He is also one of the alternate statutory auditors of our subsidiaries Enersud Energy S.A.U., Genneia Desarrollos S.A., MyC Energía S.A., Genneia Vientos Argentinos S.A., Genneia Vientos del Sur S.A., Genneia Vientos del Sudoeste S.A., Ullum 1 Solar S.A.U., Ullum 2 Solar S.A.U., and Ullum 3 Solar S.A.U., and Parque Eólico Loma Blanca IV S.A. Mr. Piazza is also a statutory auditor at Banco Macro S.A. He is currently partner at Estudio Della Rocca—Piazza—Almarza, member of HLB International, a world-wide network of independent accounting firms and business advisors. He is a syndic of Banco Macro S.A., Banco de Valores S.A., and has also served as syndic of Macro Warrants S.A. and as alternate syndic of Macro Securities S.A., Macro Fiducia S.A. and Banco del Tucumán S.A. He holds an accounting degree from the University of Buenos Aires in Argentina and he was admitted to the Accountants Professional Association of the City of Buenos Aires in 1983.

Ricardo José Mihura Estrada

Mr. Mihura Estrada has been one of our statutory auditors since June 2011. He is currently one of our alternate auditors and also one of the alternate statutory auditors of our subsidiaries Enersud Energy S.A.U., Genneia Desarrollos S.A., MyC Energía S.A., Genneia Vientos Argentinos S.A., Genneia Vientos del Sur S.A., Genneia Vientos del Sudoeste S.A., Ullum 1 Solar S.A.U., Ullum 2 Solar S.A.U., Ullum 3 Solar S.A.U., and Parque Eólico Loma Blanca IV S.A. He is a founding partner at the law firm of Leverone & Mihura Estrada, where he works in the tax, M&A, constitutional and administrative law and economic and public services regulation departments. He has been a professor of tax law at Pontificia Universidad Católica Argentina law school and in the master's in tax law program at such school. He has acted as a consultant for the Argentine government and several provinces in administrative law and economic and public service regulation matters in connection with projects financed by multilateral agencies. He also has experience in the planning and structuring of foreign investments. Mr. Mihura holds a Master of Laws degree (LL.M) from the University of Florida, a postgraduate degree in taxation from Universidad de Buenos Aires and a degree in law from the Pontificia Universidad Católica Argentina.

Audit Committee

Our audit committee consists of Messrs. Osvaldo Hector Baños, Carlos Alberto de la Vega and Carlos Alberto Palazón. Messrs. Baños and De la Vega satisfy the "independence" requirements according to the criteria established by the CNV. Our audit committee oversees our accounting and financial reporting processes and the audits of our annual financial statements. Our audit committee is responsible for, among other things:

- pre-approving all auditing and non-auditing services permitted to be performed by our independent auditors;
- regularly reviewing the independence of our independent auditors;
- reviewing all related party transactions on an ongoing basis;
- discussing the annual and quarterly audited consolidated financial statements with management and our independent auditors;
- periodically reviewing and reassessing the adequacy of our audit committee charter;
- meeting separately and periodically with management and our internal and independent auditors;
- reporting regularly to our full board of directors; and
- such other matters that are specifically delegated to our audit committee by our board of directors from time to time.

Compensation

The Argentine General Companies law provides that the compensation payable to all directors (including those directors who are also members of senior management) in a fiscal year may not exceed 5% of net profit for such fiscal year, if the company is not paying dividends in respect of such net profit. The Argentine General Companies law increases the annual limitation on director compensation to up to 25% of net profit if all the net profit for such year is distributed as dividend. Nevertheless, the Argentine General Companies law establishes that the companies' bylaws might provide other specific limits to directors' compensation, always within the aforementioned legal limits. The percentage decreases proportionally based on the relation between the net profit and the dividends distributed. The Argentine General Companies law also provides that the shareholders' meeting may approve the remuneration of the directors above the limits set by the Argentine General Companies law in case the company has no net profit or the net profit is low, if the relevant directors performed during such fiscal year special commitments or technical-administrative functions. The compensation of all directors and members of the supervisory committee requires shareholders' approval at a shareholders' meeting.

The aggregate compensation paid to our directors, senior management and members of our supervisory committee totaled U.S.$1.8 million in 2018, U.S.$1.8 million in 2019 and U.S.$2.5 million in 2020, being short term benefits and the only benefits granted to directors and key management.

Neither we nor any of our subsidiaries have entered into any other agreement that provides for any benefit or compensation to any other director or member of our supervisory committee after the expiration of his term or upon his retirement.

Family Relationships

Our chairman, director and one of our shareholders, Jorge Pablo Brito, is the brother of Marcos Brito (who is one of our alternate directors). Our alternate director Delfín Federico Ezequiel Carballo is the son of Delfín Jorge Ezequiel Carballo, one of our shareholders. In addition, Jorge Pablo Brito, Marcos Brito and Delfín Federico Ezequiel Carballo are cousins.

Share Ownership by Directors, Executive Officers, and Supervisory Committee Members

The table below sets forth our shares held by our directors, senior management and members of our supervisory committee as of December 31, 2020:

Body	Number of shares
Directors[(1)]	8,586,707

Body	Number of shares
Senior Management	0
Supervisory Committee	0
Total	8,586,707

Note:

(1) Shares held by Jorge Pablo Brito.

Our shareholders' meeting held on February 7, 2018 approved the issuance of stock options exercisable in respect of up to 858,671 of our ordinary shares (less than 1% of the total shares of the company) in favor of certain of our senior managers subject to compliance with certain conditions. Please see note 10 to our annual financial statements.

PRINCIPAL SHAREHOLDERS

As of the date of this Exchange Offer and Consent Solicitation Memorandum, the composition of our share capital was the following:

	Class of Shares	Number of Class A Shares	Percentage of Class A Shares	Number of Class B Shares	Percentage of Class B Shares	Percentage of Capital Stock
Argentum Investments I LLC	A	44,923,347	87.2%	—	—	43.6%
LAIG Eolia S.A., formerly Prado Largo S.A.	A	6,596,901	12.8%	—	—	6.4%
Fintech Energy LLC	B	—	—	25,760,124	50.0%	25.0%
Jorge Horacio Brito(*)/Trust JHB	B	—	—	8,586,706	16.7%	8.3%
Jorge Pablo Brito	B	—	—	8,586,707	16.7%	8.3%
Delfín Jorge Ezequiel Carballo	B	—	—	8,586,711	16.7%	8.3%
Total		**51,520,248**	**100.0%**	**51,520,248**	**100.0%**	**100.0%**

(*) *Jorge Horacio Brito passed away on November 20, 2020*.

Our Class A shares and Class B shares are entitled to the same voting, distribution and liquidation rights, subject to the terms of our Shareholders Agreement (as defined below).

Argentum Investments I LLC is a limited liability company incorporated under the laws of Delaware. Its manager is PointArgentrum Master Fund LP.

LAIG Eolia S.A., formerly Prado Largo S.A., is a limited liability company incorporated under the laws of Uruguay as the Argentine focused investment vehicle of LAIG Investments. Founded in 2008, LAIG Investments invests in companies in the energy sector across Latin America and currently controls and operates assets in the renewable energy, smart mobility and energy efficiency sectors. Jorge De Pablo Cajal is the beneficial owner of LAIG Investments.

Fintech Energy LLC is a limited liability company incorporated under the laws of Delaware controlled by Fintech Advisory Inc., a New York-based limited liability company with a long-term return strategy focused on emerging markets, with investments in several businesses in Argentina, including one of the major telecommunication players. David Manuel Martínez is the beneficial owner of Fintech Advisory Inc.

Jorge Horacio Brito was an Argentine investor with more than 30 years of experience in the banking industry. He was the chairman of the board of directors of Banco Macro S.A. (one of the leading banks in Argentina). Jorge Horacio Brito passed away on November 20, 2020. Upon the death of Jorge Horacio Brito, his shares were transferred to the trust "Trust JHB". The registration of Trust JHB as shareholder of the Company shall be made upon execution of a joinder agreement to the Shareholders' Agreement.

Jorge Pablo Brito is an Argentine investor with active roles in the banking industry. He is the chairman of our board of directors. He serves as a member of the board of directors of Banco Macro S.A. See "Management—Board of Directors."

Delfín Jorge Ezequiel Carballo is an Argentine investor with more than 30 years of experience in the banking industry. He is the vice-chairman of the board of directors of Banco Macro S.A. and alternate director of BYMA.

Our chairman and director Jorge Pablo Brito is the son of Jorge Horacio Brito and the brother of Marcos Brito. Our alternate director Delfín Federico Ezequiel Carballo is the son of Delfín Jorge Ezequiel Carballo. In addition, Jorge Pablo Brito, Marcos Brito and Delfín Federico Ezequiel Carballo are cousins.

Shareholders' Agreement

On December 4, 2015, we and all our shareholders entered in the Shareholders' Agreement. As of the date of this Exchange Offer and Consent Solicitation Memorandum, all of our current shareholders are parties to the Shareholders' Agreement.

Appointment of the Directors

As long as each of the class A and class B shares represent 50% of our shares, or if either class represents less than 50% of our shares, our board of directors shall consist of eight directors and eight alternate directors.

As long as each of the class A and the class B shares represent 50% of our shares, (i) each class will have the right to appoint half of the total number of directors, and the same number of alternate directors, as determined at our shareholders' meeting; and (ii) each class will have the right to appoint half of the total number of directors of each of our subsidiaries and the same number of alternate directors, as determined at the shareholders' meeting of each of our subsidiaries. If either the class A or class B shares represent less than 50% of our shares, the number of directors of our board and the board of our subsidiaries to be appointed by each class of our shares shall be one director for each full specified percentage (as such term is defined in our Shareholders' Agreement) (e.g., based on the current board size, specified percentage is equal to 12.5%) (or the largest fraction thereof if any class does not represent an exact specified percentage or a multiple thereof) of our shares represented by such class.

Chairman and Vice-Chairman

As long as each of the class A and the class B shares represent 50% of our shares, the class B shareholders shall have the right, as a class, to designate or remove Jorge Pablo Brito as the chairman of our board, and the class A shareholders shall have the right to designate, remove or replace the vice-chairman. If Jorge Pablo Brito resigns, is removed, is unable or is unwilling to act as chairman of our board, the chairman thereafter shall be designated, and may be removed and replaced, by the class A shareholders, with the consent of a majority in interest of the class B shareholders, not to be unreasonably withheld; provided further that the chairman shall be an Argentine citizen, with recognized experience in the Argentine energy sector and the vice-chairman shall be designated, and may be removed and replaced, by the class B shareholders, with the consent of a majority in interest of the class A shareholders, not to be unreasonably withheld.

Meetings

Unless otherwise agreed by our board, regular meeting of the board of directors shall be held at least once every three months and otherwise as circumstances require. Extraordinary board meetings may be convened upon notice by any director.

Certain Executive Officers

As long as each of the class A and class B shares represent 50% of our shares, if the chairman of our board is Jorge Pablo Brito, the chief financial officer shall be appointed, and may be removed and/or replaced, by the class A shareholders, with the consent of a majority of the class B shareholders, not to be unreasonably withheld; provided that, if the chairman of our board has been appointed by the class A shareholders, the chief financial officer shall be appointed, and may be removed and/or replaced, by the class B shareholders, with the consent of a majority of the class A shares, not to be unreasonably withheld.

Transfer of Shares

The Shareholders' Agreement also contains certain restrictions on the transfer of our shares including rights of first refusal, drag-along rights and tag-along rights applicable to transfer of shares other than to affiliates of the shareholders.

Dispute Resolution

Any dispute, controversy or claim arising out of, relating to, or in connection with the Shareholders Agreement shall be finally settled by binding arbitration administered by the ICC, in accordance with the ICC Rules of Arbitration in effect at the time of the arbitration.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

The following discussion is a brief summary of certain material arrangements, agreements and transactions we have with related parties.

We have engaged, and in the future may engage, in transactions with related parties. We believe that any related party transactions and operations with related parties we have entered in the past have been in the ordinary course of business, on an arm's-length basis and in accordance with usual market practices.

Our related party transactions are detailed in note 6 to our annual financial statements. Below is a summarized description of our material related party transactions.

Transactions

During the years 2018, 2019, 2020 and the first quarter of 2021, we entered into the following transactions with related parties, among others:

- On December 21, 2018, we issued Simple Negotiable Obligations, non-convertible into shares and unsecured, for a face value of U.S.$50,000,000 due on January 22, 2022, in compliance with the resolutions of the shareholders' meetings of October 9, 2018 and December 3, 2018. On September 15, 2020, Sofeet International LLC entered into a sale and purchase agreement for a nominal value of U.S.$22,956,873 of these notes. As of March 31, 2021, the Negotiable Obligations are placed privately and subscribed by certain shareholders and related parties, as follows: (i) Fintech Energy LLC held 22.5% or U.S.$11,268,871, (ii) Delfín Jorge Ezequiel Carballo held 4.5% or U.S.$2,252,692, (iii) PointState Argentum LLC held 27% or U.S.$13,521,564, and (iv) our subsidiary Sofeet International LLC held 45.9% or U.S.$22,956,873.
- During the years 2018, 2019 and 2020, we sold generated electricity to Banco Macro S.A. for U.S.$58 thousand, U.S.$165 thousand and U.S.$142 thousand, respectively. During the three-month period ended March 31, 2021 we sold generated electricity to Banco Macro S.A. for U.S.$42 thousand.
- On May 27, 2019, we received a loan from Banco Macro S.A. for up to U.S.$12.5 million accruing interest at an annual rate of 7%, and with final maturity on June 24, 2020.

As of December 31, 2020, we had debt outstanding with related parties:

- *Fintech Energy LLC*: U.S.$17.4 million;
- *Delfin Jorge Ezequiel Carballo*: U.S.$3.5 million; and
- PointState Argentum LLC: U.S.$20.9 million.

As of March 31, 2021, we had debt outstanding with related parties:

- Fintech Energy LLC: U.S.$18.1 million;
- Delfin Jorge Ezequiel Carballo: U.S.$3.6 million; and
- PointState Argentum LLC: U.S.$21.7 million.

THE OFFER AND SOLICITATION

The following is a description of the material provisions of the Offer and Solicitation. For a more complete understanding of the Proposed Amendments and the New Notes, we urge you to read carefully "The Proposed Amendments" and "Description of the New Notes."

Terms of the Offer and Solicitation

Overview

Subject to the terms and conditions described in this Exchange Offer and Consent Solicitation Memorandum and any supplement hereto, we are asking Eligible Holders (as defined below under —"Offering Restrictions; Eligible Holders") of Existing Notes to submit their Tender Orders for any and all of the outstanding principal amount of the Existing Notes in exchange for the Early Tender Consideration or the Late Tender Consideration, as applicable.

The principal purpose of the Offer is to exchange the Existing Notes for the New Notes, which will extend the average maturity of our existing senior debt.

The purpose of the Solicitation is to eliminate substantially all of the covenants in the Series XX Notes Indenture, including certain restrictive and affirmative covenants, to modify the conditions to acceleration in the Series XX Notes Indenture and to waive the Issuer's obligations to comply with Sections 7.06 (*Limitation on Debt*) and 7.09 (*Limitation on Liens*) of the Private Notes in connection with the Exchange Offer.

If you deliver a Tender Order for Series XX Notes, you are also giving us your written consent to authorizing us and the Series XX Notes Trustee, and instructing the Series XX Notes Trustee, upon receipt of the at least the requisite Consents, subject to the compliance with, or waiver of, the Minimum Tender Condition, to enter into the Supplemental Indenture in order to give effect to the Proposed Amendments. The Proposed Amendments will, among other matters, eliminate most restrictive covenants, certain affirmative covenants, certain events of default and certain conditions on acceleration. If we receive at least the requisite Consents, subject to the compliance with, or waiver of, the Minimum Tender Condition, we intend to promptly execute a Supplemental Indenture to the Series XX Notes Indenture, which we refer to as the "Supplemental Indenture," implementing the Proposed Amendments. The Supplemental Indenture will become effective upon execution on or promptly following the completion of the Offer and Solicitation, however, the Proposed Amendments will not become operative until the payment of the applicable Exchange Consideration.

Each Eligible Holder of Series XX Notes that submits a Tender Order (and does not validly revoke it) thereby also consents to the Proposed Amendments.

Each Eligible Holder that submits a Tender Order pursuant to the Offer and Solicitation will be deemed to represent, warrant and agree as set forth under "—Representations, Warranties and Covenants of Existing Notes" below.

Each Eligible Holder of Private Notes that validly submits a Tender Order must deliver to the Information and Exchange Agent at or prior to the Early Tender Date or the Expiration Date, as applicable, and must have not withdrawn at or prior the Withdrawal Date, an executed Transfer Certificate for any Private Notes so tendered. We are also requesting Consents from holders of Private Notes to waive the Issuer's obligations to comply with Sections 7.06 (*Limitation on Debt*) and 7.09 (*Limitation on Liens*) of the Private Notes in connection with the Exchange Offer.

The consummation of the Offer and Solicitation is conditioned upon, among other conditions, the submission of Tender Orders of (i) at least 70% of the aggregate outstanding principal amount of the Series XX Notes in the Offer and Solicitation, and (ii) more than 50% of the aggregate outstanding principal amount of Private Notes.

In accordance with Resolution 861 of the CNV the refinance through the Exchange Offer of the Private Notes, is subject to the condition that the subscription of the New Notes by holders of our Private Notes represent no more than 30% of the aggregate amount of New Notes issued, and that the remaining percentage is subscribed and paid in cash or through in-kind payment, such as by way of tenders of Series XX Notes in the Exchange Offer.

In addition, the following requirements must be complied with:

1) The Private Notes must be accounted for in our last annual financial statements, published by the issuer in *Autopista de Información Financiera* ("AIF") of the CNV.

2) The Exchange Offer must be addressed to all the holders of Private Notes.

3) Once the placement and payment process has been completed, the Private Notes will be canceled as a result of the compensation.

4) In the Exchange Offer and Consent Solicitation Memorandum, the procedure to prove the ownership of the Existing Notes, prior to its award, must be described.

5) In case of oversubscription, the award must be made pro rata and based on the amounts of the respective Existing Notes to be subscribed.

We are in a position and intend to comply with the aforementioned requirements.

Within 15 days after the placement, the Issuer must submit the following information to the CNV:

1) The detail of the holders of the Private Notes whose Private Notes were accepted for exchange, indicating: a) number of CUIT / CUIL or tax identification code that it possesses; b) address; c) total principal amount of the Private Notes held; d) amount of accrued and unpaid interest; and e) the book value, item and item of the financial statements where they are accounted for by the Issuer.

2) Report of an independent public accountant on the existence of the Private Notes, indicating: the principal amount of the Private Notes to be exchanged; the partial amortization and interest payments made, if any, and the award to the holder of the Private Notes.

3) Sworn statement from the Issuer in connection with the compliance with the ratios and requirements established above.

We are in a position and intend to comply with the aforementioned filing and requirements.

If and when issued, the New Notes will not be registered under the Securities Act or the securities laws of any other jurisdiction (other than Argentina, in which the public offering of the New Notes was authorized by the CNV in accordance with the Argentine Capital Markets Law and the CNV Rules). The New Notes may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act and any applicable state securities laws.

Exchange Consideration

Eligible Holders of Series XX Notes, for their Tender Orders validly submitted at or prior to the Early Tender Date, may choose between two, exclusive, consideration options, detailed in the table on the cover, in the columns under the headings "Option A" and "Option B".

Eligible Holders of Series XX Notes who validly submit a Tender Order after the Early Tender Date but at or prior to the Expiration Date will not be eligible to choose between different consideration options. For the avoidance of doubt, the consideration for such Tender Orders will be the same under "Option A" or "Option B".

Eligible Holders of Private Notes will not be eligible to choose between different consideration options. The consideration for Tender Orders for Private Notes will always be under Option A.

Early Tenders of Series XX Notes under Option A and Early Tenders of Private Notes

a) **Consideration**: Tender Orders of Existing Notes submitted under Option A at or prior to the Early Tender Date will receive (a) US$1,000 principal amount of New Notes per US$1,000 principal amount of Existing Notes validly tendered and accepted for exchange, plus (b) up to a maximum total aggregate principal amount of US$2,000,000 of New Notes payable pro rata, such that each Eligible Holder receives a minimum of US$1,010 and a maximum of US$1,020 principal amount of New Notes per US$1,000 principal amount of Existing Notes validly tendered and accepted for exchange.

   For example, if the participation in the Early A Consideration is (i) up to US$100 million aggregate principal amount of Existing Notes, each Eligible Holder will receive US$1,020 principal amount of

New Notes per US$1,000 principal amount of Existing Notes validly tendered and accepted for exchange, (ii) between US$100 million and US$200 million aggregate principal amount of Existing Notes, each Eligible Holder will receive between US$1,020 and US$1,010 principal amount of New Notes per US$1,000 principal amount of Existing Notes validly tendered and accepted for exchange, and (iii) US$200 million aggregate principal amount of Existing Notes, each Eligible Holder will receive US$1,010 principal amount of New Notes per US$1,000 principal amount of Existing Notes validly tendered and accepted for exchange.

The amount of the Early A Consideration will be determined on the Early Tender Date, unless the Extended Withdrawal Period is granted, as described below. The level of participation in Option A and, therefore, the proration of the amounts described in item (b) above may vary after the Early Tender Date if the Withdrawal Threshold is exceeded and the Extended Withdrawal Period is granted.

b) **Maximum applicable to Series XX Note Tenders, proration**: If the exchange of all validly tendered Existing Notes would cause us to exchange a principal amount of Existing Notes greater than US$200 million, then Option A will be oversubscribed, we will accept for exchange Series XX Notes under Option A on a prorated basis, with the aggregate principal amount of each Holder's validly tendered Series XX Notes accepted for exchange determined by multiplying each Holder's tender by the applicable proration factor, and rounding the product down to the nearest $1,000 principal amount. Tender Orders of Series XX Notes will be accepted up to the Option A Maximum Amount. The "Option A Maximum Amount" means US$200 million aggregate principal amount of Existing Notes, after deducting from such principal amount any and all Tender Orders of Private Notes principal amounts, in each case, validly submitted at or prior the Early Tender Date that are accepted. Tender Orders of Series XX Notes validly submitted under Option A at or prior to the Early Tender Date in excess of the Option A Maximum Amount will be, on a pro rata basis, automatically deemed submitted in exchange for Early B XX Consideration under Option B. The application of the Option A Maximum Amount and the proration may vary if the Withdrawal Threshold is exceeded and the Extended Withdrawal Period is granted.

c) **Priority of Private Notes:** Tender Orders of Private Notes may only be made in exchange for Option A and consequently, will not be subject to the Option A Maximum Amount or proration. In other words, Tender Orders of Private Notes under Option A will have priority over Tender Orders of Series XX Notes submitted under Option A.

Early Tenders of Series XX Notes under Option B

a) **Consideration:** Tender Orders of Series XX Notes submitted under Option B at or prior to the Early Tender Date will receive a principal amount of New Notes as set forth in the first row of the table on the cover under the heading "Option B – Early Tender Consideration", plus the applicable pro rata amount of Early Cash Consideration. The total Early Cash Consideration is US$100 million, payable on a pro rata basis. The Early XX B Consideration will consist of a combination of Early Cash Consideration and New Notes, so that the total Early XX B Consideration will be equal to US$1,000 of Early Cash Consideration and principal amount of New Notes per US$1,000 principal amount of Existing Notes validly tendered and accepted for exchange. The combination of Early Cash Consideration and New Notes could vary from a minimum of US$200 (or US$300 considering the Withdrawal Threshold) Early Cash Consideration and a maximum of US$800 (or US$700 considering the Withdrawal Threshold) principal amount of New Notes, to approximately US$500 Early Cash Consideration and approximately US$500 principal amount of New Notes, depending on Eligible Holders' participation. The combinations described may vary if the Minimum Tender Condition (as defined below) is waived by us, as we may do in our sole discretion.

The composition of the Early XX B Consideration between Early Cash Consideration and New Notes will be determined on the Early Tender Date, unless the Extended Withdrawal Period is granted. The composition of the Early XX B Consideration, between Early Cash Consideration and the New Notes, may vary after the Early Tender Date if the Withdrawal Threshold is exceeded and the Extended Withdrawal Period is granted, potentially increasing the amount of Early Cash Consideration and reducing the principal amount of New Notes therein.

Late Tenders of Existing Notes

Eligible Holders of Existing Notes who validly submit a Tender Order after the Early Tender Date but at or prior to the Expiration Date will be eligible to receive, for each US$1,000 principal amount of Existing Notes, US$970 of New Notes.

Consideration for Series XX Notes, either under Option A or B, and Private Notes, submitted after the Early Tender Date but at or prior to the Expiration Date is the same.

Withdrawal Threshold

If Tender Orders in excess of US$333.3 million of the aggregate outstanding principal amount of Series XX Notes are validly submitted in exchange for Early XX B Consideration, which would result in a composition of 30% Early Cash Consideration and 70% principal amount of New Notes, then the period under which Tender Orders can be revoked will be extended for two Business Days following the Early Tender Date. During such period, Eligible Holders who validly submitted Tender Orders will be able to revoke such Tender Orders.

If applicable, we will announce the commencement of the Extended Withdrawal Period, together with the results of the Exchange Offer as of the Early Tender Date, on the business day following the Early Tender Date.

Revocation of Tender Orders submitted under Option A during the Extended Withdrawal Period will reduce the level of participation under Option A, consequently reducing, if the Option A was oversubscribed, the amount of Tender Orders rejected from Option A on a pro rata basis and deemed as submitted under Option B pursuant to the Option A Maximum Amount, affecting the levels of participation under Option A and Option B.

In addition, revocations submitted during the Extended Withdrawal Period may affect the composition of:

(i) The Early A Consideration, as the aggregate principal amount of US$2,000,000 of New Notes payable pro rata under Option A will be distributed on a pro rata basis over the Tender Orders submitted under Option A after (y) deducting any Tender Orders revoked during the Extended Withdrawal Period, and (z) to the extent Option A was oversubscribed, accepting under Option A, to the extent possible but subject to the Option A Maximum Amount, the Tender Orders of Series XX Notes that were validly submitted under Option A, but due to the Option A Maximum Amount were, on a pro rata basis, deemed submitted under Option B.

(ii) The Early XX B Consideration, as the Early Cash Consideration will be distributed on a pro rata basis over the Tender Orders submitted under Option B after deducting (i) any Tender Orders revoked during the Extended Withdrawal Period, and (ii) any Tender Orders deemed to be submitted under Option B, due to oversubscription of Option A, that would be then re-submitted under Option A, as a result of a reduction of the oversubscription of Option A, due to the exercise of withdrawal rights during the Extended Withdrawal Period.

The Exchange Consideration will depend on the level of participation in the Offer, the options chosen by Eligible Holders of Series XX Notes and the application of the Option A Maximum Amount and proration. The Exchange Consideration may also vary after the Early Tender Date if the Withdrawal Threshold is exceeded and the Extended Withdrawal Period is granted.

Accrued Interest Payment

In addition to the applicable Exchange Consideration, all Eligible Holders whose Tender Orders are validly submitted and accepted by us for exchange will receive the Accrued Interest Payment, equal to all accrued and unpaid interest on their Existing Notes accepted for exchange from the last interest payment date to, but not including, the Settlement Date (subject to any tax withholdings applicable). The aggregate amount of accrued and unpaid interest on the Private Notes as of the Settlement Date will be of approximately US$29 million. Under no circumstances will any interest be payable because of any delay in the transmission of funds to Eligible Holders by DTC, Euroclear, Clearstream or any other clearing system.

Denominations

Tender Orders may be submitted only in principal amounts equal to minimum denominations of US$1,000 and integral multiples in excess thereof. The New Notes will be issued in denominations of US$1,000 and integral multiples of US$1.00 in excess thereof.

No Fractional Interests

The New Notes will be issued in minimum denominations of US$1,000 and integral multiples of US$1.00 in excess thereof and we will not issue any fractional New Notes. If any tendering holder's allocation of Existing Notes would otherwise result in the issuance to such holder of fractional New Notes, we will round down to the nearest US$1.00 and we will not compensate such holder for such fractional Existing Note. Any Tender Order of Existing Notes that would result in the issuance of a New Note to a holder below the minimum denomination of US $1,000 of New Notes will be rejected, and such Existing Note will be returned to the holder.

Offering Restrictions; Eligible Holders

You may not participate in the Offer and Solicitation unless you are, and if you are acting on behalf of a beneficial owner of the Existing Notes, the beneficial owner is, an "Eligible Holder" as defined below:

An "Eligible Holder" is a person that is either:

(1) a "qualified institutional buyers" as defined in Rule 144A under the Securities Act;

(2) a person outside the United States who is (i) not a "U.S. Person" as defined in Rule 902 under the Securities Act, (ii) not acting for the account or benefit of a U.S. Person and (iii) a "Non-U.S. Qualified Offeree."

A "Non-U.S. Qualified Offeree" means:

(1) In relation to each Member State of the European Economic Area (the "EEA"), a person that is a retail investor. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "Prospectus Regulation").

(2) In relation to the United Kingdom,

   i) a person that is not a retail investor in the United Kingdom ("UK"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, the "FSMA") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA (the "UK Prospectus Regulation"). Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the New Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the New Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

   ii) persons who are "qualified investors" (as defined in the UK Prospectus Regulation) who are (i) persons having professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Order"), or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order, or (iii) persons to whom it would otherwise be lawful to distribute them, all such persons together being referred to as "Relevant Persons."

(3) any entity outside the U.S., the EEA and the United Kingdom to whom the offers related to the New Notes may be made in compliance with all other applicable laws and regulations of any applicable jurisdiction, including Argentine Entity Offerees and Non-Cooperating Jurisdiction Offerees.

Early Tender Date

For purposes of the Offer and Solicitation, the term "Early Tender Date" means 5:00 p.m., New York City time, on August 16, 2021, subject to our right to extend that time and date in our sole discretion, subject to applicable law. Holders of Existing Notes who have validly submitted Tender Orders in the Offer and Solicitation at or prior to the Early Tender Date will be eligible to receive the Early Tender Consideration, as applicable.

The composition of the Early A Consideration and the Early XX B Consideration between Early Cash Consideration and New Notes will be fixed as of the Early Tender Date. However, these amounts may vary if the Withdrawal Threshold is exceeded and the Extended Withdrawal Period is granted.

Expiration Date; Extensions; Termination; Amendments

For purposes of the Offer and Solicitation, the term "Expiration Date" means 5:00 p.m., New York City time, on August 30, 2021, subject to our right to extend that time and date in our sole discretion, subject to applicable law, in which case the Expiration Date will mean the latest time and date to which the Expiration Date is extended. The Expiration Date will be extended for two business days if the Extended Withdrawal Period occurs. During any extension, all the Tender Orders previously submitted will remain subject to the Offer and Solicitation and may be accepted pursuant to the Offer and Solicitation by us. We will announce any extension of the Expiration Date no later than 9:00 a.m., New York City time, on the next business day after the previously scheduled Expiration Date. If we do modify or extend the terms of the Offer and Solicitation in a material manner, we will provide for reasonable withdrawal rights to any tendering holders.

We expressly reserve the right, at any time or from time to time, in our sole discretion (subject to applicable law), to:

(1) delay the acceptance of any Tender Order in connection with the Offer and Solicitation;

(2) extend the Early Tender Date or Expiration Date for the Offer and Solicitation with or without extending the Withdrawal Date and retain all the Tender Orders that, at the time of the extension, has been submitted;

(3) terminate the Offer and Solicitation;

(4) refuse to accept Tender Orders and return any or all Existing Notes that have been tendered to us;

(5) waive any condition to the Offer and Solicitation, except as provided herein, and accept all Tender Orders previously submitted;

(6) amend the Offer and Solicitation by giving oral notice, promptly confirmed in writing, or written notice of such amendment to the Exchange and Information Agent; or

(7) accept all properly submitted Tender Orders.

We expressly reserve the right, in our sole discretion, to terminate the Offer and Solicitation if any of the conditions set forth below under "—The Conditions" shall not have been satisfied or waived by us. If the Offer and Solicitation are terminated, withdrawn or otherwise not completed, the Exchange Consideration and, as applicable, the Early Tender Consideration, will not be paid or become payable to you, even if you have validly tendered your Existing Notes in connection with the Offer and Solicitation, and any Tender Orders you have submitted that we have not accepted for exchange will be returned promptly to you.

If we make a material change in the terms of the Offer and/or Solicitation or the information concerning the Offer and/or Solicitation or waive a material condition of the Offer and/or Solicitation, we will disseminate additional materials relating to the Offer and Solicitation and extend the Offer and Solicitation accordingly. In addition, we may extend the Offer and Solicitation for any other reason we deem appropriate.

With respect to any extension of the Offer and Solicitation, the taking of any other action set forth in the preceding paragraph or any amendment or termination of the Offer and Solicitation, we will promptly provide written notification of each such extension, amendment or termination to the Exchange and Information Agent. Without limiting the manner in which we may choose to make this announcement, unless otherwise required by law, we will (i) inform the Exchange and Information Agent and (ii) publish a press release.

CERTAIN OF THE FOREGOING DATES MAY BE MODIFIED FOR APPROXIMATELY TWO BUSINESS DAYS IN THE EVENT THAT THE WITHDRAWAL THRESHOLD IS EXCEEDED AND, THEREFORE, THE WITHDRAWAL EXTENDED PERIOD IS GRANTED.

Argentine Placement Agent

Macro Securities S.A. (the "Argentine Placement Agent"), will provide information about the Company and the Offer and Solicitation to Eligible Holders who are Argentine residents as part of the Offer and Solicitation, in coordination with the dealer managers and solicitation agents' efforts outside Argentina. The Argentine Placement Agent shall not solicit or receive Tender Orders from Eligible Holders who are Argentine residents, nor shall it receive Eligibility Letters nor the Transfer Certificates. Eligible Holders who are Argentine holders of Existing Notes shall make their own arrangements to participate in the Offer and Solicitation following the procedure set forth in the Argentine Exchange Offer and Solicitation Memorandum.

Representations, Warranties and Covenants of Holders of Existing Notes

By submitting a Tender Order, an Eligible Holder, or the beneficial owner of the Existing Notes on behalf of which the Eligible Holder has tendered (who shall also be an Eligible Holder), will be deemed to:

(1) irrevocably sell, assign and transfer to or upon our order or the order of our nominee, all right, title and interest in and to, and any and all claims in respect of or arising or having arisen as a result of such holder's status as a holder or beneficial owner of, all Existing Notes tendered thereby, and thereafter it will have no contractual or other rights or claims in law or equity against us, the Exchange and Information Agent or any fiduciary, trustee, fiscal agent or other person connected with the Existing Notes arising under, from or in connection with such Existing Notes, except for return of the Existing Notes if the Offer and Solicitation are terminated without any Existing Notes being purchased thereunder or if payment is improperly withheld;

(2) waive any and all rights with respect to the Existing Notes accepted for tender, including, without limitation, any and all rights to payment, any existing, past or continuing defaults and their consequences in respect of such Existing Notes, provided that such waiver shall not limit the right to receive payment of, and exercise rights with respect to, the Early Tender Consideration and the Late Tender Consideration, as applicable, following the Settlement Date;

(3) release and discharge us, our directors, officers, members of the supervisory committee, shareholders, affiliates and any trustee from any and all claims the holder may have, now or in the future, arising out of or related to the Existing Notes accepted for tender, including, without limitation, any claim that the holder is entitled to receive additional principal or interest payments with respect to the Existing Notes tendered thereby, other than as expressly provided in this Exchange Offer and Consent Solicitation Memorandum, or to participate in any redemption or defeasance of the Existing Notes tendered thereby, provided that such release and discharge shall not limit the right to receive payment of, and exercise rights with respect to, the Early Tender Consideration or the Late Tender Consideration, as applicable, at the Settlement Date;

(4) waive, to the extent permitted by law, any rights that it may have to challenge the validity of the transactions contemplated in the Offer and Solicitation;

(5) if such holder is acting on behalf of the beneficial owner of Existing Notes, represent that it has received from such beneficial owner a release and discharge substantially to the effect set forth in the foregoing paragraphs;

(6) in the case of the Series XX Notes, consent to the Series XX Notes Trustee's execution of the Supplemental Indenture and the Proposed Amendments described in "The Proposed Amendments." and;

(7) in the case of Private Notes, represent that such holder is not located in a non-cooperative jurisdiction.

In addition, such Eligible Holder of Existing Notes, or the beneficial owner of such Existing Notes on behalf of which the Eligible Holder has tendered in the Offer and Solicitation (who shall also be an Eligible Holder), will be deemed to acknowledge, represent, warrant and agree that:

(1) it hereby waives, to the extent permitted by law, any rights that it may have pursuant to Argentine or other applicable law to bring an action to challenge the legality or validity of the Offer and Solicitation and agree that that waiver will survive any termination of the Offer and Solicitation;

(2) it will execute all such other documents, provide any further assurances and perform all such other acts or things as may be reasonably necessary in order to consummate Offer and Solicitation, including the Eligibility Letter and the Transfer Certificate and any agreement necessary to cancel the Existing Notes in exchange for the Early Tender Consideration or the Late Tender Consideration, as applicable, provided that there is no liability or obligation that such Eligible Holder will incur as a result of performing such further assurances;

(3) it is, and will remain, (until consummation or termination of the Offer and Solicitation), an Eligible Holder, as defined in —"Offering Restrictions; Eligible Holders" and is making all representations contained in the Eligibility Letter;

(4) it has received and reviewed this Exchange Offer and Consent Solicitation Memorandum and all other documents delivered by or on behalf of the Company;

(5) it is the beneficial owner of, or a duly authorized representative of one or more beneficial owners of, the Existing Notes tendered thereby and it has full power and authority to tender, sell, assign and transfer the Existing Notes tendered;

(6) the Existing Notes being tendered were owned as of the date of tender, free and clear of any liens, charges, claims, encumbrances, interests and restrictions of any kind, and acknowledges that we will acquire good, indefeasible and unencumbered title to such Existing Notes, free and clear of all liens, charges, claims, encumbrances, interests and restrictions of any kind, when we accept the same;

(7) it will not sell, pledge, hypothecate or otherwise encumber or transfer any Existing Notes tendered thereby or any interest therein from the date of the tender until the Settlement Date and will not grant to any person any proxy or other right to vote such Existing Notes from the date of the submission of the tender until the Settlement Date and any purported sale, pledge, hypothecation or other encumbrance or transfer will be void and of no effect;

(8) the New Notes have not been registered under the Securities Act and neither it nor any such beneficial owner may or will resell its or such beneficial owner's interest in any of the New Notes in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act;

(9) it is making all representations contained in the Eligibility Letter and it is either (1) a "qualified institutional buyer" as defined in Rule 144A under the Securities Act or (2) a non-U.S. Person (as defined in Rule 902 under the Securities Act) located outside of the United States and is tendering Existing Notes for its own account or for a discretionary account or accounts on behalf of one or more persons who are Eligible Holders as to which it has been instructed and has the authority to make the representations contained in this Exchange Offer and Consent Solicitation Memorandum;

(10) it is otherwise a person to whom it is lawful to make available this Exchange Offer and Consent Solicitation Memorandum or to make the Offer and Solicitation in accordance with applicable laws (including the transfer restrictions set out in this Exchange Offer and Consent Solicitation Memorandum);

(11) it is not located or resident in the United Kingdom or, if it is located or resident in the United Kingdom, it is a person (i) falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Financial Promotion Order"), (ii) falling within Article 43 of the Financial Promotion Order (non-real time communication by or on behalf of a body corporate to creditors of that body corporate), or (iii) within Article 43 of the Financial Promotion Order, or to whom this Exchange Offer and Consent Solicitation Memorandum and any other documents or materials relating to the Exchange Offer and Consent Solicitation may otherwise lawfully be communicated in accordance with the Financial Promotion Order;

(12) it is not an investor resident in a Member State of the European Economic Area, or, if it is resident in a Member State of the European Economic Area, it is a qualified investor (within the meaning of Article 2(1)(e) of the Prospectus Regulation (as defined below)) and not a retail investor (as defined in Regulation (EU) No 1286/2014 (the "PRIIPs Regulation"));

(13) it is not a resident in Canada, or it will otherwise contact the Exchange and Information Agent for more information regarding its eligibility to participate in this Exchange Offer and will comply with any eligibility requirements informed by the Exchange and Information Agent;

(14) (a) none of us, our directors, officers or shareholders, the Exchange and Information Agent, the Dealer Managers and Solicitation Agents, the Series XX Notes Trustee, the New Notes Trustee, nor any person acting on behalf of any of the foregoing, has made any statement, representation or warranty, express or implied, to it with respect to us, the Offer and Solicitation or the offer or delivery of the Early Tender Consideration or the Late Tender Consideration, as applicable, other than the information included in this Exchange Offer and Consent Solicitation Memorandum, as supplemented prior to the Expiration Date and any other documents delivered by or on behalf of the Company in connection with the Offer and Solicitation, and (b) any information it desires concerning us, the Offer and Solicitations and the Early Tender Consideration or the Late Tender Consideration, as applicable, or any other matter relevant to its decision to accept the Offer and Solicitation, including a copy of this Exchange Offer and Consent Solicitation Memorandum, is or has been made available to it;

(15) none of us, our directors, officers or shareholders, the Exchange and Information Agent, the dealer managers and the solicitation agents, the Series XX Notes Trustee, the New Notes Trustee, nor any person acting on behalf of any of the foregoing, has made any statement, representation or warranty, express or implied, to it with respect to the availability of Rule 144 or any other exemption under the Securities Act for the reoffer, resale, pledge or transfer of the Early Tender Consideration or the Late Tender Consideration, as applicable;

(16) it is not one of our "Affiliates," as that term is defined under Rule 144 of the Securities Act (other than the Tender Orders that our subsidiary Sofeet International LLC, as Eligible Holder of Private Notes for an amount of approximately US$23 million may submit);

(17) in evaluating the Offer and Solicitation and in making its decision whether to participate therein by tendering its Existing Notes, such holder has made its own independent appraisal of the matters referred to herein and in any related communications and is not relying on any statement, representation or warranty, express or implied, made to such holder by us or the Exchange and Information Agent other than those contained in this Exchange Offer and Consent Solicitation Memorandum, as supplemented prior to the Expiration Date;

(18) the submission of Tender Orders to the Exchange and Information Agent will, subject to the terms and conditions of the Offer and Solicitation generally, constitute an irrevocable instruction to such agent to complete and execute all or any forms of transfer and other documents deemed to be necessary in the reasonable opinion of such agent in relation to the Existing Notes tendered thereby in our favor or in the favor of such other person or persons as we may direct and to deliver such forms of transfer and other documents in the agent's opinion and/or the certificates and other documents of title relating to such Existing Note's registration and to execute all such other documents and to do all such other acts and things as, in the reasonable opinion of such agent, may be necessary for Offer and Solicitation and to vest in us or our nominees the ownership of such Existing Notes;

(19) the terms and conditions of the Offer and Solicitation contained herein will be deemed to be incorporated in, and form a part of, the Tender Order, which will be read and construed accordingly;

(20) it has read, understands and agrees to comply with the restrictions on transfer with respect to the New Notes, as the case may be, as set forth in this Exchange Offer and Consent Solicitation Memorandum under "Transfer Restrictions";

(21) it has had access to such financial and other information and has been afforded the opportunity to ask such questions of representatives of the Issuer and receive answers thereto, as it deems necessary in connection with its decision to participate in the Offer and Solicitation;

(22) in evaluating the Offer and Solicitation and in making its decision whether to participate therein, such Eligible Holder has been afforded an opportunity to request from us and to review, and has received and reviewed, all additional information considered by it to be necessary to verify the accuracy of or to supplement the information in the Exchange Offer and Consent Solicitation Memorandum and has made its own independent appraisal of the Offer and Solicitation and is not relying on any statement, representation or warranty, express or implied, made to such Eligible Holder by the dealer managers and solicitation agents, the Exchange and Information Agent, the Company, any of its directors or officers, the Series XX Notes Trustee, the New Notes Trustee or any person acting on behalf of any of the foregoing other than those contained in the Exchange Offer and Consent Solicitation Memorandum;

(23) we may deliver any supplements to this Exchange Offer and Consent Solicitation Memorandum to creditors by means of electronic distribution and need not deliver a physical copy of such supplement;

(24) the Exchange and Information Agent will instruct DTC to return the Existing Notes in the event of non-acceptance and/or revocation and/or termination of the Offer and Solicitation, as the case may be;

(25) the Exchange and Information Agent does not assume any obligation or relationship of agency or trust, for or with such holder or such beneficial owner, and that the Exchange and Information Agent shall have no duties or obligations other than those specifically set forth in this Exchange Offer and Consent Solicitation Memorandum;

(26) we and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations, warranties and agreements, and that if any of the acknowledgements, representations, warranties and agreements deemed to have been made by the tender of Existing Notes are no longer accurate, it will promptly notify us;

(27) it (or, if it is tendering Existing Notes on behalf of a beneficial owner, such beneficial owner) is solely liable for any taxes and similar or related payments imposed on it under the laws of any applicable jurisdiction as a result of its participation in the Offer and Solicitation (but not as a holder of the New Notes, to the extent provided by the terms of the New Notes) and agrees that it will not and does not have any right of recourse (whether by way of reimbursement, indemnity or otherwise) against the Company, the Exchange and Information Agent, or any other person in respect of such taxes and payments; and

(28) neither it nor the person receiving New Notes is acting on behalf of any person who could not truthfully make the foregoing representations, warranties and undertakings or those set forth in the Agent's Message.

The acknowledgements, representations, warranties and agreements of a holder submitting a Tender Order will be deemed to be repeated and reconfirmed on and as of each of the Expiration Date and the date that the applicable Exchange Consideration is delivered to holders of Existing Notes. For purposes of this Exchange Offer and Consent Solicitation Memorandum, the "beneficial owner" of any Existing Notes will be any holder that exercises sole investment discretion with respect to that Existing Notes.

Neither the delivery of this Exchange Offer and Consent Solicitation Memorandum nor any acceptance or tender of, or payment for Existing Notes, will under any circumstances create any implication that the information contained in this Exchange Offer and Consent Solicitation Memorandum is correct as of a time subsequent to the date hereof or that there has been no change in the information set forth in this Exchange Offer and Consent Solicitation Memorandum or in any attachments hereto since the date hereof.

No dealer, salesperson or other person has been authorized to give any information or to make any representation not contained in this Exchange Offer and Consent Solicitation Memorandum and, if given or made, such information or representation may not be relied upon as having been authorized by us. This Exchange Offer and Consent Solicitation Memorandum contains important information that should be read before any decision is made with respect to the submission of a Tender Order.

The Offer and Solicitation are not being made, the applicable Exchange Consideration is not being delivered, and Tender Orders will not be accepted from or on behalf of any holders, in any jurisdiction in which the making or acceptance thereof would not be in compliance with the securities, blue sky or other laws of that jurisdiction or would require any registration or filing with any regulatory authority.

No Guaranteed Delivery

We have not provided guaranteed delivery provisions in connection with the Exchange Offer. Eligible Holders must submit their Tender Orders in accordance with the procedures set forth herein.

Procedures for Tendering

The Series XX Notes are issued in global form and held of record by the nominee of DTC. In turn, the Series XX Notes are recorded on DTC's books in the names of people who have accounts with DTC, which we refer to as "DTC Participants," that hold the Existing Notes for beneficial owners. The Private Notes are issued in global form and held through Euroclear and Clearstream.

Tender Orders in respect of Series XX Notes may be submitted only in principal amounts equal to minimum denominations of US$1,000 and integral multiples in excess thereof. No alternative, conditional or contingent tenders will be accepted. Holders who submit Tender Orders for less than all of their Series XX Notes must continue to hold Series XX Notes in at least the minimum denomination of US$1,000 principal amount.

Tender Orders in respect of Private Notes may be submitted only in principal amounts equal to minimum denominations of US$1,000 and integral multiples in excess thereof. No alternative, conditional or contingent tenders will be accepted. Holders who submit Tender Orders for less than all of their Private Notes must continue to hold their Private Notes in at least the minimum denomination of US$1,000 principal amount.

Other than the Transfer Certificate required to be delivered by Argentine Entity Offerees, by Non-Cooperating Jurisdiction Offerees and Eligible Holders of Private Notes who submit their Tender Orders pursuant to the Offer, there is no separate letter of transmittal in connection with this Exchange Offer and Consent Solicitation Memorandum.

Procedures for submitting Tender Orders of Series XX Notes through DTC, Euroclear or Clearstream

Only DTC Participants that have security positions in the Series XX Notes in their DTC accounts will be entitled to tender and participate directly in the Offer and Solicitation. If you are a beneficial owner whose Series XX Notes are held by a broker, dealer, commercial bank, trust company or other securities intermediary and you wish to participate in the Offer and Solicitation, you should instruct that securities intermediary to timely tender on your behalf by following that securities intermediary's internal procedures.

If you are a DTC Participant that holds Series XX Notes, the Exchange and Information Agent and DTC have confirmed that the Offer and Solicitation are eligible for ATOP. Accordingly, DTC Participants must electronically transmit their acceptance of the Offer and Solicitation by causing DTC to transfer their Existing Notes to the Exchange and Information Agent in accordance with DTC's ATOP procedures for such transfer. DTC will then send an Agent's Message to the Exchange and Information Agent. The delivery of such agent's message will constitute the agreement by the DTC Participant. The submission of a Tender Order of Existing Notes by the submission of a valid electronic acceptance instruction to a clearing system will result in the blocking of such Existing Notes in the relevant clearing system upon receipt.

If your Series XX Notes are held through Euroclear or Clearstream, you must comply with the procedures established by Euroclear or Clearstream, as applicable, to participate in the Offer and Solicitation. Euroclear and Clearstream intend to collect from their direct participants (a) instructions to (1) tender Series XX Notes held by them on behalf of their direct participants in the Offer and Solicitation, (2) "block" any transfer of Series XX Notes so tendered until the completion of the Offer and Solicitation and (3) debit their account on or about the Settlement Date, or as soon as practicable thereafter, in respect of all Series XX Notes accepted pursuant to the Offer and Solicitations by us; and (b) irrevocable authorizations to disclose the names of the direct participants and information about the foregoing instructions. Upon the receipt of these instructions, in the case of the Series XX Notes, Euroclear and Clearstream will advise their applicable DTC Participant to electronically transmit their holders' acceptances of the Offer and Solicitation by causing DTC to transfer their Existing Notes to the Exchange and Information Agent in accordance with DTC's ATOP procedures for such transfer. Euroclear and Clearstream may impose additional earlier deadlines in order to properly process these instructions. As a

part of tendering through Euroclear or Clearstream, you are required to become aware of any such deadlines.

Procedures for submitting Tender Orders for Private Notes through Euroclear or Clearstream

We will only accept Tender Orders of Private Notes held through Euroclear or Clearstream by way of the submission by you of valid electronic tender and blocking instructions ("Tender Instructions"), in the form required by Euroclear or Clearstream, as applicable, in accordance with the procedures set forth below.

To submit Tender Orders of Private Notes held through Euroclear or Clearstream, you should deliver, or arrange to have delivered on your behalf, via Euroclear or Clearstream, as applicable, and in accordance with the requirements of such clearing system, a valid Tender Instruction that is received by the Exchange and Information Agent prior to the Early Tender Expiration Date or the Expiration Date, as applicable.

You are advised to check with any bank, securities broker or other intermediary through which you hold Private Notes whether such intermediary would require to receive instructions to participate in, or revoke their instruction to participate in, the Offers before the deadlines specified in this Exchange Offer and Consent Solicitation Memorandum. The deadlines set by Euroclear and Clearstream for the submission and revocation of Tender Instructions will also be earlier than the relevant deadlines specified in this Exchange Offer and Consent Solicitation Memorandum.

The tendering of Private Notes held through Euroclear or Clearstream in the Offers will be deemed to have occurred upon receipt by the Depositary, via Euroclear or Clearstream, as applicable, of a valid Tender Instruction in accordance with the requirements of such clearing system. The receipt of such Tender Instruction by Euroclear or Clearstream, as applicable, will be acknowledged in accordance with the standard practices of such clearing system and will result in the blocking of the relevant Private Notes in such clearing system so that no transfers may be effected in relation to such Private Notes.

You must take the appropriate steps through Euroclear or Clearstream, as applicable, so that no transfers may be effected in relation to such blocked Private Notes at any time after the date of submission of such Tender Instruction, in accordance with the requirements of Euroclear or Clearstream, as applicable, and the deadlines required by such clearing system. By blocking such Private Notes in Euroclear or Clearstream, each person who is shown in the records of such Covered Clearing System as a holder of a particular principal amount of the Private Notes (also referred to as "Direct Participants" and each a "Direct Participant") will be deemed to consent to Euroclear or Clearstream, as applicable, providing details concerning your identity to us, the Exchange and Information Agent and the dealer managers and solicitation agents.

Only Direct Participants may submit Tender Instructions. Each Holder or beneficial owner of Private Notes that is not a Direct Participant must arrange for the Direct Participant through which it holds the relevant Private Notes to submit a Tender Instruction on its behalf to Euroclear or Clearstream, as applicable, by the deadlines specified by such clearing system.

Eligible Holders who represent to be Argentine Entity Offerees or Non-Cooperating Jurisdiction Offerees must properly complete and submit, and not withdraw, the Transfer Certificate to the Exchange and Information Agent at or prior to the Early Tender Date or the Expiration Date, as applicable. Eligible Holders submitting Tender Orders for Private Notes will execute Annex C therein, with the applicable Consent. Annex C therein provides for the Consent to be submitted by Eligible Holders of Private Notes to waive the Issuer's obligations to comply with Sections 7.06 (*Limitation on Debt*) and 7.09 (*Limitation on Liens*) of the Private Notes, in connection with the Exchange Offer.

Executed Transfer Certificates must be timely received by the Exchange and Information Agent, at or prior to the Early Tender Date or the Expiration Date, as applicable, by mail, fax, hand delivery or email in its address, set forth on the back cover page of this Exchange Offer and Consent Solicitation Memorandum.

Eligible Holders who tender Existing Notes that are held through local depository agents such as Caja de Valores S.A. shall comply with the minimum Argentine holding period before transferring the Existing Notes to the Exchange and Information Agent for its transfer to a depository agent abroad. See "Exchange Controls."

ELIGIBLE HOLDERS OF THE EXISTING NOTES SHOULD NOTE THAT EACH OF DTC, EUROCLEAR OR CLEARSTREAM IMPOSES DAILY DEADLINES FOR THE SUBMISSION OF ELECTRONIC INSTRUCTIONS. ACCORDINGLY, ELIGIBLE HOLDERS OF EXISTING NOTES WISHING TO PARTICIPATE IN THE OFFER AND SOLICITATION ARE ADVISED TO ENSURE THAT THEY SUBMIT, OR ARRANGE TO HAVE SUBMITTED ON THEIR BEHALF, ANY ELECTRONIC INSTRUCTION IN ADVANCE OF SUCH DEADLINES IMPOSED BY DTC, EUROCLEAR OR CLEARSTREAM, AS THE CASE MAY BE. IN ADDITION, ELIGIBLE HOLDERS OF EXISTING NOTES SHOULD CHECK WITH THE BANK, SECURITIES BROKER OR ANY OTHER INTERMEDIARY THROUGH WHICH THEY HOLD THEIR EXISTING NOTES WHETHER SUCH INTERMEDIARY APPLIES DIFFERENT DEADLINES TO PARTICIPATE IN THE OFFER AND SOLICITATION THAN SET OUT IN THIS EXCHANGE OFFER AND CONSENT SOLICITATION MEMORANDUM OR, AS THE CASE MAY BE, AS IMPOSED BY DTC, EUROCLEAR OR CLEARSTREAM, AS APPLICABLE, AND THEN SHOULD FOLLOW THOSE DEADLINES.

No Late Tenders

We will not accept late Tender Orders, *provided* that we reserve the right, in our sole discretion and in accordance with applicable law, to permit any holder of Existing Notes who submits its Tender Order after the Expiration Date to participate in the Offer and Solicitation on terms that in no case shall result in such holder being paid any amounts higher or receive other consideration in excess or in a form other than the amounts being paid to participating holders.

Revocation of Tender Orders

Tender Orders may be validly withdrawn or revoked at or prior to the Withdrawal Date but may not be validly withdrawn or revoked after such time. In the event of a termination of the Offer, the Existing Notes tendered pursuant to the Offer will be promptly returned to the tendering holders.

For a withdrawal of Tender Orders of Series XX Notes to be effective, a properly transmitted "Request Message" through ATOP must be received by the Exchange and Information Agent prior to the Withdrawal Date, at its address set forth on the back cover page of this Exchange Offer and Consent Solicitation Memorandum. Any such notice of withdrawal must:

- specify the name of the participant in the book-entry transfer facility whose name appears on the security position listing as the owner of such Series XX Notes;
- contain the description of the aggregate principal amount represented by such Series XX Notes; and
- specify the name and number of the account at the book-entry transfer facility to be credited with withdrawn Series XX Notes.

If the Tender Order of Series XX Notes to be withdrawn has been delivered or otherwise identified to the Exchange and Information Agent, notice of withdrawal is effective immediately upon receipt by the Exchange and Information Agent of the "Request Message" through ATOP.

For a withdrawal of Tender Orders of Existing Notes submitted through Euroclear or Clearstream to be effective, you must submit an electronic withdrawal instruction in accordance with the requirements of Euroclear or Clearstream, as applicable, and the deadlines required by that clearing system in order to unblock the tendered Existing Notes. To be valid, such instruction must specify the Existing Notes to which the original Tender Instruction related, the securities account to which such Existing Notes are credited and any other information required by Euroclear or Clearstream, as applicable.

Withdrawal of Tender Orders may only be accomplished in accordance with the foregoing procedures.

Any permitted revocation of Tender Orders may not be rescinded. Any Tender Orders validly revoked will thereafter be deemed not validly submitted for purposes of the Offer; provided, however, that withdrawn Notes may be re-tendered by again following one of the appropriate procedures described herein at or prior to the Early Tender Date or the Expiration Date, as applicable.

After the Withdrawal Date, submitted Tender Orders may not be validly withdrawn unless we amend or otherwise change the Offer and Solicitation in a manner material to tendering Eligible Holders or are otherwise required by law to permit withdrawal (as determined solely by us in our reasonable discretion). The minimum period during which the Offer and Solicitation will remain open following material changes in the terms of such Offer and Solicitation or in the information concerning such Offer and Solicitation will depend upon the facts and circumstances of such changes, including the relative materiality of the changes. With respect to a change in consideration, the affected Offer and Solicitation will remain open for a minimum five business day period. If the terms of the Offer and Solicitation are amended in a manner determined by the Issuer to constitute a material change, the Issuer will promptly disclose any such amendment in a manner reasonably calculated to inform Eligible Holders of such amendment, and the Issuer will extend such Offer and Solicitation for a minimum three business day period following the date that notice of such change is first published or sent to Eligible Holders to allow for adequate dissemination of such change, if such Offer and Solicitation would otherwise expire during such time period. If the Offer and Solicitation is terminated, Tender Orders submitted pursuant to such Exchange Offer will be returned promptly to the tendering Eligible Holders.

A valid revocation of a Tender Order will be deemed a revocation of the related Consents. An Eligible Holder who validly revokes a previously submitted Tender Order will not receive the applicable consideration unless such Tender Order is re-submitted by the Early Tender Date (with respect to the Early Tender Consideration) or the Expiration Date (with respect to Late Tender Consideration), as applicable, in accordance with the procedures and deadlines described in this Exchange Offer and Consent Solicitation Memorandum.

We will determine all questions as to the form and validity (including time of receipt) of any notice of withdrawal of a Tender Order, in our sole discretion, which determination shall be final and binding. None of us, the dealer managers and solicitation agents or the Exchange and Information Agent or any other person will be under any duty to give notification of any defect or irregularity in any notice of revocation of a Tender Order or incur any liability for failure to give any such notification.

If we are delayed in our acceptance for exchange of, or issuance of New Notes in exchange for (together with any applicable cash amounts), any Existing Notes then, without prejudice to our rights hereunder, but subject to applicable law, Tender Orders may be retained by the Exchange and Information Agent on our behalf and may not be validly withdrawn (subject to Rule 14e-l under the Exchange Act, which requires that we issue or pay the consideration offered or return the Existing Notes deposited by or on behalf of the Eligible Holders promptly after the termination or withdrawal of the Exchange Offer).

Validity

We, in our sole discretion, will determine all questions as to the form of documents, validity and eligibility, including time of receipt and acceptance for payment, and our determination will be final and binding. We reserve the absolute right to reject any and all Tender Orders that we determine are not in proper form or the acceptance for payment of or payment for which may, in the opinion of our counsel, be unlawful. We also reserve the absolute right, in our sole discretion, to waive any of the conditions of the Offer and Solicitation, except as otherwise provided, or any defect or irregularity in the Tender Order of any particular holder, whether similar conditions, defects or irregularities are waived in the case of other holders. Our interpretation of the terms and conditions of the Offer and Solicitation will be final and binding. None of us, the Exchange and Information Agent, the Series XX Notes Trustee, the New Notes Trustee, the Luxembourg Listing Agent or any other person will be under any duty to give notification of any defects or irregularities in any Tender Order or any notices of revocation or will incur any liability for failure to give any such notification.

Transfer Taxes

Holders who submit their Tender Orders will not be obligated to pay any transfer taxes in connection therewith, except that creditors who instruct us to register the Early Tender Consideration or the Late Tender Consideration, as applicable, in the name of, or request that the Existing Notes not tendered or not accepted in the Offer and Solicitation be returned to, a person other than the registered tendering holder will be responsible for the payment of any applicable transfer tax thereon.

Additional Amounts

The Company understands that the payment of the Early Tender Consideration and the Late Tender Consideration to holders of Series XX Notes, who do not qualify as an Argentine Entity Offeree or a Non-Cooperating Jurisdiction Offeree, is not subject to withholding or deduction by the Company for any Argentine taxes, levies, fees, assessment or other governmental charges of whatsoever nature imposed by any jurisdiction and by any level of government (including penalties, interest and other liabilities related thereto). In the event that the Company is required or compelled by law or by the interpretation made by any competent or judicial authority or judicial authority to deduct or withhold a portion of the Early Tender Consideration or the Late Tender Consideration, as applicable, payable pursuant to the Exchange Offer, the Company agrees to (i) pay such additional amounts as may be necessary to ensure that the amounts received by any such holder of Series XX Notes after such withholding or deduction (including any withholding or deduction with respect to such additional amounts) shall equal the amount that such holder of Series XX Notes would have received in the absence of such withholding or deduction and (ii) indemnify and hold harmless (on a grossed-up basis) such holder of Series XX Notes from any loss that may affect such holder of Existing Notes, including any payment which such holder of Series XX Notes may have been obliged to make, in direct connection with any determination by Argentine tax authorities or Argentine governmental authorities having the power to tax that a withholding tax or deduction was applicable.

Eligible Holders who represent to be Argentine Entity Offerees or Non-Cooperating Jurisdiction Offerees when submitting the Agent's Message or Tender Instruction and the applicable Transfer Certificate may be subject to certain tax withholdings in respect of interest paid with respect to the Series XX Notes, and gains or losses resulting from the exchange of the Series XX Notes for the New Notes. See "Taxation—Certain Argentine Tax Considerations". Such Argentine Entity Offerees and Non-Cooperating Jurisdiction Offerees are not eligible to receive additional amounts in respect of any such tax withholdings. Any Accrued Interest Payment due to Argentine Entity Offerees or Non-Cooperating Jurisdiction Offerees who tender Series XX Notes in this Exchange Offer will be subject to the applicable tax withholding at an effective withholding tax rate of 6% (subject to the withholding regime established by the General Resolution (AFIP) No. 830/2000), and up to 35%, respectively. Any capital gains deriving from the Exchange Consideration resulting from the exchange of the Series XX Notes for the New Notes paid to Non-Cooperating Jurisdiction Offerees who submit Tender Orders will be subject to the applicable tax withholding at an effective withholding tax rate of 31.5% on the gross amount. Capital gains will consist of the amount equivalent to the difference between the Exchange Consideration and the par value of the Existing Notes, as opposed to the value at which they were purchased or acquired. Neither the Company nor any of its agents or affiliates will be required to pay any additional amounts or other gross-up amounts in respect of such tax withholdings to the Argentine Entity Offerees or Non-Cooperating Jurisdiction Offerees. Payments of interest under the Private Notes will be subject to the applicable tax withholdings.

In the case of tax withholding applicable to any Exchange Consideration in accordance with this Exchange Offer and Consent Solicitation Memorandum and the preceding paragraph, the Company will deduct the relevant amount from the cash payments payable to the Eligible Holders who validly submit their Tender Orders and which Tender Orders are accepted by the Company in the Exchange Offer and Consent Solicitation. If the total amount of the cash payments is withheld by the Company for the purposes of the applicable tax withholding, any outstanding amounts thereunder will be deducted by the Company from the Exchange Consideration, in a principal amount of New Notes equal to the remaining amount of the applicable tax withholding.

Settlement Date; Delivery of the applicable Exchange Consideration and Accrued Interest Payment

The Early Tender Consideration or the Late Tender Consideration, as the case may be, and the Accrued Interest Payment, will be delivered on the Settlement Date, which is expected to be the third business day following the Expiration Date, or as soon as practicable thereafter. New Notes issued in exchange for Existing Notes and the Accrued Interest Payment will be delivered on the Settlement Date to the DTC Participant account from which your Tender Order were submitted via ATOP and to the Euroclear or Clearstream Direct Participants to the account from which your Tender Instruction was submitted. Under no circumstances will any interest be payable because of any delay in the transmission of funds to Eligible Holders by DTC, Euroclear, Clearstream or any other clearing system. Any Tender Orders that have been submitted pursuant to the Offer and Solicitation but that have been rejected by us will be returned to the holder thereof without cost to such holder promptly following the earlier to occur of the Expiration Date or the date on which the Offer are terminated. We will not

be obligated to deliver the New Notes or pay any cash amount with respect to the Exchange Offer unless the Exchange Offer is consummated.

Cash payments for the Existing Notes accepted for exchange shall be made on the Settlement Date by the deposit of the (i) Accrued Interest Payment plus (ii) the Early Cash Consideration, as applicable, for all Existing Notes being tendered and accepted in immediately available funds with DTC, Euroclear or Clearstream, as applicable. Under no circumstances will interest on the Exchange Consideration be paid by the Company by reason of any delay on the part of DTC, Euroclear or Clearstream in making payments to holders or otherwise.

The Conditions

We will not be required to consummate the Offer and Solicitation, and we may terminate the Offer and Solicitation or, at our option, withdraw, modify, extend or otherwise amend the Offer and Solicitation at any time prior to or concurrently with the expiration of the Offer and Solicitation, as extended for any reason in our sole discretion, including without limitation, if any of the following conditions have not been satisfied or waived (if permitted):

(1) the submission of at least 70% of the aggregate outstanding principal amount of the Series XX Notes in the Offer and Solicitation;

(2) the submission of more than 50% of the aggregate outstanding principal amount of Private Notes in the Offer and Solicitation;

(3) prior to the consummation of the Offer and Solicitation, none of the Company's material credit facilities with banks or other lenders in the form of revolving credit loans, term loans, letters of credit or bankers' acceptances or the like and under which the proceeds are applied solely for working capital purposes , shall have been accelerated, terminated or otherwise materially adversely modified by the relevant bank counterparties;

(4) the Series XX Notes Trustee under the Series XX Notes Indenture shall not have, at any time prior to the consummation of the Offer and Solicitation, taken any action that materially adversely affects the consummation of the Offer and Solicitation; and

(5) no order, statute, rule, regulation, executive order, stay, decree, judgment or injunction shall have been proposed, enacted, entered, issued, promulgated, enforced or deemed applicable by any court or governmental, regulatory or administrative agency or instrumentality, that prohibits, prevents, restricts or delays consummation of the Offer and Solicitation.

The foregoing conditions are for our sole benefit and may be waived by us in whole or in part in our sole discretion. Any determination made by us concerning an event, development or circumstance described or referred to above will be conclusive and binding. See "Risk Factors—Risk Related to the Offer and Solicitation—We have broad discretion to limit, cancel, extend or amend the terms of the Offer and Solicitation, which may affect the timing for completion of the Exchange Offer and the ability of holders of the Existing Notes to transfer or sell such Existing Notes

We reserve the right, in our sole discretion, if the Offer and Solicitation are not successful, to purchase or make offers to purchase any Existing Notes that remain outstanding subsequent to the Expiration Date for the Offer and Solicitation and, to the extent permitted by applicable law, purchase Existing Notes in the open market, in privately negotiated transactions, tender offers, another solicitation or otherwise, subject to the terms of the Existing Notes. The terms of any such purchases or offers could differ from the terms of the Offer and Solicitation. See "Risk Factors–Risks Related to Your Failure to Participate in the Offer and Solicitation."

Appraisal Rights

You will not have any right to dissent and receive appraisal of your outstanding Existing Notes in connection with the Offer.

Governing Law

The Offer and Solicitation shall be governed by and interpreted in accordance with the laws of the State of New York.

Notwithstanding the above, all matters relating to the due authorization, execution, issuance and delivery of the New Notes by us, matters relating to the legal requirements necessary in order for the New Notes to qualify as "*obligaciones negociables*" under Argentine law, will be governed by the Negotiable Obligations Law, the Argentine Capital Markets Law and the Argentine Corporations Law No. 19,550, as amended, and other applicable Argentine laws and regulations, including without limitation, the CNV Rules.

Legal Compliance

We are making the Offer and Solicitation to certain holders of Existing Notes. We are not aware of any jurisdiction in which the making of the Offer and Solicitation is not in compliance with applicable law, see "Offer and Distribution Restrictions." If we become aware of any jurisdiction in which the making of the Offer and Solicitation would not be in compliance with applicable law, we will make a good faith effort to comply with any such law. If, after such good faith effort, we cannot comply with any such law, the Offer and Solicitation will not be made to nor will Tender Orders be accepted from or on behalf of the holders of Existing Notes residing in such jurisdiction.

Exchange and Information Agent

We have retained Global Bondholder Services Corporation to act as the Exchange and Information Agent in connection with the Offer and Solicitation. The Exchange and Information Agent will assist with the mailing of this Exchange Offer and Consent Solicitation Memorandum and related materials to holders of the Existing Notes, respond to inquiries of and provide information to holders of Existing Notes in connection with the Offer and Solicitation, receive Agent's Messages from DTC, Tender Instructions from Euroclear and Clearstream and other required documents in connection with the Offer and Solicitation, perform certain ministerial tasks related to the Offer and Solicitation and provide other similar advisory services as we may request from time to time. All required documents should be sent or delivered to the Exchange and Information Agent at the addresses and telephone number for the Exchange and Information Agent that is set forth on the back-cover page of this Exchange Offer and Consent Solicitation Memorandum. Any questions concerning the procedures of the offers or requests for assistance or additional copies of this Exchange Offer and Consent Solicitation Memorandum and any other required documents should be directed to the Exchange and Information Agent at one of the addresses and telephone numbers set forth on the back cover page of this Exchange Offer and Consent Solicitation Memorandum.

We will pay the Exchange and Information Agent reasonable and customary compensation for its services in connection with the offers, plus reimbursement for out-of-pocket expenses. We will indemnify the Exchange and Information Agent against various liabilities and expenses in connection therewith including liabilities under the United States federal securities laws.

Delivery of an Agent's Message or Tender Instruction to an address other than that for the Exchange and Information Agent as set forth above does not constitute a valid delivery of the Existing Notes.

Dealer Managers and Solicitation Agents

We have retained J.P. Morgan Securities LLC and BofA Securities, Inc., to act as dealer managers and solicitation agents (the "dealer managers and solicitation agents") in connection with the Offer and Solicitation. We will pay the dealer managers and solicitation agents a reasonable and customary fee for soliciting tenders in the Offer and Solicitation. We will also reimburse the dealer managers and solicitation agents for their reasonable out-of-pocket expenses. The obligations of the dealer managers and solicitation agents to perform such functions are subject to certain conditions. We have agreed to indemnify the dealer managers and solicitation agents against certain liabilities, including liabilities under the U.S. federal securities laws, in connection with their services.

At any given time, the dealer managers and solicitation agents may trade Existing Notes or other of our securities for their own accounts or for the accounts of their customers and, accordingly, may hold a long or short position in the Existing Notes. To the extent the dealer managers and solicitation or their affiliates hold

Existing Notes during the Offer and Solicitation, they or their respective affiliates may submit Tender Orders under the Offer and Solicitation.

From time to time in the ordinary course of business, the dealer managers and solicitation agents and their respective affiliates have provided, and may provide in the future, investment or commercial banking services to us and our affiliates in the ordinary course of business for customary compensation. In addition, in the ordinary course of their business activities, the dealer managers and solicitation agents and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Company or its affiliates. The dealer managers and solicitation agents may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

None of the Company, the dealer managers and solicitation agents, the Series XX Notes Trustee, the New Notes Trustee, the Argentine Placement Agents, the Representative of the Trustee, the Onshore Trustee or the Exchange and Information Agent makes any recommendation as to whether or not Eligible Holders of Existing Notes should exchange their Existing Notes in the Offer and Solicitation.

None of the dealer managers and solicitation agents or the Exchange and Information Agent or the Series XX Notes Trustee or the New Notes Trustee or the Argentine Placement Agent or the Representative of the Trustee or the Onshore Trustee assumes any responsibility for the accuracy or completeness of the information concerning us or our affiliates or the Existing Notes contained in this Exchange Offer and Consent Solicitation Memorandum or for any failure by us to disclose events that may have occurred and may affect the significance or accuracy of such information.

We will not make any payment to brokers, dealers or others soliciting tenders in the Offer and Solicitation other than the dealer managers and solicitation agents, as described above.

Questions regarding the terms of the Offer and Solicitation may be directed to the dealer managers and solicitation agents at their respective address and telephone number listed on the back cover page of this Exchange Offer and Consent Solicitation Memorandum.

Fees and Expenses

We will bear the expenses of soliciting tenders to the Offer and Solicitation. In addition, our directors, managers, officers and regular employees of our affiliates and the Exchange and Information Agent may contact Eligible Holders by mail, e-mail, telephone, telex or telegraph regarding the Offer and Solicitation, and may request brokers, dealers and other nominees to forward this Exchange Offer and Consent Solicitation Memorandum and related materials to beneficial owners of Existing Notes eligible to participate in the Offer and Solicitation.

Miscellaneous

Other than with respect to the Exchange and Information Agent, and the dealer managers and solicitation agents, neither we nor any of our affiliates has engaged any broker, dealer or agent in respect of the Offer and Solicitation, and no person has been authorized by us or any of our affiliates to provide any information or to make any representations in connection with the Offer and Solicitation, other than the information expressly set forth in this Exchange Offer and Consent Solicitation Memorandum, and, if so provided or made, such other information or representations must not be relied upon as having been authorized by us or any of our affiliates. The delivery of this Exchange Offer and Consent Solicitation Memorandum shall not, under any circumstances, create any implication that the information set forth herein is correct as of any time subsequent to the date hereof.

THE PROPOSED AMENDMENTS

Each Holder that submits (and does not revoke) Tender Orders in respect of Series XX Notes, thereby also consents to the actions as proposed in this Exchange Offer and Solicitation Memorandum, including to authorize and direct the Series XX Notes Trustee to enter into the Supplemental Indenture in order to implement the Proposed Amendments modifying the Series XX Notes Indenture and the Series XX Notes.

The Proposed Amendments will amend the Series XX Notes Indenture and the Series XX Notes as described below, to which we refer collectively as the "Proposed Amendments."

Approval of the Proposed Amendments requires the submission of Tender Orders of the holders of at least a majority of the outstanding principal amount of the Series XX Notes. In the case of holders of Series XX Notes, the valid submission by you of Tender Orders pursuant to the Offer and Solicitation will be deemed to constitute the giving of Consent by you to the Proposed Amendments. The Proposed Amendments constitute a single proposal and you must consent to each of the Proposed Amendments.

If the requisite Consents are obtained in the Exchange Offer, subject to the Minimum Tender Condition (or we waive such condition, to the extent that holders of a majority in aggregate principal amount of the outstanding Series XX Notes is obtained), we will give effect to the Proposed Amendments by entering into the Supplemental Indenture with the Series XX Notes Trustee promptly after the Expiration Date. The Supplemental Indenture will become effective upon execution; however, the Proposed Amendments will not become operative until the Exchange Consideration is paid, and until then, the Series XX Notes Indenture will remain in effect without giving effect to the Proposed Amendments. If the Proposed Amendments become operative, all holders of Series XX Notes whose Series XX Notes have not been exchanged for the New Notes will become bound by the terms of the Proposed Amendments set forth in the Supplemental Indenture.

Amendments to Covenants in the Indenture. The Proposed Amendments would eliminate the following covenants contained in the Series XX Notes Indenture by deleting each section referenced below in its entirety:

- SECTION 4.03. Maintenance of Existence; Ratings
- SECTION 4.04. Licenses and Other Permits
- SECTION 4.06. Limitation on Debt
- SECTION 4.07. Limitation on Restricted Payments
- SECTION 4.08. Anti-Layering
- SECTION 4.09. Limitation on Liens
- SECTION 4.10. Limitation on Sale and Leaseback Transactions
- SECTION 4.11. Limitation on Dividend and other Payment Restrictions Affecting Restricted Subsidiaries
- SECTION 4.12. Repurchase of Notes Upon a Change of Control
- SECTION 4.13. Limitation on Asset Sales
- SECTION 4.14. Limitation on Transactions with Affiliates
- SECTION 4.15. Line and Conduct of Business
- SECTION 4.17. Report to Holders
- SECTION 5.01(iii)(C). Limitation on Consolidation, Merger or Sale of Assets by the Issuer

Amendments to Events of Default in the Indenture. The Proposed Amendments would eliminate the following Events of Default by deleting each clause referenced below in its entirety:

- Section 6.01(e) (An Event of Default for a failure to pay takes place on any indebtedness in excess of US$20,000,000)

- Section 6.01(f) (An Event of Default for failure to pay a final judgment in excess of US$20,000,000 that is not paid, discharged or stayed for a period of 30 days or more)

Amendment to Provisions for Acceleration. The Proposed Amendments would amend Section 6.02 of the Series XX Notes Indenture, which provides that holders of twenty five percent (25%) of the principal amount of the Series XX Notes may accelerate the Existing Notes upon the occurrence of an Event of Default (other than an Event of Default under Section 6.01(g), Section 6.01(h), Section 6.01(j) and Section 5.01(m)). Under the Proposed Amendments, this requirement will increase to eighty five percent (85%).

Amendment Not Requiring Consent of Holders: The Supplemental Indenture will also correct the reference in Section 9.03(a)(ix) of the Series XX Notes Indenture, so that it refers to "Section 4.20" of the Series XX Notes Indenture, instead of "Section 4.10". Section 9.03(a)(viii) of the Series XX Notes Indenture permits modification of the Series XX Notes Indenture in order to conform any provision of thereof to the "Description of the New Notes" under the offering memorandum relating to the initial sale of the Series XX Notes and does not require the consent of the holders of the Series XX Notes.

By tendering its Series XX Notes, each holder will be deemed to have delivered a Consent to the Proposed Amendments and to have authorized, directed and requested that the Series XX Notes Trustee, upon receipt of the Consents of the holders of a majority in aggregate principal amount of the outstanding Series XX Notes and all required documentation in the Series XX Notes Indenture, enter into the Supplemental Indenture to give effect to the Proposed Amendments.

DESCRIPTION OF THE NEW NOTES

The following is a summary of the material provisions of the New Notes and the New Notes Indenture (as defined below) governing the New Notes. Because this is a summary, it may not contain all the information that is important to you. The following is qualified in its entirety by reference to the New Notes and the New Notes Indenture. You should read the New Notes Indenture in its entirety. Copies of the New Notes Indenture may be obtained as described under "Available Information" in this Exchange Offer and Consent Solicitation Memorandum.

The 8.750% Senior Secured Notes due 2027 (the "New Notes") will be issued by Genneia S.A. (the "Issuer") under an indenture (the "New Notes Indenture") among, *inter alios*, the Issuer, UMB Bank, N.A., as trustee (the "New Notes Trustee"), co-registrar, New York transfer agent and paying agent, Banco Santander Río S.A., as representative of the trustee in Argentina, co-registrar, Argentine transfer agent and paying agent, and Banco Comafi S.A., in its capacity as onshore trustee (the "Onshore Trustee").

In this Description of the New Notes, the "Issuer" refers only to Genneia S.A. and not to any of its Subsidiaries; and "we," "our" our "us" refer to the Issuer and its Subsidiaries. You can find the definitions of certain terms used in this description under "—Certain Definitions." Certain defined terms used in this description but not defined below under "—Certain Definitions" have the meanings assigned to them in the New Notes Indenture.

The New Notes will constitute "obligaciones negociables simples no convertibles en acciones" (simple, non-convertible notes) under, be issued pursuant to, in compliance with all the requirements of, and be entitled to benefits set forth in, the Negotiable Obligations Law, as amended, among others, by the Argentine Productive Financing Law, the Argentine Capital Markets Law and the CNV Rules.

The New Notes will be issued under our Seasoned Issuer Program. The registration as Seasoned Issuer was authorized by resolutions of the Issuer's shareholders' meeting dated March 19, 2021 and meetings of the board of directors dated January 20, 2021 and March 19, 2021; and approved by the CNV by Resolution No. DI-2021-10-APN-GE#CNV, dated April 19, 2021. The issuance of the New Notes was approved at a meeting of the board of directors of the Issuer on July 30, 2021, pursuant to the powers delegated to the Issuer's board of directors at a shareholders' meeting dated March 19, 2021.

The Issuer intends to apply to list the New Notes on the Luxembourg Stock Exchange and to have the New Notes admitted for trading on the Euro MTF Market. The Issuer has applied to list the New Notes on the BYMA, including BYMA's Green Bond Panel, and to have the New Notes admitted for trading on the MAE. No assurances can be given that the applications will be accepted. See "—Listing" below.

As of the date of this Exchange Offer and Consent Solicitation Memorandum, the following entities are Unrestricted Subsidiaries for purposes of the Description of the New Notes: Genneia Vientos Argentinos S.A., Genneia Vientos del Sudoeste S.A., Genneia Vientos del Sur S.A. Vientos Sudamericanos Chubut Norte IV S.A., Genneia Vientos Patagónicos Chubut Norte III S.A., Vientos de Necochea S.A. and Genneia Desarrollos S.A. For the three months ended March 31, 2021, the net sales of the Issuer and its Restricted Subsidiaries (after intercompany eliminations) were US$54 million, representing 80% of the Issuer's consolidated net sales. As of March 31, 2021, the Issuer and its Restricted Subsidiaries held total assets of US$1,029 million (after intercompany eliminations), representing 74% of the Issuer's consolidated total assets.

The expected payment and other dates of the New Notes set forth in this section may change depending on the actual Settlement Date, which depends in turn on whether the Expiration Date is extended, including for approximately two business days if the Withdrawal Threshold has been exceeded.

Basic Terms of New Notes

The New Notes will:

- be unsubordinated obligations of the Issuer;
- be secured by the Collateral;
- pay principal in 10 substantially equal semi-annual installments, each equivalent to 10% of the original principal amount of such New Notes, on each March 2 and September 2, commencing on March 2,

2023, with a final maturity on September 2, 2027, unless earlier redeemed in accordance with the terms of the New Notes (see "—Optional Redemption" below); and

- accrue interest at 8.750% per year, from the Issue Date payable semi-annually in arrears on each March 2 and September 2, commencing on March 2, 2022 to holders of record on the calendar day immediately preceding the interest payment date (whether or not a Business Day).

Interest on the New Notes will accrue from the Issue Date and will be computed on the basis of a 360-day year of twelve 30-day months.

The New Notes will be issued in minimum denominations of U.S.$1,000 and integral multiples of U.S.$1.00 in excess thereof. The New Notes will be represented by one or more registered New Notes in global form except that in limited circumstances the New Notes may be issued as certificated notes.

The Issuer will maintain a registrar, paying agent and transfer agent each with an office in the Borough of Manhattan, New York City. Initially, the New Notes Trustee will act as co-registrar, paying agent and transfer agent for the New Notes in New York City.

So long as the New Notes are authorized for their public offer in Argentina and are listed on the BYMA, including BYMA's Green Bond Panel, and traded on the MAE, and the CNV Rules or other applicable Argentine law or regulation so require, and the rules of the BYMA or of the MAE, as the case may be, so require, the Issuer will maintain a registrar, paying agent and transfer agent in the City of Buenos Aires, Argentina. In the event that the New Notes are listed on the Luxembourg Stock Exchange and admitted for trading on the Euro MTF Market, so long as the New Notes are listed on such exchange and if the rules of such exchange so require, the Issuer will also maintain a listing agent in Luxembourg.

The Issuer may change the registrars, paying agents and transfer agents, without notice to holders.

If a holder of New Notes in an aggregate principal amount of at least U.S.$1,000,000 has given wire transfer instructions to the Issuer to make a payment in respect of the holder's New Notes to a bank account in New York City, the Issuer will make all principal, premium, if any, and interest payments (including Additional Amounts) in respect of those New Notes in accordance with those instructions. All other payments on the New Notes held in certificated form will be made at the office or agency of the paying agent in New York City unless the Issuer elects to make interest payments by check mailed to the registered holders at their registered addresses. All payments on the New Notes held in global form will be made to DTC in accordance with its applicable procedures.

Additional New Notes

Subject to the covenants described below and prior authorization from the CNV (to the extent required), the Issuer may issue additional New Notes ("additional New Notes") under the New Notes Indenture having the same terms as the New Notes, except with respect to the issue date, initial issuance price and the first interest payment date, *provided* that any additional New Notes shall be issued under a separate CUSIP or ISIN number unless the additional New Notes are issued pursuant to a "qualified reopening" of the original series, are otherwise treated as part of the same "issue" of debt instruments as the original series or are issued at a premium, at the stated redemption price at maturity, or with less than a de minimis amount of original issue discount, in each case for U.S. federal income tax purposes. The New Notes offered hereby and any additional New Notes would be treated as a single class for all purposes under the New Notes Indenture and will vote together as one class on all matters with respect to the New Notes.

Collateral

The Issuer's obligation to pay principal and interest, including Additional Amounts, due under the New Notes and the New Notes Indenture will be secured by (collectively, the "Collateral"): (i) a collateral fiduciary assignment of receivables governed by Argentine law, granted pursuant to the Onshore Collateral Trust Agreement (as defined below), assigning any and all of the Issuer's right, title and interest in the receivables under the Assigned PPAs (as defined below), and (ii) an Onshore Peso Collection Account and Onshore U.S. Dollar Accrual Account (each, as defined below) established pursuant to the Onshore Collateral Trust Agreement.

Onshore Collateral Trust Agreement

The Issuer will create an Argentine law-governed collateral trust in the City of Buenos Aires (the "Onshore Collateral Trust") on or prior to the Issue Date, pursuant to an onshore fiduciary trust assignment agreement (the "Onshore Collateral Trust Agreement") by and between the Issuer and the Onshore Trustee. The Onshore Collateral Trust will be in favor of the Onshore Trustee, for the benefit of the holders of the New Notes, the New Notes Trustee and the Onshore Trustee (collectively, the "Secured Parties"). The Onshore Collateral Trust Agreement will be entered into pursuant to Section 3 of the Negotiable Obligations Law and its effectiveness will be subject to the issuance of the New Notes on the Issue Date.

The assets of the Onshore Collateral Trust will consist of any and all future receivables of the Issuer collectable from December 1, 2021 (the "Receivables") under (i) the power purchase agreement entered into by and between the Issuer and Compañía Administradora del Mercado Mayorista Eléctrico S.A. ("CAMMESA") dated June 7, 2017 with respect to the Madryn I project (the "Madryn I PPA"), and (ii) the power purchase agreement entered into by and between the Issuer and CAMMESA dated June 7, 2017 with respect to the Madryn II project (the "Madryn II PPA" and, together with the Madryn I PPA, the "Assigned PPAs"). See "—Additional Covenants–Collateral and Assigned PPAs."

For the year ended December 31, 2020, net sales of the Issuer under the Assigned PPAs were US$90 million. The collections from the Receivables under the Assigned PPAs are expected to be sufficient to cover scheduled interest payments under the New Notes and, assuming that an aggregate of up to US$350 million principal amount of New Notes are outstanding after the Exchange Offer, the collections from the Receivables should also suffice to cover scheduled payments of both interest and principal under the New Notes. See "Risk Factors— Risk Relating to the Collateral."

On or prior to the Issue Date, the Issuer shall (i) notify CAMMESA of the fiduciary assignment of the Receivables under the Assigned PPAs in favor of the Onshore Trustee for the benefit of the Secured Parties, pursuant to the Onshore Collateral Trust Agreement, (ii) instruct CAMMESA to make any and all future payments after December 1, 2021 under the Assigned PPAs directly to the Onshore Peso Collection Account, and (iii) provide an irrevocable power of attorney to the Onshore Trustee with respect to the management of the Receivables under the Assigned PPAs, authorizing certain actions to be performed by the Onshore Trustee for the benefit of the Secured Parties.

The New Notes Indenture will provide that the New Notes Trustee will notify the Onshore Trustee of any Default or Event of Default within two Business Days of the New Notes Trustee having received notice thereof.

Onshore Peso Collection Account and Onshore U.S. Dollar Accrual Account

As part of the Onshore Collateral Trust, the Onshore Trustee shall open (i) an account in Pesos in the City of Buenos Aires in the name of the Onshore Collateral Trust in favor of the Onshore Trustee for the benefit of the Secured Parties (the "Onshore Peso Collection Account") and (ii) an account in U.S. dollars in the City of Buenos Aires in the name of the Onshore Collateral Trust in favor of the Onshore Trustee for the benefit of the Secured Parties (the "Onshore U.S. Dollar Accrual Account").

After December 1, 2021, the Onshore Trustee will use the funds on deposit in the Onshore Peso Collection Account to make monthly purchases of U.S. dollars on the foreign exchange market in Argentina at the official exchange rate applicable at that time (each, a "Monthly U.S. Dollar Purchase"), only to the extent permitted by foreign exchange regulations in effect in Argentina at the time of each Monthly U.S. Dollar Purchase.

If so permitted, the Onshore Trustee will make each Monthly U.S. Dollar Purchase (only with funds on deposit in the Onshore Peso Collection Account) within three Business Days of the date that the funds are deposited in the Onshore Peso Collection Account by CAMMESA (each, a "U.S. Dollar Purchase Date"). Each Monthly U.S. Dollar Purchase on each U.S. Dollar Purchase Date will be equal to:

- one sixth (1/6) of the immediately following scheduled principal, if any, and interest payment under the New Notes (each of the six thresholds on an accumulated basis during a semi-annual period, the "Accumulated Threshold"); or
- if on any U.S. Dollar Purchase Date the funds on deposit in the Onshore U.S. Dollar Accrual Account are less than the Accumulated Threshold, the amount of U.S. dollars that are sufficient to make such funds equal to the Accumulated Threshold.

If on any U.S. Dollar Purchase Date the funds on deposit in the Onshore U.S. Dollar Accrual Account are, after the related Monthly U.S. Dollar Purchase:

- less than the Accumulated Threshold, no withdrawals or releases from the Onshore Peso Collection Account will be permitted (a "U.S. Dollar Shortfall Event"); or
- equal to or more than the Accumulated Threshold, the Onshore Trustee will return any funds on deposit in the Onshore Peso Collection Account to the Issuer within three Business Days, as requested in writing by the Issuer, provided that no Event of Default has occurred and is continuing under the New Notes Indenture.

The Onshore Trustee will transfer funds on deposit in the Onshore U.S. Dollar Accrual Account to the New Notes Trustee to make payments due under the New Notes and the New Notes Indenture on the applicable payment date. No other withdrawals or releases will be permitted from the Onshore U.S. Dollar Accrual Account at any time.

If semi-annual interest and principal payments under the New Notes and the New Notes Indenture are made when due, provided that no Event of Default has occurred and is continuing under the New Notes Indenture, any funds on deposit in the Onshore Peso Collection Account on such payment date will be returned by the Onshore Trustee to the Issuer within three Business Days from such payment, as requested in writing by the Issuer.

The Onshore Peso Collection Account and the Onshore U.S. Dollar Accrual Account will be under the exclusive dominion of the Onshore Trustee. All amounts on deposit therein will secure the Issuer's obligation to pay principal and interest due under the New Notes and the New Notes Indenture, and shall not constitute payment of any New Notes unless and until applied as described herein.

Funds on deposit in the Onshore Peso Collection Account and the Onshore U.S. Dollar Accrual Account will not be invested or reinvested; provided that, during the occurrence and continuance of a U.S. Dollar Shortfall Event or an Event of Default, funds on deposit in the Onshore Peso Collection Account may be invested and reinvested at the written direction of the Issuer in liquid, highly-rated investments of the type specified in the Onshore Collateral Trust Agreement, consisting of mutual funds and money market funds. Nothing in the foregoing shall permit the funds in the Onshore U.S. Dollar Accrual Account to be invested or reinvested. Absent such written direction, any cash in the Onshore Peso Collection Account and Onshore U.S. Dollar Accrual Account shall remain uninvested.

Remedies During Events of Default

While an Event of Default has occurred and is continuing, upon written instructions from the New Notes Trustee (acting pursuant to written instructions from the holders of a majority in aggregate principal amount of outstanding New Notes), the Onshore Trustee, in addition to any rights or remedies available to it under the New Notes Indenture and the Onshore Collateral Trust Agreement, will take such actions as so instructed by the New Notes Trustee (acting pursuant to written instructions from the holders of a majority in aggregate principal amount of outstanding New Notes) to protect and enforce the rights of the Onshore Trustee in the Collateral for the benefit of the Secured Parties.

No Secured Party has any right to take any action with respect to the Onshore Collateral Trust independent of the Onshore Trustee or to direct the Onshore Trustee to take any action in respect of the Onshore Collateral Trust other than in accordance with the Onshore Collateral Trust Agreement and the New Notes Indenture.

While an Event of Default under the New Notes has occurred and is continuing, upon written instructions from the New Notes Trustee (acting pursuant to written instructions from the holders of at least a majority in aggregate principal amount of outstanding New Notes), the Onshore Trustee will (i) use funds on deposit in the Onshore Peso Collection Account to make purchases of U.S. dollars on the foreign exchange market in Argentina at the official exchange rate applicable at that time if permitted under applicable law and, only to the extent that the Onshore Trustee is not able to purchase sufficient U.S. dollars at the official exchange rate, use such funds to purchase U.S. dollars by any means permissible by law as determined by the Onshore Trustee, and (ii) apply or direct the application of any U.S. dollars so purchased pursuant to clause (i) or on deposit in the Onshore U.S. Dollar Accrual Account, as follows:

- *first*, only from the Onshore Peso Collection Account and in Argentine pesos, to pay ratably or reimburse ratably the fees, expenses and indemnities and other amounts (including the costs and

expenses incurred in connection with any realization or enforcement of the Collateral) then payable to the New Notes Trustee and the Onshore Trustee under the New Notes Indenture and the Onshore Collateral Trust Agreement;

- *second*, to transfer to the New Notes Trustee to pay ratably the principal of and interest, including any Additional Amounts, due on the New Notes or under the New Notes Indenture (for the avoidance of doubt and to the extent permitted by applicable foreign exchange regulations, including any amounts due as a result of the acceleration of the New Notes under the New Notes Indenture); and
- *third*, so long as no Event of Default is continuing, if there is any surplus, to transfer to, or at the direction of, the Issuer.

Release of Liens on Collateral

The New Notes Indenture and the Onshore Collateral Trust Agreement will provide that the Onshore Collateral Trust and the related accounts and the amounts therein will no longer secure obligations under the New Notes and the New Notes Indenture, and such Liens will automatically terminate and be unconditionally discharged:

- upon legal defeasance of the New Notes or satisfaction and discharge of the New Notes Indenture, as provided in "—Defeasance and Discharge" and "—Satisfaction and Discharge";
- upon payment in full of the aggregate principal amount of all New Notes then outstanding and all other obligations under the New Notes Indenture and the New Notes then due and owing; and
- in whole or in part, with the consent of the requisite percentage of the New Notes in accordance with the provisions described under "—Amendments and Waivers."

Ranking

The New Notes will be unsubordinated obligations of the Issuer and will:

- be effectively senior with respect to the Collateral;
- to the extent not secured by the Collateral, rank equal in right of payment with all existing and future unsecured, unsubordinated obligations of the Issuer from time to time outstanding (except those obligations preferred by operation of Argentine law, including without limitation labor and tax claims);
- rank senior in right of payment to all future subordinated indebtedness of the Issuer, if any;
- to the extent not secured by the Collateral, be effectively subordinated to all existing and future secured obligations of the Issuer, to the extent of the value of the assets securing such obligations; and
- be structurally subordinated to all existing and future indebtedness and other liabilities of any Subsidiary of the Issuer.

The New Notes will constitute "*obligaciones negociables simples no convertibles en acciones*" (simple, non-convertible notes) under, be issued pursuant to, in compliance with all the requirements of, and be entitled to benefits set forth in, the Negotiable Obligations Law, as amended, among others, by the Argentine Productive Financing Law, the Argentine Capital Markets Law and the CNV Rules. Under the terms of Article 29 of the Negotiable Obligations Law, Notes constituting negotiable obligations grant their holders access to summary judgment judicial proceedings. To that effect, any beneficial owner of global notes will have the right to obtain evidence of its beneficial ownership interest in a global note in accordance with Section 129 of the Argentine Capital Markets Law (including for initiating summary proceedings (*acción ejecutiva*) in the manner provided by the Negotiable Obligations Law), and, for such purposes, such beneficial owner will be treated as the owner of that portion of the global note which represents its beneficial ownership interest therein. This evidence shall enable beneficial owners to institute suit before any competent court in Argentina, including summary judgment proceedings, to obtain any overdue amount under the New Notes.

Additional Amounts

All payments of principal, premium, if any, and interest in respect of the New Notes will be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature ("Taxes") imposed, levied, collected, withheld or assessed by or within Argentina or any other jurisdiction through which payments are made in respect of the New Notes or any political subdivision thereof or any authority therein or thereof having power to tax (each, a "Relevant Jurisdiction"), unless such withholding or deduction is required by law. In the event of any such withholding or deduction of Taxes by a Relevant Jurisdiction, the Issuer will pay to holders such additional amounts ("Additional Amounts") as will result in the receipt by each holder of the net amount that would otherwise have been receivable by such holder in the absence of such withholding or deduction, except that no such Additional Amounts will be payable:

(a) in respect of any Taxes that would not have been so withheld or deducted but for the existence of any present or former connection (including, without limitation, a permanent establishment in the Relevant Jurisdiction) between the holder or beneficial owner of the New Note (or, if the holder or beneficial owner is an estate, nominee, trust, partnership, corporation or other business entity, between a fiduciary, settlor, beneficiary, member or shareholder of, or possessor of power over, the holder or beneficial owner) and any Relevant Jurisdiction with the power to levy or otherwise impose or assess such Tax, other than the mere holding or ownership of such New Note or beneficial interest therein or the receipt of payments or the enforcement of rights thereunder;

(b) in respect of any Taxes that would not have been so withheld or deducted if the New Note had been presented for payment (where presentation is required and the Issuer has given the holders at least 30 days prior notice that they will be required to comply with such presentation) within 30 days after the Relevant Date (as defined below), except to the extent that the holder would have been entitled to Additional Amounts had the New Note been presented for payment on the last day of such 30-day period;

(c) in respect of any Taxes that would not have been so withheld or deducted but for the failure by the holder or the beneficial owner of the New Note to (i) make a declaration of non-residence, or any other claim or filing for exemption, to which it is entitled or (ii) comply with any certification, identification, information, documentation or other reporting requirement concerning its nationality, residence, identity or connection with the Relevant Jurisdiction; *provided* that (x) such declaration or compliance was required by applicable law, regulation, administrative practice or an applicable treaty as a precondition to exemption from all or part of such Taxes and (y) the Issuer has given the holders at least 30 days prior notice that they will be required to comply with such requirements;

(d) in respect of any estate, inheritance, gift, value added, sales, use, excise, transfer, personal property or similar taxes, duties, assessments or other governmental charges;

(e) in respect of any Taxes that are payable other than by deduction or withholding from payments on the New Notes;

(f) in respect of any Taxes that would not have been so imposed if the holder had presented the New Note for payment (where presentation is required and the Issuer has given the holders at least 30 days prior notice that they will be required to comply with such presentation) to another paying agent;

(g) in respect of any payment to a holder of a New Note that is a fiduciary or partnership (including an entity treated as a partnership for tax purposes) or any Person other than the sole beneficial owner of such payment or New Note, to the extent that a beneficiary or settlor with respect to such fiduciary, a member of such partnership or the beneficial owner of such payment or New Note would not have been entitled to the Additional Amounts had such beneficiary, settlor, member or beneficial owner been the actual holder of such New Note;

(h) to the extent that the Issuer has determined, based on information obtained directly from the recipient or from third parties, that Taxes are imposed due to the residence of the foreign recipient of the payment in a jurisdiction other than a cooperating jurisdiction (*jurisdicción cooperante*) or otherwise designated as a non-cooperating jurisdiction (*jurisdicción no cooperante*), in each case as determined under applicable Argentine law or regulation; or

(i) in respect of any combination of the above.

In addition, no Additional Amounts will be paid with respect to any withholding or deduction that is imposed in connection with Sections 1471-1474 of the U.S. Internal Revenue Code of 1986, as amended, and the U.S. Treasury regulations thereunder ("FATCA"), any intergovernmental agreement between the United States and any other jurisdiction implementing, or relating to, FATCA or any law, regulation or official guidance enacted or issued in any jurisdiction with respect thereto.

"Relevant Date" means whichever is the later of (i) the date on which such payment first becomes due and (ii) if the full amount payable has not been received in New York City, New York by the New Notes Trustee on or prior to such due date, the date on which, the full amount having been so received, notice to that effect has been given to the holders by the New Notes Trustee.

All references to principal, premium, if any, and interest in respect of the New Notes will be deemed also to refer to any Additional Amounts which may be payable with respect to such principal, premium or interest.

The Issuer will promptly furnish to the New Notes Trustee documentation reasonably satisfactory to the New Notes Trustee evidencing payment of any Taxes deducted or withheld from payments on the New Notes. Copies of such documentation will be made available by the New Notes Trustee to holders upon written request to the New Notes Trustee.

The Issuer will promptly pay when due any present or future stamp, issue, registration, court or similar documentary taxes or any other excise or property taxes, charges or similar levies, including interest and penalties, that arise in any jurisdiction from the execution, delivery or registration of each New Note or any other document or instrument referred to herein or therein, excluding any such taxes, charges or similar levies imposed by any jurisdiction other than a Relevant Jurisdiction, except those resulting from or required to be paid in connection with the enforcement of such New Notes after the occurrence and during the continuance of a Default with respect to the New Notes.

In the event that the Issuer pays any Argentine personal asset tax in respect of the outstanding New Notes, the Issuer has agreed to waive any right it may have under Argentine law to seek reimbursement from the holders or direct owners of the New Notes of any such amounts paid.

In the event of any merger or other transaction described and permitted under "—Certain Covenants—Limitation on Consolidation, Merger or Sale of Assets," in which the surviving entity is a corporation organized and validly existing under the laws of a country other than Argentina, all references to a Relevant Jurisdiction under this "Additional Amounts" section and under "—Optional Redemption—Optional Redemption upon a Tax Event" will be deemed, for the avoidance of doubt, to include such country and any political subdivision thereof or any authority therein or thereof having power to tax.

Optional Redemption

Optional Redemption with a Make-Whole Premium

At any time prior to September 2, 2023 (the "First Call Date"), the Issuer may**,** at its option**,** redeem the New Notes, in whole or in part, at a redemption price equal to 100% of the principal amount of the New Notes to be redeemed *plus* the Applicable Redemption Premium as of, and accrued and unpaid interest (including Additional Amounts), if any, to, but not including, the redemption date.

"Adjusted Treasury Rate" means, with respect to any redemption date, the rate per annum equal to the semi-annual equivalent yield to maturity or interpolated maturity (on a day count basis) of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

"Applicable Redemption Premium" means, with respect to a New Note at any redemption date, the excess, if any, of (A) the sum of the present values at such redemption date of the remaining scheduled payments of principal and interest on the New Notes if the New Notes were to be called on the First Call Date discounted to the redemption date for the New Notes on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Adjusted Treasury Rate *plus* 50 basis points, *less* accrued and unpaid interest, if any, over (B) 100% of the principal amount of the New Notes.

Optional Redemption without a Make-Whole Premium

At any time and from time to time on or after the First Call Date, the Issuer may, at its option, redeem the New Notes, in whole or in part, at the redemption prices, expressed as percentages of principal amount, set forth below, *plus* accrued and unpaid interest thereon (including Additional Amounts), if any, to, but not including, the applicable redemption date, if redeemed during the 12 month-period beginning on September 2 of the years indicated below:

Year	Percentage
2023	104.375%
2024	102.188%
2025 and after	100.000%

Optional Redemption with Proceeds of Equity Offerings

At any time, or from time to time, on or prior to September 2, 2023, the Issuer may, at its option, use the net cash proceeds of one or more Equity Offerings to redeem in the aggregate up to 35% of the aggregate principal amount of outstanding New Notes (including any additional New Notes) at a redemption price of 108.750% of the principal amount thereof, *plus* accrued and unpaid interest (including Additional Amounts), if any, to, but not including, the redemption date; *provided* that:

(1) New Notes in an aggregate principal amount equal to at least 65% of the aggregate principal amount of New Notes (including any additional New Notes) remain outstanding immediately after the occurrence of such redemption; and

(2) the redemption must occur not more than 90 days after the date of the closing of such Equity Offering.

"Equity Offering" means an offering or placement for cash, after the Issue Date, of Qualified Stock of the Issuer or of any direct or indirect parent of the Issuer (to the extent the proceeds thereof are contributed to the Capital Stock of the Issuer in the form of Qualified Stock).

Optional Redemption upon a Tax Event

The New Notes may be redeemed, in whole but not in part, at the Issuer's option, subject to applicable Argentine laws, at a redemption price equal to 100% of the outstanding principal amount of the New Notes, *plus* accrued and unpaid interest (including Additional Amounts), if any, to, but not including, the redemption date, if (i) the Issuer has or will become obligated to pay Additional Amounts on or in respect of the New Notes as a result of any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) of any Relevant Jurisdiction, or any change in the official application, administration or interpretation of such laws, regulations or rulings (including a holding by a court of competent jurisdiction) in any Relevant Jurisdiction, (ii) such change or amendment occurs on or after the date of the New Notes Indenture (or, in the case of a Relevant Jurisdiction that becomes a Relevant Jurisdiction after the date of the New Notes Indenture, after such later date) and (iii) such obligation cannot be avoided by the Issuer taking commercially reasonable measures available to it; *provided* that no notice of redemption pursuant to this paragraph will be given earlier than 60 days prior to the earliest date on which the Issuer would be obligated to pay Additional Amounts; and *provided, further*, that commercially reasonable measures shall be understood not to include any change in the Issuer's jurisdiction of incorporation or organization or location of its principal executive office or registered office. Prior to the giving of notice of redemption of New Notes pursuant to the New Notes Indenture, the Issuer will deliver to the New Notes Trustee an Officers' Certificate to the effect that the Issuer is or at the time of the redemption will be entitled to effect such a redemption pursuant to the New Notes Indenture, and setting forth in reasonable detail the circumstances giving rise to such right of redemption. The Officers' Certificate will be accompanied by a written opinion of recognized counsel in the Relevant Jurisdiction, independent of the Issuer, to the effect that the Issuer is, or will become, obligated to pay Additional Amounts as a result of a change or amendment, as described above.

Optional Redemption Following a Tender Offer

In connection with any tender offer or other offer to purchase all of the outstanding New Notes (including pursuant to a Change of Control Offer or Asset Sale Offer), if not less than 90% of the aggregate principal

amount of the then outstanding New Notes are validly tendered and not withdrawn and such New Notes are purchased by the Issuer, or any third party making such tender offer in lieu of the Issuer, the Issuer or such third party will have the right following such purchase date, upon notice given not more than 60 days following the purchase pursuant to such offer and pursuant to the procedure described below, to redeem (in the case of the Issuer) or purchase (in the case of a third party offeror) all New Notes that remain outstanding following such purchase at a price equal to the price paid (excluding any early tender premium or similar payment) to each other holder in such tender offer, plus, to the extent not included in the tender offer payment, accrued and unpaid interest, if any, thereon, to, but excluding, the date of such redemption.

Selection and Notice

Notice of any redemption will be delivered at least 15 but not more than 60 days before the redemption date to holders of New Notes (with a copy to the New Notes Trustee) to be redeemed as described in "—Notices" below.

New Notes called for redemption will become due on the date fixed for redemption. The Issuer will pay the redemption price for the New Notes together with accrued and unpaid interest thereon (including Additional Amounts, if any) to, but not including, the date of redemption. On and after the redemption date, interest will cease to accrue on the New Notes as long as the Issuer has deposited with the paying agent funds in satisfaction of the applicable redemption price pursuant to the New Notes Indenture. Upon redemption of the New Notes by the Issuer, the redeemed New Notes will be cancelled.

If fewer than all of the New Notes are being redeemed, selection of the New Notes for redemption will be made, to the extent permitted under applicable law and securities exchange rules, on a *pro rata* basis, by lot or by using any other method that the New Notes Trustee deems fair and appropriate, or otherwise in compliance with DTC procedures and requirements, in minimum denominations of U.S.$1,000 principal amount and integral multiples of U.S.$1.00 in excess thereof. In the case of certificated New Notes, upon surrender of any New Note redeemed in part, the holder will receive a new New Note equal in principal amount to the unredeemed portion of the surrendered New Note. In the case of a global note, appropriate adjustments to the amount and beneficial interests in the global note will be made as necessary. Any notice of redemption may, at the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent. New Notes called for redemption become due and payable at the redemption price on the redemption date (subject to the satisfaction of any conditions precedent included in the notice of redemption), and, commencing on the redemption date, New Notes redeemed will cease to accrue interest unless the Issuer defaults in the payment of the redemption price.

Market and Other Purchases

The Issuer and its Subsidiaries may acquire New Notes by means of the redemption provisions above or by means other than a redemption, whether by tender offer, open market purchases, negotiated transactions or otherwise, in accordance with the applicable securities laws, so long as such acquisition does not otherwise breach the terms of the New Notes Indenture.

No Mandatory Redemption or Sinking Fund

There will be no mandatory redemption or sinking fund payments for the New Notes.

Suspension of Certain Covenants

If at any time after the Issue Date (i) the New Notes are rated Investment Grade by at least two of the Rating Agencies and (ii) no Default has occurred and is continuing under the New Notes Indenture (the occurrence of the events described in the foregoing clauses (i) and (ii) being collectively referred to as a "Covenant Suspension Event"), then, beginning on that day, the Issuer and its Restricted Subsidiaries will not be subject to the covenants in the New Notes Indenture specifically listed under the following captions in this "Description of the New Notes" section (the "Suspended Covenants"):

(1) "—Certain Covenants—Limitation on Debt;"

(2) "—Certain Covenants—Limitation on Restricted Payments;"

(3) "—Certain Covenants—Limitation on Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries;"

(4) "—Certain Covenants—Limitation on Asset Sales;"

(5) "—Certain Covenants—Limitation on Transactions with Affiliates;" and

(6) clause (a)(3) of "—Certain Covenants—Limitation on Consolidation, Merger or Sale of Assets."

During any period when the Suspended Covenants are suspended, the Issuer may not designate any Subsidiary as an Unrestricted Subsidiary.

In the event that the Issuer and its Restricted Subsidiaries are not subject to the Suspended Covenants for any period of time as a result of the foregoing, and on any subsequent date (the "Reversion Date") the condition set forth in clause (i) of the first paragraph of this section is no longer satisfied, then the Issuer and its Restricted Subsidiaries will thereafter again be subject to the Suspended Covenants with respect to future events.

The period of time between the occurrence of a Covenant Suspension Event and the Reversion Date is referred to in this description as the "Suspension Period." In the event of any such reinstatement, no action taken or omitted to be taken by the Issuer or any Restricted Subsidiary with respect to the Suspended Covenants during the Suspension Period will give rise to a Default or Event of Default under the New Notes Indenture with respect to the New Notes. On each Reversion Date, all Debt Incurred, or Disqualified Stock or Preferred Stock issued, during the Suspension Period will be classified to have been Incurred pursuant to clause (b)(7) of "—Certain Covenants—Limitation on Debt." For purposes of the "—Certain Covenants—Limitation on Asset Sales" covenant, on the Reversion Date, the amount of Excess Proceeds will be reset to the amount of Excess Proceeds in effect as of the first day of the Suspension Period ending on such Reversion Date.

There can be no assurance that the New Notes will ever achieve or maintain a rating of Investment Grade from the Rating Agencies.

Certain Covenants

The New Notes Indenture contains covenants including, among others, the following:

Limitation on Debt

(a) The Issuer:

(1) will not, and will not permit any of its Restricted Subsidiaries to, Incur any Debt; and

(2) will not, and will not permit any of its Restricted Subsidiaries to, Incur any Disqualified Stock, and will not permit any of its Restricted Subsidiaries to Incur any Preferred Stock (other than Disqualified Stock or Preferred Stock of Restricted Subsidiaries held by the Issuer or a Restricted Subsidiary, so long as it is so held);

provided that the Issuer or any Restricted Subsidiary may Incur Debt or Disqualified Stock and any Restricted Subsidiary may Incur Preferred Stock if on the date of the Incurrence, after giving effect to the Incurrence and the receipt and application of the proceeds therefrom, (A) the Interest Coverage Ratio is not less than 2.00 to 1.00 and (B) the Net Leverage Ratio is not greater than 3.75 to 1.00.

(b) Notwithstanding the foregoing, the Issuer and, to the extent provided below, any Restricted Subsidiary may Incur the following ("Permitted Debt"):

(1) Debt of the Issuer or any Restricted Subsidiary owed to the Issuer or any Restricted Subsidiary so long as such Debt continues to be owed to the Issuer or a Restricted Subsidiary; *provided* that

(iii) if the Issuer is the obligor on Debt owing to a Restricted Subsidiary, such Debt is expressly subordinated to the prior payment in full in cash of all obligations with respect to the New Notes; and

(iv) (A) any subsequent issuance or transfer of Capital Stock or any other event that results in any such Debt being beneficially held by a Person other than the Issuer or a Restricted Subsidiary of the Issuer; and (B) any sale or other transfer of any such Debt to a Person other than the Issuer or a Restricted Subsidiary of the Issuer shall be deemed, in each case, to constitute the Incurrence of such Debt by the issuer thereof;

(2) Debt of the Issuer pursuant to the New Notes (other than additional New Notes);

(3) Refinancing Debt in respect of:

(A) Debt (other than Debt owed to the Issuer or any Subsidiary of the Issuer) Incurred pursuant to paragraph (a) above (it being understood that no Debt outstanding on the Issue Date is Incurred pursuant to such paragraph (a) above), or

(B) Debt Incurred pursuant to clauses (b)(2), (3), (6) or (7);

(4) Hedging Agreements of the Issuer or any Restricted Subsidiary entered into in the ordinary course of business for bona fide hedging purposes and not for speculation;

(5) Debt consisting of letters of credit, bank guarantees, banker's acceptances, warehouse receipts, or similar instruments (including in respect of workers' compensation claims, health, disability or other employee benefits, or property, casualty or liability insurance), self-insurance obligations, customer deposits, performance, bid, surety, advance payment, appeal and similar bonds (including, for the avoidance of doubt, *seguros de caución*) and completion guarantees, in each case in the ordinary course of business and other than an obligation for borrowed money;

(6) Acquired Debt; *provided* that, after giving effect to the Incurrence thereof, either (A) the Issuer could Incur at least U.S.$1.00 of Debt under paragraph (a) above, or (B) (x) the Interest Coverage Ratio would be higher than the Interest Coverage Ratio immediately prior to such transaction, and (y) the Net Leverage Ratio would be lower than the Net Leverage Ratio immediately prior to such transaction;

(7) Debt of the Issuer or any Restricted Subsidiary outstanding on the Issue Date;

(8) Debt of the Issuer or any Restricted Subsidiary, which may include Capital Leases or Purchase Money Obligations, Incurred on or after the Issue Date and no later than 365 days after the date of purchase or completion of construction or improvement of property for the purpose of financing all or any part of the purchase price or cost of construction or improvement; provided that the principal amount of any Debt Incurred pursuant to this clause may not exceed the greater of (x) U.S.$140 million (or the equivalent in other currencies) or (y) 15% of Consolidated Total Assets;

(9) Debt arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds or Debt in respect of netting services, automatic clearinghouse arrangements, overdraft protections and similar arrangements in connection with deposit accounts, in each case in the ordinary course of business;

(10) Guarantees by the Issuer or any Restricted Subsidiary of Debt to be incurred by the Issuer or another Restricted Subsidiary in accordance with this covenant; *provided* that, in the event such Debt that is being Guaranteed is Subordinated Debt, then the related Guarantee shall be subordinated in right of payment to the New Notes;

(11) Deeply Subordinated Debt;

(12) Debt of the Issuer or any of its Restricted Subsidiaries in an aggregate principal amount at any time outstanding not to exceed two times the aggregate net cash proceeds received by the Issuer after the Issue Date from the issuance of Qualified Equity Interests and Deeply Subordinated Debt of the Issuer or any contribution to its common equity (or the equivalent in other currencies); *provided* that (i) the net proceeds from the incurrence of such Debt and the issuance of such Qualified Equity Interests and Deeply Subordinated Debt of the Issuer or other contribution to its common equity are used to finance the development of power generation projects; (ii) after giving effect to such Incurrence, the Issuer is in compliance with the Interest Coverage Ratio limitation set out in paragraph (a) above; and (iii) such equity proceeds shall not be available to make Restricted Payments under clause (a) (iii)(B) or clause (b)(3) under "—Limitation on Restricted Payments" so long as such related Debt under this clause (12) remains outstanding; and

(13) Debt of the Issuer or any Restricted Subsidiary Incurred on or after the Issue Date not otherwise permitted in an aggregate principal amount at any time outstanding not to exceed the greater of (i) U.S.$140 million (or the equivalent in other currencies) and (ii) 15% of Consolidated Total Assets.

(c) [Reserved].

(d) Notwithstanding any other provision of this covenant, for purposes of determining compliance with this covenant, increases in Debt solely due to fluctuations in the exchange rates of currencies will not be deemed to exceed the maximum amount that the Issuer or a Restricted Subsidiary may Incur under this covenant. For purposes of determining compliance with any U.S. dollar-denominated restriction on the Incurrence of Debt, the U.S. dollar-equivalent principal amount of Debt denominated in any other currency shall be calculated based on the relevant currency exchange rate in effect on the date such Debt was Incurred; *provided* that, if such Debt is Incurred to Refinance other Debt denominated in any other currency, and such Refinancing would cause the applicable U.S. dollar-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such Refinancing, such U.S. dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such Refinancing Debt does not exceed the principal amount of such Debt being Refinanced. The principal amount of any Debt Incurred to Refinance other Debt, if Incurred in a different currency from the Debt being Refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such respective Debt is denominated that is in effect on the date of such Refinancing.

(e) In the event that an item of Debt meets the criteria of more than one of the types of Debt described in this covenant, the Issuer, in its sole discretion, will classify such item of Debt and will only be required to include the amount and type of such Debt in one of such clauses and the Issuer will be entitled to divide and classify an item of Debt in more than one of the types of Debt described in this covenant, and may change the classification of an item of Debt (or any portion thereof) to any other type of Debt described in this covenant at any time.

(f) For purposes of determining compliance with, and the outstanding principal amount of, any particular Debt Incurred pursuant to and in compliance with this covenant:

(1) the outstanding principal amount of any item of Debt will be counted only once;

(2) the amount of Debt issued at a price that is less than the principal amount thereof will be equal to the amount of the liability in respect thereof determined in accordance with IFRS;

(3) Guarantees of, or obligations in respect of letters of credit or similar instruments relating to, Debt that is otherwise included in the determination of a particular amount of Debt will not be included; and

(4) the accrual of interest, the accretion or amortization of original issue discount, the payment of regularly scheduled interest in the form of additional Debt of the same instrument or the payment of regularly scheduled dividends on Disqualified Stock in the form of additional Disqualified Stock with the same terms will not be an Incurrence of Debt for purposes of this covenant; *provided* that any such outstanding additional Debt or Disqualified Stock paid in respect of Debt Incurred will be counted as Debt outstanding thereunder for purposes of any future Incurrence under such provision.

Limitation on Restricted Payments

(a) The Issuer will not, and will not permit any Restricted Subsidiary to, directly or indirectly (the payments and other actions described in the following clauses being collectively "Restricted Payments"):

(1) declare or pay any dividend or make any distribution (whether made in cash, securities or other property) on the Equity Interests of the Issuer or any of its Restricted Subsidiaries, other than:

(A) dividends or distributions payable in Qualified Equity Interests of the Issuer;

(B) dividends or distributions payable to the Issuer and/or any of its Restricted Subsidiaries; or

(C) dividends or distributions made on a *pro rata* basis to the Issuer and its Restricted Subsidiaries, on the one hand, and minority holders of Equity Interests of a Restricted Subsidiary, on the other hand (or on a less than *pro rata* basis to any minority holder);

(2) purchase, redeem or otherwise acquire or retire for value any Equity Interests of the Issuer or any direct or indirect parent of the Issuer held by Persons other than the Issuer or any of the Restricted Subsidiaries other than in exchange for Equity Interests of the Issuer (other than Disqualified Equity Interests);

(3) repay, redeem, repurchase, defease or otherwise acquire or retire for value, or make any payment on or with respect to, any Subordinated Debt (other than Subordinated Debt of the Issuer or any Restricted Subsidiary to the extent permitted under clause (b)(1) of the definition of "Permitted Debt"), except a payment of interest or principal at Stated Maturity; or

(4) make any Investment other than a Permitted Investment;

unless, at the time of, and after giving effect to, the proposed Restricted Payment:

(i) no Default has occurred and is continuing;

(ii) the Issuer could Incur at least U.S.$1.00 of Debt under paragraph (a) under "— Limitation on Debt"; and

(iii) the aggregate amount expended for all Restricted Payments made on or after the Issue Date would not, subject to paragraph (c), exceed the sum of:

(A) 50% of the aggregate amount of the Consolidated Net Income (or, if the Consolidated Net Income is a loss, minus 100% of the amount of the loss) accrued on a cumulative basis during the period, taken as one accounting period, beginning on the first day of the fiscal quarter during which the Issue Date occurs and ending on the last day of the Issuer's most recently completed fiscal quarter for which internal financial statements are available, *plus*

(B) subject to paragraph (c), the aggregate net cash proceeds received by the Issuer (other than from a Subsidiary) after the Issue Date from:

(i) the issuance and sale of Qualified Equity Interests and Deeply Subordinated Debt of the Issuer, including by way of issuance of its Disqualified Equity Interests or Debt to the extent subsequently converted into or exchanged for Qualified Equity Interests or Deeply Subordinated Debt of the Issuer, or

(ii) any contribution to its common equity, *plus*

(C) an amount equal to the sum, for all Unrestricted Subsidiaries, of the following:

(i) the cash return, after the Issue Date, on Investments in an Unrestricted Subsidiary made after the Issue Date pursuant to this paragraph (a) as a result of any sale for cash, repayment, redemption, liquidating distribution or other cash realization (not included in Consolidated Net Income), *plus*

(ii) the portion (proportionate to the Issuer's equity interest in such Unrestricted Subsidiary) of the fair market value of the assets *less* liabilities of an Unrestricted Subsidiary at the time such Unrestricted Subsidiary is designated a Restricted Subsidiary, not to exceed, in the case of any Unrestricted Subsidiary, the amount of Investments made after the Issue Date by the Issuer and its Restricted Subsidiaries in such Unrestricted Subsidiary pursuant to this paragraph (a), *plus*

(D) the cash return, after the Issue Date, on any other Investment made after the Issue Date pursuant to this paragraph (a), as a result of any sale for cash, repayment, redemption, liquidating distribution or other cash realization (not included in Consolidated Net Income), not to exceed the amount of such Investment so made; *plus*

(E) U.S.$20 million.

The amount expended in any Restricted Payment, if other than in cash, will be deemed to be the fair market value of the relevant non-cash assets, as determined in good faith by the Board of Directors of the Issuer whose determination will be conclusive and evidenced by a Board Resolution of the Issuer.

(b) The foregoing will not prohibit:

(1) the payment of any dividend within 60 days after the date of declaration thereof if, at the date of declaration, such payment would comply with the provisions of this covenant;

(2) the repayment, redemption, repurchase, defeasance or other acquisition or retirement for value of Subordinated Debt with the proceeds of, or in exchange for, Refinancing Debt;

(3) (i) the purchase, redemption or other acquisition or retirement for value of Equity Interests of the Issuer, (ii) the repayment, redemption, repurchase, defeasance or other acquisition or retirement of Subordinated Debt of the Issuer or (iii) any Investment, in each case made in exchange for, or out of the proceeds of a substantially concurrent offering or placement of, Qualified Equity Interests or Deeply Subordinated Debt of the Issuer or any Affiliate of the Issuer (to the extent contributed to the Capital Stock of the Issuer in the form of Qualified Equity Interests or Deeply Subordinated Debt);

(4) the repayment, redemption, repurchase, defeasance or other acquisition or retirement of Subordinated Debt (including Deeply Subordinated Debt) incurred after the Issue Date made in exchange for, or out of the proceeds of a substantially concurrent Incurrence of Debt other than Subordinated Debt if, after giving effect to such Incurrence, the Issuer could Incur at least U.S.$1.00 of Debt under paragraph (a) under "—Limitation on Debt" adjusted, for such purpose, to reflect a Net Leverage Ratio not in excess of 2.00 to 1.00; *provided* that the maximum aggregate principal amount of Subordinated Debt so repaid, redeemed, repurchased, defeased or otherwise acquired or retired pursuant to this clause (4) shall not exceed U.S.$50 million;

(5) the repayment, redemption, repurchase, defeasance or other acquisition or retirement for value of any Subordinated Debt at a purchase price not greater than (x) 101% of the principal amount thereof in the event of a change of control pursuant to a provision no more favorable to the holders thereof than "—Repurchase of New Notes upon a Change of Control" or (y) 100% of the principal amount thereof in the event of an asset sale pursuant to a provision no more favorable to the holders thereof than "—Limitation on Asset Sales," *provided* that, in each case, the Issuer has complied or is simultaneously complying with "—Repurchase of New Notes upon a Change of Control" and "—Limitation on Asset Sales," as applicable;

(6) Restricted Payments not otherwise permitted in an aggregate amount not to exceed U.S.$20 million (or the equivalent in other currencies); or

(7) other Restricted Payments not otherwise permitted in an aggregate amount, when taken together with all other Restricted Payments made pursuant to this clause (7), not to exceed U.S.$5 million in any calendar year (with unused amounts in any calendar year being carried over to the next succeeding calendar year).

provided that, in the case of clauses (3), (4) and (5), no Default has occurred and is continuing or would occur as a result thereof.

(c) Proceeds of the issuance of Qualified Equity Interests and Deeply Subordinated Debt will be included under clause (a)(iii)(B) of this covenant only to the extent they are not applied as described in clause (3) of paragraph (b). Restricted Payments permitted pursuant to clause (2), (3) or (4) of paragraph (b) will not be included in making the calculations under clause (a)(iii)(B) of this covenant. The use of proceeds from the issuance of Qualified Equity Interests, Deeply Subordinated Debt or contributions to common equity on the clauses (a)(iii)(B) and (b)(3) will be subject to the limitations set forth under clause (b)(13) under "—Limitation on Debt."

(d) For purposes of determining compliance with this covenant, in the event that a Restricted Payment permitted pursuant to this covenant or a Permitted Investment meets the criteria of more than one of the categories of Restricted Payment described in clauses (1) through (6) of paragraph (b) above or one or more clauses of the definition of Permitted Investments, as the case may be, the Issuer shall be permitted to classify such Restricted Payment or Permitted Investment on the date it is made, or later reclassify all or a portion of such Restricted Payment or Permitted Investment, in any manner that complies with this covenant, and such Restricted Payment or Permitted Investment shall be treated as having been made pursuant to only one of such clauses of this covenant or of the definition of Permitted Investments, as the case may be. For purposes of covenant compliance, the amount of any Investment shall be the amount actually invested, without adjustment for subsequent increases or decreases in the value of such Investment, *less* any amount paid, repaid, returned, distributed or otherwise received in cash in respect of such Investment.

Anti-Layering

The Issuer will not, and will not permit any Restricted Subsidiary to, Incur any Debt that is subordinated in right of payment to other Debt of the Issuer or a Restricted Subsidiary unless such Debt is also subordinated in right of payment to the New Notes on substantially identical terms. This does not apply to distinctions between categories of Debt that exist by reason of any Liens or Guarantees securing or in favor of some but not all of such Debt.

Limitation on Liens

The Issuer will not, and will not permit any Restricted Subsidiary to, directly or indirectly, Incur or permit to exist any Lien (other than Permitted Liens) of any nature whatsoever on any of its properties or assets (including Capital Stock of a Restricted Subsidiary), whether owned at the Issue Date or thereafter acquired to secure any Debt without effectively providing that the New Notes are secured on an equal and ratable basis with (or, if the Debt to be secured by the Lien is subordinated in right of payment to the New Notes, prior to) the Debt so secured for so long as such Debt is so secured.

Limitation on Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries

(a) Except as provided in paragraph (b) below, the Issuer will not, and will not permit any Restricted Subsidiary to, create or otherwise cause or permit to exist or become effective any consensual encumbrance or restriction of any kind on the ability of any Restricted Subsidiary to:

(1) declare or pay dividends or make any other distributions on or in respect of any Equity Interests of a Restricted Subsidiary owned by the Issuer or any other Restricted Subsidiary;

(2) pay any Debt or other obligation owed to the Issuer or any other Restricted Subsidiary;

(3) make loans or advances to, or Guarantee any Debt or other obligations of, or make any Investment in, the Issuer or any other Restricted Subsidiary; or

(4) transfer any of its property or assets to the Issuer or any other Restricted Subsidiary.

(b) The provisions of paragraph (a) do not apply to any encumbrances or restrictions:

(1) existing under or by reason or any agreements in effect on the Issue Date, and any amendments, modifications, restatements, extensions, renewals, replacements or Refinancings of any of the foregoing; *provided* that the encumbrances and restrictions in the amendment, modification, restatement, extension, renewal, replacement or Refinancing are, taken as a whole, in the good faith judgment of the Issuer, no less favorable in any material respect to the holders of New Notes than the encumbrances or restrictions being amended, modified, restated, extended, renewed, replaced or Refinanced;

(2) existing under or by reason of applicable law, rule, regulation or order;

(3) existing:

(A) with respect to any Person, or to the property or assets of any Person, at the time the Person is acquired by the Issuer or any Restricted Subsidiary, or

(B) with respect to any Unrestricted Subsidiary at the time it is designated or is deemed to become a Restricted Subsidiary,

which encumbrances or restrictions (i) are not applicable to any other Person or the property or assets of any other Person and (ii) were not put in place in anticipation of such event, and any amendments, modifications, restatements, extensions, renewals, replacements or Refinancings of any of the foregoing, *provided* that the encumbrances and restrictions in the amendment, modification, restatement, extension, renewal, replacement or Refinancing are, taken as a whole, in the good faith judgment of the Issuer, no less favorable in any material respect to the holders of New Notes than the encumbrances or restrictions being amended, modified, restated, extended, renewed, replaced or Refinanced;

(4) of the type described in clause (a) arising or agreed to in the ordinary course of business (i) that restrict in a customary manner the subletting, assignment or transfer of any property or asset that is subject to

a lease, license, conveyance or similar contract, including with respect to intellectual property, (ii) that restrict in a customary manner, pursuant to provisions in partnership agreements, limited liability company organizational governance documents, joint venture agreements and other similar agreements, the transfer of ownership interests in, or assets of, such partnership, limited liability company, joint venture or similar Person (in each case relating solely to the respective partnership, limited liability company, joint venture or similar Person) or (iii) by virtue of any Lien permitted under the New Notes Indenture, with respect to any property or assets of, the Issuer or any Restricted Subsidiary;

(5) with respect to a Restricted Subsidiary and imposed pursuant to an agreement that has been entered into for the sale or disposition of all or substantially all of the Capital Stock of, or property and assets of, the Restricted Subsidiary that is permitted by "—Limitation on Asset Sales;"

(6) contained in the terms governing any Debt permitted to be Incurred if (as determined in good faith by the Board of Directors of the Issuer) (i) the encumbrances or restrictions are ordinary and customary for a financing of that type and (ii) the encumbrances or restrictions would not, at the time agreed to, be expected to materially adversely affect the ability of the Issuer to make payments on the New Notes;

(7) required pursuant to the New Notes Indenture or the New Notes;

(8) contained in the terms of any instrument governing Acquired Debt not Incurred in connection with, or in anticipation or contemplation of, the relevant acquisition, merger or consolidation, which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person or the properties or assets of the Person so acquired, and any amendments, modifications, restatements, extensions, renewals, replacements or Refinancings of any of the foregoing; provided that the encumbrances and restrictions in the amendment, modification, restatement, extension, renewal, replacement or Refinancing are, taken as a whole, in the good faith judgment of the Issuer, no less favorable in any material respect to the holders of New Notes than the encumbrances or restrictions being amended, modified, restated, extended, renewed, replaced or Refinanced;

(9) restrictions existing under or created by any agreement (including any amendments, modifications, restatements or supplements thereto) related to Debt Incurred in connection with a Project Financing Subsidiary; and

(10) restrictions with respect to a Restricted Subsidiary of the Issuer imposed pursuant to a binding agreement which has been entered into for the sale or disposition of Capital Stock or assets of such Restricted Subsidiary.

Future Guarantors

The Issuer will not permit any of its Restricted Subsidiaries to Guarantee any Debt of the Issuer in excess of U.S.$10 million (or its equivalent in other currencies) unless such Restricted Subsidiary (a "New Note Guarantor"), within 30 days of such Incurrence, provides a Guarantee in respect of the New Notes by executing and delivering to the New Notes Trustee a supplemental indenture, which New Note Guarantee (a "New Note Guarantee") shall rank senior in right of payment to, or equally in right of payment with, such Restricted Subsidiaries' Guarantee of the Debt of the Issuer.

The New Note Guarantees will be automatically and unconditionally released (and thereupon shall be terminated and discharged and of no further force and effect) upon:

(1) a sale, assignment, transfer, conveyance or other disposition (including by way of consolidation or merger) of the applicable New Note Guarantor or the sale or disposition of all or substantially all the assets of the applicable New Note Guarantor to a Person other than the Issuer or a Restricted Subsidiary thereof, to the extent such sale or disposition is otherwise permitted by the New Notes Indenture;

(2) the designation in accordance with the New Notes Indenture of the applicable New Note Guarantor as an Unrestricted Subsidiary or the applicable New Note Guarantor otherwise ceases to be a Restricted Subsidiary in accordance with the New Notes Indenture;

(3) defeasance or discharge of the New Notes, as provided in "—Defeasance and Discharge;" or

(4) upon the release or discharge of all Guarantees of that Subsidiary that would result in the creation of such New Note Guarantee pursuant to that covenant, except a discharge or release by or as a result of payment under such New Note Guarantee.

Upon any occurrence giving rise to a release of a New Note Guarantee as specified above, the New Notes Trustee upon receipt of an Officer's Certificate from the Issuer and an Opinion of Counsel each stating that all conditions precedent to such release have been satisfied, will execute any document reasonably required in order to evidence or effect such release and termination in respect of such New Note Guarantee.

Repurchase of New Notes upon a Change of Control

Upon the occurrence of a Change of Control, each holder will have the right to require that the Issuer purchase all or a portion (in minimum denominations of U.S.$1,000 principal amount and integral multiples of U.S.$1.00 in excess thereof) of the holder's New Notes at a purchase price (the "Change of Control Payment") equal to 101% of the principal amount thereof, *plus* any accrued and unpaid interest (including Additional Amounts, if any) thereon to, but excluding, the date of purchase.

Within 30 days following any Change of Control, the Issuer shall send a notice to each registered holder, with a copy to the New Notes Trustee as described in "—Notices" below, offering to purchase the New Notes as described above (a "Change of Control Offer"). The Change of Control Offer will state, among other things, the purchase date, which must not be less than 15 days or more than 60 days from the date the notice is given, other than as may be required by law (the "Change of Control Payment Date"). The Change of Control Offer will also contain instructions and materials necessary to enable holders to tender New Notes pursuant to the offer.

On the Business Day immediately preceding the Change of Control Payment Date, the Issuer will, to the extent lawful, deposit with the paying agent funds in an amount equal to the Change of Control Payment in respect of all New Notes or portions thereof so tendered.

On the Change of Control Payment Date, the Issuer will, to the extent lawful:

(5) accept for payment all New Notes or portions thereof properly tendered and not withdrawn pursuant to the Change of Control Offer; and

(6) deliver or cause to be delivered to the New Notes Trustee the New Notes so accepted, together with an Officer's Certificate stating the aggregate principal amount of New Notes or portions thereof being purchased by the Issuer.

The Issuer will not be required to make a Change of Control Offer upon a Change of Control if (1) a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the New Notes Indenture applicable to a Change of Control Offer made by the Issuer and purchases all New Notes properly tendered and not withdrawn under the Change of Control Offer, or (2) notice of redemption has been given pursuant to the "—Optional Redemption" section, unless and until there is a default in payment of the applicable redemption price.

If only a portion of a New Note is purchased pursuant to a Change of Control Offer, a new New Note in a principal amount equal to the portion thereof not purchased will be issued in the name of the holder thereof upon cancellation of the original New Note (or appropriate adjustments to the amount and beneficial interests in a global note will be made, as appropriate). New Notes (or portions thereof) purchased pursuant to a Change of Control Offer will be cancelled and interest on New Notes purchased will cease to accrue on and after the purchase date (unless the Issuer defaults in the payment of the redemption price and accrued interest and Additional Amounts, if any).

The Issuer will comply with Rule 14e-1 under the Exchange Act and any other applicable securities laws and regulations in connection with the purchase of New Notes through a Change of Control Offer, and the above procedures will be deemed modified as necessary to permit such compliance.

Other existing and future Debt of the Issuer may contain prohibitions on the occurrence of events that would constitute a Change of Control or require that Debt be purchased upon a Change of Control. Moreover, the

exercise by holders of their right to require the Issuer to purchase the New Notes could cause a default under such Debt, even if the Change of Control itself does not, due to the financial effect of the purchase on the Issuer.

If a Change of Control Offer occurs, the Issuer may not have available funds sufficient to make the Change of Control Payment for all the New Notes that might be delivered by holders seeking to accept the Change of Control Offer. In the event the Issuer is required to purchase outstanding New Notes pursuant to a Change of Control Offer, the Issuer expects that it would seek third-party financing to the extent it does not have available funds to meet its purchase obligations and any other obligations it may have. However, there can be no assurance that the Issuer would be able to obtain necessary financing or that such financing will be permitted under the terms of any other Debt. See "Risk Factors—Risks Relating to the New Notes and the New Notes Offering—We may be unable to repurchase the New Notes upon a Change of Control Repurchase Event."

Holders will not be entitled to require the Issuer to purchase their New Notes in the event of a takeover, recapitalization, leveraged buyout or similar transaction that is not a Change of Control. The Issuer will not be required to make a Change of Control Offer following a Change of Control if a Restricted Subsidiary or a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the New Notes Indenture applicable to a Change of Control Offer following a Change of Control made by the Issuer and if such Person purchases all New Notes validly tendered and not withdrawn under such Change of Control Offer.

The phrase "all or substantially all," as used in the definition of "Change of Control," is subject to interpretation under applicable law, and its applicability in a given instance would depend upon the facts and circumstances. As a result, there may be a degree of uncertainty in ascertaining whether a sale or transfer of "all or substantially all" the assets of the Issuer has occurred in a particular instance, in which case a holder's ability to obtain the benefit of these provisions could be unclear.

The provisions under the New Notes Indenture relating to the Issuer's obligation to make an offer to repurchase the New Notes as a result of a Change of Control may be waived or amended as described in "—Amendments and Waivers."

Limitation on Asset Sales

The Issuer will not, and will not permit any Restricted Subsidiary to, make any Asset Sale unless the following conditions are met:

(1) the Issuer (or such Restricted Subsidiary, as the case may be) receives consideration at the time of such Asset Sale at least equal to the fair market value of the assets or Equity Interests issued or sold or otherwise disposed of, as determined in good faith by the Board of Directors of the Issuer; and

(2) at least 75% of the consideration consists of cash or Cash Equivalents or Additional Assets or any combination of the foregoing received at closing. For purposes of this clause (2), each of the following will be deemed to be cash:

  (A) any liabilities of the Issuer or such Restricted Subsidiary (other than Subordinated Debt) that are assumed by the transferee of any such assets pursuant to a customary novation agreement or other arrangement that releases the Issuer or such Restricted Subsidiary from further liability; and

  (B) any securities, notes or other obligations received by the Issuer or such Restricted Subsidiary from such transferee that are, within 180 days after the consummation of the Asset Sale, converted by the Issuer or such Restricted Subsidiary into cash or Cash Equivalents, but only to the extent of the cash or Cash Equivalents actually received in that conversion;

(3) within 365 days after the receipt of any Net Cash Proceeds from an Asset Sale, the Net Cash Proceeds may be used:

  (A) to repay Debt (other than any Disqualified Equity Interests or Subordinated Debt) of the Issuer or a Restricted Subsidiary (and, in the case of a revolving credit, permanently reduce the commitment thereunder by such amount), in each case owing to a Person other than the Issuer or any Restricted Subsidiary,

  (B) to invest in or purchase Additional Assets,

(C) to make capital expenditures in a Permitted Business,

(D) to make deposits in the Onshore Peso Collection Account or the Onshore U.S. Dollar Accrual Account (provided that, notwithstanding anything to the contrary herein, such Net Cash Proceeds so deposited may not be withdrawn or released from the Onshore Peso Collection Account or the Onshore U.S. Dollar Accrual Account, as applicable, other than to make Monthly U.S. Dollar Purchases, interest and principal payments under the New Notes and the New Notes Indenture when due, or to be invested and reinvested as set forth in the Onshore Collateral Trust Agreement and as permitted by the Indenture), or

(E) any combination of the foregoing;

provided that the Issuer and its Restricted Subsidiaries will be deemed to have complied with the provisions described in clause (B) or (C) of this clause (3) if and to the extent that, within 365 days after the Asset Sale that generated the Net Cash Proceeds, the Issuer or such Restricted Subsidiary, as applicable, has entered into and not abandoned or rejected a binding agreement to make an investment in compliance with the provision described in clauses (B) or (C) of this clause (3), and that investment is thereafter completed within 180 days after the end of such 365-day period; and

(4) the Net Cash Proceeds of an Asset Sale not applied pursuant to clause (3) within 365 days of the Asset Sale (and additional 180 days, as applicable) constitute "Excess Proceeds." Excess Proceeds of less than U.S.$20 million (or the equivalent in other currencies) will be carried forward and accumulated. When accumulated Excess Proceeds equal or exceed such amount, the Issuer must, within 30 days, make an offer to purchase (the "Asset Sale Offer") New Notes having a principal amount equal to:

(A) accumulated Excess Proceeds, multiplied by

(B) a fraction (x) the numerator of which is equal to the outstanding principal amount of the New Notes and (y) the denominator of which is equal to the outstanding principal amount of the New Notes and all *pari passu* Debt similarly required to be repaid, redeemed or tendered in connection with the Asset Sale, rounded down to the nearest U.S.$1.00. The purchase price (the "Asset Sale Payment") for the New Notes will be 100% of the principal amount *plus* accrued and unpaid interest to the date of purchase.

Each notice of an Asset Sale Offer shall be given to each registered holder, with a copy to the New Notes Trustee, offering to purchase the New Notes as described in "—Notices" below. The Asset Sale Offer will state, among other things, the purchase date, which must not be less than 15 days or more than 60 days from the date the notice is given, other than as may be required by law (the "Asset Sale Payment Date"). The Asset Sale Offer will also contain instructions and materials necessary to enable holders to tender New Notes pursuant to the offer.

On the Business Day immediately preceding the Asset Sale Payment Date, the Issuer will, to the extent lawful, deposit with the paying agent funds in an amount equal to the Asset Sale Payment in respect of all New Notes or portions thereof so tendered.

On the Asset Sale Payment Date, the Issuer will, to the extent lawful:

(1) accept for payment all New Notes or portions thereof properly tendered and not withdrawn pursuant to the Asset Sale Offer; and

(2) deliver or cause to be delivered to the New Notes Trustee the New Notes so accepted, together with an Officer's Certificate stating the aggregate principal amount of the New Notes or portions thereof being purchased by the Issuer.

If the Asset Sale Offer is for less than all of the outstanding New Notes and New Notes in an aggregate principal amount in excess of the purchase amount are tendered and not withdrawn pursuant to the offer, the Issuer will purchase New Notes having an aggregate principal amount equal to the purchase amount on a *pro rata* basis, with adjustments so that only New Notes in multiples of U.S.$1.00 principal amount will be purchased, *provided* that the principal amount of such tendering holder's New Note will not be less than U.S.$1,000. Upon completion of the Asset Sale Offer, Excess Proceeds will be reset at zero, and any Excess Proceeds remaining after consummation of the Asset Sale Offer may be used for any purpose not otherwise prohibited by the New Notes Indenture.

The Issuer will comply with Rule 14e-1 under the Exchange Act and any other applicable securities laws and regulations in connection with the purchase of New Notes through an Asset Sale Offer, and the above procedures will be deemed modified as necessary to permit such compliance.

If at any time any non-cash consideration received by the Issuer or any Restricted Subsidiary, as the case may be, in connection with any Asset Sale is converted into or sold or otherwise disposed of for cash (other than interest received with respect to any non-cash consideration), the conversion or disposition will be deemed to constitute an Asset Sale hereunder and the net cash proceeds thereof will be applied in accordance with this covenant within 365 days of conversion or disposition.

The Issuer will not be required to make an Asset Sale Offer following an Asset Sale if a Restricted Subsidiary or a third party makes the Asset Sale Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the New Notes Indenture applicable to an Asset Sale Offer following an Asset Sale made by the Issuer and if such Person purchases all New Notes validly tendered and not withdrawn under such Asset Sale Offer.

Limitation on Transactions with Affiliates

(a) The Issuer will not, and will not permit any Restricted Subsidiary to, directly or indirectly, enter into, renew or extend any transaction (including the purchase, sale, lease or exchange of property or assets, or the rendering of any service) with any Affiliate of the Issuer (a "Related Party Transaction"), except upon fair and reasonable terms no less favorable to the Issuer or such Restricted Subsidiary than could be obtained in a comparable arm's-length transaction with a Person that is not an Affiliate of the Issuer.

(b) Prior to entering into any Related Party Transaction or series of Related Party Transactions involving payments made on or after the Issue Date, or transfers of property or services made on or after the Issue Date, (1) in an aggregate value in excess of U.S.$20 million (or the equivalent in other currencies) in any fiscal year, the terms of such Related Party Transaction will be approved by a majority of the members of the Board of Directors of the Issuer (including a majority of the Board of Directors of the Issuer who are disinterested directors with respect to such Related Party Transaction), the approval to be evidenced by a Board Resolution of the Issuer stating that the Board of Directors of the Issuer has determined that such transaction complies with the preceding provisions, and (2) with an aggregate value in excess of U.S.$50 million (or the equivalent in other currencies) in any fiscal year, the Issuer must obtain and deliver to the New Notes Trustee a favorable written opinion, obtained by the Issuer and delivered to the New Notes Trustee, from a nationally recognized (in the relevant jurisdiction) Independent Financial Advisor as to the fairness of the Related Party Transaction to the Issuer and the relevant Restricted Subsidiaries (if any) from a financial point of view.

(c) The foregoing paragraphs do not apply to:

(1) any transaction between the Issuer and any of its Restricted Subsidiaries or between Restricted Subsidiaries of the Issuer;

(2) any transaction entered into in the ordinary course of business between or among the Issuer or any Restricted Subsidiary and any joint venture or similar entity, if such transaction would constitute a Related Party Transaction solely because the Issuer or a Restricted Subsidiary owns an Equity Interest in or otherwise controls such joint venture or similar entity; *provided* that in the reasonable determination of the members of the Board of Directors of the Issuer, such transactions are on terms that are not materially less favorable, taken as a whole, as could reasonably have been obtained at the time of such transactions in a comparable transaction with a Person that is not an Affiliate of the Issuer;

(3) any Restricted Payments permitted under "—Certain Covenants—Limitation on Restricted Payments;"

(4) payment of reasonable fees and compensation and reimbursement of expenses to, and any indemnity or insurance provided on behalf of, officers, directors, employees, consultants or agents of the Issuer or any Restricted Subsidiary;

(5) any issuance or sale of Equity Interests or other securities, or other payments, awards or grants in cash, securities or otherwise pursuant to, or the funding of, or entering into, or maintenance of, any employment, consulting, collective bargaining or benefit plan, program, agreement or arrangement,

related trust or other similar agreement and other compensation arrangements, restricted stock plans, long-term incentive plans, stock appreciation rights plans, participation plans or similar employee benefits or consultants' plans (including valuation, health, insurance, deferred compensation, severance, retirement, savings or similar plans, programs or arrangements) and/or indemnities provided on behalf of officers, employees, directors or consultants approved by the Board of Directors of the Issuer, in each case in the ordinary course of business;

(6) any loans or advances made to, or Guarantees with respect to loans or advances made to, directors, officers, employees or consultants of the Issuer or any Restricted Subsidiary (A) in respect of travel, entertainment or moving-related expenses incurred in the ordinary course of business, (B) in respect of moving related expenses incurred in connection with any closing or consolidation of any facility or office, or (C) in the ordinary course of business and (in the case of this clause (C)) not exceeding U.S.$10 million in the aggregate outstanding at any time;

(7) transactions with customers, clients, suppliers, purchasers or sellers of goods or services, in each case in the ordinary course of business and otherwise in compliance with the terms of the New Notes Indenture; *provided* that, in the reasonable determination of the Board of Directors of the Issuer, such transactions are on terms that are not materially less favorable, taken as a whole, as could reasonably have been obtained at the time of such transactions in a comparable transaction with a Person that is not an Affiliate of the Issuer (including, for the avoidance of doubt, (i) any Debt provided by Banco Macro S.A. (if it were deemed to be an Affiliate under the New Notes Indenture) in its ordinary course of business, and (ii) any Debt acquired, directly or indirectly, by Affiliates of the Issuer so long as (x) acquired in a bona fide public offering registered with the CNV, with the majority of such offering being placed with non-Affiliates of the Issuer, or (y) acquired in the secondary market from third parties); and

(8) transactions pursuant to any agreement or instrument in effect as of the Issue Date, as renewed, extended, amended, modified or replaced from time to time, so long as the amended, modified or new agreements, taken as a whole, are no less favorable to the Issuer and its Restricted Subsidiaries than those in effect on the Issue Date.

Designation of Restricted and Unrestricted Subsidiaries

(a) The Board of Directors of the Issuer may designate after the Issue Date any Subsidiary, including a newly acquired or created Subsidiary, to be an Unrestricted Subsidiary if it meets the following qualifications:

(1) such Subsidiary does not own any Capital Stock of the Issuer or any Restricted Subsidiary or hold any Debt of, or any Lien on any property of, the Issuer or any Restricted Subsidiary;

(2) at the time of the designation, the designation would be permitted under "— Limitation on Restricted Payments" (assuming the effectiveness of such designation and treating such designation as an Investment at the time of designation);

(3) to the extent the Debt of the Subsidiary is not Non-Recourse Debt, any Guarantee or other credit support thereof by the Issuer or any Restricted Subsidiary is permitted under "— Limitation on Debt" and "—Limitation on Restricted Payments;"

(4) the Subsidiary is not party to any transaction or arrangement with the Issuer or any Restricted Subsidiary that would not be permitted under "—Limitation on Transactions with Affiliates;"

(5) neither the Issuer nor any Restricted Subsidiary has any obligation to subscribe for additional Equity Interests of the Subsidiary or to maintain or preserve its financial condition or cause it to achieve specified levels of operating results, except to the extent permitted by "—Limitation on Debt" and "—Limitation on Restricted Payments";

(6) no Default or Event of Default has occurred and is continuing at the time or after giving effect to such designation;

(7) such Subsidiary is not a Significant Subsidiary at the time of its designation; and

(8) once so designated, the Subsidiary will remain an Unrestricted Subsidiary, subject to paragraph (b).

(b)

(1) A Subsidiary previously designated an Unrestricted Subsidiary which fails to meet the qualifications set forth in paragraph (a) will be deemed to become at that time a Restricted Subsidiary, subject to the consequences set forth in paragraph (d).

(2) The Board of Directors of the Issuer may designate an Unrestricted Subsidiary to be a Restricted Subsidiary if, at the time of such designation, no Default or Event of Default has occurred and is continuing and such designation would not cause a Default.

(c) Upon a Restricted Subsidiary becoming an Unrestricted Subsidiary:

(1) all existing Investments of the Issuer and the other Restricted Subsidiaries therein (valued at the Issuer's and other Restricted Subsidiaries' proportional share of the fair market value of its assets less liabilities) will be deemed to have been made at that time;

(2) all existing Capital Stock or Debt of, and all Liens on property of, the Issuer or any other Restricted Subsidiary held by it will be deemed Incurred at that time;

(3) all existing transactions between it and the Issuer or any other Restricted Subsidiary will be deemed to have been entered into at that time; and

(4) it will cease to be subject to the provisions of the New Notes Indenture as a Restricted Subsidiary.

(d) Upon an Unrestricted Subsidiary becoming, or being deemed to become, a Restricted Subsidiary:

(1) all of its Debt and Disqualified Stock or Preferred Stock will be deemed Incurred at that time for purposes of "—Limitation on Debt;"

(2) Investments therein previously charged under "—Limitation on Restricted Payments" will be credited thereunder; and

(3) it will thenceforward be subject to the provisions of the New Notes Indenture as a Restricted Subsidiary.

(e) Any designation by the Board of Directors of the Issuer of a Subsidiary as a Restricted Subsidiary or Unrestricted Subsidiary will be evidenced to the New Notes Trustee by promptly delivering to the New Notes Trustee a copy of the Board Resolution of the Issuer giving effect to the designation and an Officers' Certificate certifying that the designation complied with the foregoing provisions.

(f) The designation of a Subsidiary of the Issuer as an Unrestricted Subsidiary will be deemed to include the designation of all of the Subsidiaries of such Subsidiary, unless otherwise determined by the Board of Directors of the Issuer.

Limitation on Sale and Leaseback Transactions

The Issuer will not, and will not permit any Restricted Subsidiary to, enter into any Sale and Leaseback Transaction with respect to any property or asset unless:

(1) the Issuer and the Restricted Subsidiaries would be entitled to (a) Incur Debt in an amount equal to the Attributable Debt with respect to such Sale and Leaseback Transaction under clause (a) of the covenant described above under "—Limitation on Debt" and (b) create a Lien on such property or asset to secure such Attributable Debt without equally and ratably securing the New Notes pursuant to the covenant described above under the caption "—Limitation on Liens," in which case, the corresponding Debt and Lien will be deemed to be Incurred pursuant to those provisions; and

(2) the Issuer complies with the covenant described under the caption "—Limitation on Asset Sales" in respect of such transaction, *provided* that, if a Covenant Suspension Event has occurred and is continuing, the Issuer or, as the case may be, the Restricted Subsidiary, will only be required to comply with the conditions set out in paragraphs 1 and 2 of the covenant described under the caption "—Limitation on Asset Sales" (which will be deemed to be in effect solely for these purposes).

Reports to Holders

For so long as any of the New Notes remain outstanding and constitute "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, the Issuer will furnish to the holders of the New Notes and prospective investors, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

The Issuer will furnish or cause to be furnished to the New Notes Trustee in electronic form (for distribution only upon the request of any holder that desires to receive the applicable reports, information or documents):

(1) within 60 calendar days after the end of each of the first, second and third quarters of the Issuer's fiscal year (commencing with the quarter ending September 30, 2021), copies of the unaudited consolidated financial statements of the Issuer and its Subsidiaries in respect of the relevant period (including a profit and loss account, balance sheet and cash flow statement), in English, setting forth in each case in comparative form the figures for the corresponding quarter in, and year-to-date portion of, the previous year, prepared in U.S. dollars and in accordance with IFRS; and

(2) within 120 calendar days after the end of each fiscal year of the Issuer (commencing with the year ended December 31, 2021), copies of the audited consolidated financial statements of the Issuer and its Subsidiaries in respect of such fiscal year (including a profit and loss account, balance sheet and cash flow statement), in English, setting forth in each case in comparative form the figures for the previous year prepared in U.S. dollars and in accordance with IFRS and audited by a member firm of an internationally recognized firm of independent accountants.

Delivery of such reports, information and documents to the New Notes Trustee is for informational purposes only and the New Notes Trustee's receipt of such reports shall not constitute actual or constructive notice of any information contained therein or determinable from information contained therein, including the Issuer's or any other Person's compliance with any of its covenants under the New Notes Indenture or the New Notes (as to which the New Notes Trustee is entitled to rely exclusively on Officers' Certificates).

In addition, within the time period prescribed above, the Issuer will make such information and such reports available by posting such information and reports on its website.

Reports to New Notes Trustee

The Issuer will deliver to the New Notes Trustee:

(1) within 120 days after the end of each fiscal year an Officers' Certificate indicating whether the signers know of any Default that occurred during the previous fiscal year, specifying the nature of any Default and its status; and

(2) as soon as possible and in any event within 30 days after a responsible officer of the Issuer becomes aware of the occurrence of a Default, an Officers' Certificate setting forth the details of the Default and the actions that the Issuer proposes to take with respect thereto.

Limitation on Consolidation, Merger or Sale of Assets

(a) The Issuer will not, in a single transaction or series of related transactions,

- consolidate with, amalgamate or merge with or into any Person; or
- sell, convey, assign, transfer or otherwise dispose of (or cause or permit any Restricted Subsidiary to sell, convey, assign, transfer or otherwise dispose of) all or substantially all of its assets as an entirety or substantially an entirety (determined on a consolidated basis for the Issuer and its Restricted Subsidiaries) to any Person,

unless:

(1) either (x) the Issuer is the continuing Person or (y) the resulting, surviving or transferee Person (if not the Issuer) is a corporation organized and validly existing under the laws of Argentina, the United States of America, any state thereof or the District of Columbia or any member country of the Organization for Economic Cooperation and Development and expressly assumes by supplemental indenture executed and delivered to the New Notes Trustee, in form reasonably satisfactory to the

New Notes Trustee, all of the obligations of the Issuer under the New Notes Indenture and the New Notes;

(2) immediately before and after giving effect to the transaction, no Default has occurred and is continuing;

(3) immediately after giving effect to the transaction on a pro forma basis, either (x) the Issuer or the resulting surviving or transferee Person could Incur at least U.S.$1.00 of Debt under paragraph (a) under "—Limitation on Debt", or (y) the Interest Coverage Ratio and the Net Leverage Ratio of the Issuer or the resulting surviving or transferee Person is better than the Interest Coverage Ratio and the Net Leverage Ratio, as the case may be, of the Issuer without giving effect to the transaction; and

(4) the Issuer delivers to the New Notes Trustee an Officers' Certificate and an Opinion of Counsel, each stating that the consolidation, amalgamation, merger or transfer and the supplemental indenture (if any) comply with the New Notes Indenture; and

provided that clauses (2) and (3) do not apply to (i) the consolidation, amalgamation or merger of the Issuer with or into a Restricted Subsidiary or (ii) the consolidation, amalgamation or merger of a Restricted Subsidiary with or into the Issuer.

(b) The Issuer shall not lease all or substantially all of its assets, whether in one transaction or a series of transactions, to one or more other Persons.

(c) Upon the consummation of any transaction effected in accordance with these provisions, if the Issuer is not the continuing Person, the resulting, surviving or transferee Person will succeed to, and be substituted for, and may exercise every right and power of, the Issuer under the New Notes Indenture and the New Notes with the same effect as if such successor Person had been named as the Issuer in the New Notes Indenture. Upon such substitution, except in the case of a sale, conveyance, transfer or disposition of less than all its assets, the Issuer will be released from its obligations under the New Notes Indenture and the New Notes.

Additional Covenants

Line and Conduct of Business

The Issuer will not, and will not permit any of its Restricted Subsidiaries, to engage in any business other than the Permitted Business.

Maintenance of Ratings

The Issuer will, for so long as any New Notes are outstanding, use commercially reasonable efforts to maintain ratings on the New Notes from at least two Rating Agencies.

Maintenance of Office or Agency

The Issuer will maintain in the City of Buenos Aires or the Province of Buenos Aires and in each place of payment specified for the New Notes, an office or agency where the New Notes may be presented or surrendered for payment, registration of transfer or exchange and where notices and demands to or upon the Issuer in respect of the New Notes and the New Notes Indenture may be served.

Maintenance of Existence

The Issuer will, and will cause each of its Restricted Subsidiaries to (a) maintain in effect its corporate existence and all registrations necessary therefor and (b) take all reasonable actions to maintain all rights, privileges, titles to property, franchises and similar entitlements necessary or desirable in the normal conduct of its and its Restricted Subsidiaries' business, activities or operations; *provided* that this covenant will not require the Issuer to maintain any such right, privilege, title to property, franchise or similar entitlement, or to preserve the corporate existence of any Restricted Subsidiary, if the Issuer's Board of Directors determines in good faith that (i) the maintenance or preservation thereof is no longer necessary or desirable in the conduct of the Issuer and its Subsidiaries' business taken as a whole and (ii) the loss thereof is not, and will not be, adverse in any material respect to the holders of the New Notes.

Licenses and Other Permits

The Issuer will, and will cause each of its Restricted Subsidiaries to, (a) obtain and maintain in force (or where appropriate, promptly renew) all licenses, permits, registrations, approvals, authorizations or consents necessary or advisable for carrying out its business and operations generally, and (b) perform and observe all the conditions and restrictions contained in, or imposed on, the Issuer and each of its Restricted Subsidiaries by, any such licenses, permits, registrations, approvals, authorizations or consents, except where failure to do so could not reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect.

Collateral and Assigned PPAs

The Issuer will not take any action to amend or terminate any Assigned PPAs in a manner that is materially adverse to the rights of the Secured Parties. The Issuer will make all filings, and take all other actions, from time to time necessary to ensure that the Onshore Collateral Trust is at all times subject to a valid and first priority perfected security interest in favor of the Onshore Trustee for the benefit of the Secured Parties.

Notices

Notices to holders of non-global notes will be mailed to them, by first class mail, postage prepaid, at their registered addresses. Notices to holders of global notes will be given to DTC in accordance with its applicable procedures.

The Issuer will also be required to cause all such other publications of such notices as may be required from time to time in any manner by the provisions of the Argentine Capital Markets Law, the CNV Rules and by any applicable Argentine law and/or regulation (including without limitation publishing notices at the official site of the CNV (https://www.argentina.gob.ar/cnv)).

For so long as any New Notes are listed on the BYMA and traded on the MAE, the Issuer will publish all notices in the Bulletin of the BCBA, as provided by the BYMA rules from time to time, in the on-line bulletin of the MAE.

For so long as any New Notes are listed on the Luxembourg Stock Exchange and admitted for trading on the Euro MTF Market and the rules of such exchange so require, the Issuer will publish all notices to holders in English via the website of the Luxembourg Stock Exchange at http://www.bourse.lu, *provided* that such method of publication satisfies the rules of such exchange.

Notices will be deemed to have been given on the date of mailing or of publication as aforesaid or, if published on different dates, on the date of the first such publication.

Default and Remedies

Events of Default

An "Event of Default" occurs if:

(1) the Issuer defaults in the payment when due of the principal of or premium, if any, on any New Note when the same becomes due and payable at maturity, upon acceleration or otherwise, including the failure to make a required principal or premium payment to purchase New Notes tendered pursuant to an optional redemption, Change of Control Offer or an Asset Sale Offer;

(2) the Issuer defaults in the payment of interest (including any Additional Amounts) on any New Note when the same becomes due and payable at maturity, upon acceleration or otherwise, and the default continues for a period of 30 days;

(3) the Issuer fails to comply with "—Limitation on Consolidation, Merger or Sale of Assets;"

(4) the Issuer or a Restricted Subsidiary defaults in the performance of or breaches any (i) other covenant or agreement of the Issuer or a Restricted Subsidiary contained in the New Notes Indenture or under the New Notes, or (ii) material covenant or agreement of the Issuer in the Onshore Collateral Trust Agreement, and in either case the default or breach continues for a period of 60 days after written notice to the Issuer by the New Notes Trustee or to the Issuer and the New Notes Trustee by the holders of 25% or more in aggregate principal amount of the outstanding New Notes;

(5) there occurs with respect to any Debt of the Issuer (other than the Existing Notes) or any of its Restricted Subsidiaries having an outstanding principal amount of U.S.$40 million (or the equivalent in other currencies) or more in the aggregate for all such Debt of all such Persons (i) an event of default that results in such Debt being due and payable prior to its scheduled maturity or (ii) a failure to make a payment of principal or interest when due and such defaulted payment is not made, waived or extended within the applicable grace period;

(6) one or more final and non-appealable judgments or orders for the payment of money are rendered against the Issuer or any of its Restricted Subsidiaries and are not paid or discharged (and are not covered by adequate insurance by a solvent insurer of national or international reputation that has acknowledged its obligations in writing), and there is a period of 30 days following entry of the final and non-appealable judgment or order (or 30 days, in the event that an enforcement proceeding is commenced upon the entry of such judgment or order) that causes the aggregate amount for all such final and non-appealable judgments or orders outstanding and not paid or discharged against all such Persons to exceed U.S.$40 million (or the equivalent in other currencies) during which a stay of enforcement, by reason of a pending appeal or otherwise, is not in effect;

(7) the Issuer or any of its Significant Subsidiaries shall, after the Issue Date, (A) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors pursuant to a *concurso preventivo de acreedores*, (B) seek approval of its creditors for an *acuerdo preventivo extrajudicial* or similar arrangement impairing the New Notes through any means, including the distribution of an offering circular or similar disclosure materials to creditors in connection with such *acuerdo preventivo extrajudicial* or similar arrangement, (C) file for court endorsement of an *acuerdo preventivo extrajudicial* or similar arrangement impairing the New Notes, (D) apply for or consent to the appointment (in a similar court proceeding) of a receiver, trustee, liquidator or the like for itself or its property or (E) make a general assignment for the benefit of its creditors;

(8) any order, judgment or decree shall be entered by any court of competent jurisdiction to effect any bankruptcy, reorganization, dissolution, winding up, liquidation, the appointment of a trustee, a receiver, liquidator or the like of the Issuer or any of its Significant Subsidiaries or of all or substantially all of the assets thereof or other like relief in respect of the Issuer or any of its Significant Subsidiaries under any applicable bankruptcy or insolvency law, and such order, judgment or decree remains unstayed and in effect for a period of 60 days;

(9) any condemnation, seizure, compulsory purchase or expropriation, or taking into custody or control, by any governmental authority or agency of assets or Capital Stock of the Issuer or any of its Restricted Subsidiaries which, in the aggregate, would be likely to have a Material Adverse Effect;

(10) a moratorium is agreed or declared in respect of any of the Issuer's or any of its Significant Subsidiary's Debt;

(11) it becomes unlawful for the Issuer to perform any of its obligations under the New Notes Indenture, the Onshore Collateral Trust Agreement or the New Notes, or any payment obligations of the Issuer thereunder ceases to be valid, binding or enforceable or the binding effect or enforceability thereof is contested by the Issuer, or the Issuer denies that it has any further liability or obligation thereunder or in respect thereof (other than in accordance with the terms of the New Notes Indenture); or

(12) the Onshore Collateral Trust Agreement shall cease for any reason to be in full force and effect, or the Onshore Trustee shall cease to have a valid and perfected Lien on the Onshore Peso Collection Account and Onshore U.S. Dollar Accrual Account and all amounts therein, if the Onshore U.S. Dollar Accrual Account is not replaced by a substitute collateral account or other security approved by the holders of a majority in aggregate outstanding principal amount of the New Notes within 60 calendar days after written notice to the Issuer.

Consequences of an Event of Default

If an Event of Default, other than a default described under (7), (8) or (10), occurs and is continuing under the New Notes Indenture, the New Notes Trustee or the holders of at least 25% in aggregate principal amount of the New Notes then outstanding, by written notice to the Issuer (and to the New Notes Trustee if the notice is

given by the holders), may, and the New Notes Trustee at the request of such holders shall, declare the principal of and accrued interest on the New Notes to be immediately due and payable. In the event of a declaration of acceleration because an Event of Default set forth in (5) above has occurred and is continuing, such declaration of acceleration shall be automatically rescinded and annulled if the event of default triggering such Event of Default pursuant to paragraph (5) above shall be remedied or cured by the Issuer and/or the relevant Subsidiaries or waived by the holders of the relevant Indebtedness as long as the rescission would not conflict with any judgment or decree of a court of competent jurisdiction. Upon a declaration of acceleration, such principal and interest will become immediately due and payable. If a default occurs as described under (7), (8) or (10), the principal of and accrued interest on the New Notes then outstanding will become immediately due and payable without any declaration or other act on the part of the New Notes Trustee or any holder.

The holders of a majority in principal amount of the outstanding New Notes may, by written notice to the Issuer and to the New Notes Trustee, waive all past or existing Defaults and rescind and annul a declaration of acceleration and its consequences if:

(1) all existing Events of Default, other than the non-payment of the principal of, premium, if any, and interest (including Additional Amounts) on the New Notes that have become due solely by the declaration of acceleration, have been cured or waived, and

(2) the rescission would not conflict with any judgment or decree of a court of competent jurisdiction;

provided that the consent of at least 75% in aggregate outstanding principal amount of our New Notes then outstanding shall be required to adopt a valid decision on a Default or Event of Default in the payment of principal of, premium, if any, on or interest on the New Notes or in respect of a covenant or provision that cannot be modified or amended without such consent of at least 75% in aggregate outstanding principal amount of our New Notes then outstanding as provided in "—Amendments with Consent of Holders."

The New Notes Trustee shall not be charged with knowledge of any Default or Event of Default with respect to the New Notes unless a written notice of such Default or Event of Default shall have been given to a responsible officer of the New Notes Trustee with direct responsibility for the administration of the New Notes Indenture and the New Notes, by the Issuer or any holder of New Notes.

Subject to certain restrictions, the holders of a majority in principal amount of the outstanding New Notes may direct the time, method and place of conducting any proceeding for any remedy available to the New Notes Trustee or exercising any trust or power conferred on the New Notes Trustee. However, the New Notes Trustee may refuse to follow any direction that conflicts with law or the New Notes Indenture, that may involve the New Notes Trustee in personal liability, or that the New Notes Trustee determines in good faith may be unduly prejudicial to the rights of holders of New Notes not joining in the giving of such direction, and may take any other action it deems proper that is not inconsistent with any such direction received from holders of New Notes.

A holder may not institute any proceeding, judicial or otherwise, with respect to the New Notes Indenture or the New Notes, or for the appointment of a receiver or trustee, or for any other remedy under the New Notes Indenture or the New Notes, unless:

(1) the holder has previously given to the New Notes Trustee written notice of a continuing Event of Default;

(2) holders of at least 25% in aggregate principal amount of outstanding New Notes have made written request to the New Notes Trustee to institute proceedings in respect of the Event of Default;

(3) holders have offered and provided to the New Notes Trustee indemnity and/or security reasonably satisfactory to the New Notes Trustee against any costs, liabilities or expenses to be incurred in compliance with such request;

(4) the New Notes Trustee for 60 days after its receipt of such notice, request and offer of indemnity and/or security has failed to institute any such proceeding; and

(5) during such 60-day period, the holders of a majority in aggregate principal amount of the outstanding New Notes have not given the New Notes Trustee a direction that is inconsistent with such written request.

Notwithstanding anything to the contrary, the right of a holder of a New Note to receive payment of principal of or interest on its New Note on or after the Stated Maturity thereof, or to bring suit for the enforcement of any such payment on or after such dates (including any "*acción ejecutiva individual*" pursuant to Article 29 of the Negotiable Obligations Law), may not be impaired or affected without the consent of that holder. To that effect, any beneficial owner of global notes will have the right to obtain evidence of its beneficial ownership interest in a global note in accordance with Section 129 of the Argentine Capital Markets Law (including for initiating summary proceedings (*acción ejecutiva*) in the manner provided by the Negotiable Obligations Law), and, for such purposes, such beneficial owner will be treated as the owner of that portion of the global note which represents its beneficial ownership interest therein.

If any Default occurs and is continuing and a responsible officer of the New Notes Trustee has received written notice of such Default, the New Notes Trustee will send notice of the Default to each holder within 90 days after it occurs, unless the Default has been cured; *provided* that, except in the case of a default in the payment of the principal of or interest on any New Note, the New Notes Trustee may withhold the notice if and so long as the board of directors, the executive committee or a trust committee of directors of the New Notes Trustee in good faith determine that withholding the notice is in the interest of the holders.

A Default under the New Notes, unless cured or waived, could trigger a default under certain of the Issuer's and the Restricted Subsidiaries' existing or future debt agreements.

No Personal Liability of Directors, Officers, Employees, Incorporators, Members or Stockholders

Except as specifically provided under Argentine law, no director, officer, employee, incorporator, member or stockholder of the Issuer, as such, will have any liability for any obligations of the Issuer under the New Notes or the New Notes Indenture or for any claim based on, in respect of, or by reason of, such obligations. To the extent permitted by applicable law, each holder of New Notes by accepting a New Note waives and releases all such liability.

Currency Indemnity

The Issuer's obligations under the New Notes and the New Notes Indenture to the New Notes Trustee and the holders of the New Notes to make payment in U.S. dollars shall not be discharged or satisfied by any tender or recovery pursuant to any judgment expressed in or converted into any other currency or in another place, except to the extent that on the Business Day following receipt of any sum adjudged to be so due in the judgment currency the payee may, in accordance with normal banking procedures, purchase U.S. dollars in the amount originally due with the judgment currency. If, for the purpose of obtaining judgment in any court, it is necessary to convert a sum due under the New Notes and the New Notes Indenture in U.S. dollars into another currency (referred to in this paragraph as the "judgment currency"), the rate of exchange shall be that at which, in accordance with normal banking procedures, such payee could purchase such U.S. dollars in New York, New York with the judgment currency on the Business Day immediately preceding the day on which such judgment is rendered. The Issuer's obligation in respect of any such sum due under the New Notes and the New Notes Indenture shall, notwithstanding the rate of exchange actually applied in rendering such judgment, be discharged only to the extent that on the Business Day following receipt by the relevant payee of any sum adjudged to be due under the New Notes and the New Notes Indenture in the judgment currency the relevant payee may, in accordance with normal banking procedures, purchase and transfer dollars to New York City with the amount of the judgment currency so adjudged to be due (giving effect to any set-off or counterclaim taken into account in rendering such judgment). Accordingly, the Issuer hereby, as a separate obligation and notwithstanding any such judgment, agrees to indemnify each of the holders of the New Notes and the New Notes Trustee against, and to pay on demand, in U.S. dollars, the amount by which the sum originally due to the holders of the New Notes or the New Notes Trustee in U.S. dollars under the New Notes and the New Notes Indenture exceeds the amount of the U.S. dollars so purchased and transferred.

The Issuer agrees that, notwithstanding any restriction or prohibition on access to the foreign exchange market (*Mercado Único y Libre de Cambios*, or "MULC") in Argentina, any and all payments to be made under the New Notes and the New Notes Indenture will be made in U.S. dollars. Nothing in the New Notes and the New Notes Indenture shall impair any of the rights of the holders of the New Notes or the New Notes Trustee or justify the Issuer in refusing to make payments under the New Notes and the New Notes Indenture in U.S. dollars for any reason whatsoever, including, without limitation, any of the following: (i) the purchase of U.S.

dollars in Argentina by any means becoming more onerous or burdensome for the Issuer than as of the date hereof and (ii) the exchange rate in force in Argentina increasing significantly from that in effect as of the date hereof. The Issuer waives the right to invoke any defense of payment impossibility (including any defense under Section 1091 of the Argentine Civil and Commercial Code), impossibility of paying in U.S. dollars (assuming liability for any force majeure or act of God), or similar defenses or principles (including, without limitation, equity or sharing of efforts principles).

In the event that, on any payment date in respect of New Notes denominated in U.S. dollars, any restriction (including *de facto* restrictions) or prohibition to access the MULC in Argentina exists, the Issuer will seek to pay all amounts payable under the New Notes in U.S. dollars either (i) by purchasing at market price securities of any series of U.S. dollar-denominated Argentine sovereign bonds or any other securities or private or public bonds issued in Argentina, and transferring and selling such instruments outside Argentina for U.S. dollars, to the extent permitted by applicable law, or (ii) by any other reasonable means permitted by law in Argentina, in each case, on such payment date. All costs and taxes payable in connection with the procedures referred to in (i) and (ii) above shall be borne by the Issuer.

Amendments and Waivers

Amendments without Consent of Holders

The Issuer and the New Notes Trustee, upon the New Notes Trustee's receipt of an Officers' Certificate and Opinion of Counsel confirming compliance with the requirements of the New Notes Indenture and the New Notes, may amend or supplement the New Notes Indenture or the New Notes (and the Issuer and the Onshore Trustee may amend or supplement the Onshore Collateral Trust Agreement and related documents), in each case, without notice to or the consent of any holder of New Notes:

(1) to cure any ambiguity, defect or inconsistency in the New Notes Indenture, the Onshore Collateral Trust Agreement or the New Notes in a manner that is not materially adverse to the rights of the holders of New Notes;

(2) to comply with "—Certain Covenants—Limitation on Consolidation, Merger or Sale of Assets," including to provide for the assumption by a successor of the obligations of the Issuer;

(3) to evidence and provide for the acceptance of an appointment by a successor trustee and successor representative of the trustee in Argentina under the New Notes Indenture;

(4) to provide for any Guarantee of the New Notes, to secure the New Notes or to confirm and evidence the release, termination or discharge of any Guarantee of or Lien securing the New Notes when such release, termination or discharge is permitted by the New Notes Indenture;

(5) to provide for or confirm the issuance of additional New Notes, subject to prior authorization of the CNV;

(6) to comply with any requirement of the CNV, BYMA or MAE in respect of the form of the New Notes or in respect of meeting of holders of the New Notes, except that no such change will be permitted if it would violate (b) below;

(7) to make any other change that does not materially or adversely affect the rights of any holder;

(8) to conform any provision of the New Notes Indenture or the New Notes to this "Description of the New Notes;"

(9) to add further covenants, restrictions, conditions or provisions as are for the benefit of the holders; or

(10) to surrender any right or power conferred upon the Issuer.

Amendments with Consent of Holders

(a) Except as otherwise provided in "—Amendments without Consent of Holders," "—Default and Remedies—Consequences of an Event of Default" or paragraph (b) below: (i) the Issuer and the New Notes Trustee, upon the New Notes Trustee's receipt of an Officer's Certificate and Opinion of Counsel confirming compliance with the requirements of the New Notes Indenture and the New Notes, may amend or supplement the New Notes Indenture or the New Notes (or may waive future compliance by the Issuer

or a Restricted Subsidiary with any provision of the New Notes Indenture or the New Notes), and (ii) the Issuer and, at the direction of the New Notes Trustee (acting at the written direction of the holders of the requisite percentage of aggregate principal amount of outstanding New Notes), the Onshore Trustee may amend or supplement the Onshore Collateral Trust Agreement and related documents, in each case, with the consent of the holders of a majority in aggregate principal amount of the outstanding New Notes by the adoption of a resolution at a meeting of holders of New Notes as set forth below under "—Meetings of Holders", or by written consent of the holders if permitted under Argentine law then in effect.

(b) Notwithstanding the provisions of paragraph (a), without the consent of at least 75% in aggregate outstanding principal amount of our New Notes then outstanding, an amendment, supplement or waiver may not:

(1) reduce the principal amount of or change the Stated Maturity of any installment of principal of any New Note;

(2) reduce the rate of or change the Stated Maturity of any interest payment on any New Note;

(3) reduce the amount payable upon the redemption of any New Note or, in respect of an optional redemption, the times at which any New Note may be redeemed or, once notice of redemption has been given, the time at which it must thereupon be redeemed;

(4) amend, change or modify in any material respect the obligation of the Issuer to make and consummate a Change of Control Offer in respect of a Change of Control that has occurred or make and consummate an Asset Sale Offer with respect to any Asset Sale that has been consummated;

(5) make any New Note payable in currency other than that stated in the New Note or change the place at which any New Note is payable;

(6) impair the right of any holder of New Notes to receive any principal payment or interest payment on such holder's New Notes, on or after the Stated Maturity thereof, or to institute suit for the enforcement of any such payment;

(7) reduce the principal amount of the New Notes required for amendments or waivers, or modify any provisions of the New Notes Indenture relating to meetings of holders of the New Notes (except to provide that certain other provisions of the New Notes Indenture cannot be modified or waived without the consent of the holder of each such New Note adversely affected thereby);

(8) modify or change any provision of the New Notes Indenture affecting the ranking of the New Notes in a manner adverse to the holders of the New Notes; *provided* that this clause (8) shall not prohibit a modification or change of "—Certain Covenants—Limitation on Liens;"

(9) make any change in the provisions of the New Notes Indenture described under "—Additional Amounts" that adversely affects the rights of any holder or amend the terms of the New Notes in a way that would result in a loss of exemption from any applicable taxes;

(10) release the Collateral, amend, change or modify the Onshore Collateral Trust Agreement, any provisions of the New Notes Indenture related to the Collateral or eliminate or modify in any manner the Issuer's obligations with respect to the Collateral, in each case, in a manner that adversely affects holders in any material respect, except as expressly permitted by the New Notes Indenture and the Onshore Collateral Trust Agreement, as applicable; or

(11) modify or change the governing law of the New Notes or the applicable jurisdiction for actions in connection with the New Notes Indenture.

Pursuant to the Negotiable Obligations Law, approval of any amendment, supplement or waiver by the holders requires the consent of such holders to be obtained pursuant to a meeting of holders of New Notes held in accordance with the provisions described under "—Meetings of Holders," or pursuant to any other reliable means that ensure holders of New Notes prior access to information and allow them to vote, in accordance with Section 14 of the Negotiable Obligations Law (as amended by Section 151 of the Argentine Productive Financing Law) and any other applicable regulation.

It is not necessary for holders of New Notes to approve the particular form of any proposed amendment, supplement or waiver, but is sufficient if their consent approves the substance thereof.

The New Notes Trustee shall not be obligated to enter into any amendment that adversely affects its own rights, duties or immunities under the New Notes Indenture.

Meetings of Holders

A meeting of the holders of New Notes may be called by the New Notes Trustee or the Issuer upon the request of the holders of at least 5% in principal amount of the outstanding New Notes or by the Issuer at its discretion, pursuant to the Negotiable Obligations Law.

The meetings will be held in the City of Buenos Aires or the Province of Buenos Aires Argentina, or as otherwise held pursuant to Section 14 of the Negotiable Obligations Law; *provided* that the Issuer or the New Notes Trustee may determine to hold any such meetings in New York City, London or any other jurisdiction, simultaneously by any means of telecommunication which allows the participants to hear each other and speak to each other and such simultaneous meeting shall be deemed to constitute a single meeting for purposes of quorum and voting percentages applicable to such meeting. In any case, meetings shall be held at such time and at such place in any such city as the Issuer or the New Notes Trustee shall determine. Any resolution passed at a meeting convened in London, New York City or any other jurisdiction shall be binding on all holders of New Notes (whether present or not at such meeting), only upon ratification by a meeting of such holders held in the City of Buenos Aires or the Province of Buenos Aires in accordance with the Negotiable Obligations Law. The New Notes Indenture contains provisions for holders present or represented at meetings of holders convened in London or New York City to appoint representatives at meetings of holders in the City of Buenos Aires or the Province of Buenos Aires. Subject as aforesaid, any resolution duly passed will be binding on all holders of New Notes (whether or not they were present at the meeting at which such resolution was passed).

Any such meeting will be held in accordance with the Negotiable Obligations Law. If a meeting is held pursuant to the written request of holders of New Notes, such meeting shall be convened within 40 days from the date such written request is received by the Issuer or the New Notes Trustee, as the case may be. Notice of any meeting of holders of New Notes (which shall include the date, place and time of the meeting, the agenda therefor and the requirements for attendance) shall be given not less than 10 nor more than 30 days prior to the date fixed for the meeting in the *Boletín Oficial* and in another widely circulated newspaper in Argentina, in the Bulletin of the BCBA, in accordance with the delegation of powers of the BYMA (as long as the New Notes are listed on the BYMA), in the Bulletin of the MAE (as long as the New Notes are traded on the MAE) and on the website of the Luxembourg Stock Exchange (http://www.bourse.lu) (as long as the New Notes are listed on the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require) or such other informative systems of the markets in which the New Notes are listed as is applicable.

Meetings of holders may be simultaneously convened for two dates, in case the initial meeting were to be adjourned for lack of quorum. However, notice of a new meeting resulting from adjournment of the initial meeting for lack of quorum will be given not less than eight days prior to the date fixed for such new meeting and will be published for three Business Days in the Official Gazette of Argentina, a newspaper of general circulation in Argentina, the Bulletin of the BCBA (as long as the New Notes are listed on the BYMA), the Bulletin of the MAE (as long as the New Notes are listed on the MAE) and on the website of the Luxembourg Stock Exchange (http://www.bourse.lu) (as long as the New Notes are listed on the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require) or such other informative systems of the markets in which the New Notes are listed, as is applicable. To be entitled to vote at a meeting of holders, a person shall be (i) a holder of one or more New Notes as of the relevant record date or (ii) a person appointed by an instrument in writing as proxy by such a holder of one or more New Notes. Holders who intend to attend a meeting of holders must notify the Issuer of their intention to do so at least three business days prior to the date of such meeting. The quorum at any ordinary meeting called to adopt a resolution will be persons holding or representing a majority in aggregate principal amount of the outstanding New Notes and at any reconvened adjourned ordinary meetings will be any person(s) present at such reconvened adjourned meeting.

Any holder of a New Note may attend a meeting in person or by proxy. Amendments or supplements to the New Notes Indenture or to the New Notes or waivers of any provision thereof approved at a meeting may only be approved at an extraordinary meeting.

The quorum at any meeting called to adopt a resolution will be persons holding or representing a majority in aggregate principal amount of the outstanding New Notes and at any reconvened adjourned meetings will be the person(s) present at such reconvened adjourned meeting. The quorum at any extraordinary meeting called to

adopt a resolution will be persons holding or representing at least 60% in aggregate principal amount of the outstanding New Notes and at any reconvened adjourned extraordinary meeting will be persons holding or representing at least 30% in aggregate principal amount of the outstanding New Notes.

Any instrument given by or on behalf of any holder of a New Note in connection with any consent to any such modification, amendment or waiver will be irrevocable once given and will be conclusive and binding on all subsequent holders of such New Note. Any modifications, amendments or waivers to the New Notes Indenture or to the New Notes shall be conclusive and binding upon all holders of New Notes whether or not they have given such consent or were present at any meeting, and on all New Notes of such series.

The Issuer will designate the record date for determining the holders of New Notes entitled to vote at any meeting and will provide notice to holders of New Notes in the manner set forth in the New Notes Indenture. The holder of a New Note may, at any meeting of holders of New Notes at which such holder is entitled to vote, cast one vote for each U.S. dollar in principal amount of the New Notes.

For the purposes of clarification, holders of New Notes may take such actions outside of Argentina in any other manner permitted by New York law (such as via written consent), which may be taken by consent of the holders through the consent procedures of DTC or any other applicable depositary clearing system, or any other alternative procedure, in all cases in compliance with the Exchange Act. As a result, the ability of holders to take actions under the New Notes Indenture and/or the New Notes, including actions after the occurrence of a Default, will be affected by these requirements.

For purposes of the above, any New Note authenticated and delivered pursuant to the New Notes Indenture will, as of any date of determination, be deemed to be "outstanding", except:

- New Notes canceled by the New Notes Trustee or delivered to the New Notes Trustee for cancellation;
- New Notes that have been called for redemption in accordance with their terms or which have become due and payable at maturity or otherwise and with respect to which monies sufficient to pay the principal thereof and any premium, interest, Additional Amounts or other amount thereon shall have been deposited with the New Notes Trustee; or
- New Notes in lieu of or in substitution for which other New Notes shall have been authenticated and delivered pursuant to the New Notes Indenture;

provided that, in determining whether the holders of the requisite principal amount of outstanding New Notes are present at a meeting of holders of New Notes for quorum purposes or have consented to or voted in favor of any notice, consent, waiver, amendment, modification or supplement under the New Notes Indenture, New Notes that a responsible officer of the New Notes Trustee has received written notice that such New Notes are owned directly or indirectly by the Issuer or any of its Affiliates, (including, for the avoidance of doubt, any Subsidiary), shall be disregarded and deemed not to be outstanding.

Promptly after the execution by the Issuer and the New Notes Trustee of any supplement or amendment to the New Notes Indenture, the Issuer shall give notice thereof to the holders of the New Notes and, if applicable, to the CNV, the BYMA and the MAE, setting forth in general terms the substance of such supplement or amendment. If the Issuer shall fail to give such notice to the holders of the New Notes within 15 days after the execution of such supplement or amendment, the New Notes Trustee may give notice to the holders at the Issuer's expense. Any failure of the Issuer or the New Notes Trustee to give such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such supplement or amendment.

In the event that the New Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted for trading on the Euro MTF Market or listed on any other securities exchange, such meetings of holders and notices thereof will also comply with the applicable rules of the Luxembourg Stock Exchange or such other securities exchange, as applicable.

Defeasance and Discharge

The Issuer, at its option,

(1) will be discharged from any and all obligations in respect of the New Notes (except for certain obligations, including to register the transfer or exchange of New Notes, replace stolen, lost or mutilated New Notes, maintain paying agencies and hold moneys for payment in trust and the rights,

protections, immunities and indemnities of the New Notes Trustee and the Issuer's obligations in connection therewith), or

(2) need not comply with certain covenants of the New Notes Indenture, if the Issuer irrevocably deposits with the New Notes Trustee, in trust

(a) money,

(b) in certain cases, U.S. Government Obligations which through the payment of interest and principal in respect thereof in accordance with their terms will provide money in an amount, or

(c) a combination thereof,

in each case, sufficient (without reinvestment) in the opinion of a certified public accounting firm to pay and discharge (without reinvestment) the principal and interest, if any, on the outstanding New Notes on the dates such payments are due, in accordance with the terms of the New Notes, to but excluding the redemption date irrevocably designated by the Issuer pursuant to the final sentence of this section on the day on which payments are due and payable in accordance with the terms of the New Notes Indenture and of the New Notes; and no Default or Event of Default (including by reason of such deposit) shall have occurred and be continuing on the date of such deposit or during the period ending on the 91st day after such date.

To exercise any such option, the Issuer is required to deliver to the New Notes Trustee

(i) an opinion of recognized U.S. counsel independent of the Issuer to the effect that:

(A) the holders and beneficial owners of the New Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such deposit, defeasance and discharge of certain obligations, and will be subject to U.S. federal income tax on the same amount and in the same manner and at the same times as would have been the case if such deposit, defeasance and discharge had not occurred (which opinion, in the case of clause (1) above, must be based on a change in U.S. federal income tax law or a ruling by the U.S. Internal Revenue Service); and

(B) the defeasance trust is not, or is not required to be registered as, an investment company under the Investment Company Act of 1940; and

(ii) an Opinion of Counsel and an Officers' Certificate as to compliance with all conditions precedent provided for in the New Notes Indenture relating to the defeasance and discharge of the New Notes.

If the Issuer has deposited or caused to be deposited money or U.S. Government Obligations to pay or discharge the principal of (and premium, if any) and interest, if any, on the outstanding New Notes to but excluding a redemption date on which all of the outstanding New Notes are to be redeemed, such redemption date shall be irrevocably designated by a resolution of each of the Board of Directors of the Issuer delivered to the New Notes Trustee on or prior to the date of deposit of such money and/or U.S. Government Obligations and such resolutions shall be accompanied by an irrevocable request from the Issuer that the New Notes Trustee give notice of such redemption in the name and at the expense of the Issuer not less than 15 nor more than 60 days prior to such redemption date in accordance with the New Notes Indenture.

Satisfaction and Discharge

The New Notes Indenture will be discharged and will cease to be of further effect (except as to any surviving rights of registration of transfer or exchange of New Notes therein expressly provided for and the rights, protections, immunities and indemnities of the New Notes Trustee and the Issuer's obligations in connection therewith) as to all New Notes issued thereunder, when: (i) either (a) all New Notes that have been authenticated, except lost, stolen or destroyed New Notes that have been replaced or paid and New Notes for whose payment money has been deposited in trust and thereafter repaid to us or discharged from such trust, have been delivered to the New Notes Trustee for cancellation; or (b) all New Notes that have not been delivered to the New Notes Trustee for cancellation have become due and payable or will become due and payable within one year, either at their Stated Maturity or upon being called for redemption, and the Issuer or any Subsidiary has deposited or caused to be deposited with the New Notes Trustee as trust funds in trust solely for the benefit of the holders, cash in U.S. dollars, in amounts sufficient to pay and discharge the entire indebtedness on the New Notes not delivered to the New Notes Trustee for cancellation for principal, premium and Additional Amounts, if any, and

accrued interest to the date of such deposit (in the case of New Notes which have become due and payable) or to the Stated Maturity or redemption date, as the case may be; (ii) the Issuer has paid or caused to be paid all sums payable by it under the New Notes Indenture; (iii) the Issuer has delivered to the New Notes Trustee an Officers' Certificate and an Opinion of Counsel stating that all conditions precedent to satisfaction and discharge have been satisfied and (iv) the Issuer has delivered irrevocable instructions to the New Notes Trustee under the New Notes Indenture to apply any deposited money toward the payment of the New Notes at maturity or the redemption date, as the case may be. Notwithstanding the satisfaction and discharge of the New Notes Indenture, the obligations of the Issuer to any registrar or paying agent and the New Notes Trustee under the New Notes Indenture and, if money shall have been deposited with the New Notes Trustee pursuant to clause (i) above, the obligations of the New Notes Trustee with respect to the application of trust money under the New Notes Indenture will survive.

Registration and Book-Entry System

The New Notes will be issued in fully registered form without interest coupons. New Notes offered and sold in reliance on Regulation S under the Securities Act were represented by a single, permanent global note in definitive, fully registered book-entry form without interest coupon (the "Regulation S global note"), which were deposited with the New Notes Trustee as custodian for, and registered in the name of a nominee of, DTC and deposited for credit to an account of a direct or indirect participant of DTC, including Euroclear and Clearstream, as described below.

New Notes sold in reliance on Rule 144A under the Securities Act were represented by one or more permanent global notes in definitive, fully registered book-entry form without interest coupons (each a "restricted global note" and, together with the Regulation S global note, the "global notes") and were deposited with the New Notes Trustee as custodian for, and registered in the name of a nominee of, DTC and deposited for credit to an account of a direct or indirect participant of DTC as described below.

Each global note is subject to certain restrictions on transfer set forth therein as described under "Transfer Restrictions."

Ownership of beneficial interests in a global note will be limited to persons who have accounts with DTC ("participants"), or persons who hold interests through participants. Ownership of beneficial interests in a global note will be shown on, and the transfer of that ownership will be effected only through, records maintained by DTC, or its nominees (with respect to interests of participants), and the records of participants (with respect to interests of persons other than participants).

So long as DTC, or its nominee, is the registered owner or holder of a global note, DTC, or such nominee, as the case may be, will be considered the sole owner or holder of the New Notes represented by such global note for all purposes under the New Notes Indenture. No beneficial owner of an interest in a global note will be able to transfer that interest except in accordance with the applicable rules and procedures of DTC and its direct or indirect participants (including, if applicable, those of Euroclear and Clearstream), in addition to those provided for under the New Notes Indenture.

Payments made with respect to a global note will be made to DTC or its nominee, as the registered owner thereof.

Neither we, the New Notes Trustee, nor any of our respective agents will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in a global note or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

We expect that DTC, or its nominee, upon receipt of any payment in respect of the global notes, will credit participants' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of such global note as shown on the records of DTC, or its nominee. We also expect that payments by the participants and indirect participants to owners of beneficial interests in such global note held through such participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. Such payments will be the responsibility of such participants and will not be our responsibility or the responsibility of DTC, the New Notes Trustee or any of our respective agents.

Subject to compliance with the transfer restrictions applicable to the global notes, transfers between participants in DTC will be effected in accordance with DTC's procedures, and will be settled in same-day funds.

Transfers between participants in Euroclear and Clearstream will be effected in accordance with their respective rules and operating procedures.

We expect that DTC, Euroclear and/or Clearstream, as applicable, will take any action permitted to be taken by a holder of New Notes only at the direction of one or more participants to whose account the interest in a global note is credited and only in respect of such portion of the aggregate principal amount of the New Notes as to which such participant or participants has or have given such direction.

We understand that DTC is a limited purpose trust company organized under the laws of the State of New York, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the Uniform Commercial Code and a "Clearing Agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC was created to hold securities for its participants and facilitate the clearance and settlement of securities transactions between participants through electronic book-entry changes in accounts of its participants thereby eliminating the need for physical movement of certificates and certain other organizations. Indirect access to the DTC system is available to others such as banks, securities brokers and dealers and trust companies that clear through or maintain a custodial relationship with a participant either directly or indirectly.

We understand that investors in the global notes may hold their interests directly through DTC, if they are participants in such system, or indirectly through organizations (including Euroclear and Clearstream) that are participants or indirect participants in such system. Euroclear and Clearstream will hold interests in the New Notes on behalf of their participants through customers' securities accounts in their respective names on the books of their respective depositaries. The depositaries, in turn, will hold interests in the New Notes in customers' securities accounts in the depositaries' names on the books of DTC. Euroclear and Clearstream will facilitate the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes to the accounts of such participants. Euroclear and Clearstream participants are financial institutions such as underwriters, securities brokers and dealers, banks, test companies and certain other organizations. Indirect access to Euroclear and/or Clearstream is also available to others, such as banks, securities brokers and dealers and trust companies that clear through or maintain a custodian relationship with a Euroclear and/or Clearstream participant, either directly or indirectly.

Subject to compliance with the transfer restrictions applicable to the global notes, cross-market transfers between the participants in DTC, on the one hand, and directly or indirectly through Euroclear or Clearstream participants, on the other will be effected through DTC in accordance with DTC's rules and procedures on behalf of Euroclear or Clearstream, as the case may be, by their depositaries; however, such cross-market transactions will require delivery of instructions to Euroclear or Clearstream, as the case may be, by the counterparty in such system in accordance with the rules and procedures and within the established deadlines of such system. Euroclear or Clearstream, as the case may be, will, if the transaction meets its settlement requirements, deliver instructions to its respective depositary to take action to effect final settlement on its behalf by delivering or receiving interests in the global notes in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Euroclear participants and Clearstream participants may not deliver instructions directly to the depositaries for Euroclear or Clearstream.

Because of time zone differences, the securities account of a Euroclear or Clearstream participant purchasing an interest in a global note from a participant in DTC will be credited, and any such crediting will be reported to the relevant Euroclear or Clearstream participant, during the securities settlement processing day (which must be a business day for Euroclear and Clearstream) immediately following the settlement date of DTC. Cash received in Euroclear or Clearstream as a result of sales of interests in a global note by or through a Euroclear or Clearstream participant to a participant in DTC will be received with value on the settlement date of DTC but will be available in the relevant Euroclear or Clearstream cash account only as of the business day for Euroclear or Clearstream following DTC's settlement date. Transfers of beneficial interests between global notes will be settled free of payment.

Although DTC, Euroclear and Clearstream are expected to follow the foregoing procedures in order to facilitate transfers of interests in a global note among participants of DTC, Euroclear and Clearstream, as the case may be, they are under no obligation to perform or continue to perform such procedures, and such

procedures may be discontinued at any time. None of us, the New Notes Trustee or any paying agent will have any responsibility for the performance by DTC, Euroclear or Clearstream or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

All interests in a global note, including those held through Euroclear or Clearstream, will be subject to the procedures and requirements of DTC. Those interests held through Euroclear or Clearstream will also be subject to the procedures and requirements of these systems. The laws of some jurisdictions require that certain persons take physical delivery of securities in definitive form. Such laws may impair the ability to transfer beneficial interests in the New Notes to such persons.

New Notes Trustee, Representative of the New Notes Trustee in Argentina, Registrar, Paying Agent and Transfer Agent for the New Notes

UMB Bank, N.A. is the New Notes Trustee under the New Notes Indenture. The principal office of the New Notes Trustee is at 100 William Street, Suite 1850 New York, New York 10038. The New Notes Trustee will initially act as co-registrar and New York paying agent and transfer agent. As long as it is required by Argentine law or the CNV Rules, the Issuer will maintain a registrar, paying agent, transfer agent and representative of the New Notes Trustee in Argentina.

In addition, in the event that the New Notes are listed on the Luxembourg Stock Exchange for trading on the Euro MTF Market, for so long as the New Notes are listed on such exchange, the Issuer will also maintain a listing agent in Luxembourg. The Issuer may change the registrars, Representative of the New Notes Trustee in Argentina, paying agents or transfer agents without prior notice to the holders of the New Notes, and the Issuer or any of its Subsidiaries may act as registrar, paying agent or transfer agent. Any change in respect of such agents will be published in accordance with "—Notices" and notified to the CNV, BYMA and the MAE.

Except during the continuance of an Event of Default, the New Notes Trustee need perform only those duties that are specifically set forth in the New Notes Indenture, and no implied covenants or obligations will be read into the New Notes Indenture against the New Notes Trustee. In case an Event of Default has occurred and is continuing, the New Notes Trustee shall exercise those rights and powers vested in it by the New Notes Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs. No provision of the New Notes Indenture will require the New Notes Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties thereunder, or in the exercise of its rights or powers, unless it receives indemnity and/or security satisfactory to it against any loss, liability or expense.

The New Notes Indenture contains limitations on the rights of the New Notes Trustee, should it become a creditor of any obligor on the New Notes, to obtain payment of claims in certain cases, or to realize on certain property received in respect of any such claim as security or otherwise. The New Notes Trustee is permitted to engage in other transactions with the Issuer and its Affiliates; *provided* that if it acquires any conflicting interest (within the meaning of the Trust Indenture Act) it must eliminate the conflict within 90 days.

Governing Law, Consent to Jurisdiction, Currency Conversion and Service of Process

The New Notes Indenture and the New Notes shall be governed by, and will be construed in accordance with, the law of the State of New York; *provided* that the Negotiable Obligations Law governs the requirements for the New Notes to qualify as *obligaciones negociables* thereunder while such law, together with General Corporations Law No. 19,550, as amended and supplemented, the Argentine Capital Markets Law, the CNV Rules and other applicable Argentine laws and regulations, govern the capacity and corporate authorization of the Issuer to execute and deliver the New Notes, the authorization of the CNV for the public offering of the New Notes in Argentina and certain matters in relation to meetings of holders.

The Issuer will submit to the non-exclusive jurisdiction of the New York State and U.S. federal courts located in the Borough of Manhattan, New York City (the "Specified Courts") with respect to any action that may be brought in connection with the New Notes Indenture or the New Notes and has appointed National Corporate Research, Ltd. as agent for service of process.

If for the purpose of obtaining judgment in any court it is necessary to convert a sum due hereunder to the holder of a New Note from U.S. dollars into another currency, the Issuer has agreed, and each holder by holding such New Note will be deemed to have agreed, to the fullest extent that the Issuer may effectively do so, that the

rate of exchange used will be that at which in accordance with normal banking procedures such holder could purchase U.S. dollars with such other currency in New York City, New York on the Business Day immediately preceding the day on which such judgment is rendered.

Claims against the Issuer for the payment of principal and interest, premium, if any, or other amounts due on the New Notes (including Additional Amounts) must be made within five years, with respect to principal, and two years, with respect to interest, premium, if any, or other amounts due on the New Notes (including Additional Amounts), in each case from the date on which such payment first became due, or a shorter period if provided by law.

With respect to any action or proceeding arising out of or related to the Onshore Collateral Trust Agreement, the Issuer and the Onshore Trustee will irrevocably submit to the exclusive jurisdiction of the National Commercial Courts sitting in the City of Buenos Aires, Argentina.

Waiver of Immunity

To the extent that the Issuer or any of its properties, assets or revenues may have or may hereafter become entitled to, in any jurisdiction in which any Specified Court is vested, or have attributed to the Issuer, any right of immunity, on the grounds of sovereignty or otherwise, from any legal action, suit or proceeding, from the giving of any relief in any such legal action, suit or proceeding, from setoff or from counterclaim, from service of process, from attachment upon or prior to judgment, from attachment in aid of execution of judgment, or from execution of judgment or other legal process or proceeding for the giving of any relief or for the enforcement of any judgment, in any Specified Court in which proceedings may at any time be commenced, with respect to the obligations and liabilities of the Issuer, or any other matter under or arising out of or in connection with, the New Notes or the New Notes Indenture, to the fullest extent permitted by applicable law, the Issuer irrevocably and unconditionally waives or will waive such right, and agrees not to plead or claim any such immunity and consents to such relief and enforcement; *provided* that, if the Argentine courts determine that any of the Issuer's properties located in Argentina is necessary for the provision of an essential public service, such property might not be subject to attachment, whether preliminarily or in aid of execution.

Listing

The Issuer intends to apply to list the New Notes on the Luxembourg Stock Exchange for trading on the Euro MTF Market. The Issuer has applied to list the New Notes on the BYMA, including BYMA's Green Bond Panel, and to admit the New Notes to trade the New Notes on the MAE. If the admission of the New Notes to the Luxembourg Stock Exchange and trading on the Euro MTF Market of the Luxembourg Stock Exchange would, in the future, require the Issuer to publish financial information either more regularly than it would otherwise be required to, or requires the Issuer to publish separate financial information, or if the listing, in the judgment of the Issuer, is unduly burdensome, the Issuer may seek an alternative admission to listing, trading and/or quotation for the New Notes by another listing authority, stock exchange and/or quotation system. If such alternative admission to listing, trading and/or quotation of the New Notes is not available to the Issuer or is, in the Issuer's commercially reasonable judgment, unduly burdensome, an alternative admission to listing, trading and/or quotation of the New Notes may not be obtained.

Certain Definitions

"Acquired Debt" means Debt of a Person existing at the time the Person merges with or into or becomes a Restricted Subsidiary and not Incurred in connection with, or in contemplation of, the Person merging with or into or becoming a Restricted Subsidiary. Acquired Debt will be deemed to have been Incurred at the time such Person becomes a Restricted Subsidiary or at the time it merges or consolidates with the Issuer or a Restricted Subsidiary or at the time such Debt is assumed in connection with the acquisition of assets from such Person.

"Additional Amounts" has the meaning set forth under "—Additional Amounts" above.

"Additional Assets" means:

(1) any property or assets (other than Debt and Capital Stock) to be used by the Issuer or a Restricted Subsidiary engaged in a Permitted Business; and

(2) the Capital Stock of a Person engaged in a Permitted Business that becomes a Restricted Subsidiary as a result of the acquisition of such Capital Stock by the Issuer or another Restricted Subsidiary.

"additional New Notes" has the meaning set forth under "—Additional New Notes" above.

"Adjusted EBITDA" means, for any period, Consolidated Net Income,

(3) increased (without duplication) by the followings items to the extent deducted in calculating Consolidated Net Income:

(A) financial expense, net, *plus*

(B) consolidated income taxes, other than income taxes or income tax adjustments (whether positive or negative) attributable to Asset Sales or extraordinary gains or losses; *plus*

(C) consolidated depreciation and amortization expense; *plus*

(D) other expenses, net; *plus*

(E) other non-cash charges;

(4) decreased (without duplication) by non-cash items increasing such Consolidated Net Income.

"Affiliate" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under direct or indirect common control with, such Person. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with") with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

"Argentine Capital Markets Law" means the Argentine Capital Markets Law No. 26,831, as amended and supplemented by the Argentine Productive Financing Law.

"Argentine Governmental Entity" means any federal governmental authority with jurisdiction or regulatory powers over the energy market in Argentina, including, without limitation, the Ministerio de Energía y Minería de la Nación (the Argentine Ministry of Energy and Mining), the Secretaría de Energía de la Nación (the Argentine National Secretariat of Energy) or any successor thereto, or any Person in which the Argentine federal government has a significant stake that is involved in the energy market in Argentina, including, without limitation, CAMMESA or any successor thereto.

"Argentine Productive Financing Law" means the Argentine Productive Financing Law No. 27,440, as further amended from time to time.

"Asset Sale" means any sale, lease, transfer or other disposition (including a Sale and Leaseback Transaction) of any assets by the Issuer or any Restricted Subsidiary, including by means of a merger, consolidation or similar transaction and including any sale or issuance of the Equity Interests of any Restricted Subsidiary (each of the above referred to as a "disposition"), *provided* that the following are not included in the definition of "Asset Sale":

(1) a disposition to the Issuer or a Restricted Subsidiary, including the sale or issuance by the Issuer or any Restricted Subsidiary of any Equity Interests of any Restricted Subsidiary to the Issuer or any Restricted Subsidiary;

(2) the disposition by the Issuer or any Restricted Subsidiary of cash or Cash Equivalents;

(3) the disposition by the Issuer or any Restricted Subsidiary in the ordinary course of business of (i) inventory and other assets held for sale in the ordinary course of business, (ii) damaged, worn out or obsolete assets that are no longer useful in the conduct of the business of the Issuer and its Restricted Subsidiaries, (iii) rights granted to others pursuant to leases or licenses or (iv) any property, rights or assets upon expiration in accordance with the terms of any concession or power purchase agreement;

(4) the sale or discount of accounts receivable arising in the ordinary course of business in connection with the compromise, settlement or collection thereof;

(5) a transaction covered by "—Certain Covenants—Limitation on Consolidation, Merger or Sale of Assets";

(6) a Restricted Payment permitted under "—Certain Covenants—Limitation on Restricted Payments" or a Permitted Investment;

(7) a Sale and Leaseback Transaction permitted under "—Certain Covenants—Limitation on Sale and Leaseback Transactions;"

(8) the issuance of Disqualified Stock or Preferred Stock pursuant to "—Certain Covenants— Limitation on Debt;"

(9) the surrender or waiver of contract rights or the settlement, release or surrender of contract, tort or other claims;

(10) the creation of a Permitted Lien; and

(11) any disposition in a transaction or series of related transactions of assets with a fair market value of less than the greater of (x) U.S.$15 million (or the equivalent in other currencies) or (y) 1.5% of Consolidated Total Assets.

"Attributable Debt" means, with respect of a Sale and Leaseback Transaction, as at the time of determination, the present value (discounted at the interest rate implicit in the Sale and Leaseback Transaction) of the total obligations of the lessee for rental payments during the remaining term of the lease in the Sale and Leaseback Transaction.

"Average Life" means, with respect to any Debt, the quotient obtained by dividing (i) the sum of the products of (x) the number of years from the date of determination to the dates of each successive scheduled principal payment of such Debt and (y) the amount of such principal payment by (ii) the sum of all such principal payments.

"Bankruptcy Law" means the Argentine Insolvency and Bankruptcy Law No. 24,522, as amended and supplemented, or any other applicable bankruptcy, insolvency or other similar law now or hereafter in effect.

"Board of Directors" means, with respect to any Person, the board of directors or similar governing body of such Person or any duly authorized committee thereof.

"BCBA" means the *Bolsa de Comercio de Buenos Aires S.A.* (the Buenos Aires Stock Exchange).

"Board Resolution" means, with respect to any Person, a copy of a resolution certified by the Secretary or general counsel of such Person to have been duly adopted by the Board of Directors of such Person and to be in full force and effect on the date of such certification, and delivered to the New Notes Trustee.

"Business Day" means a day other than a Saturday, Sunday or any day on which banking institutions are authorized or required by law to close in New York City, New York or the City of Buenos Aires, Argentina.

"CAMMESA" means Compañía Administradora del Mercado Eléctrico Mayorista Sociedad Anónima, a company (*sociedad anónima*) duly organized and validly existing under the laws of Argentina, and any successor thereto.

"Capital Lease" means, with respect to any Person, any lease of any property which, in conformity with IFRS, is required to be capitalized on the balance sheet of such Person.

"Capital Stock" means, with respect to any Person, any and all shares, interests, rights to purchase, warrants, options, certificates of participation, participations or other equivalents of or interests in (however designated and whether or not having voting rights) equity of such Person, including Preferred Stock and limited liability interests or partnership interests (whether general or limited), but excluding any debt securities convertible or exchangeable into such equity.

"Cash Equivalents" means:

(1) U.S. dollars, Argentine pesos or money in other currencies received in the ordinary course of business;

(2) U.S. Government Obligations or certificates representing an ownership interest in U.S. Government Obligations or (ii) marketable general obligations issued or unconditionally guaranteed by Argentina

or the Argentine Central Bank, in each case with maturities not exceeding one year from the date of acquisition;

(3) (i) demand deposits, (ii) time deposits and certificates of deposit with maturities of one year or less from the date of acquisition, (iii) bankers' acceptances with maturities not exceeding one year from the date of acquisition, and (iv) overnight bank deposits, in each case with any bank or trust company organized or licensed under the laws of (x) Argentina or any political subdivision thereof having one of the four highest international or local ratings obtainable by S&P, Moody's or Fitch or such similar equivalent rating by at least one "nationally recognized statistical rating organization" registered under Section 15E of the Exchange Act or (y) the United States or any state thereof having capital, surplus and undivided profits in excess of U.S.$500 million whose short-term debt is rated "A-2" or higher by S&P, or "P-2" or higher by Moody's (or such equivalent rating by at least one nationally recognized statistical rating organization registered under Section 15E of the Exchange Act);

(4) repurchase obligations with a term of not more than seven days for underlying securities of the type described in clauses (2) and (3) above entered into with any financial institution meeting the qualifications specified in clause (3) above;

(5) (i) commercial paper rated at least "P-1" by Moody's or "A-1" by S&P and (ii) commercial paper of an Argentine issuer the long-term unsecured debt obligations of which are rated the highest international rating of an Argentine issuer, in each case, maturing within one year after the date of acquisition; or

(6) (x) money market funds at least 90% of the assets of which consist of investments of the type described in clauses (1) through (5) above, (y) *fondos comunes de inversión* (Argentine funds focused primarily on in-country cash management investments) that have a local rating of at least "Aa-bf.ar" by Moody's or the equivalent by Fitch or S&P (or their respective affiliates in Argentina, including without limitation, Fix Scr S.A.).

"Change of Control" means the occurrence of any of the following events:

(7) any "person" or "group" (as such terms are used for purposes of Sections 13(d) and 14(d) of the Exchange Act), other than one or more Permitted Holders, becomes the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act, except that such person or group shall be deemed to have "beneficial ownership" of all shares that any such person or group has the right to acquire, whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of more than 50% of the outstanding Voting Stock of the Issuer, measured by voting power rather than number of shares.

(8) the direct or indirect sale, lease transfer, conveyance or other disposition in one or a series of related transactions, of all or substantially all of the properties or assets of the Issuer and the Restricted Subsidiaries, taken as a whole, to any Person other than to a Permitted Holder; or

(9) the approval by the holders of Capital Stock of the Issuer of any plan or proposal for the liquidation or dissolution of the Issuer, whether or not otherwise in compliance with the provisions of the New Notes Indenture.

"CNV" means the *Comisión Nacional de Valores* (the Argentine Securities Commission).

"CNV Rules" means the rules and regulations of the CNV in effect from time to time.

"Comparable Treasury Issue" means the U.S. Treasury security or securities selected by an independent investment banking institution of international standing appointed by the Issuer having a maturity (or interpolated maturity) comparable to the First Call Date that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities with a maturity of the First Call Date.

"Comparable Treasury Price" means, with respect to any redemption date:

(1) the yield calculated by the Issuer on the third Business Day preceding the redemption date, as follows: for the latest day that appears in the statistical release published by the Board of Governors of the Federal Reserve System designated as "Selected Interest Rates - H.15" (or any successor publication)

("H.15") under the caption "Treasury Constant Maturities - Nominal", the Issuer shall select two yields – one for the maturity immediately before and one for the maturity immediately after the First Call Date – and shall interpolate on a straight-line basis using such yields; if there is no such maturity either before or after, the Issuer shall select the yield for the maturity immediately following or preceding, as the case may be, the First Call Date; or

(2) if H.15 is no longer available, is not published or does not contain such prices on such Business Day, (a) the average of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest of such Reference Treasury Dealer Quotations, or (b) if fewer than three such Reference Treasury Dealer Quotations are available, the average of all such quotations.

"Consolidated Interest Expense" means, for any period, the consolidated interest expense in accordance with IFRS of the Issuer and its Restricted Subsidiaries in respect of Debt, *plus*, to the extent not included in such consolidated interest expense, and to the extent incurred, accrued or payable by the Issuer or its Restricted Subsidiaries in respect of Debt, without duplication:

(1) interest expense attributable to Capital Lease or Sale and Leaseback Transactions,

(2) amortization of debt discount and debt issuance costs,

(3) capitalized interest,

(4) non-cash interest expense,

(5) commissions, discounts and other fees and charges owed with respect to letters of credit and bankers' acceptance financing,

(6) net cash costs associated with Hedging Agreements related to Debt, and

(7) any of the above expenses with respect to Debt of another Person Guaranteed by the Issuer or any of its Restricted Subsidiaries, as determined on a consolidated basis and in accordance with IFRS.

"Consolidated Net Income" means, for any period, the net income (or loss) of the Issuer and its Restricted Subsidiaries for such period determined on a consolidated basis in conformity with IFRS; *provided* that the following (without duplication) will be excluded in computing Consolidated Net Income:

(1) the net income (but not loss) of any Restricted Subsidiary to the extent that a corresponding amount could not be distributed to the Issuer or another Restricted Subsidiary at the date of determination without any government approval (that has not been obtained) or by charter or by any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to such distribution;

(2) the net income (or loss) of any Person that is not the Issuer or a Restricted Subsidiary, except to the extent of the amount of dividends or other distributions actually paid in cash to the Issuer or any of its Restricted Subsidiaries by such Person during such period or to the extent that a loss was funded with cash or other contributions from the Issuer or a Restricted Subsidiary;

(3) any net after-tax gains or losses attributable to Asset Sales;

(4) any net after-tax extraordinary gains or losses; and

(5) the cumulative effect of a change in accounting principles.

"Consolidated Total Assets" means, at any time, the aggregate amount of total assets of the Issuer and the Restricted Subsidiaries, all determined on a consolidated basis in accordance with IFRS, based (i) on the Issuer's most recent annual or quarterly balance sheet which are available, (ii) in accordance with IFRS and (iii) on a pro forma basis to give effect to any acquisition or disposition of companies, divisions, lines of businesses or operations by the Issuer and the Restricted Subsidiaries subsequent to the Issuer's most recent annual or quarterly balance sheet which are available and on or prior to the date of determination.

"Debt" means, with respect to any Person, without duplication:

(1) all indebtedness of such Person for borrowed money;

(2) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments;

(3) all obligations of such Person in respect of letters of credit, bankers' acceptances or other similar instruments, excluding obligations in respect of trade letters of credit or bankers' acceptances or other similar instruments issued in respect of trade payables to the extent not drawn upon or presented, or, if drawn upon or presented, the resulting obligation of the Person is paid within 10 Business Days;

(4) all obligations of such Person to pay the deferred and unpaid purchase price of property or services which are recorded as liabilities under IFRS, excluding trade payables arising in the ordinary course of business by the Issuer and consistent with past practices of the Issuer (for the avoidance of doubt, such excluded trade payables include, in the case of the Issuer, the trade payables to IEASA (formerly ENARSA) reflected on the Issuer's consolidated financial statements in the amount of U.S.$38.4 million as of March 31, 2021);

(5) all obligations of such Person as lessee under Capital Leases;

(6) all Debt of other Persons Guaranteed by such Person to the extent so Guaranteed;

(7) all Debt of other Persons secured by a Lien on any asset of such Person, whether or not such Debt is assumed by such Person;

(8) all obligations of such Person under Hedging Agreements; and

(9) all Disqualified Stock (the amount of Debt therefrom deemed to equal any involuntary liquidation preference *plus* accrued and unpaid dividends).

The amount of Debt of any Person will be deemed to be:

(A) with respect to contingent obligations, the maximum liability upon the occurrence of the contingency giving rise to the obligation; provided that, with respect to Debt consisting of performance, bid, surety, appeal or similar bonds (including, for the avoidance of doubt, *seguros de caución*) or completion guarantees, only when, and to the extent, such amounts constitute reimbursement obligations of such Person;

(B) with respect to Debt secured by a Lien on an asset of such Person but not otherwise the obligation, contingent or otherwise, of such Person, the lesser of (x) the fair market value of such asset on the date the Lien attached and (y) the amount of such Debt;

(C) with respect to any Debt issued with original issue discount, the face amount of such Debt *less* the remaining unamortized portion of the original issue discount of such Debt;

(D) with respect to any Hedging Agreement, the net amount payable if such Hedging Agreement terminated at that time due to default by such Person; and

(E) otherwise, the outstanding principal amount thereof.

"Deeply Subordinated Debt" means any Subordinated Debt of the Issuer which is (i) subordinated in right of payment to the New Notes, pursuant to a written agreement to that effect, (ii) (A) does not mature or require any amortization, redemption or other repayment of principal (other than through conversion or exchange of such Debt into Qualified Stock of the Issuer or any Debt meeting the requirements of this definition), (B) does not require payment of any cash interest or any similar cash amounts, (C) contains no change of control or similar provisions and (D) does not accelerate and has no right to declare a default or event of default or take any enforcement action or otherwise require any cash payment of the Issuer (other than as a result of insolvency proceedings of the Issuer), in each case, prior to the 90th day following the Stated Maturity of the New Notes and all other amounts due under the New Notes Indenture, (iii) does not provide for or require any security interest or encumbrance over any asset of the Issuer or any Restricted Subsidiary and (iv) does not (including upon the happening of any event) restrict the payment of amounts due in respect of the New Notes or compliance by the Issuer with its obligations under the New Notes and the New Notes Indenture.

"Default" means any event that is, or after notice or passage of time or both would be, an Event of Default.

"Disqualified Equity Interests" means Equity Interests that by their terms or upon the happening of any event are:

(1) required to be redeemed or redeemable at the option of the holder prior to the Stated Maturity of the New Notes for consideration other than Qualified Equity Interests, or

(2) convertible at the option of the holder into Disqualified Equity Interests or exchangeable for Debt.

"Disqualified Stock" means Capital Stock constituting Disqualified Equity Interests.

"ENARSA" means Energía Argentina Sociedad Anónima, a private stock corporation controlled and managed by the Argentine government for the exploration, exploitation and commercialization of petroleum and natural gas, as well as generation, transmission and commercialization of electricity.

"Equity Interests" means all Capital Stock and all warrants or options with respect to, or other rights to purchase, Capital Stock, but excluding Debt convertible into equity.

"Exchange Act" means the U.S. Securities Exchange Act of 1934, as amended, or any successor statute or statutes thereto.

"Existing Notes" means the Issuer's 8.750% Senior New Notes due 2022.

"Fitch" means Fitch Inc. and its successors.

"Guarantee" means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Debt of any other Person or any other obligation, direct or indirect, contingent or otherwise, of such Person: (i) to purchase or pay, or advance or supply funds for the purchase or payment of, such Debt or other monetary obligation of such other Person, whether arising by virtue of partnership arrangements, or by agreement to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise or (ii) entered into for purposes of assuring in any other manner the obligee of such Debt or other monetary obligation of the payment thereof or to protect such obligee against loss in respect thereof, in whole or in part; *provided* that the term "Guarantee" does not include endorsements for collection or deposit in the ordinary course of business. The term "Guarantee" used as a verb has a corresponding meaning

"Hedging Agreement" means (i) any interest rate swap agreement, interest rate cap agreement or other agreement, (ii) any foreign exchange forward contract, currency swap agreement or other agreement or (iii) commodity futures agreements or other similar agreement.

"IFRS" means International Financial Reporting Standards issued by the International Accounting Standards Board as in effect from time to time. For the avoidance of doubt, all financial information of the Issuer calculated under the New Notes Indenture shall be prepared on the basis of its consolidated financial statements in U.S. dollars in accordance with IFRS.

"Incur" means, with respect to any Debt or Capital Stock, to incur, create, issue, assume or Guarantee such Debt or Capital Stock. If any Person becomes a Restricted Subsidiary on any date after the date of the New Notes Indenture (including by redesignation of an Unrestricted Subsidiary or failure of an Unrestricted Subsidiary to meet the qualifications necessary to remain an Unrestricted Subsidiary), the Debt and Capital Stock of such Person outstanding on such date will be deemed to have been Incurred by such Person on such date for purposes of "—Certain Covenants— Limitation on Debt." The accretion of original issue discount or payment of interest in kind will not be considered an Incurrence of Debt.

"Independent Financial Advisor" means an accounting firm, appraisal firm, investment banking firm or consultant that is, in the judgment of the Issuer's Board of Directors, qualified to perform the task for which it has been engaged and which is independent in connection with the relevant transaction.

"Interest Coverage Ratio" means, on any date (the "transaction date"), the ratio for the Issuer of:

(ii) the aggregate amount of Adjusted EBITDA for the four fiscal quarters immediately prior to the determination date for which internal financial statements are available (the "reference period") to

(iii) the aggregate Consolidated Interest Expense during such reference period.

In making the foregoing calculation,

(A) pro forma effect will be given to any Debt, Disqualified Stock or Preferred Stock Incurred during or after the reference period to the extent the Debt, Disqualified Stock or Preferred Stock is outstanding or is to be Incurred on the transaction date as if the Debt, Disqualified Stock or Preferred Stock had been Incurred on the first day of the reference period;

(B) pro forma calculations of interest on Debt bearing a floating interest rate will be made as if the rate in effect on the transaction date (taking into account any Hedging Agreement applicable to the Debt if the Hedging Agreement has a remaining term of at least 12 months) had been the applicable rate for the entire reference period;

(C) Consolidated Interest Expense related to any Debt, Disqualified Stock or Preferred Stock no longer outstanding or to be repaid, repurchased or redeemed on the transaction date, except for Consolidated Interest Expense accrued during the reference period under a revolving credit to the extent of the commitment thereunder (or under any successor revolving credit) in effect on the transaction date, will be excluded; and

(D) pro forma effect will be given to:

(i) the creation, designation or redesignation of Restricted and Unrestricted Subsidiaries,

(ii) the acquisition or disposition of companies, divisions or lines of businesses by the Issuer and its Restricted Subsidiaries, including any acquisition or disposition of a company, division or line of business since the beginning of the reference period by a Person that became a Restricted Subsidiary after the beginning of the reference period, and

(iii) the discontinuation of any discontinued operations,

in each case, that have occurred since the beginning of the reference period as if such events had occurred on the first day of the reference period. To the extent that pro forma effect is to be given to an acquisition or disposition of a company, division or line of business, the pro forma calculation will be based upon the most recent four full fiscal quarters for which the relevant financial information is available.

"Investment" means:

(1) any direct or indirect advance, loan or other extension of credit to another Person;

(2) any capital contribution to another Person, by means of any transfer of cash or other property or in any other form;

(3) any purchase or acquisition of Equity Interests, bonds, notes or other Debt, or other similar instruments or securities issued by another Person, including the receipt of any of the above as consideration for the disposition of assets or rendering of services; or

(4) any Guarantee of any obligation of another Person.

If the Issuer or any Restricted Subsidiary (x) sells or otherwise disposes of any Equity Interests of any direct or indirect Restricted Subsidiary so that, after giving effect to that sale or disposition, such Person is no longer a Subsidiary of the Issuer, or (y) designates any Restricted Subsidiary as an Unrestricted Subsidiary in accordance with the provisions of the New Notes Indenture, all remaining Investments of the Issuer and its Restricted Subsidiaries in such Person shall be deemed to have been made at such time.

"Investment Grade" means BBB- or higher by S&P, Baa3 or higher by Moody's and BBB- or higher by Fitch, or the equivalent of such ratings by another Rating Agency.

"Issue Date" means on or about September 2, 2021, when the New Notes (excluding Additional New Notes) are issued.

"Lien" means any mortgage, pledge, security interest, encumbrance, lien or charge of any kind (including any conditional sale or other title retention agreement or Capital Lease).

"Material Adverse Effect" means a material adverse effect on (a) the condition (financial or otherwise), operations, performance, business, properties or prospects of the Issuer and its Restricted Subsidiaries taken as a whole, (b) the rights and remedies of the holders of the New Notes or the New Notes Trustee under the New Notes Indenture or the New Notes, (c) the Issuer's ability to pay any amounts under the New Notes or the New Notes Indenture or the Issuer's ability to perform its other payment obligations under the New Notes or the New Notes Indenture or (d) the legality, validity or enforceability of the New Notes Indenture or the New Notes.

"Moody's" means Moody's Investors Service, Inc. and its successors.

"Negotiable Obligations Law" means the Negotiable Obligations Law No. 23,576, as amended by Law No. 23,962 and the Argentine Productive Financing Law, as further amended from time to time.

"Net Cash Proceeds" means, with respect to any Asset Sale, the proceeds of such Asset Sale in the form of cash (including (i) payments in respect of deferred payment obligations to the extent corresponding to, principal, but not interest, when received in the form of cash, and (ii) proceeds from the conversion of other consideration received when converted to cash), net of:

(1) brokerage commissions and other fees and expenses related to such Asset Sale, including fees and expenses of counsel, accountants and investment bankers;

(2) provisions for taxes as a result of such Asset Sale without regard to the consolidated results of operations of the Issuer and its Restricted Subsidiaries;

(3) payments required to be made to holders of minority interests in Restricted Subsidiaries as a result of such Asset Sale or to repay Debt outstanding at the time of such Asset Sale that is secured by a Lien on the property or assets sold; and

(4) appropriate amounts to be provided as a reserve against liabilities associated with such Asset Sale, including pension and other post-employment benefit liabilities, liabilities related to environmental matters and indemnification obligations associated with such Asset Sale, with any subsequent reduction of the reserve other than by payments made and charged against the reserved amount to be deemed a receipt of cash.

"Net Leverage Ratio" means, on any date (the "transaction date"), the ratio of:

(i) the aggregate amount of consolidated Debt, net of cash and Cash Equivalent of the Issuer and its Restricted Subsidiaries to

(ii) the aggregate amount of Adjusted EBITDA for the four fiscal quarters immediately prior to the transaction date for which internal financial statements are available (the "reference period").

In making the foregoing calculation:

(1) any Debt, Disqualified Stock or Preferred Stock Incurred after the date of the consolidated balance sheet used to determine Debt that remains outstanding on the transaction date, or any Debt, Disqualified Stock or Preferred Stock that is to be Incurred on the transaction date, will be included as if Incurred at the beginning of the reference period and outstanding on the date of such consolidated balance sheet;

(2) any Debt, Disqualified Stock or Preferred Stock no longer outstanding, or to be repaid, repurchased or redeemed, retired, defeased or otherwise discharged on the transaction date will be excluded; and

(3) pro forma effect will be given to:

(A) the creation, designation or redesignation of Restricted and Unrestricted Subsidiaries,

(B) the acquisition or disposition of companies, divisions or lines of businesses by the Issuer and its Restricted Subsidiaries, including any acquisition or disposition of a company, division or line of business since the beginning of the reference period by a Person that became a Restricted Subsidiary after the beginning of the reference period, and

(C) the discontinuation of any discontinued operations,

in each case, that have occurred since the beginning of the reference period as if such events had occurred on the first day of the reference period. To the extent that pro forma effect is to be given to an acquisition or disposition of a company, division or line of business, the pro forma calculation will be based upon the most recent four full fiscal quarters for which the relevant financial information is available.

"Non-Recourse Debt" means Debt as to which neither the Issuer nor any Restricted Subsidiary provides any Guarantee and as to which the lenders have been notified in writing that they will not have any recourse to the stock or assets of the Issuer or any Restricted Subsidiary.

"Officers' Certificate" means, with respect to any Person, a certificate signed by two officers of such Person, one of whom is the principal executive officer, the principal financial officer, the treasurer or the principal accounting officer, and either an assistant treasurer or an assistant secretary of such Person.

"Opinion of Counsel" means a written opinion of counsel, who may be an employee of or counsel for the Issuer (except as otherwise provided in the New Notes Indenture), obtained at the expense of the Issuer, or the surviving or transferee Person or a Restricted Subsidiary, and who is reasonably acceptable to the New Notes Trustee.

"Permitted Business" means any of the businesses in which the Issuer and its Restricted Subsidiaries are engaged on the Issue Date, and any business reasonably related, incidental, complementary or ancillary thereto (including, without limitation, any energy generation business).

"Permitted Holders" means the Issuer's shareholders as of the Issue Date, as reflected on this Exchange Offer and Consent Solicitation Memorandum, and their respective Permitted Transferees.

"Permitted Investments" means:

(1) any Investment in the Issuer or in a Restricted Subsidiary, directly or indirectly engaged in a Permitted Business;

(2) any Investment in Cash Equivalents;

(3) any Investment by the Issuer or any Subsidiary of the Issuer in a Person, if as a result of such Investment,

  (A) such Person becomes a Restricted Subsidiary engaged in a Permitted Business, or

  (B) such Person is merged or consolidated with or into, or transfers or conveys substantially all its assets to, or is liquidated into, the Issuer or a Restricted Subsidiary engaged in a Permitted Business;

(4) Investments received as non-cash consideration in an Asset Sale made pursuant to and in compliance with "—Certain Covenants—Limitation on Asset Sales" or a disposition of assets not constituting an Asset Sale;

(5) Hedging Agreements otherwise permitted under the New Notes Indenture;

(6) receivables owing to the Issuer or any Restricted Subsidiary created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms; *provided* that such trade terms may include such concessionary trade terms as the Issuer or any such Restricted Subsidiary deems reasonable under the circumstances;

(7) Guarantees issued in accordance with "—Certain Covenants—Limitation on Debt";

(8) payroll, travel and other loans or advances to, or Guarantees issued to support the obligations of, officers and employees, in each case in the ordinary course of business, not in excess of U.S.$10 million (or the equivalent in other currencies) outstanding at any time;

(9) Investments in any Project Finance Subsidiary having an aggregate fair market value (taken together with all other Investments made pursuant to this clause (9) that are, at the time outstanding) not to exceed the greater of (i) U.S.$150 million (or the equivalent in other currencies) and (ii) 15% of Consolidated Total Assets at the time of such Investment (with the fair market value of each Investment being measured at the time made and without giving effect to subsequent changes in value);

(10) prepayments and other credits to suppliers made in the ordinary course of business;

(11) Investments in the New Notes;

(12) any Investment existing on the Issue Date and any extension, modification or renewal of any such Investments (but not any such extension, modification or renewal to the extent it involves additional advances, contributions or other investments of cash or property, other than reasonable expenses incidental to the structuring, negotiation and consummation of such extension, modification or renewal); and

(13) in addition to Investments listed above, other Investments not to exceed the greater of (i) U.S.$150 million (or the equivalent in other currencies) and (ii) 15% of Consolidated Total Assets.

"Permitted Liens" means:

(1) Liens existing on the Issue Date;

(2) Liens securing the New Notes;

(3) Liens in favor of issuers of surety or performance bonds or letters of credit or bankers' acceptances or similar obligations issued pursuant to the request of and for the account of such Person in the ordinary course of its business;

(4) pledges or deposits under worker's compensation laws, unemployment insurance laws or similar legislation, or good faith deposits in connection with bids, tenders, contracts or leases, or to secure public or statutory obligations, surety bonds, customs duties and the like, or for the payment of rent, in each case incurred in the ordinary course of business and not securing Debt;

(5) Liens imposed by law, such as landlord's, carriers', vendors', warehousemen's, materialmen's, repairmen's, mechanics' liens or other similar Liens arising in the ordinary course of business, in each case for sums not yet due or being contested in good faith and by appropriate proceedings;

(6) Liens in respect of taxes and other governmental assessments and charges which are not yet due or which are being contested in good faith and by appropriate proceedings;

(7) minor survey exceptions, minor encumbrances, easements or reservations of, or rights of others for, licenses, rights of way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions as to the use of real property, not interfering in any material respect with the conduct of the business of the Issuer and the Restricted Subsidiaries;

(8) licenses or leases or subleases as licensor, lessor or sublessor of any of its property, including intellectual property, in the ordinary course of business;

(9) judgment liens, so long as no Event of Default then exists as a result thereof;

(10) Liens (including the interest of a lessor under a Capital Lease) on property (including revenues therefrom and property incidental thereto) that secure Debt Incurred for the purpose of financing all or any part of the purchase price or cost of construction or improvement of such property and which attach within 365 days after the date of such purchase or the completion of construction or improvement;

(11) Liens on property or shares of stock of a Person at the time such Person becomes a Restricted Subsidiary of the Issuer; *provided* such Liens were not created in contemplation thereof and do not extend to any other property of the Issuer or any Restricted Subsidiary;

(12) Liens on property at the time the Issuer or any of the Restricted Subsidiaries acquires such property, including any acquisition by means of a merger or consolidation with or into the Issuer or a Restricted Subsidiary of such Person; *provided* such Liens were not created in contemplation thereof and do not extend to any other property of the Issuer or any Restricted Subsidiary;

(13) Liens securing Debt or other obligations of a Restricted Subsidiary owing to the Issuer or another Restricted Subsidiary;

(14) Liens securing Hedging Agreements so long as such Hedging Agreements relate to Debt for borrowed money that is, and is permitted to be under the New Notes Indenture, secured by a Lien on the same property securing such Hedging Agreements;

(15) any pledge of the Capital Stock of an Unrestricted Subsidiary (including, for the avoidance of doubt, any Project Finance Subsidiary) to secure Debt of such Unrestricted Subsidiary;

(16) extensions, renewals or replacements of any Liens referred to in clauses (1), (2), (10), (11) or (12) in connection with the Refinancing of the obligations secured thereby; *provided* that such Lien does not extend to any other property and, except as contemplated by the definition of "Refinancing Debt," the amount secured by such Lien is not increased; and

(17) other Liens securing Debt in an aggregate amount not exceeding the greater of (x) U.S.$100 million and (y) 10% of Consolidated Total Assets.

"Permitted Transferees" means with respect to any Person: (i) in the case of any Person who is a natural person, such individual's spouse or children (natural or adopted), any trust for such individual's benefit or the benefit of such individual's spouse or children (natural or adopted), or any corporation or partnership in which the direct and beneficial owner of all of the equity interest in such Person are such individual's spouse or children (natural or adopted) or any trust for the benefit of such persons; (ii) in the case of any Person who is a natural person, the heirs, executors, administrators or personal representatives upon the death of such Person or upon the incompetency or disability of such Person for purposes of the protection and management of such individual's assets; and (iii) in the case of any Person who is not a natural person, any Affiliate that is majority owned by such Person.

"Person" means an individual, a corporation, a partnership, a limited liability company, an association, a trust or any other entity, including a government or political subdivision or an agency or instrumentality thereof.

"Preferred Stock" means, with respect to any Person, any and all Capital Stock which is preferred as to the payment of dividends or distributions, upon liquidation or otherwise, over another class of Capital Stock of such Person.

"Project Finance Subsidiary" means any Unrestricted Subsidiary designated as such by the Issuer's Board of Directors for the purpose of developing a power generation project and that holds no material property or assets other than property and assets related to such project. Such designation may be revoked at any time by the Board of Directors. Initially, the following entities shall be Project Finance Subsidiaries: Genneia Vientos Argentinos S.A., Genneia Vientos Sudamericanos S.A., Genneia Vientos del Sur S.A., Genneia Vientos del Sudoeste S.A. and Vientos de Necochea S.A.

"Purchase Money Obligations" means any Debt Incurred to finance or refinance the acquisition, leasing, construction or improvement of property (real or personal) or assets (including Capital Stock), and whether acquired through the direct acquisition of such property or assets or the acquisition of the Capital Stock of any Person owning such property or assets, or otherwise.

"Qualified Equity Interests" means all Equity Interests of a Person other than Disqualified Equity Interests.

"Qualified Stock" means all Capital Stock of a Person other than Disqualified Stock.

"Rating Agencies" means each of S&P, Moody's and Fitch; *provided* that, if any of S&P, Moody's or Fitch shall cease issuing a rating on the New Notes for reasons outside the control of the Issuer, the Issuer may select a "nationally recognized statistical rating organization" registered under Section 15E of the Exchange Act, selected by the Issuer as a replacement agency for S&P, Moody's or Fitch, as the case may be.

"Reference Treasury Dealer" means Merrill Lynch, Pierce, Fenner & Smith Incorporated and J.P. Morgan Securities LLC or their affiliates which are primary U.S. government securities dealers in New York City plus two other leading primary United States government securities dealers in New York City reasonably designated by the Issuer not later than the third Business Day preceding such redemption date; provided that, if any of the foregoing shall cease to be a primary United States government securities dealer in New York City (a "Primary Treasury Dealer"), the Issuer will substitute therefor another Primary Treasury Dealer.

"Reference Treasury Dealer Quotations" means, with respect to each Reference Treasury Dealer and any redemption date, the arithmetic average, as determined by the Issuer, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Issuer by such Reference Treasury Dealer by 3:30 p.m. (New York City time) on the third Business Day preceding such redemption date.

"Refinance" means, in respect of any Debt, to issue any Debt in exchange for or to refinance, repay, redeem, replace, defease or refund such Debt in whole or in part. "Refinanced" and "Refinancing" will have correlative meanings.

"Refinancing Debt" means Debt of the Issuer or any Restricted Subsidiary issued to Refinance any other Debt of the Issuer or a Restricted Subsidiary existing on the Issue date or Incurred in compliance with the New Notes Indenture so long as:

(1) the aggregate principal amount of such new Debt as of the date of such proposed Refinancing does not exceed the aggregate principal amount of the Debt to be Refinanced (*plus* accrued and unpaid interest premiums, fees and expenses related to such Refinancing); or

(2) (x) such new Debt does not have a Stated Maturity that is prior to (i) the Stated Maturity of the Debt to be Refinanced, or (ii) the Stated Maturity of the New Notes and (y) the Average Life of the new Debt is equal to or greater than the remaining Average Life of the Debt to be Refinanced;

(3) if the Debt being Refinanced is:

(A) Debt of the Issuer, then such Refinancing Debt will be Debt of the Issuer;

(B) Subordinated Debt, then the new Debt, by its terms or by the terms of any agreement or instrument pursuant to which it is outstanding, will be expressly made subordinate in right of payment to the New Notes at least to the extent that the Debt to be Refinanced is subordinated to the New Notes.

"Restricted Payment" has the meaning set forth under "—Certain Covenants—Limitation on Restricted Payments."

"Restricted Subsidiary" means any Subsidiary of the Issuer other than an Unrestricted Subsidiary.

"Reversion Date" has the meaning set forth under "—Suspension of Certain Covenants."

"S&P" means Standard & Poor's Ratings Services and its successors.

"Sale and Leaseback Transaction" means, with respect to any Person, an arrangement whereby such Person enters into a lease of property previously transferred by such Person to the lessor.

"SEC" means the U.S. Securities and Exchange Commission.

"Significant Subsidiary" means a Restricted Subsidiary of the Issuer that would constitute a "significant subsidiary" of the Issuer in accordance with Rule 1-02 under Regulation S-X under the Securities Act in effect on the Issue Date.

"Stated Maturity" means (i) with respect to any Debt, the date specified as the fixed date on which the final installment of principal of such Debt is due and payable or (ii) with respect to any scheduled installment of principal of or interest on any Debt, the date specified as the fixed date on which such installment is due and payable as set forth in the documentation governing such Debt, not including any contingent obligation to repay, redeem or repurchase prior to the regularly scheduled date for payment.

"Subordinated Debt" means any Debt of the Issuer or any Restricted Subsidiary which is subordinated in right of payment to the New Notes, pursuant to a written agreement to that effect.

"Subsidiary" means (a) with respect to any Person, any corporation, association or other business entity (other than a joint venture, trust or similar entity) of which more than 50% of the outstanding Voting Stock is owned, directly or indirectly, by, or, in the case of a partnership, the sole general partner or the managing partner or the only general partners of which are, such Person and one or more Subsidiaries of such Person (or a combination thereof), (b) with respect to any joint venture or trust, any such entity of which more than 50% of the distribution rights or *certificados de participación*, as applicable, is owned or controlled, directly or indirectly, by such Person or such person and one or more Subsidiaries of such Person, or (c) any other Person, that is consolidated by the Issuer in its consolidated financial statements in accordance with IFRS. Unless otherwise specified, "Subsidiary" means a Subsidiary of the Issuer.

"Suspended Covenants" has the meaning set forth under "—Suspension of Certain Covenants."

"Suspension Period" has the meaning set forth under "—Suspension of Certain Covenants."

"U.S. Government Obligations" means obligations issued or directly and fully guaranteed or insured by the United States of America or by any agent or instrumentality thereof, provided that the full faith and credit of the United States of America is pledged in support thereof.

"Unrestricted Subsidiary" means any Subsidiary of the Issuer that at the time of determination has previously been designated, and continues to be, an Unrestricted Subsidiary in accordance with "Certain Covenants — Designation of Restricted and Unrestricted Subsidiaries."

"Voting Stock" means, with respect to any Person, Capital Stock of any class or kind ordinarily having the power to vote for the election of directors, managers or other voting members of the governing body of such Person.

SUMMARY COMPARISON OF DIFFERENCES BETWEEN THE CURRENT TERMS OF EXISTING NOTES AND THE NEW NOTES

Series XX Notes

The following is a brief summary of the current terms of the Series XX Notes compared to the New Notes. The terms of each of the Series XX Notes and the New Notes are substantially the same except for their respective interest rates and maturity dates, and certain covenants which are more or less restrictive in the New Notes Indenture. The summary comparison set forth below is not complete and is qualified in its entirety by reference to the Series XX Notes Indenture and the New Notes Indenture and to the information set forth under Description of the New Notes and the related definitions contained therein. Unless otherwise specified, capitalized terms used herein have the meanings ascribed to them in the New Notes Indenture and in this Exchange Offer and Consent Solicitation Memorandum.

The terms of the New Notes shall be substantially identical to the terms of the Series XX Notes except for the following (dates included are indicative based on the expected issue date):

	Series XX Notes	New Notes
Final Maturity	January 20, 2022.	August 2, 2027.
Payment of Principal	Single payment at maturity on January 20, 2022.	Ten substantially equal semi-annual installments, each equivalent to 10% of the original principal amount of the New Notes, on each March 2 and September 2, commencing on March 2, 2023, with a final maturity on September 2, 2027.
Interest Payment Dates	Semi-annually in arrears on January 20 and July 20 of each year, commencing on July 20, 2018.	Semi-annually in arrears on March 2 and September 2 of each year, commencing on March 2, 2022.
Collateral	The Series XX Notes are not secured by any collateral.	The New Notes will be secured by the Collateral.
Trustee, Registrar, Transfer Agent and Paying Agent	U.S. Bank National Association	UMB Bank, N.A.
Onshore Trustee	N/A	Banco Comafi S.A.
Optional Redemption with Make-whole Premium	We may redeem the Series XX Notes, in whole or in part, at any time prior to January 20, 2020 at a redemption price based on a "make whole" premium, plus accrued and unpaid interest.	We may redeem the New Notes, in whole or in part, at any time prior to September 2, 2023 at a redemption price based on a "make whole" premium, plus accrued and unpaid interest.
Optional Redemption Without a Make-Whole Premium	We may redeem the Series XX Notes, in whole or in part, at any time on or after January 20, 2020 at the prices set forth in the Series XX Notes.	We may redeem the New Notes, in whole or in part, at any time on or after September 2, 2023 at the prices set forth elsewhere in this Exchange Offer and Consent Solicitation Memorandum.
Amendments	The Series XX Notes do not contain provisions commonly known as "collective action clauses." Consequently, we may not amend the payment provisions of the Series	The New Notes will contain provisions commonly known as "collective action clauses." Under these provisions, we may amend the payment provisions of the New

	XX Notes and other reserved matters listed in the Series XX Notes Indenture without the consent of the holder of each outstanding Existing Note affected thereby.	Notes and other reserved matters listed in the New Notes Indenture with the consent of the holders of more than 75% of the aggregate principal amount of the outstanding New Notes.
Optional Redemption Following a Tender Offer	N/A	In connection with any tender offer or other offer to purchase all of the outstanding New Notes (including pursuant to a Change of Control Offer or Asset Sale Offer), if not less than 90% of the aggregate principal amount of the then outstanding New Notes are validly tendered and not withdrawn and such New Notes are purchased by the Issuer, or any third party making such tender offer in lieu of the Issuer, the Issuer or such third party will have the right following such purchase date, upon notice given not more than 60 days following the purchase pursuant to such offer and pursuant to the procedure described below, to redeem (in the case of the Issuer) or purchase (in the case of a third party offeror) all New Notes that remain outstanding following such purchase at a price equal to the price paid (excluding any early tender premium or similar payment) to each other holder in such tender offer, plus, to the extent not included in the tender offer payment, accrued and unpaid interest, if any, thereon, to, but excluding, the date of such redemption.
Additional Notes	Subject to the covenants described below and prior authorization from the CNV (to the extent required), the Issuer may issue additional Notes ("additional Notes") under the Indenture having the same terms as the Notes, except with respect to the issue date, initial issuance price and the first interest payment date, provided that, if the additional Notes are not fungible with the Notes for U.S. federal income tax purposes, such additional Notes will have a separate CUSIP number, ISIN number or other identifying number from the Notes issued hereunder. The Notes offered hereby and any additional Notes would be treated as a single class for all purposes under the Indenture and will vote together as one class on all matters with respect to the Notes.	Subject to the covenants described below and prior authorization from the CNV (to the extent required), the Issuer may issue additional New Notes ("additional New Notes") under the New Notes Indenture having the same terms as the New Notes, except with respect to the issue date, initial issuance price and the first interest payment date, provided that any additional New Notes shall be issued under a separate CUSIP or ISIN number unless the additional New Notes are issued pursuant to a "qualified reopening" of the original series, are otherwise treated as part of the same "issue" of debt instruments as the original series or are issued at a premium, at the stated redemption price at maturity, or with less than a de minimis amount of original issue discount, in each case for U.S. federal income tax purposes. The New Notes offered hereby and any additional New Notes would be treated as a single class for all purposes under the New Notes Indenture and will vote

		together as one class on all matters with respect to the New Notes.
Additional Amounts (New Carve-Out)	N/A	(h) the extent that the Issuer has determined, based on information obtained directly from the recipient or from third parties, that Taxes are imposed due to the residence of the foreign recipient of the payment in a jurisdiction other than a cooperating jurisdiction (*jurisdicción cooperante*) or otherwise designated as a non-cooperating jurisdiction (*jurisdicción no cooperante*), in each case as determined under applicable Argentine law or regulation.
Limitation on Debt	(a) The Issuer: (1) will not, and will not permit any of its Restricted Subsidiaries to, Incur any Debt; and (2) will not, and will not permit any of its Restricted Subsidiaries to, Incur any Disqualified Stock, and will not permit any of its Restricted Subsidiaries to Incur any Preferred Stock (other than Disqualified Stock or Preferred Stock of Restricted Subsidiaries held by the Issuer or a Restricted Subsidiary, so long as it is so held); *provided* that the Issuer or any Restricted Subsidiary may Incur Debt or Disqualified Stock and any Restricted Subsidiary may Incur Preferred Stock if on the date of the Incurrence, after giving effect to the Incurrence and the receipt and application of the proceeds therefrom, (A) the Interest Coverage Ratio is not less than (i) 2.00 to 1.00 from the Issue Date until December 31, 2017, (ii) 2.25 to 1.00 from January 1, 2018 until December 31, 2018, and (iii) 2.50 to 1.00 from January 1, 2019 until the Stated Maturity of the Notes, and (B) the Net Leverage Ratio is not greater than (i) 4.0 to 1.00 from the Issue Date until December 31, 2017, (ii) 3.75 to 1.00 from January 1, 2018 until December 31, 2018, (iii) 3.50 to 1.00 from January 1, 2019 until December 31, 2019, and (iv) 3.25 to 1.00 from January 1, 2020 until the Stated Maturity of the Notes. (b) Notwithstanding the foregoing, the Issuer and, to the extent provided below, any Restricted Subsidiary may Incur the following ("Permitted Debt"):	(a) The Issuer: (1) will not, and will not permit any of its Restricted Subsidiaries to, Incur any Debt; and (2) will not, and will not permit any of its Restricted Subsidiaries to, Incur any Disqualified Stock, and will not permit any of its Restricted Subsidiaries to Incur any Preferred Stock (other than Disqualified Stock or Preferred Stock of Restricted Subsidiaries held by the Issuer or a Restricted Subsidiary, so long as it is so held); *provided* that the Issuer or any Restricted Subsidiary may Incur Debt or Disqualified Stock and any Restricted Subsidiary may Incur Preferred Stock if on the date of the Incurrence, after giving effect to the Incurrence and the receipt and application of the proceeds therefrom, (A) the Interest Coverage Ratio is not less than 2.00 to 1.00 and (B) the Net Leverage Ratio is not greater than 3.75 to 1.00. (b) Notwithstanding the foregoing, the Issuer and, to the extent provided below, any Restricted Subsidiary may Incur the following ("Permitted Debt"): (1) Debt of the Issuer or any Restricted Subsidiary owed to the Issuer or any Restricted Subsidiary so long as such Debt continues to be owed to the Issuer or a Restricted Subsidiary; *provided* that (i) if the Issuer is the obligor on Debt owing to a Restricted Subsidiary, such Debt is

(1) Debt of the Issuer or any Restricted Subsidiary to the Issuer or any Restricted Subsidiary so long as such Debt continues to be owed to the Issuer or a Restricted Subsidiary; *provided* that

(i) if the Issuer is the obligor on Debt owing to a Restricted Subsidiary, such Debt is expressly subordinated to the prior payment in full in cash of all obligations with respect to the Notes; and

(ii) (A) any subsequent issuance or transfer of Capital Stock or any other event that results in any such Debt being beneficially held by a Person other than the Issuer or a Restricted Subsidiary of the Issuer; and (B) any sale or other transfer of any such Debt to a Person other than the Issuer or a Restricted Subsidiary of the Issuer shall be deemed, in each case, to constitute the Incurrence of such Debt by the issuer thereof;

(2) Debt of the Issuer pursuant to the Notes (other than additional Notes);

(3) Refinancing Debt in respect of:

(A) Debt (other than Debt owed to the Issuer or any Subsidiary of the Issuer) Incurred pursuant to paragraph (a) above (it being understood that no Debt outstanding on the Issue Date is Incurred pursuant to such paragraph (a) above), or

(B) Debt Incurred pursuant to clauses (b)(2), (3), (6) or (7);

(4) Hedging Agreements of the Issuer or any Restricted Subsidiary entered into in the ordinary course of business for bona fide hedging purposes and not for speculation;

(5) Debt consisting of letters of credit, bank guarantees, banker's acceptances, warehouse receipts,

(1) Debt of the Issuer or any Restricted Subsidiary to the Issuer or any Restricted Subsidiary so long as such Debt continues to be owed to the Issuer or a Restricted Subsidiary; *provided* that

(i) if the Issuer is the obligor on Debt owing to a Restricted Subsidiary, such Debt is expressly subordinated to the prior payment in full in cash of all obligations with respect to the Notes; and

(ii) (A) any subsequent issuance or transfer of Capital Stock or any other event that results in any such Debt being beneficially held by a Person other than the Issuer or a Restricted Subsidiary of the Issuer; and (B) any sale or other transfer of any such Debt to a Person other than the Issuer or a Restricted Subsidiary of the Issuer shall be deemed, in each case, to constitute the Incurrence of such Debt by the issuer thereof;

(2) Debt of the Issuer pursuant to the Notes (other than additional Notes);

(3) Refinancing Debt in respect of:

(A) Debt (other than Debt owed to the Issuer or any Subsidiary of the Issuer) Incurred pursuant to paragraph (a) above (it being understood that no Debt outstanding on the Issue Date is Incurred pursuant to such paragraph (a) above), or

(B) Debt Incurred pursuant to clauses (b)(2), (3), (6) or (7);

(4) Hedging Agreements of the Issuer or any Restricted Subsidiary entered into in the ordinary course of business for bona fide hedging purposes and not for speculation;

(5) Debt consisting of letters of credit, bank guarantees, banker's acceptances, warehouse receipts, expressly subordinated to the prior payment in full in cash of all obligations with respect to the New Notes; and

(ii) (A) any subsequent issuance or transfer of Capital Stock or any other event that results in any such Debt being beneficially held by a Person other than the Issuer or a Restricted Subsidiary of the Issuer; and (B) any sale or other transfer of any such Debt to a Person other than the Issuer or a Restricted Subsidiary of the Issuer shall be deemed, in each case, to constitute the Incurrence of such Debt by the issuer thereof;

(2) Debt of the Issuer pursuant to the New Notes (other than additional New Notes);

(3) Refinancing Debt in respect of:

(A) Debt (other than Debt owed to the Issuer or any Subsidiary of the Issuer) Incurred pursuant to paragraph (a) above (it being understood that no Debt outstanding on the Issue Date is Incurred pursuant to such paragraph (a) above), or

(B) Debt Incurred pursuant to clauses (b)(2), (3), (6) or (7);

(4) Hedging Agreements of the Issuer or any Restricted Subsidiary entered into in the ordinary course of business for bona fide hedging purposes and not for speculation;

(5) Debt consisting of letters of credit, bank guarantees, banker's acceptances, warehouse receipts, or similar instruments (including in respect of workers' compensation claims, health, disability or other employee benefits, or property, casualty or liability insurance), self-insurance obligations, customer deposits, performance, bid, surety, advance payment, appeal and similar bonds (including, for the avoidance of doubt, *seguros de caución*) and completion guarantees, in

or similar instruments (including in respect of workers' compensation claims, health, disability or other employee benefits, or property, casualty or liability insurance), self-insurance obligations, customer deposits, performance, bid, surety, advance payment, appeal and similar bonds (including, for the avoidance of doubt, *seguros de caución*) and completion guarantees, in each case in the ordinary course of business and other than an obligation for borrowed money;

(6) Acquired Debt; *provided* that, after giving effect to the Incurrence thereof, either (A) the Issuer could Incur at least U.S.$1.00 of Debt under paragraph (a) above, or (B) (x) the Interest Coverage Ratio would be higher than the Interest Coverage Ratio immediately prior to such transaction, and (y) the Net Leverage Ratio would be lower than the Net Leverage Ratio immediately prior to such transaction;

(7) Debt of the Issuer or any Restricted Subsidiary outstanding on the Issue Date;

(8) Debt of the Issuer or any Restricted Subsidiary, which may include Capital Leases, Incurred on or after the Issue Date and no later than 365 days after the date of purchase or completion of construction or improvement of property for the purpose of financing all or any part of the purchase price or cost of construction or improvement; *provided* that the principal amount of any Debt Incurred pursuant to this clause may not exceed the greater of (x) U.S.$10 million (or the equivalent in other currencies) or (y) 5% of Consolidated Net Tangible Assets;

(9) Debt arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against

each case in the ordinary course of business and other than an obligation for borrowed money;

(6) Acquired Debt; *provided* that, after giving effect to the Incurrence thereof, either (A) the Issuer could Incur at least U.S.$1.00 of Debt under paragraph (a) above, or (B) (x) the Interest Coverage Ratio would be higher than the Interest Coverage Ratio immediately prior to such transaction, and (y) the Net Leverage Ratio would be lower than the Net Leverage Ratio immediately prior to such transaction;

(7) Debt of the Issuer or any Restricted Subsidiary outstanding on the Issue Date;

(8) Debt of the Issuer or any Restricted Subsidiary, which may include Capital Leases or Purchase Money Obligations, Incurred on or after the Issue Date and no later than 365 days after the date of purchase or completion of construction or improvement of property for the purpose of financing all or any part of the purchase price or cost of construction or improvement; provided that the principal amount of any Debt Incurred pursuant to this clause may not exceed the greater of (x) U.S.$140 million (or the equivalent in other currencies) or (y) 15% of Consolidated Total Assets;

(9) Debt arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds or Debt in respect of netting services, automatic clearinghouse arrangements, overdraft protections and similar arrangements in connection with deposit accounts, in each case in the ordinary course of business;

(10) Guarantees by the Issuer or any Restricted Subsidiary of Debt to be incurred by the Issuer or another Restricted Subsidiary in accordance with this covenant; *provided* that, in the event such Debt that is being Guaranteed is Subordinated Debt, then the related Guarantee shall be subordinated in right of payment to the New Notes;

insufficient funds or Debt in respect of netting services, automatic clearinghouse arrangements, overdraft protections and similar arrangements in connection with deposit accounts, in each case in the ordinary course of business;

(10) Guarantees by the Issuer or any Restricted Subsidiary of Debt to be incurred by the Issuer or another Restricted Subsidiary in accordance with this covenant; *provided* that, in the event such Debt that is being Guaranteed is Subordinated Debt, then the related Guarantee shall be subordinated in right of payment to the Notes;

(11) Deeply Subordinated Debt;

(12) Debt of the Issuer or any of its Restricted Subsidiaries in the form of Guarantees of Debt of, or equity contribution commitments in respect of, or Debt to finance equity contributions in Project Finance Subsidiaries in an aggregate principal amount not to exceed U.S.$50 million (or the equivalent in other currencies) at any time outstanding;

(13) Debt of the Issuer or any of its Restricted Subsidiaries in an aggregate principal amount at any time outstanding not to exceed two times the aggregate net cash proceeds received by the Issuer after the Issue Date from the issuance of Qualified Equity Interests of the Issuer or any contribution to its common equity (or the equivalent in other currencies); *provided* that (i) the net proceeds from the incurrence of such Debt and the issuance of such Qualified Equity Interests of the Issuer or other contribution to its common equity are used to finance the development of power generation projects; (ii) after giving effect to such Incurrence, the Issuer is in compliance with the Interest Coverage Ratio limitation set out in paragraph (a)

(11) Deeply Subordinated Debt;

(12) Debt of the Issuer or any of its Restricted Subsidiaries in an aggregate principal amount at any time outstanding not to exceed two times the aggregate net cash proceeds received by the Issuer after the Issue Date from the issuance of Qualified Equity Interests and Deeply Subordinated Debt of the Issuer or any contribution to its common equity (or the equivalent in other currencies); *provided* that (i) the net proceeds from the incurrence of such Debt and the issuance of such Qualified Equity Interests and Deeply Subordinated Debt of the Issuer or other contribution to its common equity are used to finance the development of power generation projects; (ii) after giving effect to such Incurrence, the Issuer is in compliance with the Interest Coverage Ratio limitation set out in paragraph (a) above; and (iii) such equity proceeds shall not be available to make Restricted Payments under clause (a) (iii)(B) or clause (b)(3) under "—Limitation on Restricted Payments" so long as such related Debt under this clause (12) remains outstanding; and

(13) Debt of the Issuer or any Restricted Subsidiary Incurred on or after the Issue Date not otherwise permitted in an aggregate principal amount at any time outstanding not to exceed the greater of (i) U.S.$140 million (or the equivalent in other currencies) and (ii) 15% of Consolidated Total Assets.

(c) [Reserved].

(d) Notwithstanding any other provision of this covenant, for purposes of determining compliance with this covenant, increases in Debt solely due to fluctuations in the exchange rates of currencies will not be deemed to exceed the maximum amount that the Issuer or a Restricted Subsidiary may Incur under this covenant. For purposes of determining compliance with any U.S. dollar-denominated restriction on the Incurrence of Debt, the U.S. dollar-equivalent principal amount of Debt denominated in any other currency shall be calculated based on the relevant currency exchange rate in effect on the

above; and (iii) such equity proceeds shall not be available to make Restricted Payments under clause (a) (iii)(B) or clause (b)(3) under "—Limitation on Restricted Payments" so long as such related Debt under this clause (13) remains outstanding; and

(14) Debt of the Issuer or any Restricted Subsidiary Incurred on or after the Issue Date not otherwise permitted in an aggregate principal amount at any time outstanding not to exceed the greater of (i) U.S.$45 million (or the equivalent in other currencies) and (ii) 20% of Consolidated Net Tangible Assets.

(c) For purposes of paragraph (a) of this covenant, solely for the periods prior to and through December 31, 2019, the ratio calculations thereunder shall exclude Debt of the Issuer or any of its Restricted Subsidiaries Incurred in the form of Guarantees of Debt of Project Finance Subsidiaries in an aggregate principal amount at any time outstanding not to exceed U.S.$50 million (or the equivalent in other currencies).

(d) Notwithstanding any other provision of this covenant, for purposes of determining compliance with this covenant, increases in Debt solely due to fluctuations in the exchange rates of currencies will not be deemed to exceed the maximum amount that the Issuer or a Restricted Subsidiary may Incur under this covenant. For purposes of determining compliance with any U.S. dollar-denominated restriction on the Incurrence of Debt, the U.S. dollar-equivalent principal amount of Debt denominated in any other currency shall be calculated based on the relevant currency exchange rate in effect on the date such Debt was Incurred; *provided* that, if such Debt is Incurred to Refinance other Debt denominated in any other currency, and such Refinancing would cause the applicable U.S. dollar-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date such Debt was Incurred; *provided* that, if such Debt is Incurred to Refinance other Debt denominated in any other currency, and such Refinancing would cause the applicable U.S. dollar-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such Refinancing, such U.S. dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such Refinancing Debt does not exceed the principal amount of such Debt being Refinanced. The principal amount of any Debt Incurred to Refinance other Debt, if Incurred in a different currency from the Debt being Refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such respective Debt is denominated that is in effect on the date of such Refinancing.

(e) In the event that an item of Debt meets the criteria of more than one of the types of Debt described in this covenant, the Issuer, in its sole discretion, will classify such item of Debt and will only be required to include the amount and type of such Debt in one of such clauses and the Issuer will be entitled to divide and classify an item of Debt in more than one of the types of Debt described in this covenant, and may change the classification of an item of Debt (or any portion thereof) to any other type of Debt described in this covenant at any time.

(f) For purposes of determining compliance with, and the outstanding principal amount of, any particular Debt Incurred pursuant to and in compliance with this covenant:

(1) the outstanding principal amount of any item of Debt will be counted only once;

(2) the amount of Debt issued at a price that is less than the principal amount thereof will be equal to the amount of the liability in respect thereof determined in accordance with IFRS;

date of such Refinancing, such U.S. dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such Refinancing Debt does not exceed the principal amount of such Debt being Refinanced. The principal amount of any Debt Incurred to Refinance other Debt, if Incurred in a different currency from the Debt being Refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such respective Debt is denominated that is in effect on the date of such Refinancing.

(e) In the event that an item of Debt meets the criteria of more than one of the types of Debt described in this covenant, the Issuer, in its sole discretion, will classify such item of Debt and will only be required to include the amount and type of such Debt in one of such clauses and the Issuer will be entitled to divide and classify an item of Debt in more than one of the types of Debt described in this covenant, and may change the classification of an item of Debt (or any portion thereof) to any other type of Debt described in this covenant at any time.

(f) For purposes of determining compliance with, and the outstanding principal amount of, any particular Debt Incurred pursuant to and in compliance with this covenant:

(1) the outstanding principal amount of any item of Debt will be counted only once;

(2) the amount of Debt issued at a price that is less than the principal amount thereof will be equal to the amount of the liability in respect thereof determined in accordance with IFRS;

(3) Guarantees of, or obligations in respect of letters of credit or similar instruments relating to, Debt that is otherwise included in the determination of a particular amount of Debt will not be included; and

(3) Guarantees of, or obligations in respect of letters of credit or similar instruments relating to, Debt that is otherwise included in the determination of a particular amount of Debt will not be included; and

(4) the accrual of interest, the accretion or amortization of original issue discount, the payment of regularly scheduled interest in the form of additional Debt of the same instrument or the payment of regularly scheduled dividends on Disqualified Stock in the form of additional Disqualified Stock with the same terms will not be an Incurrence of Debt for purposes of this covenant; *provided* that any such outstanding additional Debt or Disqualified Stock paid in respect of Debt Incurred will be counted as Debt outstanding thereunder for purposes of any future Incurrence under such provision.

	(4) the accrual of interest, the accretion or amortization of original issue discount, the payment of regularly scheduled interest in the form of additional Debt of the same instrument or the payment of regularly scheduled dividends on Disqualified Stock in the form of additional Disqualified Stock with the same terms will not be an Incurrence of Debt for purposes of this covenant; *provided* that any such outstanding additional Debt or Disqualified Stock paid in respect of Debt Incurred will be counted as Debt outstanding thereunder for purposes of any future Incurrence under such provision.	
Limitation on Restricted Payments	(a) The Issuer will not, and will not permit any Restricted Subsidiary to, directly or indirectly (the payments and other actions described in the following clauses being collectively "Restricted Payments"):	(a) The Issuer will not, and will not permit any Restricted Subsidiary to, directly or indirectly (the payments and other actions described in the following clauses being collectively "Restricted Payments"):
	(1) declare or pay any dividend or make any distribution (whether made in cash, securities or other property) on the Equity Interests of the Issuer or any of its Restricted Subsidiaries, other than:	(1) declare or pay any dividend or make any distribution (whether made in cash, securities or other property) on the Equity Interests of the Issuer or any of its Restricted Subsidiaries, other than:
	(A) dividends or distributions payable in Qualified Equity Interests of the Issuer;	(A) dividends or distributions payable in Qualified Equity Interests of the Issuer;
	(B) dividends or distributions payable to the Issuer and/or any of its Restricted Subsidiaries; or	(B) dividends or distributions payable to the Issuer and/or any of its Restricted Subsidiaries; or
	(C) dividends or distributions made on a *pro rata* basis to the Issuer and its Restricted Subsidiaries, on the one hand, and minority holders of Equity Interests of a Restricted Subsidiary, on the other hand (or on a less than *pro rata* basis to any minority holder);	(C) dividends or distributions made on a *pro rata* basis to the Issuer and its Restricted Subsidiaries, on the one hand, and minority holders of Equity Interests of a Restricted Subsidiary, on the other hand (or on a less than *pro rata* basis to any minority holder);
	(2) purchase, redeem or otherwise acquire or retire for value any Equity Interests of the Issuer or any direct or indirect parent of the	(2) purchase, redeem or otherwise acquire or retire for value any Equity Interests of the Issuer or any direct or indirect parent of the

Issuer held by Persons other than the Issuer or any of the Restricted Subsidiaries other than in exchange for Equity Interests of the Issuer (other than Disqualified Equity Interests);

(3) repay, redeem, repurchase, defease or otherwise acquire or retire for value, or make any payment on or with respect to, any Subordinated Debt (other than Subordinated Debt of the Issuer or any Restricted Subsidiary to the extent permitted under clause (b)(1) of the definition of "Permitted Debt"), except a payment of interest or principal at Stated Maturity; or

(4) make any Investment other than a Permitted Investment;

unless, at the time of, and after giving effect to, the proposed Restricted Payment:

(i) no Default has occurred and is continuing;

(ii) the Issuer could Incur at least U.S.$1.00 of Debt under paragraph (a) under "— Limitation on Debt"; and

(iii) the aggregate amount expended for all Restricted Payments made on or after the Issue Date would not, subject to paragraph (c), exceed the sum of:

(A) 50% of the aggregate amount of the Consolidated Net Income (or, if the Consolidated Net Income is a loss, minus 100% of the amount of the loss) accrued on a cumulative basis during the period, taken as one accounting period, beginning on the first day of the fiscal quarter during which the Issue Date occurs and ending on the last day of the Issuer's most recently

Issuer held by Persons other than the Issuer or any of the Restricted Subsidiaries other than in exchange for Equity Interests of the Issuer (other than Disqualified Equity Interests);

(3) repay, redeem, repurchase, defease or otherwise acquire or retire for value, or make any payment on or with respect to, any Subordinated Debt (other than Subordinated Debt of the Issuer or any Restricted Subsidiary to the extent permitted under clause (b)(1) of the definition of "Permitted Debt"), except a payment of interest or principal at Stated Maturity; or

(4) make any Investment other than a Permitted Investment;

unless, at the time of, and after giving effect to, the proposed Restricted Payment:

(i) no Default has occurred and is continuing;

(ii) the Issuer could Incur at least U.S.$1.00 of Debt under paragraph (a) under "— Limitation on Debt"; and

(iii) the aggregate amount expended for all Restricted Payments made on or after the Issue Date would not, subject to paragraph (c), exceed the sum of:

(A) 50% of the aggregate amount of the Consolidated Net Income (or, if the Consolidated Net Income is a loss, minus 100% of the amount of the loss) accrued on a cumulative basis during the period, taken as one accounting period, beginning on the first day of the fiscal quarter during which the Issue Date occurs and ending on the last day of the Issuer's most recently

completed fiscal quarter for which internal financial statements are available, plus

(B) subject to paragraph (c), the aggregate net cash proceeds received by the Issuer (other than from a Subsidiary) after the Issue Date from:

(i) the issuance and sale of Qualified Equity Interests of the Issuer, including by way of issuance of its Disqualified Equity Interests or Debt to the extent subsequently converted into or exchanged for Qualified Equity Interests of the Issuer, or

(ii) any contribution to its common equity, plus

(C) an amount equal to the sum, for all Unrestricted Subsidiaries, of the following:

(i) the cash return, after the Issue Date, on Investments in an Unrestricted Subsidiary made after the Issue Date pursuant to this paragraph (a) as a result of any sale for cash, repayment, redemption, liquidating distribution or other cash realization (not included in Consolidated Net Income), plus

completed fiscal quarter for which internal financial statements are available, *plus*

(B) subject to paragraph (c), the aggregate net cash proceeds received by the Issuer (other than from a Subsidiary) after the Issue Date from:

(i) the issuance and sale of Qualified Equity Interests and Deeply Subordinated Debt of the Issuer, including by way of issuance of its Disqualified Equity Interests or Debt to the extent subsequently converted into or exchanged for Qualified Equity Interests or Deeply Subordinated Debt of the Issuer, or

(ii) any contribution to its common equity, *plus*

(C) an amount equal to the sum, for all Unrestricted Subsidiaries, of the following:

(i) the cash return, after the Issue Date, on Investments in an Unrestricted Subsidiary made after the Issue Date pursuant to this paragraph (a) as a result of any sale for cash, repayment, redemption, liquidating distribution or other cash realization (not included in

(ii) the portion (proportionate to the Issuer's equity interest in such Unrestricted Subsidiary) of the fair market value of the assets less liabilities of an Unrestricted Subsidiary at the time such Unrestricted Subsidiary is designated a Restricted Subsidiary, not to exceed, in the case of any Unrestricted Subsidiary, the amount of Investments made after the Issue Date by the Issuer and its Restricted Subsidiaries in such Unrestricted Subsidiary pursuant to this paragraph (a), plus

(D) the cash return, after the Issue Date, on any other Investment made after the Issue Date pursuant to this paragraph (a), as a result of any sale for cash, repayment, redemption, liquidating distribution or other cash realization (not included in Consolidated Net Income), not to exceed the amount of such Investment so made.

The amount expended in any Restricted Payment, if other than in cash, will be deemed to be the fair market value of the relevant non-cash assets, as determined in good faith by the Board of Directors of the Issuer whose determination will be conclusive and evidenced by a Board Resolution of the Issuer.

Consolidated Net Income), *plus*

(ii) the portion (proportionate to the Issuer's equity interest in such Unrestricted Subsidiary) of the fair market value of the assets *less* liabilities of an Unrestricted Subsidiary at the time such Unrestricted Subsidiary is designated a Restricted Subsidiary, not to exceed, in the case of any Unrestricted Subsidiary, the amount of Investments made after the Issue Date by the Issuer and its Restricted Subsidiaries in such Unrestricted Subsidiary pursuant to this paragraph (a), *plus*

(D) the cash return, after the Issue Date, on any other Investment made after the Issue Date pursuant to this paragraph (a), as a result of any sale for cash, repayment, redemption, liquidating distribution or other cash realization (not included in Consolidated Net Income), not to exceed the amount of such Investment so made; *plus*

(E) U.S.$20 million.

The amount expended in any Restricted Payment, if other than in cash, will be deemed to be the fair market value of the relevant non-cash assets, as determined in

(b) The foregoing will not prohibit:

(1) the payment of any dividend within 60 days after the date of declaration thereof if, at the date of declaration, such payment would comply with the provisions of this covenant;

(2) the repayment, redemption, repurchase, defeasance or other acquisition or retirement for value of Subordinated Debt with the proceeds of, or in exchange for, Refinancing Debt;

(3) (i) the purchase, redemption or other acquisition or retirement for value of Equity Interests of the Issuer, (ii) the repayment, redemption, repurchase, defeasance or other acquisition or retirement of Subordinated Debt of the Issuer or (iii) any Investment, in each case made in exchange for, or out of the proceeds of a substantially concurrent offering or placement of, Qualified Equity Interests of the Issuer or any Affiliate of the Issuer (to the extent contributed to the Capital Stock of the Issuer in the form of Qualified Equity Interests);

(4) the repayment, redemption, repurchase, defeasance or other acquisition or retirement of Subordinated Debt (including Deeply Subordinated Debt) incurred after the Issue Date made in exchange for, or out of the proceeds of a substantially concurrent Incurrence of Debt other than Subordinated Debt if, after giving effect to such Incurrence, the Issuer could Incur at least U.S.$1.00 of Debt under paragraph (a) under "—Limitation on Debt" adjusted, for such purpose, to reflect a Net Leverage Ratio not in excess of 2.00 to 1; *provided* that the maximum aggregate principal amount of Subordinated Debt so repaid, redeemed, repurchased, defeased or otherwise acquired or retired

good faith by the Board of Directors of the Issuer whose determination will be conclusive and evidenced by a Board Resolution of the Issuer.

(b) The foregoing will not prohibit:

(1) the payment of any dividend within 60 days after the date of declaration thereof if, at the date of declaration, such payment would comply with the provisions of this covenant;

(2) the repayment, redemption, repurchase, defeasance or other acquisition or retirement for value of Subordinated Debt with the proceeds of, or in exchange for, Refinancing Debt;

(3) (i) the purchase, redemption or other acquisition or retirement for value of Equity Interests of the Issuer, (ii) the repayment, redemption, repurchase, defeasance or other acquisition or retirement of Subordinated Debt of the Issuer or (iii) any Investment, in each case made in exchange for, or out of the proceeds of a substantially concurrent offering or placement of, Qualified Equity Interests or Deeply Subordinated Debt of the Issuer or any Affiliate of the Issuer (to the extent contributed to the Capital Stock of the Issuer in the form of Qualified Equity Interests or Deeply Subordinated Debt);

(4) the repayment, redemption, repurchase, defeasance or other acquisition or retirement of Subordinated Debt (including Deeply Subordinated Debt) incurred after the Issue Date made in exchange for, or out of the proceeds of a substantially concurrent Incurrence of Debt other than Subordinated Debt if, after giving effect to such Incurrence, the Issuer could Incur at least U.S.$1.00 of Debt under paragraph (a) under "—Limitation on Debt" adjusted, for such purpose, to reflect a Net Leverage Ratio not in excess of 2.00 to 1.00;

pursuant to this clause (4) shall not exceed U.S.$50 million;

(5) the repayment, redemption, repurchase, defeasance or other acquisition or retirement for value of any Subordinated Debt at a purchase price not greater than (x) 101% of the principal amount thereof in the event of a change of control pursuant to a provision no more favorable to the holders thereof than "—Repurchase of Notes upon a Change of Control" or (y) 100% of the principal amount thereof in the event of an asset sale pursuant to a provision no more favorable to the holders thereof than "—Limitation on Asset Sales," *provided* that, in each case, the Issuer has complied or is simultaneously complying with "—Repurchase of Notes upon a Change of Control" and "—Limitation on Asset Sales," as applicable; or

(6) Restricted Payments not otherwise permitted in an aggregate amount not to exceed U.S.$10 million (or the equivalent in other currencies);

provided that, in the case of clauses (3), (4) and (5), no Default has occurred and is continuing or would occur as a result thereof.

(c) Proceeds of the issuance of Qualified Equity Interests will be included under clause (a)(iii)(B) of this covenant only to the extent they are not applied as described in clause (3) of paragraph (b). Restricted Payments permitted pursuant to clause (2), (3) or (4) of paragraph (b) will not be included in making the calculations under clause (a)(iii)(B) of this covenant. The use of proceeds from the issuance of Qualified Equity Interests or contributions to common equity on the clauses (a)(iii)(B) and (b)(3) will be subject to the limitations set forth under clause (b)(13) under "—Limitation on Debt."

(d) For purposes of determining compliance with this covenant, in the event that a Restricted Payment permitted pursuant to this covenant or a

provided that the maximum aggregate principal amount of Subordinated Debt so repaid, redeemed, repurchased, defeased or otherwise acquired or retired pursuant to this clause (4) shall not exceed U.S.$50 million;

(5) the repayment, redemption, repurchase, defeasance or other acquisition or retirement for value of any Subordinated Debt at a purchase price not greater than (x) 101% of the principal amount thereof in the event of a change of control pursuant to a provision no more favorable to the holders thereof than "—Repurchase of New Notes upon a Change of Control" or (y) 100% of the principal amount thereof in the event of an asset sale pursuant to a provision no more favorable to the holders thereof than "—Limitation on Asset Sales," *provided* that, in each case, the Issuer has complied or is simultaneously complying with "—Repurchase of New Notes upon a Change of Control" and "—Limitation on Asset Sales," as applicable;

(6) Restricted Payments not otherwise permitted in an aggregate amount not to exceed U.S.$20 million (or the equivalent in other currencies); or

(7) other Restricted Payments not otherwise permitted in an aggregate amount, when taken together with all other Restricted Payments made pursuant to this clause (7), not to exceed U.S.$5 million in any calendar year (with unused amounts in any calendar year being carried over to the next succeeding calendar year).

provided that, in the case of clauses (3), (4) and (5), no Default has occurred and is continuing or would occur as a result thereof.

(c) Proceeds of the issuance of Qualified Equity Interests and Deeply Subordinated Debt will be included

	Permitted Investment meets the criteria of more than one of the categories of Restricted Payment described in clauses (1) through (6) of paragraph (b) above or one or more clauses of the definition of Permitted Investments, as the case may be, the Issuer shall be permitted to classify such Restricted Payment or Permitted Investment on the date it is made, or later reclassify all or a portion of such Restricted Payment or Permitted Investment, in any manner that complies with this covenant, and such Restricted Payment or Permitted Investment shall be treated as having been made pursuant to only one of such clauses of this covenant or of the definition of Permitted Investments, as the case may be. For purposes of covenant compliance, the amount of any Investment shall be the amount actually invested, without adjustment for subsequent increases or decreases in the value of such Investment, less any amount paid, repaid, returned, distributed or otherwise received in cash in respect of such Investment.	under clause (a)(iii)(B) of this covenant only to the extent they are not applied as described in clause (3) of paragraph (b). Restricted Payments permitted pursuant to clause (2), (3) or (4) of paragraph (b) will not be included in making the calculations under clause (a)(iii)(B) of this covenant. The use of proceeds from the issuance of Qualified Equity Interests, Deeply Subordinated Debt or contributions to common equity on the clauses (a)(iii)(B) and (b)(3) will be subject to the limitations set forth under clause (b)(13) under "— Limitation on Debt." (d) For purposes of determining compliance with this covenant, in the event that a Restricted Payment permitted pursuant to this covenant or a Permitted Investment meets the criteria of more than one of the categories of Restricted Payment described in clauses (1) through (6) of paragraph (b) above or one or more clauses of the definition of Permitted Investments, as the case may be, the Issuer shall be permitted to classify such Restricted Payment or Permitted Investment on the date it is made, or later reclassify all or a portion of such Restricted Payment or Permitted Investment, in any manner that complies with this covenant, and such Restricted Payment or Permitted Investment shall be treated as having been made pursuant to only one of such clauses of this covenant or of the definition of Permitted Investments, as the case may be. For purposes of covenant compliance, the amount of any Investment shall be the amount actually invested, without adjustment for subsequent increases or decreases in the value of such Investment, *less* any amount paid, repaid, returned, distributed or otherwise received in cash in respect of such Investment.
Limitation on Asset Sales	The Issuer will not, and will not permit any Restricted Subsidiary to, make any Asset Sale unless the following conditions are met: (1) the Issuer (or such Restricted Subsidiary, as the case may be) receives consideration at the time of such Asset Sale at least equal to the fair market value of the assets	The Issuer will not, and will not permit any Restricted Subsidiary to, make any Asset Sale unless the following conditions are met: (1) the Issuer (or such Restricted Subsidiary, as the case may be) receives consideration at the time of such Asset Sale at least equal to the fair market value of the assets

or Equity Interests issued or sold or otherwise disposed of, as determined in good faith by the Board of Directors of the Issuer; and

(2) at least 75% of the consideration consists of cash or Cash Equivalents or Additional Assets or any combination of the foregoing received at closing. For purposes of this clause (2), each of the following will be deemed to be cash:

(A) any liabilities of the Issuer or such Restricted Subsidiary (other than Subordinated Debt) that are assumed by the transferee of any such assets pursuant to a customary novation agreement or other arrangement that releases the Issuer or such Restricted Subsidiary from further liability; and

(B) any securities, notes or other obligations received by the Issuer or such Restricted Subsidiary from such transferee that are, within 180 days after the consummation of the Asset Sale, converted by the Issuer or such Restricted Subsidiary into cash or Cash Equivalents, but only to the extent of the cash or Cash Equivalents actually received in that conversion;

(3) within 365 days after the receipt of any Net Cash Proceeds from an Asset Sale, the Net Cash Proceeds may be used:

(A) to repay Debt (other than any Disqualified Equity Interests or Subordinated Debt) of the Issuer or a Restricted Subsidiary (and, in the case of a revolving credit, permanently reduce the commitment thereunder by such amount), in each case owing to a Person other than

or Equity Interests issued or sold or otherwise disposed of, as determined in good faith by the Board of Directors of the Issuer; and

(2) at least 75% of the consideration consists of cash or Cash Equivalents or Additional Assets or any combination of the foregoing received at closing. For purposes of this clause (2), each of the following will be deemed to be cash:

(A) any liabilities of the Issuer or such Restricted Subsidiary (other than Subordinated Debt) that are assumed by the transferee of any such assets pursuant to a customary novation agreement or other arrangement that releases the Issuer or such Restricted Subsidiary from further liability; and

(B) any securities, notes or other obligations received by the Issuer or such Restricted Subsidiary from such transferee that are, within 180 days after the consummation of the Asset Sale, converted by the Issuer or such Restricted Subsidiary into cash or Cash Equivalents, but only to the extent of the cash or Cash Equivalents actually received in that conversion;

(3) within 365 days after the receipt of any Net Cash Proceeds from an Asset Sale, the Net Cash Proceeds may be used:

(A) to repay Debt (other than any Disqualified Equity Interests or Subordinated Debt) of the Issuer or a Restricted Subsidiary (and, in the case of a revolving credit, permanently reduce the commitment thereunder by such amount), in each case owing to a Person other than

the Issuer or any Restricted Subsidiary,

(B) to invest in or purchase Additional Assets, or

(C) any combination of items (A) or (B) of this paragraph; and

(4) the Net Cash Proceeds of an Asset Sale not applied pursuant to clause (3) within 365 days of the Asset Sale constitute "Excess Proceeds." Excess Proceeds of less than U.S.$20 million (or the equivalent in other currencies) will be carried forward and accumulated. When accumulated Excess Proceeds equal or exceed such amount, the Issuer must, within 30 days, make an offer to purchase (the "Asset Sale Offer") Notes having a principal amount equal to:

(A) accumulated Excess Proceeds, multiplied by

(B) a fraction (x) the numerator of which is equal to the outstanding principal amount of the Notes and (y) the denominator of which is equal to the outstanding principal amount of the Notes and all *pari passu* Debt similarly required to be repaid, redeemed or tendered in connection with the Asset Sale, rounded down to the nearest U.S.$1,000. The purchase price (the "Asset Sale Payment") for the Notes will be 100% of the principal amount plus accrued and unpaid interest to the date of purchase.

Each notice of an Asset Sale Offer shall be given first class to each registered holder, with a copy to the trustee, offering to purchase the Notes as described in "—Notices" below. The Asset Sale Offer will state, among other things, the purchase date, which must not be less than 30 days or more than 60 days from the date the notice is given, other than as may be required by law (the "Asset Sale Payment Date"). The Asset Sale Offer will also contain

the Issuer or any Restricted Subsidiary,

(B) to invest in or purchase Additional Assets,

(C) to make capital expenditures in a Permitted Business,

(D) to make deposits in the Onshore Peso Collection Account or the Onshore U.S. Dollar Accrual Account (provided that, notwithstanding anything to the contrary herein, such Net Cash Proceeds so deposited may not be withdrawn or released from the Onshore Peso Collection Account or the Onshore U.S. Dollar Accrual Account, as applicable, other than to make Monthly U.S. Dollar Purchases, interest and principal payments under the New Notes and the New Notes Indenture when due, or to be invested and reinvested as set forth in the Onshore Collateral Trust Agreement and as permitted by the Indenture), or

(E) any combination of the foregoing;

provided that the Issuer and its Restricted Subsidiaries will be deemed to have complied with the provisions described in clause (B) or (C) of this clause (3) if and to the extent that, within 365 days after the Asset Sale that generated the Net Cash Proceeds, the Issuer or such Restricted Subsidiary, as applicable, has entered into and not abandoned or rejected a binding agreement to make an investment in compliance with the provision described in clauses (B) or (C) of this clause (3), and that investment is thereafter completed within 180 days after the end of such 365-day period; and

(4) the Net Cash Proceeds of an Asset Sale not applied pursuant to clause (3) within 365 days of the Asset

instructions and materials necessary to enable holders to tender Notes pursuant to the offer.

On the Business Day immediately preceding the Asset Sale Payment Date, the Issuer will, to the extent lawful, deposit with the paying agent funds in an amount equal to the Asset Sale Payment in respect of all Notes or portions thereof so tendered.

On the Asset Sale Payment Date, the Issuer will, to the extent lawful:

(1) accept for payment all Notes or portions thereof properly tendered and not withdrawn pursuant to the Asset Sale Offer; and

(2) deliver or cause to be delivered to the trustee the Notes so accepted, together with an Officer's Certificate stating the aggregate principal amount of the Notes or portions thereof being purchased by the Issuer.

If the Asset Sale Offer is for less than all of the outstanding Notes and Notes in an aggregate principal amount in excess of the purchase amount are tendered and not withdrawn pursuant to the offer, the Issuer will purchase Notes having an aggregate principal amount equal to the purchase amount on a *pro rata* basis, with adjustments so that only Notes in multiples of U.S.$1,000 principal amount will be purchased, *provided* that the principal amount of such tendering holder's Note will not be less than U.S.$1,000. Upon completion of the Asset Sale Offer, Excess Proceeds will be reset at zero, and any Excess Proceeds remaining after consummation of the Asset Sale Offer may be used for any purpose not otherwise prohibited by the Indenture.

The Issuer will comply with Rule 14e-1 under the Exchange Act and any other applicable securities laws and regulations in connection with the purchase of Notes through an Asset Sale Offer, and the above procedures will be deemed modified as necessary to permit such compliance.

Sale (and additional 180 days, as applicable) constitute "Excess Proceeds." Excess Proceeds of less than U.S.$20 million (or the equivalent in other currencies) will be carried forward and accumulated. When accumulated Excess Proceeds equal or exceed such amount, the Issuer must, within 30 days, make an offer to purchase (the "Asset Sale Offer") New Notes having a principal amount equal to:

(A) accumulated Excess Proceeds, multiplied by

(B) a fraction (x) the numerator of which is equal to the outstanding principal amount of the New Notes and (y) the denominator of which is equal to the outstanding principal amount of the New Notes and all *pari passu* Debt similarly required to be repaid, redeemed or tendered in connection with the Asset Sale, rounded down to the nearest U.S.$1.00. The purchase price (the "Asset Sale Payment") for the New Notes will be 100% of the principal amount *plus* accrued and unpaid interest to the date of purchase.

Each notice of an Asset Sale Offer shall be given to each registered holder, with a copy to the New Notes Trustee, offering to purchase the New Notes as described in "—Notices" below. The Asset Sale Offer will state, among other things, the purchase date, which must not be less than 15 days or more than 60 days from the date the notice is given, other than as may be required by law (the "Asset Sale Payment Date"). The Asset Sale Offer will also contain instructions and materials necessary to enable holders to tender New Notes pursuant to the offer.

On the Business Day immediately preceding the Asset Sale Payment Date, the Issuer will, to the extent lawful, deposit with the paying agent funds in an amount equal to the Asset Sale

If at any time any non-cash consideration received by the Issuer or any Restricted Subsidiary, as the case may be, in connection with any Asset Sale is converted into or sold or otherwise disposed of for cash (other than interest received with respect to any non-cash consideration), the conversion or disposition will be deemed to constitute an Asset Sale hereunder and the net cash proceeds thereof will be applied in accordance with this covenant within 365 days of conversion or disposition.

The Issuer will not be required to make an Asset Sale Offer following an Asset Sale if a Restricted Subsidiary or a third party makes the Asset Sale Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to an Asset Sale Offer following an Asset Sale made by the Issuer and if such Person purchases all Notes validly tendered and not withdrawn under such Asset Sale Offer.

Payment in respect of all New Notes or portions thereof so tendered.

On the Asset Sale Payment Date, the Issuer will, to the extent lawful:

(1) accept for payment all New Notes or portions thereof properly tendered and not withdrawn pursuant to the Asset Sale Offer; and

(2) deliver or cause to be delivered to the New Notes Trustee the New Notes so accepted, together with an Officer's Certificate stating the aggregate principal amount of the New Notes or portions thereof being purchased by the Issuer.

If the Asset Sale Offer is for less than all of the outstanding New Notes and New Notes in an aggregate principal amount in excess of the purchase amount are tendered and not withdrawn pursuant to the offer, the Issuer will purchase New Notes having an aggregate principal amount equal to the purchase amount on a *pro rata* basis, with adjustments so that only New Notes in multiples of U.S.$1.00 principal amount will be purchased, *provided* that the principal amount of such tendering holder's New Note will not be less than U.S.$1,000. Upon completion of the Asset Sale Offer, Excess Proceeds will be reset at zero, and any Excess Proceeds remaining after consummation of the Asset Sale Offer may be used for any purpose not otherwise prohibited by the New Notes Indenture.

The Issuer will comply with Rule 14e-1 under the Exchange Act and any other applicable securities laws and regulations in connection with the purchase of New Notes through an Asset Sale Offer, and the above procedures will be deemed modified as necessary to permit such compliance.

If at any time any non-cash consideration received by the Issuer or any Restricted Subsidiary, as the case may be, in connection with any Asset Sale is converted into or sold or otherwise disposed of for cash (other than interest received with respect to

		any non-cash consideration), the conversion or disposition will be deemed to constitute an Asset Sale hereunder and the net cash proceeds thereof will be applied in accordance with this covenant within 365 days of conversion or disposition. The Issuer will not be required to make an Asset Sale Offer following an Asset Sale if a Restricted Subsidiary or a third party makes the Asset Sale Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the New Notes Indenture applicable to an Asset Sale Offer following an Asset Sale made by the Issuer and if such Person purchases all New Notes validly tendered and not withdrawn under such Asset Sale Offer.
Limitation on Transactions with Affiliates	(a) The Issuer will not, and will not permit any Restricted Subsidiary to, directly or indirectly, enter into, renew or extend any transaction (including the purchase, sale, lease or exchange of property or assets, or the rendering of any service) with any Affiliate of the Issuer (a "Related Party Transaction"), except upon fair and reasonable terms no less favorable to the Issuer or such Restricted Subsidiary than could be obtained in a comparable arm's-length transaction with a Person that is not an Affiliate of the Issuer.	(a) The Issuer will not, and will not permit any Restricted Subsidiary to, directly or indirectly, enter into, renew or extend any transaction (including the purchase, sale, lease or exchange of property or assets, or the rendering of any service) with any Affiliate of the Issuer (a "Related Party Transaction"), except upon fair and reasonable terms no less favorable to the Issuer or such Restricted Subsidiary than could be obtained in a comparable arm's-length transaction with a Person that is not an Affiliate of the Issuer.
	(b) Prior to entering into any Related Party Transaction or series of Related Party Transactions involving payments made on or after the Issue Date, or transfers of property or services made on or after the Issue Date, in an aggregate value in excess of U.S.$10 million (or the equivalent in other currencies) in any fiscal year, the terms of such Related Party Transaction will (1) be approved by a majority of the members of the Board of Directors of the Issuer (including a majority of the Board of Directors of the Issuer who are disinterested directors with respect to such Related Party Transaction), the approval to be evidenced by a Board Resolution of the Issuer stating that the Board of Directors of the Issuer has determined that such transaction complies with the preceding provisions,	(b) Prior to entering into any Related Party Transaction or series of Related Party Transactions involving payments made on or after the Issue Date, or transfers of property or services made on or after the Issue Date, (1) in an aggregate value in excess of U.S.$20 million (or the equivalent in other currencies) in any fiscal year, the terms of such Related Party Transaction will be approved by a majority of the members of the Board of Directors of the Issuer (including a majority of the Board of Directors of the Issuer who are disinterested directors with respect to such Related Party Transaction), the approval to be evidenced by a Board Resolution of the Issuer stating that the Board of Directors of the Issuer has determined that such transaction complies with the preceding provisions, and (2) with an

and (2) with an aggregate value in excess of U.S.$20 million (or the equivalent in other currencies) in any fiscal year, the Issuer must obtain and deliver to the trustee a favorable written opinion, obtained by the Issuer and delivered to the trustee, from a nationally recognized (in the relevant jurisdiction) Independent Financial Advisor as to the fairness of the Related Party Transaction to the Issuer and the relevant Restricted Subsidiaries (if any) from a financial point of view.

(c) The foregoing paragraphs do not apply to:

(1) any transaction between the Issuer and any of its Restricted Subsidiaries or between Restricted Subsidiaries of the Issuer;

(2) any transaction entered into in the ordinary course of business between or among the Issuer or any Restricted Subsidiary and any joint venture or similar entity, if such transaction would constitute a Related Party Transaction solely because the Issuer or a Restricted Subsidiary owns an Equity Interest in or otherwise controls such joint venture or similar entity; *provided* that in the reasonable determination of the members of the Board of Directors of the Issuer, such transactions are on terms that are not materially less favorable, taken as a whole, as could reasonably have been obtained at the time of such transactions in a comparable transaction with a Person that is not an Affiliate of the Issuer;

(3) any Restricted Payments permitted under "—Certain Covenants—Limitation on Restricted Payments;"

(4) payment of reasonable fees and compensation and reimbursement of expenses to, and any indemnity or insurance provided on behalf of, officers, directors, employees, consultants or agents of the Issuer or any Restricted Subsidiary;

aggregate value in excess of U.S.$50 million (or the equivalent in other currencies) in any fiscal year, the Issuer must obtain and deliver to the New Notes Trustee a favorable written opinion, obtained by the Issuer and delivered to the New Notes Trustee, from a nationally recognized (in the relevant jurisdiction) Independent Financial Advisor as to the fairness of the Related Party Transaction to the Issuer and the relevant Restricted Subsidiaries (if any) from a financial point of view.

(c) The foregoing paragraphs do not apply to:

(1) any transaction between the Issuer and any of its Restricted Subsidiaries or between Restricted Subsidiaries of the Issuer;

(2) any transaction entered into in the ordinary course of business between or among the Issuer or any Restricted Subsidiary and any joint venture or similar entity, if such transaction would constitute a Related Party Transaction solely because the Issuer or a Restricted Subsidiary owns an Equity Interest in or otherwise controls such joint venture or similar entity; *provided* that in the reasonable determination of the members of the Board of Directors of the Issuer, such transactions are on terms that are not materially less favorable, taken as a whole, as could reasonably have been obtained at the time of such transactions in a comparable transaction with a Person that is not an Affiliate of the Issuer;

(3) any Restricted Payments permitted under "—Certain Covenants—Limitation on Restricted Payments;"

(4) payment of reasonable fees and compensation and reimbursement of expenses to, and any indemnity or insurance provided on behalf of, officers, directors, employees, consultants or agents of the Issuer or any Restricted Subsidiary;

(5) any issuance or sale of Equity Interests or other securities, or other payments, awards or grants in cash, securities or otherwise pursuant to, or the funding of, or entering into, or maintenance of, any employment, consulting, collective bargaining or benefit plan, program, agreement or arrangement, related trust or other similar agreement and other compensation arrangements, restricted stock plans, long-term incentive plans, stock appreciation rights plans, participation plans or similar employee benefits or consultants' plans (including valuation, health, insurance, deferred compensation, severance, retirement, savings or similar plans, programs or arrangements) and/or indemnities provided on behalf of officers, employees, directors or consultants approved by the Board of Directors of the Issuer, in each case in the ordinary course of business;	(5) any issuance or sale of Equity Interests or other securities, or other payments, awards or grants in cash, securities or otherwise pursuant to, or the funding of, or entering into, or maintenance of, any employment, consulting, collective bargaining or benefit plan, program, agreement or arrangement, related trust or other similar agreement and other compensation arrangements, restricted stock plans, long-term incentive plans, stock appreciation rights plans, participation plans or similar employee benefits or consultants' plans (including valuation, health, insurance, deferred compensation, severance, retirement, savings or similar plans, programs or arrangements) and/or indemnities provided on behalf of officers, employees, directors or consultants approved by the Board of Directors of the Issuer, in each case in the ordinary course of business;
(6) any loans or advances made to, or Guarantees with respect to loans or advances made to, directors, officers, employees or consultants of the Issuer or any Restricted Subsidiary (A) in respect of travel, entertainment or moving-related expenses incurred in the ordinary course of business, (B) in respect of moving related expenses incurred in connection with any closing or consolidation of any facility or office, or (C) in the ordinary course of business and (in the case of this clause (C)) not exceeding U.S.$2.0 million in the aggregate outstanding at any time;	(6) any loans or advances made to, or Guarantees with respect to loans or advances made to, directors, officers, employees or consultants of the Issuer or any Restricted Subsidiary (A) in respect of travel, entertainment or moving-related expenses incurred in the ordinary course of business, (B) in respect of moving related expenses incurred in connection with any closing or consolidation of any facility or office, or (C) in the ordinary course of business and (in the case of this clause (C)) not exceeding U.S.$10 million in the aggregate outstanding at any time;
(7) transactions with customers, clients, suppliers, purchasers or sellers of goods or services, in each case in the ordinary course of business and otherwise in compliance with the terms of the Indenture; *provided* that, in the reasonable determination of the Board of Directors of the Issuer, such transactions are on terms that are not materially less favorable,	(7) transactions with customers, clients, suppliers, purchasers or sellers of goods or services, in each case in the ordinary course of business and otherwise in compliance with the terms of the New Notes Indenture; *provided* that, in the reasonable determination of the Board of Directors of the Issuer, such transactions are on terms that are

	taken as a whole, as could reasonably have been obtained at the time of such transactions in a comparable transaction with a Person that is not an Affiliate of the Issuer (including, for the avoidance of doubt, (i) any Debt provided by Banco Macro S.A. (if it were deemed to be an Affiliate under the Indenture) in its ordinary course of business, and (ii) any Debt acquired, directly or indirectly, by Affiliates of the Issuer so long as (x) acquired in a bona fide public offering registered with the CNV, with the majority of such offering being placed with non-Affiliates of the Issuer, or (y) acquired in the secondary market from third parties); and	not materially less favorable, taken as a whole, as could reasonably have been obtained at the time of such transactions in a comparable transaction with a Person that is not an Affiliate of the Issuer (including, for the avoidance of doubt, (i) any Debt provided by Banco Macro S.A. (if it were deemed to be an Affiliate under the New Notes Indenture) in its ordinary course of business, and (ii) any Debt acquired, directly or indirectly, by Affiliates of the Issuer so long as (x) acquired in a bona fide public offering registered with the CNV, with the majority of such offering being placed with non-Affiliates of the Issuer, or (y) acquired in the secondary market from third parties); and
	(8) transactions pursuant to any agreement or instrument in effect as of the Issue Date, as renewed, extended, amended, modified or replaced from time to time, so long as the amended, modified or new agreements, taken as a whole, are no less favorable to the Issuer and its Restricted Subsidiaries than those in effect on the Issue Date.	(8) transactions pursuant to any agreement or instrument in effect as of the Issue Date, as renewed, extended, amended, modified or replaced from time to time, so long as the amended, modified or new agreements, taken as a whole, are no less favorable to the Issuer and its Restricted Subsidiaries than those in effect on the Issue Date.
Collateral and Assigned PPAs	N/A	The Issuer will not take any action to amend or terminate any Assigned PPAs in a manner that is materially adverse to the rights of the Secured Parties. The Issuer will make all filings, and take all other actions, from time to time necessary to ensure that the Onshore Collateral Trust is at all times subject to a valid and first priority perfected security interest in favor of the Onshore Trustee for the benefit of the Secured Parties.
Changes to Certain Events of Default	(2) the Issuer defaults in the payment of interest (including any Additional Amounts) on any Note when the same becomes due and payable at maturity, upon acceleration or otherwise, and the default continues for a period of 10 days;	(2) the Issuer defaults in the payment of interest (including any Additional Amounts) on any New Note when the same becomes due and payable at maturity, upon acceleration or otherwise, and the default continues for a period of 30 days;
	(4) the Issuer or a Restricted Subsidiary defaults in the performance of or breaches any other covenant or agreement of the Issuer or a Restricted Subsidiary contained in the Indenture	(4) the Issuer or a Restricted Subsidiary defaults in the performance of or breaches any (i) other covenant or agreement of the Issuer or a Restricted Subsidiary contained in the New Notes

or under the Notes, and the default or breach continues for a period of 60 days after written notice to the Issuer by the trustee or to the Issuer and the trustee by the holders of 25% or more in aggregate principal amount of the outstanding Notes;

(5) there occurs with respect to any Debt of the Issuer or any of its Restricted Subsidiaries having an outstanding principal amount of U.S.$20 million (or the equivalent in other currencies) or more in the aggregate for all such Debt of all such Persons (i) an event of default that results in such Debt being due and payable prior to its scheduled maturity or (ii) a failure to make a payment of principal or interest when due and such defaulted payment is not made, waived or extended within the applicable grace period;

(6) one or more final and non-appealable judgments or orders for the payment of money are rendered against the Issuer or any of its Restricted Subsidiaries and are not paid or discharged (and are not covered by adequate insurance by a solvent insurer of national or international reputation that has acknowledged its obligations in writing), and there is a period of 30 days following entry of the final and non-appealable judgment or order (or 30 days, in the event that an enforcement proceeding is commenced upon the entry of such judgment or order) that causes the aggregate amount for all such final and non-appealable judgments or orders outstanding and not paid or discharged against all such Persons to exceed U.S.$20 million (or the equivalent in other currencies) during which a stay of enforcement, by reason of a pending appeal or otherwise, is not in effect;

(11) it becomes unlawful for the Issuer to perform any of its obligations under the Indenture or the Notes, or any payment obligations of the Issuer thereunder ceases to be valid, binding or enforceable or the binding effect or enforceability thereof is contested by the Issuer, or the Issuer denies that it has any further liability or obligation

Indenture or under the New Notes, or (ii) material covenant or agreement of the Issuer in the Onshore Collateral Trust Agreement, and in either case the default or breach continues for a period of 60 days after written notice to the Issuer by the New Notes Trustee or to the Issuer and the New Notes Trustee by the holders of 25% or more in aggregate principal amount of the outstanding New Notes;

(5) there occurs with respect to any Debt of the Issuer (other than the Existing New Notes) or any of its Restricted Subsidiaries having an outstanding principal amount of U.S.$40 million (or the equivalent in other currencies) or more in the aggregate for all such Debt of all such Persons (i) an event of default that results in such Debt being due and payable prior to its scheduled maturity or (ii) a failure to make a payment of principal or interest when due and such defaulted payment is not made, waived or extended within the applicable grace period;

(6) one or more final and non-appealable judgments or orders for the payment of money are rendered against the Issuer or any of its Restricted Subsidiaries and are not paid or discharged (and are not covered by adequate insurance by a solvent insurer of national or international reputation that has acknowledged its obligations in writing), and there is a period of 30 days following entry of the final and non-appealable judgment or order (or 30 days, in the event that an enforcement proceeding is commenced upon the entry of such judgment or order) that causes the aggregate amount for all such final and non-appealable judgments or orders outstanding and not paid or discharged against all such Persons to exceed U.S.$40 million (or the equivalent in other currencies) during which a stay of enforcement, by reason of a pending appeal or otherwise, is not in effect;

(11) it becomes unlawful for the Issuer to perform any of its obligations under the New Notes Indenture, the Onshore Collateral Trust Agreement or the New

	thereunder or in respect thereof (other than in accordance with the terms of the Indenture).	Notes, or any payment obligations of the Issuer thereunder ceases to be valid, binding or enforceable or the binding effect or enforceability thereof is contested by the Issuer, or the Issuer denies that it has any further liability or obligation thereunder or in respect thereof (other than in accordance with the terms of the New Notes Indenture);
Events of Default relating to the Collateral	N/A	(12) the Onshore Collateral Trust Agreement shall cease for any reason to be in full force and effect, or the Onshore Trustee shall cease to have a valid and perfected Lien on the Onshore Peso Collection Account and Onshore U.S. Dollar Accrual Account and all amounts therein, if the Onshore U.S. Dollar Accrual Account is not replaced by a substitute collateral account or other security approved by the holders of a majority in aggregate outstanding principal amount of the New Notes within 60 calendar days after written notice to the Issuer.
Certain Definitions	"Permitted Investments" means: (1) any Investment in the Issuer or in a Restricted Subsidiary, directly or indirectly engaged in a Permitted Business; (2) any Investment in Cash Equivalents; (3) any Investment by the Issuer or any Subsidiary of the Issuer in a Person, if as a result of such Investment, (A) such Person becomes a Restricted Subsidiary engaged in a Permitted Business, or (B) such Person is merged or consolidated with or into, or transfers or conveys substantially all its assets to, or is liquidated into, the Issuer or a Restricted Subsidiary engaged in a Permitted Business; (4) Investments received as non-cash consideration in an Asset Sale made pursuant to and in compliance with "—Certain Covenants—Limitation on Asset Sales" or a disposition of assets not constituting an Asset Sale; (5) Hedging Agreements otherwise permitted under the Indenture;	"Permitted Investments" means: (1) any Investment in the Issuer or in a Restricted Subsidiary, directly or indirectly engaged in a Permitted Business; (2) any Investment in Cash Equivalents; (3) any Investment by the Issuer or any Subsidiary of the Issuer in a Person, if as a result of such Investment, (A) such Person becomes a Restricted Subsidiary engaged in a Permitted Business, or (B) such Person is merged or consolidated with or into, or transfers or conveys substantially all its assets to, or is liquidated into, the Issuer or a Restricted Subsidiary engaged in a Permitted Business; (4) Investments received as non-cash consideration in an Asset Sale made pursuant to and in compliance with "—Certain Covenants—Limitation on Asset Sales" or a disposition of assets not constituting an Asset Sale;

(6) receivables owing to the Issuer or any Restricted Subsidiary created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms; *provided* that such trade terms may include such concessionary trade terms as the Issuer or any such Restricted Subsidiary deems reasonable under the circumstances;

(7) Guarantees issued in accordance with "—Certain Covenants—Limitation on Debt";

(8) payroll, travel and other loans or advances to, or Guarantees issued to support the obligations of, officers and employees, in each case in the ordinary course of business, not in excess of U.S.$2.0 million (or the equivalent in other currencies) outstanding at any time;

(9) Investments in any Project Finance Subsidiary having an aggregate fair market value (taken together with all other Investments made pursuant to this clause (9) that are, at the time outstanding) not to exceed the greater of (i) U.S.$60 million (or the equivalent in other currencies), and (ii) 25% of Consolidated Net Tangible Assets at the time of such Investment (with the fair market value of each Investment being measured at the time made and without giving effect to subsequent changes in value);

(10) prepayments and other credits to suppliers made in the ordinary course of business;

(11) Investments in CARFON in accordance with the Framework Agreement; and

(12) in addition to Investments listed above, other Investments not to exceed the greater of (i) U.S.$50 million (or the equivalent in other currencies) and (ii) 25% of Consolidated Net Tangible Assets.

(5) Hedging Agreements otherwise permitted under the New Notes Indenture;

(6) receivables owing to the Issuer or any Restricted Subsidiary created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms; *provided* that such trade terms may include such concessionary trade terms as the Issuer or any such Restricted Subsidiary deems reasonable under the circumstances;

(7) Guarantees issued in accordance with "—Certain Covenants—Limitation on Debt";

(8) payroll, travel and other loans or advances to, or Guarantees issued to support the obligations of, officers and employees, in each case in the ordinary course of business, not in excess of U.S.$10 million (or the equivalent in other currencies) outstanding at any time;

(9) Investments in any Project Finance Subsidiary having an aggregate fair market value (taken together with all other Investments made pursuant to this clause (9) that are, at the time outstanding) not to exceed the greater of (i) U.S.$150 million (or the equivalent in other currencies) and (ii) 15% of Consolidated Total Assets at the time of such Investment (with the fair market value of each Investment being measured at the time made and without giving effect to subsequent changes in value);

(10) prepayments and other credits to suppliers made in the ordinary course of business;

(11) Investments in the New Notes;

(12) any Investment existing on the Issue Date and any extension, modification or renewal of any such Investments (but not any such extension, modification or renewal to the extent it involves additional advances, contributions or other investments of cash or property, other than reasonable expenses incidental to the structuring, negotiation and consummation of such

	extension, modification or renewal); and
	(13) in addition to Investments listed above, other Investments not to exceed the greater of (i) U.S.$150 million (or the equivalent in other currencies) and (ii) 15% of Consolidated Total Assets.
"Permitted Liens" means:	"Permitted Liens" means:
(1) Liens existing on the Issue Date;	(1) Liens existing on the Issue Date;
(2) Liens securing the Notes;	(2) Liens securing the New Notes;
(3) Liens in favor of issuers of surety or performance bonds or letters of credit or bankers' acceptances or similar obligations issued pursuant to the request of and for the account of such Person in the ordinary course of its business;	(3) Liens in favor of issuers of surety or performance bonds or letters of credit or bankers' acceptances or similar obligations issued pursuant to the request of and for the account of such Person in the ordinary course of its business;
(4) pledges or deposits under worker's compensation laws, unemployment insurance laws or similar legislation, or good faith deposits in connection with bids, tenders, contracts or leases, or to secure public or statutory obligations, surety bonds, customs duties and the like, or for the payment of rent, in each case incurred in the ordinary course of business and not securing Debt;	(4) pledges or deposits under worker's compensation laws, unemployment insurance laws or similar legislation, or good faith deposits in connection with bids, tenders, contracts or leases, or to secure public or statutory obligations, surety bonds, customs duties and the like, or for the payment of rent, in each case incurred in the ordinary course of business and not securing Debt;
(5) Liens imposed by law, such as landlord's, carriers', vendors', warehousemen's, materialmen's, repairmen's, mechanics' liens or other similar Liens arising in the ordinary course of business, in each case for sums not yet due or being contested in good faith and by appropriate proceedings;	(5) Liens imposed by law, such as landlord's, carriers', vendors', warehousemen's, materialmen's, repairmen's, mechanics' liens or other similar Liens arising in the ordinary course of business, in each case for sums not yet due or being contested in good faith and by appropriate proceedings;
(6) Liens in respect of taxes and other governmental assessments and charges which are not yet due or which are being contested in good faith and by appropriate proceedings;	(6) Liens in respect of taxes and other governmental assessments and charges which are not yet due or which are being contested in good faith and by appropriate proceedings;
(7) minor survey exceptions, minor encumbrances, easements or reservations of, or rights of others for, licenses, rights of way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions as to the use of real property, not interfering in any material respect with the conduct of the business	(7) minor survey exceptions, minor encumbrances, easements or reservations of, or rights of others for, licenses, rights of way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions as to the use of real property, not interfering in any material respect with the conduct of the business

of the Issuer and the Restricted Subsidiaries;

(8) licenses or leases or subleases as licensor, lessor or sublessor of any of its property, including intellectual property, in the ordinary course of business;

(9) judgment liens, so long as no Event of Default then exists as a result thereof;

(10) Liens (including the interest of a lessor under a Capital Lease) on property (including revenues therefrom and property incidental thereto) that secure Debt Incurred for the purpose of financing all or any part of the purchase price or cost of construction or improvement of such property and which attach within 365 days after the date of such purchase or the completion of construction or improvement;

(11) Liens on property or shares of stock of a Person at the time such Person becomes a Restricted Subsidiary of the Issuer; provided such Liens were not created in contemplation thereof and do not extend to any other property of the Issuer or any Restricted Subsidiary;

(12) Liens on property at the time the Issuer or any of the Restricted Subsidiaries acquires such property, including any acquisition by means of a merger or consolidation with or into the Issuer or a Restricted Subsidiary of such Person; provided such Liens were not created in contemplation thereof and do not extend to any other property of the Issuer or any Restricted Subsidiary;

(13) Liens securing Debt or other obligations of a Restricted Subsidiary owing to the Issuer or another Restricted Subsidiary;

(14) Liens securing Hedging Agreements so long as such Hedging Agreements relate to Debt for borrowed money that is, and is permitted to be under the Indenture, secured by a Lien on the same property securing such Hedging Agreements;

(15) any pledge of the Capital Stock of an Unrestricted Subsidiary (including, for the avoidance of doubt, any Project

of the Issuer and the Restricted Subsidiaries;

(8) licenses or leases or subleases as licensor, lessor or sublessor of any of its property, including intellectual property, in the ordinary course of business;

(9) judgment liens, so long as no Event of Default then exists as a result thereof;

(10) Liens (including the interest of a lessor under a Capital Lease) on property (including revenues therefrom and property incidental thereto) that secure Debt Incurred for the purpose of financing all or any part of the purchase price or cost of construction or improvement of such property and which attach within 365 days after the date of such purchase or the completion of construction or improvement;

(11) Liens on property or shares of stock of a Person at the time such Person becomes a Restricted Subsidiary of the Issuer; *provided* such Liens were not created in contemplation thereof and do not extend to any other property of the Issuer or any Restricted Subsidiary;

(12) Liens on property at the time the Issuer or any of the Restricted Subsidiaries acquires such property, including any acquisition by means of a merger or consolidation with or into the Issuer or a Restricted Subsidiary of such Person; *provided* such Liens were not created in contemplation thereof and do not extend to any other property of the Issuer or any Restricted Subsidiary;

(13) Liens securing Debt or other obligations of a Restricted Subsidiary owing to the Issuer or another Restricted Subsidiary;

(14) Liens securing Hedging Agreements so long as such Hedging Agreements relate to Debt for borrowed money that is, and is permitted to be under the New Notes Indenture, secured by a Lien on the same property securing such Hedging Agreements;

(15) any pledge of the Capital Stock of an Unrestricted Subsidiary (including, for the avoidance of doubt, any Project

Finance Subsidiary) to secure Debt of such Unrestricted Subsidiary;	Finance Subsidiary) to secure Debt of such Unrestricted Subsidiary;
(16) Liens securing Debt Incurred with any multilateral, government or government-owned development bank or export-import bank or credit agency or Incurred to finance the construction of the Madryn Wind Farm Project, in an aggregate amount at any time outstanding not to exceed U.S.$40 million (or the equivalent in other currencies);	(16) extensions, renewals or replacements of any Liens referred to in clauses (1), (2), (10), (11) or (12) in connection with the Refinancing of the obligations secured thereby; *provided* that such Lien does not extend to any other property and, except as contemplated by the definition of "Refinancing Debt," the amount secured by such Lien is not increased; and
(17) extensions, renewals or replacements of any Liens referred to in clauses (1), (2), (10), (11) or (12) in connection with the Refinancing of the obligations secured thereby; provided that such Lien does not extend to any other property and, except as contemplated by the definition of "Refinancing Debt," the amount secured by such Lien is not increased; and	(17) other Liens securing Debt in an aggregate amount not exceeding the greater of (x) U.S.$100 million and (y) 10% of Consolidated Total Assets.
(18) other Liens securing Debt in an aggregate amount not exceeding the greater of (x) U.S.$25 million and (y) 10% of Consolidated Net Tangible Assets.	

Private Notes

The terms of the New Notes will be materially different from the terms of the Private Notes. Eligible Holders of the Private Notes are urged to read the "Description of the New Notes" in its entirety for a description of the terms of the New Notes.

FORM OF NEW NOTES, CLEARING AND SETTLEMENT

Global Notes

The New Notes will be issued in the form of two registered notes in global form, without interest coupons (the "Global Notes"), as follows:

- New Notes sold to "qualified institutional buyers" as defined in Rule 144A under the Securities Act will be represented by the "Rule 144A Global Note"; and
- New Notes sold in offshore transactions to non-U.S. Persons in reliance on Regulation S will be represented by the Regulation S Global Note.

Upon issuance, each of the Global Notes will be deposited with the New Notes Trustee as custodian for DTC and registered in the name of Cede & Co., as nominee of DTC.

Ownership of beneficial interests in each Global Note will be limited to DTC Participants or persons who hold interests through DTC Participants (including Euroclear and Clearstream).

Ownership of beneficial interests in each Global Note will be shown on, and transfer of ownership of those interests will be effected only through, records maintained by DTC (with respect to interests of DTC Participants) and the records of DTC Participants (with respect to other owners of beneficial interests in the Global Note).

Beneficial interests in the Global Notes may not be exchanged for notes in physical, certificated form except in the limited circumstances described below.

Each Global Note and beneficial interests in each Global Note will be subject to restrictions on transfer as described under "Transfer Restrictions."

Exchanges Between the Global Notes

Beneficial interests in one Global Note may generally be exchanged for interests in another Global Note. Depending on whether the transfer is being made during or after the 40-day period commencing on the original issue date of the New Notes, and to which Global Note the transfer is being made, the seller may be required to provide certain written certifications in the form provided in the New Notes Indenture.

A beneficial interest in a Global Note that is transferred to a person who takes delivery through another Global Note will, upon transfer, become subject to any transfer restrictions and other procedures applicable to beneficial interests in the other Global Note.

Book-Entry Procedures for the Global Notes

All interests in the Global Notes will be subject to the operations and procedures of DTC, Euroclear and Clearstream. We provide the following summaries of those operations and procedures solely for the convenience of investors. The operations and procedures of each settlement system are controlled by that settlement system and may be changed at any time. Neither we nor the dealer managers and solicitation agents are responsible for those operations or procedures.

DTC has advised that it is:

- a limited purpose trust company organized under the New York State Banking Law;
- a "banking organization" within the meaning of the New York State Banking Law;
- a member of the U.S. Federal Reserve System;
- a "clearing corporation" within the meaning of the New York Uniform Commercial Code; and
- a "clearing agency" registered under Section 17A of the Exchange Act.

DTC was created to hold securities for its participants and to facilitate the clearance and settlement of securities transactions between its participants through electronic book-entry changes to the accounts of its participants. DTC's participants include securities brokers and dealers, including the dealer managers and solicitation agents; banks and trust companies; clearing corporations; and certain other organizations. Indirect access to DTC's system is also available to others such as banks, brokers, dealers and trust companies; these

indirect participants clear through or maintain a custodial relationship with a DTC Participant, either directly or indirectly. Investors who are not DTC Participants may beneficially own securities held by or on behalf of DTC only through DTC Participants or indirect participants in DTC (including Euroclear or Clearstream).

So long as DTC or its nominee is the registered owner of a Global Note, DTC or its nominee will be considered the sole owner or holder of the New Notes represented by that Global Note for all purposes under the New Notes Indenture. Except as provided below, owners of beneficial interests in a Global Note:

- will not be entitled to have New Notes represented by the Global Note registered in their names;
- will not receive or be entitled to receive physical, certificated notes; and
- will not be considered the registered owners or holders of the New Notes under the New Notes Indenture for any purpose, including with respect to the giving of any direction, instruction or approval to the New Notes Trustee under the New Notes Indenture.

As a result, each investor who owns a beneficial interest in a Global Note must rely on the procedures of DTC to exercise any rights of a holder of New Notes under the New Notes Indenture (and, if the investor is not a participant or an indirect participant in DTC, on the procedures of the DTC Participant through which the investor owns its interest).

Payments of principal, premium, if any, and interest with respect to the New Notes represented by a Global Note will be made by the New Notes Trustee to DTC's nominee as the registered holder of the Global Note. None of us, the New Notes Trustee or any of our respective agents will have any responsibility or liability for the payment of amounts to owners of beneficial interests in a Global Note, for any aspect of the records relating to or payments made on account of those interests by DTC, or for maintaining, supervising or reviewing any records of DTC relating to those interests.

Payments by participants and indirect participants in DTC to the owners of beneficial interests in a Global Note will be governed by standing instructions and customary practices and will be the responsibility of those participants or indirect participants and not of DTC, its nominee or us.

Transfers between participants in DTC will be effected under DTC's procedures and will be settled in same-day funds. Transfers between participants in Euroclear and Clearstream will be effected in the ordinary way under the rules and operating procedures of those systems.

Cross-market transfers between DTC Participants, on the one hand, and Euroclear or Clearstream participants, on the other hand, will be effected within DTC through the DTC Participants that are acting as depositaries for Euroclear and Clearstream. To deliver or receive an interest in a Global Note held in a Euroclear or Clearstream account, an investor must send transfer instructions to Euroclear or Clearstream, as the case may be, under the rules and procedures of that system and within the established deadlines of that system. If the transaction meets its settlement requirements, Euroclear or Clearstream, as the case may be, will send instructions to its DTC depositary to take action to effect final settlement by delivering or receiving interests in the relevant Global Notes in DTC, and making or receiving payment. Euroclear or Clearstream participants may not deliver instructions directly to the DTC depositaries that are acting for Euroclear or Clearstream.

Because of time zone differences, the securities account of a Euroclear or Clearstream participant that purchases an interest in a Global Note from a DTC Participant will be credited on the business day for Euroclear or Clearstream immediately following the DTC settlement date. Cash received in Euroclear or Clearstream from the sale of an interest in a Global Note to a DTC Participant will be received with value on the DTC settlement date but will be available in the relevant Euroclear or Clearstream cash account as of the business day for Euroclear or Clearstream following the DTC settlement date.

DTC, Euroclear and Clearstream have agreed to the above procedures to facilitate transfers of interests in the Global Notes among participants in those settlement systems. However, the settlement systems are not obligated to perform these procedures and may discontinue or change these procedures at any time. None of us, the New Notes Trustee or any of our respective agents will have any responsibility for the performance by DTC, Euroclear or Clearstream or their participants of indirect participants of their obligations under the rules and procedures governing their operations.

Certificated Notes

Beneficial interests in the Global Notes may not be exchanged for New Notes in physical, certificated form unless:

- DTC notifies us at any time that it is unwilling or unable to continue as depositary for the Global Notes and a successor depositary is not appointed within 90 days;
- DTC ceases to be registered as a clearing agency under the Exchange Act and a successor depositary is not appointed within 90 days;
- we, at our option, notify the New Notes Trustee that we elect to cause the issuance of certificated New Notes; or
- certain other events provided in the New Notes Indenture should occur, including the occurrence and continuance of an event of default with respect to the New Notes, and a request for such exchange has been made by the holder.

In all cases, certificated New Notes delivered in exchange for any Global Note will be registered in the names, and issued in any approved denominations, requested by the depositary and will bear a legend indicating the transfer restrictions of that particular New Note.

Replacement of New Notes

In the event that any New Note becomes mutilated, defaced, destroyed, lost or stolen, we will execute and, upon our request, the New Notes Trustee will authenticate and deliver a New Note, of like tenor (including the same date of issuance) and equal principal amount, registered in the same manner, and bearing interest from the date to which interest has been paid on such New Note, in exchange and substitution for such New Note (upon surrender and cancellation thereof) or in lieu of and substitution for such New Note. In the event that such New Note is destroyed, lost or stolen, the applicant for a substitute New Note will furnish to us and the New Notes Trustee such security or indemnity as may be required by them to hold each of them harmless, and, in every case of destruction, loss or theft of such New Note, the applicant will also furnish to us and the New Notes Trustee satisfactory evidence of the destruction, loss or theft of such New Note and of the ownership thereof. Upon the issuance of any substituted New Note, we may require the payment by the registered holder thereof of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other fees and expenses (including the fees and expenses of the New Notes Trustee) connected therewith.

For information concerning paying agents and transfer agents for any New Notes in certificated form, see "Description of the New Notes—Trustee, Registrar, Paying Agent and Transfer Agent for the New Notes."

TAXATION

General

This section summarizes certain Argentine tax and United States federal income tax considerations relating to the Exchange Offer and Solicitation and the ownership and disposition of the New Notes. This summary does not provide a comprehensive description of all tax considerations that may be relevant to a decision to participate in the Exchange Offer. This summary does not describe any tax consequences arising under the laws of any state, locality or taxing jurisdiction other than Argentina and the United States.

This summary is based on the tax laws of Argentina and the United States as in effect on the date of this Exchange Offer and Consent Solicitation Memorandum, as well as regulations, rulings and decisions of Argentina and the United States available on or before that date and now in effect. Those laws, regulations, rulings and decisions are subject to change and changes could apply retroactively, which could affect the continued accuracy of this summary.

Prospective acquirers of the New Notes should consult their own tax advisors as to the Argentine, United States or other tax consequences of the Exchange Offer and Consent Solicitation, and the ownership and disposition of the New Notes or beneficial interests therein. They should especially consider how the tax considerations discussed below, as well as the application of state, local, foreign or other tax laws, could apply to them in their particular circumstances.

Certain Argentine Tax Considerations

The following is a general summary of the principal Argentine tax consequences that would arise as a result of the participation in and acceptance of the Exchange Offer by holders of the Existing Notes.

This summary is based on the tax laws and regulations in effect in Argentina as of the date of this Exchange Offer and Consent Solicitation Memorandum. This summary is subject to any subsequent, possibly retroactive, changes in Argentine law and/or specific regulations, which may come into effect after that date. No assurance can be given that the Argentine tax authorities and/or courts responsible for the enforcement of these laws agree with this interpretation.. This summary does not address all of the Argentine tax consequences that may be applicable to specific holders of the Existing Notes and does not purport to be a comprehensive description of all the Argentine tax considerations that may be relevant to a decision to participate in the Exchange Offer.

Holders of the Existing Notes should consult with their own tax advisors regarding the particular consequences that would arise as a result of their participation in and acceptance of the Exchange Offer under the federal laws of Argentina or any other jurisdiction or under any applicable double taxation treaty.

Income Tax

Exchange of Series XX Notes for New Notes

For the purpose of this section we understand that the Series XX Notes were issued in accordance with the Negotiable Obligations Law and qualify for tax-exempt treatment under Article 36 bis thereof (the "Article 36 bis Exemption") and the New Notes (i) will be placed in a public offering authorized by the CNV and (ii) as well as according with all the conditions under Article 36 of the Negotiable Obligations Law. Therefore, the following tax regulations should apply.

a) Non-Argentine holders

Under the provisions of subsection u) of the Article 26 of the Income Tax Law ("ITL"), capital gains derived from the sale, exchange, conversion or other disposition of negotiable obligations (e.g. the Series XX Notes) obtained by non-Argentine residents (persons included in Title V of the ITL, which refers to individuals, undivided estates or legal entities that are considered foreign residents that obtain income from an Argentine source ("Foreign Beneficiaries")) are exempt from income tax to the extent that such Foreign Beneficiaries do not reside in non-cooperative jurisdictions and the funds invested do not come from non-cooperative jurisdictions.

In addition, Article 33 of the Law No. 27,541 of Social Solidarity and Productive Reactivation (the "Solidarity Law"), restored the validity of the Article 36 bis Exemption that on the other hand, exempts from

income tax the results derived from the sale, exchange, conversion or other disposition of negotiable obligations (e.g., the Series XX Notes) if the conditions of the Article 36 of the Negotiable Obligations Law are complied with ("the Exemption Requirements and Conditions"). The Exemption Requirements and Conditions are:

(i) the notes must be placed by means of a public offering approved by the CNV;

(ii) the proceeds obtained from the issue of the notes must be applied either to (i) investments in tangible assets and fixed assets located in Argentina, (ii) the acquisition of ongoing concern located in Argentina, (iii) working capital in Argentina, (iv) refinancing of debts, (v) capital contributions to controlled or affiliated corporations, (vi) the acquisition of capital stock, (vii) financing of the ordinary business of the issuer, provided that such proceeds are used only for the purposes set forth in (i), (ii), (iii), (iv), (v) or (vi) above, and/or (viii) granting loans (when the issuer is a financial entity ruled by the Argentine Financial Entities Law No. 21,526), which funds must be used by the borrowers for the purposes set forth above, according to the rules enacted for such purpose by the Central Bank of Argentina (in this case the financial entity will be the one responsible for evidencing the use of proceeds in the manner determined by the CNV); and

(iii) the issuer must have the use-of-proceeds plan accredited before the CNV in the time and manner prescribed by CNV Regulations, providing evidence that the proceeds from the issue of the notes have been used for the purposes described in paragraph (ii) above.

The Frequent Issuer Notes Program's public offering has been authorized by the CNV pursuant to Resolution No. DI-2021-10-APN-GE#CNV dated April 19, 2021, while it has been agreed to allocate the funds from the issuance of the New Notes under the Frequent Issuer Notes Program in accordance with the Exemption Requirements and Conditions.

If the issuance does not satisfy the Exemption Requirements and Conditions, Article 38 of the Negotiable Obligations Law sets forth that the benefits stemming from the tax treatment afforded by that law are forfeited and therefore, the issuer shall be liable for payment of the taxes payable by the holders. When this is the case, the issuer must pay the highest income tax rate applicable to resident individuals, as stated in Article 94 of the ITL (currently at 35%) on the total income accrued in favor of investors. Pursuant to General Resolution (AFIP) No. 1516/2003 modified by General Resolution (AFIP) No. 1578/2003, AFIP regulated the mechanism for the issuer to pay income tax when a failure to comply with any of the requirements under Article 36 of the Negotiable Obligations Law has taken place. In that case, and subject to certain exceptions, we will pay the additional amounts so that the net amounts received by the holders will be equal to the amounts they would have received without this withholding. See "Description of the New Notes."

Article 33 of the Solidarity Law clarifies that Foreign Beneficiaries would not be subject to the provisions of Article 28 of the ITL or Article 106 of Law No. 11,683 (as restated in 1998, as amended) which restrict the application of exemptions when this could result in a transfer of income to foreign tax authorities.

Payment of accrued and unpaid interest on the Series XX Notes accepted in the Exchange Offer would not be subject to income tax withholding if the Article 36 bis Exemption and the exemption under subsection u) of Article 26 of the ITL were to be applicable.

b) Argentine resident individuals and undivided estates

In view of the tax reforms introduced by Law No. 27,430 and the Solidarity Law from the entry into force of Law 27,430 and until the entry into force of the Solidarity Law, Argentine source income obtained by Argentine resident individuals and undivided estates derived from the payment of interest on notes and from the sale, exchange, conversion or other disposition of notes would be subject to income tax. Hence, payment of accrued and unpaid interest originated on the Series XX Notes prior to the entry into force of the Solidarity Law in December 2019, would be subject to income tax at the rate of 15% (given they are foreign currency-denominated securities).

General Resolution (AFIP) No. 4190-E/2018 provides that the withholding regime set forth under General Resolution (AFIP) No. 830/2000 will not be applicable to individuals and undivided estates that are considered Argentine residents in relation to interest obtained as a consequence of the holding of notes.

In relation to individuals and undivided estates that are considered Argentine residents, Law No. 27,430 established several specific rules that (i) regulate the allocation of profits arising from securities bearing interest

or returns, such as notes, and (ii) limit the possibility of offsetting the results arising from such investments with results arising from other transactions.

However, it is important to highlight that the Solidarity Law abrogated, the provisions of Article 95 and part of the provisions of Article 96 of the ITL that established a cedular tax on interest payments resulting from the placement of capital in Argentine securities (e.g., interest derived from the Series XX Notes).

In addition, Article 33 of the Solidarity Law restored the validity of the Article 36 bis Exemption that on the other hand, exempts from income tax the results derived from the sale, exchange, conversion or other disposition of notes and the interest received by individuals and undivided estates that are considered residents in Argentina for tax purposes if the conditions of the Article 36 of the Negotiable Obligations Law are complied with.

Consequently, Argentine tax resident individuals and undivided estates would not be subject to capital gains tax on the exchange of the Series XX Notes if the Article 36 bis Exemption were to be applicable.

In addition, Article 34 of the Solidarity Law, applicable as from fiscal year 2020, provides that in the case of financial assets reached by the provisions of Article 98 of the ITL, not included in the first paragraph of subsection u) of the Article 26 of the ITL (e.g., the Series XX Notes), Argentine resident individuals and undivided estates are exempt for the results derived from their sale, exchange, exchange or disposal, to the extent that they are listed on stock exchanges or securities markets authorized by the CNV.

c) Argentine Entities

The Article 36 bis Exemption and the exemption under subsection u) of the Article 26 of the ITL are not applicable to Argentine taxpayers subject to the tax adjustment for inflation rules in Argentina in accordance with Title VI of the ITL (in general, such taxpayers are legal entities organized under Argentine laws, local branches of foreign legal entities based in Argentina, sole proprietorships or natural persons engaged in certain commercial activities in Argentina, among others) ("Argentine Entities"). Hence, such taxpayers would be subject to capital gains tax on the exchange of the Series XX Notes for the New Notes and for accrued and unpaid interest on the Series XX Notes.

Pursuant to Law 27,630 the income tax rate applicable to Argentine Entities is amended, establishing a progressive tax rate system (rates from 25% to 35% depending on the accumulated taxable net income) and the application of a 7% withholding rate to any dividend or profit made by said subjects to Argentine resident individuals and Foreign Beneficiaries generated as from January 1, 2018, inclusive, disregarding the tax period when the respective dividend or profit is made available for said shareholders. Said modifications will take effect from the fiscal periods beginning as of January 1, 2021.

Exchange of the Private Notes for New Notes

Since the Article 36 bis Exemption and the exemption under subsection u) of Article 26 of the ITL are not applicable to Private Notes, gains derived from the exchange of the Private Notes for the New Notes and for accrued and unpaid interest on the Private Notes are subject to income tax. Holders of the Private Notes should consult with their tax advisors for further details.

New Notes

Interest and Capital Gains

a) Interest and capital gains earned by Foreign Beneficiaries

Both interest paid on the New Notes and any capital gains resulting from any form of disposition of the New Notes made by Foreign Beneficiaries are exempt from income tax under subsection u) of the Article 26 of the ITL provided that (i) the Exemption Requirements and Conditions are complied with; and (ii) such Foreign Beneficiaries do not reside in non-cooperative jurisdictions and the funds invested to purchase the New Notes by such Foreign Beneficiaries do not come from non-cooperative jurisdictions. In connection with such exemption, the CNV is authorized to regulate and supervise, within the scope of its attributes, the conditions established in subsection u) of the Article 26 of the ITL in accordance with the Capital Markets Law.

Article 28 of the ITL and Article 106 of Law No. 11,683 (as restated in 1998, as amended) limit the application of tax exemptions when such application could result in a transfer of revenue to foreign tax authorities. Nevertheless, Foreign Beneficiaries are not subject to such provisions and the above-mentioned exemption is applicable, regardless if it involves the transfer of income to foreign tax authorities.

If Foreign Beneficiaries reside in a non-cooperative jurisdiction or the invested funds were originated in a non-cooperative jurisdiction, interest paid and any capital gains resulting from any form of disposal of the New Notes (whether they comply or not with the Exemption Requirements and Conditions) will be subject to income tax withholding. Eligible Holders who are (i) Argentine Entity Offerees or (ii) Non-Cooperating Jurisdiction Offerees will have to inform us of such condition when tendering their order, so that we are made aware of the need to withhold any taxes, if applicable. Holders who are not Argentine Entity Offerees nor Non-Cooperating Jurisdiction Offerees will not have to account for their condition.

In the case of interest paid on the New Notes that are not exempt, the effective withholding tax rate would be: (i) 15.05% to the extent the issuer is a financial entity governed by Law No. 21,526; or if the issuer is an Argentine corporate entity and the holder is a Foreign Beneficiary banking or financial institution under the supervision of the respective central bank or equivalent agency, that (a) is domiciled in a jurisdiction which is not deemed a non-cooperative jurisdiction nor a no tax or low-tax jurisdiction under the ITL (see "—Income of funds arising from non-cooperative jurisdictions or low or no tax jurisdictions" for the definition of "non-cooperative jurisdiction" and "no tax or low-tax jurisdiction"); or (b) is domiciled in a jurisdiction that has entered into an information exchange agreement with Argentina and that, in addition, pursuant to its internal rules, may not claim banking secrecy or stock exchange secrecy or otherwise, upon a request for information of the relevant tax agency; or (ii) 35% otherwise. Capital gains derived from the disposition of the New Notes by holders mentioned in a) and b) above would be taxed in accordance with Article 104 subsection i) of the ITL, at the rate of 35%. In order to determine the capital gains tax, the net gain is assumed to be 90% of the gross sales price, thus resulting in an effective 31.5% rate.

b) Interest and capital gains earned by Argentine resident individuals and undivided estates.

The Solidarity Law abrogated, as from fiscal year 2020, the provisions of Article 95 and part of the provisions of Article 96 of the ITL that established a cedular tax on interest payments resulting from the placement of capital in Argentine securities (e.g., interest derived from the New Notes).

In addition, Article 33 of the Solidarity Law restored the validity of the Article 36 bis Exemption that on the other hand, exempts from income tax the interest payments coming from negotiable obligations that comply with the Exemption Requirements and Conditions. Hence, if the Article 36 bis Exemption were to apply, interest payments on the New Notes would be exempt from income tax.

Under a reasonable interpretation of paragraph 7 of subsection u) of Article 26 of the ITL, gains obtained by Argentine resident individuals and undivided estates derived from the sale, exchange, conversion or other disposition of negotiable obligations would be exempt from income tax, as long as such negotiable obligations are listed on stock exchanges or stock markets authorized by the CNV.

Furthermore, Article 33 of the Solidarity Law restored the validity of the exemptions abrogated by sections b), and d) of the Article 81 of Law 27,430, which amended the ITL in 2018. Thus, any interest on the New Notes as well as any gain from the sale, exchange, conversion or other disposition of the New Notes should be exempt from income tax. However, it is being discussed by scholars if the scope of the reinsertion includes capital gains arising from the sale or disposition of negotiable obligations.

c) Interest and capital gains earned by Argentine Entities

Decree No. 1,076/92, as amended by Decree No. 1157/1992, ratified by Argentine Law No. 24,307, eliminated the Article 36 bis Exemption for holders of negotiable obligations subject to Title VI of the ITL. As a result, Argentine Entities will be subject to income tax on interest arising from the New Notes and capital gains derived from the sale, exchange, conversion or other disposition of the New Notes.

As stated above, pursuant to Law 27,630 the income tax rate applicable to Argentine Entities is amended, establishing a progressive tax rate system (rates from 25% to 35% depending on the accumulated taxable net income) and the application of a 7% withholding rate to any dividend or profit made by said subjects to Argentine resident individuals and Foreign Beneficiaries generated as from January 1, 2018, inclusive, disregarding the

tax period when the respective dividend or profit is made available for said shareholders. Said modifications took effect from the fiscal periods beginning as of January 1, 2021.

The gross profit derived from the sale of the New Notes made by Argentine Entities would be determined by deducting the acquisition cost from the transfer price. In addition, the ITL considers that losses deriving from certain financial transactions have a specific nature. Investors should consider the potential impact this may have on their specific case.

Value Added Tax

All financial transactions and operations related to the issuance, placement, purchase, sale, transfer, payment of principal and/or interest, or the redemption of the New Notes and the Series XX Notes placed through public offering and their guarantees are exempt from Value Added Tax provided that their issuance complies with all the Exemption Requirements and Conditions. Interest under the Private Notes would be subject to Value Added Tax. The applicable rate may be 10.5% or 21% on the interest paid, depending on the characteristics of the holder. Holders of the Private Notes should consult with their tax advisors for further details.

Even if the Exemption Requirements and Conditions are not met, the sale or transfer of New Notes will be exempt from this tax pursuant to Article 7(b) of the Value Added Tax Act, in accordance with the amendments effected by Decree No. 280/1997. The above-mentioned exemptions operate in relation to transactions carried out in Argentina with respect to both Argentine and foreign securities; while those carried out abroad are outside the scope of the tax.

Personal Assets Tax

Under the Personal Assets Tax Act No. 23,966, as amended (the "Personal Assets Tax Act"), and Regulatory Decree No. 127/1996, individuals and undivided estates resident in Argentina are subject to a Personal Assets Tax (the "Personal Assets Tax") on their assets located both in the country or abroad (such as the New Notes) held at December 31 of each year, unless an exemption applies. Individuals and undivided estates not residing in Argentina are only liable for this tax upon their assets located in Argentina (such as the New Notes) held at December 31 of each year, unless an exemption applies. Securities, such as the New Notes, are only deemed to be located in Argentina when issued by an entity residing in Argentina, such as the Issuer.

The Personal Assets Tax is calculated by reference to market value, in the case of negotiable securities listed on any market, or to the acquisition cost plus the interest accrued and unpaid and exchange rate differences, in the case of negotiable securities not listed on public markets, in both cases as of December 31 of each year. As of fiscal year 2019, the non-taxable minimum of AR$ 2,000,000 established by Act No. 27,480, published in the Official Gazette on December 21, 2018, applies. However, the household would not be subject to Personal Assets Tax provided its valuation does not exceed AR$ 18,000,000.

For Argentine resident individuals and undivided estates located in Argentina, Personal Assets Tax is levied on the aggregate value of taxable personal assets existing as of December 31 of each year, in excess of the non-taxable minimum. The exceeding amount over the non-taxable minimum threshold shall be subject to taxation according to the following table:

Taxable assets which exceed the non-taxable minimum threshold		Pay AR$	plus %	Over the exceeding amount of AR$
More than AR$	To AR$			
0	3,000,000, inclusive	0	0.50 %	0
3,000,000	6,500,000, inclusive	15,000	0.75 %	3,000,000
6,500,000	18,000,000, inclusive	41,250	1.00 %	6,500,000
18,000,000	onwards	156,250	1.25 %	18,000,000

Table 1 –- Source TEXT S/ACT 27541 - BO: 12/23/2019

The Solidarity Law authorized the Argentine executive branch, until December 31, 2020, to establish higher rates (up to 100% of the maximum set forth in the above table) for tax assets located abroad, and to reduce such rates if the taxpayer repatriates at least 5% of the total value of its assets located abroad (which includes the repatriation of funds obtained through the sale of financial assets located abroad and of foreign currency held abroad). Those differential tax rates were established through Decree No. 99/2019. Additionally, for the application of the differential rates, the law established a definition for the concept "financial assets located abroad" by listing different types of assets such as deposits in foreign currency in banks and/or foreign financial or similar institutions and corporate shares or equivalent (private securities, shares, quotas and other participations) of all types of entities.

Regarding assets located in Argentina, individuals and undivided estates resident abroad will be subject to the 0.50% rate, it being stipulated, however, that the income tax will not apply when its amount is equivalent to or less than AR$ 255.75. Although the New Notes directly held by individuals residing abroad and undivided estates located abroad would technically be subject to the Personal Assets Tax, under current legislation the procedure for payment of the tax has not been established in relation to the New Notes held by such taxpayers.

Although Personal Assets Tax applies only to securities held by individuals or undivided estates resident in Argentina or abroad, as described above, the Personal Assets Act sets forth a legal presumption, regardless of any evidence to the contrary, whereby securities issued by Argentine private issuers directly owned by a foreign legal entity that (i) is a resident in a jurisdiction not requiring registration of private shares or securities, and (ii) either (a) under its corporate charter, or under the regulatory system applying to such foreign entity, may only carry on investment activities outside the jurisdiction where it was organized, or (b) may not enter into certain transactions permitted under its corporate charter or under the regulatory framework in its jurisdiction of incorporation, are deemed to be owned by an individual domiciled, or an undivided estate located, in Argentina, and therefore subject to Personal Assets Tax.

In such case, the law provides that the issuer (the "Substitute Obligor") has the duty to pay Personal Assets Tax at twice the rate stated above. The Personal Assets Tax Act empowers the Substitute Obligor to seek reimbursement of any tax amount so paid, including by way of withholding or foreclosing directly on the assets originating such payment.

The above legal presumption does not apply to the following foreign entities that are direct holders of securities such as the New Notes: (a) insurance companies; (b) open-end mutual funds; (c) pension funds; and (d) banks or financial institutions whose headquarters are located in countries whose central banks or equivalent bodies have adopted the international banking supervision standards established by the Basel Committee. Similarly, Decree 812/1996 dated July 24, 1996 provides that the legal presumption analyzed above shall not apply to private shares and securities, such as the New Notes, whose public offering has been authorized by the CNV and which may be traded in markets or stock exchanges located in Argentina or abroad. In order to ensure that this legal presumption will not apply, and therefore that the Argentine private issuer will not be liable as a Substitute Obligor in connection with the New Notes, the issuer shall keep in its records a duly certified copy of the CNV resolution authorizing the public offering of the private shares or debt securities (in this case, the New Notes) and evidence that such certificate or authorization was in effect on December 31 of the year in which the tax obligation arose as required by General Resolution (AFIP) No. 2,151 dated October 31, 2006.

Bank Debits and Credits Tax

Act No. 25,413, as amended, establishes, with exceptions, a tax applicable to debits and credits in accounts opened with institutions governed by the Argentine Financial Entities Law No. 21,526 and on other transactions replacing the use of such current accounts.

The general rate is 0.6% on each debit and credit. Rates of 1.2% or 0.075% may be applied to certain specially planned transactions.

Pursuant to Decree No. 409/2018 (published in the Official Gazette of Argentina on May 7, 2018), 33% of the tax paid levied on the debits and credits at the 0.6% tax rate and 33% of the tax paid on transactions levied

at a 1.2% rate will be considered as a payment on account of federal taxes[2] and/or on account of the Special Tax for Cooperatives. The remaining amount may be deducted from the income tax base. If a lower rate were applicable the tax credit would be 20%.

For micro, small and medium-sized companies registered as such in accordance with the provisions of Argentine legislation, the percentage of prepayment of the income tax may be higher, as applicable.

Regarding debits and credits verified in accounts opened in Argentine financial entities, the Solidarity Law provides that, for taxable events occurred as of December 24, 2019, when cash withdrawals are made under any form, debits incurred in such accounts will be subject to the double of the tax rate set forth for each case, over the amount of the relevant withdrawal. This rate increase will not apply to accounts whose holders are individuals or legal entities that evidence their condition as "micro" and "small" companies.

Article 10 subsection (s) of the Annex to Decree No. 380/2001 as amended, sets forth that debits and credits from and into special current accounts (Communication "A" 3250 of the Argentine Central Bank) are not subject to this tax if the holders of such accounts are foreign entities and the accounts are exclusively used in connection with financial investments in Argentina.

In order to obtain certain exemptions and/or reductions in the rate of this tax, it may be necessary to register the bank accounts with the tax authority (AFIP-DGI) in accordance with the provisions of General Resolution AFIP No. 3900/2016.

Act No. 27,432 (promulgated and published in the Official Gazette on December 29, 2017) extended this tax until December 31, 2022, inclusive.

Tax for an Inclusive and Solidary Argentina

The Solidarity Law established on an emergency basis and for the term of five fiscal periods from the date this Law entered into force in December 2019, a national tax applicable to certain transactions of purchase of banknotes and foreign currency in foreign currency and other transactions of exchange of foreign currency and procurement of services carried out by Argentine residents (individual or Argentine Entities, undivided estates and other liable entities). The applicable rate is generally 30%. Investors should take into consideration the rules applicable to their specific situation.

In addition, General Resolution (AFIP) N° 4815/2020 established on the operations subject to said tax and for the taxpayers defined in Article 36 of the Solidarity Law that qualify as Argentine residents, in the terms of Article 116 and subsequent of the ITL, the application of a thirty-five percent (35%) collection on the amounts in AR$ that, for each case, are detailed in Article 39 of the Solidarity Law.

Said collection will have the character of payment on account and will be computable in the annual income tax return or, where appropriate, the annual Personal Assets Tax return, corresponding to the fiscal period in which they were incurred.

Additionally, this general resolution establishes a refund regime for those subjects to whom the established collection has been applied and who are not taxpayers of income tax or, where appropriate, Personal Assets Tax.

Gross Income Tax

This is a provincial tax imposed on the ordinary exercise of an activity carried out with a profit purpose, within an Argentine province or the City of Buenos Aires, without distinction as to the taxable person carrying it out. Given the tax autonomy enjoyed by the various provincial jurisdictions, including the City of Buenos Aires, each provincial jurisdiction issues its own tax legislation, which is why the tax treatment may be different depending on the jurisdiction involved.

In this Exchange Offer and Consent Solicitation Memorandum we will refer to the jurisdictions of the City of Buenos Aires and the Provinces of Buenos Aires and Córdoba. Both the City of Buenos Aires and Province of Buenos Aires provide that income derived from any transaction related to notes, interest, accrued revaluations and the sale price in case of transfer of notes are exempt from gross income tax, if the notes have been issued in accordance with the provisions set forth by Law No. 23,576 and Law No. 23,962, as long as such transactions

are exempted from income tax. This exemption does not apply to activities carried out by agents and all types of intermediaries. The Province of Córdoba, on the other hand, does not grant any such exemption, and this tax is applicable to the income derived from transactions with New Notes.

According to the provisions of the Fiscal Consensus concluded by the Argentine executive branch and the representatives of the Argentine provinces and the City of Buenos Aires on November 16, 2017, as approved by the Argentine congress on December 21, 2017 (the "Fiscal Consensus"), the local jurisdictions assumed various commitments in relation to certain taxes within their jurisdiction.

Regarding the Fiscal Consensus's impact on the Gross Income Tax, the Argentine provinces and the Autonomous City of Buenos Aires undertook to establish exemptions and apply maximum rates for certain activities and periods. The Fiscal Consensus will only produce effects with respect to the jurisdictions where it is ratified as of that date. However, on December 17, 2019, the Argentine government, the Argentine provinces and the Autonomous City of Buenos Aires concluded an agreement to suspend certain clauses of the Fiscal Consensus for one year (which was later extended for an additional year by means of a new agreement signed on December 4, 2020 by certain Argentine Provinces and the National Government), which was approved by the Argentine congress in Act No. 27,542, on February 12, 2020 and which will also take effect once ratified by each of the legislatures of the signatory jurisdictions.

The potential investors should consider the possible incidence of the gross income tax taking into consideration the provisions of the applicable legislation that could be relevant in any particular case.

Provincial Collection Regimes on Credits in Bank Accounts

Different provincial revenue agencies (such as Corrientes, Córdoba, Tucumán, Buenos Aires and Salta, among others, as well as the City of Buenos Aires) have established collection regimes for the gross income tax that may be applicable to the credits arising from bank accounts opened at Argentine financial institutions, whatever their nature or type, and embracing all their branches, regardless of the territory where they are based. These regimes apply to those taxpayers enrolled with the revenue agency of each jurisdiction. The applicable rates depend on each agency, in a range that goes up to 5.0%.

For taxpayers subject to these advanced payment regimes, any payment applicable qualifies as an advanced payment of the gross income tax.

In relation to these regimes, when signing the Fiscal Consensus, the Argentine provinces and the City of Buenos Aires undertook to establish an automatic refund mechanism to the taxpayer of the positive balance generated by withholdings and collections accumulated during a reasonable period which may not exceed in any circumstances six months from the filing of the request made by the taxpayer, provided that the conditions and the procedure established by the local jurisdictions for this refund are satisfied and followed. Likewise, by means of the agreement signed on December 4, 2020, between the Executive Power and the representatives of certain Argentine jurisdictions, the Argentine jurisdictions assumed the commitment to seek the necessary measures for the purposes of applying mechanisms of automatic refund, compensation or credit transfer of the positive balance generated by the withholdings and collections, provided that the taxpayers comply with the specific requirements of the case in question.

Investors will have to confirm the existence of these mechanisms depending on the jurisdiction involved.

Stamp Tax

Similar to the Gross Income Tax, the stamp tax is a provincial tax, and it is levied on the instrumentation of acts, contracts and transactions of onerous nature executed within a certain provincial jurisdiction or outside a certain provincial jurisdiction but with effects in such jurisdiction.

According to Article 497(54) of the Tax Code of the City of Buenos Aires, acts, contracts, or transactions (including delivery and receipt of cash) associated with the issuance, subscription, placement, and transfer of the Existing Notes and New Notes issued in accordance with the regime of the Negotiable Obligation Law and Law No. 23,962 are exempted from stamp tax within the jurisdiction of the City of Buenos Aires. This exemption will apply to any capital increases made for the issue of stock to be delivered, by conversion of the notes, as well as to any collateral or personal security provided to investors or third parties to secure the issue, whether prior, concurrent or subsequent to the issuance.

Article 497(50) of the Tax Code of the City of Buenos Aires exempts, from stamp tax, instruments, acts, and transactions of any nature, including delivery and receipt of cash, associated with and/or required to enable the issuance of New Notes for public offering under the terms of the Capital Markets Law by companies or financial trusts duly authorized by the CNV to make a public offering of such securities. The stamp tax exemption applies to instruments, acts, transactions and guarantees associated with and/or required to enable the issue of New Notes as explained above, whether such instruments, acts, transactions and guarantees are prior, concurrent, subsequent, or constitute a renewal thereof. The stamp tax exemption will no longer be effective if, within a term of 90 calendar days, no authorization for public offering of the New Notes has been requested from the CNV, and/or if the New Notes have not been placed within a term of 180 calendar days following CNV authorization. In addition, Article 497(52) of the Tax Code of the City of Buenos Aires provides that acts and /or instruments related to the trading of securities duly authorized for public offering by the CNV are also exempt from stamp tax in the City of Buenos Aires. This exemption shall no longer apply in the event explained in the last sentence of the second preceding sentence.

Article 297(46) of the Tax Code of the Province of Buenos Aires provides for an exemption for acts, agreements, contracts, and transactions, including the delivery or receipt of cash, associated with the issuance, placement, subscription, and transfer of notes issued pursuant to Law No. 23,576 and Law No. 23,962. This exemption will apply to any capital increases made for the issue of stock to be delivered, by conversion of the notes, as well as to any collateral or personal security provided to investors or third parties to secure the issue, whether prior, concurrent, or subsequent to the issuance.

The Province of Buenos Aires also exempts from stamp tax all instruments, acts, and transactions of any nature, including delivery and receipt of cash, associated with the issue of securities representing debt of their issuers, and whichever other securities earmarked for public offering under the terms of the Capital Markets Law, by companies duly authorized by the CNV (subsection 45(297)). This exemption applies to instruments, acts, transactions and guarantees associated with and/or required to enable the issue of notes as explained above, whether such instruments, acts, transactions and guarantees are prior, concurrent, subsequent, or constitute a renewal thereof. However, the stamp tax exemption shall no longer be effective if, within a term of 90 calendar days, no authorization for public offering of such securities has been requested from the CNV, and/or if the securities have not been placed within a term of 180 calendar days following CNV authorization.

Acts and /or instruments associated with the trading of securities duly authorized for public offering by the CNV are also exempt from stamp tax in the Province of Buenos Aires. This exemption shall no longer apply in the event explained in the third sentence of the preceding paragraph.

Regarding the Fiscal Consensus, almost all the Provinces in Argentina and the City of Buenos Aires have committed to establish for the stamp tax a maximum tax rate of 0.75% as from January 1, 2019, 0.5% as from January 1, 2020, 0.25% as from January 1, 2021 and to eliminate the stamp tax starting from January 1, 2022. Notwithstanding, this schedule has been postponed one year by a new fiscal consensus, approved by Law No. 27,542 (published in the Official Gazette on February 12, 2020). However, during December 2020, certain Argentine Provinces and the Argentine government signed another fiscal consensus which, among other things, included the extension of the suspension of the previous one for an additional year, for a total of two years.

Given the autonomy that each provincial jurisdiction has in tax matters, the potential effects that these types of transactions could generate, and the tax treatment stipulated by the other provincial jurisdictions, should be analyzed.

Potential acquirers of the New Notes should take into consideration the possible incidence of this tax in the different jurisdictions in Argentina in relation to the issue, subscription, placement and transfer of the Existing Notes and the New Notes or the existence of effects related to them.

Tax on Gratuitous Transfers of Property

At the federal level, Argentina does not levy taxes on the gratuitous transfer of property to heirs, donors, legatees or donees. No tax on the gratuitous transfer of securities, issue tax, registration tax or similar tax should be paid by the subscribers of the New Notes at the federal level. However, at the provincial level, the Province of Buenos Aires established a tax on the gratuitous transfer of property ("TGTP") whose basic characteristics are as follows:

- The TGTP is applicable to any enrichment resulting from gratuitous transfers, including: inheritances, legacies, donations, anticipated inheritances or any other event that implies a gratuitous monetary enrichment.
- The tax is payable by individuals and legal entities that are beneficiaries of a gratuitous transfer of assets.
- For taxpayers domiciled in this province, the TGTP is levied on the total amount of gratuitous enrichment, both for property located in the province and outside it. On the other hand, for taxpayers domiciled outside it, this tax is only levied on the gratuitous enrichment originated by the transfer of the property located in the province.
- The following types of property, which may be freely transferred, are deemed situated in the Province of Buenos Aires: (i) securities and shares of stock, notes, membership or equity interests and other negotiable instruments representing capital stock, issued by governmental or private entities and companies domiciled in the Province of Buenos Aires; (ii) securities, shares of stock and other negotiable instruments issued by private entities or companies domiciled in a different jurisdiction that were physically situated in the Province of Buenos Aires at the time of their transmission; and (iii) securities, shares of stock and other negotiable instruments representing capital stock or its equivalent issued by entities or companies domiciled in another jurisdiction which are also physically situated in another jurisdiction, in proportion to the issuer's assets situated in the Province of Buenos Aires, where we are domiciled.
- Gratuitous transfers of property are exempt when their aggregate value is equal to or less than AR$ 322,800 (amount that raises to AR$ 1,344,000 when property is transferred to parents, children or spouses).
- Regarding the rates, a progressive scale from 1.6026% to 8.7840% is stipulated, and the payment of a fixed amount of tax, depending on the degree of kinship and the tax base involved.

As for the existence of the TGTP in other provinces, holders of the Existing Notes and New Notes must analyze the tax consequences according to the jurisdictions involved in the specific case.

Tax treaties

Where any double taxation treaty is applicable, the applicable tax regime may not wholly or partly correspond with what is described here.

Argentina has entered into, and has in force, twenty two (22) tax treaties to avoid the double taxation with several countries (Australia, Belgium, Bolivia, Brazil, Canada, Chile, Denmark, Finland, France, Germany, Italy, Mexico, Netherlands, Norway, Russia, Spain, Sweden, Switzerland, United Arab Emirates, United Kingdom, Uruguay and Qatar). Tax treaties with China, Japan, Luxembourg, Turkey and Austria have been signed, but have not entered into force yet. At the same time, agreements with Colombia and Israel, and amendments to the existing agreement with Germany and France, are currently being negotiated. It cannot be specified when, if at all, a covenant will be ratified or put into effect. There is currently no treaty or convention in force between Argentina and the United States

In addition, the Tax Information Exchange Agreement between the Republic of Argentina and the United States came into force on November 13, 2017.

Court tax

In the event that it is necessary to file enforcement proceedings in connection with the New Notes in Argentina, a court tax will be imposed (currently at a rate of 3.0%) on the amounts of any claim filed in the Argentine courts sitting in the City of Buenos Aires.

Income of funds arising from non-cooperative jurisdictions or low or no tax jurisdictions

Article 19 of the ITL defines "non-cooperative jurisdictions" as countries or jurisdictions that have not entered into a tax disclosure agreement or convention with Argentina in order to avoid international double taxation that includes a broad information exchange clause, as well as those countries or jurisdictions that have entered into said agreements or conventions but do not actually disclose information to the Argentine tax authorities. Additionally, the conventions and agreements stated above should comply with international

standards of fiscal transparency and information exchange regarding tax matters to which Argentina has committed itself. The Argentine executive branch shall elaborate a list of countries which are considered as "non-cooperative jurisdictions" taking into consideration the definition stated above. Accordingly, Article 24 of Decree No. 862/2019 established the list of jurisdictions that are considered as "non-cooperative" under section 19 of the ITL. These jurisdictions are as follows: Bosnia and Herzegovina, Brecqhou, Burkina Faso, State of Eritrea, Vatican City State, State of Libya, Independent State of Papua New Guinea, Plurinational State of Bolivia, Ascension Island, Sark Island, St. Helena Island, Solomon Islands, Federated States of Micronesia, Mongolia, Montenegro, Kingdom of Bhutan, Kingdom of Cambodia, Kingdom of Lesotho, Kingdom of Swaziland, Kingdom of Thailand, Kingdom of Tonga, Hashemite Kingdom of Jordan, Kyrgyz Republic, Arab Republic of Egypt, Syrian Arab Republic, Algerian Democratic and Popular Republic, Central African Republic, Cooperative Republic of Guyana, Republic of Angola, Republic of Belarus, Republic of Botswana, Republic of Burundi, Republic of Cape Verde, Republic of Ivory Coast, Republic of Cuba, Republic of the Philippines, Republic of Fiji, Republic of Gambia, Republic of Guinea, Republic of Equatorial Guinea, Republic of Guinea-Bissau, Republic of Haiti, Republic of Honduras, Republic of Iraq, Republic of Kenya, Republic of Kiribati, Republic of the Union of Myanmar, Republic of Liberia, Republic of Madagascar, Republic of Malawi, Republic of Maldives, Republic of Mali, Republic of Mozambique, Republic of Namibia, Republic of Nicaragua, Republic of Palau, Republic of Rwanda, Republic of Sierra Leone, Republic of South Sudan, Republic of Suriname, Republic of Tajikistan, Republic of Trinidad and Tobago, Republic of Uzbekistan, Republic of Yemen, Republic of Djibouti, Republic of Zambia, Republic of Zimbabwe, Republic of Chad, Republic of Niger, Republic of Paraguay, Republic of Sudan, Democratic Republic of Sao Tome and Principe, Democratic Republic of East Timor, Republic of Congo, Democratic Republic of Congo, Federal Democratic Republic of Ethiopia, Lao People's Democratic Republic, Socialist Democratic Republic of Sri Lanka, Federal Republic of Somalia, Federal Democratic Republic of Nepal, Gabonese Republic, Islamic Republic of Afghanistan, Islamic Republic of Iran, Islamic Republic of Mauritania, People's Republic of Bangladesh, People's Republic of Benin, Democratic People's Republic of Korea, Socialist Republic of Vietnam, Togolese Republic, United Republic of Tanzania, Sultanate of Oman, British Overseas Territory Pitcairn Islands, Henderson, Ducie and Oeno Islands, Tristan da Cunha, Tuvalu, Union of the Comoros.

This section further stipulates that the AFIP shall notify the Ministry of Finance of any development that justifies a change in the list above, for the purpose of updating it.

According to Article 20 of the ITL "no tax or low-tax jurisdictions" (or "low or no tax jurisdictions") are defined as countries, domains, jurisdictions, territories, associated states or other special tax regimes in which the maximum corporate income tax rate is lower than 60% of the minimum corporate income tax rate established in the first paragraph of Article 73 of the ITL (currently 15%). Additionally, Article 25 of the Decree No. 862/2019 established that for determining if a jurisdiction is a low or no tax jurisdiction there should be taken into account the total tax rate applicable to corporations, regardless of the authority that established the tax. Moreover, said Article 25 provides that "special tax regimes" means any regulation or special regime that established a special corporate tax which results in an applicable corporate tax lower than the one of the general regimes of that jurisdiction.

According to the legal presumption under Article 18.2 of Law 11,683 (as amended), incoming funds from non-cooperative jurisdictions or low or no tax jurisdictions are treated as an unjustified increase in net worth for the Argentine party, no matter the nature of the operation involved. Unjustified increases in net worth are subject to the following taxes:

- Income Tax would be assessed on 110% of the amount of the transferred funds.
- Value Added Tax (and excise tax, if applicable) on 110% of the amount of the transferred funds.
- Although the concept of "incoming funds" is not clear, it should be construed as any transfer of funds:

o from an account in a non-cooperative or low or no tax jurisdiction or from a bank account opened outside of a non-cooperative or low or no tax jurisdiction but owned by an entity located in a non-cooperative or low or no tax jurisdiction,

o to a bank account located in Argentina or to a bank account opened outside of Argentina but owned by an Argentine tax resident.

The Argentine tax resident may rebut such legal presumption by duly evidencing before the Argentine Tax Authority that the funds arise from activities effectively performed by the Argentine taxpayer or by a third party in such jurisdictions, or that such funds have been previously declared.

Certain United States Federal Income Tax Considerations

The following is a summary of certain U.S. federal income tax consequences of the Exchange Offer and Consent Solicitation, and the ownership and disposition of New Notes acquired in the Exchange Offer, that may be relevant to a U.S. Holder (as defined below) of Existing Notes. This summary deals only with U.S. Holders that hold Existing Notes as capital assets. The discussion does not cover all aspects of U.S. federal income taxation that may be relevant to, or the actual tax effect that any of the matters described herein will have on, the Exchange Offer, the Consent Solicitation and the ownership and disposition of the New Notes (including consequences under the alternative minimum tax or net investment income tax), and does not address U.S. state, local, non-U.S. or other tax laws (such as estate and gift tax laws). This summary also does not discuss all of the tax considerations that may be relevant to certain types of investors subject to special treatment under the U.S. federal income tax laws (such as financial institutions, insurance companies, individual retirement accounts and other tax-deferred accounts, tax-exempt organizations, dealers or traders in securities or currencies, investors that hold the Existing Notes, or will hold New Notes, as part of straddles, hedging transactions or conversion transactions for U.S. federal income tax purposes, persons that have ceased to be U.S. citizens or lawful permanent residents of the United States, investors that hold the Existing Notes, or will hold New Notes, in connection with a trade or business conducted outside of the United States, investors that are required to take certain amounts into income no later than the time such amounts are reflected on an applicable financial statement, U.S. citizens or lawful permanent residents living abroad or investors whose functional currency is not the U.S. dollar). To the extent this discussion addresses U.S. federal income tax consequences to U.S. Holders of owning or disposing of New Notes, it assumes that the New Notes were acquired by the U.S. Holder pursuant to the Exchange Offer and are held as capital assets.

As used herein, the term "U.S. Holder" means a beneficial owner of Existing Notes or New Notes, as applicable, that is, for U.S. federal income tax purposes, (i) an individual citizen or resident of the United States, (ii) a corporation created or organized under the laws of the United States, any state thereof or the District of Columbia, (iii) an estate the income of which is subject to U.S. federal income tax without regard to its source or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or the trust has validly elected to be treated as a domestic trust for U.S. federal income tax purposes.

The U.S. federal income tax treatment of a partner in an entity or arrangement treated as a partnership for U.S. federal income tax purposes that holds Existing Notes or New Notes will depend on the status of the partner and the activities of the partnership. Entities or arrangements treated as partnerships for U.S. federal income tax purposes should consult their tax advisors concerning the U.S. federal income tax consequences to them and their partners of the Exchange Offer and Consent Solicitation and the ownership and disposition of New Notes by the partnership.

This summary is based on the tax laws of the United States, including the Internal Revenue Code of 1986, as amended (the "**Code**"), its legislative history, existing and proposed regulations thereunder, published rulings and court decisions, all as of the date hereof and all subject to change at any time, possibly with retroactive effect.

THE SUMMARY OF U.S. FEDERAL INCOME TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. ALL HOLDERS OF EXISTING NOTES SHOULD CONSULT THEIR TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF THE EXCHANGE OFFER, THE CONSENT SOLICITATION AND THE OWNERSHIP AND DISPOSITION OF THE NEW NOTES, INCLUDING THE APPLICABILITY AND EFFECT OF U.S. STATE, LOCAL, NON-U.S. AND OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.

Tax Consequences of the Exchange of Existing Notes

General

The exchange of Existing Notes for New Notes pursuant to the Exchange Offer will constitute a disposition of such Existing Notes for U.S. federal income tax purposes if the exchange results in a "significant modification" of the Existing Notes. The exchange of a debt instrument for a new debt instrument or the modification of a debt instrument is a significant modification if, based on all the facts and circumstances and taking into account all modifications of the original instrument collectively (other than modifications that are subject to special rules), the legal rights or obligations that are altered and the degree to which they are altered are "economically significant".

A change in the timing of payments on a debt instrument is a significant modification if it results in the material deferral of scheduled payments either through an extension of the final maturity or through deferral of payments due prior to maturity. The materiality of the deferral depends on all the facts and circumstances, including the length of the deferral, the original term of the instrument, the amounts of the payments that are deferred, and the time period between the modification and the actual deferral of payments. Pursuant to a safe harbor rule, a deferral of a scheduled payment for a period that does not exceed the lesser of fifty percent (50%) of the original term of the instrument and five (5) years, both as measured from the original due date of the first payment that is deferred, is not treated as a material deferral, if the deferred scheduled payments are unconditionally payable by the end of the safe harbor period. Additionally, a change in yield of a debt instrument is a significant modification if the yield of the new instrument (determined taking into account any accrued interest and any payments made to the holder as consideration for the modification) varies from the yield on the original instrument (determined as of the date of the modification) by more than the greater of (i) 5% of the annual yield of the original instrument or (ii) 25 basis points. The yield of the new instrument is calculated based on the adjusted issue price of the original instrument on the date of the modification, and may differ from the yield at which the instrument is trading in the market. Furthermore, the U.S. Treasury Regulations provide that a modification of a debt instrument that adds, deletes or alters customary accounting or financial covenants is not a significant modification. The U.S. Treasury Regulations do not, however, define "customary accounting or financial covenants."

To the extent relevant to the Company, the Company intends to take the position that the exchange of Existing Notes for New Notes pursuant to the Exchange Offer will result in a significant modification for participating U.S. Holders, and the remainder of this discussion assumes that the exchange of Existing Notes for New Notes is a significant modification under these rules.

If the exchange of Existing Notes for New Notes results in a significant modification of the Existing Notes, then the U.S. federal income consequences will depend on whether the exchange qualifies as a "recapitalization." Whether the exchange of Existing Notes for New Notes qualifies as a "recapitalization" for U.S. federal income tax purposes depends upon whether the Existing Notes and the New Notes constitute "securities" for U.S. federal income tax purposes. The term "security" is not defined in the Code or in the U.S. Treasury Regulations and has not been clearly defined by judicial decisions. The determination of whether a particular debt obligation constitutes a security depends on an evaluation of the overall nature of the debt obligation. One of the most significant factors considered in determining whether a particular debt obligation is a security is its original term. In general, debt obligations issued with a maturity at issuance of less than five years often do not constitute securities, whereas debt obligations with a maturity at issuance between five and ten years or more often do constitute securities, in each case depending on the particular facts and circumstances. In Revenue Ruling 2004-78, the Internal Revenue Service (the "**IRS**") ruled that a debt instrument with a term of less than five years may be a security if received in a reorganization in exchange for an instrument having the same maturity date and substantially the same terms (other than interest rate) as the original instrument where the original instrument was a security.

Based on the IRS' ruling, the Company intends to take the position (to the extent relevant to the Company) that the exchange of the Series XX Notes for New Notes pursuant to the Exchange Offer is a recapitalization. The Company intends to take the position (to the extent relevant to the Company) that the exchange of the Private Notes for New Notes pursuant to the Exchange Offer is a taxable exchange and not a recapitalization. The remainder of this discussion assumes that the exchanges will be so treated.

Recapitalization of the Series XX Notes

Subject to the discussion of "—*Treatment of Early Tender Consideration*" below, a U.S. Holder that exchanges Series XX Notes for New Notes in a recapitalization will generally recognize gain (but not loss), in an amount equal to the lesser of (i) the excess, if any, of a U.S. Holder's amount realized in the Exchange Offer over the

U.S. Holder's adjusted tax basis in the Series XX Notes tendered and (ii) the sum of (a) the amount of cash payments (other than payments of accrued but unpaid interest), if any, and (b) the fair market value of the excess, if any, of the principal amount of New Notes received over the principal amount of Series XX Notes surrendered ("**boot**"). A U.S. Holder's adjusted tax basis in the Series XX Notes generally will equal the U.S. dollar value of the amount paid therefor, increased by the amount of any market discount previously taken into account and reduced by the amount of any amortizable bond premium previously amortized with respect to the Series XX Notes and by any cash payments on the Series XX Notes other than payments of stated interest. Subject to the discussion of "—Treatment of *Early Tender Consideration*" below, a U.S. Holder's amount realized with respect to Series XX Notes exchanged will generally be the sum of (x) the issue price, as described below under "*Tax Consequences to U.S. Holders of Holding and Disposing of New Notes —Issue Price of the New Notes*," of the New Notes received in exchange for the Series XX Notes and (y) the amount of any cash payments (other than payments of accrued but unpaid interest).

Subject to the discussion of market discount below, any such gain recognized generally will be capital gain and will be long-term capital gain if, at the time of the exchange, the holding period for the Series XX Notes is greater than one year. The net amount of long-term capital gain realized by certain non-corporate U.S. Holders (including individuals) may be subject to taxation at a preferential rate. Subject to the discussion of market discount below, any gain generally will be U.S. source capital gain. If any such gain is subject to Argentine income tax, a U.S. Holder may not be able to credit the tax against its U.S. federal income tax liability unless such credit can be applied (subject to the applicable limitations) against tax due on other income treated as derived from foreign sources. However, a U.S. Holder may be eligible for a deduction in computing its taxable income for such income tax even if the U.S. Holder is not able to claim such credit (provided that the U.S. Holder elects to deduct, rather than credit, all of its applicable foreign income taxes for the relevant taxable year). Each U.S. Holder should consult its own tax advisors as to the foreign tax credit implications of the Exchange Offer.

Gain recognized by a tendering U.S. Holder will be treated as ordinary income to the extent of any market discount on the Series XX Notes that has accrued during the period that the U.S. Holder held the Series XX Notes and that has not previously been included in income by the U.S. Holder. Any amount treated as ordinary income pursuant to the market discount rules should be treated as foreign source income. A Series XX Note generally will be treated as purchased at a market discount if the stated principal amount of the Series XX Note exceeded the amount for which the U.S. Holder purchased the Series XX Note by at least 0.25 percent of the Series XX Note's stated principal amount multiplied by the number of complete years from the date acquired by the U.S. Holder to the Series XX Note's maturity. Market discount accrues on a straight-line basis, unless such U.S. Holder elected to accrue the market discount on a constant-yield method. Any accrued market discount on the Series XX Notes that is not recognized in the exchange generally will carry over to the New Notes except to the extent converted into original issue discount ("**OID**") (as described below), and will continue to be subject to the market discount rules. The New Notes received will also generally be treated as acquired with market discount (including any accrued market discount described above) if their issue price (if the New Notes are issued with OID) or their stated principal amount (if the New Notes are not issued with OID) exceeds the U.S. Holder's initial tax basis in such New Notes by more than the statutory de minimis amount. If the amount of market discount on a Series XX Note not previously included in income by a U.S. Holder (including as a result of the exchange of Series XX Notes for New Notes) is less than or equal to the OID, if any, on the New Notes received in the exchange, all of the U.S. Holder's market discount will be converted into OID. If such market discount exceeds the OID, if any, on the New Notes, the excess may carry over to the New Notes. Accordingly, as a result of these rules, if the New Notes are issued with OID, a U.S. Holder that acquired the Series XX Notes with market discount generally will be required to accrue OID on the New Notes corresponding to some or all of that market discount on a constant yield basis, rather than deferring recognition of market discount until the sale, disposition or retirement of a New Note. U.S. Holders should carefully review the disclosure below under "*Tax Consequences to U.S. Holders of Holding and Disposing of New Notes—Original Issue Discount*."

A U.S. Holder's initial tax basis in the New Notes received in exchange for Series XX Notes (other than any New Notes that are attributable to any excess principal amount that is treated as "boot" as described above, which New Notes will have an initial tax basis equal to their fair market value on the date of the exchange) will be the same as the U.S. Holder's tax basis in the Series XX Notes surrendered therefor, increased by the amount of gain recognized by the U.S. Holder in the exchange, if any, and decreased by the amount of any boot that is received by the U.S. Holder. A U.S. Holder's holding period for the New Notes (other than any New Notes that are attributable to any excess principal amount that is treated as "boot" as described above, which New Notes

will have a holding period that begins on the date after the date of the exchange) will include its holding period for the Series XX Notes surrendered therefor.

Taxable Exchange of the Private Notes

A U.S. Holder of Private Notes generally will recognize gain or loss upon the receipt of New Notes pursuant to the Exchange Offer in an amount equal to the difference between the amount realized and the U.S. Holder's adjusted tax basis in the Private Notes tendered in the Exchange Offer. A U.S. Holder's adjusted tax basis in the Private Notes generally will equal the U.S. dollar value of the amount paid therefor, increased by the amount of any OID or market discount previously taken into account and reduced by the amount of any amortizable bond premium previously amortized with respect to the Private Notes and by any cash payments on the Private Notes. Subject to the discussion of "—Treatment of *Early Tender Consideration*" below, a U.S. Holder's amount realized with respect to the Private Notes exchanged will generally be the issue price, as described below under "*Tax Consequences to U.S. Holders of Holding and Disposing of New Notes —Issue Price of the New Notes*," of the New Notes received in exchange for the Private Notes.

Subject to the discussion of market discount below, any such gain or loss recognized generally will be capital gain or loss and will be long-term capital gain or loss if, at the time of the exchange, the holding period for the Private Notes is greater than one year. The net amount of long-term capital gain realized by certain non-corporate U.S. Holders (including individuals) may be subject to taxation at a preferential rate. The deduction of capital losses is subject to limitations. Subject to the discussion of market discount below, any gain or loss recognized generally will be U.S. source capital gain or loss. If any such gain is subject to Argentine income tax, a U.S. Holder may not be able to credit the tax against its U.S. federal income tax liability unless such credit can be applied (subject to the applicable limitations) against tax due on other income treated as derived from foreign sources. However, a U.S. Holder may be eligible for a deduction in computing its taxable income for such income tax even if the U.S. Holder is not able to claim such credit (provided that the U.S. Holder elects to deduct, rather than credit, all of its applicable foreign income taxes for the relevant taxable year). Each U.S. Holder should consult its own tax advisors as to the foreign tax credit implications of the Exchange Offer.

Gain recognized by a tendering U.S. Holder will be treated as ordinary income to the extent of any market discount on the Private Notes that has accrued during the period that the U.S. Holder held the Private Notes and that has not previously been included in income by the U.S. Holder. Any amount treated as ordinary income pursuant to the market discount rules should be treated as foreign source income. A Private Note generally will be treated as purchased at a market discount if the "revised issue price" of the Private Note (which is generally the Private Note's issue price, increased by the amount of OID accrued by prior holders and decreased by the amount of any prior cash payments on the Private Note) exceeded the amount for which the U.S. Holder purchased the Private Note by at least 0.25 percent of the Private Note's "stated redemption price at maturity" (the sum of all payments to be made on the Private Note) multiplied by the number of complete years from the date acquired by the U.S. Holder to the Private Note's maturity. Market discount accrues on a straight-line basis, unless such U.S. Holder elected to accrue the market discount on a constant-yield method.

A U.S. Holder's initial tax basis in the New Notes received in exchange for Private Notes will be equal to their issue price as described below under "*Tax Consequences to U.S. Holders of Holding and Disposing of New Notes —Issue Price of the New Notes*". The holding period with respect to such New Notes will begin the day following the consummation of the Exchange Offer.

Accrued and Unpaid Interest

Amounts attributable to accrued and unpaid interest (including the amount of any withholding taxes and any additional amounts paid with respect thereto) generally will be subject to tax as ordinary interest income to the extent not previously included in income of the U.S. Holder.

Subject to certain limitations, a U.S. Holder generally will be entitled to a credit against its U.S. federal income tax liability, or a deduction in computing its U.S. federal taxable income, for Argentine income taxes withheld by the Company (provided that the election to deduct or credit foreign taxes applies to all of a U.S. Holder's applicable foreign income taxes for the relevant taxable year). Interest generally will constitute foreign source "passive category income" for purposes of the foreign tax credit.

The rules governing foreign tax credits are complex. Each U.S. Holder should consult its own tax advisor regarding the availability of foreign tax credits or deductions with respect to Argentine withholding taxes.

Personal Assets Tax

The Argentine Personal Assets Tax (as described in "*Certain Argentine Tax Considerations—Personal Assets Tax*" above) generally will not be treated as an income tax for U.S. federal income tax purposes and a U.S. Holder generally would be unable to claim a foreign tax credit for any Argentine Personal Assets Tax.

Treatment of Early Tender Consideration

There are no authorities directly addressing the U.S. federal income tax treatment of the Early Cash Consideration or the additional New Notes that represent part of the Early Tender Consideration received by U.S. Holders (who do not receive the Early Cash Consideration) who tender on or prior to the Early Tender Date, as compared to the lesser amount of New Notes that constitutes the Late Tender Consideration. To the extent relevant to the Company, the Company intends to take the position that the receipt by a U.S. Holder of the Early Cash Consideration and/or additional New Notes that represent part of the Early Tender Consideration is additional consideration in the exchange (which would be treated in the manner described above). In addition, this discussion assumes such treatment. Alternatively, all or part of the Early Cash Consideration and/or the additional New Notes that represent part of Early Tender Consideration may be treated as a separate fee that would be subject to tax as ordinary income in an amount equal to the cash or the fair market value of such additional New Notes, as the case may be. There can be no assurance that the IRS will not successfully challenge the position that the Company intends to take. U.S. Holders are urged to consult their tax advisors regarding the U.S. federal income tax treatment of the receipt of the Early Cash Consideration and/or additional New Notes that represent part of the Early Tender Consideration.

U.S. Holders of Series XX Notes Who Do Not Participate in the Exchange

Tax Consequences to Non-Exchanging U.S. Holders of Series XX Notes if the Proposed Amendments are Successful

The U.S. federal income tax consequences of the Proposed Amendments to a U.S. Holder who does not participate in the Exchange Offer will depend on whether the adoption of the Proposed Amendments results in a "significant modification" of the Series XX Notes (as described above under "*Tax Consequences of the Exchange of Existing Notes*"). To the extent relevant to the Company, the Company intends to take the position that the adoption of the Proposed Amendments will not result in a significant modification of the Series XX Notes and therefore will not result in any gain or loss for non-participating U.S. Holders. In such case, a U.S. Holder's adjusted tax basis and holding period for its Series XX Notes would also be unaffected by the adoption of the Proposed Amendments.

There can be no assurance, however, that the IRS will not take a contrary position or that a court will not agree with such contrary position. U.S. Holders who do not participate in the Exchange Offer should consult their tax advisors regarding the U.S. federal income tax consequences of the adoption of the Proposed Amendments.

Tax Consequences to Non-Exchanging U.S. Holders if the Proposed Amendments are not Successful

If the Proposed Amendments are not successful with respect to Series XX Notes, the U.S. federal income tax treatment of Series XX Notes will not be affected by the Exchange Offer and Consent Solicitation in the case of a U.S. Holder who does not exchange its Series XX Notes for New Notes pursuant to the Exchange Offer.

U.S. Holders of Private Notes Who Do Not Participate in the Exchange Offer

The U.S. federal income tax treatment of existing Private Notes will not be affected by the Exchange Offer and Consent Solicitation in the case of a U.S. Holder of Private Notes that does not exchange its Private Notes for New Notes pursuant to the Exchange Offer.

Tax Consequences to U.S. Holders of Holding and Disposing of New Notes

Issue Price of the New Notes

The issue price of the New Notes will be their fair market value on the Settlement Date if the New Notes are "traded on an established market." Debt instruments are considered to be traded on an established market if, at any time during the 31-day period ending 15 days after their issue date, there is a sales price for the debt instrument or there are one or more firm or indicative quotes for the debt instrument. We expect that the New Notes will be treated as traded on an established market. In such case, within 90 days of the Settlement Date we will make available on our website our determination of the issue price of the New Notes.

Payments of Stated Interest

Subject to the discussions of OID and amortizable bond premium below, payments of stated interest on the New Notes (including the amount of any withholding taxes and any additional amounts paid with respect thereto) generally will be taxable to a U.S. Holder as ordinary interest income at the time that the payments accrue or are actually or constructively received, in accordance with the U.S. Holder's method of accounting for U.S. federal income tax purposes.

Subject to certain limitations, a U.S. Holder generally will be entitled to a credit against its U.S. federal income tax liability, or a deduction in computing its U.S. federal taxable income, for Argentine income taxes withheld by the Company (provided that the election to deduct or credit foreign taxes applies to all of a U.S. Holder's applicable foreign income taxes for the relevant taxable year). Interest generally will constitute foreign source "passive category income" for purposes of the foreign tax credit. The rules governing foreign tax credits are complex. U.S. Holders should consult their tax advisors regarding the availability of foreign tax credits or deductions with respect to Argentine withholding taxes.

Personal Assets Tax

The Argentine Personal Assets Tax (as described in "*Certain Argentine Tax Considerations—Personal Assets Tax*" above) generally will not be treated as an income tax for U.S. federal income tax purposes and a U.S. Holder generally would be unable to claim a foreign tax credit for any Argentine Personal Assets Tax.

Original Issue Discount

The New Notes will be treated as issued with OID for U.S. federal income tax purposes if the stated principal amount of the New Notes exceeds their issue price (as defined above) by an amount equal to or greater than a statutorily defined de minimis amount (generally, 0.0025 multiplied by the product of the stated principal amount and the weighted average maturity). In such case, the New Notes will be issued with OID in an amount equal to the excess of their stated principal amount over their issue price.

If the New Notes are issued with OID, a U.S. Holder with an initial tax basis in the New Notes less than their stated principal amount generally will be required to include a portion of the OID in gross income as foreign source interest in each taxable year or portion thereof in which the U.S. Holder holds the New Notes even if the U.S. Holder has not received a cash payment in respect of the OID. In addition, as noted above, some or all of a U.S. Holder's market discount carried over from Series XX Notes to New Notes may be converted into OID.

In general, and regardless of whether a U.S. Holder uses the cash or the accrual method of tax accounting, a U.S. Holder with an initial tax basis in the New Notes less than their stated principal amount will be required to include in ordinary gross income the sum of the "daily portions" of OID on a New Note for all days during the taxable year or portion thereof that the U.S. Holder owns such New Note. The daily portions of OID on a New Note will be determined by allocating to each day in any accrual period a ratable portion of the OID allocable to that accrual period. Accrual periods may be any length and may vary in length over the term of the New Note, so long as no accrual period is longer than one year and each scheduled payment of principal or interest occurs on the first day or final day of an accrual period. The amount of OID allocable to each accrual period will be determined by (a) multiplying the "adjusted issue price" (as defined below) of the New Note at the beginning of the accrual period by the "yield to maturity" of such New Note (appropriately adjusted to reflect the length of the accrual period) and (b) subtracting from that product the amount (if any) of stated interest allocable to that accrual period. However, if a U.S. Holder's initial tax basis in the New Note is greater than the New Note's issue price, but less than or equal to the stated principal amount, the U.S. Holder will be considered to have acquired the New Note at an "acquisition premium" and will be required to reduce its periodic inclusions of OID income to reflect the amount by which its initial tax basis in the New Note exceeded the issue price.

The "adjusted issue price" of a New Note at the beginning of any accrual period will generally be the sum of its issue price and the amount of OID allocable to all prior accrual periods (determined without regard to the

amortization of any bond premium (as discussed below) or any reduced OID inclusions on account of acquisition premium), reduced by the amount of all payments previously made on the New Note other than payments of stated interest. The "yield to maturity" of a New Note is the discount rate that causes the present value of all payments on the New Note as of its original issue date to equal the issue price of such New Note. As a result of this "constant yield" method of including OID in income, the amounts includible in income by a U.S. Holder in respect of a New Note generally will be less in the early years and greater in the later years than amounts that would be includible on a straight-line basis.

If the New Notes are issued with de minimis OID, a U.S. Holder with an initial tax basis in the New Notes less than their stated principal amount generally will include such de minimis OID in income as stated principal payments on the New Notes are made pursuant to the amortization schedule. The includible amount with respect to each payment will be equal to the product of the total amount of the New Note's de minimis OID and a fraction, the numerator of which is the amount of the principal payment made and the denominator of which is the stated principal amount of the New Note immediately prior to such payment. Any amount of de minimis OID includible in income under the preceding sentence is treated as an amount received in retirement of the debt instrument and thus as capital gain (subject to the market discount rules discussed below under "*—Sale or Other Disposition of the New Notes*").

A U.S. Holder may elect to treat all interest (including stated interest, OID or de minimis OID, and market discount or de minimis market discount, as adjusted by any acquisition premium or amortizable bond premium) on a New Note as OID and calculate the amount includible in gross income under the constant yield method described above. The election must be made for the taxable year in which the U.S. Holder acquires the New Note, and may not be revoked without the consent of the IRS. U.S. Holders should consult with their tax advisors about this election. This discussion assumes this election is not made.

The rules governing instruments with OID are complex, and U.S. Holders should consult with their own tax advisors about the application of such rules to the New Notes.

Amortizable Bond Premium

If a U.S. Holder's initial tax basis in a New Note is greater than its stated principal amount, the U.S. Holder generally will be considered to have acquired the New Note with "amortizable bond premium" and will not be required to include OID in income with respect to the New Note. A U.S. Holder may elect to amortize the bond premium (as an offset to interest income), using a constant-yield method, over the term of the New Note. However, because the New Notes may be redeemed by the Company prior to maturity at a premium, special rules apply that may reduce, eliminate or defer the amount of premium that a U.S. Holder may amortize with respect to a New Note. The election to amortize bond premium, once made, generally applies to all taxable debt instruments held or subsequently acquired by the U.S. Holder on or after the first day of the first taxable year to which the election applies, and the election may not be revoked without the consent of the IRS. A U.S. Holder that elects to amortize bond premium must reduce its tax basis in a New Note by the amount of the premium amortized during its holding period. With respect to a U.S. Holder that does not elect to amortize bond premium, the amount of bond premium will be included in the U.S. Holder's tax basis when the New Note matures or is disposed of by the U.S. Holder. Therefore, a U.S. Holder that does not elect to amortize such premium and that holds the New Note to maturity generally will be required to treat the premium as capital loss when the New Note matures. U.S. Holders should consult their tax advisors about the election to amortize bond premium.

Sale or Other Disposition of the New Notes

A U.S. Holder generally will recognize gain or loss on the sale or other taxable disposition of a New Note in an amount equal to the difference between the amount realized on the disposition (less any amounts attributable to accrued but unpaid interest, which will be taxable as interest as described above under "*—Payments of Stated Interest*" to the extent not previously included in income) and the U.S. Holder's adjusted tax basis in the New Note. A U.S. Holder's adjusted tax basis in a New Note generally will equal the U.S. Holder's basis immediately following the Exchange Offer (as described above under "*Tax Consequences of the Exchange of Existing Notes—Recapitalization of the Series XX Notes*" or "*Tax Consequences of the Exchange of Existing Notes—Taxable Exchange of the Private Notes*," as applicable), increased by any OID or market discount previously included in income and reduced by any bond premium amortized during the U.S. Holder's holding period for the New Note, and any cash payments previously made on the New Note other than payments of stated interest (including payments of principal).

Subject to the discussion of market discount below, any such gain or loss recognized generally will be capital gain or loss and will be long-term capital gain or loss if, at the time of the sale or other taxable disposition, the holding period for the New Note is greater than one year. The net amount of long-term capital gain realized by certain non-corporate U.S. Holders (including individuals) may be subject to taxation at a preferential rate. The deduction of capital losses is subject to limitations. Subject to the discussion of market discount below, any gain or loss recognized generally will be U.S. source capital gain or loss. If any such gain is subject to Argentine income tax, a U.S. Holder may not be able to credit the tax against its U.S. federal income tax liability unless such credit can be applied (subject to the applicable limitations) against tax due on other income treated as derived from foreign sources. However, a U.S. Holder may be eligible for a deduction in computing its taxable income for such income tax even if the U.S. Holder is not able to claim such credit (provided that the U.S. Holder elects to deduct, rather than credit, all of its applicable foreign income taxes for the relevant taxable year). U.S. Holders should consult their own tax advisors as to the U.S. tax and foreign tax credit implications of a sale or other taxable disposition of a New Note.

As described above under "*Tax Consequences of the Exchange of Existing Notes—Recapitalization of the Series XX Notes*," a U.S. Holder that purchased Series XX Notes with market discount may have market discount carried over to the New Notes, under the rules applicable to recapitalizations, except to the extent such market discount is converted into OID (as described above). Generally, a U.S. Holder may elect to include market discount in income on a current basis as it accrues (on either a ratable or constant yield basis), in lieu of treating the portion of any gain realized on a sale or other taxable disposition of New Notes attributable to accrued market discount as ordinary income. If such an election is not made, any gain realized by a U.S. Holder on the sale or other taxable disposition of a New Note, as well as any partial principal payment on a New Note, will be treated as ordinary income to the extent of any accrued market discount. Any amount treated as ordinary income pursuant to the market discount rules should be treated as foreign source income. In addition, a U.S. Holder will generally be required to defer the deduction of a portion of any interest paid on any indebtedness incurred or maintained to purchase or carry the New Notes (or the Existing Notes surrendered therefor) unless the U.S. Holder elects to include market discount on a current basis. Any such election, if made, applies to all market discount bonds acquired by the taxpayer on or after the first day of the first taxable year to which such election applies and is revocable only with the consent of the IRS.

Information Reporting and Backup Withholding

Payments on the Existing Notes and New Notes, the accrual of OID, and the proceeds of dispositions of the Existing Notes or New Notes will be reported to the IRS and to the U.S. Holder by the applicable paying agent or other intermediary as may be required under applicable U.S. Treasury Regulations. Backup withholding may apply to these payments if the U.S. Holder fails to provide an accurate taxpayer identification number or certification of exempt status or fails to comply with applicable certification requirements. Backup withholding is not an additional tax and any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against a U.S. Holder's U.S. federal income tax liability, provided that the required information is timely furnished to the IRS. Certain U.S. Holders are not subject to information reporting and backup withholding. U.S. Holders should consult their tax advisors about these rules and any other reporting obligations that may apply to the exchange of the Existing Notes, or the ownership or disposition of New Notes, including requirements related to the holding of certain specified foreign financial assets.

TRANSFER RESTRICTIONS

The following restrictions will apply with respect to the resale of the New Notes. Holders of the New Notes are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of the New Notes.

The Exchange Offer and the issuance of New Notes have not been registered under the Securities Act or any other applicable securities laws and, unless so registered, the New Notes may not be offered, sold, pledged or otherwise transferred within the U.S. or to or for the account of any U.S. Person, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable securities laws. The Exchange Offer is being made, and the New Notes are being offered and issued, only to the following holders of Existing Notes that are:

(a) "qualified institutional buyers" as defined in Rule 144A under the Securities Act, in a private transaction in reliance upon the exemption from the registration requirements of the Securities Act provided by Section 4(a)(2) thereof (such New Notes, the "144A Notes"); or

(b) outside the United States and not "U.S. Persons" (as defined in Rule 902 under the Securities Act) and who are not acquiring New Notes for the account or benefit of a U.S. Person, in offshore transactions in compliance with Regulation S under the Securities Act, and who are also "Non-U.S. Qualified Offerees" (as defined below) (such New Notes, the "Regulation S Notes").

Each participating Eligible Holder of Existing Notes, by submitting or sending an Agent's Message or Tender Instruction to the Exchange and Information Agent in connection with the tender of Existing Notes, will have represented and agreed as follows (terms used in this paragraph that are defined in Rule 144A or Regulation S under the Securities Act are used herein as defined therein):

(1) You are an Eligible Holder of Existing Notes.

(2) You are not an "affiliate" (as defined in Rule 144 under the Securities Act) of the Company, you are not acting on behalf of the Company and you (a) (i) are a "qualified institutional buyer" (as defined in Rule 144A under the Securities Act) and (ii) are acquiring New Notes for your own account or for the account of one or more qualified institutional buyers (each, a "144A Acquirer"); or (b) (i) outside the United States, are not a U.S. Person (as defined in Regulation S under the Securities Act), are not acquiring New Notes for the account or benefit of a U.S. Person and are acquiring New Notes in an offshore transaction pursuant to Regulation S under the Securities Act and (ii) are a Non-U.S. Qualified Offeree (each, a "Regulation S Acquirer"). You understand that the New Notes are being offered in a transaction not involving any public offering in the United States within the meaning of the Securities Act.

(3) You understand and acknowledge that (a) the New Notes have not been registered under the Securities Act or any other applicable securities law, (b) the New Notes are being offered in transactions not requiring registration under the Securities Act or any other securities laws, including transactions in reliance on Section 4(a)(2) under the Securities Act, and (c) none of the New Notes may be offered, sold or otherwise transferred except in compliance with the registration requirements of the Securities Act or any other applicable securities law, pursuant to an exemption therefrom or in a transaction not subject thereto and, in each case, in compliance with the applicable conditions for transfer set forth in paragraph (5) below.

(4) You are acquiring New Notes for your own account, or for one or more investor accounts for which you are acting as a fiduciary or agent and, in the case of a 144A Acquirer, are acquiring New Notes for investment and, in the case of any Eligible Holder, are acquiring New Notes not with a view to, or for offer or sale in connection with, any distribution thereof in violation of the Securities Act, subject to any requirement of law that the disposition of your property or the property of such investor account or accounts be at all times within your or their control and subject to your or their ability to resell the New Notes pursuant to any exemption from registration available under the Securities Act.

(5) You also agree that:

(a) if you are a 144A Acquirer, you agree, on your own behalf and on behalf of any investor account for which you are acquiring New Notes, and each subsequent holder of such New Notes by its acceptance thereof will agree, to offer, sell, pledge or otherwise transfer such New Notes only (i)

for so long as such New Notes are eligible for resale pursuant to Rule 144A, to a person it reasonably believes is a QIB that purchases for its own account or for the account of a QIB to whom notice is given that the transfer is being made in reliance on Rule 144A and which takes delivery of New Notes in the form of the Rule 144A Global Note, (ii) pursuant to an offer and sale to a non-U.S. Person that occurs outside the United States within the meaning of Regulation S under the Securities Act, (iii) to us or any of our affiliates, (iv) pursuant to a registration statement which has been declared effective under the Securities Act, or (v) pursuant to any other available exemption from the registration requirements of the Securities Act, subject in each of the foregoing cases to (1) all applicable requirements under the New Notes Indenture and (2) any requirement of law that the disposition of your property or the property of such investor account or accounts be at all times within your or their control and to compliance with any applicable state securities laws. In addition, you further acknowledge that the Company and the New Notes Trustee reserve the right prior to any offer, sale or other transfer of 144A Notes pursuant to clause (a)(ii) or (a)(v) above prior to the Resale Restriction Termination Date of the New Notes to require the delivery of certifications and/or other information, and an opinion of counsel, in each case satisfactory to the Company and the New Notes Trustee; or

(b) if you are a Regulation S Acquirer, you agree on your own behalf and on behalf of any investor account for which you are acquiring New Notes, and each subsequent holder of the Regulation S Notes by its acceptance thereof will agree, to offer, sell, pledge or otherwise transfer such New Notes prior to the expiration of the applicable "distribution compliance period" (as defined below) only (i) for so long as such New Notes are eligible for resale pursuant to Rule 144A, to a person it reasonably believes is a QIB that purchases for its own account or for the account of a QIB to whom notice is given that the transfer is being made in reliance on Rule 144A and which takes delivery of New Notes in the form of the Rule 144A Global Note and which has furnished to the New Notes Trustee or its agent a certificate representing that the transferee is purchasing the New Notes for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is a "qualified institutional buyer" within the meaning of Rule 144A and is aware that the sale to it is being made in reliance on Rule 144A and acknowledging that it has received such information regarding the Company as such transferee has requested pursuant to Rule 144A or has determined not to request such information and that it is aware that the transferor is relying upon its foregoing representations in order to claim the exemption from registration provided by Rule 144A of the Securities Act, (ii) pursuant to offers and sales to non-U.S. Persons that occur outside the United States within the meaning of Regulation S under the Securities Act, (iii) to us or any of our affiliates, (iv) pursuant to a registration statement which has been declared effective under the Securities Act or (v) pursuant to any other available exemption from the registration requirements of the Securities Act, subject in each of the foregoing cases to (1) all applicable requirements under the New Notes Indenture and (2) any requirement of law that the disposition of your property or the property of such investor account or accounts be at all times within your or their control and to compliance with any applicable state securities laws. The foregoing restrictions on resale will not apply subsequent to the expiration of the applicable "distribution compliance period." The "distribution compliance period" means the 40-day period following the later of the date on which the New Notes are offered to persons other than distributors (as defined in Regulation S under the Securities Act) and the Settlement Date for the New Notes.

(6) You acknowledge that none of the Company, the dealer managers and solicitation agents, the Exchange and Information Agent or any person representing the Company or the dealer managers and solicitation agents has made any representation to you with respect to the Company, the Exchange Offer or the New Notes, other than by the Issuer with respect to the information contained in this Exchange Offer and Consent Solicitation Memorandum, which Exchange Offer and Consent Solicitation Memorandum has been delivered to you and upon which you are relying in making your investment decision with respect to the New Notes. You acknowledge that the dealer managers and solicitation agents make no representation or warranty as to the accuracy or completeness of this Exchange Offer and Consent Solicitation Memorandum.

(7) You also acknowledge that:

(a) The Company and the New Notes Trustee reserve the right to require in connection with any offer, sale or other transfer of New Notes under paragraph (5)(a)(ii) and paragraph (5)(a)(v) above the delivery of an opinion of counsel, certifications and/or other information satisfactory to the Company and the New Notes Trustee;

(b) the following is the form of restrictive legend that will appear on the face of the Rule 144A Global Note and be used to notify transferees of the foregoing restrictions on transfer. This legend will only be removed with our consent. If we so consent, it will be deemed to be removed:

"THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE ''SECURITIES ACT''), OR ANY STATE OR OTHER SECURITIES LAWS. NEITHER THIS GLOBAL NOTE NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS THE TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE HOLDER OF THIS GLOBAL NOTE BY ITS ACCEPTANCE HEREOF (1) REPRESENTS THAT (A) IT IS A ''QUALIFIED INSTITUTIONAL BUYER'' (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) OR (B) IT IS NOT A U.S. PERSON AND IS ACQUIRING THIS GLOBAL NOTE IN AN ''OFFSHORE TRANSACTION'' PURSUANT TO RULE 903 OR 904 OF REGULATION S, (2) AGREES THAT IT WILL NOT OFFER, SELL OR OTHERWISE TRANSFER THIS GLOBAL NOTE PRIOR TO THE RESALE RESTRICTION TERMINATION DATE (AS DEFINED IN THE NEXT PARAGRAPH), EXCEPT (A) (I) TO A PERSON WHO THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT ACQUIRING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION COMPLYING WITH RULE 144A, (II) IN AN OFFSHORE TRANSACTION COMPLYING WITH THE REQUIREMENTS OF RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (III) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT (IF AVAILABLE), AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND OTHER JURISDICTIONS, AND (3) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS GLOBAL NOTE IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. AS USED HEREIN, THE TERMS ''OFFSHORE TRANSACTION,'' ''UNITED STATES'' AND ''U.S. PERSON'' HAVE THE RESPECTIVE MEANINGS GIVEN TO THEM BY REGULATION S UNDER THE SECURITIES ACT.

THE RESALE RESTRICTION TERMINATION DATE WILL BE THE DATE:

ON WHICH GENNEIA S.A. INSTRUCTS THE TRUSTEE THAT THIS LEGEND (OTHER THAN THE FIRST PARAGRAPH HEREOF) SHALL BE DEEMED REMOVED FROM THIS NOTE, IN ACCORDANCE WITH THE PROCEDURES DESCRIBED IN THE INDENTURE RELATING TO THIS NOTE."; and

(c) The following is the form of restrictive legend that will appear on the face of the Regulation S Global Note and be used to notify transferees of the foregoing restrictions on transfer:

"THIS NOTE HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY OTHER SECURITIES LAWS. THE HOLDER HEREOF, BY PURCHASING THIS NOTE, AGREES THAT NEITHER THIS NOTE NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION.

THE FOREGOING LEGEND MAY BE REMOVED FROM THIS NOTE AFTER 40 CONSECUTIVE DAYS BEGINNING ON AND INCLUDING THE LATER OF (A) THE DATE ON WHICH THE NEW NOTES ARE OFFERED TO PERSONS OTHER THAN

DISTRIBUTORS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) AND (B) THE ORIGINAL ISSUE DATE OF THIS NOTE."

(8) If you are a Regulation S Acquirer, you are an acquirer in an exchange that occurs outside the United States within the meaning of Regulation S under the Securities Act, you acknowledge that until the expiration of such "distribution compliance period" any offer, sale, pledge or other transfer of the New Notes shall not be made by you to a U.S. Person or for the account or benefit of a U.S. Person within the meaning of Rule 902(k) of the Securities Act.

(9) If you are a Regulation S Acquirer, you acknowledge that until the expiration of the "distribution compliance period" described above, you may not, directly or indirectly, offer, sell, pledge or otherwise transfer a New Note or any interest therein except to a person who certifies in writing to the applicable transfer agent that such transfer satisfies, as applicable, the requirements of the legends described above and that the New Notes will not be accepted for registration of any transfer prior to the end of the applicable "distribution compliance period" unless the transferee has first complied with the certification requirements described in this paragraph and all related requirements under the New Notes Indenture.

By submitting the Agent's Message of Tender Instruction, you also acknowledge that the foregoing restrictions apply to holders of beneficial interests in such New Notes. In addition:

(1) You acknowledge that the registrar will not be required to accept for registration of transfer any New Notes acquired by you, except upon presentation of evidence satisfactory to the Issuer and the registrar that the restrictions set forth herein have been complied with.

(2) You acknowledge that:

(d) The Company, the dealer managers and solicitation agents and others will rely upon the truth and accuracy of your acknowledgments, representations and agreements set forth herein and you agree that, if any of your acknowledgments, representations or agreements herein cease to be accurate and complete, you will notify the Company and the dealer managers and solicitation agents promptly in writing; and

(e) if you are acquiring any New Notes as a fiduciary or agent for one or more investor accounts, you represent with respect to each such account that:

(1) you have sole investment discretion; and

(2) you have full power to make, and make, the acknowledgments, representations and agreements contained herein.

(3) You agree that you will give to each person to whom you transfer such New Notes notice of any restrictions on the transfer of such New Notes.

(4) The acquirer understands that no action has been taken in any jurisdiction except for Argentina (including the United States) by the Issuer or the dealer managers and solicitation agents that would permit a public offering of the New Notes or the possession, circulation or distribution of this Exchange Offer and Consent Solicitation Memorandum or any other material relating to the Company or the New Notes in any jurisdiction where action for such purpose is required. Consequently, any transfer of the New Notes will be subject to the selling restrictions set forth herein.

For purposes of the Exchange Offer, "Non-U.S. Qualified Offeree" means:

(1) in relation to each Member State of the United Kingdom:

(a) any legal entity which is a qualified investor as defined in Article 2(e) of the Prospectus Regulation; or

(b) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of the New Notes shall require the Issuer or the dealer managers and solicitation agents to publish a prospectus pursuant to Article 3 of the Prospectus Regulation, or

(2) in the EEA or the United Kingdom, a person that is not a retail investor. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); or (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation, or

(3) in relation to an investor in the United Kingdom, a "relevant person" (as defined below under "Notice to Certain Non-U.S. Holders"), or

(4) any entity outside the U.S., the EEA and the United Kingdom to whom the offers related to the New Notes may be made in compliance with all other applicable laws and regulations of any applicable jurisdiction.

OFFER AND DISTRIBUTION RESTRICTIONS

General

No action has been or will be taken in any jurisdiction that would permit a public offering of the New Notes or the possession, circulation or distribution of this Exchange Offer and Consent Solicitation Memorandum or any material relating to us, the Existing Notes or the New Notes in any jurisdiction where action for that purpose is required, except in the case of Argentina, where CNV's authorization to our Frequent Issuer Program, was granted pursuant to Resolution No. DI-2021-10-APN-GE#CNV dated April 19, 2021. The public offering of the New Notes described in the Argentine Exchange Offer and Consent Solicitation Memorandum is included within the public offering authorization granted by the CNV to the Frequent Issuer Program, within the framework of the provisions of Article 41, Title II, Chapter V of the CNV Rules. In accordance with the procedure established in Section 51, Title II, Chapter V of CNV Rules, within five business days of the signing of the New Notes, the Issuer will present the definitive documentation related to the New Notes to the CNV. We are not making an offer to exchange, or seeking offers to exchange, Existing Notes for the New Notes in any jurisdiction where the offer and exchange is not permitted. Accordingly, the New Notes included in the Exchange Offer may not be offered, sold or exchanged, directly or indirectly, and neither this Exchange Offer and Consent Solicitation Memorandum nor any other offering material or advertisements in connection with the Exchange Offer may be distributed or published, in or from any such country or jurisdiction, except in compliance with any applicable rules or regulations of any such country or jurisdiction.

The distribution of this Exchange Offer and Consent Solicitation Memorandum in certain jurisdictions may be restricted by law. This Exchange Offer and Consent Solicitation Memorandum does not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which an offer or solicitation is not authorized or in which the person making an offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make an offer or solicitation. Persons into whose possession this Exchange Offer and Consent Solicitation Memorandum comes are required by us, the dealer managers and solicitation agents and the Exchange and Information Agent to inform themselves about, and to observe, any such restrictions. Neither we nor the dealer managers and solicitation agents accept any responsibility for any violation by any person of the restrictions applicable in any jurisdiction.

Note to Eligible Holders outside the United States

European Economic Area

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

United Kingdom

Prohibition of sales to UK Retail Investors – The New Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("UK"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, the "FSMA") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part

of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA (the "UK Prospectus Regulation"). Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the New Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the New Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

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

Hong Kong

Each dealer manager and solicitation agent (i) has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any New Notes other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong) (the "SFO") and any rules made thereunder; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) (the "CO") or which do not constitute an offer to the public within the meaning of the CO; and (ii) has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the New Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the New Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made thereunder.

Japan

The New Notes have not been and will not be registered pursuant to Article 4, Paragraph 1 of the Financial Instruments and Exchange Act. Accordingly, none of the New Notes nor any interest therein may be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any "resident" of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to or for the benefit of a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and any other applicable laws, regulations and ministerial guidelines of Japan in effect at the relevant time.

Singapore

Each dealer manager and solicitation agent has acknowledged that this Exchange Offer and Consent Solicitation Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each dealer manager and solicitation agent has represented and agreed that it has not offered or sold any New Notes or caused the New Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any New Notes or cause the New Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Exchange Offer and Consent Solicitation Memorandum or any other document or material in connection with the offer or

sale, or invitation for subscription or purchase, of the New Notes, whether directly or indirectly, to any person in Singapore other than:

(a) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "SFA")) pursuant to Section 274 of the SFA;

(b) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA and in accordance with the conditions specified in Section 275 of the SFA; or

(c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the New Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the New Notes pursuant to an offer made under Section 275 of the SFA except:

(a) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 276(4)(i)(B) of the SFA;

(b) where no consideration is or will be given for the transfer;

(c) where the transfer is by operation of law;

(d) as specified in Section 276(7) of the SFA; or

(e) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Chile

The offer of the New Notes is subject to General Rule No. 336 of the Chilean Securities Commission (*Comisión para el Mercado Financiero*, or CMF). The New Notes being offered will not be registered under the Chilean Securities Market Law (*Ley de Mercado de Valores*) in the Securities Registry (*Registro de Valores*) or in the Foreign Securities Registry (*Registro de Valores Extranjeros)* both kept by the CMF and, therefore, the New Notes are not subject to the oversight of the CMF. As unregistered securities in Chile, we are not required to disclose public information about the New Notes in Chile. Accordingly, the New Notes cannot and will not be publicly offered to persons in Chile unless they are registered in the corresponding Securities Registry. The New Notes may only be offered in Chile in circumstances that do not constitute a public offering under Chilean law or in compliance with General Rule No. 336 of the CMF. Pursuant to the Chilean Securities Market Law, a public offering of securities is an offering that is addressed to the general public or to certain specific categories or groups thereof. Considering that the definition of public offering is quite broad, even an offering addressed to a small group of investors may be considered to be addressed to a certain specific category or group of the public and therefore be considered public under applicable law and, as such, subject to registration in Chile. However, pursuant to General Rule No. 336 of the CMF, the New Notes may be privately offered in Chile to certain "qualified investors" identified as such therein (which in turn are further described in General Rule No. 216, dated June 12, 2008, of the CMF).

CMF Rule 336 requires the following information to be provided to prospective investors in Chile:

Date of commencement of the offer: August 2, 2021. The offer of the New Notes is subject to Rule (*Norma de Carácter General*) No. 336, dated June 27, 2012, issued by the CMF.

The subject matter of this offer are securities not registered with the Securities Registry *(Registro de Valores)*, nor with the Foreign Securities Registry (*Registro de Valores Extranjeros*) both kept by CMF. As a consequence, the New Notes are not subject to the oversight of the CMF.

Since the New Notes are not registered in Chile, the issuer is not obliged to provide publicly available information about the New Notes in Chile.

The New Notes shall not be subject to public offering in Chile unless registered with the relevant Securities Registry kept by the CMF.

CMF Rule 336 further requires the following information to be included in the Spanish language:

Aviso a los Inversionistas Chilenos

La oferta de los bonos se acoge a la Norma de Carácter General N°336 de la Comisión para el Mercado Financiero. Los bonos que se ofrecen no están inscritos bajo la Ley de Mercado de Valores en el Registro de Valores o en el Registro de Valores Extranjeros que lleva la Comisión para el Mercado Financiero, por lo que tales valores no están sujetos a la fiscalización de ésta. Por tratarse de valores no inscritos en Chile, no existe obligación por parte del emisor de entregar en Chile información pública respecto de estos valores. Los bonos no podrán ser objeto de oferta pública en Chile mientras no sean inscritos en el Registro de Valores correspondiente. Los bonos solo podrán ser ofrecidos en Chile en circunstancias que no constituyan una oferta pública o cumpliendo con lo dispuesto en la Norma de Carácter General N° 336 de la Comisión para el Mercado Financiero. De conformidad con la Ley de Mercado de Valores Chilena, se entiende por oferta pública de valores la dirigida al público en general o a ciertos sectores o a grupos específicos de éste. Considerando lo amplio de dicha definición, incluso una oferta dirigida a un pequeño grupo de inversionistas puede ser considerada como una oferta dirigida a ciertos sectores o a grupos específicos del público y por lo tanto considerada como pública y sujeta a inscripción en Chile bajo la ley aplicable. Sin embargo, en conformidad con lo dispuesto por la Norma de Carácter General N°336, los bonos podrán ser ofrecidos privadamente a ciertos "inversionistas calificados," identificados como tal en dicha norma (y que a su vez están descritos en la Norma de Carácter General N° 216 de la Comisión para el Mercado Financiero de fecha 12 de junio de 2008).

La siguiente información se proporciona a potenciales inversionistas de conformidad con la NCG 336:

1. *La oferta de los bonos comienza el* 2 de agosto de 2021*, y se encuentra acogida a la Norma de Carácter General N° 336, de fecha 27 de junio de 2012, de la CMF.*

2. *La oferta versa sobre valores no inscritos en el Registro de Valores o en el Registro de Valores Extranjeros que lleva la CMF, por lo tanto, tales valores no están sujetos a la fiscalización de esa Comisión.*

3. *Por tratarse de valores no inscritos en Chile, no existe la obligación por parte del emisor de entregar en Chile información pública respecto de los mismos.*

4. *Estos valores no podrán ser objeto de oferta pública en Chile mientras no sean inscritos en el Registro de Valores correspondiente.*

Colombia

The New Notes may not be offered, sold or negotiated in Colombia, except under circumstances which do not constitute a public offering of securities under applicable Colombian securities laws and regulations. Furthermore, foreign financial entities must abide by the terms of Decree 2555 of 2010 to offer privately the New Notes to their Colombian clients.

Brazil

The New Notes have not been, and will not be, registered with the Brazilian Securities Commission (*Comissão de Valores Mobiliários*), or the CVM. The New Notes may not be offered or sold in Brazil. The New Notes are not being offered into Brazil. Documents relating to the offering of the New Notes, as well as information contained therein, may not be supplied in Brazil, nor be used in connection with any offer for subscription or sale of the New Notes in Brazil.

Switzerland

This document is not intended to constitute an offer or solicitation to purchase or invest in the New Notes described herein. The New Notes may not be publicly offered, sold or advertised, directly or indirectly, in, into or from Switzerland and will not be listed on the SIX Swiss Exchange or on any other exchange or regulated trading facility in Switzerland. Neither this Exchange Offer and Consent Solicitation Memorandum nor any other offering or marketing material relating to the New Notes constitutes a prospectus as such term is understood pursuant to article 652a or article 1156 of the Swiss Code of Obligations or a listing prospectus within the meaning of the listing rules of the SIX Swiss Exchange or any other regulated trading facility in Switzerland, and neither this Exchange Offer and Consent Solicitation Memorandum nor any other offering or marketing material relating to the New Notes may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this Exchange Offer and Consent Solicitation Memorandum nor any other offering or marketing material relating to the offering, nor the New Notes have been or will be filed with or approved by any Swiss regulatory authority. The New Notes are not subject to the supervision by any Swiss regulatory authority, e.g., the Swiss Financial Markets Supervisory Authority FINMA, and investors in the New Notes will not benefit from protection or supervision by such authority.

Peru

The New Notes will not be subject to a public offering in Peru. The New Notes and the information contained in this Exchange Offer and Consent Solicitation Memorandum have not been and will not be registered with or approved by the SMV or the Lima Stock Exchange (*Bolsa de Valores de Lima*). Accordingly, the New Notes cannot be offered or sold in Peru, except if (i) the New Notes were previously registered with the SMV, or (ii) such offering is considered a private offering under the securities laws and regulations of Peru. The Peruvian securities laws establish, among other things, that an offer directed exclusively at institutional investors (as defined by Peruvian law) qualifies as a private offering. In making an investment decision, institutional investors (as defined by Peruvian law) must rely on their own examination of the terms of the offering of the New Notes to determine their ability to invest in the New Notes.

No offer or invitation to subscribe for or sell the New Notes or beneficial interests therein can be made in Peru, except in compliance with the securities law thereof.

General

This Exchange Offer and Consent Solicitation Memorandum does not constitute an offer to buy or sell or a solicitation of an offer to sell or buy Existing Notes or New Notes, as applicable, (i) in any jurisdiction in which, or to or from any person to or from whom, it is unlawful to make such offer or solicitation under applicable securities laws or otherwise and (ii) for those persons or entities domiciled, incorporated or residents of a country considered as a "no or low- tax jurisdiction", or for those persons or entities that, for the acquisition of the New Notes, use a localized or open account in a country considered as a "no or low-tax jurisdiction". The distribution of this document in certain jurisdictions (including, but not limited to, the jurisdictions listed above) may be restricted by law. In those jurisdictions where the securities, blue sky or other laws require the Exchange Offer to be made by a licensed broker or dealer and the dealer managers and solicitation agents or any of their respective affiliates is such a licensed broker or dealer in any such jurisdiction, that Exchange Offer shall be deemed to be made by the dealer managers and solicitation agents or such affiliate (as the case may be) on behalf of the Company in such jurisdiction.

Each Eligible Holder participating in the Exchange Offer will give certain representations in respect of the jurisdictions referred to above and generally as set out in herein. Any Tender Order pursuant to the Exchange Offer from an Eligible Holder that is unable to make these representations will not be accepted. Each of the Company, the dealer managers and solicitation agents and the Exchange and Information Agent reserves the right, in its absolute discretion, to investigate, in relation to any Tender Order pursuant to the Exchange Offer. Whether any such representation given by an Eligible Holder is correct and, if such investigation is undertaken and as a result the Issuer determines (for any reason) that such representation is not correct, such Tender Order shall not be accepted.

LEGAL MATTERS

The validity of the New Notes will be passed upon for us by Bruchou, Fernández Madero & Lombardi, our Argentine counsel, and by Linklaters LLP, our U.S. counsel, and for the dealer managers and solicitation agents by EGFA Abogados, Argentine counsel for the dealer managers and solicitation agents, and by Simpson Thacher & Bartlett LLP, U.S. counsel for the dealer managers and solicitation agents.

INDEPENDENT ACCOUNTANTS

Our (i) audited annual consolidated financial statements for the year ended December 31, 2020, presented with comparative information for the year ended December 31, 2019 and (ii) audited annual consolidated financial statements for the year ended December 31, 2019, presented with comparative information for the year ended December 31, 2018, have been audited by Deloitte & Co. S.A., independent auditors, as stated in their reports appearing herein.

LISTING AND GENERAL INFORMATION

The New Notes will be issued under our Frequent Issuer Program, which has been authorized by the CNV pursuant to Resolution No. DI-2021-10-APN-GE#CNV dated April 19, 2021. The Exchange Offer and the issuance of the New Notes were approved at a meeting of our board of directors dated August 2, 2021.

Except as disclosed in this Exchange Offer and Consent Solicitation Memorandum, there are no litigation or arbitration proceedings against or affecting us or any of our respective assets, nor are we aware of any pending or threatened proceedings, which are or might reasonably be expected to be material in the context of the issuance of the New Notes.

Except as disclosed in this Exchange Offer and Consent Solicitation Memorandum, there has been no material adverse change or any development reasonably likely to involve a material adverse change, in our condition (financial or otherwise) or general affairs since March 31, 2021 that is material in the context of the issuance of the New Notes.

For so long as any of the New Notes remain outstanding, copies of the following documents will be obtainable and available during normal business hours at the offices of the Luxembourg listing agent and our principal office, at the addresses listed on the last page of this Exchange Offer and Consent Solicitation Memorandum:

- our by-laws (*estatutos*);
- the New Notes Indenture;
- the financial statements included in this Exchange Offer and Consent Solicitation Memorandum; and
- all our future annual and quarterly interim financial statements.

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INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF MARCH 31, 2021 (UNAUDITED)

(Presented for comparative purposes with the corresponding amounts of the fiscal year ended December 31, 2020 - amounts expressed in thousands of United States dollars - Note 2.1)

	March 31, 2021	December 31, 2020
Current Assets		
Cash and banks (Note 5.a)	60,524	55,638
Investments (Note 5.b)	70,592	66,582
Trade receivables (Note 5.c)	67,850	72,991
Other receivables (Note 5.d)	25,311	23,377
Inventories (Note 5.e)	1,255	1,305
Total current assets	225,532	219,893
Non-current assets		
Other receivables (Note 5.d)	24,924	29,446
Investments (Note 5.b)	51,948	53,844
Inventories (Note 5.e)	9,507	9,008
Fixed assets (Note 5.f)	1,059,426	1,068,337
Intangible assets (Note 5.f)	24,401	25,323
Total non-current assets	1,170,206	1,185,958
Total assets	1,395,738	1,405,851
Current liabilities		
Accounts payable (Note 5.g)	66,132	66,119
Loans (Note 5.h)	623,268	92,127
Salaries and social security payable (Note 5.i)	4,979	6,116
Taxes payable (Note 5.j)	10,287	4,740
Other liabilities (Note 5.k)	168	92
Provisions (Note 5.l)	2,323	2,574
Total current liabilities	707,157	171,768
Non-current liabilities		
Other liabilities (Note 5.k)	8,904	8,867
Loans (Note 5.h)	265,705	819,268
Deferred income tax liability (Note 5.r)	140,502	142,410
Total non-current liabilities	415,111	970,545
Total liabilities	1,122,268	1,142,313
Shareholders' equity (per corresponding statements)		
Capital stock	19,491	19,491
Share premium	276,029	276,029
Capital contributions	5,323	5,323
Legal reserve	1,221	1,221
Accumulated other comprehensive loss	(3,292)	(2,934)
Unappropriated retained losses	(25,302)	(35,592)
Shareholders' equity attributable to owners of the Company	273,470	263,538
Total liabilities and shareholders' equity	1,395,738	1,405,851

Notes 1 to 11 are an integral part of and should be read in conjunction with these interim condensed consolidated financial statements.

Cesar Rossi
Authorized Director

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2020 (UNAUDITED)
(Presented for comparative purposes with the corresponding amounts from for the three-months period ended March 31, 2020 (unaudited) - amounts expressed in thousands of United States dollars, except for per share amounts in United States dollars - Note 2.1)

	March 31, 2021	March 31, 2020
Net sales (Note 5.m)	68,168	76,755
Cost of sales (Note 5.n)	(25,347)	(24,254)
Gross profit	42,821	52,501
Selling expenses (Note 5.o)	(504)	(536)
Administrative expenses (Note 5.o)	(3,433)	(3,372)
Other expenses, net (Note 5.p)	(953)	(863)
Loss from long term investment in joint ventures	(1,834)	(1,309)
Financial expense, net (Note 5.q)	(21,875)	(25,264)
Net profit before income tax	14,222	21,157
Income tax (Note 5.r)	(3,932)	(12,377)
Net profit for the period	10,290	8,780
Other comprehensive income		
Translation differences from investments in companies (1)	(358)	(61)
Total other comprehensive loss	(358)	(61)
Total comprehensive income for the period	9,932	8,719
Profit attributable to:		
Owners of the Company	10,290	8,780
Net profit for the period	10,290	8,780
Total comprehensive income attributable to:		
Owners of the Company	9,932	8,719
Total comprehensive income for the period	9,932	8,719
Profit per share (basic and diluted):	0,10	0,09

(1) May be reclassified subsequently to profit or loss at the moment of the sale of the investment or the full or partial reimbursement of the capital.

Notes 1 to 11 are an integral part of and should be read in conjunction with these interim condensed consolidated financial statements.

Cesar Rossi
Authorized Director

GENNEIA S.A.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021 (UNAUDITED)

(Presented for comparative purposes with the corresponding amounts from the three-months period ended March 31, 2020 - amounts expressed in thousands of United States dollars - Note 2.1)

	Shareholders' contributions					Retained earnings				Equity attributable to:	
	Capital stock	Issuance premiums	Subtotal	Capital contributions	Total	Legal Reserve	Facultative reserve	Accumulated other comprehensive loss [1]	Unappropriated retained results	Owners of the Company	Total
Balances at the beginning of the year, 2020	19,491	276,029	295,520	5,323	300,843	1,221	-	(1,997)	(60,870)	239,197	239,197
Net profit for the period	-	-	-	-	-	-	-	-	8,780	8,780	8,780
Other comprehensive loss for the period	-	-	-	-	-	-	-	(61)	-	(61)	(61)
Balances as of the end of the period ended March 31, 2020	19,491	276,029	295,520	5,323	300,843	1,221	-	(2,058)	(52,090)	247,916	247,916
Balances at the beginning of the year, 2021	19,491	276,029	295,520	5,323	300,843	1,221	-	(2,934)	(35,592)	263,538	263,538
Net profit for the period	-	-	-	-	-	-	-	-	10,290	10,290	10,290
Other comprehensive loss for the period	-	-	-	-	-	-	-	(358)	-	(358)	(358)
Balances as of the end of the period ended March 31, 2021	19,491	276,029	295,520	5,323	300,843	1,221	-	(3,292)	(25,302)	273,470	273,470

(1) Corresponds to the effect of the translation of the financial statements of investments in companies with functional currencies other than the U.S. dollar.

Notes 1 to 11 are an integral part of and should be read in conjunction with these interim condensed consolidated financial statements.

Cesar Rossi
Authorized Director

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THREE-MONTHS PERIOD ENDED MARCH 31, 2021 (UNAUDITED)

(Presented for comparative purposes with the corresponding amounts from the three-months period ended March 31, 2020 - amounts expressed in thousands of United States dollars - Note 2.2)

	March 31, 2021	March 31, 2020
Cash flows provided by operating activities		
Net profit for the period	10,290	8,780
Adjustments to reconcile net profit for the period to net cash flows provided by operating activities:		
Depreciation and amortization of non-current assets	17,750	17,414
Income tax	3,932	12,377
Loss from long term investment in joint ventures	1,834	1,309
Allowances and provisions net decrease	(705)	(179)
Interest expense recognized in profit or loss	18,529	22,544
Issuance costs and withholdings	2,254	2,245
Exchange differences and others	(3,015)	3,205
Changes in assets and liabilities:		
Trade receivables	4,168	(782)
Other receivables [3]	1,183	5,405
Inventories	(449)	(22)
Accounts payable	182	3,163
Salaries and social security payable	(636)	(1,928)
Taxes payable	761	(4,520)
Other liabilities	113	(1,361)
Interest payments	(25,336)	(24,919)
Net cash flows provided by operating activities	30,855	42,731
Cash flows provided by (used in) investing activities [2] [4]		
Payments for fixed assets acquisitions	(911)	(59,128)
Loans to related parties	(92)	3,790
Investments not considered cash and equivalents	(19,188)	(25,220)
Deposits in guarantee (Note 5.d)	-	3,791
Net cash flows used in investing activities	(20,191)	(76,767)
Cash flows used in financing activities [5]		
Payment of negotiable debt obligations	(8,326)	-
Proceeds from loans, net of commissions [6]	1,390	23,092
Payment of loans	(10,211)	(12,357)
Net cash flows (used in) provided by financing activities	(17,147)	10,735
Exchange differences on cash and cash equivalents	(3,809)	(1,152)
Decrease in cash and cash equivalents [1]	(10,292)	(24,453)
Cash and cash equivalents at the beginning of the year [1]	106,551	91,261
Cash and cash equivalents at the end of the period [1]	96,259	66,808

(1) Cash and short-term investments with maturity up to three months at the acquisition date (Note 3).
(2) As of March 31, 2021 cash used in investing activities includes payments of adquisitions of fixed assets made during the period and is net of financed acquisitions of fixed assets at the end of the period for a net amount of (3,749); aditionally includes advanced payments to fixed assets suppliers made during the period and is net of advanced payments to fixed assets suppliers made during preceding years for a net amount of (1,461). As of March 31, 2020 cash used in investing activities includes payments of adquisitions of fixed assets made during the period and is net of financed acquisitions of fixed assets at the end of the period for a net amount of 40,691; aditionally includes advanced payments to fixed assets suppliers made during the period and is net of advanced payments to fixed assets suppliers made during preceding years for a net amount of 9,785.
(3) Includes (2,952) related to the increase in the Account for future investments for the period ended March 31, 2020.
(4) Includes 4,664 of interest payments related to financial costs capitalized in fixed asset for the period ended March 31, 2020.
(5) See Note 5.h for a reconciliation between opening and closing balances of liabilities arising from financing activities.
(6) Proceeds from loans are net of issuance expenses and commissions for 2,715 for the period ended March 31, 2020.

Notes 1 to 11 are an integral part of and should be read in conjunction with these interim condensed consolidated financial statements.

Cesar Rossi
Authorized Director

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE THREE-MONTHS PERIOD ENDED MARCH 31, 2021 (UNAUDITED)

(Presented for comparative purposes with the corresponding amounts and other information of the fiscal year ended December 31, 2020 and the three-months period ended March 31, 2020 - Amounts stated in thousands of United States dollars, except where otherwise indicated - Note 2.1)

NOTE 1 - BUSINESS OF THE COMPANY

GENNEIA S.A. ("GENNEIA" or the "Company") is a "sociedad anónima" (stock corporation) incorporated under the laws in force in Argentina, with a registered office at Nicolas Repetto 3676, 3rd Floor, Olivos, Province of Buenos Aires, Argentina.

The main activities of GENNEIA and its subsidiaries comprise three business units: (i) the electric power generation from renewable sources; (ii) the electric power generation from conventional sources; and (iii) the trading on its own, on behalf of third parties or associated to third parties, of natural gas and/or its transportation capacity and of electric power.

We are an Argentine independent power generation company whose mission is to provide reliable and sustainable energy. We prospect, develop, build and operate a diverse portfolio of renewable (wind and solar power) and conventional (thermal power) power plants. As of March 31, 2021 we had an installed capacity of 1,279 MW (866 MW of renewable energy and 413 MW of conventional energy). We primarily derive our revenues from long-term U.S. dollar-denominated PPAs, which provide us with stable and predictable cash flows.

NOTE 2 - BASIS OF PREPARATION OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

2.1. Basis of preparation

These condensed consolidated financial statements of GENNEIA and its controlled companies as of March 31, 2021 and for the three-month period then ended are prepared in accordance with International Accounting Standard ("IAS") 34 "Interim Financial Reporting". The adoption of such standard and of the International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") was determined by the Technical Resolution No. 26 (ordered text) issued by the Argentine Federation of Professional Councils in Economic Sciences ("FACPCE") and the regulations of the Argentine Securities Commission ("CNV").

The condensed consolidated financial statements as of and for the period ended March 31, 2021 do not include all of the information required for a complete set of IFRS financial statements and, accordingly, should be read in conjunction with the consolidated financial statements as of December 31, 2020.

These condensed consolidated financial statements are not prepared, and do not include certain information, according to Argentine Securities Commission ("CNV") regulations. The consolidated and separate financial statements used by the Company for statutory, legal and regulatory purposes in Argentina are those issued and filed with the CNV and approved by the Board of Directors of GENNEIA and authorized for issue on May 11, 2021.

Amounts and other information as of December 31, 2020 and for the three-month period ended March 31, 2020, are included as an integral part of the above mentioned condensed consolidated financial statements, and are intended to be read only in relation to that condensed consolidated financial statements.

The condensed consolidated financial statements as of and for the three-month period ended March 31, 2021 and 2020 are unaudited, but in the opinion of the Company's Management, include all necessary adjustments to be presented on a consistent basis with the audited consolidated financial statements. The results of operations for the three-month period ended March 31, 2021 are not necessarily indicative of the results for the full year.

These consolidated financial statements are presented in U.S. dollars ("US$") which is the functional currency of the Company (Note 3.1 to the consolidated financial statements as of December 31, 2020), and are prepared mainly with the purpose of being used by the non-Argentine holders of the Company's Negotiable Obligations and foreign financial institutions.

2.2. Applicable accounting policies

The interim condensed consolidated financial statements have been prepared under the historical cost basis, except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the summary of significant accounting policies in Note 3 to the consolidated financial statements as of December 31, 2020. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability.

The accounting policies adopted for the preparation of the condensed consolidated financial statements as of March 31, 2021, taking into consideration the matters mentioned in Note 2.3, are consistent with those used to prepare the consolidated financial statements as of December 31, 2020 and, consequently, these condensed consolidated financial statements must be read in conjunction with the consolidated financial statements as of December 31, 2020, which include the main accounting policies described in Note 3 of those financial statements.

These condensed consolidated financial statements are presented in U.S. dollars which is the functional currency of the Company as defined by its Board of Directors (Note 3.1 to the consolidated financial statements as of December 31, 2020). In accordance with the provisions of IAS 21, the Company's Management has defined for the companies Enersud Energy S.A., Ingentis II Esquel S.A., Patagonia Wind Energy S.A. Nor Aldyl Bragado S.A. Nor Aldyl San Lorenzo S.A and MyC Energía S.A. the peso as the functional currency. As of February of 2020, as a consequence of the changes introduced by the resolution 31/2020, the Company's Management has evaluated that the currency of the main economic environment in which its subsidiary Genneia Desarrollos SA operates has become the Argentine peso, for such reason, the functional currency of said company has changed from US dollars to Argentine pesos with prospective effects from the moment of said change.

Under IAS 21, the financial statements of a subsidiary with the functional currency of a hyperinflationary economy have to be restated according to IAS 29 before they are included in the consolidated financial statements of its parent company with a functional currency of a non-hyperinflationary economy, except for their comparative figures. Following the aforementioned guidelines, the results and financial position of subsidiaries with the Peso as functional currency were translated into U.S. dollars by the following procedures: all amounts (i.e., assets, liabilities, stockholders' equity items, expenditures and revenues) were translated at the exchange rate effective at the closing date of the financial statements, except for comparative amounts, which were presented as current amounts in the financial statements of the previous fiscal year (i.e., these amounts were not be adjusted to reflect subsequent variations in price levels or exchange rates). Thus, the effect of the restatement of comparative amounts was recognized in other comprehensive income. When an economy ceases to be hyperinflationary and an entity ceases to restate its financial statements in accordance with IAS 29, it will use the amounts restated according to the price level of the date on which the entity ceased to make such restatement as historical costs, in order to translate them into the presentation currency.

The Company has adopted all the new standards and interpretations, or amendments issued by the IASB that are relevant to its operations and that are applicable as of March 31, 2021, as described in note 2.3.2 to the Company's consolidated financial statements as of December 31, 2020. The new standards and their interpretations or modifications adopted have not had a significant impact on these condensed consolidated financial statements (Note 2.3.1).

The preparation of these consolidated financial statements is the responsibility of the Company's Management and requires accounting estimates and judgments of the management when applying financial standards. Areas of high complexity which require more judgments or those in which assumptions and estimations are more significant are detailed in Note 4.

2.3. Standards and Interpretations issued

2.3.1. New standards issued adopted by the Company and impact of adoption.

The standards and interpretations or amendments thereto, published by the IASB, which were adopted as of the year beginning January 1, 2021, are as follows:

- Rental concessions related to COVID-19 (Amendment to IFRS 16)

The IASB published on May 28, 2020, an amendment that gives to tenants an exemption from assessing whether a COVID-19-related rental concession is a lease modification. This amendment is effective for annual financial statement reporting periods beginning on or after June 1, 2020, with early application permitted.

The impact of its adoption was not significant on the disclosures or amounts reported in these financial statements.

- IASB amendments related to benchmark interest rate reform (IBOR) - Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)

On August 27, 2020, the IASB approved the amendments that introduce, in the case of financial assets, financial liabilities and leases, a practical expedient for the modifications necessary as a direct consequence of the IBOR reform and carried out on an economically viable basis. They clarify that hedge accounting is not being discontinued solely due to the IBOR reform and introduce disclosures that allow users to understand the nature and scope of risks arising from the IBOR reform to which the entity is exposed and how the entity manages those risks, as well as the entity's progress in transitioning from IBORs to alternative benchmarks and how the entity is managing this transition.

This amendment is effective for annual financial statement reporting periods beginning on or after January 1, 2021, with early application permitted.

The impact of its adoption was not significant on the disclosures or amounts reported in these financial statements.

There are no other IFRS or IFRIC interpretations that are effective for the first time for the financial year beginning on or after January 1, 2021 that have a significant effect on these financial statements, nor other IFRS or IFRIC interpretations that are not yet effective and expected to have a significant effect on the Company.

2.3.2. New standards, interpretations and amendments issued not yet adopted

In addition to the new and revised IFRS that have been issued but are not yet in mandatory force as described in Note 2.3.2 to the annual consolidated financial statements as of December 31, 2020, during the three-month period ended March 31, 2021, the standards and interpretations or modifications described below have also been issued. The Company did not adopt the standards and interpretations or amendments mentioned below, because its application is not required at the period ended March 31, 2021.

Amendments to IFRS 4	Extension of the temporary exemption from the application of IFRS 9 (1)
Amendments to IAS 1 and the IFRS 2 Practice Document	Disclosure of accounting policies (1)
Amendments to IAS 8	Definition of accounting estimates (1)

(1) Effective for fiscal years beginning on or after January 1, 2023, with early application permitted.

- Extension of the temporary exemption from the application of IFRS 9 (Amendments to IFRS 4)

The amendment extends the temporary exemption from IFRS 4 Insurance Contracts with regard to the application of IFRS 9 Financial Instruments. The application of IFRS 9 is then required for annual periods beginning on or after January 1, 2023. Its early application is permitted.

- Disclosure of accounting policies (Amendments to IAS 1 and to the IFRS 2 Practical expedient)

The amendment requires an entity to disclose its material accounting policies, rather than its significant accounting policies. Adds information that explains how an entity can identify a material accounting policy, giving examples of when an accounting policy is likely to be material. The amendments clarify that the information on accounting policies may be material due to its nature, even if the related amounts are immaterial. To support the amendment, the IASB has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in the IFRS 2 Practical expedient. The amendments clarify that information on accounting policies may be material due to its nature, even if the related amounts are immaterial.

This amendment is effective for annual financial statement reporting periods beginning on or after January 1, 2023, with early application permitted.

- Definition of accounting estimates (Amendments to IAS 8)

The amendment replaces the definition of “change in accounting estimates” with a definition of “accounting estimates”. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty. Accounting issuers do if accounting policies require elements of financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in the accounting estimate resulting from new information or new estimates is not the correction of an error. In addition, the effects of a change in an entry or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they are not the result of correcting errors from prior periods.

This amendment is effective for annual financial statement reporting periods beginning on or after January 1, 2023, with early application permitted.

As of the date of issuance of these condensed interim consolidated financial statements, the Company's Management is evaluating the impact that the adoption of the standards and interpretations or modifications to them, which are effective as of January 1, 2022 or later, will have in the financial statements of the Company. A reasonable estimate of the potential effect cannot be provided until a detailed review has been completed. The Company will not adopt any of these standards and interpretations or modifications in advance from their effective date and the Company will use the transition provisions included in each standard or amendment.

2.4. Basis of consolidation

The consolidated financial statements of GENNEIA incorporate the separate financial statements of the Company and its controlled entities. They are considered controlled when the Company (i) has power over the investee, (ii) is exposed, or has rights, to variable returns from its involvement with the investee and, (iii) has the ability to use its power to affect its returns.

The main consolidation adjustments are the following:

- elimination of assets and liabilities and income and expenses of the parent with its subsidiaries, in order to disclose the balances maintained effectively with third parties; and

- elimination of interests in the equity and earnings of the controlled entities, for each period.

The latest financial statements available as of the statement of financial position date have been used in the consolidation process and considering significant subsequent events and transactions and/or available management information and the transactions between GENNEIA and the controlled entity.

If necessary, financial statements of controlled entities are adjusted to adapt their accounting policies with those used by the Company.

Detailed below are the controlled companies whose financial statements have been included in these consolidated financial statements:

	Main activity	Percentage of participation (direct and indirect)	
		March 31, 2021	December 31, 2020
Subsidiaries:			
Enersud Energy S.A.U.	Industrialization, separation and trading of propane and butane gas and/or liquefied gas and trading of natural gas and transportation for industrial or residential consumption.	100%	100%
Ingentis II Esquel S.A.	Power generation and trading.	100%	100%
Genneia Desarrollos S.A.	Production and development of renewable energies and its commercialization.	100%	100%
Nor Aldyl San Lorenzo S.A. (1)	Production and development of renewable energies and its commercialization, construction of gas pipelines and networks.	100%	100%
Nor Aldyl Bragado S.A. (1)	Production and development of renewable energies and its commercialization, construction of gas pipelines and networks.	100%	100%
MyC Energía S.A.	Generation, production, development and trading of energies.	100%	100%
Genneia Vientos Argentinos S.A.	Construction, financing, commissioning, operation and maintenance of a renewable sources power plant.	100%	100%
Genneia Vientos Sudoeste S.A.	Construction, financing, commissioning, operation and maintenance of a renewable sources power plant	100%	100%
Genneia Vientos del Sur S.A.	Construction, financing, commissioning, operation and maintenance of a renewable sources power plant	100%	100%
Patagonia Wind Energy S.A.	Production and development of renewable energies and its commercialization.	100%	100%
Parque Eólico Loma Blanca IV S.A.	Production and development of renewable energies and its commercialization.	100%	100%
Genneia La Florida S.A.	Construction, financing, commissioning, operation and maintenance of a renewable sources power plant	100%	100%
Ullum 1 Solar S.A.U.	Production and development of renewable energies and its commercialization.	100%	100%
Ullum 2 Solar S.A.U.	Production and development of renewable energies and its commercialization.	100%	100%
Ullum 3 Solar S.A.U.	Production and development of renewable energies and its commercialization.	100%	100%
Sofeet International LLC	Any business that is accepted by the laws of the State of Delaware, United States.	100%	100%

(1) Nor Aldyl San Lorenzo S.A. and Nor Aldyl Bragado S.A. began the liquidation and dissolution process.

Since the Company has a 100% interest in its controlled entities, there is no information to disclose in relation to non-controlling interests.

2.5. Investments in joint ventures:

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results, assets, and liabilities of joint ventures are incorporated in these consolidated financial statements using the equity method of accounting.

Under the equity method, an investment in a joint venture is initially recognized in the statement of financial position at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income of the joint ventures.

Joint ventures have been valued based upon the latest available financial statements of these companies as of the end of each period or year, taking into consideration, if applicable, significant subsequent events and transactions, available management information and transactions between the Company and the related company which have produced changes on the latter's shareholders' equity.

On each closing date or upon the existence of signs of impairment, it is determined whether there is any objective evidence of impairment in the value of the investment in joint ventures. If this is the case, Company calculates the amount of the impairment as the difference between the recoverable value of joint ventures and their book value, and recognizes the difference under "Loss on long term investments in joint ventures" in the statement of profit or loss and other comprehensive income. The recorded value of investments in joint ventures does not exceed their recoverable value.

2.6. Seasonality of operations

The operations of the Company do not have a significant seasonal nature.

NOTE 3 – CASH AND CASH EQUIVALENTS

Include cash, time deposits in financial entities and short-term investments with maturity up to three months at the acquisition date, with low risk of value variation and destined to cancel short-term liabilities.

	March 31, 2021	December 31, 2020	March 31, 2020
Cash	60,524	55,638	49,610
Current investments	35,735	50,913	17,198
Cash and cash equivalents	96,259	106,551	66,808

NOTE 4 - CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

In the application of the Company's accounting policies, the Management and Board of Directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future years.

The main accounting areas and items that require that management make significant judgment and estimates in preparing its financial statements are described in the consolidated financial statements as of December 31, 2020 and have not had significant changes.

NOTE 5 - DETAIL OF THE MAIN ACCOUNTS OF THE CONSOLIDATED FINANCIAL STATEMENTS

The breakdown of the main accounts of the consolidated financial statements is as follows:

Interim Condensed consolidated statement of financial position as of March 31, 2021

	March 31, 2021	December 31, 2020
Assets		
a) Cash and banks:		
Cash	17	18
Banks	60,502	55,615
Checks to be deposited	5	5
	60,524	55,638
b) Investments:		
Current		
Government bonds (1)	3,929	16,162
Time deposits (2)	1,880	12,854
Mutual funds (1) (3)	64,783	37,566
	70,592	66,582

(1) As of March 31, 2021 includes investments that have a maturity period of more than 90 days from the date of incorporation, for an amount of 1,609 in government bonds; and investments considered as not classified as cash and equivalents for an amount of 33,248 in mutual funds. As of december 31, 2020 includes investments that have a maturity period of more than 90 days from the date of incorporation, for an amount of 2,465 in government bonds and 13,204 in mutual funds.

(2) As of March 31, 2021 and December 31, 2020 corresponds to deposits that have a maturity period of less than 90 days from the date of incorporation.

(3) As of March 31, 2021 includes 3,200 as collateral for futures contracts maturing in May, 2021. As of december 31, 2020 includes 165 as collateral for futures contracts maturing in January, 2021.

Non-current		
Investments in joint venture	51,948	53,844
	51,948	53,844

Includes the interest in the following joint ventures:

	Main activity	Percentage of participation	
Joint venture:		**December 31, 2020**	**December 31, 2019**
Vientos de Necochea S.A.	Production and development of renewable energies and its commercialization.	50%	50%
Vientos Sudamericanos Chubut Norte IV S.A.	Construction, financing, commissioning, operation and maintenance of a renewable sources power plant.	51%	51%
Vientos Patagónicos Chubut Norte III S.A.	Construction, financing, commissioning, operation and maintenance of a renewable sources power plant.	51%	51%

The interests in joint ventures mentioned above are accounted for using the equity method. The description of each of the companies and the evaluated assumptions are described in note 5.b to the consolidated financial statements of the company as of December 31, 2020.

Summarized financial information in respect of the joint ventures is set out below. The summarized financial information below represents amounts shown in the joint venture's interim condensed financial statements.

	Vientos Sudamericanos Chubut Norte IV S.A.	Vientos Patagónicos Chubut Norte III S.A.	Vientos de Necochea S.A.
	March 31, 2021	March 31, 2021	March 31, 2021
Statement of financial position			
Current assets [2]	16,326	17,770	10,664
Non-current assets [2]	127,204	81,824	67,797
Current liabilities [3]	74,413	58,443	4,199
Non-current liabilities [3]	21,273	12,570	48,320
Shareholders' equity	47,844	28,581	25,942

	For the three-month period ended		
	March 31, 2021	March 31, 2021	March 31, 2021
Statement of profit or loss and other comprehensive income			
Net sales [1]	1,089	690	2,532
Cost of sales	(681)	(462)	(991)
Administration expenses	(20)	(16)	(26)
Other expenses, net	(3)	(2)	(82)
Financial expenses, net	(1,065)	(1,336)	(1,984)
Net (loss) profit before income tax	(680)	(1,126)	(551)
Income tax	477	(2,238)	518
Net loss for the period [4]	(203)	(3,364)	(33)

	March 31, 2021	March 31, 2021	March 31, 2021	Total March 31, 2021
Reconciliation of the above summarized financial information to the carrying amount of the interest in the joint venture recognized in the interim condensed consolidated financial information:				
Net assets of the joint venture	47,844	28,581	25,942	102,367
Proportion of the Company's ownership interest in the joint venture	51%	51%	50%	-
Carrying amount of the Company's interest in the joint venture	24,401	14,576	12,971	51,948
Evolution of non-current investments:				
Balance at the beginning of the year	24,564	16,293	12,987	53,844
Comprehensive loss for the period	(163)	(1,717)	(16)	(1,896)
Balance at the end of the period	24,401	14,576	12,971	51,948

(1) For the period March 31, 2021, 100% of sales have been made to CAMMESA.
(2) Includes cash and equivalents for an amount of 2,975, 8,304 and 8,468 corresponding to Vientos Sudamericanos Chubut Norte IV S.A., Vientos Patagónicos Chubut Norte III S.A. and Vientos de Necochea S.A., respectively.
(3) Includes financial debts with third parties in the amount of 55,869, 38,160 and 37,592 corresponding to Vientos Sudamericanos Chubut Norte IV S.A., Vientos Patagónicos Chubut Norte III S.A. and Vientos de Necochea S.A., respectively.
(4) Includes depreciation of fixed assets for an amount of 680, 462 and 591 corresponding to Vientos Sudamericanos Chubut Norte I V S.A., Vientos Patagónicos Chubut Norte III S.A. and Vientos de Necochea S.A., respectively.

	Vientos Sudamericanos Chubut Norte IV S.A.	Vientos Patagónicos Chubut Norte III S.A.	Vientos de Necochea S.A.
	December 31, 2020	December 31, 2020	December 31, 2020
Statement of financial position			
Current assets [3]	15,628	18,001	9,325
Non-current assets [3]	119,915	76,795	68,383
Current liabilities [4]	65,898	52,670	15,672
Non-current liabilities [4]	21,481	10,178	36,062
Shareholders' equity	48,164	31,948	25,974

	For the year ended		
	March 31, 2020	March 31, 2020	March 31, 2020
Statement of profit or loss and other comprehensive income			
Net sales [2]	-	-	1,469
Cost of sales	-	-	(567)
Administration expenses	(20)	(17)	(20)
Other expenses. net	(36)	(76)	(59)
Financial expenses. net	(1,159)	(416)	(723)
Net loss before income tax	(1,215)	(509)	100
Income tax	(185)	201	(974)
Net loss for the period [5]	(1,400)	(308)	(874)

	March 31, 2020	March 31, 2020	March 31, 2020	Total March 31, 2020
Reconciliation of the above summarized financial information to the carrying amount of the interest in the joint venture recognized in the interim condensed consolidated financial information:				
Net assets of the joint venture	47,588	27,596	24,986	100,170
Proportion of the Company's ownership interest in the joint venture	51%	51%	50%	-
Carrying amount of the Company's interest in the joint venture	24,270	14,074	12,493	50,837
Evolution of non-current investments:				
Balance at the beginning of the year	24,865	14,227	12,930	52,022
Other capital contributions [1]	120	4	-	124
Comprehensive profit for the period	(715)	(157)	(437)	(1,309)
Balance at the end of the period	24,270	14,074	12,493	50,837

(1) Corresponds mainly to the effect related to those transactions of loans to joint ventures that, according to IFRS, according on the underlying economic substance of the operation, are assimilated to increases or decreases in other capital contributions to such companies (see Note 5.d of these consolidated financial statements and 3.4 to the financial statements as of December 31, 2020).

(2) For the period March 31, 2020, 100% of sales have been made to CAMMESA.

(3) Includes cash and equivalents for an amount of 3,245, 8,538 and 6,619 corresponding to Vientos Sudamericanos Chubut Norte IV S.A., Vientos Patagónicos Chubut Norte III S.A. and Vientos de Necochea S.A., respectively.

(4) Includes financial debts with third parties in the amount of 54,691, 37,357 and 22,960 corresponding to Vientos Sudamericanos Chubut Norte IV S.A., Vientos Patagónicos Chubut Norte III S.A. and Vientos de Necochea S.A., respectively.

(5) Includes depreciation of fixed assets for an amount of 396 corresponding to Vientos de Necochea S.A..

	March 31, 2021	December 31, 2020
c) Trade receivables:		
Current		
Trade receivables - electric power generation	43,116	45,959
Accruals for unbilled sales of electric power generation	21,748	23,990
Related parties (Note 6)	112	95
Trade receivables - sale of gas and gas transportation	1,859	1,824
Accruals for unbilled sales of gas and gas transportation	1,015	1,123
	67,850	72,991
Aging of trade receivables		
Up to three months	11,879	13,782
Three to six months	616	517
Six to nine months	660	226
Nine to twelve months	528	501
More than one year	7,897	7,650
Past due balance at end of the period or year (1)	21,580	22,676
To be due	46,270	50,315
Balance at end of period or year	67,850	72,991

(1) In relation to uncollected past due current trade receivables with IEASA (Ex ENARSA) of 10,128 and 10,506 as March 31, 2021 and December 31, 2020 respectively, see Note 11.3 to the financial statements as of Decembre 31, 2020 and 8.1.5 to these financial statements.

d) Other receivables:		
Current		
Financial assets		
Related parties (Note 6) (1)	15,742	13,174
Credit related to the sale of companies (2)	1,851	1,851
Other receivables to collect	2,028	2,217
Receivable for investment in Patagonian Pipeline	70	76
Loma Blanca Trust credits	290	153
	19,981	17,471
Prepayments, tax receivables and others		
Prepaid insurance	681	1,358
Value added tax	112	478
Income tax and minimum presumed income tax advances and withholdings (net of minimum presumed income tax payable)	679	714
Advanced payments to suppliers	218	49
Turnover tax credit	182	214
Recovery of expenses receivable	981	981
Miscellaneous	2,477	2,112
	5,330	5,906
	25,311	23,377
Non-current		
Financial assets		
Related parties (Note 6) (1)	8,432	10,718
Construction costs to be recovered	169	189
Receivable for investment in Patagonian Pipeline	423	463
Loma Blanca Trust credits	1,230	1,361
	10,254	12,731

	March 31, 2021	December 31, 2020
Prepayments, tax receivables and others		
Minimum presumed income tax credit	484	539
Turnover tax credit	265	332
Advanced payments to suppliers of fixed assets (3)	643	2,404
Credit from tax on bank debits and credits	3,013	2,852
Expenses paid in advance	1,532	1,553
Deposits in guarantee (4)	8,616	8,614
Miscellaneous	117	421
	14,670	16,715
	24,924	29,446

(1) As of March 31, 2021 and December 31, 2020 includes US$ 39 million of term loans granted to joint ventures, which have been recognized at the time of their initial recognition at fair value, having recognized the difference generated with respect to the nominal value of the transaction, net of its effect on deferred tax, as other capital contributions in joint ventures.

(2) Corresponds to the credit held with PAF associated with the sale of 49% of the shares of Vientos Sudamericanos Chubut Norte IV S.A. and Vientos Patagonicos Chubut Norte III S.A. (Note 5.b to the financial statements as of December 31, 2020).

(3) Corresponds to advanced payments to suppliers for fixed assets acquisitions in relation to the projects detailed in Note 12 to the financial statements as of Decembre 31, 2020.

(4) As of March 31, 2021 and December 31, 2020 corresponds to a guarantee deposit of USD 6.6 million, made as collateral for the Pomona II, Chubut Norte I and II, and Villalonga I projects; and USD 2 million, made in compliance with the commitment to contribute to the projects of Chubut Norte III and IV. The projects are described in Note 12 to the consolidated financial statements as of December 31, 2020.

e) Inventories:

	March 31, 2021	December 31, 2020
Current		
Materials and spare parts	1,255	1,305
	1,255	1,305
Non-current		
Materials and spare parts	9,507	9,008
	9,507	9,008

f) Fixed assets, intangible assets and goodwill:

	March 31, 2021	December 31, 2020	March 31, 2020
f.1) Fixed assets			
Fixed assets value	1,080,389	1,089,180	1,120,859
Allowance for fixed assets impairments (Note 5.l)	(20,963)	(20,843)	(9,564)
Net book value	1,059,426	1,068,337	1,111,295

	2021					
	Cost					
Main account	Accumulated at the beginning of the year	Increases	Decreases	Transfers	Foreign currency exchange difference	Accumulated at the end of the period
Land	8,229	-	-	-	55	8,284
Furniture and fixture	543	-	-	-	1	544
Machinery	3,992	-	-	-	-	3,992
Computer equipment	6,290	30	-	-	2	6,322
Communication equipment	61	-	-	-	-	61
Vehicles	1,670	-	-	-	-	1,670
Buildings and installations	15,458	9	-	-	27	15,494
Tools	1,786	10	-	-	1	1,797
Pipelines	10,900	-	-	-	491	11,391
Power generation equipment [1]	490,086	-	-	-	2,060	492,146
Wind Farm	889,421	182	-	35,751	1	925,355
Solar Photovoltaic Plant	83,744	21	-	-	(1)	83,764
Work in progress	35,314	5,520	-	(35,751)	-	5,083
Right of use on land and buildings	5,797	585		-	-	6,382
Total 2021	1,553,291	6,357	-	-	2,637	1,562,285
Total 2020	1,535,277	3,986	-	-	(858)	1,538,405

	2021							2020	
	Accumulated Depreciation								
Main account	Accumulated at the beginning of the year	Annual depreciation rate	Increases	Decreases	Foreign currency exchange difference	Accumulated at the end of the period	Net book value at March 31, 2021	Net book value at March 31, 2020	Net book value at December 31, 2020
Land	-	-	-	-	-	-	8,284	8,332	8,229
Furniture and fixture	465	10%	6	-	-	471	73	95	78
Machinery	1,861	10%	119	-	-	1,980	2,012	2,444	2,131
Computer equipment	5,482	33%	102	-	2	5,586	736	1,024	808
Communication equipment	51	33%	-	-	-	51	10	11	10
Vehicles	1,352	20%	46	-	-	1,398	272	469	318
Buildings and installations	3,550	10%	158	-	22	3,730	11,764	12,391	11,908
Tools	1,105	10%	49	-	-	1,154	643	755	681
Pipelines	8,972	3%-7%	498	-	95	9,565	1,826	2,496	1,928
Power generation equipment [1]	311,989	5%-10%	6,504	-	374	318,867	173,279	199,465	178,097
Windfarm	120,876	3%-5%	8,923	-	-	129,799	795,556	794,249	768,545
Solar Photovoltaic Plant	5,750	3%	693	-	-	6,443	77,321	79,964	77,994
Work in progress	-	-	-	-	-	-	5,083	15,491	35,314
Right of use on land and buildings	2,658	4%-33%	194	-	-	2,852	3,530	3,673	3,139
Total 2021	464,111		17,292	-	493	481,896	1,080,389		
Total 2020	400,958		16,765	-	(177)	417,546		1,120,859	1,089,180

(1) As of the date of issuance of these interim condensed consolidated financial statements, includes a residual value of 58,457 related to some thermal plants for which the management and the board of directors are evaluating different alternatives, including the sale of the equipment. The evaluation of the asset's recovery value is based on estimates of the use value and disposition value as appropriate. See Notes 1 and 14 to the Consolidated Financial Statements as of December 31, 2020.

f.2) Evolution of intangible assets:

	March 31, 2021			
	Intangible assets acquired separately (Puerto Madryn Project)	Intangible assets acquired in a business combination (intangible asset related PELBIV acquisition)	Intangible assets acquired in a business combination (intangible asset related ULLUMs acquisitions)	Total
Cost value	4,260	31,904	5,792	41,956
Accumulated amortization	(219)	(10,622)	(576)	(11,417)
Allowance for impairment of intangible assets (Note 5.l)	-	-	(5,216)	(5,216)
Book value at the beginning of the year	**4,041**	**21,282**	**-**	**25,323**
Amortization of the period	(35)	(887)	(72)	(994)
Impairment decrease	-	-	72	72
Book value at the end of the period	**4,006**	**20,395**	**-**	**24,401**
Cost value	4,260	31,904	5,792	41,956
Accumulated amortization	(254)	(11,509)	(648)	(12,411)
Allowance for impairment of intangible assets (Note 5.l)	-	-	(5,144)	(5,144)
Book value at the end of the period	**4,006**	**20,395**	**-**	**24,401**

	March 31, 2020			
	Intangible assets acquired separately (Puerto Madryn Project)	Intangible assets acquired in a business combination (intangible asset related PELBIV acquisition)	Intangible assets acquired in a business combination (intangible asset related ULLUMs acquisitions)	Total
Cost value	4,260	31,904	5,792	41,956
Accumulated amortization	(77)	(7,076)	(288)	(7,441)
Allowance for impairment of intangible assets	-	-	(5,504)	(5,504)
Book value at the beginning of the year	**4,183**	**24,828**	**-**	**29,011**
Amortization of the period	(35)	(888)	(72)	(995)
Impairment decrease	-	-	72	72
Book value at the end of the period	**4,148**	**23,940**	**-**	**28,088**
Cost value	4,260	31,904	5,792	41,956
Accumulated amortization	(112)	(7,964)	(360)	(8,436)
Allowance for impairment of intangible assets (Note 5.l)	-	-	(5,432)	(5,432)
Book value at the end of the period	**4,148**	**23,940**	**-**	**28,088**

Liabilities

	March 31, 2021	December 31, 2020
g) Accounts payable:		
Current		
Trade	46,045	47,803
Accrual for invoices pending to receive	20,006	18,235
Related parties (Note 6)	81	81
	66,132 (1)	66,119 (2)

(1) Includes 2,761 past due up to three months, 736 from three to six months, 1 from six to nine months, 236 from nine to twelve months, and 45,838 over a year and 16,560 to be due up to three months. In relation to past due accounts payable to IEASA (Ex ENARSA) for an amount of 38,442 as of December 31, 2020, see Note 11.3 to the financial statements as of December 31, 2020 and 8.1.5 to these financial statements.

(2) Includes 1,152 past due up to three months, 1 from three to six months, 307 from six to nine months, 498 from nine to twelve months, and 45,573 over a year and 18,588 to be due up to three months. In relation to past due accounts payable to IEASA (Ex ENARSA) for an amount of 38,442 as of December 31, 2020, see Note 11.3 to the consolidated financial statements as of December 31, 2020.

h) Loans:		
Current		
Negotiable Debt Obligations	524,668	37,651
Bank loans and others	54,630	54,155
Related parties, net of commissions (Note 6)	43,121	-
Leasings	849	321
	623,268 (1)	92,127 (1)
Non-current		
Negotiable Debt Obligations	50,693	557,279
Bank loans and others	212,600	217,670
Related parties, net of commissions (Note 6)	-	41,433
Leasings	2,412	2,886
	265,705 (1)	819,268 (1)

(1) Current loans are net of 3,489 and 3,848 as of March 31, 2021 and December 31, 2020, respectively, corresponding to fees and costs demanded in the structuring of loans and the issuance of negotiable obligations. Non-current loans are net of 39,559 and 41,676 as of March 31, 2021 and December 31, 2020, respectively, corresponding to fees and costs demanded in the structuring of loans and the issuance of negotiable obligations.

Detail of interest rates of loans:

Loans	Outstanding principal as of March 31, 2021	Interest Rate	Date	Maturity
Bank Loans in US$ fixed rate	35,406	5.50%-10.75%	2017-2019	2021-2026
Bank Loans in US$ variable rate	8,203	Libor+5.5%	2020	2023
Bank Loans in AR$ variable rate	7,208	Badlar+8.5%	2020	2023
Bank Loans in AR$ variable rate	4,284	7.50%	2020	2023
Project finance variable rate	226,303	2.2%-9.92%	2018-2020	2023-2034
KfW Corporate Loan variable rate	19,047	Libor+1.5%	2020	2023-2024
Negotiable Debt Obligations in US$ fixed rate	596,587	0%-14.5%	2015-2020	2021-2023

	March 31, 2021	March 31, 2020
Evolution of loans and reconciliation of liabilities arising from financing activities:		
Balances at the beginning of the year	911,395	945,743
Financing cash flows		
Proceeds from loans	1,390	23,092
Principal payments to third parties	(18,537)	(12,357)
	(17,147)	10,735
Non-cash changes		
Leasings	53	-
	53	-
Other changes:		
Interest accrual	18,426	21,055
Accrued issuance costs	2,490	2,522
Interest payments to third parties	(25,336)	(29,583)
Effect of exchange difference and others	(908)	(1,268)
	(5,328)	(7,274)
Balance at the end of the period	888,973	949,204

Detail of loans:	March 31, 2021	December 31, 2020
Series XX Bonds (Genn 2022 Bond)	509,566	520,933
Private Negotiable Debt Obligation	43,121	41,433
Series XXVII Negotiable Debt Obligations	15,236	20,308
Series XXVIII Negotiable Debt Obligations	7,187	10,388
Series XXIX Negotiable Debt Obligations	12,731	12,719
Series XXX Negotiable Debt Obligations	30,641	30,582
Syndicated Loan	8,460	11,280
KfW Corporate Loan Pomona II and Chubut Norte II - Genneia S.A. (1)	17,163	20,480
GDSA Credit Facility	19,622	21,084
Financial Trust Loma Blanca Serie I	26,924	29,997
Project Finance Pomona I - Genneia Vientos del Sudoeste S.A. (2)	93,105	89,731
Project Finance Chubut Norte I - Genneia Vientos del Sur S.A. (3)	40,023	38,959
Project Finance Villalonga I - Genneia Vientos Argentinos S.A. (4)	61,933	60,294
Leasings Genneia S.A.	444	-
Leasings Parque Eólico Loma Blanca IV S.A.	1,138	1,486
Leasings Genneia Vientos del Sudoeste S.A.	1,527	1,572
Leasings Genneia La Florida S.A.	152	149
	888,973	911,395

(1) As of March 31, 2021, the amount disbursed amounts to 26,674.
(2) As of March 31, 2021 and December 31, 2020, the amount disbursed amounts to 117,965 and 116,575 respectively.
(3) As of March 31, 2021 and December 31, 2020, the amount disbursed amounts to 47,849.
(4) As of March 31, 2021 and December 31, 2020, the amount disbursed amounts to 74,351.

i) Salaries and social security payable:		
Salaries, social security and withholdings payables	4,979	6,116
	4,979	6,116

j) Taxes payable:		
Current		
Income tax	5,217	-
Value added tax	4,034	3,524
Tax withholdings payable	219	235
Taxes under regularization regime	4	3
Miscellaneous	813	978
	10,287	4,740

	March 31, 2021	March 31, 2020
k) Other liabilities:		
Current		
Miscellaneous	168	92
	168	92
Non-current		
Accrual for assets retirement obligation	8,904	8,867
	8,904	8,867

l) Allowances and provisions:

	March 31, 2021				March 31, 2020			
Items	**Value as of December 31, 2020**	**Decreases**	**Additions**	**Value as of March 31, 2021**	**Value as of December 31, 2019**	**Decreases**	**Additions**	**Value as of March 31, 2020**
Allowances deducted from assets:								
For fixed assets	20,843	(247)[(1)]	367[(4)]	20,963	9,838	(274)[(3)]	-	9,564
For intangible assets	5,216	(72)[(2)]	-	5,144	5,504	(72)[(3)]	-	5,432
Total deducted from assets	26,059	(319)	367	26,107	15,342	(346)[(3)]	-	14,996
Provisions included in liabilities:								
For claims and pending labor lawsuits	2,574	(251)	-	2,323	3,479	(179)	-	3,300
Total included in liabilities	2,574	(251)	-	2,323	3,479	(179)	-	3,300

(1) Includes decreases of 247 related to the Amortization of fixed assets included on Operating cost of electric power generation from conventional sources Note 5.o.
(2) Included in Amortization of intangible assets on Operating cost of electric power generation from renewable sources Note 5.o.
(3) Includes decreases of 274 related to the Amortization of fixed assets included on Operating cost of electric power generation from conventional sources Note 5.o.and 72 related to Amortization of intangible assets, respectevely, included on Operating cost of electric po wer generation from renewable sources Note 5.o.
(4) Corresponds to additions due to the Result from exposure to changes in the purchasing power of the currency in fixed assets of Genneia Desarrollos S.A.

Interim condensed consolidated statements of profit or loss and other comprehensive income for the three-month period ended March 31, 2021

	March 31, 2021	March 31, 2020
m) Net sales:		
Revenue from electric power generation from renewable sources	52,539	55,690
Revenue from electric power generation from conventional sources	12,579	18,626
Revenue from gas trading and transport	1,038	1,095
Other revenues	2,012	1,344
	68,168	76,755

(1) For the periods ended March 31, 2021 and 2020, 93% of sales were made to CAMMESA and IEASA (Ex ENARSA).

n) Cost of sales:		
Purchases for electric power generation from conventional sources	(286)	(901)
Purchases for gas trading and transport	(218)	(211)
Operating costs of electric power generation from renewable sources (Note 5.o)	(15,479)	(14,117)
Operating costs of electric power generation from conventional sources (Note 5.o)	(9,177)	(8,836)
Operating cost of gas trading and transport (Note 5.o)	(187)	(189)
	(25,347)	(24,254)

o) Operating costs and expenses:

	March 31, 2021					
	Operating cost of electric power generation from renewable sources	Operating cost of electric power generation from conventional sources	Operating cost of gas trading and transport	Administrative expenses	Selling Expenses	Total
Salaries and benefits	608	981	15	1,511	104	3,219
Social security charges and other contributions	245	94	3	191	23	556
Professional fees and compensations for services	2,551	21	-	320	1	2,893
Directors and statutory auditors' fees	-	-	-	248	-	248
Expenses for development of new businesses	-	-	-	26	-	26
Other staff costs	-	4	-	104	-	108
Travelling and lodging expenses	2	24	-	57	1	84
Freight and insurance	492	430	-	8	-	930
Rental and expenses of property, machinery and equipment	144	796	-	60	2	1,002
Taxes, rates and contributions	160	50	1	3	195	409
Maintenance and repairs	145	158	-	329	-	632
Works contracts and other services	42	88	-	82	-	212
Fixed assets depreciation	9,892	6,441	168	326	1	16,828
Amortization of intangible assets	922	-	-	-	-	922
Miscellaneous	276	90	-	168	177	711
Total 2020	15,479	9,177	187	3,433	504	28,780

	March 31, 2020					
	Operating cost of electric power generation from renewable sources	Operating cost of electric power generation from conventional sources	Operating cost of gas trading and transport	Administrative expenses	Selling expenses	Total
Salaries and benefits	400	531	15	1,494	73	2,513
Social security charges and other contributions	174	166	3	255	21	619
Professional fees and compensations for services	2,469	28	-	245	1	2,743
Directors and statutory auditors' fees	-	-	-	167	-	167
Expenses for development of new businesses	-	-	-	36	-	36
Other staff costs	-	5	-	127	-	132
Travelling and lodging expenses	12	41	-	109	1	163
Freight and insurance	433	491	-	32	-	956
Rental and expenses of property, machinery and equipment	153	1	-	69	2	225
Taxes, rates and contributions	84	73	1	3	262	423
Maintenance and repairs	174	150	-	344	1	669
Works contracts and other services	44	64	-	95	-	203
Fixed assets depreciation	8,891	7,169	170	259	2	16,491
Amortization of intangible assets	923	-	-	-	-	923
Miscellaneous	360	117	-	137	173	787
Total 2019	14,117	8,836	189	3,372	536	27,050

	March 31, 2021	March 31, 2020
p) Other expenses, net:		
Tax on bank debits and credits	(1,009)	(1,040)
Others	56	177
	(953)	(863)
q) Financial expense, net:		
The breakdown of financial income and expenses is as follows:		
Financial income:		
Interest income	3,229	1,634
Fair value gains on financial assets at fair value through profit or loss	618	580
	3,847	2,214
Financial expense		
Fair value losses on financial assets at fair value through profit or loss	(1,091)	(1,353)
Interest expense	(18,529)	(22,544)
Exchange differences, net	(5,337)	(3,642)
Issuance costs and withholdings	(2,254)	(2,245)
Miscellaneous	(831)	(219)
	(28,042)	(30,003)
Result from exposure to changes in the purchasing power of the currency	2,320	2,525
Total financial expense, net	(21,875)	(25,264)

r) Income tax:

The consolidated income tax charge for the three-month period ended March 31, 2021 and 2020 is as follows:

	March 31, 2021	March 31, 2020
Current Income tax	(5,216)	-
Deferred income tax	1,284	(12,377)
	(3,932)	(12,377)

The reconciliation between the consolidated income tax charge for the three-month period ended March 31, 2021 and 2020 and the loss that would result from applying the prevailing tax rate on the net loss before income tax, included in the consolidated statement of profit or loss and other comprehensive income for each period, is as follows:

	March 31, 2021	March 31, 2020
Net profit before income tax	14,222	21,157
Statutory tax rate	30%	30%
Statutory tax rate applied to net profit before income tax	(4,267)	(6,347)
Permanent differences and others at the prevailing tax rate:		
Loss on long term investment in joint ventures	38	(393)
Tax effects due to tax restatement to current units of currency	(25,184)	(20,658)
Effects of the functional currency and others (1)	25,481	15,021
Income tax - (Charge)	(3,932)	(12,377)

(1) It mainly includes the effect of using a different currency for reporting and tax purposes.

Furthermore, the breakdown of the consolidated net deferred tax liabilities as of March 31, 2021 and December 31, 2020, is as follows:

	March 31, 2021	December 31, 2020
Deferred tax assets		
Tax loss carryforwards	65,788	77,947
Non deductible liabilities	5,497	5,966
Other receivables with related parties (1)	9,696	9,788
Miscellaneous	4,310	4,628
Total deferred tax assets	85,921	98,329
Deferred tax liabilities		
Fixed assets	(144,449)	(150,693)
Intangible assets	(5,911)	(6,101)
Tax effect due to restatement to current units of currency	(72,816)	(81,413)
Miscellaneous	(2,617)	(2,532)
Total deferred tax liabilities	(225,793)	(240,739)
Net deferred tax liabilities	(140,502)	(142,410)

(1) Corresponds to the deferred asset related to the financing mentioned in Note 6.1.2, which has been recognized as other capital contributions in non current investments at the time of initial recognition of the financing.

As of March 31, 2021 the Company and its subsidiaries maintain a deferred tax asset as of December 31, 2020, for accumulated tax loss carryforwards of 77,947, which may be offset against taxable income as follows:

Year until it can be used	Tax loss carryforward	Deferred asset
2022	72	18
2023	9,098	2,274
2024	11,392	2,848
2025	6,918	1,730
2026	3,523	881
2027	2,435	609
2028	52,596	13,149
2029	141,550	35,387
2030	84,192	21,051
	311,776	77,947

The following table summarizes the deferred tax assets for tax loss carry forwards as of December 31, 2020 by the individual project and company, which generates it:

Project/Company	Deferred asset
PEM I	11,856
PEM II	13,734
PER III	3,395
Genneia Others	815
Subtotal Genneia	29,800
GEDESA	2,778
PELBIV	766
Vientos Argentinos	10,539
Vientos del Sudoeste	19,661
Vientos del Sur	5,255
Ullum 1 Solar	2,460
Ullum 2 Solar	2,642
Ullum 3 Solar	3,601
La Florida	444
Others Subsidiaries	1
Subtotal Subsidiaries	48,147
Total	77,947

For the period ended March 31, 2021 the Company has estimated a tax income in relation to the Madryn I, Madryn II, Rawson III, Villalonga, Chubut Norte I, Ullum 1 Solar, Ullum 2 Solar, Ullum 3 Solar, Florida and Pomona projects, mainly due to Tax effect due to restatement to current units of currency offset by the efecto of the benefit granted by Article 9 of Law No. 26.190 (National Development Regime for the Use of Renewable Sources of Energy Destined for The Production of Electric Energy), whose tax loss carryforwards may be used for up to ten years from the year in which they are generated to compensate against taxable income generated from these projects. In addition, the Companies in charge of these projects chose to apply the benefit of the accelerated tax amortization of wind and solar farms, granted in the aforementioned Law. In relation for tax results not generated by these businesses, for the period ended March 31, 2021 the Company has estimated a tax income, in compliance with current tax regulations, which may be compensated with losses from previous years.

For the period ended March 31, 2020 the Company has estimated a tax loss in relation to the Madryn I, Madryn II, Rawson III, Villalonga, Chubut Norte I, Ullum I Solar, Ullum II Solar, Ullum III Solar, Florida and Pomona projects, by virtue of the benefit granted by Article 9 of Law No. 26.190 (National Development Regime for the Use of Renewable Sources of Energy Destined for The Production of Electric Energy), whose tax loss carryforwards may be used for up to ten years from the year in which they are generated to compensate against taxable income generated from these projects. In addition, the Companie in charge of these projects chose to apply the benefit of the accelerated tax amortization of wind and solar parks, granted in the aforementioned Law. In relation for tax results not generated by these businesses, for the period ended March 31, 2020 the Company has estimated a tax income, in compliance with current tax regulations, which may be compensated with losses from previous years.

The Company and its subsidiaries recognize tax loss carry-forwards and other tax credits as deferred tax assets when its deduction against future taxable income is probable. To that effect, based on paragraph 36 of IAS 12, the Company and its subsidiaries consider the projected tax results and reverse of temporary liability differences.

To assess the probability of recoverability and estimate the recoverable amount of deferred assets related to tax loss carryforwards, Management has projected the tax income based on various future variables including an estimate of the peso devaluation against the US$ for the next fiscal years. Such estimates are reviewed periodically, and the effects of such estimates are recognized in the period of the revision.

Unrecognised taxable temporary difference associated with subsidiaries and joint ventures

Taxable temporary differences in relation to investments in subsidiaries and joint ventures for which deferred tax liabilities have not been recognised are attributable to the following:

	March 31, 2021	December 31, 2020
Subsidiaries	(29,496)	(27,730)
Joint ventures	(6,239)	(6,929)
	(35,735)	(34,659)

NOTE 6 - BALANCES AND TRANSACTIONS WITH RELATED PARTIES

The principal outstanding consolidated balances as of March 31, 2021 and December 31, 2020 for transactions with related parties are as follows:

	March 31, 2020					
	Trade receivables	Other Receivables		Accounts payable	Loans	
	Current	Current	Non Current	Current	Current	Non Current
Companies under joint control:						
Vientos de Necochea S.A	-	3,166	652	-	-	-
Vientos Sudamericanos Chubut Norte IV S.A.	-	7,206	4,724	-	-	-
Vientos Patagónicos Chubut Norte III S.A.	-	5,370	3,056	-	-	-
Shareholders, directors and key management:						
Fintech Energy LLC	-	-	-	74	18,049	-
Jorge Horacio Brito	-	-	-	7	-	-
Delfín Jorge Ezequiel Carballo	-	-	-	-	3,608	-
PointState Argentum LLC	-	-	-	-	21,657	-
Other related companies:						
Banco Macro S.A. [1]	112	-	-	-	-	-
	112	15,742	8,432	81	43,314	-

	December 31, 2020					
	Trade receivables	Other receivables		Accounts payable	Loans	
	Current	Current	Non Current	Current	Current	Non Current
Companies under joint control:						
Vientos de Necochea S.A	-	803	3,050	-	-	-
Vientos Sudamericanos Chubut Norte IV S.A.	-	7,062	4,674	-	-	-
Vientos Patagónicos Chubut Norte III S.A.	-	5,309	2,994	-	-	-
Shareholders, directors and key management:						
Fintech Energy LLC	-	-	-	74	-	17,369
Jorge Horacio Brito	-	-	-	7	-	-
Jorge Pablo Brito	-	-	-	-	-	-
Delfín Jorge Ezequiel Carballo	-	-	-	-	-	3,472
PointState Argentum LLC	-	-	-	-	-	20,841
Other related companies:						
Banco Macro S.A. (1)	95	-	-	-	-	-
	95	13,174	10,718	81	-	41,682

(1) Company related to shareholders Delfín Jorge Ezequiel Carballo and Jorge Pablo Brito.

The main consolidated operations with related parties for the three-month period ended March 31, 2021 and 2020 are as follows:

	March 31, 2021				
	Sales of goods and services	Recovery (reimbursement) of expenses, investments and other services, net	Loans received (paid), net	Loans granted (collected), net	Interests and commissions earned, (lost)
Companies under joint control:					
Vientos de Necochea S.A	164	-	-	-	164
Vientos Sudamericanos Chubut Norte IV S.A.	142	-	-	57	146
Vientos Patagónicos Chubut Norte III S.A.	98	3	-	35	95
Shareholders, directors and key management:					
Fintech Energy LLC	-	-	-	-	(662)
Delfín Jorge Ezequiel Carballo	-	-	-	-	(132)
PointState Argentum LLC	-	-	-	-	(795)
Other related companies:					
Banco Macro S.A. (1)	42	-	-	-	-
	446	3	-	92	(1,184)

	March 31, 2020				
	Sales of goods and services	Recovery (reimbursement) of expenses, investments and other services, net	Loans received (paid), net	Loans granted (collected), net	Interests and commissions lost
Companies under joint control:					
Vientos de Necochea S.A	155	1	-	(4,950)	543
Vientos Sudamericanos Chubut Norte IV S.A.	142	-	-	437	113
Vientos Patagónicos Chubut Norte III S.A.	98	-	-	723	65
Shareholders, directors and key management:					
Fintech Energy LLC	-	-	-	-	(1,207)
Delfín Jorge Ezequiel Carballo	-	-	-	-	(241)
PointState Argentum LLC	-	-	-	-	(1,448)
Other related companies:					
Banco Macro S.A. (1)	38	-	-	-	(93)
	433	1	-	(3,790)	(2,268)

(1) Company related to shareholders Delfín Jorge Ezequiel Carballo and Jorge Pablo Brito.

Additionally, the Company has hired insurance policies to grant an indemnity to its Directors in the exercise of their duties.

6.1. Financing agreements with companies under joint control

6.1.1. Financing agreements with Vientos de Necochea S.A.

In May 2019, the Company granted two loans for a total amount of US$ 10,150,000 due within 17 years to finance the execution of the project.

One of the loans was defined in pesos for an amount of AR$ 231,946,000 and accrues an interest rate on the balance of principal equivalent to the BADLAR rate on a quarterly basis. These interests will be capitalized quarterly until the date of the effective payment of the principal.

The other loan was defined in US dollars for an amount of US$ 4,950,000 and accrues an interest rate on the balance of principal equivalent to the annual LIBOR plus Country Risk Premium published by JPMorgan on a quarterly basis. These interests will be capitalized quarterly until the date of the effective payment of the principal.

During the year ended December 31, 2020, that loan defined in United States dollars was canceled in advance by Vientos de Necochea S.A. together with the part of the interest capitalized as of December 31, 2019 for a total amount of US$ 5,101,047. In addition, in the same period, Vientos de Necochea S.A. canceled in advance part of its debt for the loan determined in pesos for a total amount of US$ 2,842,996. Subsequently, in October 2020, the remaining balance of the debt at that time was converted to dollars by the terms and conditions agreed in the contract and began to accrue an interest rate on the principal balance equivalent to the ANNUAL LIBOR rate plus Premium for Country Risk published by JPMorgan on a quarterly basis. Said interests will be capitalized quarterly until the date of the effective payment of the principal.

The balance due as of March 31, 2021 is disclosed under "other current receivables" and amounts to 3,166.

6.1.2. Loans and financing to Vientos Sudamericanos Chubut Norte IV S.A. and Vientos Patagónicos Chubut Norte III S.A.

In July 2019, the Company formalized with its related companies Vientos Sudamericanos Chubut Norte III SA and Vientos Patagonicos Chubut Norte IV S.A., a credit line agreement in pesos and without interest, by means of which it was determined that all the financing made used to pay the VAT payments up to the date became part of the credit line, the terms and conditions for future financial assistance were defined, and the possibility that an interest rate applicable to said credit line could be determined under common agreement of the parties from the date on which the parties agree.

The principal owed will be returned and paid in pesos exclusively with the amounts paid by the AFIP as credit for VAT refunds as such payments are received.

As of March 31, 2021, the balance related to said agreement is disclosed under "other current receivables" and amounts to 7,206 with Vientos Sudamericanos Chubut Norte IV S.A. and 5,370 with Vientos Patagónicos Chubut Norte III S.A.

In addition, in July 2019, the Companies signed a credit agreement in dollars and 0% interest rate, through which all the financing carried out to date, except those included in the agreement mentioned in the previous paragraph, went to being part of the credit line, the terms and conditions for future financial assistance were defined, and the possibility that the common agreement of the parties can determine an interest rate applicable to said credit line from the date on which the parties agree. The agreement has a term of 17 years from the signing date and early cancellations may be required by partial payments or in single payment before the due date. In accordance with the provisions of IFRS, this financial credit has been initially recognized at fair value at the time of the transaction in "other non-current receivables" of the Company's statement of financial position and the effect of the difference between said value and the nominal value of the financial assistance delivered has been recognized as other capital contributions within the long-term investment caption, net of the corresponding deferred tax effect.

As of March 31, 2021 , the balance related to said agreement is disclosed under "other non current receivables" and amounts to 4,724 with Vientos Sudamericanos Chubut Norte IV S.A. and 3,056 with Vientos Patagónicos Chubut Norte III S.A.

NOTE 7 - FINANCIAL INSTRUMENTS

7.1. Capital management

GENNEIA manages its capital to ensure its ability to continue as a going concern, managing investment projects, while maximizing the return to its shareholders through the optimization of debt and equity balance.

The Company takes part in operations, which involves financial instruments, stated in statement of financial position, and intended to attend operative requirements and to reduce the exposure to risks of markets, currency and interest rate. The management of these risks, as well as their respective instruments, is performed through defined strategies, establishment of control systems and determination of exposure limits.

The Company is not subject to any externally imposed capital requirements.

The Company's capital management overall strategy remains unchanged as from December 31, 2020.

7.2. Financial instruments by category and fair value measurements

Company's Financial instruments were classified according to IFRS 7 in the following categories:

	March 31, 2021	December 31, 2020
Financial assets		
Amortized cost:		
Cash and cash equivalents	60,524	55,638
Investments	5,809	29,016
Loans and trade receivables	98,085	103,193
At fair value through profit or loss	64,783	37,566
Financial liabilities		
Amortized cost:		
Loans	888,973	911,395
Account payables and other liabilities	75,204	75,078

7.2.1. Fair Value Measurements

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

7.2.1.1. Fair value of the financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

	Fair value			
	March 31, 2021	December 31, 2020	Fair value hierarchy	Valuation technique(s) and key input(s)
Financial assets				
Investments in financial assets:				
- Mutual funds	64,783	37,566	Level 1	Quoted bid prices in the markets where these financial instruments trade

7.2.1.2. Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Except as detailed in the following table, Management considers that the carrying amounts of financial assets and financial liabilities recognized in the consolidated financial statements approximate their fair values.

	March 31, 2021		December 31, 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Held at amortized cost				
Loans and trade receivables	493	232	539	254
Financial liabilities				
Held at amortized cost				
Loans	888,973	789,948	911,395	762,497

	Fair value		
	March 31, 2021	December 31, 2020	Fair value hierarchy (1)
Financial assets			
Held at amortized cost			
Loans and trade receivables	232	254	Level 3
Financial liabilities			
Held at amortized cost			
Loans	789,948	762,497	Level 3

(1) The fair value of financial assets and liabilities included in the Level 3 category above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties and prices derived from quoted bid prices in the markets where these financial instruments trade.

Between December 31, 2020 and March 31, 2021, there was a devaluation of the peso against the US dollar of around 9%. The devaluation of the currency has an impact on financial assets and liabilities denominated in Argentine pesos, the effect of which was recognized in these condensed consolidated financial statements.

7.3. Risk Management

The Company´s financial management coordinates access to domestic and international financial markets and monitors and manages associated financial risks. According to the nature, financial instruments may involve known or unknown risks, being important the better possible analysis of the potential of those risks. Among the major risks that could affect the business of the Company are: market risk (which includes foreign currency risk, interest rate risk and price risk), credit risk and liquidity risk.

Regarding the discontinuation of the LIBOR as a reference rate, it is worth clarifying that it will be available and used by the Company and its lenders, as a calculation basis, throughout the current fiscal year for those loans that establish it. However, the Financial Management is currently talking with the lenders to agree on the application of a new reference rate, which minimizes the uncertainties and the risk premium factor that represents the LIBOR rate today and motivates its discontinuation. Considering the total volume of the Company's financial debts that use the LIBOR rate and the potential alternatives under discussion, in the opinion of the Company's Management, the situation described will not have a material effect on the financial situation of the Company.

The interim condensed financial statements do not include all the information and disclosures of the financial risk management and should be read in connection with the annual consolidated financial statements as of December 31, 2020.

There have been no changes in the risk management or risk management policies applied by the Company since December 31, 2020.

NOTE 8 – RELEVANT EVENTS FOR THE PERIOD

8.1. Working Capital

As of March 31, 2021, the Company has a negative working capital of 481,625. This situation is strictly temporary and is mainly due to the short-term financial obligations directly related to the progress of the different projects that have been completed recently, as described in the notes to the financial statements as of March 31, 2021 and December 31, 2020. In this regard, it is worth mentioning that, in line with the financial projections, the Company's Board of Directors and Management consider that the aforementioned situation does not present problems and will be reversed, among others, with (i) the refinancing of the Class XX Negotiable Obligations and the Private Class Negotiable Obligations, whose maturities operate in January 2022 for an amount of US$ 500 million and US$ 43 million, respectively; and (ii) the cash flow of the projects inaugurated during the current period and the fiscal years ended on December 31, 2020, 2019 and 2018, which add up to an installed capacity of 706 MW.

In relation to the maturity of the financial debt for the Class XX Negotiable Obligations for US $ 500 million in January 2022, the Company's Board of Directors and Management consider that there is a reasonable probability of refinancing and/or canceling said debt at maturity and, therefore, there is no material uncertainty about the Company's ability to continue as a going concern. In this sense, in the evaluation carried out by the Company's Board of Directors and Management, it has been considered as critical judgment factors i) that the Company is in a solid operating and financial position -which is reflected in the increase in the flow of available funds and a reduction in the net financial debt to EBITDA - ratio; ii) that the Company has successfully proved several times having access to the international and local capital markets; iii) that the Company has access to bank financing lines; and iv) that the Company maintains frequent contact with banks and investors, which is extremely useful to know the situation of the debt market and their opinion about the Company.

8.2. Recent evolution of the economic-financial context in with the company operates

During the year ended December 31, 2019 and during the year ended December 31, 2020, there has been an increasing rise in the general level of prices, salary costs, interest rates and the exchange rate of foreign currency, as well as volatility in other variables of the economy, which has impacted on the figures in these financial statements.

After the significant devaluation of the Argentine peso that occurred in mid-August 2019, the National Government adopted various measures that modified rules that were in force until that date and that had an effect on the aforementioned variables.

Additionally, on December 20, 2019, the National Congress passed Law No. 27,541 called the Law of Social Solidarity and Productive Reactivation in the framework of Public Emergency declaring the public emergency in economic, financial, fiscal, administrative, pension, tariff matters, energy, health and social, delegating to the National Executive Power broad powers to ensure the sustainability of public debt, regulate the rate restructuring of the energy system through a renegotiation of the current comprehensive tariff revision and reorder the regulatory entities of the energy system, among others . In addition, electricity and natural gas rates will be maintained for a maximum period of 180 days for residential and commercial users and industries.

Said law, promoted by the new National Government, modified the personal property tax, increasing its rate, and empowered the National Executive Power to set higher rates for financial assets located abroad. Also, a new 30% currency purchase tax was created. This tax covers the purchase of bills and foreign currency in foreign currency for treasury or without a specific destination. As part of the package of measures aimed at reducing the fiscal deficit, said law suspended the pension adjustment system for 180 days, among other issues.

On April 30, 2020, the Central Bank issued Communication "A" 7001 (modified by Communication "A" 7030, Communication "A" 7042 and Communication "A" 7052, and for their eventual supplements and amendments, in hereinafter, "Communication" A "7001") that establishes certain limitations on the transfer of securities to and from Argentina.

According to Communication "A" 7001, access to the Argentine exchange market for the purchase or transfer of foreign currency abroad (for any purpose) will be subject to the prior agreement of the Central Bank, if the person or entity seeking access the Argentine exchange market has sold securities with settlement in foreign currency or has transferred said securities to foreign depository entities during the immediately preceding 90 calendar days.

Furthermore, Communication "A" 7001 established: (i) that the person or entity must undertake not to make any sale or transfer during the 90 calendar days following said access; (ii) temporary restrictions to access the MULC to make certain import payments and for the payment of principal of loans whose creditor is a related entity.
Subsequently, on September 16, 2020, Communication "A" 7106 issued by the Central Bank of the Argentine Republic came into force, later supplemented by Communication "A" 7133. As provided in point 7 of Communication "A "7106, debtors

that register scheduled principal maturities between October 15, 2020 and March 31, 2021 (the“ Relevant Period ”) for, among others, financial debt operations abroad and issuance of debt securities With public registration in the country denominated in foreign currency, they must submit to the BCRA a detail of a refinancing plan based on certain conditions in order for the BCRA to grant access to the exchange market for the payment of said amortizations. The Relevant Period was extended until December 31, 2021 by Communication “A” 7230.

In the first Relevant Period, the Company recorded principal maturities of Negotiable Obligations payable in United States Dollars for an amount of USD 58,341,923; and its subsidiary Genneia Desarrollos S.A. in the Relevant Period, principal maturities for a total amount of USD 21,586,500 were recorded in respect of loans payable in US Dollars. The company presented the refinancing plan as required by the BCRA, in this regard see Notes 9.1.1 “Global Program for the issuance of Negotiable Obligations” and 9.2.7 “GEDESA Loan” to the consolidated financial statements as of December 31, 2020. On the other hand, with respect to the relevant period extended by communication “A” 7230, neither the Company nor its subsidiaries have maturities.

The Board of Directors and the Management of the Company will analyze the evolution of the described issues, as well as the possible additional modifications that the National Government could implement and will evaluate the impacts that they could have on their financial and economic situation, results and future cash flows.

8.3. Effects of the spread of COVID-19 on our business, financial position and results of operations

On March 11, 2020, the World Health Organization declared the "public health emergency of international concern" and decreed a worldwide "pandemic" status due to the SARS-CoV-2 outbreak (COVID-19) in Wuhan, China and its subsequent spread all around the world.

Currently, the Major world stock markets and the local capital market have been materially affected by the spread of Coronavirus, which has affected the production and sales of a wide variety of industries, materially thus significantly interrupting or extending the terms of local and international supply chains. At the international level it has also caused a significant rise in the unemployment rate in several business that provide goods and services; The highest authority of The International Monetary Fund foresees that the situation will lead to the most serious recession worldwide after the crisis of 1929.

The extent of the impact of the Coronavirus on our operational and financial performance will depend on the development of events (duration and rate of spread, as well as national and international government measures adopted) and the impact of this situation on the payment chain of our main client CAMMESA, employees and suppliers; all of which is uncertain, and it is not possible to predict at this moment.

On March 19, 2020, through the Executive Order of Necessity and Urgency (DNU) No. 297/2020, the Argentine Government established the "preventive, mandatory social distancing” (ASPO in Spanish), which closes the country´s borders and imposes strong restrictions on people´s mobility nationwide. These measures included a series of exceptions involving activities considered “essential” and, therefore, excluded from said restrictions. The validity of the ASPO was successively extended through DNUs until November 7, 2020. As of that date, through Necessity and Urgency Decree 875/2020, the ASPO phase was ended to enter the DISPO stage, which began on November 9, 2020 and continues in force at the date of issuance of these financial statements. Said measure is applicable to all persons who reside or transit in the urban agglomerates, parties and departments of the Argentine provinces as long as they positively verify certain epidemiological and health parameters established by said Decree. Although the initial measures taken by Decree 297/2020 were made more flexible, in this new stage the limits to circulation continue, the prohibitions of certain recreational, public transport service of interurban, interjurisdictional, and international passengers, among other measures.

Although the activities carried out by Genneia S.A. and the companies of its economic group are listed under the exceptions established in the Executive Order as an “essential” activity, thus allowing the involvement of minimum guards to ensure the continuity of the operation and maintenance of the Company's generation center, we cannot predict the duration of such measures, nor any possible future additional restrictions that may be imposed by the Argentine government. At this point, the long-term effects for the Argentine and global economy, as well as for the Company, are difficult to foresees and may include risks to the health and safety of our suppliers' employees, shutdowns or interruption of facilities, issues with the supply of spare parts and the availability of technicians (including international technicians unable to travel to our country due to the closure of borders and / or the suspension of international flights; and / or local technicians for replacement of suppliers that are potentially infected by the Coronavirus), and that allow an efficient operation and maintenance of the wind farm. We may also be affected by the need to implement policies that reduce the efficiency and effectiveness of our operations.
In this respect, due to the health emergency, the Company has prioritized the health of its employees to the operations. That said, a Contingency Plan has been implemented to minimize the risk of infection of its employees and to secure business

continuity. Due to the ASPO applied nationwide, the Company implemented mandatory remote work for its employees provided the nature of their tasks so permits and except for those employees who perform activities and services considered essential during the health emergency as per the applicable regulations. Those employees are required to comply with all safety and prevention measures imposed by authorities and any other measures specifically mandated by the Company, thus allowing for the continuity of the Company's activities.

As of the date of issuance of these interim condensed consolidated financial statements, because of the aforementioned situation, there have been delays in payments days by CAMMESA, mainly with respect to thermal generation and renewable energy contracts without the FODER guarantee (Rawson I, II and Trelew wind farms). In addition, the Secretariat of Energy has ordered the suspension of the price indexation established by Resolution 31/2020 during the year 2020. There have also been certain delays in the provision of supplies and materials destined mainly for the works in progress.

Taking into consideration the characteristics of the Company's business and operations, as of the date of issuance of these interim condensed consolidated financial statements, the issues set forth above, do not have a material adverse effect on the Company´s financial position, results of operations and cash flows. The Company´s Management cannot foresee as to whether the effects that the spread or the depth of the Coronavirus pandemic and the current or future measures potentially adopted by local and international governments may have on the world economy, Argentina's or its strategic partners, nor the Company; however, for the purposes of issuing these interim condensed consolidated financial statements, there is no evidence that the Company has significant difficulties to continue its activities normally in the next twelve months.

8.4. Other financing arrangements

The main financing are described in Note 9 to the annual consolidated financial statements. The main news for the three-month period ended March 31, 2021, are described below:

8.4.1. Frequent Issuers Regime

On March 19, 2021, the Extraordinary General Meeting of Shareholders of the Company approved the entry and registration of the Company to the CNV's Frequent Issuers regime, for the issuance of simple, non-convertible into shares, short and medium negotiable obligations. or long-term, for a maximum outstanding amount of nominal value USD 800,000,000 (or its equivalent in other currencies) (the "Frequent Issuer Program"). The Frequent Issuer Program was approved by Provision No. DI-2021-10-APN-GE # CNV of the CNV's Issuer Management, dated April 19, 2021.

8.4.2. Financing of the Pomona I Wind Farm

On June 8, 2018, Genneia Vientos del Sudoeste S.A. ("GVSO"), a subsidiary controlled by the Company, signed a financing agreement for the Pomona I wind farm. This financing agreement comprises up to USD 121 million that will be used for the construction and start-up costs of the project. The financing agreements include a 16-year guaranteed non-recourse loan granted by Kreditanstalt FürWiederaufbau, Kfw Ipex-Bank Gmbh (KfW) and a 15-year non-guaranteed and non-recourse loan granted by DEG - Deutsche Investitionsk - Und Entwicklungsgesellschaft Mbh (DEG). The KfW loan is guaranteed by the Export Credit Agency of Germany Euler Hermes through a comprehensive commercial and political credit insurance agreement for export.

On January 20, 2021, the company received a disbursement of USD 1.4 million. As of March 31, 2021, the company totals disbursements for USD 117.9 million. The capital owed by virtue of the disbursement started being paid semi-annually beginning on March 31, 2020.

8.4.3. Financing of Necochea Wind Farm Project

On August 2, 2019, Vientos de Necochea S.A., a joint venture of the Company and Centrales de la Costa Atlántica S.A., entered into a project financing agreement for the development of the Necochea wind farm (38 MW). Through an A-B financing agreement, the subsidiary entered into financing agreements for up to USD 51 million that will be used for the construction and start-up costs of the projects.

On October 16, 2020, the Company agreed to reduce the loan granted by FMO - Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden NV Consequently, the total financing committed for the construction of the Necochea wind farm was reduced by USD 6.73 million and therefore both the maximum amount to receive in relation to it reaches USD 44 million.

On March 12, 2021, the company received a final disbursement of USD 13.9 million, totaling as of March 31, 2021 disbursements for USD 44 million, that is, for the entire amount committed by the Lenders. The capital owed by virtue of what has been disbursed started being paid semi-annually beginning on October 30, 2020.

8.4.4. Financing of Chubut Norte III y IV Wind Farm Project

On July 15, 2019, the Joint Ventures, Vientos Patagónicos Chubut Norte III S.A. and Vientos Sudamericanos Chubut Norte IV S.A, entered into financing agreements for the Chubut Norte III and Chubut Norte IV wind farms (with a combined capacity of 141 MW). Through these Project Finance, the the Joint Ventures subsidiaries entered into financing agreements for up to USD 131 million that will be used for the construction and start-up costs of the projects.

As of March 31, 2021, the companies' total disbursements for USD 117.7 million.

On April 29, 2021, a disbursement from KfW of USD 9.1 million was received. On May 7, 2021, a disbursement of USD 3.1 million was received.

8.5. Principal contingencies, claims and contingent assets

The main contingencies, claims and contingent assets are described in Note 11 to the annual consolidated financial statements. The main news for the three-month period ended March 31, 2021 are described below:

8.5.1. Situation with IEASA (EX ENARSA) - IEASA receivables and payables

Since 2011, the Company and the subsidiary Enersud Energy S.A.U. ("Enersud") started to accumulate debts vis-à-vis IEASA for purchases of natural gas, because of the extensive delay by the Argentine Government in implementing the process for replacing the power supply agreements with IEASA (EX ENARSA) under the Energía Distribuida Program with new agreements with CAMMESA under Resolution SE 220/07.

On the other hand, several balances receivable from IEASA (EX ENARSA) started to accrue for generation invoices and unrecorded accrued amounts for exchange rate differences between the invoicing date and the date of effective payment.

In 2015, the Company notified IEASA of the legal compensation of its liabilities for an amount of USD 38.2 million corresponding to invoices issued by IEASA pursuant to gas sales contracts (the "Gas Debt") with the credits of the Partnership with IEASA corresponding to exchange differences and other items withheld from invoices paid by CAMMESA (on behalf of IEASA).

In October 2017 and June 2020, IEASA requested the Company to pay the Gas Debt, thereby implicitly ignoring said compensation alleged by the Company. In December 2017 and July 2020, the Company objected to IEASA's respective requests.

As part of the notification sent to IEASA in July 2020, the Company and its subsidiary Parque Eólico Loma Blanca IV S.A. They ordered the payment of amounts owed under the Rawson (I and II) wind farm PPAs and the Trelew wind farm PPA for the sum of USD 9.4 million and USD 5.8 million, respectively. These amounts contain the corresponding exchange differences. Additionally, in January 2021 the Company and the Loma Blanca IV Wind Farm filed before the Arbitration Tribunal of the Stock Exchange arbitration claims claiming sums owed as of that date under the PPAs indicated for USD 9.4 million and USD 10.5 million in concept of capital, plus applicable interest.

Based on the opinion of its external advisors, the Company considers that the compensation made is legal in nature and has solid legal and factual bases to reject any claim of IEASA that tries to object to the compensation, including any possible claim for interests associated with the debt of gas. On the other hand, based on the opinion of its legal advisors, the Company considers that it has the pertinent information and documentation that supports the rights to collect the amounts claimed before the arbitration tribunal of the Stock Exchange.

8.5.2. Situation with CAMMESA

8.5.2.1. Ullum 1 y 2 Penalty

The Ullum 1 and 2 Photovoltaic Plants reached commercial authorization on December 19, 2018, 32 days after the date set in their respective PPAs. On repeated occasions, Ullum 1 and Ullum 2 made presentations to CAMMESA reporting various facts that in their opinion constituted force majeure events and that, if accepted as such, would exempt the aforementioned subsidiaries from the application of fines for delays in obtaining the commercial clearance. CAMMESA recognized only 2 days of force majeure, and on March 21, 2019, it notified Ullum 1 and Ullum 2 of the application of a fine of USD 1,041,000 each, corresponding to a 30-day delay in reaching the date of commercial authorization agreed in the PPAs.

In March 2020, CAMMESA began to debit the current account of Ullum 1 and Ullum 2 on a monthly basis, for their respective PPAs, the total amount of the fine, in 48 installments in dollars, with an annual interest of 1.7% on the balance.

By virtue of the provisions of the contracts for the "turnkey" construction, supply, assembly and start-up of the works of the Ullum Photovoltaic Power Plants, signed with Energías Sustentables S.A. (“ESSA”) and other related agreements (the “EPC Agreement”), ESSA assumed the obligation to pay the total amount of the fines that may be applied by CAMMESA for delays in obtaining the commercial authorization of the Ullum Photovoltaic Power Plants 1 and 2, discounted at a nominal annual rate of 12%.

ESSA's payment obligation was guaranteed by (i) USD 878,464 deposited in an escrow account opened in the U.S. Bank National Association, corresponding to the price balance of the EPC Agreement, which can be withdrawn by individual instruction of the companies, and (ii) promissory notes issued by ESSA and guaranteed by Fides Group S.A. and its shareholder for a total amount of USD 878,464. As of the date of these Financial Statements, the companies Ullum 1 and Ullum 2 received from the U.S. Bank National Association the transfer of the USD 878,464 previously mentioned.

On February 5, 2021, a unique arbitration process was initiated to question the origin of said penalties, both for reasons of force majeure and for the exorbitant fines. As of the date of these financial statements, the arbitration claim was filed, which was answered by CAMMESA.

In the event that, after payment of the fine by ESSA, by a final and final judgment, the amount of the fine is totally or partially reduced, the companies must reimburse ESSA for the amounts discounted in excess of the final amount of the fine.

8.5.2.2. Necochea Wind Farm Penalty

On February 8, 2020, CAMMESA granted the commercial authorization of the Vientos de Necochea wind farm with a commercially enabled power of 38 MW. This meant a delay in the deadlines committed under the PPA, since the Commercial Enablement Date agreed in said contract was December 11, 2019. In this context, CAMMESA could claim the application, to the Company, of the fine contemplated in the PPA, consisting of an amount of one thousand three hundred eighty -eight Dollars (USD1,388) for each megawatt of power contracted for each day of delay in reaching the Commercial Enablement Date with respect to the promised Commercial Enablement Date.

However, in consideration of the public emergency situation declared by Law 27,541 (public emergency in economic, financial, fiscal, administrative, pension, tariff, energy, health and social matters) and the suspension of administrative activities as of the second half of March, the Ministry of Energy unilaterally ordered (through Note no-2020-33443613-APN-SE # MDP dated May 21, 2020), (a) the suspension of the deadlines for Projects with a scheduled commercial enablement date between December 23, 2019 and June 30, 2020; and (b) the temporary suspension of the injunctions for non-compliance with the dates of completion of construction stages, both with respect to the increase in the Contract Performance Guarantee and the imposition of the foreseen fines, as appropriate in all contracts entered into in within the RenovAr Program. Although this Note was later rendered ineffective by the Ministry of Energy, this does not prevent it from having constituted an acknowledgment by the Enforcement Authority in the sense that the emergency situation declared by Law 27,541 (still in force) affects to RenovAr projects.

Subsequently, on March 4, 2021, the National Energy Secretariat, through Note NO-2021-19390103-APN-SE # MEC, ordered the granting of an extension for a period of up to 88 calendar days on the date agreed in the PPAs for the commercial authorization, of those projects that can prove delays as a consequence of the exchange restrictions resolved through DNU N ° 609/2019 and Communication "A" 6770 of the Central Bank of the Argentine Republic. The granting of the extension is conditioned to the owners of the projects renouncing to make claims related to the exchange restrictions. As of the date of these financial statements, Vientos de Necochea has not expressed its intention to avail itself of the aforementioned extension.

The Management and its legal advisors consider that, should CAMMESA apply the fine, the Company has sufficient arguments to have it dismissed or reversed. That is why the Company has not recorded any provision for a contingency to date.

8.5.2.3. "Chubut Norte III" y "Chubut Norte IV" Wind Farms Penalty

On February 4 and February 25, 2021, CAMMESA granted the commercial authorization of the Chubut Norte IV and Chubut Norte III wind farms, respectively. This meant a delay in the deadlines committed under the PPA, since the Commercial Enablement Date finally established from the extensions mentioned below is January 21, 2021. In this context, CAMMESA could claim the application, to the Company , of the fine contemplated in the PPA, consisting of an amount of one thousand three hundred and eighty-eight dollars (USD1,388) for each megawatt of power contracted (Chubut Norte III 57,6 MW and Chubut Norte IV 82,8 MW) for each day of delay in reaching the Commercial Qualification Date with respect to the Qualification Date Committed commercial.

Through Note NO-2020-37458730-APN-SE # MDP dated June 10, 2020, the Ministry of Energy expressed that, in consideration of the exceptional and anomalous situations generated by the COVID-19 pandemic, it was necessary to review the conditions of enforceability of certain obligations arising from the contracts entered into and the current regulations. Consequently, the Ministry of Energy instructed the temporary suspension, until September 12, 2020 (inclusive), of the calculation of terms within the framework of the execution of the contracts of the RenovAr Programs (Rounds 1, 1.5, 2 and 3) (among others) of those projects that had not been commercially enabled as of March 12, 2020. As a corollary of the foregoing, it also instructed CAMMESA to suspend the injunctions for non-compliance with the scheduled dates of progress of works, both with respect to the increase in the guarantee of contract fulfillment and the imposition of fines.

Through Note NO-2020-60366379-APN-SSEE # MEC, dated September 10, 2020, the Undersecretariat of Electric Energy resolved to extend, until November 15, 2020, the suspension of terms provided by the aforementioned Note NO-2020-37458730-APN-SE # MDP, setting as a condition for accessing the extension of the aforementioned extension, the submission of a waiver to make claims to the National State, the Ministry of Energy and CAMMESA in relation to the delays caused between on March 12 and November 15, 2020 due to the health emergency generated by the COVID-19 pandemic. In this regard, on September 25, 2020, the subsidiaries that own the Chubut Norte III and IV Wind Farms submitted their resignation notes to CAMMESA.

Finally, through Note NO-2020-88681913-APN-SE # MEC of December 18, 2020, the Secretary of Energy of the Nation extended once again the suspension of terms granted by the previous notes, for a period of 45 calendar days, counted from November 16, 2020 (that is, until December 30, 2020, inclusive), with respect to those projects specifically listed in Annex I. The Vientos Patagónicos Chubut Norte III S.A. and Vientos Sudamericanos Chubut Norte IV S.A. projects are expressly included in that Annex and are therefore reached by the new extension. In this sense, by virtue of the extension of the aforementioned extension, the new Scheduled Date of Commercial Enablement of both projects would become January 21, 2021.

For this reason, CAMMESA could claim the application of the fine contemplated in Article 13.2 of the PPAs, consisting of an amount of one thousand three hundred and eighty-eight Dollars (USD1,388) for each megawatt of contracted power for each day of delay in reaching the Commercial Qualification with respect to the committed Commercial Qualification Date.

Notwithstanding the foregoing, since 2019 Vientos Sudamericanos and Vientos Patagónicos have submitted to CAMMESA and the Secretariat of Energy multiple requests for review of contractual conditions in the terms of Article 16.1 of the referred PPAs, as well as notifications of Case Events Fortuitous or Force Majeure and Change of Law based on the macroeconomic situation and the aforementioned exchange restrictions imposed by the Argentine government as of September 2019, which, if recognized, would imply an additional running of the aforementioned Scheduled Trade Authorization Dates plus beyond January 21, 2021.

Subsequently, on March 4, 2021, the National Energy Secretariat, through Note NO-2021-19390103-APN-SE # MEC, ordered the granting of an extension for a period of up to 88 calendar days on the date agreed in the PPAs for the commercial authorization, of those projects that can prove delays because of the exchange restrictions resolved through DNU N ° 609/2019 and Communication "A" 6770 of the Central Bank of the Argentine Republic. The granting of the extension is conditioned to the owners of the projects renouncing to make claims related to the exchange restrictions. As of the date of these financial statements, Vientos Patagónicos and Vientos Sudamericanos have not expressed their intention to avail themselves of the extension.

The Management and legal advisers of the Company consider that, in the event of the fine being applied by CAMMESA, the Companies have sufficient arguments to ensure that it is dismissed or reversed. For this reason, these companies have not recorded any provision for contingencies.

8.5.3. Puerto Madryn Municipality fees

On December 27, 2019, Provincial Law XVI No. 101 was enacted, which expanded the municipal boundaries of Puerto Madryn and, consequently, the Company and its subsidiaries that own wind farms located in this municipality were subject to the provisions of the tax code from Puerto Madryn. In April 2020, through Ordinance No. 11,349 (modified by Ordinance No. 11,546), the Municipality of Puerto Madryn established specific tax bases for the wind generation activity with respect to the authorization, inspection, safety and hygiene and control rate. environmental, and the construction rate.

The Municipality initiated inspection processes in the Company and the other subsidiaries that own the wind farms currently located within the Puerto Madryn boundaries, namely: Genneia Vientos del Sur S.A., Vientos Patagónicos Chubut Norte III S.A., and Vientos Sudamericanos Chubut Norte IV S.A. The Municipality of Puerto Madryn determined ex officio the application of the rate for authorization, inspection, safety and hygiene and environmental control for the following periods and amounts: (i) Genneia SA: Rate, periods August 2018 to May 2020, for the sum $ 123,163,095.17, plus compensatory interest; (ii) Genneia Vientos del Sur S.A .: Rate, periods January to May 2020, for the sum of $ 6,674,724.70, plus compensatory interest; (iii) Vientos Patagónicos Chubut Norte III S.A: Rate, periods January to May 2020, for the sum of $ 84,825, plus compensatory interest; and (iv) Genneia Vientos Sudamericanos Chubut Norte IV S.A.: Rate, periods January to May 2020, for the sum of $ 84,825, plus compensatory interest. On November 12, 2020, the Company and each of the subsidiaries filed their respective discharges with the Municipality.

Subsequently, and effective for the fiscal period 2021, through Ordinance No. 1,546, the Municipality modified the calculation basis of the applicable Rate that it considers applicable to the aforementioned wind farms. On February 17, 2020, the Municipality notified payment requests for the following periods: Genneia SA, for January the sum of $ 28,541,338.80, for February the sum of $ 29,610,914.40, and for March for the sum of $ 30,467,896.80, with more compensatory interest; and Genneia Vientos del Sur S.A., for January the sum of $ 3,204,816.00 and for February the sum of $ 3,346,152. As of the date of these Financial Statements, these amounts were rejected.

Since the end of 2019, within the framework of the current PPAs for the Madryn I, Madryn II, Chubut Norte I, III and IV Wind Farms, the Company and its subsidiaries have made a series of presentations to CAMMESA, requesting a revision of the price of PPAs to compensate for the effect that the application of these rates could have. On August 14, 2020, CAMMESA issued a statement on the matter stating that it will submit the request to the Ministry of Energy. As of the date of these Financial Statements, the Ministry of Energy has not been issued.

In March 2021, the Company and its joint ventures subsidiaries (Genneia Vientos del Sur S.A., Vientos Patagónicos Chubut Norte III S.A. y Vientos Sudamericanos Chubut Norte IV S.A.), filed before the Federal Court of Rawson a lawsuit against the Municipality of Puerto Madryn, seeking to render null and void these rates. The Management and legal advisors of the Company consider that, in the event that these rates are applied, the Company and its subsidiaries have sufficient arguments to achieve a favorable result in court.

NOTE 9 - CONSOLIDATED BUSINESS SEGMENT INFORMATION

The different segments in which the Company is organized have in considering the different activities from which the Company obtains income and incurs expenses. The mentioned organizational structure is based on the way in which the highest authority in the decision-making process analyzes the main financial and operating activities on the basis of internal reports regarding components of the Company while making decisions about resource allocation and performance assessment considering the Company's business strategy.

The Company develops its activities in three business segments: (i) electrical power generation from conventional sources; (ii) electrical power generation from renewable sources; (iii) trading on its own, on behalf of third parties or associated with third parties of natural gas and/or its transportation capacity and of electric power, through the Company and its subsidiary ENERSUD. Costs and assets related to corporate administration and other income (expenses) are allocated into the segment "Corporate and others", except for the impairment related with the Cruz Alta Thermal Power Plant which was allocated into the Electrical power generation from conventional sources segment.

All the sales and the non-current assets of the Company are generated and are located in Argentina.

Below is disclosed the information for each business segment as defined by the Company:

	Electrical power generation from conventional sources	Electrical Power generation from renewable sources	Trading of natural gas and gas transportation	Corporate and others	Consolidation adjustments	Total
Three-month period ended March 31, 2021						
Net sales to third parties	12,579	52,539	1,038	2,012	-	68,168
Net inter-segment sales	-	-	-	-	-	-
Net sales	12,579	52,539	1,038	2,012	-	68,168
Gross profit less administrative and selling expenses	3,116	37,060	633	(1,925)	-	38,884
Net profit (loss) before financial expense, net and income tax [2] [3] [5]	3,116	35,226	633	(2,878)[1]	-	36,097
Fixed assets depreciation and intangible assets amortization	6,441	10,814	168	327	-	17,750
Fixed assets investments [4]	-	5,723	-	634	-	6,357
Assets [4]	156,714	1,027,938	6,446	327,393	(122,753)	1,395,738
Three-month period ended March 31, 2020						
Net sales to third parties	18,626	55,690	1,095	1,344	-	76,755
Net inter-segment sales	-	-	-	-	-	-
Net sales	18,626	55,690	1,095	1,344	-	76,755
Gross profit less administration and selling expenses	8,889	41,573	695	(2,564)	-	48,593
Net profit (loss) before financial expense, net and income tax [2] [3] [5]	8,889	40,264	695	(3,427)[1]	-	46,421
Impairment loss on goodwill and fixed assets	-	-	-	-	-	-
Fixed assets depreciation and amortization	7,169	9,814	170	261	-	17,414
Fixed assets investments [4]	-	3,968	-	18	-	3,986
Year ended December 31, 2020						
Assets [4]	266,018	1,010,081	15,225	183,519	(68,992)	1,405,851

(1) Includes (953) and (863) of other expenses, net for the period ended March 31, 2021 and 2020, respectively.
(2) Financial expense, net and income tax are allocated to the corporate and others segment.
(3) Loss on long term investments in joint ventures has been allocated to Electrical Power generation from renewable sources.
(4) In addition, the company has made advanced payments to fixed assets suppliers for an amount of 643 and 2,404 as of March 31, 2021 and December 31, 2020, respectively, included in other non-current receivables.
(5) As of March 31, 2021, the Electricity Generation segment from conventional sources includes: Gross profit for 3,116. The Electricity generation from renewable sources segment includes: Gross profit for 37,060, and Results for long-term investments for (1,834). The gas marketing and transportation segment includes: Gross profit for 633. Corporate and others include: Gross profit for 2,012, Administrative expenses for (3,433), Selling expenses for (504) and Other net expenses for (953). As of March 31, 2020, the Electricity Generation segment from conventional sources includes: Gross profit for 8,889. The Electricity generation from renewable sources segment includes: Gross profit for 41,573, and Results for long-term investments for (1,309). The gas marketing and transportation segment includes: Gross profit for 695. Corporate and others include: Gross profit for 1,344, Administrative expenses for (3,372), Selling expenses for (536) and Other net expenses for (863).

NOTE 10 - SUBSEQUENTS EVENTS

Holding of the Ordinary and Extraordinary General Shareholders' Meeting

On April 30, 2021, the Ordinary and Extraordinary General Shareholders' Meeting was held, which resolved, among other points, to approve the Financial Statements corresponding to the year ended December 31, 2020, and to appoint the members of the Board of Directors and of the Supervisory Committee of the Company for the current fiscal year, whose terms will expire on December 31, 2021.

Chubut Norte III and IV Wind Farms

On April 16, 2021, the joint ventures Vientos Sudamericanos Chubut Norte IV S.A, Vientos Patagónicos Chubut Norte III S.A. and Nordex entered into a new addendum to the EPC Agreement for the purpose of settling the existing differences, the main terms of which are as follows: (i) the Final Take Over milestone under the EPC Agreement is deemed fulfilled and Nordex must operate all wind turbines under the terms of the O&M Agreement; (ii) the parties waive all their claims arising from the EPC Settlement; and (iii) the price balance of the EPC Contract is redefined. On April 30, 2021, the payment indicated in point (iii) was made with funds from the financing provided by KFW.

Chubut Norte II Wind Farm

On March 27, 2021, the Chubut Norte II wind farm entered into commercial operation with an installed capacity of 26 MW. The generation of this park will be commercialized in the MATER with industrial users or in the spot market.

On May 3, 2021, the Company and Nordex entered into a new addendum to the EPC Agreement in order to settle the existing differences, the main terms of which are as follows: (i) the milestone of Final Take Over under the Agreement is deemed to have been met EPC and Nordex shall operate all wind turbines under the terms of the O&M Agreement; (ii) the parties waive all their claims arising from the EPC Settlement; and (iii) the price balance of the EPC Contract is redefined. The agreement is subject to the prior consent of KFW, in its capacity as creditor under the loan granted to finance the construction of the Pomona II and Chubut Norte II Wind Farms. As of the date of these financial statements, the payment indicated in point (iii) above is pending.

At the date of issuance of these interim condensed consolidated financial statements there have been no significant subsequent events whose effect on the consolidated financial position and the results of the Company's operations as of and for the three-month period ended March 31, 2021 or its disclosure in a note to these financial statements, if applicable, they would not have been considered in them according to IFRS.

NOTE 11 - APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

These interim condensed consolidated financial statements were approved by the Board of Directors of GENNEIA and authorized for issue on May 11, 2021.

Cesar Rossi
Authorized Director



GENNEIA S.A.

Consolidated Financial Statements as of and for the year ended December 31, 2020 together with the Independent Auditor´s Report

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders, President and Board of Directors of
GENNEIA S.A.

1. *Opinion*

We have audited the consolidated financial statements of GENNEIA S.A. (an Argentine corporation, hereinafter mentioned as "GENNEIA" or the "Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at December 31, 2020, and the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2020, and its consolidated financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

2. *Basis for Opinion*

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the applicable regulations in Argentina set forth by Resolution CD No. 3506 of the Professional Council in Economic Sciences of the Buenos Aires Province, and we have fulfilled our other ethical responsibilities under those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. *Emphasis of Matter Paragraph*

We draw attention to Note 7.3.3 of the consolidated financial statements, which describes that "On January 20, 2022, the principal of the Class XX Negotiable Obligations will be due, for US$ 500 million issued by the Company in two tranches (US$ 350 million on January 20, 2017 and US$ 150 million on January 30, 2018). The Company's Board of Directors is analyzing the different alternatives for refinancing or cancellation of said obligations upon maturity."

Our opinion is not modified in respect of this matter.

4. *Key Audit Matters*

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Fixed assets and Intangible Assets - Impairment evaluation of the carrying amount of the generation plants – See Notes 3.9 and 4 to consolidated financial statements

Description of the issue

The Company's evaluation of its generation plants for impairment involves an initial assessment at the level of each Cash Generating Unit ("CGU") to determine whether events or changes in the circumstances exist that may indicate that the carrying amounts of such fixed assets and the intangible assets associated with them may not be fully recovered. These indications of impairment may include events or changes in circumstances, whether external or internal, affecting tariffs, usage factors of generation plants, discount rates, physical condition of the assets, among others. If the Company identifies any adverse event or changes in any of these circumstances, the Company evaluates the recoverable value of each affected CGU and compares it to its respective carrying amount.

The Company defined that each generation plant constitutes an independent CGU and determined its recoverable value based on the value in use of each CGU, with the exception of those thermal generation plants indicated in Note 14.1 to the consolidated financial statements, for which it determined its recoverable value based on the estimated fair value of each UGE less the respective costs of disposal.

Initially, the Company conducts an analysis to identify and evaluate indicators of a potential impairment in the value of its generation plants. Inadequate identification or evaluation of such indicators could have a significant impact on the determination of those CGUs that will require further analysis. For CGUs that present indicators of potential impairment, the Company makes significant estimates and assumptions to determine the recoverable values of those assets. The values in use are calculated based on the model of discounted future cash flows, which requires Company's Management to make significant estimates and assumptions related to future revenues, costs and investments and the discount rate; while estimated fair values net of costs of disposal require Company's Management to make significant estimates and assumptions related to the sales value of those assets and the necessary costs to carry out their disposal. Changes in such assumptions could have a significant impact on the recoverable value of each CGU and potentially on the evaluation and the amount of impairment to be recognized. The recorded amount for the generation plants in the lines Power Generation Equipment, Wind farm and Solar photovoltaic plant under the caption Fixed Assets and in the caption Intangible assets as of December 31, 2020 amounted to US$ 1,029,116 thousands, net of a US$ 26,059 thousands impairment allowance. In addition, impairment losses were recognized in the year ended December 31, 2020 for an amount of US$ 11,618 thousands, which were included under the caption Other expenses, net.

Considering the significant analyses, judgements and evaluations carried out by the Company's Management to (a) identify and evaluate indicators of the potential impairment in the value of its generation plants and (b) in those cases where such indicators have been presented, to determine the recoverable value of the CGUs affected, performing our audit procedures has required a high degree of professional judgment and audit effort, including the need to involve valuation specialists.

Addressing the issue in our audit

Our audit procedures related to (a) the identification and evaluation of indicators of potential impairment of the value of generation plants and with (b) the determination of recoverable values of the CGUs affected, basically consisted of:

- Review of the relevant controls implemented by the Company related to the process of determining the impairment of the CGUs.

- Review of the Company's evaluation of the impact of impairment indicators on the affected CGUs and, if applicable, on the estimation of discounted future cash flows by:
    - The evaluation of whether there are events or changes in external or internal circumstances that could indicate that the carrying amounts of the CGUs may not be fully recovered.
    - The comparison of Management's projections of future cash flows with the Company's actual historical results.
    - Discussions with Management about the assumptions used in the Company's valuation models and evaluation of its consistency with evidence obtained in other areas of the audit.
- Evaluation of Management's ability to make reasonably accurate projections of revenues, costs and investments, by comparing projections made by Management in the past against actual amounts.
- Evaluation of the recoverable value determination for assets with impairment indicators, performing the following:
    - Evaluation of the reasonableness of revenues, costs and investments management projections by comparing them against:
        - The Company's historical revenues, costs and investments,
        - Reports with data on historical energy demand and expectations of electricity market trends in Argentina.
    - Review of the accuracy of mathematical calculations in cash flows used to determine the value in use of the affected CGUs.
    - With the assistance of our valuation specialists, evaluation of the reasonableness of (1) the valuation methodology followed by the Company's Management; (2) the projections of certain assumptions underlying the calculation of the recoverable value; (3) the discount rate; and (4) the accuracy of mathematical calculation by developing a range of independent estimates and comparing them with the estimates made by the Company's Management.
- Evaluation of the determination of the estimated disposal value of each CGU less the respective costs to sell, as appropriate, by assessing the reasonableness of the methodology used for estimating the disposition values and the input used.
- Reading and proof of the accuracy and completeness of disclosures in the Company's consolidated financial statements.

5. Other Matter

The accompanying consolidated financial statements as of December 31, 2020 have not been prepared, and do not include certain information, according to the Argentine Securities Exchange Commission (CNV) regulations. The consolidated and separate financial statements used by GENNEIA S.A. for statutory, legal and regulatory purposes in Argentina are those prepared in Argentine pesos, issued and filed with the CNV and approved by the Board of Directors of GENNEIA and authorized for issue on March 1, 2021.

6. Responsibilities of the Company's Board of Directors and the Audit Committee for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs and for such internal control as the Company's Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Company's Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

7. Auditor's Responsibilities for the Audit of the Consolidated Financial Statements.

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Guillermo D. Cohen.

Province of Buenos Aires, March 3, 2021.

DELOITTE & Co. S.A.

Guillermo D. Cohen
Partner

CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020

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GENNEIA S.A.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2020
(Presented for comparative purposes with the corresponding amounts of the fiscal year ended December 31, 2019 - amounts expressed in thousands of United States dollars - Note 2.1)

	December 31, 2020	December 31, 2019
Current Assets		
Cash and banks (Note 5.a)	55,638	63,704
Investments (Note 5.b)	66,582	27,557
Trade receivables (Note 5.c)	72,991	79,249
Other receivables (Note 5.d)	23,377	34,011
Inventories (Note 5.e)	1,305	1,734
Total current assets	219,893	206,255
Non-current assets		
Trade receivables (Note 5.c)	-	3,404
Other receivables (Note 5.d)	29,446	45,647
Investments (Note 5.b)	53,844	52,022
Inventories (Note 5.e)	9,008	7,908
Fixed assets (Note 5.f)	1,068,337	1,124,481
Intangible assets (Note 5.f)	25,323	29,011
Total non-current assets	1,185,958	1,262,473
Total assets	1,405,851	1,468,728
Current liabilities		
Accounts payable (Note 5.g)	66,119	131,829
Loans (Note 5.h)	92,127	190,673
Salaries and social security payable (Note 5.i)	6,116	5,903
Taxes payable (Note 5.j)	4,740	11,324
Other liabilities (Note 5.k)	92	1,728
Provisions (Note 5.l)	2,574	3,479
Total current liabilities	171,768	344,936
Non-current liabilities		
Taxes payable (Note 5.j)	-	-
Other liabilities (Note 5.k)	8,867	8,270
Loans (Note 5.h)	819,268	755,070
Deferred income tax liability (Note 5.r)	142,410	121,255
Total non-current liabilities	970,545	884,595
Total liabilities	1,142,313	1,229,531
Shareholders' equity (per corresponding statements)		
Capital stock	19,491	19,491
Share premium	276,029	276,029
Capital contributions	5,323	5,323
Legal reserve	1,221	1,221
Accumulated other comprehensive loss	(2,934)	(1,997)
Unappropriated retained losses	(35,592)	(60,870)
Shareholders' equity attributable to owners of the Company	263,538	239,197
Total liabilities and shareholders' equity	1,405,851	1,468,728

Notes 1 to 18 are an integral part of and should be read in conjunction with these consolidated financial statements.

Carlos Palazón
Authorized Director

GENNEIA S.A.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 2020
(Presented for comparative purposes with the corresponding amounts of the fiscal year ended December 31, 2019 - amounts expressed in thousands of United States dollars, except for per share amounts in United States dollars - Note 2.1)

	December 31, 2020	December 31, 2019
Net sales (Note 5.m)	302,175	269,599
Cost of sales (Note 5.n)	(102,170)	(97,801)
Gross profit	200,005	171,798
Selling expenses (Note 5.o)	(2,657)	(2,388)
Administrative expenses (Note 5.o)	(14,858)	(15,220)
Other expenses, net (Note 5.p)	(15,739)	(27,941)
Loss, profit from long term investment in joint ventures	(2,658)	(3,338)
Financial expense, net (Note 5.q)	(111,276)	(101,897)
Net profit before income tax	52,817	21,014
Income tax (Note 5.r)	(27,539)	(40,749)
Net profit (loss) for the year	25,278	(19,735)
Other comprehensive income		
Translation differences from investments in companies [(1)]	(937)	788
Total other comprehensive income	(937)	788
Total comprehensive profit (loss) for the year	24,341	(18,947)
Profit (loss) attributable to:		
Owners of the Company	25,278	(19,735)
Net profit (loss) for the year	25,278	(19,735)
Total comprehensive loss attributable to:		
Owners of the Company	24,341	(18,947)
Total comprehensive profit (loss) for the year	24,341	(18,947)
Profit (loss) per share (basic and diluted):	0.25	(0.19)

(1) May be reclassified subsequently to profit or loss at the moment of the sale of the investment or the full or partial reimbursement of the capital.

Notes 1 to 18 are an integral part of and should be read in conjunction with these consolidated financial statements.

Carlos Palazón
Authorized Director

GENNEIA S.A.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AS OF DECEMBER 31, 2020

(Presented for comparative purposes with the corresponding amounts of the fiscal year ended December 31, 2019 - amounts expressed in thousands of United States dollars - Note 2.1)

	Shareholders' contributions					Retained earnings				Equity attributable to:	
	Capital stock	Issuance premiums	Subtotal	Capital contributions	Total	Legal Reserve	Facultative reserve	Accumulated other comprehensive loss [1]	Unappropriated retained results	Owners of the Company	Total
Balances at the beginning of the year, 2018	19,491	276,029	295,520	5,323	300,843	1,221	22,960	(2,785)	(64,095)	258,144	258,144
As decided by the General Ordinary and Extraordinary Shareholders' meeting of April 25, 2019:											
- Release and transfer of the Facultative reserve to unappropiated retained results	-	-	-	-	-	-	(22,960)	-	22,960	-	-
Net loss for the year	-	-	-	-	-	-	-	-	(19,735)	(19,735)	(19,735)
Other comprehensive income for the year	-	-	-	-	-	-	-	788	-	788	788
Balances as of December 31, 2019	19,491	276,029	295,520	5,323	300,843	1,221	-	(1,997)	(60,870)	239,197	239,197
Net profit for the year	-	-	-	-	-	-	-	-	25,278	25,278	25,278
Other comprehensive income for the year	-	-	-	-	-	-	-	(937)	-	(937)	(937)
Balances as of December 31, 2020	19,491	276,029	295,520	5,323	300,843	1,221	-	(2,934)	(35,592)	263,538	263,538

(1) Corresponds to the effect of the translation of the financial statements of investments in companies with functional currencies other than the U.S. dollar.

Notes 1 to 18 are an integral part of and should be read in conjunction with these consolidated financial statements.

Carlos Palazón
Authorized Director

GENNEIA S.A.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2020

(Presented for comparative purposes with the corresponding amounts of the fiscal year ended December 31, 2019 - amounts expressed in thousands of United States dollars - Note 2.2)

	December 31, 2020	December 31, 2019
Cash flows provided by operating activities		
Net profit (loss) for the year	25,278	(19,735)
Adjustments to reconcile net profit (loss) for the year to net cash flows provided by operating activities:		
Depreciation and amortization of non-current assets	69,810	68,571
Income tax	27,539	40,749
Loss on long term investment in joint ventures	2,658	3,338
Result from sale of fixed assets	-	(4,992)
Allowances and provisions net decrease	(886)	(484)
Interest expense recognized in profit or loss	84,399	66,735
Issuance costs and withholdings	11,491	7,682
Exchange differences and others	(5,804)	30,572
Impairment loss of goodwill and fixed assets and intangible assets	11,618	27,572
Changes in assets and liabilities:		
Trade receivables	(3,818)	(36,220)
Other receivables [3]	15,574	12,940
Inventories	(671)	825
Accounts payable	20,157	3,741
Salaries and social security payable	1,843	1,022
Taxes payable	(3,986)	9,975
Other liabilities	(1,039)	1,971
Interest payments	(75,381)	(47,124)
Net cash flows provided by operating activities	178,782	167,138
Cash flows used in investing activities [2] [4]		
Payments for fixed assets and assets under concession acquisitions	(95,671)	(202,624)
Proceeds generated by the sale of fixed assets	-	6,184
Capital contributions on joint ventures	-	(2,200)
Acquisitions of subsidiaries net of acquired cash and equivalents	-	(6,564)
Loans to related parties	(6,293)	(28,762)
Investments not considered cash and equivalents	(15,669)	-
Deposits in guarantee (Note 5.d)	8,193	(12,615)
Net cash flows used in investing activities	(109,440)	(246,718)
Cash flows provided by financing activities [5]		
Proceeds from issue of notes, net of transaction costs [6]	64.976	14,224
Payment of negotiable debt obligations	(98,806)	-
Proceeds from loans, net of commissions [6]	68,060	103,845
Payment of loans	(76,224)	(98,743)
Deposits in guarantee for loans received (Note 5.d)	(4,192)	-
Net cash flows (used in) provided by financing activities	(46,186)	19,326
Exchange differences on cash and cash equivalents	(7,866)	(2,712)
Increase (decrease) in cash and cash equivalents [1]	15,290	(62,829)
Cash and cash equivalents at the beginning of the year [1]	91,261	154,090
Cash and cash equivalents at the end of the year [1]	106,551	91,261

(1) Cash and short-term investments with maturity up to three months at the acquisition date (Note 3).

(2) As of December 31, 2020 cash used in investing activities includes payments of adquisitions of fixed assets made during the year and is net of financed acquisitions of fixed assets at the end of the period for a net amount of 71,291; aditionally includes advanced payments to fixed assets suppliers made during the year and is net of advanced payments to fixed assets suppliers made during preceding years for a net amount of (5,257). As of December 31, 2019 cash used in investing activities includes the payment of 71,458 of acquisitions of fixed assets made during the preceding year, and it is net of 76,206 from financed acquisitions of fixed assets at the end of the year; aditionally includes advanced payments to fixed assets suppliers made during the year and is net of advanced payments to fixed assets suppliers made during preceding years for a net amount of (112,158).

(3) Includes (11,169) and (3,166) related to the decrease (increase) in the Account for future investments for the years ended December 31, 2020 and 2019, respectively.

(4) Includes 4,664 and 27,179 of interest payments related to financial costs capitalized in fixed asset for the years ended December 31, 2020 and 2019,respectively.

(5) See Note 5.h for a reconciliation between opening and closing balances of liabilities arising from financing activities.

(6) Proceeds from issue of notes are net of transaction costs and commisions for 1,444 and 0,3 for the years ended December 31, 2020 and 2019, respectively, and proceeds from loans are net of issuance expenses and commissions for 2,715 for the years ended December 31, 2020.

Notes 1 to 18 are an integral part of and should be read in conjunction with these consolidated financial statements.

Carlos Palazón
Authorized Director

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2020

(Presented for comparative purposes with the corresponding amounts and other information of the fiscal year ended December 31, 2019 - Amounts stated in thousands of United States dollars, except where otherwise indicated - Note 2.1)

NOTE 1 - BUSINESS OF THE COMPANY

GENNEIA S.A. ("GENNEIA" or the "Company") is a "sociedad anónima" (stock corporation) incorporated under the laws in force in Argentina, with a registered office at Nicolas Repetto 3676, 3rd Floor, Olivos, Province of Buenos Aires, Argentina.

The main activities of GENNEIA and its subsidiaries comprise three business units: (i) the electric power generation from renewable sources; (ii) the electric power generation from conventional sources; and (iii) the trading on its own, on behalf of third parties or associated to third parties, of natural gas and/or its transportation capacity and of electric power.

We are an Argentine independent power generation company whose mission is to provide reliable and sustainable energy. We prospect, develop, build and operate a diverse portfolio of renewable (wind and solar power) and conventional (thermal power) power plants. As of December 31, 2020, we had an installed capacity of 1,136 MW (699 MW of renewable energy and 437 MW of conventional energy) and wind projects under construction for 167 MW. We primarily derive our revenues from long-term U.S. dollar-denominated PPAs, which provide us with stable and predictable cash flows.

Business unit – Electric power generation from renewable sources

As of December 31, 2020, we had an installed capacity of 699 MW of renewable energy (wind and solar power) and wind projects under construction for 167 MW. Net revenues from this business unit totaled USD 227 million in 2020, or 75% of Consolidated Net Revenues.

Rawson I & II Wind Farms

In 2009, we participated in an international auction (RFP No. 1/2009) named GENREN to develop and operate new renewable energy. In 2010, we signed PPAs (Power Purchase Agreement) with ENARSA to develop and operate two wind farms located in Rawson in the Province of Chubut. In early 2012, Rawson I & II wind farms reached commercial operation. Combined installed capacity totals 84 MW.

The main terms and conditions of the PPAs are the following (i) PPAs expire if any of two things happen (a) 15 years have passed since the commercial operation day, (b) total dispatched energy matches ENARSAs total committed energy purchases (2,400 GWh for the Rawson wind farm I and 1,425 GWh for the Rawson wind farm II), (ii) grants ENARSA the option to renew the PPAs for another 18 months if neither conditions mentioned before (i) (a) and (i) (b) have been met, (iii) amounts payable to the Company under these PPAs are denominated in U.S. dollars and payable in Argentine pesos at the wholesale reference exchange rate quoted by the Central Bank pursuant to Communication "A" 3500 as calculated on the business day prior to the expiration of the payment obligation; (iv) ENARSA has to purchase all electricity effectively dispatched at a price of USD 128.70 for Rawson I and USD 124.20 for Rawson II. As of November 2019, CAMMESA is the counterpart to the MEM Supply Contracts and makes payments directly to Genneia S.A.

Rawson III Wind Farm

In December 2017, our Rawson III wind farm reached commercial operation. With an installed capacity of 25 MW, the Rawson III wind farm generates power to be sold in the Term Market for Renewable Energy ("MATER") or in the spot market.

The Company has entered into several U.S. dollar denominated PPAs with different industrial users for the total installed capacity of the following wind farms: (i) Rawson III (25 MW), (ii) Villalonga II (11.7 MW), and (iii) Pomona II (3.45 MW). Tenor for these contracts ranges between 5 and 20 years. The main terms and conditions of these PPAs are the following: (i) the Company has the obligation to deliver a specific amount of electricity per year generated from renewable sources that the user will acquire; (ii) the industrial user will pay a fixed amount in dollars per MWh (plus taxes), on a take or pay basis, for 100% of the electricity effectively delivered regardless of its actual consumption (as long as it does not exceed the MW/h/year contractually established), (iii) amounts payable to the Company under these PPAs are denominated in U.S. dollars and payable in Argentine pesos pursuant to the seller exchange rate for wire transfers reported by Banco de la Nación Argentina, and if such rate is not available, pursuant to the wholesale reference exchange rate reported by the Argentine Central Bank pursuant to Communication "A" 3500 or, if the latter is not available, pursuant to the exchange rate reported by the Mercado Abierto Electrónico (Argentine Open Electric Market), and in all cases as calculated on the business day immediately prior to the effective payment date.

Trelew Wind Farm

On August 29, 2017, the Company acquired 100% of the capital stock of Isolux Corsán Energías Renovables S.A. ("ICERSA", now Parque Eólico Loma Blanca IV S.A.) from SIDELI S.A. The effective transfer of shares and payment of the purchase took place on November 29, 2017.

In December 2010, Parque Eólico Loma Blanca IV S.A signed a PPA with ENARSA under the GENREN program to develop and operate the 51 MW Trelew wind farm located in Puerto Madryn, Province of Chubut. The Trelew wind farm reached commercial operation in August 2013 and has been operated by Genneia since November 29, 2017.

The main terms and conditions of the PPA are the following, (i) PPA expires if any of two things happen (a) 15 years have passed since the commercial operation, (b) total dispatched energy matches ENARSAs total committed energy purchases (2,636 GWh), (ii) grants ENARSA the option to renew the PPA for another 18 month period, if neither conditions mentioned before (i) (a) and (i) (b) have been met, (iii) amounts payable to the Company under these PPAs are denominated in U.S. dollars and payable in Argentine pesos at the wholesale reference exchange rate quoted by the Central Bank pursuant to Communication "A" 3500 as calculated on the business day prior to the expiration of the payment obligation; (iv) ENARSA has to purchase all electricity effectively dispatched at a price of USD 127.01 per MWh.

New Renewable Energy Law

Law No. 27,191, published in the Official Gazette on October 21, 2015, amended the National Promotion Regime for the Use of Renewable Sources of Energy, originally established by Law No. 26,190 (the "Promotion Regime").

The amendments set up a legal framework to promote investments in renewable energy and the diversification of the national energy matrix, increasing the share of renewable energy in the Argentine power market.

Law N° 27,191 among other matters, set the following conditions:

(i) At an initial stage, the share of renewable energy should reach 8% of the national consumption of electric power as of December 31, 2017. At a second stage, this share should rise to 20% of electric power consumption as of December 31, 2025.
(ii) Modifies and extends the tax benefit scheme applicable to eligible projects.
(iii) Creates the Renewable Energy Promotion Fund ("FODER").
(iv) Imposes obligations upon Large Users and Large Producers, setting an objective of mandatory compliance for energy consumption from renewable sources. If these obligations were not met as from December 31, 2017, a fine equivalent to the generation cost with imported fuel will be levied to those parties not complying with this requirement.
(v) Grants exemptions related to access and use of renewable energy sources.

On March 31, 2016, Regulatory Decree 531/2016 of Law 27,191 was published in the Official Gazette.

Madryn I & II Wind Farms

In 2009, we participated in an international auction (RFP No. 1/2009) conducted by ENARSA under the GENREN program, in accordance with the Renewable Energy Program, to develop and operate new renewable energy. In 2010, we were awarded the right to develop and operate the Madryn wind farms, located in Puerto Madryn, Province of Chubut.

In May 2017, we signed two 20-year U.S. dollar-denominated PPAs with CAMMESA -in accordance with the form included in Resolution 202-E/2016- for a combined installed capacity of 220 MW: 70 MW for Madryn I and 150 MW Madryn II.

The main terms and conditions of the PPAs are the following: (i) the Company has the obligation to build, operate and maintain the wind farm and sell the electricity to CAMMESA (acting in representation of the WEM agents); (ii) the Company committed 220 MW of power capacity; (iii) CAMMESA has to purchase all electricity effectively dispatched at a price of USD 76.23 per MWh plus additional annual adjustment factors; (iv) amounts payable to the Company under the PPAs will be denominated in U.S. dollars and payable in Argentine pesos at the prevailing exchange rate of the immediately preceding business day of the payment date; and (v) CAMMESA's obligations under the PPAs will be guaranteed by the FODER (in which the Argentine government is the trustor).

On November 2, 2018, the Madryn I wind farm reached commercial operation. The total installed capacity is 71.1 MW.

On September 26, 2019, the Madryn II wind farm reached commercial operation. The total installed capacity is 151.2 MW.

Villalonga I Wind Farm

In 2016, the Company participated in the international renewable energy auction RENOVAR Round 1.0. On October 7, 2016, the Ministry of Energy issued Resolution No. 213 awarding the Company the right to develop the Villalonga I project of 50 MW, located in the Province of Buenos Aires. On January 12, 2017, Genneia Vientos Argentinos S.A. signed a 20-year U.S. dollar-denominated PPA with CAMMESA.

The main terms and conditions of the PPA are the following: (i) Genneia Vientos Argentinos has the obligation to build, operate and maintain the wind farm and sell the electricity to CAMMESA (acting in representation of the WEM agents); (ii) Genneia Vientos Argentinos committed 50 MW of power capacity; (iii) CAMMESA has to purchase all electricity effectively dispatched at a price of USD 54.96 per MWh plus additional annual adjustment factors; (iv) amounts payable to Genneia Vientos Argentinos under the PPAs will be denominated in U.S. dollars and payable in Argentine pesos at the prevailing exchange rate of the immediately preceding business day of the payment date; and (v) CAMMESA's obligations under the PPAs will be guaranteed by the FODER (in which the Argentine government is the trustor) and by a special guarantee provided by the World Bank.

On December 19, 2018, the Villalonga I wind farm reached commercial operation. The total installed capacity is 52 MW.

Villalonga II Wind Farm

The Villalonga II wind farm generates power to be sold in the MATER or in the spot market. The Villalonga II wind farm reached commercial operation in early 2019 and has an installed capacity of 3.45 MW.

Pomona I Wind Farm

In 2016, the Company participated in the international renewable energy auction RENOVAR Round 1.5. On November 25, 2016, the Ministry of Energy issued Resolution No. 281 awarding the Company the right to develop the Pomona wind farm project of 100 MW, located in the Province of Rio Negro. On May 26, 2017, Genneia Vientos del Sudoeste S.A signed a 20-year U.S. dollar-denominated PPA with CAMMESA.

The main terms and conditions of the PPA are the follwing: (i) Genneia Vientos del Sudoeste has the obligation to build, operate and maintain the wind farm sell theelectricity to CAMMESA (acting in representation of the WEM agents); (ii) Genneia Vientos del Sudoeste committed 100 MW of power capacity; (iii) CAMMESA has to purchase all electricity effectively dispatched at a price of USD 54.88 per MWh, plus additional annual adjustment factors; (iv) amounts payable to Genneia Vientos del Sudoeste under the PPAs will be denominated in U.S. dollars and payable in Argentine pesos at the prevailing exchange rate of the immediately preceding business day of the payment date; and (v) CAMMESA's obligations under the PPAs will be guaranteed by the FODER (in which the Argentine government is the trustor) and by a special guarantee provided by the World Bank.

On July 17, 2019, the Pomona I wind farm reached commercial operation. The total installed capacity is 101.0 MW.

Pomona II Wind Farm

The Pomona II wind farm generates power to be sold in the MATER or in the spot market. The Pomona II wind farm reached commercial operation in August 2019 and has an installed capacity of 11.7 MW.

Chubut Norte I Wind Farm

In 2016, the Company participated in the international renewable energy auction RENOVAR Round 1.0. On October 7, 2016, the Ministry of Energy issued Resolution No. 213 awarding the Company the right to develop the Chubut Norte wind farm Project of 28.3 MW, located in the Province of Chubut. On January 12, 2017, Genneia Vientos de Sur S.A. signed a 20-year U.S. dollar-denominated PPA with CAMMESA.

The main terms and conditions of the PPA are the following: (i) Genneia Vientos del Sur has the obligation to build, operate and maintain the wind farm and sell the electricity to CAMMESA (acting in representation of the WEM agents); (ii) Genneia Vientos del Sur committed 28.35 MW of power capacity; (iii) CAMMESA has to purchase all electricity effectively dispatched at a price of USD 66 per MWh plus additional annual adjustment factors; (iv) amounts payable to Genneia Vientos del Sur under the PPAs will be denominated in U.S. dollars and payable in Argentine pesos at the prevailing exchange rate of the immediately preceding business day of the payment date; and (v) CAMMESA's obligations under the PPAs will be guaranteed by the FODER (in which the Argentine government is the trustor) and by a special guarantee provided by the World Bank.

On December 12, 2018, the Chubut Norte wind farm reached commercial operation.

Ullum I, II & III Solar Farms

On April 9, 2018, the Company acquired Ullum I Solar S.A., Ullum II Solar S.A. and Ullum III Solar S.A. ("The Ullum Companies"). In 2016, the Ullum Companies participated in the international renewable energy auction named RENOVAR Round 1.5. In 2016, the Ullum Companies signed 20-year U.S. dollar-denominated PPAs with CAMMESA to develop three solar photovoltaic ("PV") farms located in the Province of San Juan with a combined installed capacity of 82 MW.

The main terms and conditions of the PPA are as the following: (i) Ullum 1 Solar, Ullum 2 Solar, Ullum 3 Solar, have the obligation to build, operate and maintain the solar farms and sell the electricity to CAMMESA (acting in representation of the WEM agents); (ii) Ullum I Solar, Ullum II Solar, Ullum III Solar committed 25 MW, 25 MW and 32 MW of power capacity, respectively; (iii) CAMMESA has to purchase all electricity effectively dispatched by Ullum 1 Solar, Ullum 2 Solar, Ullum 3 Solar at a price of USD 53.73 per MWh, USD 55.23 per MWh, and USD 57.63 per MWh, respectively, plus additional annual adjustment factors; (iv) amounts payable to the Ullum Companies under the PPAs will be denominated in U.S. dollars and payable in Argentine pesos at the prevailing exchange rate of the immediately preceding business day of the payment date; and (v) CAMMESA's obligations under the PPAs will be guaranteed by the FODER (in which the Argentine government is the trustor).

On December 19, 2018, the Ullum I Solar Farm and the Ullum II Solar Farm reached commercial operation.

On December 22, 2018, the Ullum III Solar Farm reached commercial operation.

Necochea Wind Farm

On November 21, 2016, the Company reached an agreement with Centrales de la Costa Atlántica S.A. ("Centrales de la Costa") to jointly develop and finance the Vientos de Necochea 1 wind farm project of 37.95 MW (the "Necochea Joint Venture Agreement"). On November 25, 2016, the Ministry of Energy issued Resolution No. 281 awarding Centrales de la Costa the right to develop the Vientos de Necochea 1 wind farm project, awarded under Round 1.5 of the RENOVAR auction. On November 21, 2017, Vientos de Necochea S.A., a 50/50 joint venture between Genneia and Centrales de la Costa, signed a 20-year U.S. dollar-denominated PPA with CAMMESA.

The main terms and conditions of the PPA are the following: (i) Vientos de Necochea S.A has the obligation to build, operate and maintain the wind farm and sell the electricity to CAMMESA (acting in representation of the WEM agents); (ii) Vientos de Necochea S.A committed 38 MW of power capacity; (iii) CAMMESA has to purchase all electricity effectively dispatched at a price of USD 55.5 per MWh, plus additional annual adjustment factors; (iv) amounts payable to Vientos de Necochea S.A under the PPAs will be denominated in U.S. dollars and payable in Argentine pesos at the prevailing exchange rate of the immediately preceding business day of the payment date; and (v) CAMMESA's obligations under the PPAs will be guaranteed by the FODER (in which the Argentine government is the trustor).

On February 12, 2020, the Necochea wind farm reached commercial operation.

Chubut Norte III y IV Wind Farms

In 2017, the Company participated in the international renewable energy auction RENOVAR Round 2.0. Through Resolution No. 473-E/2017 issued on November 30, 2017 by the Ministry of Energy, the Company was awarded the right to develop the Chubut Norte III (57.6MW) and Chubut Norte IV (82.8MW) projects. In 2018, Vientos Patagónicos Chubut Norte III S.A. and Vientos Sudamericanos Chubut Norte IV S.A. signed a 20-year U.S. dollar-denominated PPA with CAMMESA.

The main terms and conditions of the PPA are the following: (i) Vientos Patagónicos Chubut Norte III S.A. and Vientos Sudamericanos Chubut Norte IV S.A, have the obligation to build, operate and maintain the wind and sell the electricity to CAMMESA (acting in representation of the WEM agents); (ii) Vientos Patagónicos Chubut Norte III S.A. and Vientos Sudamericanos Chubut Norte IV S.A committed 58 MW, and 83 MW of power capacity, respectively; (iii) CAMMESA has to purchase all electricity effectively dispatched by Vientos Patagónicos Chubut Norte III S.A. and Vientos Sudamericanos Chubut Norte IV S.A at a price of USD 38.9 per MWh, plus additional annual adjustment factors; (iv) amounts payable to Vientos Patagónicos Chubut Norte III S.A. and Vientos Sudamericanos Chubut Norte IV S.A under the PPAs will be denominated in U.S. dollars and payable in Argentine pesos at the prevailing exchange rate of the immediately preceding business day of the payment date; and (v) CAMMESA's obligations under the PPAs will be guaranteed by the FODER (in which the Argentine government is the trustor).

Vientos Sudamericanos Chubut Norte IV S.A. and Vientos Patagónicos Chubut Norte III S.A. were established in June 2016 and March 2018, respectively, by Genneia and MyC Energía S.A. for the development of the Chubut Norte IV and Chubut Norte III wind projects. On July 16, 2019, Genneia and its subsidiary MyC Energía SA agreed to transfer to Pan American Fueguina SA, a subsidiary of Pan American Energy SL, 49% of the shares of Vientos Patagónicos Chubut Norte III S.A. and Vientos Sudamericanos Chubut Norte IV S.A. This transfer was completed on August 26, 2019.

On February 4 and February 25, 2021, the Chubut Norte IV wind farm corresponding to the subsidiary Vientos Sudamericanos Chubut Norte IV SA and the Chubut Norte III wind farm corresponding to the subsidiary Vientos Patagónicos Chubut Norte III SA, respectively, entered into Commercial Operation.

Project Chubut Norte II Wind Farm

The Chubut Norte II wind farm project is part of our renewable pipeline, intended to generate electric power to be sold in the MATER or in the spot market. The Chubut Norte II wind farm will have an installed capacity of 26 MW.

The Company estimates the commercial start date for the month of March 2021.

Business units – Electric power generation from conventional sources

As of December 31, 2020, we had an installed capacity of 437 MW of conventional energy through three thermal power plants. Net revenues from this business unit totaled USD 66 million in 2020, or 22% of Consolidated Net Revenues.

Bragado II and III thermal plants

In 2016, the Company was awarded under Resolution N° 21/2016 the right to construct two thermal generation units for a total capacity of 118 MW. The Company signed two 10-year U.S. dollar-denominated PPAs with CAMMESA.

The main terms and conditions of these PPAs are the following: (i) the Company has the obligation to make available to CAMMESA up to 60.40 MW of power capacity from May to October of each year and 58 MW of power capacity from November to April of each year and deliver the electricity produced by the Company's generation units pursuant to the requests of CAMMESA, (ii) the Company is entitled to receive firm capacity rates of USD 25,000 per MW/Month for making the Company's generation assets available to the NIS, with respect to Bragado II, and USD 19,000 per MW/Month with respect to Bragado III, (iii) under the Company's PPAs, CAMMESA is not obliged to provide the Company with natural gas or diesel fuel, but has the option to either do so or reimburse the Company for the cost of diesel fuel and natural gas actually used (provided that the amount of fuel used matches the specific fuel consumption guaranteed by us). Nonetheless, pursuant to Resolutions No. 95/2013 and 529/2014 issued by the Secretary of Energy, CAMMESA is in charge of managing and supplying all fuel required to fire the Company's thermal plants; and (iv) amounts payable to the Company under these PPAs are denominated in U.S. dollars and payable in Argentine pesos at the wholesale reference exchange rate quoted by the Central Bank pursuant to Communication "A" 3500.

Bragado II (59 MW) and Bragado III (59 MW) reached commercial operation in February 2017 and May 2017, respectively.

Cruz Alta thermal plant

On August 11, 2017 Genneia Desarrollos S.A. ("GEDESA") a subsidiary of Genneia S.A., acquired from Pluspetrol Resources Corporation B.V. and Pluspetrol Resources Corporation, 100% of the shares of GETSA, controlling such company as of such date. On September 1, 2017, the company was merged with GEDESA. GEDESA owns the Cruz Alta thermal plant, with a total installed capacity of 245 MW.

The Cruz Alta thermal plant is under the base energy remuneration scheme. In March 2019, the Secretariat of Energy issued Resolution 1/2019 -replacing Resolution 19/2017- and established a new remuneration scheme. On February 27, 2020, the Secretariat of Energy issued Resolution 31/2020 -replacing Resolution 1/2019-. The new remuneration scheme is denominated in Argentine pesos and is applicable as of February 1, 2020.

Thermal power plants under PPA 'Resolution 220/2007'

In 2007, the company participated in an international auction (RFP No. 1/2007 and 2/2007) conducted by ENARSA.. Under the Resolution N° 220/07 framework, we were awarded the right to develop and operate nine thermal generation plants with a combined installed capacity of 273 MW. The Pinamar, Matheu, Olavarría, Bragado I, and Las Armas I & II thermal power plants were located in the Province of Buenos Aires while Paraná and Concepción del Uruguay I & II power plants were located in the Province of Entre Rios.

Under such PPAs, the Company has the obligation to operate and maintain the power generation assets, make firm capacity available and sell electricity to CAMMESA during the term of the contract (10-year term as from the original commercial operation date of each power plant). The Company is entitled to receive firm capacity rates of USD 21,275 per MW per month for making the Company's generation assets available to the NIS. The Company is also entitled to receive payments to compensate the Company's variable operating and maintenance expenses. When using natural gas for electricity generation the payment compensation ranges between USD 7.45 and USD 10.00 per MWh for electricity effectively generated; when using diesel fuel for electricity generation the payment compensation ranges between USD 10.15 and USD 14.90 per MWh for electricity effectively generated. All amounts payable to the Company under these PPAs are denominated in U.S. dollars and payable in Argentine pesos at the wholesale reference exchange rate quoted by the Central Bank pursuant to Communication "A" 3500.

Under the PPAs, CAMMESA has the option to provide the Company with all the fuel required to fire the thermal power generation plants. Based on the Secretariat of Energy 95/2013 resolution, CAMMESA is currently in charge of managing and supplying all fuels required to operate the Company's thermal plants, and since June 2014 CAMMESA has been also providing the Company with the natural gas and diesel fuel necessary to operate the Company's thermal power plants.

The expiration dates of the PPAs were the following: (i) Pinamar, 02/15/2018, (ii) Matheu, 11/18/2018, (iii) Paraná, 06/23/2019, (iv) Olavarría, 09/21/2019, (v) Concepción del Uruguay I, 10/20/2019, (vi) Concepción del Uruguay II, 10/29/2019; (vii) Las Armas I, 11/17/2019, (viii) Las Armas II, 01/20/2021, (ix) Bragado I, 06/15/2021.

All of the mentioned thermal plants reached the contractual term except for Bragado I (50 MW). Bragado I PPA will end in June 2021. Besides Las Armas II thermal plant (24 MW) -remunerated under the base energy remuneration scheme established by Resolution No. 31/2020, described in below- all other thermal units have been disconnected from the grid between 2019 and 2020.

As of the date of issuance of these consolidated financial statements, management and the board of directors are evaluating different alternatives for the assets related to the thermal power plants mentioned above, including the sale of the equipment. The evaluation of the asset's recovery value is based on estimates of the use value and disposition value as appropriate (see Note 14).

Resolution 31/2020

On February 27, 2020, RESOL-2020-31-APN-SE # MD ("Resolution 31/2020") of the Secretariat of Energy was published in the Official Gazette, which modified the remuneration scheme under Resolution SRRYME No. 1/19, which in turn revoked the remuneration scheme of Resolution SEE N ° 19/17. The new remuneration regime, Resolution 31/2020, is denominated in Argentine pesos and is applicable starting February 1, 2020. This new remuneration scheme is adjusted on a monthly basis by the Consumer Price Index ("IPC") and the Wholesale Internal Price Index ("IPIM").

The following are the main current characteristics of the current remuneration scheme: i. The power remuneration of thermal generators that declare guaranteed power availability (DIGO) is reduced: a. from US$ 6,250 / MW to AR$315,000 / MW-month for average year; ii. For thermal generators, a coefficient derived from the average utilization factor of the last twelve months of the unit is applied to the power compensation: to receive 100% of the payment per power, a dispatch greater than 70% of the use factor is required; between 30% and 70% utilization, a percentage is perceived based on a formula; and if the use factor is less than 30%, the resulting coefficient is 0.60; and iii. The remuneration for operation and maintenance is reduced: a. from US$ 4 / MWh to AR$ 240/ MWh in the energy generated with natural gas; b. and from US$ 7 / MWh to AR$420 / MWh with fuel oil or gas oil; and c. the remuneration for energy operated is reduced from US$ 1.4 / MWh to AR$84 / MWh. Additionally, the resolution establishes a monthly price indexation based on a formula that weighs the IPC index by 60% and the IPIM index by 40%.

Through Administrative Note 24910606, sent on April 8, 2020, it was established to postpone until further notice the application of Annex VI of Resolution 31/2020 of the Secretariat of Energy, which establishes the monthly price indexation.

Considering the adverse effect that this new remuneration scheme represents on future flows of the thermal units, the Company carried out a review of the recoverable amount of the goodwill and fixed assets related to said units, both owned by it and by its subsidiaries. See Note 14.

Business Unit – Commercialization and transportation capacity of natural gas and electricity

Genneia is engaged in the business of trading natural gas on the MEG (Mercado electrónico de Gas) with power companies and large industrial users, among others, and in the business of trading natural gas transport capacity assigned to us.

Net revenues from this business unit totaled USD 5 million in 2020, or 2% of Consolidated Net Revenues.

NOTE 2 - BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

2.1. Basis of preparation

These consolidated financial statements of GENNEIA and its controlled companies for the years ended December 31, 2020 have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

Amounts and other information as of December 31, 2019 and for the fiscal year ended December 31, 2019, are included as an integral part of the above mentioned consolidated financial statements, and are intended to be read only in relation to that consolidated financial statements.

These consolidated financial statements are presented in U.S. dollars ("US$") which is the functional currency of the Company (Note 3.1), and are prepared mainly with the purpose of being used by the non-Argentine holders of the Company's Negotiable Obligations and foreign financial institutions.

2.2. Applicable accounting policies

The consolidated financial statements have been prepared under the historical cost basis, except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the summary of significant accounting policies in Note 3. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are described in Note 3.

The preparation of these consolidated financial statements is the responsibility of the Company's Management and requires accounting estimates and judgments of the management when applying financial standards. Areas of high complexity which require more judgments or those in which assumptions and estimations are more significant are detailed in Note 4.

2.3. Standards and Interpretations issued

2.3.1. New standards issued adopted by the Company and impact of adoption

As described in note 2.3.2 to these financial statements, the standards and interpretations or amendments thereto, published by the IASB, which were adopted as of the year beginning January 1, 2020, are as follows: i) Amendments to IFRS 9, IAS 39 and IFRS 7 - Reform of the reference interest rate; (ii) Conceptual Framework - Revised conceptual framework for financial information; (iii) Amendments to IFRS 3 - Definition of a business; (iv) Amendments to IAS 1 and 8 - Definition of materiality. (v) Amendments to IFRS 16: Leases related to Covid-19.

The adoption of the new standards and interpretations mentioned above did not have a significant impact on the Company's accounting policies and did not require retroactive adjustments to its financial statements.

2.3.2. New standards, interpretations and amendments issued not yet adopted

The Company did not adopt the standards and interpretations or amendments mentioned below, because its application is not required at the end of the year ended December 31, 2020.

IFRS 17	Insurance contracts (2)
Amendments to IFRS 10- IAS 28	Sale or contribution of assets between an investor and its associate or group
Amendments to IAS 1	Classification of liabilities as current or non-current - Deferral of Effective Date (2)
Amendments to IFRS 3	Reference to the Conceptual Framework (1)
Amendments to IAS 16	Property, Plant and Equipment - Proceeds before Intended Use (1)
Amendments to IAS 37	Onerous Contracts - Cost of Fulfilling a Contract (1)
Cycle of Annual Improvements to IFRS 2018-2020	Amendments to IFRS 1: First-time adoption of International Financial Reporting Standards, IFRS 9: Financial Instruments, IFRS 16: Leases and IAS 41: Agriculture (3)

(1) Effective for fiscal years beginning on or after January 1, 2022, with early application permitted..
(2) Effective for fiscal years beginning on or after January 1, 2023, with early application permitted..
(3) Effective for fiscal years beginning on or after January 1, 2022 (except for the amendment to IFRS 16), with early application permitted.

- IFRS 17, Insurance contracts

IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and replaces IFRS 4, Insurance contracts. IFRS 17 describes a general model, which is modified for insurance contracts with direct participation features, described as the variable fee approach. The general model is simplified if certain criteria are met by measuring the liability for remaining coverage using the premium allocation approach. The general model uses current assumptions to estimate the amount, timing, and uncertainty of future cash flows and explicitly measures the cost of that uncertainty. It takes into account market interest rates and the impact of policyholders' options and guarantees.
The standard is effective for annual reporting periods beginning on or after January 1, 2023, with early application permitted. It is applied retrospectively unless impractical, in which case the modified retrospective approach or the fair value approach is applied.
For purposes of transition requirements, the initial application date is the beginning of the annual reporting period in which the entity first applies IFRS 17, and the transition date is the beginning of the period immediately preceding the date of initial application.

- Amendments to IFRS 10- IAS 28

The amendments to IFRS 10 and IAS 28 deal with situations in which there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments establish that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognized in profit or loss. only to the extent of unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any previous subsidiary (which has become an associate or a joint venture that is accounted for using the equity method) at fair value are recognized in profit or loss. period of the previous parent only to the extent of the interests of unrelated investors in the new associate or joint venture.
The effective date of the amendments has not yet been established by the IASB; however, early application of the modifications is allowed.

- Amendments to IAS 1, Classification of liabilities as current and non-current

The amendments seek to promote consistency in the application of accounting principles and requirements to determine whether in the statement of financial position, debt or loans and other liabilities with an uncertain settlement date, should be classified as current (because they are due in the short term). term or potentially to be settled within a year) or non-current. The modifications emphasize that the impact is only on the presentation of liabilities in the statement of financial position, and not on disclosures or the amount or the time of recognition of any asset, liability, income or expense related to the liability in question. Additionally, the amendments clarify that the classification in the statement of financial position is not affected by the expectations of the entity to exercise its right to defer the settlement of the liability. Likewise, the definition of liquidation of a liability is clarified as the transfer of cash, capital instruments, other assets or services to the creditor counterparty.
The amendments are applied retrospectively for annual reporting periods beginning on or after January 1, 2023, with earlier application permitted.

- Amendments to IFRS 3, Reference to the Conceptual Framework

These modifications involve:
- update IFRS 3 to refer to the 2018 Conceptual Framework instead of the 1989 Conceptual Framework;
- add to IFRS 3 a requirement that, for transactions and other events within the scope of IAS 37 or IFRS 21, an acquirer apply IAS 37 or IFRIC 21 (instead of the Conceptual Framework) to identify liabilities that you have assumed in a business combination; Y
- add to IFRS 3 an explicit statement that an acquirer does not recognize contingent assets acquired in a business combination.

The amendments are effective for financial periods beginning on or after January 1, 2022. Early application is permitted if an entity also applies all other updated references (published together with the updated conceptual framework) at the same time or earlier.

- Amendments to IAS 16, Economic benefits before the intended use of property, plant and equipment

The modifications prohibit deducting from the cost of an item of property, plant and equipment, any proceeds from the sale of items produced while bringing that asset to the location and the conditions necessary for it to operate in the manner intended by management. Instead, an entity should recognize in the income statement the income from the sale of such produced items, and the cost of producing them.
The modifications are applied retrospectively to items of property, plant and equipment that are brought to the place or condition necessary to operate in the manner intended by management in annual reporting periods beginning on or after January 1, 2022, with early application permitted. .

- Amendments to IAS 37, Onerous contracts - Cost of fulfilling a contract

The amendments specify that the cost of performing a contract comprises the costs that are directly related to the contract. The costs that are directly related to a contract can be incremental costs of fulfilling that contract (examples would be direct labor and materials) or an allocation of other costs that are directly related to the fulfillment of contracts (an example would be the allocation of the depreciation expense of an item of property, plant and equipment that is used to fulfill the contract).
The modifications are applied prospectively for contracts whose compliance costs have not been covered by the Company in annual reporting periods beginning on or after January 1, 2022, with early application permitted.

- Cycle of Annual Improvements to IFRS

The Annual Improvements to IFRS Standards 2018-2020 introduce modifications to the following standards:

- **IFRS 1. Subsidiary as first-time adopter**. The amendment allows a subsidiary that applies paragraph D16 (a) of IFRS 1 to measure the accumulated translation differences using the amounts reported by its parent, based on the date of transition of its parent to IFRS.
- **IFRS 9. Financial instruments**. The amendment clarifies what rates an entity includes when it applies the '10 per cent' criterion in paragraph B3.3.6 of IFRS 9 when assessing whether to write off a financial liability. An entity includes only commissions paid or received between the entity (the borrower) and the lender, including fees paid or received by the entity or the lender on behalf of the other.
- **IFRS 16. Lease incentives**. The amendment to illustrative example 13 accompanying IFRS 16 removes from the example the illustration of reimbursement of improvements in leases by the lessor to resolve any possible confusion regarding the treatment of lease incentives that may arise due to how they are illustrate the rental incentives in that example.

All amendments are effective for economic periods beginning on or after January 2022, except for the amendment to IFRS 16 for which there is no effective date. Early application is allowed.

As of the date of issuance of these financial statements, the Company's Management estimates that the impact of the adoption of the standards and interpretations or modifications to them, which are effective as of January 1, 2022 or later, is not significant. for the financial statements of the Company. The Company will not adopt any of these standards and interpretations or modifications in advance from their effective date and the Company will use the transition provisions included in each standard or amendment.

2.4. Basis of consolidation

The consolidated financial statements of GENNEIA incorporate the separate financial statements of the Company and its controlled entities. They are considered controlled when the Company (i) has power over the investee, (ii) is exposed, or has rights, to variable returns from its involvement with the investee and, (iii) has the ability to use its power to affect its returns.

The main consolidation adjustments are the following:

- elimination of assets and liabilities and income and expenses of the parent with its subsidiaries, in order to disclose the balances maintained effectively with third parties; and

- elimination of interests in the equity and earnings of the controlled entities, for each period.

The latest financial statements available as of the statement of financial position date have been used in the consolidation process and considering significant subsequent events and transactions and/or available management information and the transactions between GENNEIA and the controlled entity.

If necessary, financial statements of controlled entities are adjusted to adapt their accounting policies with those used by the Company.

Detailed below are the controlled companies whose financial statements have been included in these consolidated financial statements:

	Main activity	Percentage of participation (direct and indirect)	
		December 31, 2020	December 31, 2019
Subsidiaries:			
Enersud Energy S.A.U.	Industrialization, separation and trading of propane and butane gas and/or liquefied gas and trading of natural gas and transportation for industrial or residential consumption.	100%	100%
Ingentis II Esquel S.A.	Power generation and trading.	100%	100%
Genneia Desarrollos S.A.	Production and development of renewable energies and its commercialization.	100%	100%
Nor Aldyl San Lorenzo S.A. (1)	Production and development of renewable energies and its commercialization, construction of gas pipelines and networks.	100%	100%
Nor Aldyl Bragado S.A. (1)	Production and development of renewable energies and its commercialization, construction of gas pipelines and networks.	100%	100%
MyC Energía S.A.	Generation, production, development and trading of energies.	100%	100%
Genneia Vientos Argentinos S.A.	Construction, financing, commissioning, operation and maintenance of a renewable sources power plant.	100%	100%
Genneia Vientos Sudoeste S.A.	Construction, financing, commissioning, operation and maintenance of a renewable sources power plant	100%	100%
Genneia Vientos del Sur S.A.	Construction, financing, commissioning, operation and maintenance of a renewable sources power plant	100%	100%
Patagonia Wind Energy S.A.	Production and development of renewable energies and its commercialization.	100%	100%
Parque Eólico Loma Blanca IV S.A.	Production and development of renewable energies and its commercialization.	100%	100%
Genneia La Florida S.A.	Construction, financing, commissioning, operation and maintenance of a renewable sources power plant	100%	100%
Ullum 1 Solar S.A.U.	Production and development of renewable energies and its commercialization.	100%	100%
Ullum 2 Solar S.A.U.	Production and development of renewable energies and its commercialization.	100%	100%
Ullum 3 Solar S.A.U.	Production and development of renewable energies and its commercialization.	100%	100%
Sofeet International LLC(2)	Any business that is accepted by the laws of the State of Delaware, United States.	100%	-

(1) Nor Aldyl San Lorenzo S.A. and Nor Aldyl Bragado S.A. began the liquidation and dissolution process.
(2) The company was acquired on June 15, 2020, see note 9.2.1.

Since the Company has a 100% interest in its controlled entities, there is no information to disclose in relation to non-controlling interests.

2.5. Investments in joint ventures:

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results, assets, and liabilities of joint ventures are incorporated in these consolidated financial statements using the equity method of accounting.

Under the equity method, an investment in a joint venture is initially recognized in the consolidated statement of financial position at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income of the joint ventures.

Joint ventures have been valued based upon the latest available financial statements of these companies as of the end of each year, taking into consideration, if applicable, significant subsequent events and transactions, available management information and transactions between the Company and the related company which have produced changes on the latter's shareholders' equity.

On each closing date or upon the existence of signs of impairment, it is determined whether there is any objective evidence of impairment in the value of the investment in joint ventures. If this is the case, Company calculates the amount of the impairment as the difference between the recoverable value of joint ventures and their book value, and recognizes the difference under "Loss on long term investments in joint ventures" in the statement of profit or loss and other comprehensive income. The recorded value of investments in joint ventures does not exceed their recoverable value.

2.6. Seasonality of operations

The operations of the Company does not have a significant seasonal nature.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1. Functional and presentation currencies and tax effects on other comprehensive income

Under IFRS the companies should define their functional currency in accordance with the criteria established by IAS 21 "Effects of changes in foreign currency exchange rates", which may differ from their reporting currency. Under the above mentioned rule, considering the main activities of the Company and of each of its subsidiaries as detailed in Note 1, and the currency of the primary economic environment in which the entities operates, the Company's Management and Board of Directors have defined the USD dollar ("USD") as the functional currency for GENNEIA, Genneia Desarrollos S.A. (GEDESA), Genneia Vientos Argentinos S.A., Genneia Vientos del Sur S.A., Genneia Vientos del Sudoeste S.A., Vientos Sudamericanos Chubut Norte IV S.A., Vientos de Necochea S.A., Parque Eólico Loma Blanca IV S.A., Ullum I Solar S.A.U., Ullum II Solar S.A.U., Ullum III Solar S.A.U., Vientos Patagónicos Chubut Norte III S.A. and Genneia La Florida S.A. As a result, the financial statements of such companies have been converted into USD by applying the procedure established in IAS 21. In accordance with the established procedure, monetary assets and liabilities are remeasured into USD at the exchange rate prevailing on the balance sheet date. Non-monetary assets, measured on a historic cost basis, as well as income and expenses are remeasured using the exchange rate prevailing on the transaction date of each year. Any gain or loss arising from the remeasurement of monetary assets and liabilities into USD is recognized in the income statement in the period they are generated. For all the other subsidiaries, Management has defined the Argentine peso as the functional currency. As of the first quarter of 2020, as a consequence of the changes introduced by the resolution 31/2020 (Note 1), the Company's Management has evaluated that the currency of the main economic environment in which its subsidiary Genneia Desarrollos SA operates has become the Argentine peso, for such reason, the functional currency of said company has changed from US dollars to Argentine pesos with prospective effects from the moment of said change In these cases, the adjustment resulting from remeasuring the financial statements of such entities into the USD is recognized under other comprehensive income. On the disposal of a foreign operation, all of the exchange differences accumulated in equity in respect of that operation attributable to owners of the Company are reclassified to profit or loss.

Under IAS 21, the financial statements of a subsidiary with the functional currency of a hyperinflationary economy have to be restated according to IAS 29 before they are included in the consolidated financial statements of its parent company with a functional currency of a non-hyperinflationary economy, except for their comparative figures. Following the aforementioned guidelines, the results and financial position of subsidiaries with the Peso as functional currency were translated into U.S. dollars by the following procedures: all amounts (i.e., assets, liabilities, stockholders' equity items, expenditures and revenues) were translated at the exchange rate effective at the closing date of the financial statements, except for comparative amounts, which were presented as current amounts in the financial statements of the previous fiscal year (i.e., these amounts were not be adjusted to reflect subsequent variations in price levels or exchange rates). Thus, the effect of the restatement of comparative amounts was recognized in other comprehensive income. When an economy ceases to be hyperinflationary and an entity ceases to restate its financial statements in accordance with IAS 29, it will use the amounts restated according to the price level of the date on which the entity ceased to make such restatement as historical costs, in order to translate them into the presentation currency.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Company losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognized in profit or loss. For all other disposals, including the full or partial reimbursement of capital, the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

These consolidated financial statements are presented in the defined functional currency of the Company (U.S. dollars) which differs from the presentation currency required by Argentine regulations (Argentine pesos). Results accounted for in "Other comprehensive income" related to exchange differences arising from investments in companies with functional currencies other than U.S. dollars have no effect on the current or deferred income tax since at the time they were generated, the relevant transactions did not make any impact on net income or taxable income.

The devaluation of the argentine peso for the year ended December 31, 2020 and 2019 was 41% and 59%, respectively. The exchange rate at the end of the year ended December 31, 2020 and 2019 was AR$ 84.15 and AR$ 59.89, respectively; and the average exchange rate for the year ended December 31, 2020 and 2019 was AR$ 70.60 and AR$ 44.15, respectively.

3.2. Foreign currencies

In preparing the consolidated financial statements, transactions in currencies other than the Company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting year, monetary items denominated in foreign currencies are translated to functional currency at the rates prevailing at that date. Exchange differences on monetary items are recognized in profit or loss in the period in which they arise.

3.3. Financial Instruments

Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financials assets and financial liabilities (other than financial assets and liabilities at fair value through profit or loss) are added or deducted from the fair value of the financial assets of financial liabilities, as appropriate, on initial recognition. Transactions costs directly attributable to the acquisition of financial assets of financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

During 2019 the Company granted financing to Vientos Patagonicos Chubut Norte III S.A. and Vientos Sudamericanos Chubut Norte IV S.A. to finance the execution of projects formalized through an interest-free credit line agreement and for a period of 17 years (see Note 6.1). These credits have been initially recognized at their fair value at the time of the operation in the caption other receivables of the Company's balance sheet, and are subsequently measured at their amortized cost using the effective interest rate method, the effect of the difference between the nominal value of the financial credit and its fair value has been recognized, net of the deferred tax effect, as other capital contributions within the non-current investments caption.

Any anticipated cancellations of the aforementioned credits will be recognized by one party by reducing the financial asset initially recognized in the caption other receivables of the Company's balance sheet according to the measurement thereof at the date of cancellation, based on the amortized cost using the effective interest rate method as described in the previous paragraph, and on the other hand, reducing the corresponding portion initially recognized as other capital contributions within non-current investments by the amount of the difference between the amount cancelled and the amount of the aforementioned credit reduction, net of the corresponding deferred tax effect.

3.4. Financial assets

Financial assets are classified into the following two specified categories: 'financial assets measured at fair value through profit and loss' or 'financial assets measured at amortized cost'.

- *Financial assets at amortized cost*

  Financial assets are measured at amortized cost if both of the following criteria are met: (i) the objective of the Company's business model is to hold the assets to collect the contractual cash flow, and (ii) the contractual terms only require specific dates for payment of principal and interest.

  In addition, and for assets that meet the above conditions, IFRS 9 contemplates the option of designating, at the time of the initial recognition, an asset as measured at its fair value, if doing so would eliminate or significantly reduce the valuation or recognition inconsistency that could arise in the event that the valuation of the assets and liabilities or the recognition of profit or losses resulting therefrom be carried out on different bases. The Company has not designated a financial asset at fair value by using this option.

  As of the closing date of these consolidated financial statements, the Company's financial assets at amortized cost include certain elements of cash and cash equivalents, trade receivables and other receivables.

- *Financial assets at fair value through profit or loss*

  If either of the two criteria above are not met, the financial asset is classified as an asset measured "at fair value through profit or loss".

  As of the closing date of these consolidated financial statements, the Company's financial assets at fair value through profit or loss include mutual funds.

Financial assets are recognized on trade date, when the Company commits to purchase or sale an asset. The recognition method is consistent for all purchases or sales of financial assets of the same category. Financial assets are recognized when the rights to receive cash flows from the investments and the risks and rewards of ownership have expired or have been transferred.

Financial assets at amortized cost are initially measured at fair value, plus transaction costs. These assets accrue interest based on the effective interest rate method.

Financial assets at their fair value through profit or loss are initially recognized at fair value and transaction costs are recognized as an expense in the statement of comprehensive income. They are subsequently valued at fair value. Changes in fair values and results from sales of financial assets at fair value through profit or loss are recorded in "Net financial results" in the statement of comprehensive income.

In general, the Company uses the transaction price to ascertain the fair value of a financial instrument on initial recognition. In other cases, the Company records a gain or loss on initial recognition only if the fair value of the financial instrument can be supported by other comparable and observable market transactions for the same type of instrument or if it is based in a technical valuation that only inputs observable market information. Unrecognized gains or losses on initial recognition of a financial asset are recognized later on, only to the extent they arise from a change in the factors (including time) that market participants would consider upon setting the price.

Gains/losses on debt instruments measured at amortized cost and not included for hedging purposes are charged to income when the financial assets are derecognized or an impairment loss is recognized and during the amortization process using the effective interest rate method. The Company reclassifies all investments on debt instruments only when its business model for managing those assets changes.

3.4.1. Cash and cash equivalents

Include cash, time deposits in financial entities and short-term investments with maturity up to three months at the acquisition date, with low risk of value variation and destined to cancel short-term liabilities.

	December 31, 2020	December 31, 2019
Cash	55,638	63,704
Current investments	50,913	27,557
Cash and cash equivalents	106,551	91,261

3.4.2. Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

3.4.3. Impairment of financial assets

Financial assets are assessed by the Company for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial asset have been affected.

Objective evidence of impairment could include: significant financial difficulty of the issuer or counterparty; or breach of contract, such as a default or delinquency in interest or principal payments; or it becoming probable that the borrower will enter bankruptcy or financial re-organization; or the disappearance of an active market for that financial asset because of financial difficulties.

3.4.4. Derecognition of financial assets

The Company shall derecognize a financial asset only when the contractual rights on the financial assets cash flows expire and transfer the substantial risks and advantages inherent to ownership of the financial asset. If the Company does not transfer or retain substantially all the risks and advantages inherent to the ownership and retains the control over the asset transferred, the Company shall recognize its interest in the asset and the associated obligation at the amounts payable. If the Company retains substantially all the risks and advantages inherent to property on the transferred financial asset, the Company shall continue to recognize the financial asset and shall also recognize a collateral loan for the receipts.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognized on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received for the part no longer recognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income is recognized in profit or loss. A cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized and the part that is no longer recognized on the basis of the relative fair values of those parts.

3.5. Inventories

Materials and spare parts are stated at the weighted average cost reduced, if necessary, to net realizable value. The net realizable value is the estimated price of sale less estimated selling costs. Materials and spare parts in transit have been valued at acquisition cost.

Based on Management´s analysis at December 31, 2020 and 2019, no allowance for inventory has been recognized for materials and spare parts. Such analysis takes into consideration the conservation status, their future use and the net realizable value of the inventories.

3.6. Goodwill

Goodwill corresponds to the amount of the transferred consideration in excess of the net acquisition cost on the date of acquisition of the identifiable assets acquired and liabilities assumed.

Goodwill is not amortized but tested for impairment. For purposes of conducting the impairment test, goodwill is assigned to each of the Company's cash generating units expected to benefit from the synergies of the relevant combination. The cash generating units to which goodwill is assigned are subject to annual, or more frequent, impairment tests, when there are indicators of impairment. If the recoverable amount of the cash generating unit is lower than the unit's book amount, the impairment loss is firstly applied to reducing the carrying amount of goodwill assigned to the unit, and is then applied proportionately to the unit's other assets. The carrying amount of each asset in the reporting unit is used as basis. The impairment loss recognized for goodwill is not reversed in any subsequent period.

Any impairment loss for goodwill is recognised directly in profit or loss.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

The Company has recognized an impairment loss in the year ended December 31, 2019 for the goodwill related to the acquisition of GETSA.

3.7. Fixed assets

- Lands and buildings held for use in production, supply of services or for administrative purposes, machinery and equipment, generation equipment, tools, facilities, furniture and equipment and vehicles, are stated in the consolidated statement of financial position at their cost less any subsequent accumulated depreciation (except for land which is not depreciated) and less any recognized impairment loss.

  Depreciation of buildings, machinery and equipment, generation equipment, tools, facilities, furniture and equipment and vehicles is charged to expense for each year.

- Work in progress at the end of each year is carried at cost, less any recognized impairment loss. These assets are classified in the appropriate category of fixed assets when the construction is completed and are ready for use.

- Depreciation of these assets commences when the assets are ready for their intended use. The Company has capitalized the corresponding portion of financial costs (interest) related to third parties' financing of long-term construction of fixed assets.

- Improvement on third party assets are stated at cost less accumulated depreciation and accumulated impairment losses.

- Assets acquired through leasing agreements have been incorporated at the lower value of the cash purchase price and the sum of discounted values of the minimum payments of the assets, calculated at the implied interest rate of the leasing, with a counterpart in "Leasings" of current and non-current liabilities.
- Depreciation is recognized so as to write-off the cost or valuation of assets (other than land) less their residual values over their useful lives, using the straight-line method. The estimated useful lives and residual values are reviewed at each year end, with the effect of any changes in estimates being accounted for on a prospective basis.

- An item of fixed assets is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gain or loss derived of the sales proceeds disposal or retirement of an item of fixed assets is determined as the difference between the sales proceeds and the carrying amount of the asset and it is recognized in the consolidated statement of income and other comprehensive income.

- Costs related to assets retirement obligations are capitalized at their discounted value along with the related assets and are depreciated using the unit-of-production method. As compensation, a liability is recognized for this concept at the estimated value of the discounted payable amounts. Future changes in the abandonment cost, the useful life of the assets and their estimate of abandonment, as well as changes in regulations related to abandonment, which are not possible to be predicted at the date of issuance of these consolidated financial statements, could affect the value of the abandonment obligations and, consequently, the related asset, affecting the results of future operations.

3.8. Intangible assets

3.8.1 Intangible assets acquired separately

Mainly include costs of acquisition of new projects. The accounting policies for the recognition and measurement of these intangible assets are described below.

Intangible assets acquired are initially recognized at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired are reported at cost less accumulated impairment losses.

3.8.2 Intangible assets acquired in a business combination

Correspond to the intangible assets acquired in the business combination of ICERSA during the year 2017, Ullum 1, Ullum 2 and Ullum 3 during the year 2018, related to the PPA that these companies have with CAMMESA, which are recognized separately from goodwill and are initially recognized at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

3.9. Impairment of tangible and intangible assets other than Goodwill

At the end of each reporting year, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. To evaluate if there is evidence that an asset could be impaired, both external and internal sources of information are analyzed, whenever events or changes in circumstances indicate that the carrying amount of an asset or cash-generating unit may be negatively affected. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

In the impairment assessment, the assets that do not generate independent cash flows are grouped in an appropriate cash generating unit.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

3.10. Liabilities

The Company recognizes a liability when it has a present obligation (legally enforceable as a result of the execution of a contract or a requirement contained in a legal standard) resulting from a past event and which amount owed can be reliably estimated.

3.11. Financial liabilities

Financial liabilities are classified as fair value through profit or loss or as other financial liabilities.

Other financial liabilities, initially measured at fair value, net of transaction costs, are subsequently measured at amortized cost using the effective interest method. Interest charges are included in the “Financial expense, net” caption of the consolidated statement of profit or loss and other comprehensive income.

The financial liabilities at fair value through profit or loss have been recognized at their fair value, recognizing any gain or loss arising from the revaluation in the statement of profit or loss and other comprehensive income. The net gain or loss recognized in profit or loss is disclosed in the "Financial expense, net" caption of the consolidated statement of profit or loss and other comprehensive income.

The Company derecognizes financial liabilities (or a part of them) when, and only when, the Company's obligations are discharged, cancelled or they expired.

The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in profit or loss.

3.12. Other liabilities

Other financial liabilities, including borrowings and trade and other payables, are initially recognized at fair value, net of costs directly attributable to their acquisition (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts).

Subsequent to initial recognition, other financial liabilities are measured at amortized cost using the effective interest method, with interest income recognized based on the effective yield.

Financial liabilities are classified as current liabilities unless the Company has an unconditional right to defer its settlement for more than 12 months from the balance sheet date.

The estimated present value of the asset retirement obligation is recorded as a liability, with a corresponding increase in the carrying amount of the related asset, subject to depreciation. The liability recorded is increased each fiscal period due to the passage of time and this change is charged to net profit or loss. The asset retirement obligation can also increase or decrease due to changes in the estimated timing of cash flows, changes in the discount rate and/or changes in the original estimated undiscounted costs. Increases or decreases in the obligation will result in a corresponding change in the carrying amount of the related asset. Actual costs incurred upon settlement of the asset retirement obligation are charged against the asset retirement obligation to the extent of the liability recorded. The Company discounts the costs related to asset retirement obligations using the discount rate that reflects the current market assessment of the time value of money and risks specific to the liabilities that have not been reflected in the cash flow estimates. Asset retirement obligations are remeasured at each reporting period in order to reflect the discount rates in effect at that time.

3.13. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting year, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

The Company has been sued in certain labor, civil and commercial lawsuits. Provisions for contingencies are recorded on a risk assessment basis and when the likelihood of a loss is probable. The assessment of a loss probability is based on the opinion of legal counsels of the Company and its Management.

3.14. Revenue recognition

The Company derives its revenues mainly from power generation and sale of energy contracts, and natural gas trading and transportation.

Revenues derived from electric power generation and natural gas trading and transportation are measured at the fair value of the consideration received or receivable specified in the contract with a customer and excludes amounts collected on behalf of third parties and are recorded as sales when realized and transfers control of the product or service to the customer. For such purpose, they should meet the following criteria: there is an agreement with the client, the price is fixed or determinable, the service was provided and collection is reasonably secured.

Main revenue activities are the following:

Electric power generation from renewable sources:

The Company recognizes revenue based on energy dispatch for each wind farm. Such activity is recognized as a performance obligation satisfied over time, measured on an hourly basis, and then revenue recognized on a monthly basis according to the PPAs. The Company has no other performance obligations once energy has been dispatched. Company's Management has evaluated that performance obligations are satisfied over time since the customer simultaneously receives and consumes the benefits provided by the Company's performance as it performs. The consideration is contractually determined based on contractual selling prices. This activity is billed and paid for on a monthly basis according to contractual established due dates.

Electric power generation from conventional sources:

The Company recognizes revenue based on monthly available capacity per MW and energy dispatch for each plant. Such activities are recognized as a performance obligation satisfied over time, measured on an hourly basis for firm capacity made available and energy dispatch, and then revenue recognized separately for these activities on a monthly basis according to the PPAs. The Company has no other performance obligations once capacity has been made available and energy has been dispatched. Company's Management has evaluated that performance obligations are satisfied over time since the customer simultaneously receives and consumes the benefits provided by the Company's performance as it performs. The consideration is contractually determined and allocated between these activities based on their contractual selling prices. Both activities are billed and paid for on a monthly basis according to contractual established due dates.

Commercialization and transportation capacity of natural gas and electricity:

Revenue is recognized when natural gas and transport capacity is transfer to the customer. Such activities are recognized as a performance obligation satisfied over time, as natural gas or transportation capacity is transferred to the customer. The Company has no other performance obligations once natural gas or transportation capacity has been transferred to the customer. Company's Management has evaluated that performance obligations are satisfied over time since the customer simultaneously receives and consumes the benefits provided by the Company's performance as it performs.

Interest income is recognized based on the yields calculated by the effective interest rate method.

3.15. Leasing

The identification of a lease is made under a control model, distinguishing between leases and service contracts on the basis of whether there is an identified asset controlled by the customer. Control is considered to exist if the customer has (i) the right to obtain substantially all of the economic benefits from de use of an identified asset, and (ii) the right to direct the use of that asset.

Assets that qualify as a lease require the lessee to recognize a right-of-use asset and a lease liability at lease commencement date, except for short-term leases and leases of low value of assets.

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others.

The Company does not have significant leasing agreements at the end of December 2020 and 2019.

3.16. Financial costs

Financial costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalized to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Other financial costs are recognized as expenses in the period in which they are incurred.

3.17. Income tax and minimum presumed income tax

3.17.1 Income taxes – current and deferred

Income tax expenses represent the sum of the tax currently payable and the deferred tax.

3.17.1.1 Current tax

The tax currently payable is based on taxable profit for the year. The Company's liability for current tax is calculated using tax rate that have been enacted or substantively enacted at the end of the year. The current income tax charge is calculated on the basis of the tax laws in force in Argentina.

On December 29, 2017, Tax Reform, Law N° 27,430, was published in the Official Gazette, which came into force on the day following its publication in the Official Gazette, being one of the main changes the reduction of the tax rate for income tax on non-distributed corporate profits from 35% to: (i) 30% for the periods between January 1, 2018 and December 31, 2019 and (ii) 25% from January 1, 2020. This new regulation has an impact on the measurement of deferred tax assets and liabilities (including tax loss carryforwards) as from the effective date of this new law, given that they must be recognized by applying the tax rates that will be in force on the dates when the temporary differences will be reverted or used, in accordance with what is mentioned in the following section.

On December 23, 2019, Law No. 27,541 was published in the "Boletin Oficial", called «Law of Social Solidarity and Productive Reactivation in the framework of Public Emergency», which establishes, among other things, changes in the tax rate of income tax over corporate profits not distributed in the following years and produced changes with respect to what was mentioned in the previous paragraph.

In accordance with the aforementioned Law and subsequent clarifications by the Professional Council, an aliquot of 30% is established for the period 2020 and 25% as of January 1, 2021.

3.17.1.2 Adjustment for tax inflation

Law No. 27,468 published in the "Boletin Oficial" on December 4, 2018 provided that for the purposes of applying the adjustment procedure for tax inflation it is valid for the years that began on January 1, 2018. Regarding of the first, second and third year after its validity, this procedure will be applicable if the variation of the CPI, calculated from the beginning and until the end of each of those exercises exceeds 55%, 30% and in 15%, for the first, second and third year of application, respectively.

The impact of the adjustment for tax inflation as of fiscal year 2019 will be charged as follows: 1/6 in that same fiscal year and the remaining 5/6 in equal parts during the following five years.

On December 31, 2020, the Company applied the adjustment procedure for tax inflation considering that the accumulated CPI at the end of the fiscal year exceeded the mentioned 30%. The effect of the application of the adjustment for tax inflation is disclosed separately in the income tax note (Note 5.r).

3.17.1.3 Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax basis used in the computation of taxable results. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets, including tax loss carry forwards, are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Such deferred assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable results nor the accounting results.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the period or year, as detailed below. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the year to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Under IFRS, deferred income tax assets and liabilities are classified as non-current assets and non-current liabilities.

The net deferred tax liability as of December 31, 2020 and 2019 was measured considering the rates of 30% or 25%, according to the date in which it is expected that the temporary item will be reversed or used. The effect of the application of the new rates is disclosed separately in the income tax note (Note 5.r).

3.17.1.4 Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss in the consolidated statement of profit or loss and other comprehensive income, except when they relates to items that are recognized directly in equity, in which case, the current and deferred tax is recognized directly in equity or when current tax or deferred tax arises from the initial accounting for a business combination.

3.18. Shareholders' equity accounts

Shareholders' contributions and reserves accounts were prepared in accordance with the accounting standards in force on the transition date to IFRS. Changes to such accounts were accounted for pursuant to the respective decisions of the Shareholders' Meetings, regulatory and statutory rules (Share premium and Reserves).

Capital stock
Includes capital contributions paid in by shareholders, and includes all outstanding shares at par value.

Share premium
It is the difference between the subscription price of capital increases and the corresponding par value of issued shares.

Capital contributions
Corresponds to transactions with shareholders that, as provided by IFRS, and based on the substance over form principle, are assimilated to capital contributions and, thus, their effects are directly recognized under Shareholders' equity.

Legal Reserve
In accordance with the provisions of Law N° 19,550, the Company is required to set up a legal reserve of at least 5% of net income, which results from the sum of net income for the year adjusted by any amount that could have been transferred form accumulated other comprehensive income (loss) to retained earnings plus any adjustment recognized directly in retained earnings, until such reserve reaches 20% of the subscribed capital plus adjustment to capital.

Facultative reserve
Corresponds to the allocation made by the Genneia's Shareholders' meeting, whereby a specific amount is being assigned to be used in future investments of the Company and its subsidiaries in power generation projects. During fiscal year 2019, this reserve has been released and transferred to unappropriated retained results.

Unappropriated retained results
It includes the retained earnings / losses without specific appropriation, which in case of being positive based on the separate financial statements of the Company presented in Argentine pesos according to the Argentine Securities Commission ("CNV") regulations, may be distributed pursuant to a resolution by the Shareholders' meeting, insofar as they are not subject to statutory restrictions, as that described in the previous legal reserve paragraph. Includes earnings / losses from prior years that were not distributed, the amounts transferred from other comprehensive income and the adjustments to prior years according to accounting standards. As of December 31, 2020, the unappropriated retained results according to the Company's separate financial statements presented in Argentine pesos amounts to an accumulated loss of AR$ 187 million.

In addition, pursuant to the provisions of CNV, when the net balance of the other comprehensive income account is positive, it cannot be distributed, capitalized or appropriated to absorbing accumulated losses, and when the net balance of such account is negative, a restriction shall apply to the distribution of retained earnings by such amount.

Under Law N° 25,063, passed in December 1998, dividends distributed, either in cash or in kind, in excess of accumulated taxable income at the end of year immediately preceding the payment or distribution date, will be subject to 35% as an income tax withholding as a sole and final payment. Accumulated taxable income for the purposes of this tax includes the balance of accumulated accounting profits at year end immediately preceding the effective date of the Law less dividends paid plus the taxable income determined from that exercise. However, according to Law No. 27,430 of Tax Reform (Note 3.18.1.1), this tax is eliminated for the profits generated as from 2018.

Finally, Law No. 27,430 of Tax Reform also established, among other issues, a withholding on dividends of 7% for the years 2018 and 2019, and 13% from 2020. According to Law No. 27,541 called the Law of Social Solidarity and Productive Reactivation in the Public Emergency framework mentioned above, the rate of retention rate on distributed dividends will be 7% by the year 2020.

In accordance with the Shareholders' Agreement, the approval to distribute dividends to the shareholders requires the favorable vote of a qualified majority of the Company´s capital stock. However, the Company is limited in the distribution of dividends by certain restrictive covenants assumed in connection with the issuance of the negotiable obligations (Note 9).

Other comprehensive income
It includes income and expenses directly recognized under Shareholders' Equity and the transfers of such items from Shareholders' Equity accounts to income for the period or retained earnings accounts, as established by IFRS.

3.19. Earnings per share

Net profit (loss) per share is calculated by dividing the net profit (loss) for the year attributable to the Company's shareholders by the weighted average of shares of the Company outstanding during the year.

Diluted net profit (loss) per share is calculated by dividing the net profit (loss) for the fiscal year by the weighted average of shares outstanding, and when dilutive, adjusted for the effect of all potentially dilutive shares, including share options, on an as if they had been converted.

In computing diluted net income per share, income available to ordinary shareholders, used in the basic earnings per share calculation, is adjusted by those results that would result of the potential conversion into ordinary stock. The weighted average number of ordinary shares outstanding is adjusted to include the number of additional ordinary shares that would have been outstanding if the dilutive potential ordinary shares had been issued. Diluted net income per share is based on the most advantageous conversion rate or exercise price over the entire term of the instrument from the standpoint of the security holder. The calculation of diluted net income per share excludes potential ordinary shares if their effect is anti-dilutive.

As of the date of the issuance of these consolidated financial statements, there are no instruments outstanding that imply the existence of potential ordinary shares. Thus the basic net income per share matches the diluted net income per share.

The following table shows the net profit (loss) and the weighted average number of shares that have been used for the calculation of the basic earnings per share:

	2020	2019
Net profit (loss) attributable to owners of the Company	25,278	(19,735)
Weighted average number of outstanding ordinary shares (Note 8)	103,040,496	103,040,496
Basic and diluted (losses) earnings per share (in United States dollars)	0.25	(0.19)

NOTE 4 - CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

In the application of the Company's accounting policies, the Management and Board of Directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future years.

Below is a detail of the main accounting areas and items that require that management make significant judgments and estimates in preparing these consolidated financial statements.

ON XX expiration

In relation to the maturity of the financial debt for the Class XX Negotiable Obligations for US $ 500 million in January 2022, the Company's Management and Management consider that there is a reasonable probability of refinancing or canceling said debt at maturity and Therefore, there is no material uncertainty about the Company's ability to continue as a going concern. In this sense, in the evaluation carried out by the Company's Directorate and Management, it has been considered as critical judgment factors i) that the Company is in a solid operating and financial position -which is reflected in the increase in the flow of available funds and a reduction in the net financial debt to EBITDA- ratio, as can be seen from the information reported in these financial statements; ii) that the Company has successfully demonstrated having access to the international and local capital markets on several occasions; iii) that the Company has access to bank financing lines; and iv) that the Company maintains frequent contact with banks and investors, which is extremely useful to know the situation of the debt market and their opinion of the Company.

Functional Currency

The Company's Management applies its professional judgment in determining its functional currency and of its controlled entities. Judgement is basically made regarding the currency that mainly influences and determines sales prices, labor and material costs, investments and other costs, as well as the financing and collections derived from its operating activities in the long-term.

Recoverable value of trade receivables and other receivables

As detailed in Notes 11.4 y 11.5, the Company has significant receivables from entities with state participation or dependent on funds from the public sector, recognized as trade receivables and other receivables as a result of its generation operations.

Management makes an ongoing assessment of the recoverability of receivables based on aging, payment capacity of the counterparty, nature of the client, security interest received, its legal rights, among others, and accounts for provisions based on the estimated recoverable value of such receivables.

Recognition of the account for future investments

As mentioned in Notes 5.d and in Note 11.12 to the financial statements as of December 31, 2019 CAMMESA deducts from its monthly payments to the Company an amount appropriated to set up an "Account for future investments" which might be used to the installation of certain power plants.

Such deductions are recorded as other receivables and Company's revenues in the period of accrual based on the regulatory and legal analysis made by Company's management, in consultation with its legal advisors.

As of December 31, 2020, the deductions have ceased and the entire credit has been collected.

Recoverable value of deferred tax assets, tax loss carryforwards and credits for minimum presumed income tax

The Company recognizes tax loss carryforwards and other tax credits as deferred tax assets when it is probable its deduction against future taxable income. To that effect, based on paragraph 26 of NIC 12, the Company considers the projected taxable income and the reversal of temporary liability differences.

In order to determine the likelihood of realization and estimate the recoverable amount of such assets, Management projects taxable income on the basis of several future variables, including the estimate of the Argentine currency devaluation against the US dollar for the following years. Such estimates are periodically reviewed and their effects are recognized in the period in which a revision is performed.

Useful life of fixed assets, recoverable value of fixed assets, assets under concession and intangible assets

The Company estimates the useful life of their fixed assets, assets under concession and intangible assets, mainly wind power plant and thermal generation plants, based on the technology of the corresponding assets and their type and characteristic of use.

In addition, the Company generally estimates the recoverable value of fixed assets, assets under concession and intangible assets on the basis of their economic value in use, calculated as the discounted expected future cash flows generated by each asset or group of assets under evaluation, considering their estimated useful life. With the exception of those thermal generation plants whose contract with CAMMESA has ended (Note 1) whose recoverable value has been estimated based on their estimated disposal value less costs to sell.

In order to estimate cash flows, the Company's Management calculates revenues and future costs based on its best estimate of the regulatory framework, tariffs, fuel costs, devaluation and inflation of the Argentine peso, salaries, wind farm utilization factor, useful life of the assets and the rate used to discount such cash flows, among others.

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash generating units to which goodwill has been allocated. The value in use calculation requires Management to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, a material impairment loss may arise.

And the Company has recognized an impairment loss in the year ended December 31, 2019 for the goodwill related to the acquisition of GETSA (Note 14).

Estimate of contingent liabilities for claims and lawsuits

The final outcome arising from litigation, claims and other contingencies, as well as the perspective given to each issue by the Management may vary from their estimates due to different interpretations of laws, contracts, opinions and final assessments of the amount of the claims. Changes in the facts or circumstances related to these types of contingencies can have, as a consequence, a significant effect on the amount of the provisions for litigation and other contingencies recorded or the perspective given by the Management.

NOTE 5 - DETAIL OF THE MAIN ACCOUNTS OF THE CONSOLIDATED FINANCIAL STATEMENTS

The breakdown of the main accounts of the consolidated financial statements is as follows:

Consolidated balance sheets as of December 31, 2020 and 2019

	December 31, 2020	December 31, 2019
Assets		
a) Cash and banks:		
Cash	18	235
Banks	55,615	63,460
Checks to be deposited	5	9
	55,638	63,704
b) Investments:		
Current		
Government bonds [(1)]	16,162	-
Time deposits [(2)]	12,854	-
Mutual funds [(1)(3)]	37,566	27,557
	66,582	27,557

(1) As of december 31, 2020 includes investments that have a maturity period of more than 90 days from the date of incorporation, for an amount of 2,465 in government bonds and 13,204 in mutual funds.
(2) As of december 31, 2020 corresponds to deposits that have a maturity period of less than 90 days from the date of incorporation.
(3) As of december 31, 2020 includes 165 as collateral for futures contracts maturing in January, 2021.

Non-current		
Investments in joint venture	53,844	52,022
	53,844	52,022

Includes the interest in the following joint ventures:

	Main activity	Percentage of participation	
Joint venture:		**December 31, 2020**	**December 31, 2019**
Vientos de Necochea S.A.	Production and development of renewable energies and its commercialization.	50%	50%
Vientos Sudamericanos Chubut Norte IV S.A.	Construction, financing, commissioning, operation and maintenance of a renewable sources power plant.	51%	51%
Vientos Patagónicos Chubut Norte III S.A.	Construction, financing, commissioning, operation and maintenance of a renewable sources power plant.	51%	51%

Joint ventures mentioned above are accounted for using the equity method in these consolidated financial statements.

Vientos de Necochea S.A., Vientos Sudamericanos Chubut Norte IV S.A. and Vientos Patagónicos Chubut Norte III S.A. are stock corporations under the laws in force in Argentina whose legal form confers separation between the parties to the joint arrangement and the company itself. Furthermore, there is no contractual arrangement or any other facts and circumstances that indicate that the parties to the joint arrangement have rights to the assets and obligations for the liabilities of the joint arrangement. Accordingly, the above mentioned companies are classified as a joint venture of the Company.

Vientos de Necochea S.A. was incorporated in May 2017 by Genneia and Centrales de la Costa Atlántica S.A. for the development of the Vientos de Necochea 1 wind farm project, which is described in Note 9.3.

Vientos Sudamericanos Chubut Norte IV S.A. and Vientos Patagónicos Chubut Norte III S.A. were incorporated in June 2016 and March 2018, respectively by Genneia and MyC Energía S.A. for the development of the Chubut Norte IV and Chubut Norte III wind projects which are described in Note 1. On July 16, 2019, Genneia and its subsidiary MyC Energía SA have agreed to transfer to Pan American Fueguina SA ("PAF"), a subsidiary of Pan American Energy SL ("PAE"), of 49% of the shareholding of Vientos Patagónicos Chubut Norte III S.A. and Vientos Sudamericanos Chubut Norte IV S.A. This transfer was perfected on August 26, 2019.

As of the completion of the transfer of the shares, the Company has followed the guidelines of IFRS 10 "Consolidated Financial Statements" and has concluded that since the entry of PAE in Vientos Patagónicos Chubut Norte III S.A. and Vientos Sudamericanos Chubut Norte IV S.A., Genneia will jointly control Vientos Patagónicos Chubut Norte III S.A. and Vientos Sudamericanos Chubut Norte IV S.A. Consequently, the Company applyes IFRS 11 "Joint Agreements" that defines such Companies as joint ventures, and evaluates them in accordance with the equity method according to IAS 28 "Investments in associates and joint ventures".

Some of the main assumptions evaluated are described below: (i) Any decision on certain relevant activities thereof, detailed in the shareholders agreement to be concluded, must be taken jointly between Genneia and PAE, since there is no power of a shareholder over the other in relation to the investment, regardless of the different capital percentages. interests of each of them. Although the Company will have a 51% stake in Vientos Patagónicos Chubut Norte III S.A. and Vientos Sudamericanos Chubut Norte IV SA, in accordance with the shareholders agreement, the approval of at least one Director appointed by each class of shares at the Board meeting or the approval of the full class of the shares at the shareholders meeting are required for decision making regarding certain relevant activities; fixed in the shareholders agreement to be concluded; (ii) No shareholder has any power, as defined in IFRS 10 to the detriment of any other, regardless of the number of Directors or personnel (key or not) designated by each class of shares, in the management of the Company itself to benefit or unilaterally modify variable investment returns or, ultimately, unilaterally direct any of the decisions associated with the relevant activities.

Summarized financial information in respect of the joint ventures is set out below. The summarized financial information below represents amounts shown in the joint venture's financial statements.

	Vientos Sudamericanos Chubut Norte IV S.A.	Vientos Patagónicos Chubut Norte III S.A.	Vientos de Necochea S.A.
	December 31, 2020	December 31, 2020	December 31, 2020
Statement of financial position			
Current assets	15,628	18,001	9,325
Non-current assets	119,915	76,795	68,383
Current liabilities	65,898	52,670	15,672
Non-current liabilities	21,481	10,178	36,062
Shareholders' equity	48,164	31,948	25,974

	For the year ended		
	December 31, 2020	December 31, 2020	December 31, 2020
Statement of profit or loss and other comprehensive income			
Net sales [(1)]	-	-	9,773
Cost of sales	-	-	(3,504)
Administration expenses	(88)	(70)	(98)
Other expenses, net	(49)	(214)	(68)
Financial expenses, net	(4,749)	(3,576)	(5,861)
Net (loss) profit before income tax	(4,886)	(3,860)	242
Income tax	405	3,018	(127)
Net loss for the year	(4,481)	(842)	115

	December 31, 2020	December 31, 2020	December 31, 2020	Total December 31, 2020
Reconciliation of the above summarized financial information to the carrying amount of the interest in the joint venture recognized in the consolidated financial information:				
Net assets of the joint venture	48,164	31,948	25,974	106,086
Proportion of the Company's ownership interest in the joint venture	51%	51%	50%	-
Carrying amount of the Company's interest in the joint venture	24,564	16,293	12,987	53,844
Evolution of non-current investments:				
Balance at the beginning of the year	24,865	14,227	12,930	52,022
Other capital contributions [(2)]	733	1,712	-	2,445
Comprehensive loss for the year	(1,034)	354	57	(623)
Balance at the end of the year	24,564	16,293	12,987	53,844

(1) For the year ended December 31, 2020, 100% of sales have been made to CAMMESA.

(2) Corresponds mainly to the effect related to those transactions of loans to joint ventures that, according to IFRS, according on the underlying economic substance of the operation, are assimilated to increases or decreases in other capital contributions to such companies (see Note 5.d and 3.4).

	Vientos Sudamericanos Chubut Norte IV S.A.	Vientos Patagónicos Chubut Norte III S.A.	Vientos de Necochea S.A.
	December 31, 2019	December 31, 2019	December 31, 2019
Statement of financial position			
Current assets	44,832	19,719	8,349
Non-current assets	90,032	44,097	60,477
Current liabilities	25,013	4,391	18,517
Non-current liabilities	61,095	31,541	24,445
Shareholders' equity	48,756	27,884	25,864

	For the year ended		
	December 31, 2019	December 31, 2019	December 31, 2019
Statement of profit or loss and other comprehensive income			
Net sales	-	-	-
Cost of sales	-	-	-
Administration expenses	(87)	(71)	(43)
Other expenses, net	(551)	(166)	(361)
Financial expenses, net	(2,883)	(940)	15
Net loss before income tax	(3,521)	(1,177)	(389)
Income tax	196	(441)	(638)
Net loss for the year	(3,325)	(1,618)	(1,027)

	December 31, 2019	December 31, 2019	December 31, 2019	Total December 31, 2019
Reconciliation of the above summarized financial information to the carrying amount of the interest in the joint venture recognized in the consolidated financial information:				
Net assets of the joint venture	48,756	27,884	25,864	102,504
Proportion of the Company's ownership interest in the joint venture	51%	51%	50%	-
Carrying amount of the Company's interest in the joint venture	24,865	14,225	12,932	52,022
Evolution of non-current investments:				
Balance at the beginning of the year	-	-	11,243	11,243
Interest maintained in sold companies	491	274	-	765
Capital contributions	9,148	6,262	2,200	17,610
Other capital contributions [(1)]	15,802	9,100	-	24,902
Comprehensive profit for the year	(576)	(1,411)	(511)	(2,498)
Balance at the end of the year	24,865	14,225	12,932	52,022

(1) Corresponds mainly to the effect related to those transactions of loans to joint ventures that, according to IFRS, according on the underlying economic substance of the operation, are assimilated to increases or decreases in other capital contributions to such companies (see Note 5.d of these consolidated financial statements and 3.4 to the financial statements as of December 31, 2019).

	December 31, 2020	December 31, 2019
c) Trade receivables:		
Current		
Trade receivables - electric power generation	45,959	52,200
Accruals for unbilled sales of electric power generation	23,990	25,417
Related parties (Note 6)	95	58
Trade receivables - sale of gas and gas transportation	1,824	671
Accruals for unbilled sales of gas and gas transportation	1,123	903
	72,991	79,249
Non-current		
Trade receivables - electric power generation		
Río Mayo and Costa, net (Note 11.5)	-	3,404
	-	3,404

	December 31, 2020	December 31, 2019
Aging of trade receivables		
Up to three months	13,782	13,766
Three to six months	517	833
Six to nine months	226	457
Nine to twelve months	501	1,451
More than one year	7,650	7,249
Past due balance at end of the year (1)(3)	22,676	23,756
To be due	50,315	58,897
Balance at end of year (2)	72,991	82,653

(1) In relation to uncollected past due current trade receivables with IEASA (Ex ENARSA) of 10,506 and 13,235 as December 31, 2020 and 2019 respectively, see Note 11.3.
(2) In relation to uncollected trade receivables with the Province of Chubut (Dirección General de Servicios Públicos) for a net amount of 3,404 as of December 31, 2019, respectively, see Note 11.5.
(3) As of December 31, 2020 and 2019, past due balances include certain trade receivables net amounts classified as non-current for 3,404, respectively, related to electric power generation of Rio Mayo and Costa power plants.

d) Other receivables:

Current		
Financial assets		
Account for future investments (1)	-	11,169
Related parties (Note 6) (2)	13,174	8,251
Credit related to the sale of companies (3)	1,851	1,851
Other receivables to collect	2,217	-
Receivable for investment in Patagonian Pipeline	76	107
Loma Blanca Trust credits	153	327
	17,471	21,705
Prepayments, tax receivables and others		
Prepaid insurance	1,358	1,050
Value added tax	478	4,676
Income tax and minimum presumed income tax advances and withholdings (net of minimum presumed income tax payable)	714	1,254
Advanced payments to suppliers	49	65
Turnover tax credit	214	199
Recovery of expenses receivable	981	1,737
Miscellaneous	2,112	3,325
	5,906	12,306
	23,377	34,011
Non-current		
Financial assets		
Related parties (Note 6) (2)	10,718	17,068
Construction costs to be recovered	189	302
Receivable for investment in Patagonian Pipeline	463	655
Loma Blanca Trust credits	1,361	2,220
	12,731	20,245

	December 31, 2020	December 31, 2019
Prepayments, tax receivables and others		
Minimum presumed income tax credit	539	661
Turnover tax credit	332	440
Advanced payments to suppliers of fixed assets (4)	2,404	7,376
Credit from tax on bank debits and credits	2,852	1,779
Expenses paid in advance	1,553	1,638
Deposits in guarantee (5)	8,614	12,615
Miscellaneous	421	893
	16,715	25,402
	29,446	45,647

(1) The loan originated in accordance with the provisions of the framework agreement entered into with the SE in relation to the Distributed Energy I and Distributed Energy II contracts, which constituted the creation of an "Investment Fund", in order to guarantee and provide part of the financing required for the new Centrals. The fund is fed by monthly and incremental deductions from CAMMESA's payments to GENNEIA under each MEM supply contract. On August 27, 2020, the Company and CAMMESA entered into addenda to the PPAs corresponding to the Las Armas II and Bragado I Thermal Power Plants, through which the closure of CARFON was implemented, the reimbursement to Genneia of the available in the same and the cessation of the deductions of the charges for capacity corresponding to said PPAs. As of the date of these Financial Statements, all the funds were reimbursed

(2) As of December 31, 2020 and 2019 includes US$ 39 million and US$ 7,3 million, respectively, of term loans granted to joint ventures, which have been recognized at the time of their initial recognition at fair value, having recognized the difference generated with respect to the nominal value of the transaction, net of its effect on deferred tax, as other capital contributions in joint ventures.

(3) Corresponds to the credit held with PAF associated with the sale of 49% of the shares of Vientos Sudamericanos Chubut Norte IV S.A. and Vientos Patagonicos Chubut Norte III S.A. (Note 5.b).

(4) Corresponds to advanced payments to suppliers for fixed assets acquisitions in relation to the projects detailed in Note 12.

(5) As of December 31, 2020 corresponds to a guarantee deposit of USD 6.6 million, made as collateral for the Pomona II, Chubut Norte I and II, and Villalonga I projects; and USD 2 million, made in compliance with the commitment to contribute to the projects of Chubut Norte III and IV. The projects are described in Note 12. As of December 31, 2019 corresponds to a guarantee deposit of USD 12.6 million, made in compliance with the commitment to contribute to the Pomona II, Chubut Norte III and IV projects that are described in Note 12

e) Inventories:

Current		
Materials and spare parts	1,305	1,734
	1,305	1,734
Non-current		
Materials and spare parts	9,008	7,908
	9,008	7,908

f) Fixed assets, intangible assets and goodwill:

f.1) Fixed assets:		
Fixed assets value	1,089,180	1,134,319
Allowance for fixed assets impairments (Note 5.l)	(20,843)	(9,838)
Net book value	1,068,337	1,124,481

	2020					
	Cost					
Main account	Accumulated at the beginning of the year	Increases	Decreases	Transfers	Foreign currency exchange difference	Accumulated at the end of the year
Land	8,370	-	-	-	(141)	8,229
Furniture and fixture	544	-	-	-	(1)	543
Machinery	3,992	-	-	-	-	3,992
Computer equipment	6,227	81	-	-	(18)	6,290
Communication equipment	61	-	-	-	-	61
Vehicles	1,671	-	-	-	(1)	1,670
Buildings and installations	15,526	2	-	-	(70)	15,458
Tools	1,720	68	-	-	(2)	1,786
Pipelines	10,910	-	-	-	(10)	10,900
Power generation equipment	495,275	-	-	-	(5,189)	490,086
Wind Farm	889,328	93	-	-	-	889,421
Solar Photovoltaic Plant	83,618	126	-	-	-	83,744
Work in progress	12,238	23,076	-	-	-	35,314
Right of use on land and buildings	5,797	-		-	-	5,797
Total 2020	1,535,277	23,446	-	-	(5,432)	1,553,291
Total 2019	1,299,897	312,360[(1)(2)]	(82,102)[(3)]	-	5,122	1,535,277

	2020							
	Accumulated Depreciation							
Main account	Accumulated at the beginning of the year	Annual depreciation rate	Increases	Decreases	Foreign currency exchange difference	Accumulated at the end of the year	Net book value at December 31, 2020	Net book value at December 31, 2019
Land	-	-	-	-	-	-	8,229	8,370
Furniture and fixture	444	10%	24	-	(3)	465	78	100
Machinery	1,494	10%	367	-	-	1,861	2,131	2,498
Computer equipment	5,113	33%	394	-	(25)	5,482	808	1,114
Communication equipment	50	33%	1	-	-	51	10	11
Vehicles	1,155	20%	198	-	(1)	1,352	318	516
Buildings and installations	3,015	10%	539	-	(4)	3,550	11,908	12,511
Tools	917	10%	192	-	(4)	1,105	681	803
Pipelines	8,255	3%-7%	498	-	219	8,972	1,928	2,655
Power generation equipment	287,821	5%-10%	27,526	-	(3,358)	311,989	178,097	207,454
Windfarm	87,773	3%-5%	33,103	-	-	120,876	768,545	801,555
Solar Photovoltaic Plant	2,977	3%	2,773	-	-	5,750	77,994	80,641
Work in progress	-	-	-	-	-	-	35,314	12,238
Right of use on land and buildings	1,944	4%-33%	714	-	-	2,658	3,139	3,853
Total 2020	400,958		66,329	-	(3,176)	464,111	1,089,180	
Total 2019	348,451		48,053	(17,658)[(3)]	395	400,958		1,134,319

(1) Includes 20,099 for the year ended December 31, 2019 corresponding to financial costs related to third parties financing to work in progress extended for a substantial period of time.
(2) Includes 28 for the year ended December 31, 2019 of depreciation of fixed assets that are being used in the construction projects.
(3) Includes (1,192) associated with the Pinamar Thermal Power Plant equipment that were sold for the year ended December 31, 2019. Additionally, it includes (63,138) associated with the sale and loss of control of the companies Vientos Sudamericanos Chubut Norte IV S.A. y Vientos Patagónicos Chubut Norte III S.A.

f.2) Evolution of intangible assets:

	December 31, 2020			
	Intangible assets acquired separately (Puerto Madryn Project)	**Intangible assets acquired in a business combination (intangible asset related PELBIV acquisition)**	**Intangible assets acquired in a business combination (intangible asset related ULLUMs acquisitions)**	**Total**
Cost value	4,260	31,904	5,792	41,956
Accumulated amortization	(77)	(7,076)	(288)	(7,441)
Allowance for impairment of intangible assets (Note 5.l)	-	-	(5,504)	(5,504)
Book value at the beginning of the year	**4,183**	**24,828**	**-**	**29,011**
Amortization of the period	(142)	(3,546)	(288)	(3,976)
Impairment decrease	-	-	288	288
Book value at the end of the year	**4,041**	**21,282**	**-**	**25,323**
Cost value	4,260	31,904	5,792	41,956
Accumulated amortization	(219)	(10,622)	(576)	(11,417)
Allowance for impairment of intangible assets (Note 5.l)	-	-	(5,216)	(5,216)
Book value at the end of the year	**4,041**	**21,282**	**-**	**25,323**

	December 31, 2019			
	Intangible assets acquired separately (Puerto Madryn Project)	**Intangible assets acquired in a business combination (intangible asset related PELBIV acquisition)**	**Intangible assets acquired in a business combination (intangible asset related ULLUMs acquisitions)**	**Total**
Cost value	4,260	31,904	5,792	41,956
Accumulated amortization	(8)	(3,538)	-	(3,546)
Allowance for impairment of intangible assets	-	-	(5,792)	(5,792)
Book value at the beginning of the year	**4,252**	**28,366**	**-**	**32,618**
Amortization of the period	(69)	(3,538)	(288)	(3,895)
Impairment decrease	-	-	288	288
Book value at the end of the year	**4,183**	**24,828**	**-**	**29,011**
Cost value	4,260	31,904	5,792	41,956
Accumulated amortization	(77)	(7,076)	(288)	(7,441)
Allowance for impairment of intangible assets (Note 5.l)	-	-	(5,504)	(5,504)
Book value at the end of the year	**4,183**	**24,828**	**-**	**29,011**

	December 31, 2020	December 31, 2019
f.3) Evolution of Goodwill:		
f.3.1) Evolution of Goodwill (GETSA):		
Cost and book value at the beginning of the year	-	17,587
Impairment	-	(17,587)
Book value at the end of the period	-	-

Liabilities

g) Accounts payable:

Current		
Trade	47,803	96,162
Accrual for invoices pending to receive	18,235	35,586
Related parties (Note 6)	81	81
	66,119 (1)	131,829(2)

(1) Includes 1,152 past due up to three months, 1 from three to six months, 307 from six to nine months, 498 from nine to twelve months, and 45,573 over a year and 18,588 to be due up to three months. In relation to past due accounts payable to IEASA (Ex ENARSA) for an amount of 38,442 as of December 31, 2020, see Note 11.3.

(2) Includes 46,467 past due up to three months, 430 from three to six months, 7 from six to nine months, 5 from nine to twelve months, and 43,919 over a year and 41,001 to be due up to three months. In relation to past due accounts payable to IEASA (Ex ENARSA) for an amount of 38,442 as of December 31, 2019, see Note 11.8 to the consolidated financial statements as of December 31, 2019.

h) Loans:

Current		
Negotiable Debt Obligations	37,651	103,485
Bank loans and others	54,155	73,784
Related parties, net of commissions (Note 6)	-	12,519
Leasings	321	885
	92,127 (1)	190,673(1)
Non-current		
Negotiable Debt Obligations	557,279	504,749
Bank loans and others	217,670	186,256
Related parties, net of commissions (Note 6)	41,433	61,082
Leasings	2,886	2,983
	819,268 (1)	755,070(1)

(1) Current loans are net of 3,848 and 3,473 as of December 31, 2020 and 2019, respectively, corresponding to fees and costs demanded in the structuring of loans and the issuance of negotiable obligations. Non-current loans are net of 41,676 and 47,604 as of December 31, 2020 and 2019, respectively, corresponding to fees and costs demanded in the structuring of loans and the issuance of negotiable obligations.

Detail of interest rates of loans:

Loans	Outstanding principal as of December 31, 2020	Interest Rate	Date	Maturity
Bank Loans in US$ fixed rate	41,325	5.50%-10.75%	2017-2019	2021-2026
Bank Loans in US$ variable rate	8,432	Libor+5.5%	2020	2023
Bank Loans in AR$ variable rate	8,288	Badlar+8.5%	2020	2023
Bank Loans in AR$ fixed rate	4,440	7.50%	2020	2023
Project finance variable rate	224,913	2.2%-9.92%	2018-2020	2023-2034
KfW Corporate Loan variable rate	22,383	Libor+1.5%	2020	2023-2024
Negotiable Debt Obligations in US$ fixed rate	594,379	2%-14.5%	2015-2019	2021-2022
Negotiable Debt Obligations in US$ no rate	10,535	0%	2020	2023

		December 31, 2020	December 31, 2019
Evolution of loans and reconciliation of liabilities arising from financing activities:			
Balances at the beginning of the year		945,743	922,886
Financing cash flows			
Proceeds from loans		133,036	118,069
Principal payments to third parties		(175,031)	(98,743)
		(41,995)	19,326
Non-cash changes			
Leasings		-	1,050
Financing associated with the companies Vientos Sudamericanos Chubut Norte IV S.A. and Vientos Patagónicos Chubut Norte III S.A.		-	(15,529)
		-	(14,479)
Other changes:			
Interest accrual		79,186	83,483
Accrued issuance costs		9,964	9,564
Interest payments to third parties		(80,045)	(74,303)
Effect of exchange difference and others		(1,458)	(734)
		7,647	18,010
Balance at the end of the year		911,395	945,743

Detail of loans:	**Note**		
Series XVIII Negotiable Debt Obligations	9.1.1	-	19,993
Series XX Bonds (Genn 2022 Bond)	9.1.1	520,933	522,290
Series XXI Negotiable Debt Obligations (Note 10.2)	9.1.1	-	51,815
Private Negotiable Debt Obligation (Note 8.6)	9.2.1	41,433	61,082
Series XXIII Negotiable Debt Obligations	9.1.1	-	6,751
Series XXV Negotiable Debt Obligations	9.1.1	-	7,385
Series XXVI Negotiable Debt Obligations (Note 8.3.5)	9.1.1	-	-
Series XXVII Negotiable Debt Obligations (Note 8.3.5)	9.1.1	20,308	-
Series XXVIII Negotiable Debt Obligations (Note 8.3.5)	9.1.1	10,388	-
Series XXIX Negotiable Debt Obligations (Note 8.3.5)	9.1.1	12,719	-
Series XXX Negotiable Debt Obligations (Note 8.3.5)	9.1.1	30,582	-
Banco Provincia S.A. Loan	9.2.3	-	3,422
Syndicated Loan	9.2.2	11,280	19,680
Banco Macro S.A. Loan	9.2.4	-	12,519
Banco Chubut S.A. Loan	9.2.6	-	2,510
Banco Mariva S.A. Loan	9.2.5	-	1,003
Derivative financial instruments		-	317
KfW Corporate Loan Pomona II and Chubut Norte II - Genneia S.A. (1)	9.2.11	20,480	-
GDSA Credit Facility (Note 8.3.4)	9.2.7	21,084	27,894
Financial Trust Loma Blanca Serie I	9.2.8	29,997	42,031
Project Finance Pomona I - Genneia Vientos del Sudoeste S.A. (2)	9.2.9	89,731	79,598
Project Finance Chubut Norte I - Genneia Vientos del Sur S.A. (3)	9.2.10	38,959	31,521
Project Finance Villalonga I - Genneia Vientos Argentinos S.A. (4)	9.2.10	60,294	52,064
Leasings Genneia S.A.		-	564
Leasings Parque Eólico Loma Blanca IV S.A.		1,486	1,575
Leasings Genneia Vientos del Sudoeste S.A.		1,572	1,585
Leasings Genneia La Florida S.A.		149	144
		911,395	945,743

(1) As of December 31, 2020, the amount disbursed amounts to 26,674.
(2) As of December 31, 2020 and 2019, the amount disbursed amounts to 116,600 and 104,043 respectively.
(3) As of December 31, 2020 and 2019, the amount disbursed amounts to 47,800 and 39,358 respectively.
(4) As of December 31, 2020 and 2019, the amount disbursed amounts to 74,400 and 64,268 respectively.

	December 31, 2020	December 31, 2019
i) Salaries and social security payable:		
Salaries, social security and withholdings payables	6,116	5,903
	6,116	5,903
j) Taxes payable:		
Current		
Value added tax	3,524	9,466
Tax withholdings payable	235	362
Taxes under regularization regime	3	709
Miscellaneous	978	787
	4,740	11,324
k) Other liabilities:		
Current		
Liability with the Province of Chubut on the purchase of Ingentis II shares	-	288
Liability with Pluspetrol on the purchase of GETSA shares	-	1,384
Miscellaneous	92	56
	92	1,728
Non-current		
Accrual for assets retirement obligation	8,867	8,270
	8,867	8,270

l) Allowances and provisions:

	December 31, 2020				December 31, 2019			
Items	**Value as of December 31, 2019**	**Decreases**	**Additions**	**Value as of December 31, 2020**	**Value as of December 31, 2018**	**Decreases**	**Additions**	**Value as of December 31, 2019**
Allowances deducted from assets:								
For fixed assets	9,838	(613) [(1)]	11,618	20,843	-	(147)[(3)]	9,985	9,838
For intangible assets	5,504	(288) [(2)]	-	5,216	5,792	(288)[(3)]	-	5,504
Total deducted from assets	15,342	(901)	11,618[(1)]	26,059	5,792	(435)[(3)]	9,985[(3)]	15,342
Provisions included in liabilities:								
For claims and pending labor lawsuits	3,479	(1,018)	113	2,574	3,963	(484)	-	3,479
Total included in liabilities	3,479	(1,018)	113	2,574	3,963	(484)	-	3,479

(1) Includes increases of 11,618 included in other expenses and decreases of 436 related to the Amortization of fixed assets included on Operating cost of electric power generation from conventional sources Note 5.o.
(2) Included in Amortization of intangible assets on Operating cost of electric power generation from renewable sources Note 5.o.
(3) Includes increases of 9,985 included in other expenses and decreases of 147 associated with the depreciation of the provision for these assets. Additionally, it includes losses for 288 associated to the intangible for the acquisition of the Ullums.

Consolidated statements of profit or loss and other comprehensive income for the years ended December 31, 2020 and 2019

	December 31, 2020	December 31, 2019
m) Net sales:		
Revenue from electric power generation from renewable sources	227,021	163,126
Revenue from electric power generation from conventional sources	66,120	99,761
Revenue from gas trading and transport	5,240	4,986
Other revenues	3,794	1,726
	302,175	269,599

(1) For the years ended December 31, 2020 and 2019, 93% and 95%, respectively, of sales were made to CAMMESA and IEASA (Ex ENARSA).

n) Cost of sales:		
Purchases for electric power generation from conventional sources	(2,560)	(4,943)
Purchases for gas trading and transport	(918)	(1,185)
Operating costs of electric power generation from renewable sources (Note 5.o)	(61,016)	(44,245)
Operating costs of electric power generation from conventional sources (Note 5.o)	(36,904)	(46,500)
Operating cost of gas trading and transport (Note 5.o)	(772)	(928)
	(102,170)	(97,801)

o) Operating costs and expenses:

	December 31, 2020					
	Operating cost of electric power generation from renewable sources	Operating cost of electric power generation from conventional sources	Operating cost of gas trading and transport	Administrative expenses	Selling Expenses	Total
Salaries and benefits	2,523	2,574	69	6,341	441	11,948
Social security charges and other contributions	1,070	652	12	714	95	2,543
Professional fees and compensations for services	11,301	231	-	1,714	2	13,248
Directors and statutory auditors' fees	-	-	-	1,414	-	1,414
Expenses for development of new businesses	-	-	-	228	-	228
Other staff costs	37	28	-	703	1	769
Travelling and lodging expenses	47	121	-	376	2	546
Freight and insurance	1,769	1,877	-	73	-	3,719
Rental and expenses of property, machinery and equipment	552	578	-	338	8	1,476
Taxes, rates and contributions	388	134	13	9	1,381	1,925
Maintenance and repairs	1,535	1,841	-	708	2	4,086
Works contracts and other services	168	286	-	403	-	857
Fixed assets depreciation	36,599	27,697	678	1,142	6	66,122
Amortization of intangible assets	3,688	-	-	-	-	3,688
Miscellaneous	1,339	885	-	695	719	3,638
Total 2020	61,016	36,904	772	14,858	2,657	116,207

	December 31, 2019					
	Operating cost of electric power generation from renewable sources	**Operating cost of electric power generation from conventional sources**	**Operating cost of gas trading and transport**	**Administrative expenses**	**Selling expenses**	**Total**
Salaries and benefits	1,653	3,582	71	6,558	464	12,328
Social security charges and other contributions	638	979	14	1,169	94	2,894
Professional fees and compensations for services	6,901	510	-	1,579	3	8,993
Directors and statutory auditors' fees	-	-	-	666	-	666
Expenses for development of new businesses	-	-	-	350	-	350
Other staff costs	7	49	-	619	-	675
Travelling and lodging expenses	56	228	-	370	23	677
Freight and insurance	1,400	2,095	-	147	1	3,643
Rental and expenses of property, machinery and equipment	500	868	-	321	7	1,696
Taxes, rates and contributions	152	371	17	14	1,453	2,007
Maintenance and repairs	902	1,650	-	866	3	3,421
Works contracts and other services	80	257	-	201	-	538
Fixed assets depreciation	27,734	35,186	826	1,211	7	64,964
Amortization of intangible assets	3,607	-	-	-	-	3,607
Miscellaneous	615	725	-	1,149	333	2,822
Total 2019	**44,245**	**46,500**	**928**	**15,220**	**2,388**	**109,281**

	December 31, 2020	**December 31, 2019**
p) Other expenses, net:		
Tax on bank debits and credits	(4,219)	(4,037)
Impairment of goodwill and fixed assets (Note 8.6)	(11,618)	(27,572)
Result of the sale for the generation equipment associated with the Pinamar Thermal Power Plant	-	4,992
Others	98	(1,324)
	(15,739)	(27,941)
q) Financial expense, net:		
The breakdown of financial income and expenses is as follows:		
Financial income:		
Interest income	9,623	3,521
Fair value gains on financial assets at fair value through profit or loss	3,232	6,162
	12,855	9,683
Financial expense		
Fair value losses on financial assets at fair value through profit or loss	(3,643)	(2,511)
Interest expense	(84,399)	(66,735)
Exchange differences, net	(23,257)	(28,965)
Issuance costs and withholdings	(11,491)	(7,682)
Miscellaneous	(5,268)	(5,687)
	(128,058)	(111,580)
Result from exposure to changes in the purchasing power of the currency	3,927	-
Total financial expense, net	(111,276)	(101,897)

r) Income tax:

The consolidated income tax charge for the years ended December 31, 2020 and 2019 is as follows:

	December 31, 2020	December 31, 2019
Deferred income tax	(27,539)	(40,749)
	(27,539)	(40,749)[1]

(1) Includes 3,892 related to the loss of control on the disposal of interes in the compañies Vientos Patagonicos Chubut Norte III S.A. y Vientos Sudamericanos Chubut Norte IV S.A. (Note 5.b)

The reconciliation between the consolidated income tax charge for the years ended December 31, 2020 and 2019 and the (loss) income that would result from applying the prevailing tax rate on the net loss before income tax, included in the consolidated statement of profit or loss and other comprehensive income for each period, is as follows:

	December 31, 2020	December 31, 2019
Net profit before income tax	52,817	21,014
Statutory tax rate	30%	30%
Statutory tax rate applied to net profit before income tax	(15,845)	(6,304)
Permanent differences and others at the prevailing tax rate:		
Loss on long term investment in joint ventures	(3,673)	(1,001)
Tax effects due to tax restatement to current units of currency	(68,885)	(75,828)
Impairment of goodwill	-	(5,276)
Effects of the functional currency and others [1]	60,864	47,660
Income tax - (Charge)	(27,539)	(40,749)

(1) It mainly includes the effect of using a different currency for reporting and tax purposes.

Furthermore, the breakdown of the consolidated net deferred tax liabilities as of December 31, 2020 and 2019, is as follows:

	December 31, 2020	December 31, 2019
Deferred tax assets		
Tax loss carryforwards	77,947	82,691
Non deductible liabilities	5,966	3,526
Other receivables with related parties [1]	9,788	8,271
Miscellaneous	4,628	4,571
Total deferred tax assets	98,329	99,059
Deferred tax liabilities		
Fixed assets	(150,693)	(146,713)
Intangible assets	(6,101)	(7,615)
Tax effect due to restatement to current units of currency	(81,413)	(63,190)
Miscellaneous	(2,532)	(2,796)
Total deferred tax liabilities	(240,739)	(220,314)
Net deferred tax liabilities	(142,410)	(121,255)

(1) Corresponds to the deferred asset related to the financing mentioned in Note 6.1.2, which has been recognized as other capital contributions in non current investments at the time of initial recognition of the financing.

As of December 31, 2020, the Company and its subsidiaries maintain a deferred tax asset for accumulated tax loss carryforwards of 77,947, which may be offset against taxable income as follows:

Year until it can be used	Tax loss carryforward	Deferred asset
2020	-	-
2021	-	-
2022	72	18
2023	9,098	2,274
2024	11,392	2,848
2025	6,918	1,730
2026	3,523	881
2027	2,435	609
2028	52,596	13,149
2029	141,550	35,387
2030	84,192	21,051
	311,776	77,947

The following table summarizes the deferred tax assets for tax loss carry forwards as of December 31, 2020 by the individual project and company, which generates it:

Project/Company	Deferred asset
PEM I	11,856
PEM II	13,734
PER III	3,395
Genneia Others	815
Subtotal Genneia	29,800
GEDESA	2,778
PELBIV	766
Vientos Argentinos	10,539
Vientos del Sudoeste	19,661
Vientos del Sur	5,255
Ullum 1 Solar	2,460
Ullum 2 Solar	2,642
Ullum 3 Solar	3,601
La Florida	444
Others Subsidiaries	1
Subtotal Subsidiaries	48,147
Total	77,947

For the year ended December 31, 2020 the Company has estimated a tax loss in relation to the Madryn I, Madryn II, Rawson III, Villalonga, Chubut Norte I, Ullum 1 Solar, Ullum 2 Solar, Ullum 3 Solar, Florida and Pomona projects, by virtue of the benefit granted by Article 9 of Law No. 26.190 (National Development Regime for the Use of Renewable Sources of Energy Destined for The Production of Electric Energy), whose tax loss carryforwards may be used for up to ten years from the year in which they are generated to compensate against taxable income generated from these projects. In addition, the Companies in charge of these projects chose to apply the benefit of the accelerated tax amortization of wind and solar farms, granted in the aforementioned Law. In relation for tax results not generated by these businesses, for the year ended December 31, 2020 the Company has estimated a tax income, in compliance with current tax regulations, which may be compensated with losses from previous years.

For the year ended December 31, 2019 the Company has estimated a tax loss in relation to the Madryn I, Madryn II, Rawson III, Villalonga, Chubut Norte I, Ullum I Solar, Ullum II Solar, Ullum III Solar and Pomona projects, by virtue of the benefit granted by Article 9 of Law No. 26.190 (National Development Regime for the Use of Renewable Sources of Energy Destined for The Production of Electric Energy), whose tax loss carryforwards may be used for up to ten years from the year in which they are generated to compensate against taxable income generated from these projects. In addition, the Companies in charge of these projects chose to apply the benefit of the accelerated tax amortization of wind and solar farms, granted in the aforementioned Law. In relation for tax results not generated by these businesses, for the year ended December 31, 2019 the Company has estimated a tax loss, mainly generated as a consequence of the devaluation of the argentine peso occurred during the year 2019, and the effect of the application of the adjustment for tax inflation, in compliance with current tax regulations.

The Company and its subsidiaries recognize tax loss carry-forwards and other tax credits as deferred tax assets when its deduction against future taxable income is probable. To that effect, based on paragraph 36 of IAS 12, the Company and its subsidiaries consider the projected tax results and reverse of temporary liability differences.

To assess the probability of recoverability and estimate the recoverable amount of deferred assets related to tax loss carryforwards, Management has projected the tax income based on various future variables including an estimate of the peso devaluation against the US$ for the next fiscal years. Such estimates are reviewed periodically, and the effects of such estimates are recognized in the period of the revision.

Unrecognised taxable temporary difference associated with investment and interest

Taxable temporary differences in relation to investments in subsidiaries and joint ventures for which deferred tax liabilities have not been recognised are attributable to the following:

	December 31, 2020	December 31, 2019
Subsidiaries	(27,730)	(22,767)
Joint ventures	(6,929)	(6,264)
	(34,659)	(29,031)

NOTE 6 - BALANCES AND TRANSACTIONS WITH RELATED PARTIES

The principal outstanding consolidated balances as of December 31, 2020 and 2019 for transactions with related parties are as follows:

	December 31, 2020					
	Trade receivables	Other Receivables		Accounts payable	Loans	
	Current	Current	Non Current	Current	Current	Non Current
Companies under joint control:						
Vientos de Necochea S.A	-	803	3,050	-	-	-
Vientos Sudamericanos Chubut Norte IV S.A.	-	7,062	4,674	-	-	-
Vientos Patagónicos Chubut Norte III S.A.	-	5,309	2,994	-	-	-
Shareholders, directors and key management:						
Fintech Energy LLC	-	-	-	74	-	17,369
Jorge Horacio Brito	-	-	-	7	-	-
Jorge Pablo Brito	-	-	-	-	-	-
Delfín Jorge Ezequiel Carballo	-	-	-	-	-	3,472
LAIG Eolia S.A.	-	-	-	-	-	-
PointState Argentum LLC	-	-	-	-	-	20,841
Other related companies:						
Banco Macro S.A. [(1)]	95	-	-	-	-	-
	95	13,174	10,718	81	-	41,682

	December 31, 2019					
	Trade receivables	Other receivables		Accounts payable	Loans	
	Current	Current	Non Current	Current	Current	Non Current
Companies under joint control:						
Vientos de Necochea S.A	-	547	10,794	-	-	-
Vientos Sudamericanos Chubut Norte IV S.A.	-	1,845	4,025	-	-	-
Vientos Patagónicos Chubut Norte III S.A.	-	5,836	2,249	-	-	-
Shareholders, directors and key management:						
Fintech Energy LLC	-	13	-	74	-	25,663
Jorge Horacio Brito	-	3	-	-	-	-
Jorge Pablo Brito	-	3	-	-	-	-
Delfín Jorge Ezequiel Carballo	-	3	-	7	-	5,130
LAIG Eolia S.A.	-	1	-	-	-	-
PointState Argentum LLC	-	-	-	-	-	30,793
Other related companies:						
Banco Macro S.A. [1]	58	-	-	-	12,519	-
	58	8,251	17,068	81	12,519	61,586

(1) Company related to shareholders Delfín Jorge Ezequiel Carballo and Jorge Pablo Brito.

The main consolidated operations with related parties for the year ended December 31, 2020 and 2019 are as follows:

	December 31, 2020				
	Sales of goods and services	Recovery (reimbursement) of expenses, investments and other services, net	Loans received (paid), net	Loans granted (collected), net	Interests and commissions earned, (lost)
Companies under joint control:					
Vientos de Necochea S.A	644	6	-	(7,793)	1,304
Vientos Sudamericanos Chubut Norte IV S.A. [2]	566	4	-	5,807	486
Vientos Patagónicos Chubut Norte III S.A. [2]	394	3	-	8,279	293
Shareholders, directors and key management:					
Fintech Energy LLC	-	-	(13,013)	-	(4,242)
Delfín Jorge Ezequiel Carballo	-	-	(2,499)	-	(848)
PointState Argentum LLC	-	-	(15,614)	-	(5,090)
Other related companies:					
Banco Macro S.A. [1]	142	-	-	-	(228)
	1,746	13	(31,126)[3]	6,293	(8,325)

	December 31, 2019				
	Sales of goods and services	Recovery (reimbursement) of expenses, investments and other services, net	Loans received (paid), net	Loans granted (collected), net	Interests and commissions lost
Companies under joint control:					
Vientos de Necochea S.A	479	-	-	10,065	2,080
Vientos Sudamericanos Chubut Norte IV S.A. [2]	189	-	-	(1,583)	70
Vientos Patagónicos Chubut Norte III S.A. [2]	131	-	-	4,870	54
Shareholders, directors and key management:					
Fintech Energy LLC	-	-	-	-	(4,598)
Delfín Jorge Ezequiel Carballo	-	-	-	-	(919)
PointState Argentum LLC	-	-	-	-	(5,518)
Other related companies:					
Banco Macro S.A. [1]	165	-	12,500	-	(423)
	964	-	12,500	13,352	(9,254)

(1) Company related to shareholders Delfín Jorge Ezequiel Carballo and Jorge Pablo Brito.
(2) Operations are shown since they are jointly controlled companies (Note 5 b).
(3) Corresponds to the purchase by Sofeet International LLC of Private Negotiable Obligation simple negotiable obligations, see note 9.2.1.

Additionally, the Company has hired insurance policies to grant an indemnity to its Directors in the exercise of their duties.

6.1. Financing agreements with companies under joint control

6.1.1. Financing agreements with Vientos de Necochea S.A.

In May 2019, the Company granted two loans for a total amount of US$ 10,150,000 due within 17 years to finance the execution of the project.

One of the loans was defined in pesos for an amount of AR$ 231,946,000 and accrues an interest rate on the balance of principal equivalent to the BADLAR rate on a quarterly basis. These interests will be capitalized quarterly until the date of the effective payment of the principal.

The other loan was defined in US dollars for an amount of US$ 4,950,000 and accrues an interest rate on the balance of principal equivalent to the annual LIBOR plus Country Risk Premium published by JPMorgan on a quarterly basis. These interests will be capitalized quarterly until the date of the effective payment of the principal.

During the year ended December 31, 2020, that loan defined in United States dollars was canceled in advance by Vientos de Necochea S.A. together with the part of the interest capitalized as of December 31, 2019 for a total amount of US$ 5,101,047. In addition, in the same period, Vientos de Necochea S.A. canceled in advance part of its debt for the loan determined in pesos for a total amount of US$ 2,842,996. Subsequently, in October 2020, the remaining balance of the debt at that time was converted to dollars by the terms and conditions agreed in the contract and began to accrue an interest rate on the principal balance equivalent to the ANNUAL LIBOR rate plus Premium for Country Risk published by JPMorgan on a quarterly basis. Said interests will be capitalized quarterly until the date of the effective payment of the principal.

The balance due as of December 31, 2020 is disclosed under “other current receivables” and amounts to 803.

6.1.2. Loans and financing to Vientos Sudamericanos Chubut Norte IV S.A. and Vientos Patagónicos Chubut Norte III S.A.

In July 2019, the Company formalized with its related companies Vientos Sudamericanos Chubut Norte III SA and Vientos Patagonicos Chubut Norte IV S.A., a credit line agreement in pesos and without interest, by means of which it was determined that all the financing made used to pay the VAT payments up to the date became part of the credit line, the terms and conditions for future financial assistance were defined, and the possibility that an interest rate applicable to said credit line could be determined under common agreement of the parties from the date on which the parties agree.

The principal owed will be returned and paid in pesos exclusively with the amounts paid by the AFIP as credit for VAT refunds as such payments are received.

As of December 31, 2020, the balance related to said agreement is disclosed under “other current receivables” and amounts to 7,062 with Vientos Sudamericanos Chubut Norte IV S.A. and 5,309 with Vientos Patagónicos Chubut Norte III S.A.

In addition, in July 2019, the Companies signed a credit agreement in dollars and 0% interest rate, through which all the financing carried out to date, except those included in the agreement mentioned in the previous paragraph, went to being part of the credit line, the terms and conditions for future financial assistance were defined, and the possibility that the common agreement of the parties can determine an interest rate applicable to said credit line from the date on which the parties agree. The agreement has a term of 17 years from the signing date and early cancellations may be required by partial payments or in single payment before the due date. In accordance with the provisions of IFRS, this financial credit has been initially recognized at fair value at the time of the transaction in “other non-current receivables” of the Company's statement of financial position and the effect of the difference between said value and the nominal value of the financial assistance delivered has been recognized as other capital contributions within the long-term investment caption, net of the corresponding deferred tax effect.

As of December 31, 2020, the balance related to said agreement is disclosed under “other non current receivables” and amounts to 4,674 with Vientos Sudamericanos Chubut Norte IV S.A. and 2,994 with Vientos Patagónicos Chubut Norte III S.A.

NOTE 7 - FINANCIAL INSTRUMENTS

7.1. Capital management

GENNEIA manages its capital to ensure its ability to continue as a going concern, managing investment projects, while maximizing the return to its shareholders through the optimization of debt and equity balance.

The Company takes part in operations, which involves financial instruments, stated in statement of financial position, and intended to attend operative requirements and to reduce the exposure to risks of markets, currency and interest rate. The management of these risks, as well as their respective instruments, is performed through defined strategies, establishment of control systems and determination of exposure limits.

The Company is not subject to any externally imposed capital requirements.

The relation of net debt (loans, net of cash and cash equivalents) and the Company's equity is disclosed below:

	December 31, 2020	December 31, 2019
Debt [(1)]	911,395	945,743
Cash and cash equivalents	(106,551)	(91,261)
Net debt	804,844	854,482
Equity	263,538	239,197
Debt to equity ratio	3.05	3.57

(1) The debt is defined as current and non-current loans, as detailed in note 5.h).

7.2. Financial instruments by category and fair value measurements

Company's Financial instruments were classified according to IFRS 7 in the following categories:

	December 31, 2020	December 31, 2019
Financial assets		
Amortized cost:		
Cash and cash equivalents	55,638	63,704
Investments	29,016	-
Loans and trade receivables	103,193	114,912
At fair value through profit or loss	37,566	37,248
Financial liabilities		
Amortized cost:		
Loans	911,395	945,743
Account payables and other liabilities	75,078	141,827

7.2.1. Fair Value Measurements

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

7.2.1.1. Fair value of the financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

	Fair value			
	December 31, 2020	December 31, 2019	Fair value hierarchy	Valuation technique(s) and key input(s)
Financial assets				
Investments in financial assets:				
- Mutual funds	37,566	27,557	Level 1	Quoted bid prices in the markets where these financial instruments trade
Other receivables				
- Account for future investments	-	9,691	Level 2	(1)

(1) Correspond to funds deposited in the account for future investments with CAMMESA as detailed in Notes 5.d and note 11.12 to the financial statements as of December 31, 2019, which are invested in mutual funds and bonds, which were valued using quoted bid prices in the markets where these financial instruments trade. As of December 31, 2020 all funds have been refunded and no further withholding is applied.

7.2.1.2. Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Except as detailed in the following table, Management considers that the carrying amounts of financial assets and financial liabilities recognized in the consolidated financial statements approximate their fair values.

	December 31, 2020		December 31, 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Held at amortized cost				
Loans and trade receivables	539	254	762	178
Financial liabilities				
Held at amortized cost				
Loans	911,395	762,497	945,743	844,572

	Fair value		
	December 31, 2020	December 31, 2019	Fair value hierarchy (1)
Financial assets			
Held at amortized cost			
Loans and trade receivables	254	178	Level 3
Financial liabilities			
Held at amortized cost			
Loans	762,497	844,572	Level 3

(1) The fair value of financial assets and liabilities included in the Level 3 category above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties and prices derived from quoted bid prices in the markets where these financial instruments trade.

7.3. Risk Management

The Company´s financial management coordinates access to domestic and international financial markets and monitors and manages associated financial risks. According to the nature, financial instruments may involve known or unknown risks, being important the better possible analysis of the potential of those risks. Among the major risks that could affect the business of the Company are: market risk (which includes foreign currency risk, interest rate risk and price risk), credit risk and liquidity risk.

7.3.1. Market risk

7.3.1.1. Currency risk management

GENNEIA undertakes transactions denominated in currencies different to its functional currency, as described in Note 3.2 ("foreign currency"), consequently, exposures to exchange rate fluctuations arise. Since the functional currency of the Company is the U.S. Dollar, the Argentine peso is the currency which implies the largest exposure in terms of income impact.

The carrying amounts at each balance sheet date of financial assets and liabilities denominated in argentine pesos are as follows:

	December 31, 2020	December 31, 2019
Assets	125,818	102,800
Liabilities	16,154	13,532
Net currency exposure	109,664	89,268

Foreign currencies sensitivity analysis

The following table details the sensitivity of GENNEIA to a devaluation of the Argentine peso in respect to its functional currency. Sensitivity analysis only includes outstanding foreign currency denominated monetary items and adjusts their conversion at the end of the period for a 45% variation in the exchange rate, before any tax effect.

	Profit (Loss)
	December 31, 2020
Effect for a 45% devaluation	(49,349)

In Management's opinion, the sensitivity analysis is not representative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the period or year. Additionally, the Company's Management considers that a substantial part of the assets recorded in foreign currency on the consolidated financial statements related with CAMMESA and IEASA (EX ENARSA) will not be exposed to the negative impact of the devaluation as the PPA signed include a provision for adjustment due to foreign exchange variations. In addition to this, and in order to manage exchange risk, the Company usually enters into contracts to purchase foreign currency in order to mitigate the effects of the devaluation of the local currency.

Between December 31, 2020 and 2019, there was a devaluation of the peso against the US dollar of around 41%. The devaluation of the currency has an impact on financial assets and liabilities denominated in Argentine pesos, the effect of which was recognized in these consolidated financial statements. Likewise, there have been no transfers between the different hierarchies used to determine the fair value of the Company's financial instruments.

7.3.1.2. Management of the interest rates risk

GENNEIA and its subsidiaries perform borrowing transactions at both fixed and variable interest rates. Risk is managed in the Company by maintaining an appropriate mix between fixed and variable rate borrowings. The Company does not use derivative financial instruments to cover risks on interest rates.

Changes in interest rates may affect income or expenses related to interest on financial assets and liabilities based on a floating rate; furthermore, they may modify the fair value of financial assets and liabilities that accrue a fixed interest rate.

At the end of each year, the Company's exposure to interest rates over financial assets and liabilities, net is as follows:

	Financial Assets - (Liabilities), net	
Features	**December 31, 2020**	**December 31, 2019**
Non-interest bear	149,796	70,973
Lease liabilities	(3,207)	(3,304)
Variable-rate financial instruments	(32,851)	(77,309)
Fixed-rate financial instruments	(874,798)	(862,066)
	(761,060)	**(871,706)**

The portion of variable interest rate debt is mainly subject to fluctuations of BADLAR/LIBOR rate.

Sensitivity analysis of the interest rates

The following sensitivity analysis has been prepared on basis of the exposure to the interest rates for financial instruments at the end of the year. For variable-rate liabilities, the analysis was prepared assuming that the outstanding balance at the end of the year was outstanding for the whole year. As of December 31, 2020, if BADLAR/LIBOR market interest rate for borrowings in Argentine pesos and in US dollars would have been 500 and 50 basis points respectively higher than the real basis points of the Company, the net interest expense for the year ended December 31, 2020 would have increased by approximately 568.

7.3.1.3. Management of price risk

The Company does not have a significant exposure to the price risk, mainly as a result of the PPA described in Note 1, whereby the prices are not materially affected by market price fluctuations in the short-term, except for those thermal power plants that operate under Resolution 31/2020 as described in Note 1.

7.3.2. Management of credit risk

Credit risk refers to the risk arising from the possibility that a financial institution receiving funds or financial investment or a counterparty in contracts default in its obligations resulting in losses to the Company. To mitigate these risks related to the transactions other than with the public sector, the Company adopted as practice, to only perform transactions with financial entities with good credit rating. Concerning counterparties in contracts, the Company evaluates its financial position, establishing credit limits and performs a constant follow-up of balances.

As regards to transactions with entities related to the public sector, the sale of energy produced by the Company is made, mainly, to companies dependent upon the financing of the public sector. Consequently, the financial results depend on public sector spending on energy, transportation and infrastructure facilities and on its ability to bid for and be awarded such contracts. In turn, public sector spending has depended, and is likely to continue depending, on the economic conditions of the country.

Government and public sector entities have considerable power to force renegotiation of contract terms with the other contracting parties. Forced renegotiation of contracts with public sector entities, and delay or default in payment by public sector agencies may have a substantial adverse effect not only on the Company’s financial situation and results of operations, but also on its ability to repay its debts. Management periodically assesses the recoverability of receivables based on aging, payment capacity of the counterparty, nature of the client, guarantees received, its legal rights, among others, and forecasts the estimated recoverable value of such receivables.

Almost all of the sales from electric power generation from conventional and renewable sources are carried out with entities with government participation, or dependent on funds from the public sector. For the years ended December 31, 2020 and 2019, 93% and 95% of sales were made to CAMMESA and IEASA (EX ENARSA), respectively.

Note 7.3.3 includes a breakdown of financial assets past due as of December 31, 2020.

7.3.3. Management of liquidity risk

Liquidity risk is associated to a potential mismatch between cash requirements (related to operating and financial expenses, investments, debt maturities, and dividends) and the financing sources (net income, divestitures, and capacity for new financing).

The Company's Management has ultimate responsibility on management liquidity risk, having established an appropriate liquidity risk policy for the Company´s management of short, medium and long term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. In this regard, the credit facilities offered to clients are assessed on an ongoing and consolidated basis; to the extent such facilities are offset against liabilities owed by the same client, considering similar amounts and terms, regardless of their respective aging. In connection with the payment compensation transactions of past due assets and liabilities with IEASA (EX ENARSA), see Note 11.3.

On January 20, 2022, the principal of the Class XX Negotiable Obligations will be due, for US $ 500 million issued by the Company in two tranches (US $ 350 million on January 20, 2017 and US $ 150 million January 30, 2018). The Company's Board of Directors is analyzing the different alternatives for the refinancing or cancellation of said obligations upon maturity.

The following table details the aging of the Company´s financial assets and liabilities as of December 31, 2020.

		To be due						
	Past due	**Current**				**Non-current**		**Without term**
		0-3 months	3-6 months	6-9 months	9-12 months	1 a 5 years	+ de 5 years	
Investments	-	50,913	15,669	-	-	-	-	-
Trade receivables	22,676 (1)	49,804	-	-	511	-	-	-
Other receivables	2,008	13,185	24	24	2,234	12,727	-	-
Total assets	**24,684**	**113,902**	**15,693**	**24**	**2,745**	**12,727**	**-**	**-**
Accounts payable	47,531(1)	18,588	-	-	-	-	-	-
Loans	-	36,327	31,040	14,153	10,612	691,165	128,098	-
Other Liabilities	-	94	-	-	-	8,865	-	-
Total liabilities	**47,531**	**55,009**	**31,040**	**14,153**	**10,612**	**700,030**	**128,098**	**-**

(1) Mainly corresponds to account receivables with CAMMESA and IEASA (EX ENARSA) for the activities of the Company and accounts payable with IEASA (EX ENARSA) for natural gas purchases for energy generation. (See Note 11.4 and 11.3).

NOTE 8 - CAPITAL STOCK

On April 25, 2019, the Ordinary and Extraordinary General Meeting of Shareholders approved the release and transfer to unappropriate retained results of the facultative reserve for its total amount.

As of December 31, 2020, capital stock of GENNEIA amounts to 19,491 (AR$ 103,040,496) and is composed of (a) 51,520,248 Class A common registrable shares of AR$ 1 par value each, entitled to one vote per share; and (b) 51,520,248 Class B common registrable shares, of AR$ 1 par value each, entitled to one vote per share. GENNEIA's capital stock is fully subscribed and paid in.

All of the capital increases approved by the shareholders of the Company are registered as of the date of these financial statements.

NOTA 9 - FINANCING

9.1. NEGOTIABLE OBLIGATIONS

9.1.1. Global Negotiable Obligation Program

The Company maintains in effect a Global Note Program for the issuance of Negotiable Obligations ("NO"), non-convertible into shares, at short, medium or long term, for a maximum amount of up to USD 800 million or equivalent amount in other currencies (the "Global Program"). The Program was approved by resolutions of the Extraordinary General Meeting of Shareholders of the Company on July 2, 2008, April 17, 2013 and May 31, 2016 and January 4, 2018 and by Resolutions of the Board of Directors of the National Securities Commission (the "CNV") No. 15,987 dated September 25, 2008, No. 17,245 dated December 12, 2013 and No. 18,345 dated November 10, 2016 and Disposition of the Issuer Management of the CNV DI-2018-52-APN-GE # CNV dated October 26, 2018.

Below is a description of the main features of the issues outstanding as of December 31, 2020 in the framework of the Global Program:

	Global Notes (Series XX)	Global Notes (Retap Series XX)	Global Notes (Series XXVII)	Global Notes (Series XXVIII)	Global Notes (Series XXIX)	Global Notes (Series XXX)
Issuance date	01/20/2017	01/30/2018	05/26/2020	08/28/2020	08/28/2020	11/24/2020
Nominal amount (USD)	USD 350,000,000	USD 150,000,000	USD 21,412,571	USD 13,163,580	USD 12,836,420	USD 30,902,366
Annual nominal interest rate	8,75%	8,75%	5%	0%	2%	12%
Use of proceeds	Payment and/or prepayment of the Company and its subsidiaries's liabilities. Partially finance productive projects or infrastructure for electric power generation in Argentina	Partially finance productive projects or infrastructure for electric power generation in Argentina	Payment and/or prepayment of the Company and its subsidiaries's liabilities. Finance productive projects for electric power generation in Argentina	Payment and/or prepayment of the Company and its subsidiaries's liabilities. Finance productive projects for electric power generation in Argentina	Payment and/or prepayment of the Company and its subsidiaries's liabilities. Finance productive projects for electric power generation in Argentina	Payment and/or prepayment of the Company and its subsidiaries's liabilities. Finance productive projects for electric power generation in Argentina
Maturity date	01/20/2022	01/20/2022	05/26/2021	08/28/2022	08/28/2023	11/24/2022
Additional Information	Unsecured	Unsecured	Unsecured	Unsecured	Unsecured	Unsecured

On November 20, 2015, Class XVIII Negotiable Obligations were issued within the framework of the Global Program for an amount equivalent to USD 20,000,000, at a fixed nominal annual rate of 2%, whose interest was paid quarterly. Class XVIII expired 60 months after the date of issue. The principal owed has been paid in three quarterly payments starting on May 20, 2020. The Class XVIII funds were used to finance the productive investment plan for the electric power generation process.

On January 20, 2017, the Company carried out its first debt issue in the international market under the Global Notes Program (International Notes) for a total amount of USD 350,000,000, without guarantee, with maturity in a single payment in 5 years term and interests at a rate equivalent to 8.75% per annum, payable semi-annually (Series XX). The proceeds from this issuance were used to cancel liabilities (mainly to the payment of NO II and III, the syndicated loan granted by the banks Banco Itaú S.A., Industrial and Commercial Bank of China (Argentina) S.A. and Banco Macro S.A., the two loans granted by Banco Hipotecario S.A., and the payment of NO XVII and XIX), for investments in expansion projects of the Company and working capital. As part of the terms of this issuance, the Company has entered into certain commitments including, but not limited to: a) the repurchase of securities in the event of a change of control of the Company, b) cross-default provisions for amounts greater than USD 20 million, c) compliance with certain financial ratios as a requirement for new indebtedness, and d) limitations on the payment of dividends in certain circumstances, the creation of liens on assets, revenues or obligations of the Company, the disposal of its assets, mergers and divisions, certain transactions with related parties and certain types of investments.

On January 30, 2018, the Company made a further issuance of Senior Notes due 2022 (the "Global Notes") for an amount of USD150,000,000. The Notes consolidate with, and form a single series with, the USD 350,000,000 principal amount of Series XX." The Notes have became fully fungible with the Series XX initial notes and have the same terms and conditions (except for the date of issuance, the issue price and the initial interest payment date). The proceeds from this issuance were used to finance investments in expansion projects of the Company and working capital. The Issue Price was 109% plus accrued interest from January 20,2018, implying a yield to maturity of 5.967% anual. Gross Proceeds reached USD163,500,000.

On November 23, 2018, the Class XXI Negotiable Obligations were issued within the framework of the Global Program for USD 51,503,944, at an annual nominal fixed rate of 12%, whose interest will be payable on a quarterly basis. The payment of the Class XXI Negotiable Obligations was made on November 24 through a cash payment of US $ 35.9 million and through the issuance of the Class XXX Negotiable Obligations for a total of US $ 15.5 million. Class XXI funds were used to refinance short-term liabilities and finance the productive investment plan for the electric power generation process.

On December 20, 2019, Class XXIII Negotiable Obligations were issued under the Global Program for an amount of USD 6,837,979 million, at a nominal annual fixed rate of 10%, whose interest will be paid quarterly. The principal owed has been paid in a single payment on December 18, 2020. Class XXIII funds were used to refinance short-term liabilities and finance the productive investment plan for the electric power generation process.

On December 20, 2019, Class XXV Negotiable Obligations were issued under the Global Program for an amount of AR$ 441,794,205 million, at a Badlar + 10% interest coupon, whose interest will be paid quarterly. The principal owed has been paid in a single payment on June 20, 2020. Class XXV funds were used to refinance short-term liabilities and finance the productive investment plan for the electric power generation process.

On May 26, 2020, Class XXVI Negotiable Obligations were issued within the framework of the Global Program for an amount of ARS 425,000,000, at an interest coupon of Badlar + 5%, whose interest was paid quarterly. The principal owed has been paid in two payments: August 26, 2020 and November 26, 2020. Class XXVI funds were used to refinance short-term liabilities and finance the productive investment plan for the generation process. of electrical energy.

On May 26, 2020, Class XXVII Negotiable Obligations were issued within the framework of the Global Program for an amount equivalent to USD 21,412,571, at a fixed nominal annual rate of 5%, whose interest will be paid quarterly. Class XXVII expires 12 months after the date of issue. Class XXVII funds will be used to refinance short-term liabilities and finance the productive investment plan for the electric power generation process.

On August 28, 2020, Class XXVIII Negotiable Obligations were issued within the framework of the Global Program for an amount equivalent to USD 13,163,580, at a fixed nominal annual rate of 0%. Class XXVIII expires 24 months after the date of issue. Class XXVIII funds will be used to refinance short-term liabilities and finance the productive investment plan for the electric power generation process.

On August 28, 2020, the Class XXIX Negotiable Obligations were issued within the framework of the Global Program for an equivalent of USD 12,836,420, at a fixed nominal annual rate of 2%, whose interest will be paid quarterly. Class XXIX expires 36 months after the date of issue. Class XXIX funds will be used to refinance short-term liabilities and finance the productive investment plan for the electric power generation process.

On November 24, 2020, Class XXX Negotiable Obligations were issued within the framework of the Global Program for an amount of USD 30,902,366, at a fixed nominal annual rate of 12%, whose interest will be paid quarterly. Of the nominal value of the issuance of the Class XXX negotiable obligations, US $ 15,355,638 has been paid in cash and US $ 15,546,728 in kind through the delivery of Class XXI negotiable obligations. Class XXX expires 24 months after the date of issue. Class XXX funds will be used to refinance short-term liabilities and the payment on maturity of Negotiable Obligations.

9.2. OTHER FINANCING ARRANGEMENTS

9.2.1. Private Notes

On December 21, 2018, the Company issued Simple Negotiable Obligations, non-convertible into shares and unsecured, for a face value of US$ 50,000,000 due on January 22, 2022, in compliance with the resolutions of the shareholders' meetings of October 9, 2018 and December 3, 2018. The Negotiable Obligations were placed privately and subscribed by certain shareholders of the Company. The destination of the funds from the issuance will be destined to productive investments of the Company and / or its subsidiaries and / or to the settlement and / or pre- settlement of the Company's short-term debt. The notes include a retribution fee and have an initial coupon of 13% with annual step-ups, payable in kind (PIK) at the Company's option. In this regard, on June 21, 2019, the Company issued USD 3,286,000 of additional negotiable obligations, which were delivered to the shareholders of the Company holding the negotiable obligations, in payment of the interest payable on said date. By a unanimous shareholders meeting held on December 18, 2019, the shareholders of the Company unanimously approved extending the period of accrual and payment of interest and commissions of the Negotiable Obligations until January 22, 2022, having subsequently to said meeting the Company and the holders of the Negotiable Obligations subscribed the corresponding amending instruments of the Negotiable Obligations.

Acquisition of "Sofeet International L.L.C." and its capitalization - Repurchase of simple negotiable obligations without public offering

On June 15, 2020, GENNEIA purchased the entire company Sofeet International L.L.C. obtaining 100% of it, in order to carry out, among other issues, investment activities, guarantee the Company's debt and other activities abroad complementary to those provided for in the Company's bylaws. Sofeet International L.L.C. was incorporated in Delaware, United States on July 9, 2018 as a Limited Liability Company. Its purpose is to carry out any business that is accepted within the laws of the State of Delaware, United States. As of the acquisition date, the Company had a subscribed capital of USD 100, and had no other identifiable assets or liabilities. Its acquisition price was equal to its book value.

On September 15, 2020, Sofeet International LLC entered into a sale and purchase agreement for a nominal value of USD 22,956,873 of simple, non-convertible and unsecured negotiable obligations, issued by the Company under Law No. 23,576 of Negotiable Obligations, for an original nominal value of USD 50,000,000, maturing on January 22, 2022; described above.

9.2.2. Syndicated loan facility

On July 15th, Genneia signed a syndicated loan facility for up to US$ 70 million. On July 19th, an initial US$ 20 million disbursement was provided by Santander and BICE. Proceeds of the facility will be used for capex in renewables and general corporate purposes. The principal owed under this loan will be paid in seven quarterly payments starting June 17, 2020. The loan is due on December 17, 2021. The interest rate is equivalent to 10.75% per year, payable quarterly. The loan has been granted to the Company without guarantees.

Having started on June 17, 2020 the payment of the principal owed on a quarterly basis, the balance of the principal owed as of December 31, 2020 is USD 11,4 million.

9.2.3. Banco Provincia S.A. loan

On October 17, 2019, Genneia signed a loan agreement for AR$ 198 million with Banco Provincia S.A. for working capital and / or refinancing of liabilities. The capital owed under this loan was paid in a single payment on January 14, 2020. The interest rate was 80% payable monthly.

9.2.4. Banco Macro S.A. loan

On November 22, 2019, Genneia signed a loan agreement for an amount of USD 12.5 million with Banco Macro S.A. for working capital and / or refinancing of liabilities. The principal owed under this loan has been paid in three payments: June 23, 2020, June 24, 2020 and June 25, 2020. The interest rate on the financing was equivalent to 7% per year, payable monthly.

9.2.5. Banco Mariva loan

On December 9, 2019, Genneia signed a loan agreement for USD 1 million with Banco Mariva for working capital expenses and / or refinancing of liabilities. The principal owed under this loan was refinanced on February 7, 2020 and has been paid in a single payment on April 7, 2020. The interest rate on the financing was equivalent to 10% per annum until February 7, 2020 and 10.5% per annum, payable at expiration.

9.2.6. Banco Chubut S.A. loan

On October 16, 2019, Genneia signed a loan agreement for USD 2.5 million with Banco Chubut S.A. for working capital and / or refinancing of liabilities. The principal owed under this loan was paid in four quarterly payments started on January 16, 2020. The interest rate was 11% per year, payable monthly.

9.2.7. GEDESA Credit facility

On November 22, 2017, GEDSA entered into a Credit Facility Agreement for an amount USD 45,000 with Industrial and Commercial Bank of China (Argentina) S.A. Dubai Branch ("ICBC Dubai"), Banco Itaú Unibanco S.A. Nassau Branch ("Itau Nassau"), Banco Hipotecario S.A. ("BH") and BACS Banco de Crédito and Securitización S.A. ("BACS"), to finance the acquisition of GETSA. The principal outstanding amount is payable in 12 quarterly and consecutive installments. The first one dues on February 22, 2018 and the last one, on February 22, 2020. The financing interest rate is equivalent to Libor rate plus 5,5%, payable on a quarterly basis. The loan has been granted to GEDSA without guarantees.

Notwithstanding that the intention of GEDESA at the time of entering into the loan agreement was to refinance the last repayment installment, on November 13, 2020, and in compliance with the requirements of the detailed regulations issued by the Central Bank of the Argentine Republic. In Note 15 to the consolidated financial statements as of September 30, 2020, GEDESA entered into an agreement with the borrowing entities for the financing of the last installment of the loan due on November 22, 2020, under the following conditions:

- 60% of the debt with ICBC Dubai and Itau Nassau, for a total of USD 8,634,600, was refinanced according to a new maturity and rate scheme. The principal will be paid in dollars in 12 quarterly and consecutive installments. The first corresponding to February 16, 2021 and the last, on November 16, 2023. The financing interest rate is equivalent to a 3M Libor rate plus 7.25%, which will be paid quarterly.

- The remaining 40% of the debt with ICBC Dubai and Itaú Nassau and 40% of the debt with BH and BACS, for a total of USD 8,634,600, was paid with funds obtained through new financing with BH, ICBC Argentina, Itau Argentina and BACS for an amount of AR $ 719,352,541. The principal will be paid in pesos in 36 monthly and consecutive installments. The first corresponding to December 16, 2020 and the last one, November 16, 2023. The financing interest rate is equivalent to a Corrected Badlar Rate plus 8.5%, which will be paid monthly.

- The remaining 60% of the debt with BH and BACS, for a total of USD 4,317,300, was paid with funds obtained through a new financing with BH and BACS denominated in Purchasing Value Units (UVA), an instrument adjustable based on the Index of Reference Stabilization ("CER") published by the BCRA. The principal, equivalent to 5,699,468 UVA, will be paid in pesos in 12 quarterly and consecutive installments. The first corresponding to February 16, 2021 and the last, on November 16, 2023. The financing interest rate is equivalent to a fixed rate of 7.5%, which will be paid monthly.

Genneia S.A. has granted limited guarantees on the syndicated loans, in favor of TMF Trust Company (Argentina) S.A., in its capacity as agent and on behalf of the lenders. The obligations under the surety bonds will only be enforceable from the expiration of the obligations according to the payment schedule of each loan and limited to the amount due on each payment date. The surety bonds can only be accelerated in certain assumptions provided therein and related to the Guarantor and are not accelerated by other assumptions provided in the loan contracts.

On December 16, 2020, the company paid ARS 6.9 million by virtue of the principal owed corresponding to the tranche in pesos.

9.2.8. Financial Trust Loma Blanca Serie I

In order to obtain the necessary financing for Loma Blanca wind farm project, on December 2011 ICERSA decided:

(i) the issuance of negotiable bonds (hereinafter "NB"), which have been fully subscribed by Isolux Corsán Argentina S.A. and Isolux Ingeniería S.A. (hereinafter “The trustors”);

(ii) the creation of the financial trust "Loma Blanca Serie I" (hereinafter “The trust”); and the fiduciary securities issuance (VRDs) amounting to 103,000, by public offering. The trust assets correspond to the NB, assigned by the trustors.

The detail of the VRDs is as follows:

(a) Class A Debt Securities for a nominal value in Pesos equivalent to 29,890 (“VDRA”) ; and

(b) Class B Debt Securities for a nominal value of 73,110. (“VDRB”)

As of December 31, 2020 and 2019, VRDA were fully paid. The VRDB, acrues interest at a nominal reference rate (30-day LIBOR) plus margin the nominal 8% per year. The VDRB and their interests are payable on a monthly basis. The final due date for payments is December 31, 2026.

On December 22, 2011, Parque Eólico Loma Blanca IV, S.A. and the Trustors have signed an underwriting contract with Banco de la Nación Argentina, where the bank accepts the conditions established therein, to subscribe and integrate the VRDB that are not subscribed by third parties at the end of the Subscription Period, up to a nominal value equivalent to 73,110.

As a consequence of the shareholders’ change, the new shareholders of the Company, assumed the contractual position of the sellers under the Pledge of Shares Agreement and article 11 (ix) of the Trust Agreement in order to implement the change of shareholder, replacing Grupo Isolux Corsan S.A. by Sideli S.A., and then Genneia S.A.

As of December 31, 2020, the liability related to VRDB amounts to 29,997, being 15,743 classified as current and 14,253 as non-current.

PROJECT FINANCE NON RECOURSE

9.2.9. Financing of the Pomona I Wind Farm

On June 8, 2018, Genneia Vientos del Sudoeste S.A. ("GVSO"), a subsidiary controlled by the Company, signed a financing agreement for the Pomona I wind farm. This financing agreement comprises up to USD 142 million that will be used for the construction and start-up costs of the project.

The financing agreements include a 16-year guaranteed non-recourse loan granted by Kreditanstalt FürWiederaufbau, Kfw Ipex-Bank Gmbh (KfW) and a 15-year non-guaranteed and non-recourse loan granted by DEG - Deutsche Investitionsk - Und Entwicklungsgesellschaft Mbh (DEG). The KfW loan is guaranteed by the Export Credit Agency of Germany Euler Hermes through a comprehensive commercial and political credit insurance agreement for export.

On August 31, 2018, all of the preceding conditions for disbursement established in the financing agreements were satisfactorily fulfilled. As of that date, the disbursements of funds have been received according to financial documentation.

The financing agreements contain clauses that limit the ability of GVSO to pay dividends and provide for the granting of various guarantees in favor of the creditors, among which are the transfer of the real rights of usufruct over the buildings of the Project, direct, fiduciary or guarantee transfers, total or partial, of certain rights of GVSO, including the collection rights under the Renewable Electricity Supply Contract entered into with CAMMESA, insurance and other documents related to the Farm; pledge on shares representing 100% of the capital stock of GVSO, all features of traditional Project Finance Non Recourse.

On February 6, 2020, the Company agreed to cancel the loan granted by DEG - Deutsche Investitionsk - Und Entwicklungsgesellschaft Mbh (DEG) in relation to the financing of the Pomona I wind farm (described in Note 9.2.11 to the consolidated financial statements as of December 31, 2019) without having received disbursements of funds under said contract. Consequently, the total financing committed for the construction of the Pomona I wind farm was reduced by USD 20.7 million and therefore the maximum amount to be received in relation to it reaches USD 121 million.

The reasons for said cancellation were mainly related to the fact that the destination of funds established for this loan did not conform to the exchange regulations implemented in Argentina as of September 2019 described in Note 15. The cancellation of this loan did not affect the original plan of financing the construction and start-up costs of the project.

On February 18, 2020 and April 29, 2020, the company received disbursements totaling USD 7.8 million. As of December 31, 2020, the company totals disbursements for USD 116.6 million. The principal owed by virtue of the disbursements has been paid semi-annually beginning on March 31, 2020. The interest rate on the financing was equivalent to a rate of 4.73%, payable semi-annually.

9.2.10. Financing of the Villalonga I Wind Farm and Chubut Norte I Wind Farm

On June 19, 2018, Genneia Vientos Argentinos S.A. ("GVA") and Genneia Vientos del Sur S.A. ("GVS"), subsidiaries wholly owned by the Company, entered into financing agreements for the Villalonga and Chubut Norte I wind farms, respectively. The financing agreements, GVA and GVS entered into financing agreements for up to USD 130.7 million that will be used for the construction and start-up costs of said projects.

The financing agreements include Guaranteed Tranches and Uncovered Tranches. A first Tranche is granted directly by the Export Credit Agency of Denmark (EKF), and second Tranche is lent by Sumitomo Mitsui Banking Corporation (SMBC). The Tranche granted by SMBC is guaranteed by EKF through a comprehensive political and commercial export credit guarantee agreement.

Additionaly, the financing includes two uncovered tranches. A 15-year uncovered and non- recourse loan granted by the Andean Development Corporation (CAF) and a 15-year uncovered and non- recourse loan granted by Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden NV (FMO). Disbursement funds are subject to the satisfaction of certain precedent conditions agreed upon.

On October 26, 2018, all the conditions precedent to disbursement established in the financing agreements were met. As of that date, the disbursements of funds have been received according to financial documentation First Disbursement includes the reimbursement of certain advances to the projects funded by Genneia S.A..

The financing agreements contain clauses that limit the ability of GVA and GVS to pay dividends and provide for the granting of various guarantees in favor of the creditors, among which are mortgages on the buildings of the Projects, direct assignements, fiduciary or in guarantee, total or partial, of certain rights of GVA and GVS, including the collection rights under the Renewable Electricity Supply Contracts entered into with CAMMESA, insurance and other documents related to the Farms; pledge on shares representing 100% of the capital stock of GVA and GVS, guarantees on bank accounts and pledge on the main assets of the Project.

On April 7, 2020, Genneia Vientos Argentinos S.A. and Genneia Vientos del Sur S.A. agreed to a reduction of USD 8.5 million in the financing described in Note 9.2.12 to the consolidated financial statements as of December 31, 2019. Consequently, the total financing committed for the construction of the Villalonga I and Chubut Norte wind farms I totals USD 122.2 million. The reasons for this reduction were mainly related to the fact that the destination of funds established for this loan was associated with the costs of the construction of the projects, which finally came into operation with substantial savings obtained in said costs. The reduction of this loan did not affect the original financing plan for the construction and start-up costs of the projects, given that they were already operational at that date.

Likewise, on April 24, 2020, the companies received a disbursement of USD 7.8 million within the financing, whose destination of funds was the payment of a one-time remuneration to Genneia S.A. linked to the successful management of projects, having finished them before the stipulated time and with savings in the budget. On October 30, 2020, the companies received a disbursement of USD 10.7 million within the financing, thus totaling the amount agreed for the financing line. The disbursement received was used for a loan to Genneia S.A. As of December 31, 2020, the company totals disbursements for USD 122.2 million. The principal owed by virtue of the disbursements has been paid semi-annually beginning October 31, 2019. The interest rate on the financing was equivalent to a rate of 6.12%, payable semi-annually.

9.2.11. Financing of the Pomona II Wind Farm and Chubut Norte II Wind Farm Projects

On July 23, 2019, Genneia S.A. signed a corporate loan of USD 31 million with KfW for the construction of the Pomona II (12 MW) and Chubut Norte II (26 MW) wind farms. The financing implies a 4-year secured loan granted by KfW. The KfW loan is guaranteed by the German Export Credit Agency Euler Hermes.

On September 1, 2019, in order to strengthen the normal functioning of the economy, contribute to prudent management of the exchange market, reduce the volatility of financial variables and contain the impact of fluctuations in financial flows on the real economy , the national government issued Decree No. 609/2019 by which, in others, exchange controls were temporarily reestablished. The aforementioned decree, among other measures: (i) reestablished, until December 31, 2019, the obligation of exporters to enter the country in foreign currency and / or negotiate in the exchange market, the equivalent value of exports of goods and services, under the conditions and deadlines established in the regulatory standards to be issued by the BCRA; and (ii) authorized the Central Bank, in exercise of its powers, (a) to regulate access to the exchange market for the purchase of foreign currency and its transfer abroad; and (b) establish regulations that prevent practices and operations that tend to circumvent, through public titles or other instruments, the measures adopted in the aforementioned decree.

On December 18, 2019, the Company and Nordex entered into an addendum III to the EPC Contract of the Chubut Norte II Project, by virtue of which Nordex resumed its suspended contractual services, a new works schedule and a new contractual date for the "Final Take Over "of the project, and a cancellation schedule for certain overdue invoices owed to Nordex was agreed.

On January 28, 2020, the Company entered into an addendum to the aforementioned loan agreement with KFW, in order to reflect said exchange controls by the BCRA in the operation of future disbursements, having already made the first disbursements of the financing prior to the date of issuance of these financial statements.

On February 18, 2020, the first disbursements were made, totaling USD 7,735,986 as of December 31, 2020 for the Pomona II wind farm and USD 18,938,906 for the Chubut Norte II wind farm.

The principal owed by virtue of the disbursements has been paid semi-annually starting on February 28, 2020 for the Pomona II wind farm and September 4, 2020 for the Chubut Norte II wind farm, totaling USD 4.2 million. The interest rate on the financing was equivalent to LIBOR plus 1.5%, payable semi-annually.

The principal owed by virtue of the disbursements and the partial cancellations made according to the schedule as of December 31, 2020 is USD 22.3 million.

9.3. Financing of Necochea Wind Farm Project

On August 2, 2019, Vientos de Necochea S.A., a joint venture of the Company and Centrales de la Costa Atlántica S.A., entered into a project financing agreement for the development of the Necochea wind farm (38 MW). Through an A-B financing agreement, the subsidiary entered into financing agreements for up to USD 51 million that will be used for the construction and start-up costs of the projects.

Financing Agreement A includes a guaranteed tranche and an uncovered tranche. The guaranteed tranche is provided by Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V. (FMO) and is guaranteed by the Danish EKF Export Credit Agency (EKF), and the second tranche is provided directly by FMO. Financing Agreement B is awarded directly by FMO. The transaction is organized by Sumitomo Miutsui Banking Corporation (SMBC) and FMO.

The financing agreements contain clauses that limit the ability of the subsidiaries to pay dividends and provide for the granting of various guarantees in favor of creditors, among which are the transfer of real usufruct rights over the buildings where the Projects will be installed. , direct, fiduciary or guarantee transfers, total or partial, of certain rights of the subsidiaries, including the collection rights under the Contract for the supply of renewable electricity entered into with CAMMESA, insurance and other documents related to wind farms; Pledge on shares that represent 100% of the capital stock of the subsidiaries, guarantees in bank accounts and pledge on the main assets of the projects.

On October 16, 2020, the Company agreed to reduce the loan granted by FMO - Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V. Consequently, the total financing committed for the construction of the Necochea wind farm (described in Note 12.1 to the consolidated financial statements as of December 31, 2019) was reduced by USD 6.73 million and therefore the maximum amount to be received in In relation to it, it reaches USD 44.27 million.

On January 13, 2020, the company received a disbursement of USD 30.3 million that includes the guaranteed tranche and the uncovered tranche. The principal owed by virtue of the disbursed has been paid semi-annually beginning on October 30, 2020. The interest rate on the financing was equivalent to a rate of 3.36% for the guaranteed tranche and a rate of 7.92 % for the tranche not covered, both tranches payable semi-annually.

As of December 31, 2020, the company has made capital cancellations for USD 329 thousand, and the capital owed amounts to USD 30 million.

9.4. Financing of Chubut Norte III y IV Wind Farm Project

On July 15, 2019, Vientos Patagónicos Chubut Norte III S.A. and Vientos Sudamericanos Chubut Norte IV S.A, entered into financing agreements for the Chubut Norte III and Chubut Norte IV wind farms (141 MW). Through these Project Finance, the subsidiaries entered into financing agreements for up to USD 131 million that will be used for the construction and start-up costs of the projects.

The financing agreements include a 15-year guaranteed non-recourse loan from Kreditanstalt FürWiederaufbau (KfW). The KfW loan is guaranteed by the German Export Credit Agency Euler Hermes through a comprehensive export political and commercial credit insurance agreement.

On July 16, 2019, the Company and its subsidiary MyC Energía S.A. agreed to the transfer to Pan American Fueguina S.A., a subsidiary of Pan American Energy SL, of 49% of the equity interest of Vientos Patagónicos and Vientos Sudamericanos subject to the fulfillment of certain precedent conditions. On August 26, 2019, the transfer of the shares was completed.

Under the Electricity Provision Contracts dated June 26, 2018, signed between CAMMESA and, respectively, Vientos Patagónicos Chubut Norte III S.A. and Vientos Sudamericanos Chubut Norte IV SA, agreed as the Commercial Enablement Date of their respective projects on April 2, 2020. However, the aforementioned companies will not be able to reach that milestone in the terms committed under the respective PPA, due to the existing delays in the process of construction and start-up of the projects.

On February 4 and February 25, 2021, the Chubut Norte IV wind farm corresponding to the subsidiary Vientos Sudamericanos Chubut Norte IV S.A. and the Chubut Norte III wind farm corresponding to the subsidiary Vientos Patagónicos Chubut Norte III S.A., respectively, entered into commercial operation.

As of December 31, 2020, the companies total disbursements for USD 117.7 million. The payment of the principal owed by virtue of the disbursements estimated semiannual payments beginning on October 31, 2020. Due to the delays that occurred during the construction phase of the wind farm, the Companies were unable to comply with the aforementioned expiration. That situation represents a breach of the conditions originally agreed upon under the financing agreement, which in strict interpretation of current accounting standards leads to the exposure of this debt within the Current Liabilities item. It should be mentioned that in order to respect the initially agreed structure that established the repayment of principal and interest with the wind farm' own generation of income, as of the date of these financial statements, the Companies are working together with the borrowing entities to amend the corresponding financial documentation and adapt the final schedule according to the commercial authorization of the wind farm.

9.5. CONTRACTUAL LIMITATIONS ON DIVIDEND PAYMENTS

Some of the projects in our portfolio are subject to project financings that contain certain financial covenants and distribution tests, including debt service coverage ratios. In general, these project financings contain covenants customary for these types of financings, including limitations on investments and restricted payments. Each of these projects is permitted to pay distributions out of available cash once certain conditions are satisfied, including that reserves are funded with cash or credit support, no default or event of default under the applicable financings has occurred and is continuing at the time of such distribution or would result therefrom, and each project is otherwise in compliance with the project financing's covenants and the applicable minimum debt service coverage ratio is satisfied. Finally, under the Shareholders' Agreement, approval to distribute dividends to the shareholders requires a vote of a qualified majority of the Company´s capital stock.

NOTA 10 - KEY MANAGEMENT COMPENSATION

For the years ended December 31, 2020 and 2019, directors' fees and key management´s compensations were stated as "Administrative expenses" in the consolidated statement of profit or loss and other comprehensive income. Fees and compensation for directors and key executives of the Company for the years ended December 31, 2020 and 2019 amounted to 2,483 and 1,747, respectively, being them short-term benefits and the only benefits granted to directors and key management.

The Company has no long-term employees' benefits, nor share-based payments.

NOTA 11 - PRINCIPAL CONTINGENCIES, CLAIMS, AND CONTINGENT ASSETS

11.1. Proceedings with the Secretary of Industry

On February 25, 2014, the Company was notified of Resolution No. 23 (the "Resolution"), issued on February 14, 2014 by the Ministry of Industry and Services of the Nation (the "Ministry of Industry"). Resolution (i) stated that the Company, as IEASA (EX ENARSA) contractor, has breached the legal Regime called "Buy Argentine Labor" (the "Buy Argentine Labor Regime") by having acquired a power transformer, to its Bragado thermal power plant, owned by a foreign company; (ii) determined that said acquisition of the transformer was null and void; and (iii) ordered that the Resolution be notified to the Secretariat for Territorial Planning and Coordination of Public Works (the "Planning Secretariat"; named at the time of notification, Ministry of Federal Planning, Public Investment and Services) for the determination of additional penalties. The Issuer filed a lawsuit requesting the annulment of the Resolution. As of the date of these financial statements, said cause is in the probationary period.

The Company is also part of another proceeding before the Ministry of Industry, in relation to alleged infractions to the legal regime of "buying work in Argentina." As of the date of issuance of these financial statements, the Ministry of Industry has not issued a decision regarding this procedure.

The Buy Argentine Work Legal Regime provides that, in case of breach thereunder, among other actions, the relevant Ministry shall temporarily prevent the breaching company for a certain period of time (three to 10 years) from being awarded with future agreements, concessions, permits or licenses by the Argentine Government, its agencies, decentralized entities and state enterprises.

In connection with the proceedings with the Argentine Secretary of Industry described above, on July 4, 2014, the Company requested from the Secretary of Planning suspension of Resolution No. 23 and any administrative proceedings aimed to penalize us on the same grounds as Resolution No. 23, until the federal court provides a final judgment. As of the date of these financial statements, the Secretary of Planning has not issued a decision with respect to our petition.

Based on its external counsel's opinion, the Company believes that (i) it has reasonable legal and factual grounds to obtain the judicial annulment of Resolution No. 23 or other resolutions declaring us in violation of the Buy Argentine Work Legal Regime and reject a disqualification penalty, if any, that may be imposed by the Secretary of Planning; and (ii) an adverse result in the proceedings would not impact our existing PPAs or the PPAs that we expect to enter into in connection with our expansion projects.

11.2. Administrative claim by the Municipality of Paraná (Entre Ríos) regarding payment of the Rate on Sanitary Inspection, Health, Prophylaxis and Safety (Tasa por Inspección Sanitaria, Higiene, Profilaxis and Seguridad, "TISeH")

On December 29, 2014, the Company was served notice of a sua sponte assessment proceeding whereby the taxable bases reported by the Company for settling the TISeH were adjusted and the criterion used by the Company was objected to. The Company had been calculating the taxable base considering the direct revenues from the sale of energy generated by the Paraná Thermal Plant without including in such base the revenues from capacity made available or applying the provisions of the Multilateral Agreement. Due to such adjustment, the Company has been claimed payment of approximately ARS 3.2 million as principal and ARS 5.4 million as interest as of December 31, 2018. On January 20, 2015, the Company filed its defenses against the adjustment notified to it.

Related to this claim, on April 6, 2015, a declaratory action of unconstitutionality was presented, with a request for a precautionary measure of administrative suspension, before the Federal Justice of Paraná in order to avoid the previous payment of the tax in administrative headquarters and to generate in advance an independent judicial instance to question the legality of the required tax. The Federal Justice declared itself competent, but rejected the precautionary measure on December 30, 2019. As of the date of these financial statements CAMMESA and the Municipality answered the lawsuit, but such presentations have not yet been dispatched.

On December 26, 2019, the Company was notified of a legal proeeding for enforcement filed by the Municipality of Paraná before the Civil and Commercial Court of First Instance No. 10 of Executions of the City of Paraná, for a claimed amount of ARS 9,502. 534 and plaintiff's attorney fees budgeted at ARS 941,280. On February 5, 2020, the Company (i) filed a request for an inhibitor before the Federal Court of Paraná, requesting that the latter be declared competent to understand in said enforcement process; and (ii) it filed as defenses in the record of the urgency exemptions of the executive title for unconstitutionality of the tax claim executed, and in subsidy, of prescription of obligations executed based on the unconstitutionality of municipal norms for being contrary to the provisions of the national legislation of substance. As of the date of these Financial Statements, the exceptions have not yet been resolved.

The Company and its external advisors understand that the Company's overall defense strategy is reasonably likely to avoid the payment of a substantial portion of this claim.

11.3. Situation with IEASA (EX ENARSA)

11.3.1. IEASA receivables and payables

Since 2011, the Company and the subsidiary Enersud Energy S.A.U. ("Enersud") started to accumulate debts vis-à-vis IEASA for purchases of natural gas, as a result of the extensive delay by the Argentine Government in implementing the process for replacing the power supply agreements with IEASA (EX ENARSA) under the Energía Distribuida Program with new agreements with CAMMESA under Resolution SE 220/07.

On the other hand, several balances receivable from IEASA (EX ENARSA) started to accrue for generation invoices and unrecorded accrued amounts for exchange rate differences between the invoicing date and the date of effective payment.

In 2015, the Company notified IEASA of the legal compensation of its liabilities for an amount of USD 38.2 million corresponding to invoices issued by IEASA pursuant to gas sales contracts (the “Gas Debt”) with the credits of the Partnership with IEASA corresponding to exchange differences and other items withheld from invoices paid by CAMMESA (on behalf of IEASA).

In October 2017 and June 2020, IEASA requested the Company to pay the Gas Debt, thereby implicitly ignoring said compensation alleged by the Company. In December 2017 and July 2020, the Company objected to IEASA's respective requests.

As part of the notification sent to IEASA in July 2020, the Company and its subsidiary Parque Eólico Loma Blanca IV S.A. They ordered the payment of amounts owed under the Rawson (I and II) wind farm PPAs and the Trelew wind farm PPA for the sum of USD 9.4 million and USD 5.8 million, respectively. These amounts contain the corresponding exchange differences. Additionally, in January 2021 the Company and the Loma Blanca IV Wind Farm filed before the Arbitration Tribunal of the Stock Exchange arbitration claims claiming sums owed as of that date under the PPAs indicated for USD 9.4 million and USD 10.5 million in concept of capital, plus applicable interest.

Based on the opinion of its external advisors, the Company considers that the compensation made is legal in nature and has solid legal and factual bases to reject any claim of IEASA that tries to object to the compensation, including any possible claim for interests associated with the Debt. Of gas. On the other hand, based on the opinion of its legal advisors, the Company considers that it has the pertinent information and documentation that supports the rights to collect the amounts claimed before the arbitration tribunal of the Stock Exchange.

11.3.2. Claim for PUI and GUI

On the other hand, through letter documents received in November 2015, IEASA ordered the Company and its subsidiary Enersud to pay bills for natural gas sold by IEASA and used by some of the thermal power plants at current prices. for PUI (USD 7.5 per MMBtu) and GUI (USD 12.8 per MMBtu) for a total amount of USD 9.8 million.

In due course, the Company and Enersud have challenged said invoices with the argument that the invoicing and payment of the invoiced natural gas should have been made on an equal footing with the regulated price for generation, since the gas was used by thermal power plants of the Company for the generation of electricity.

Based on the opinion of our external legal advisors, the Company considers that it has solid legal and factual arguments to reject any potential claim from IEASA with respect to invoices issued at GUI and PUI prices and interest applicable thereto, in excess of a price. that, although it remains undetermined, it should be judicially determined on the basis of the regulated price for generation (USD 2.68 per MMBTU).

11.4. Situation with CAMMESA

11.4.1. Demand for credits due to exchange differences

Under the WEM Agreements executed under Resolution SE No. 220/2007 (Concepción del Uruguay, Concepción del Uruguay II, Las Armas, Las Armas II, Matheu, Olavarría, Paraná and Pinamar plants), CAMMESA has been paying the invoices issued by the Company only in part, as it did not include in such payments the sums arising from the difference between the exchange rate as of the settlement date and that as of the date of total effective payment. In the opportunities that CAMMESA has recognized exchange rate differences, it has done so between the settlement date and a date unilaterally determined by it to be the "maturity" date, which in CAMMESA's opinion (not shared by the Company), would be 41 days after the settlement date.

On December 5, 2019, the Company filed a lawsuit against CAMMESA for USD 13 million plus interest, in respect of exchange rate differences accrued in favor of Genneia during the period December 2012 to July 2019, which is processed before the National Court of 1 ° Instance in Federal Administrative Litigation No. 4, Secretariat No. 7. The application also requests the summons as a third party to the Secretary of the Government of Energy of the Nation, in such a way that the sentence to be issued is opposable. The Court gave a hearing of the proceedings to the Federal Prosecutor's Office to issue its opinion on the jurisdiction of the intervening jurisdiction. As of the date of these financial statements, CAMMESA answered the lawsuit and the resolution of the third party summons from the Secretary of Government of Energy of the Nation is pending.

The Company will recognize these receivables and other receivables for the same concept accrued subsequently, when it is virtually certain that it will receive the respective disbursements from CAMMESA.

11.4.2. Bragado II Penalty

The Bragado II power plant began its commercial operation in February 2017. CAMMESA alleged a delay on the part of the Company in achieving the commercial authorization agreed in the PPA and, consequently, applied a contractual fine and issued an invoice of AR $ 37,000,000, equivalent to USD 2,368,000 at the then current exchange rate, which was duly challenged by the Company.

In September 2018 CAMMESA, invoking a resolution of the Undersecretary of Electric Energy, rejected the challenge of the fine and, in November 2018, began to debit Genneia's current account monthly, for the PPA of the Bragado II thermal power plant, the total amount of the fine, in 48 installments in dollars, with an annual interest of 1.7% on the balance. On December 5, 2019, the Company filed a lawsuit against CAMMESA and the Secretariat of the Government of Energy of the Nation, which is processed in the National Court in Federal Administrative Litigation N ° 2, Secretariat N ° 3, in order to decree the nullity of the Resolution issued on September 28, 2018 by the Undersecretary of Electric Energy invoked by CAMMESA and, consequently, the penalty imposed for the equivalent of USD 2,368,000 is annulled. The Secretary of Government of Energy of the Nation was also co-sued. As of the date of these Financial Statements, notification of the claim is pending.

In the opinion of our external legal advisors, the Company considers that CAMMESA's fine is unfounded and should not be imputed to the Company, so there are solid arguments to expect a judicial result favorable to the interests of the Company. Notwithstanding this, given that the fine is currently discounted from the monthly charges, the Company made a provision for its estimated current value.

11.4.3. Ullum 1 y 2 Penalty

The Ullum 1 and 2 Photovoltaic Plants reached commercial authorization on December 19, 2018, 32 days after the date set in their respective PPAs. On repeated occasions, Ullum 1 and Ullum 2 made presentations to CAMMESA reporting various facts that in their opinion constituted force majeure events and that, if accepted as such, would exempt the aforementioned subsidiaries from the application of fines for delays in obtaining the commercial clearance. CAMMESA recognized only 2 days of force majeure, and on March 21, 2019, it notified Ullum 1 and Ullum 2 of the application of a fine of US $ 1,041,000 each, corresponding to a 30-day delay in reaching the date of commercial authorization agreed in the PPAs.

In March 2020, CAMMESA began to debit the current account of Ullum 1 and Ullum 2 on a monthly basis, for their respective PPAs, the total amount of the fine, in 48 installments in dollars, with an annual interest of 1.7% on the balance.

By virtue of the provisions of the contracts for the "turnkey" construction, supply, assembly and start-up of the works of the Ullum Photovoltaic Power Plants, signed with Energías Sustentables S.A. (“ESSA”) and other related agreements (the “EPC Agreement”), ESSA assumed the obligation to pay the total amount of the fines that may be applied by CAMMESA for delays in obtaining the commercial authorization of the Ullum Photovoltaic Power Plants 1 and 2, discounted at a nominal annual rate of 12%.

ESSA's payment obligation was guaranteed by (i) US $ 878,464 deposited in an escrow account opened in the U.S. Bank National Association, corresponding to the price balance of the EPC Agreement, which can be withdrawn by individual instruction of the companies, and (ii) promissory notes issued by ESSA and guaranteed by Fides Group S.A. and its shareholder for a total amount of US $ 878,464. As of the date of these Financial Statements, the companies Ullum 1 and Ullum 2 received from the U.S. Bank National Association the transfer of the U$S 878,464 previously mentioned.

On February 5, 2021, a unique arbitration process was initiated to question the origin of said penalties, both for reasons of force majeure and for the exorbitant fines.

In the event that, after payment of the fine by ESSA, by a final and final judgment, the amount of the fine is totally or partially reduced, the companies must reimburse ESSA for the amounts discounted in excess of the final amount of the fine.

11.4.4. Necochea Wind Farm Penalty

On February 8, 2020, CAMMESA granted the commercial authorization of the Vientos de Necochea wind farm with a commercially enabled power of 38 MW. This meant a delay in the deadlines committed under the PPA, since the Commercial Enablement Date agreed in said contract was December 11, 2019. In this context, CAMMESA could claim the application, to the Company, of the fine contemplated in the PPA, consisting of an amount of one thousand three hundred eighty-eight Dollars (USD1,388) for each megawatt of power contracted for each day of delay in reaching the Commercial Enablement Date with respect to the promised Commercial Enablement Date.

However, in consideration of the public emergency situation declared by Law 27,541 (public emergency in economic, financial, fiscal, administrative, pension, tariff, energy, health and social matters) and the suspension of administrative activities as of the second half of March, the Ministry of Energy unilaterally ordered (through Note no-2020-33443613-APN-SE # MDP dated May 21, 2020), (a) the suspension of the deadlines for Projects with a scheduled commercial enablement date between December 23, 2019 and June 30, 2020; and (b) the temporary suspension of the injunctions for non-compliance with the dates of completion of construction stages, both with respect to the increase in the Contract Performance Guarantee and the imposition of the foreseen fines, as appropriate in all contracts entered into in within the RenovAr Program. Although this Note was later rendered ineffective by the Ministry of Energy, this does not prevent it from having constituted an acknowledgment by the Enforcement Authority in the sense that the emergency situation declared by Law 27,541 (still in force) affects to RenovAr projects.

The Company's legal advisors consider that, should CAMMESA apply the fine, the Company has sufficient arguments to get it to be dismissed or reversed. That is why the Company has not recorded any provision for contingency as of December 31, 2020.

11.4.5. “Chubut Norte III” y “Chubut Norte IV” Wind Farms Penalty

On February 4 and February 25, 2021, CAMMESA granted the commercial authorization of the Chubut Norte IV and Chubut Norte III wind farms, respectively. This meant a delay in the deadlines committed under the PPA, since the Commercial Enablement Date finally established from the extensions mentioned below is January 21, 2021. In this context, CAMMESA could claim the application, to the Company , of the fine contemplated in the PPA, consisting of an amount of one thousand three hundred and eighty-eight dollars (USD1,388) for each megawatt of power contracted (Chubut Norte III 57,6 MW and Chubut Norte IV 82,8 MW) for each day of delay in reaching the Commercial Qualification Date with respect to the Qualification Date Committed commercial.

Through Note NO-2020-37458730-APN-SE # MDP dated June 10, 2020, the Ministry of Energy expressed that, in consideration of the exceptional and anomalous situations generated by the COVID-19 pandemic, it was necessary to review the conditions of enforceability of certain obligations arising from the contracts entered into and the current regulations. Consequently, the Ministry of Energy instructed the temporary suspension, until September 12, 2020 (inclusive), of the calculation of terms within the framework of the execution of the contracts of the RenovAr Programs (Rounds 1, 1.5, 2 and 3) (among others) of those projects that had not been commercially enabled as of March 12, 2020. As a corollary of the foregoing, it also instructed CAMMESA to suspend the injunctions for non-compliance with the scheduled dates of progress of works, both with respect to the increase in the guarantee of contract fulfillment and the imposition of fines.

Through Note NO-2020-60366379-APN-SSEE # MEC, dated September 10, 2020, the Undersecretariat of Electric Energy resolved to extend, until November 15, 2020, the suspension of terms provided by the aforementioned Note NO-2020-37458730-APN-SE # MDP, setting as a condition for accessing the extension of the aforementioned extension, the submission of a waiver to make claims to the National State, the Ministry of Energy and CAMMESA in relation to the delays caused between on March 12 and November 15, 2020 due to the health emergency generated by the COVID-19 pandemic. In this regard, on September 25, 2020, the subsidiaries that own the Chubut Norte III and IV Wind Farms submitted their resignation notes to CAMMESA.

Finally, through Note NO-2020-88681913-APN-SE # MEC of December 18, 2020, the Secretary of Energy of the Nation extended once again the suspension of terms granted by the previous notes, for a period of 45 calendar days, counted from November 16, 2020 (that is, until December 30, 2020, inclusive), with respect to those projects specifically listed in Annex I. The Vientos Patagónicos Chubut Norte III S.A. and Vientos Sudamericanos Chubut Norte IV S.A. projects are expressly included in that Annex and are therefore reached by the new extension. In this sense, by virtue of the extension of the aforementioned extension, the new Scheduled Date of Commercial Enablement of both projects would become January 21, 2021.

For this reason, CAMMESA could claim the application of the fine contemplated in Article 13.2 of the PPAs, consisting of an amount of one thousand three hundred and eighty-eight Dollars (USD1,388) for each megawatt of contracted power for each day of delay in reaching the Commercial Qualification with respect to the committed Commercial Qualification Date.

Notwithstanding the foregoing, since 2019 Vientos Sudamericanos and Vientos Patagónicos have submitted to CAMMESA and the Secretariat of Energy multiple requests for review of contractual conditions in the terms of Article 16.1 of the referred PPAs, as well as notifications of Case Events Fortuitous or Force Majeure and Change of Law based on the macroeconomic situation and the aforementioned exchange restrictions imposed by the Argentine government as of September 2019, which, if recognized, would imply an additional running of the aforementioned Scheduled Trade Authorization Dates plus beyond January 21, 2021. To date, the Ministry of Energy has not issued a statement in this regard.

That is why the legal advisors of the aforementioned companies consider that there has not been a delay attributable to them in reaching the Scheduled Commercial Authorization Dates stipulated under the PPAs and that, in the event of the application of the fine by CAMMESA, they have sufficient arguments to get it to be dismissed or reversed. For this reason, these companies have not recorded any provision for contingencies.

11.5. Situation with Provincia del Chubut regarding Río Mayo and Gobernador Costa Power Plants

On June 12, 2007 Genneia entered into the “Agreement for installation, operation and maintenance of equipment for thermal power generation in Río Mayo and Gobernador Costa” with the Province of Chubut. Following construction of the power plants, on a partial basis as from 2011 and wholly after August 2013, the Province ceased to pay the invoices issued for the energy supplied and the power made available to both power plants.

On August 22, 2017, the Company notified the Province that the Company had declared the PPA Contract terminated, due to such breaches. Said termination was declared by the Company after providing the Province with multiple opportunities to remedy its breach.

On November 7, 2017, the Company filed a lawsuit against the Province of Chubut before the Superior Court of Justice of the Province regarding certain unpaid bills, which was subsequently expanded.

On March 6, 2018, the Province of Chubut enacted Provincial Law VII-82, emergency and consolidation of all provincial debt due prior to February 28, 2018, according to which, in order for the Company to collect the amounts owed by the Province under the PPA Contract, he had to carry out a verification of his credit before the Ministry of Economy and Public Credit of the Province. Pursuant to the emergency law, the consolidated balances as of February 28, 2018 would be canceled through the delivery of public securities (TICADEP, Series II), issued in Pesos, amortizable with a one-year grace period in 4 equal semi-annual installments, and will accrue interest at BADLAR rate, payable quarterly. The Society came forward to verify its credit against the Province.

In the framework of the judicial demand for collection, the Superior Court of Justice of the Province resolved favorably for the Company to include in the case as a new fact the accreditation and recognition by the General Accounting Office of the Province of the debt capital, whose verification was requested by the Company.

On November 4, 2020, the Company and the Province entered into a transactional agreement whereby both parties waive, among other issues, to make claims related to the PPA Agreement and agree to pay the Province to the Company in the amount of AR $ 402.6 million through the issuance and delivery of TICADEP Series II. The transactional agreement was approved by the Provincial Executive Power and was presented to the Superior Court of Justice for judicial approval. As of the date of these Financial Statements, the issuance and delivery of the TICADEP Series II to the Company is pending.

The company considers that the agreement does not represent material effects on its assets or liabilities recognized in these financial statements, and will reflect the same at the time of judicial approval before the Superior Court of Justice of the Province.

11.6. Puerto Madryn Municipality fees

On December 27, 2019, Provincial Law XVI No. 101 was enacted, which expanded the municipal ejido of Puerto Madryn and, consequently, the Company and its subsidiaries that own wind farms located in this municipality were subject to the provisions of the tax code from Puerto Madryn. In April 2020, through Ordinance No. 11,349 (modified by Ordinance No. 11,546), the Municipality of Puerto Madryn established specific tax bases for the wind generation activity with respect to the authorization, inspection, safety and hygiene and control rate. environmental, and the construction rate.

The Municipality initiated inspection processes in the Company and the other subsidiaries that own the wind farms currently located within the Puerto Madryn ejido, namely: Genneia Vientos del Sur S.A., Vientos Patagónicos Chubut Norte III S.A., and Vientos Sudamericanos Chubut Norte IV S.A. The Municipality of Puerto Madryn determined ex officio the application of the rate for authorization, inspection, safety and hygiene and environmental control for the following periods and amounts: (i) Genneia SA: Rate, periods August 2018 to May 2020, for the sum $ 123,163,095.17, plus compensatory interest; (ii) Genneia Vientos del Sur S.A .: Rate, periods January to May 2020, for the sum of $ 6,674,724.70, plus compensatory interest; (iii) Vientos Patagónicos Chubut Norte III S.A: Rate, periods January to May 2020, for the sum of $ 84,825, plus compensatory interest; and (iv) Genneia Vientos Sudamericanos Chubut Norte IV S.A.: Rate, periods January to May 2020, for the sum of $ 84,825, plus compensatory interest. On November 12, 2020, the Company and each of the subsidiaries filed their respective discharges with the Municipality.

Subsequently, and effective for the fiscal period 2021, through Ordinance No. 1,546, the Municipality modified the calculation basis of the applicable Rate that it considers applicable to the aforementioned wind farms. On February 17, 2020, the Municipality notified, in relation to the January 2021 period, the following payment orders: Genneia S.A., for the sum of $ 28,541,338.80, with more compensatory interest; and Genneia Vientos del Sur S.A., for the sum of $ 3,204,816.00. On February 18, 2020, both injunctions were rejected.

Since the end of 2019, within the framework of the current PPAs for the Madryn I, Madryn II, Chubut Norte I, III and IV Wind Farms, the Company and its subsidiaries have made a series of presentations to CAMMESA, requesting a revision of the price of PPAs to compensate for the effect that the application of these rates could have. On August 14, 2020, CAMMESA issued a statement on the matter stating that it will submit the request to the Ministry of Energy. As of the date of these Financial Statements, the Ministry of Energy has not been issued.

The legal advisers of the Company consider that, in the event of the application of the rate, the Company has sufficient arguments to achieve a result favorable to its interests in court. For this reason, these companies have not recorded any provision for contingencies.

NOTA 12 – ONGOING PROJECTS

12.1. Chubut Norte II Wind Farm Project

Chubut Norte II wind farm project is part of our renewable pipeline. Energy generated by this wind farm will be sold to private users in the MATER or in the spot market. The Chubut Norte II wind farm will have an installed capacity of 26.28 MW.

The Chubut Norte II wind farm will be located approximately 18 km northeast of the city of Puerto Madryn, Province of Chubut. We acquired 1,766 hectares of land to develop this project. This project will expand the Chubut Norte substation of 33/132 kV located within the property.

On August 10, 2018, we executed (i) a "turn-key" engineering, procurement and construction agreement for the Chubut Norte II wind farm with Nordex Energy GmbH and Nordex Windpower SA, including all the works required in relation to the design, engineering, supply of wind turbines, construction (civil and electrical works), connection, testing, start-up and completion of the wind farm; and (ii) an agreement for the provision of operation and maintenance services (O&M Agreement) with Nordex Argentina S.A in respect of the wind farm's equipment, which will come into force once the operation stage has begun and will terminate after ten years.

In relation to the financing of the project, see Note 9.2.11 "Financing of the Pomona II Wind Farm and Chubut Norte II Wind Farm Projects".

12.2. La Florida Biomasa Project

On December 19, 2017, the Ministry of Energy issued Resolution No. 488-E / 2017 granting the Company the right to develop La Florida Biomass Project.

On June 26, 2018, the respective 20-year Power Purchase Agreement (PPA) denominated in US dollars with CAMMESA was signed for the total installed capacity of La Florida Biomass Plant and we expect this project to reach its commercial operations in November 2021.

The project will be located within the land of Ingenio La Florida, owned by Compañía Azucarera Los Balcanes S.A., in the community of La Florida, department of Cruz Alta, province of Tucumán. Compañía Azucarera Los Balcanes S.A. granted Genneia La Florida S.A. an exclusive and irrevocable usufruct right of 30 years of approximately 3 hectares. The plant will use the direct combustion of industrial type steam boilers, which will be specifically designed and manufactured to burn the biomass fuel resulting from the manufacture of ethanol and sugar cane. The project is expected to have an estimated capacity of 19 MW net. We celebrated a 20-year supply contract with Compañía Azucarera Los Balcanes S.A. for the acquisition of all the biomass required for the projected energy production.

As of the date of issuance of these financial statements, the construction of the project has not continued since the macroeconomic situation in Argentina, the economic-financial events caused by the exchange controls established by the BCRA since September 2019 described in the note, the pandemic caused by COVID-19 and the measures implemented by the National Executive Power to contain the spread of the virus at the national level described in the note, have altered the conditions originally considered by the Society at the time of signing the PPA, making it difficult to obtain the financing necessary for the normal development of the construction of the project.

12.3. Performance bonds

In accordance with the terms of the PPAs, the Company and its subsidiaries are required to contract and maintain performance bonds, consisting in insurance policies contracted with insurance companies, to guarantee compliance with their obligations under the PPAs throughout their term.

As of December 31, 2020, the Company maintains performance bonds contracted with insurance companies for an aggregate coverage amount of approximately USD 92 million.

NOTE 13 - CONSOLIDATED BUSINESS SEGMENT INFORMATION

The different segments in which the Company is organized have in considering the different activities from which the Company obtains income and incurs expenses. The mentioned organizational structure is based on the way in which the highest authority in the decision-making process analyzes the main financial and operating activities on the basis of internal reports regarding components of the Company while making decisions about resource allocation and performance assessment considering the Company's business strategy.

The Company develops its activities in three business segments: (i) electrical power generation from conventional sources; (ii) electrical power generation from renewable sources; (iii) trading on its own, on behalf of third parties or associated with third parties, of natural gas and/or its transportation capacity and of electric power, through the Company and its subsidiary ENERSUD. Costs and assets related to corporate administration and other income (expenses) are allocated into the segment "Corporate and others", except for the impairment related with the Cruz Alta Thermal Power Plant which was allocated into the Electrical power generation from conventional sources segment.

All the sales and the non-current assets of the Company are generated and are located in Argentina.

Below is disclosed the information for each business segment as defined by the Company:

	Electrical power generation from conventional sources	Electrical Power generation from renewable sources	Trading of natural gas and gas transportation	Corporate and others	Consolidation adjustments	Total
Year ended December 31, 2020						
Net sales to third parties	66,120	227,021	5,240	3,794	-	302,175
Net inter-segment sales	-	-	-	-	-	-
Net sales	66,120	227,021	5,240	3,794	-	302,175
Gross profit less administrative and selling expenses	26,656	166,005	3,550	(13,721)	-	182,490
Net profit (loss) before financial expense, net and income tax (2) (4)	15,038	163,347	3,550	(17,842) (1)	-	164,093
Fixed and concessioned assets depreciation and intangible assets amortization	27,697	40,287	678	1,148	-	69,810
Fixed and concessioned assets investments (3)	-	23,364	-	82	-	23,446
Assets (3)	266,018	1,010,081	15,225	183,519	(68,992)	1,405,851
Year ended December 31, 2019						
Net sales to third parties	99,761	163,126	4,986	1,726	-	269,599
Net inter-segment sales	-	-	-	-	-	-
Net sales	99,761	163,126	4,986	1,726	-	269,599
Gross profit net administration and selling expenses	48,318	118,881	2,873	(15,882)	-	154,190
Net profit (loss) before financial expense, net and income tax (2) (4)	25,749(5)	115,543	2,873	(21,254)(1)	-	122,911
Impairment loss on goodwill and fixed assets	27,572	-	-	-	-	27,572
Fixed and concessioned assets depreciation and amortization	35,186	31,341	826	1,218	-	68,571
Fixed and concessioned assets investments (3)	582	310,806	-	983	-	312,371
Assets (3)	256,010	995,245	18,935	234,598	(36,060)	1,468,728

(1) Includes (4,121) and (370) of other expenses, net for the year ended December 31, 2020 and 2019, respectively.

(2) Financial expense, net and income tax are allocated to the corporate and others segment. Loss on long term investments in joint ventures has been allocated to Electrical Power generation from renewable sources.

(3) In addition, the company has made advanced payments to fixed assets suppliers for an amount of 2,404 and 7,376 as of December 31, 2020 and 2019, respectively, included in other non-current receivables.

(4) As of December 31, 2020, the Electricity Generation segment from conventional sources includes: Gross profit for 26,656 and Other net expenses for (11,618). The Electricity generation from renewable sources segment includes: Gross profit for 166,005, and Results for long-term investments for (2,658). The gas marketing and transportation segment includes: Gross profit for 3,550. Corporate and others include: Gross profit for 3,794, Administrative expenses for (14,858), Selling expenses for (2,657) and Other net expenses for (4,121). As of December 31, 2019, the Electricity Generation segment from conventional sources includes: Gross profit for 48,318 and Other net expenses for (27,572). The Electricity generation from renewable sources segment includes: Gross profit for 118,881, and Results for long-term investments for (3,338). The gas marketing and transportation segment includes: Gross profit for 2,873. Corporate and others include: Gross profit for 1,726, Administrative expenses for (15,220), Selling expenses for (2,388) and Other net expenses for (369).

NOTA 14 - IMPAIRMENT LOSSES RECOGNISED IN THE YEAS 2020 AND 2019

14.1 Thermal Power Plants Genneia

14.1.1. Review of the recoverable amount as of December 31, 2019

Considering the effect of the probable alternatives of use or disposal of the assets corresponding to the Thermal Power Plants mentioned in Note 1, the Company carried out a review of the recoverable amount of fixed assets related to said units.

As of December 31, 2019, the review led to the recognition of an impairment loss of 6,098 by some of the Thermal Generation Plants owned by the Company, which has been recognized in the income statement in the "Other expenses, net" line. This circumstance is entirely attributable to the impact of the change in the situation mentioned above. The recoverable value after tax of the mentioned generation plants as of December 31, 2019 amounts to 2,625 based on their economic value.
As of December 31, 2019, there has been a partial impairment of fixed assets for 6,098. As of December 31, 2019, the book value of the Thermal Generation Plants analyzed amounts to USD 73.3 million.

14.1.2. Review of the recoverable amount as of December 31, 2020

Due to the disconnection of several plants during this year and the consequent estimation of their probable realization value, as of December 31, 2020, the review led to the recognition of an impairment loss of 4,667 by some of the Thermal Generation Plants owned by the Company, which has been recognized in the income statement in the "Other expenses, net" line. This circumstance is entirely attributable to the impact of the change in the situation mentioned above. The recoverable value after tax of the mentioned generation plants as of December 31, 2020 amounts to 16,455 based on their economic value. As of December 31, 2020, there has been a partial impairment of fixed assets for 4,667. As of December 31, 2020, the book value of the Thermal Generation Plants analyzed amounts to USD 61.6 million.

The recoverable value of these plants was determined on the basis of their fair value less their disposal costs. The main inputs used in the valuation correspond to the estimated disposal price and the costs necessary to leave the plants in conditions to be transferred. Since the estimate contains certain significant unobservable inputs, the fair value used is classified as level 3 hierarchy. The asset disposal value has been estimated based on the company's experience in disposing of similar assets and reference values used for the acquisition of assets of similar characteristics, adjusted as may correspond by the estimated wear of the assets under evaluation on the basis of the hours of use since their acquisition and their conservation status.

The determination of whether an asset is impaired, and to what extent, implies management estimates on uncertain and volatile variables, such as the effects of inflation and deflation on operating expenses, discount rates, the realization values of assets, production and future prices. Actual cash flows and values may differ significantly from expected future cash flows and related values obtained through discount techniques and could result in a significant change in the book values of the assets.

14.2. GEDESA: Cruz Alta Thermal Power Plant

14.2.1. Review of the recoverable amount as of December 31, 2019

On March 1, 2019, Res. SRRYME No. 1/19 was published in the Official Gazette, through which the remuneration scheme of Res. SEE No. 19/17 was canceled, replacing it with a scheme of similar characteristics denominated in USD and applicable as of March 1, 2019, which mainly reduced generation remunerations. Considering the adverse effect that this new remuneration scheme represents in future flows of the thermal units, the Company carried out a review of the recoverable amount of the goodwill and fixed assets related to said units.

The review led to the recognition of an impairment loss of 20,142 of the Cruz Alta Thermal Generation Plant owned by the subsidiary Genneia Desarrollos SA, which has been recognized in the income statement of said company and of these consolidated financial statements in the line "Other expenses, net". This circumstance is entirely attributable to the impact of the change in remuneration mentioned above. The recoverable value after tax of the mentioned generation plant as of March 31, 2019 amounts to 52,947 based on its economic value, calculated as the expected discounted future cash flows generated by each asset or group of assets under evaluation , considering its estimated useful life.

As of March 31, 2019, the goodwill associated with the acquisition of Generadora Eléctrica de Tucumán S.A. It has deteriorated completely by an amount of 17,587 and there has been a partial impairment of fixed assets of 2,555, which belong to the segment of "generation of electricity from conventional sources" of the Company.

The review at the end of the year ended December 31, 2019, led to the recognition of an impairment loss of 1,331 of the Cruz Alta Thermal Generation Plant owned by said subsidiary, which has been recognized in the income statement in the "Other expenses, net" line. The recoverable value after tax of the mentioned generation plant as of December 31, 2019 amounted to 50,128 on the basis of its economic value, calculated as the discounted expected future cash flows generated by each asset or group of assets under evaluation, considering Its estimated useful life.

On February 27, 2020, RESOL-2020-31-APN-SE # MD of the Ministry of Energy was published in the BO, which modified the remuneration scheme of Res. SRRYME No. 1/19, which Once he had canceled the remuneration scheme of Res. SEE N° 19/17. The new remuneration regime is denominated in Argentine pesos and is applicable as of February 1, 2020. Unlike the previous one, the remuneration under this new scheme provides for a monthly adjustment system based on the Consumer Price Index (CPI) and the Wholesale Internal Price Index (IPIM).

The following are the main current characteristics of the current remuneration scheme: i. The power remuneration of thermal generators that declare guaranteed power availability (DIGO) is reduced from USD 6,250 / MW to USD 5,000 / MW-month on average per year .; ii. For thermal generators, a coefficient derived from the average utilization factor of the last twelve months of the unit is applied to the power compensation: to receive 100% of the payment per power availability, a power dispatch greater than 70% of the utilization factor is required of use; between 30% and 70% utilization, a percentage is perceived based on a formula; and if the use factor is less than 30%, the resulting coefficient is 0.60; and iii. The remuneration for operation and maintenance is reduced to USD 3.8 / MWh in the energy generated with gas and to USD 6.7 / MWh with fuel oil or gas oil, and the remuneration for energy operated is reduced to USD 1,3 / MWh. The assumptions used by the subsidiary Genneia Desarrollos S.A. For the evaluation of the recovery value of the assets associated with thermal generation, they are in line with those provided by this resolution.

As of December 31, 2019, there was a partial impairment of fixed assets by 3,887.

14.2.2. Review of the recoverable amount as of December 31, 2020

Through Administrative Note NO-2020-24910606-APN-SE # MDP issued by the Ministry of Energy issued on April 8, 2020, it was established to postpone until a new decision the application of Annex VI of resolution 31/2020 of the Ministry of Energy , which establishes the update of prices on a monthly basis. Considering the adverse effect that this new remuneration scheme represents in future flows of the thermal units, the Company carried out a review of the recoverable amount of the goodwill and fixed assets related to the unit.

The review at the end of the year ended December 31, 2020, led to the recognition of an impairment loss of 6,951 of the Cruz Alta Thermal Generation Plant owned by said subsidiary, which has been recognized in the income statement in the "Other expenses, net" line, product of the lack of price adjustment mentioned above. The recoverable value after tax of the mentioned generation plant as of December 31, 2020 amounted to 36,586 on the basis of its economic value, calculated as the discounted expected future cash flows generated by each asset or group of assets under evaluation, considering Its estimated useful life.

As of December 31, 2020, there was a partial impairment of fixed assets by 6,951.

The determination of whether an asset is impaired, and to what extent, implies management estimates of uncertain and volatile variables, such as the effects of inflation and deflation on operating expenses, discount rates, production and future prices. Actual cash flows and values may differ significantly from expected future cash flows and related values obtained through discount techniques and could result in a significant change in the book values of the assets.

14.2.3. Discount rates

The discount rates represent the current market valuation of the specific risks of the Company, taking into account both the temporary value of the money and the consolidated risks of the underlying assets. The discount rate used is the weighted average cost of capital (CPPC) of 11% for year ended 31 December 2010 and 2019.

The CPPC represents the weighted average cost of a company's capital. The cost of capital is defined by the cost of debt and the cost of equity. The cost of debt is defined using the following data: 1) The risk-free interest rate (measured by the UST at 10 years); 2) the country risk index of Argentina (measured by EMBI +); 3) Cost of Genneia's debt over the Sovereign (bonds issued by the National State); 4) the Income Tax rate.

The cost of equity is defined using an adjusted version of the capital asset pricing model known as CAPM for its acronym in English "Capital asset pricing model".The inputs used to determine the cost of equity are: 1) The risk-free interest rate (measured by the UST at 10 years); 2) Leveraged beta; 3) Market risk premium; 4) Country risk index of Argentina (measured by EMBI +).

As of December 31, 2020 and 2019, the Company carried out a sensitivity analysis of the recoverable value of the fixed asset with respect to the discount rate that resulted in an increase or decrease of 1% of said rate, implying a decrease or a 5% increase in the recoverable value.

NOTA 15 – RECENT EVOLUTION OF THE ECONOMIC-FINANCIAL CONTEXT IN WHICH THE COMPANY OPERATES

During the year ended December 31, 2019, there has been an increasing rise in the general level of prices, salary costs, interest rates and the exchange rate of foreign currency, as well as volatility in other variables of the economy, which has impacted on the figures in these financial statements.

After the significant devaluation of the Argentine peso that occurred in mid-August 2019, the National Government adopted various measures that modified rules that were in force until that date and that had an effect on the aforementioned variables.

Additionally, on December 20, 2019, the National Congress passed Law No. 27,541 called the Law of Social Solidarity and Productive Reactivation in the framework of Public Emergency declaring the public emergency in economic, financial, fiscal, administrative, pension, tariff matters, energy, health and social, delegating to the National Executive Power broad powers to ensure the sustainability of public debt, regulate the rate restructuring of the energy system through a renegotiation of the current comprehensive tariff revision and reorder the regulatory entities of the energy system, among others . In addition, electricity and natural gas rates will be maintained for a maximum period of 180 days for residential and commercial users and industries.

Said law, promoted by the new National Government, modified the personal property tax, increasing its rate, and empowered the National Executive Power to set higher rates for financial assets located abroad. Also, a new 30% currency purchase tax was created. This tax covers the purchase of bills and foreign currency in foreign currency for treasury or without a specific destination. As part of the package of measures aimed at reducing the fiscal deficit, said law suspended the pension adjustment system for 180 days, among other issues.

On April 30, 2020, the Central Bank issued Communication "A" 7001 (modified by Communication "A" 7030, Communication "A" 7042 and Communication "A" 7052, and for their eventual supplements and amendments, in hereinafter, "Communication" A "7001") that establishes certain limitations on the transfer of securities to and from Argentina.

According to Communication "A" 7001, access to the Argentine exchange market for the purchase or transfer of foreign currency abroad (for any purpose) will be subject to the prior agreement of the Central Bank, if the person or entity seeking access the Argentine exchange market has sold securities with settlement in foreign currency or has transferred said securities to foreign depository entities during the immediately preceding 90 calendar days.

Furthermore, Communication "A" 7001 established: (i) that the person or entity must undertake not to make any sale or transfer during the 90 calendar days following said access; (ii) temporary restrictions to access the MULC to make certain import payments and for the payment of principal of loans whose creditor is a related entity.

Subsequently, on September 16, 2020, Communication "A" 7106 issued by the Central Bank of the Argentine Republic came into force, later supplemented by Communication "A" 7133. As provided in point 7 of Communication "A "7106, debtors that register scheduled principal maturities between October 15, 2020 and March 31, 2021 (the" Relevant Period ") for, among others, financial debt operations abroad and issuance of debt securities With public registration in the country denominated in foreign currency, they must submit to the BCRA a detail of a refinancing plan based on certain conditions in order for the BCRA to grant access to the exchange market for the payment of said amortizations. The Relevant Period was extended until December 31, 2021 by Communication "A" 7230.

In the first Relevant Period, the Company recorded principal maturities of Negotiable Obligations payable in United States Dollars for an amount of USD 58,341,923; and its subsidiary Genneia Desarrollos S.A. in the Relevant Period, principal maturities for a total amount of USD 21,586,500 were recorded in respect of loans payable in US Dollars. The company presented the refinancing plan as required by the BCRA, in this regard see Notes 9.1.1 "Global Program for the issuance of Negotiable Obligations" and 9.2.7 "GEDESA Loan". On the other hand, with respect to the relevant period extended by communication "A" 7230, neither the Company nor its subsidiaries have maturities.

The Board of Directors and the Management of the Company will analyze the evolution of the described issues, as well as the possible additional modifications that the National Government could implement, and will evaluate the impacts that they could have on their financial and economic situation, results and future cash flows.

NOTE 16 - EFFECTS OF THE SPREAD OF COVID-19 ON OUR BUSINESS, FINANCIAL POSITION AND RESULTS OF OPERATIONS

On March 11, 2020, the World Health Organization declared the "public health emergency of international concern" and decreed a worldwide "pandemic" status due to the SARS-CoV-2 outbreak (COVID-19) in Wuhan, China and its subsequent spread all around the world.

Currently, the Major world stock markets and the local capital market have been materially affected by the spread of Coronavirus, which has affected the production and sales of a wide variety of industries, materially thus significantly interrupting or extending the terms of local and international supply chains. At the international level it has also caused a significant rise in the unemployment rate in several business that provide goods and services; The highest authorities of The International Monetary Fund foresees that the situation will lead to the most serious recession worldwide after the crisis of 1929.

The extent of the impact of the Coronavirus on our operational and financial performance will depend on the development of events (duration and rate of spread, as well as national and international government measures adopted) and the impact of this situation on the payment chain of our main client CAMMESA, employees and suppliers; all of which is uncertain and it is not possible to predict at this moment.

On March 19, 2020, through the Executive Order of Necessity and Urgency (DNU) No. 297/2020, the Argentine Government established the "preventive, mandatory social distancing" (ASPO in Spanish), which closes the country´s borders and imposes strong restrictions on people´s mobility nationwide. These measures included a series of exceptions involving activities considered "essential" and, therefore, excluded from said restrictions. The validity of the ASPO was successively extended through DNUs until November 7, 2020. As of that date, through Necessity and Urgency Decree 875/2020, the ASPO phase was ended to enter the DISPO stage, which began on November 9, 2020 and continues in force at the date of issuance of these financial statements. Said measure is applicable to all persons who reside or transit in the urban agglomerates, parties and departments of the Argentine provinces as long as they positively verify certain epidemiological and health parameters established by said Decree. Although the initial measures taken by Decree 297/2020 were made more flexible, in this new stage the limits to circulation continue, the prohibitions of certain recreational, cultural and religious activities of more than 10 people, cinemas, theaters, public transport service of interurban, interjurisdictional and international passengers, with exceptions, among other measures.

Although the activities carried out by Genneia S.A. and the companies of its economic group are listed under the exceptions established in the aforementioned Executive Order as an "essential" activity, thus allowing the involvement of minimum guards to ensure the continuity of the operation and maintenance of the Company's generation center, we cannot predict the duration of such measures, nor any possible future additional restrictions that may be imposed by the Argentine government. At this point, the long-term effects for the Argentine and global economy, as well as for the Company, are difficult to foresees and may include risks to the health and safety of our suppliers' employees, shutdowns or interruption of facilities, issues with the supply of spare parts and the availability of technicians (including international technicians unable to travel to our country due to the closure of borders and / or the suspension of international flights; and / or local technicians for replacement of suppliers that are potentially infected by the Coronavirus), and that allow an efficient operation and maintenance of the wind farm. We may also be affected by the need to implement policies that reduce the efficiency and effectiveness of our operations.

In this respect, due to the health emergency, the Company has prioritized the health of its employees to the operations. That said, a Contingency Plan has been implemented in order to minimize the risk of infection of its employees and to secure business continuity. Due to the ASPO applied nationwide, the Company implemented mandatory remote work for its employees provided the nature of their tasks so permits and with the exception of those employees who perform activities and services considered essential during the health emergency as per the applicable regulations. Those employees are required to comply with all safety and prevention measures imposed by authorities and any other measures specifically mandated by the Company, thus allowing for the continuity of the Company's activities.

As of the date of issuance of these consolidated financial statements, as a result of the aforementioned situation, there have been delays in payments days by CAMMESA, mainly with respect to thermal generation and renewable energy contracts without the FODER guarantee (Rawson I, II and Trelew wind farms). In addition, the Secretariat of Energy has ordered the suspension of the price indexation established by Resolution 31/2020. There have also been certain delays in the provision of supplies and materials destined mainly for the works in progress.

Taking into consideration the characteristics of the Company's business and operations, as of the date of issuance of these consolidated financial statements, the issues set forth above, do not have a material adverse effect on the Company´s financial position, results of operations and cash flows. The Company´s Management cannot forsee as to whether the effects that the spread or the depth of the Coronavirus pandemic and the current or future measures potentially adopted by local and international governments may have on the world economy, Argentina's or its strategic partners, nor the Company; however, for the purposes of issuing these financial statements, there is no evidence that the Company has significant difficulties to continue its activities normally in the next twelve months.

NOTE 17 - SUBSEQUENTS EVENTS

On February 4 and February 25, 2021, the Chubut Norte IV wind farm corresponding to the subsidiary Vientos Sudamericanos Chubut Norte IV S.A. and the Chubut Norte III wind farm corresponding to the subsidiary Vientos Patagónicos Chubut Norte III S.A., respectively, entered into commercial operation.

Through Board meetings, held on January 20 and February 11, 2021, the Company approved the entry and registration of the Company to the CNV's frequent issuer regime, and the call to a Shareholders' Meeting in order to consider (i) the entry and registration of the Company to the CNV's frequent issuer regime; and (ii) certain modifications to the terms and conditions of its Global Program for the issuance of Negotiable Obligations.

At the date of issuance of these consolidated financial statements there have been no significant subsequent events whose effect on the consolidated financial position and the results of the Company's operations as of and for the year December 31, 2020 or its disclosure in a note to these financial statements, if applicable, they would not have been considered in them according to IFRS.

NOTE 18 - APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

These consolidated financial statements were approved by the Board of Directors of GENNEIA and authorized for issue on March 1, 2021.

Carlos Palazón
Authorized Director



GENNEIA S.A.

Consolidated Financial Statements as of and for the years ended December 31, 2019 and 2018 together with the Independent Auditors´ Report

Deloitte & Co. S.A.
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INDEPENDENT AUDITORS´REPORT

To the President and Board of Directors of GENNEIA S.A.:

1. Identification of the consolidated financial statements subject to audit

We have audited the accompanying consolidated financial statements of GENNEIA S.A. (an Argentine corporation, hereinafter mentioned as "GENNEIA" or the "Company") and its subsidiaries which comprise the consolidated balance sheets as of December 31, 2019 and 2018, the consolidated statements of profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information included in notes.

2. Responsibility of the Company's Board of Directors for the consolidated financial statements

The Company's Board of Directors is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS"), and for such internal control as it determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatements, whether due to fraud or error.

3. Auditors' responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audits. We conducted our audits in accordance with the International Standards on Audit issued by the International Auditing and Assurance Standards Board ("IAASB") of the International Federation of Accountants ("IFAC"), adopted in Argentine with the effective date established through Technical Resolution N°32 of the Argentine Federation of Professional Council in Economic Sciences of the Province of Buenos Aires. Those standards require that we comply with ethic requirements and plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatements.

An audit involves performing procedures, substantially on a test basis, to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected, as well as the assessment of the risk of material misstatements of the financial statements, depend on the auditor's judgement. In making those risk assessments, the auditor considers internal control relevant to the preparation and fair representation of the Company's financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Company's Board of Directors and management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide basis for our audit opinion.

4. Opinion

In our opinion, the consolidated financial statements mentioned in chapter 1 of this report present fairly, in all material respects, the consolidated financial position of GENNEIA S.A. and its subsidiaries as of December 31, 2019 and 2018 and the consolidated results of operations, changes in shareholders' equity and cash flows for the years then ended in accordance with International Financial Reporting Standards.

5. Other Matter

The accompanying consolidated financial statements as of December 31, 2019 and 2018 have not been prepared, and do not include certain information, according to the Argentine Securities Exchange Commission (CNV) regulations. The consolidated and separate financial statements used by GENNEIA S.A. for statutory, legal and regulatory purposes in Argentina are those prepared in Argentine pesos, issued and filed with the CNV and approved by the Board of Directors of GENNEIA and authorized for issue on March 5, 2020.

Province of Buenos Aires, March 5, 2020.

Deloitte & Co. S.A.

Guillermo D. Cohen
Partner

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GENNEIA S.A.

CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

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GENNEIA S.A.

CONSOLIDATED BALANCE SHEETS AS OF DECEMBER 31, 2019 AND 2018
(amounts expressed in thousands of United States dollars - Note 2.1)

	December 31, 2019	December 31, 2018
Current Assets		
Cash and banks (Note 5.a)	63,704	150,145
Investments (Note 5.b)	27,557	3,945
Trade receivables (Note 5.c)	79,249	46,479
Other receivables (Note 5.d)	34,011	55,768
Inventories (Note 5.e)	1,734	1,076
Total current assets	206,255	257,413
Non-current assets		
Trade receivables (Note 5.c)	3,404	10,641
Other receivables (Note 5.d)	45,647	129,426
Investments (Note 5.b)	52,022	11,243
Inventories (Note 5.e)	7,908	9,391
Goodwill (Note 5.f)	-	17,587
Fixed assets (Note 5.f)	1,124,481	951,446
Assets under concession (Note 5.f)	-	-
Intangible assets (Note 5.f)	29,011	32,618
Total non-current assets	1,262,473	1,162,352
Total assets	1,468,728	1,419,765
Current liabilities		
Accounts payable (Note 5.g)	131,829	128,936
Loans (Note 5.h)	190,673	91,795
Salaries and social security payable (Note 5.i)	5,903	4,881
Taxes payable (Note 5.j)	11,324	1,184
Other liabilities (Note 5.k)	1,728	7,558
Provisions (Note 5.l)	3,479	3,963
Total current liabilities	344,936	238,317
Non-current liabilities		
Taxes payable (Note 5.j)	-	115
Other liabilities (Note 5.k)	8,270	7,033
Loans (Note 5.h)	755,070	831,091
Deferred income tax liability (Note 5.r)	121,255	85,065
Total non-current liabilities	884,595	923,304
Total liabilities	1,229,531	1,161,621
Shareholders' equity (per corresponding statements)		
Capital stock	19,491	19,491
Share premium	276,029	276,029
Capital contributions	5,323	5,323
Legal reserve	1,221	1,221
Facultative reserve	-	22,960
Accumulated other comprehensive loss	(1,997)	(2,785)
Unappropriated retained results	(60,870)	(64,095)
Shareholders' equity attributable to owners of the Company	239,197	258,144
Total liabilities and shareholders' equity	1,468,728	1,419,765

Notes 1 to 18 are an integral part of and should be read in conjunction with these consolidated financial statements.

Cesar Rossi
Authorized Director

GENNEIA S.A.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
(amounts expressed in thousands of United States dollars, except for per share amounts in United States dollars - Note 2.1)

	December 31, 2019	December 31, 2018
Net sales (Note 5.m)	269,599	202,391
Cost of sales (Note 5.n)	(97,801)	(86,476)
Gross profit	171,798	115,915
Selling expenses (Note 5.o)	(2,388)	(1,692)
Administrative expenses (Note 5.o)	(15,220)	(21,061)
Other expenses, net (Note 5.p)	(27,941)	(12,936)
Loss on long term investment in joint ventures	(3,338)	(1,423)
Financial expense, net (Note 5.q)	(101,897)	(87,157)
Net profit (loss) before income tax	21,014	(8,354)
Income tax (Note 5.r)	(40,749)	(13,793)
Net loss for the year	(19,735)	(22,147)
Other comprehensive income		
Translation differences from investments in companies [(1)]	788	1,846
Total other comprehensive income	788	1,846
Total comprehensive loss for the year	(18,947)	(20,301)
Loss attributable to:		
Owners of the Company	(19,735)	(22,147)
Net loss for the year	(19,735)	(22,147)
Total comprehensive loss attributable to:		
Owners of the Company	(18,947)	(20,301)
Total comprehensive loss for the year	(18,947)	(20,301)
Loss per share (basic and diluted) (Note 3.20):	(0.19)	(0.22)

(1) May be reclassified subsequently to profit or loss at the moment of the sale of the investment or the full or partial reimbursement of the capital.

Notes 1 to 18 are an integral part of and should be read in conjunction with these consolidated financial statements.

Cesar Rossi
Authorized Director

GENNEIA S.A.

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY AS OF DECEMBER 31, 2019 AND 2018

(amounts expressed in thousands of United States dollars - Note 2.1)

	Shareholders' contributions					Retained earnings				Equity attributable to:	
	Capital stock	Issuance premiums	Subtotal	Capital contributions	Total	Legal Reserve	Facultative reserve	Accumulated other comprehensive loss [1]	Unappropriated retained results	Owners of the Company	Total
Balances at the beginning of the year, 2018	19,247	256,372	275,619	5,224	280,843	302	-	(4,631)	(18,069)	258,445	258,445
As decided by the General Extraordinary Shareholders' meeting of March 28, 2018:											
- Capital increase	244	19,657	19,901	99	20,000	-	-	-	-	20,000	20,000
As decided by the General Ordinary and Extraordinary Shareholders' meeting of April 24, 2018:											
- Legal reserve increase	-	-	-	-	-	919	-	-	(919)	-	-
- Appropriation to Facultative reserve	-	-	-	-	-	-	22,960	-	(22,960)	-	-
Net loss for the year	-	-	-	-	-	-	-		(22,147)	(22,147)	(22,147)
Other comprehensive income for the year	-	-	-	-	-	-	-	1,846	-	1,846	1,846
Balances as of December 31, 2018	19,491	276,029	295,520	5,323	300,843	1,221	22,960	(2,785)	(64,095)	258,144	258,144
As decided by the General Ordinary and Extraordinary Shareholders' meeting of April 25, 2019:											
- Release and transfer of the Facultative reserve to unappropriated retained results	-	-	-	-	-	-	(22,960)	-	22,960	-	-
Net loss for the year	-	-	-	-	-	-	-	-	(19,735)	(19,735)	(19,735)
Other comprehensive income for the year	-	-	-	-	-	-	-	788	-	788	788
Balances as of December 31, 2019	19,491	276,029	295,520	5,323	300,843	1,221	-	(1,997)	(60,870)	239,197	239,197

(1) Corresponds to the effect of the translation of the financial statements of investments in companies with functional currencies other than the U.S. dollar.

Notes 1 to 18 are an integral part of and should be read in conjunction with these consolidated financial statements.

Cesar Rossi
Authorized Director

GENNEIA S.A.

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
(amounts expressed in thousands of United States dollars - Note 2.1)

	December 31, 2019	December 31, 2018
Cash flows provided by operating activities		
Net loss for the year	(19,735)	(22,147)
Adjustments to reconcile net loss for the year to net cash flows provided by operating activities:		
Depreciation and amortization of non-current assets	68,571	58,868
Income tax	40,749	13,793
Allowances and provisions net decrease	(484)	3,650
Interest expense recognized in profit or loss	66,735	30,361
Exchange differences and others	30,572	51,481
Issuance costs and withholdings	7,682	2,273
Loss on long term investment in joint ventures	3,338	1,423
Result from sale of fixed assets	(4,992)	-
Impairment loss of goodwill, and fixed assets and intangible assets	27,572	8,303
Changes in assets and liabilities:		
Trade receivables	(36,220)	(11,829)
Other receivables [3]	12,940	(9,700)
Inventories	825	(127)
Accounts payable	3,741	(2,852)
Salaries and social security payable	1,022	416
Taxes payable	9,975	(3,098)
Other liabilities	1,971	(1,983)
Interest payments	(47,124)	(39,216)
Net cash flows provided by operating activities [8]	167,138	79,616
Cash flows used in investing activities [2] [4]		
Payments for fixed assets and assets under concession acquisitions	(202,624)	(397,270)
Proceeds generated by the sale of fixed assets	6,184	-
Capital contributions on joint ventures	(2,200)	(7,977)
Acquisitions of subsidiaries net of acquired cash and equivalents (Note 14)	(6,564)	(1,496)
Loans to related parties [6]	(28,762)	-
Deposits in guarantee for contributions in joint ventures (Nota 5.d)	(12,615)	-
Net cash flows used in investing activities	(246,718)	(406,743)
Cash flows provided by financing activities [5]		
Capital increase and share premium	-	20,000
Proceeds from issue of notes, net of transaction costs [7]	14,224	260,575
Payment of notes	-	(25,000)
Proceeds from loans, net of commissions [7]	103,845	217,268
Payment of loans	(98,743)	(67,934)
Net cash flows provided by financing activities	19,326	404,909
Exchange differences on cash and cash equivalents	(2,712)	(21,846)
(Decrease) increase in cash and equivalents [1]	(62,829)	55,936
Cash and equivalents at the beginning of the year [1]	154,090	98,154
Cash and equivalents at the end of the year [1]	91,261	154,090

(1) Cash and short-term investments with maturity up to three months at the acquisition date (Note 3.4.1).
(2) As of December 31, 2019 cash used in investing activities includes the payment of 71,458 of acquisitions of fixed assets made during the preceding year, and it is net of 76,206 from financed acquisitions of fixed assets at the end of the year; aditionally includes advanced payments to fixed assets suppliers made during the period and is net of advanced payments to fixed assets suppliers made during preceding years for a net amount of (112,158). As of December 31, 2018 cash used in investing activities includes the payment of 3,841 of acquisitions of fixed assets made during the preceding year, and it is net of 71,548 from financed acquisitions of fixed assets at the end of the year; aditionally includes advanced payments to fixed assets suppliers made during the year and is net of advanced payments to fixed assets suppliers made during preceding years for a net amount of 29,595.
(3) Includes (3,166) and 28,264 related to the decrease (increase) in the Account for future investments for the years ended December 31, 2019 and 2018, respectively.
(4) Includes 27,179 and 10,786 of interest payments related to financial costs capitalized in fixed asset for years ended December 31, 2019 and 2018, respectively.
(5) See Note 5.h for a reconciliation between opening and closing balances of liabilities arising from financing activities.
(6) Includes 15,410 of cancellations of loans that were subsequently considered as a capital contribution on long term investments.
(7) Proceeds from issue of notes are net of transaction costs and commisions for 0,3 and 4,429 for the years ended December 31, 2019 and 2018, respectively, and proceeds from loans are net of transaction costs and commissions for 36,357 for the year ended December 31, 2018.
(8) Includes 996 corresponding to payments of income taxes for the year ended December 31, 2018.

Notes 1 to 18 are an integral part of and should be read in conjunction with these consolidated financial statements.

Cesar Rossi
Authorized Director

NOTE 1 - BUSINESS OF THE COMPANY

GENNEIA S.A. ("GENNEIA" or the "Company") is a "sociedad anónima" (stock corporation) incorporated under the laws in force in Argentina, with a registered office at Nicolas Repetto 3676, 3rd Floor, Olivos, Province of Buenos Aires, Argentina.

The main activities of GENNEIA and its subsidiaries comprise three business units: (i) the electric power generation from renewable sources; (ii) the electric power generation from conventional sources; and (iii) the trading on its own, on behalf of third parties or associated to third parties, of natural gas and/or its transportation capacity and of electric power.

Business unit – Electric power generation from renewable sources

Main Renewable Energy Law

Law No. 27,191, published in the Official Gazette on October 21, 2015, amended the National Promotion Regime for the Use of Renewable Sources of Energy, originally established by Law No. 26,190 (the "Promotion Regime").

The amendments are intended to set up a legal framework to promote investments in renewable energy and promote the diversification of the national energy matrix, increasing the share of renewable energy in the Argentine power market.

Law N° 27,191 among other matters:

(i) Provides that, at an initial stage, the share of renewable energy should reach 8% of the national consumption of electric power as of December 31, 2017. At a second stage, this share should rise to reach 20% of electric power consumption as of December 31, 2025.
(ii) Modifies and extends the tax benefit scheme applicable to eligible projects.
(iii) Creates the Renewable Energy Promotion Fund ("FODER").
(iv) Imposes obligations upon Large Users and Large Demands, setting an objective of mandatory compliance for energy consumption from renewable sources, which individual and effective non-compliance as from December 31, 2017 will result in the application of a fine equivalent to the generation cost with imported fuel.
(v) Grants exemptions related to access and use of renewable energy sources.

On March 31, 2016, Regulatory Decree 531/2016 of Law 27,191 was published in the Official Gazette, which among other matters it establishes:

(i) Promotional fiscal benefits;
(ii) Regulates the operation of the FODER;
(iii) Regulates the alternatives of compliance by Large Users of the objective of energy consumption through renewable sources.

Rawson I, II & III Wind Farm

In 2009, we participated in an international bidding process (RFP No. 1/2009) conducted by Integración Argentina S.A. ("IEASA") Ex Energía Argentina S.A. ("EX ENARSA S.A") in accordance with the Renewable Energy Program to develop and operate new renewable energy. In 2010, we were awarded the right to develop and operate a wind farm located in Rawson in the Province of Chubut. In early 2012 GENNEIA reached commercial operation of the Rawson I & II Wind Farm with a combined installed capacity of 84 MW.

These Agreements, among other matters, (i) have a term until the earlier of (a) 15 years as from the date of the commercial operation of the respective plant, (b) the delivery of a quantity of energy dispatched that IEASA (EX ENARSA) committed to purchase (2,400 GWh for the Rawson Wind Farm I and 1,425 GWh for the Rawson Wind Farm II), (ii) grant IEASA (EX ENARSA) the option to renew the PPA for another 18 month period, provided all of the power estimated by the respective PPA has not been delivered, (iii) amounts payable to the Company under these PPAs are denominated in U.S. dollars and payable in pesos at the wholesale reference exchange rate quoted by the Central Bank pursuant to Communication "A" 3,500 as calculated on the business day prior to the expiration of the payment obligation by CAMMESA to IEASA (EX ENARSA); (iv) electricity effectively delivered is compensated through a charge at a U.S. dollar fare per MWh of USD128.70 for Rawson I and USD124.20 for Rawson II; (v) provide that due to the fact that IEASA (EX ENARSA) assigned the Company its rights

to receive payments under the Wholesale Electric Market ("WEM") Agreements that support each of the Company's PPAs with IEASA (EX ENARSA), the Company receives payments under these PPAs directly from CAMMESA.

In 2019, the Ministry of Energy Government instructed IEASA to change ownership of Rawson I and II Wind Farms and Trelew Wind Farm (mentioned below) and the assignment of MEM Supply Contracts in favor of Genneia S.A. and Parque Eólica Loma Blanca IV S.A., respectively. The Undersecretariat of Electricity Market, by means of the note NO-2019-93090962-APN-SSME # MHA, provisionally authorizes the change of ownership. As of November 2019, Genneia S.A. is a counterpart to the MEM Supply Contracts and CAMMESA makes payments directly to Genneia S.A.

In December 2017, Rawson III wind farm reached commercial operation, which expanded the installed capacity of Rawson I and II wind farms by 25 MW. The Rawson III wind farm generates power to be sold in the Term Market for Renewable Energy ("MATER") or in the spot market.

The Company has entered into several PPA's with industrial users nominated in US dollars and terms ranging from 10 to 20 years, for the total installed capacity of the Rawson III and others wind projects like Villalonga II and Pomona II which the company has added to its wind farm portfolio with an installed capacity of 15.2 MW. The main terms and conditions are as follows: (i) the Company has the obligation to deliver up a specific quantity of electricity per year generated from renewable sources that the users acquire; (ii) the industrial user will pay a fixed amount in dollars per MWh (plus taxes), on a take or pay basis, for 100% of the electricity effectively delivered regardless of its actual consumption, as long as it does not exceed the MW/h/year stablished, (iii) amounts payable to the Company under this PPA are nominated in U.S. dollars and payable in pesos pursuant to the seller exchange rate for wire transfers reported by Banco de la Nación Argentina, and if such rate is not available, pursuant to the wholesale reference exchange rate reported by the Argentine Central Bank pursuant to Communication "A" 3,500 or, if the latter is not available, pursuant to the exchange rate reported by the Mercado Abierto Electrónico (Argentine Open Electric Market), and in all cases as calculated on the business day immediately prior to the effective payment date.

Trelew Wind Farm

On August 29, 2017, the Company entered into a stock purchase agreement with SIDELI S.A. with respect to 100% of the capital stock of Isolux Corsán Energías Renovables S.A. ("ICERSA" now Parque Eólico Loma Blanca IV S.A. "PELBIV"). The effective transfer of shares and payment of the purchase took place on November 29, 2017.

PELBIV is the owner of the 51 MW Trelew Wind Farm located in Puerto Madryn, Province of Chubut. The Trelew wind farm reached commercial operation in August 2013 but has been operated by us since November 29, 2017.

In December 2010, PELBIV signed a Power Purchase Agreements ("PPA") with ENARSA and CAMMESA. The agreement, among other matters, (i) determines a term until the earlier of (a) 15 years from the beginning of the operation date in the respective plant, (b) the delivery of the total compliment energy agreed with ENARSA (2,636 GWh), (ii) grants ENARSA the option to renew the PPA for another 18 months, and (iii) provide a fixed price in USD payable in Argentine pesos based on the energy effectively dispatched. Under the PPA for the wind farm, the Company is entitled to receive payments for USD 127.01 per MWh for electricity deliver, the Company is not entitled to receive any fixed capacity payments.

Puerto Madryn I & II Wind Farms

In 2009, Genneia S.A.participated trough certain subsidiaries in an international bidding process (RFP No. 1/2009) conducted by IEASA in accordance with the Renewable Energy Program to develop and operate new renewable energy installed capacity. In 2010, the company was awarded the right to develop and operate the Madryn wind farm located in Puerto Madryn in the Province of Chubut, with a committed capacity of 220 MW.

On September 28, 2016, the Ministry of Energy issued Resolution No. 202-E/2016 (the "Resolution 202"), through which, among other measures: provided for the terms and conditions under which the owners of renewable projects with PPAs executed with ENARSA but not yet started may execute new PPAs with CAMMESA for the development of such proyects.

In May 2017 the company entered into two 20-year U.S. dollar-denominated PPAs with CAMMESA covering the total expected installed capacity of the Madryn wind farm, including a PPA for the 70 MW corresponding to Madryn I, and a PPA for the 150 MW corresponding to Madryn II; with terms in accordance with the form PPA included in Resolution No. 202-E/2016 and 168-E/2017, respectively. The PPAs will expire 20 years after the date in which CAMMESA granted the commercial authorization to operate the project in the WEM (commercial operation date). The main terms and conditions are as follows: (i) the Company has the obligation to build, operate and maintain the wind farm subject to such agreements and sell the electricity to CAMMESA (acting in representation of the WEM agents); (ii) the Company committed 220 MW of

power capacity; (iii) the Company will be entitled to receive a payment for electricity effectively dispatched of USD 76.23 per MWh, and an additional annual adjustment set forth in the PPAs as a percentage of the price for electricity effectively dispatched; (iv) amounts payable to the Company under the PPAs will be denominated in U.S. dollars and payable in pesos at the prevailing exchange rate of the immediately preceding business day of the payment date; and (v) CAMMESA's obligations under the PPAs will be guaranteed by the FODER in which the Argentine government is the trustor.

On November 2, 2018, with the prior authorization of CAMMESA, the Madryn I Wind Farm reached commercial operation. The total installed capacity is 71.1 MW.

On September 26, 2019, with prior authorization from CAMMESA, the Madryn II Wind Farm reached commercial operation. The total installed capacity is 151.2 MW.

Villalonga I Wind Farm

On October 7, 2016, the Ministry of Energy issued Resolution No. 213 awarding the Company the right to develop the Villalonga I project of 50 MW, located in the Province of Buenos Aires.

On January 12, 2017, Genneia Vientos Argentinos S.A. signed a 20-year U.S. dollar-denominated PPA with CAMMESA, awarded under Round 1.0 of the RENOVAR tender.

The main terms and conditions are as follows: (i) Genneia Vientos Argentinos has the obligation to build, operate and maintain the wind farm subject to such agreements and sell the electricity to CAMMESA (acting in representation of the WEM agents); (ii) Genneia Vientos Argentinos committed 50 MW of power capacity; (iii) Genneia Vientos Argentinos will be entitled to receive a payment for electricity effectively dispatched of USD 54.96 per MWh, and an additional annual adjustment set forth in the PPAs as a percentage of the price for electricity effectively dispatched; (iv) amounts payable to Genneia Vientos Argentinos under the PPAs will be denominated in U.S. dollars and payable in pesos at the prevailing exchange rate of the immediately preceding business day of the payment date; and (v) CAMMESA's obligations under the PPAs will be guaranteed by the FODER in which the Argentine government is the trustor.

On December 19, 2018, with the authorization of CAMMESA, the Villalonga Wind Farm reached commercial operation. The total installed capacity is 52 MW.

Villalonga II Wind Farm

The Villalonga II wind farm generates power to be sold in the Term Market for Renewable Energy ("MATER") or in the spot market. The Villalonga II wind farm has an installed capacity of 3.45 MW.

Pomona I Wind Farm

On November 25, 2016, the Ministry of Energy issued Resolution No. 281 awarding the Company the right to develop the Pomona wind farm project of 100 MW, located in the Province of Rio Negro.

On May 26, 2017, Genneia Vientos del Sudoeste S.A signed a 20-year U.S. dollar denominated PPA with CAMMESA, awarded under Round 1.5 of the RENOVAR tender.

The main terms and conditions are as follows: (i) Genneia Vientos del Sudoeste has the obligation to build, operate and maintain the wind farm subject to such agreements and sell the electricity to CAMMESA (acting in representation of the WEM agents); (ii) Genneia Vientos del Sudoeste committed 100 MW of power capacity; (iii) Genneia Vientos del Sudoeste will be entitled to receive a payment for electricity effectively dispatched of USD 54.88 per MWh, and an additional annual adjustment set forth in the PPAs as a percentage of the price for electricity effectively dispatched; (iv) amounts payable to Genneia Vientos del Sudoeste under the PPAs will be denominated in U.S. dollars and payable in pesos at the prevailing exchange rate of the immediately preceding business day of the payment date; and (v) CAMMESA's obligations under the PPAs will be guaranteed by the FODER in which the Argentine government is the trustor.

On July 17, 2019, with the authorization of CAMMESA, the Pomona I Wind Farm reached commercial operation. The total installed capacity is 101.0 MW.

Pomona II Wind Farm

The Pomona II wind farm is located next to the Pomona I wind farm project. On August 29, 2019 CAMMESA granted the authorization of the Pomona II (11.7MW) wind farm. Energy generated by this wind farm will is sold to industrial users in the MATER or in the spot market.

Chubut Norte I Wind Farm

On October 7, 2016, the Ministry of Energy issued Resolution No. 213 awarding the Company the right to develop the Chubut Norte wind farm Project of 28.3 MW, located in the Province of Chubut.

On January 12, 2017, Genneia Vientos de Sur S.A. signed a 20-year U.S. dollar-denominated PPA with CAMMESA, awarded under Round 1.0 of the RENOVAR tender.

The PPA will expire 20 years after the date in which CAMMESA granted the commercial authorization to operate the project in the WEM (commercial operation date). The main terms and conditions are as follows: (i) Genneia Vientos del Sur has the obligation to build, operate and maintain the wind farm subject to such agreements and sell the electricity to CAMMESA (acting in representation of the WEM agents); (ii) Genneia Vientos del Sur committed 28.35 MW of power capacity; (iii) Genneia Vientos del Sur will be entitled to receive a payment for electricity effectively dispatched of USD 66 per MWh, and an additional annual adjustment set forth in the PPAs as a percentage of the price for electricity effectively dispatched; (iv) amounts payable to Genneia Vientos del Sur under the PPAs will be denominated in U.S. dollars and payable in pesos at the prevailing exchange rate of the immediately preceding business day of the payment date; and (v) CAMMESA's obligations under the PPAs will be guaranteed by the FODER in which the Argentine government is the trustor.

On December 12, 2018, with the authorization of CAMMESA, the Chubut Norte Wind Farm reached commercial operation.

Ullum I, II & III Solar Farms

On April 9, 2018, the Company acquired through a business combination the Ullum I Solar S.A., Ullum II Solar S.A. and Ullum III Solar S.A. ("The Ullum Companies"). (See Note 14) The Ullum Companies own three solar PV power plants located in the Province of San Juan with a combined installed capacity of 82 MW. The Ullum Companies have PPAs signed with CAMMESA for 20 years denominated in Dollars, awarded under round 1.5 of the RENOVAR tender.

The PPA will expire 20 years after the date in which CAMMESA granted the commercial authorization to operate the project in the WEM (commercial operation date). The main terms and conditions are as follows: (i) Ullum 1 Solar, Ullum 2 Solar, Ullum 3 Solar, have the obligation to build, operate and maintain the wind farms subject to such agreements and sell the electricity to CAMMESA (acting in representation of the WEM agents); (ii) Ullum 1 Solar, Ullum 2 Solar, Ullum 3 Solar committed 25 MW, 25 MW and 32 MW of power capacity, respectively; (iii) Ullum 1 Solar, Ullum 2 Solar, Ullum 3 Solar will be entitled to receive payments for electricity effectively dispatched of USD 53.73 per MWh, USD 55.23 per MWh, and USD 57.63 per MWh, respectively, and an additional annual adjustment set forth in the PPAs as a percentage of the price for electricity effectively dispatched; (iv) amounts payable to The Ullum Companies under the PPAs will be denominated in U.S. dollars and payable in pesos at the prevailing exchange rate of the immediately preceding business day of the payment date; and (v) CAMMESA's obligations under the PPAs will be guaranteed by the FODER in which the Argentine government is the trustor.

On December 19, 2018, with the authorization of CAMMESA, the Ullum I Solar Photovoltaic Plant and the Ullum II Solar Photovoltaic Plant reached commercial operation. On December 22, 2018, with the authorization of CAMMESA, the Ullum III Solar Photovoltaic Plant entered into commercial operation.

Vientos de Necochea Wind Farm project (Project under joint venture See Note 5.b and 12)

On November 21, 2016, the Company entered into an agreement with Centrales de la Costa Atlántica S.A. ("Centrales de la Costa") to jointly develop and finance the Vientos de Necochea 1 wind farm project of 37.95 MW (the "Necochea Joint Venture Agreement"), subject to the award of the Vientos de Necochea 1 wind farm project to Centrales de la Costa. On November 25, 2016, the Ministry of Energy issued Resolution No. 281 awarding Centrales de la Costa the right to develop the Vientos de Necochea 1 wind farm project. On November 21, 2017, Vientos de Necochea S.A., in which Genneia S.A. has a 50% of the shareholding and Centrales de la Costa Atlántica S.A. the remaining 50%, signed a 20-year U.S. dollar denominated PPA with CAMMESA, awarded under Round 1.5 of the RENOVAR tender.

The PPA will expire 20 years after the date in which CAMMESA granted the commercial authorization to operate the project in the WEM (commercial operation date). The main terms and conditions are as follows: (i) Vientos de Necochea S.A has the obligation to build, operate and maintain the wind farm subject to such agreements and sell the electricity to CAMMESA (acting in representation of the WEM agents); (ii) Vientos de Necochea S.A committed 38 MW of power capacity; (iii) Vientos de Necochea S.A will be entitled to receive a payment for electricity effectively dispatched of USD 55.5 per MWh, and an additional annual adjustment set forth in the PPAs as a percentage of the price for electricity effectively dispatched; (iv) amounts payable to Vientos de Necochea S.A under the PPAs will be denominated in U.S. dollars and payable in pesos at the prevailing exchange rate of the immediately preceding business day of the payment date; and (v) CAMMESA's obligations under the PPAs will be guaranteed by the FODER in which the Argentine government is the trustor.

On February 12, 2020, with the authorization of CAMMESA, the Vientos de Necochea Wind Farm reached commercial operation.

Chubut Norte III and IV Wind Farm (Project under joint venture See Note 5.b and 12)

Through Resolution No. 473-E/2017 issued on November 30, 2017 by the Ministry of Energy, the Company was awarded the right to develop the Chubut Norte III (57.6MW) and Chubut Norte IV (82.8MW) projects. Vientos Patagónicos Chubut Norte III S.A. and Vientos Sudamericanos Chubut Norte IV S.A. signed a 20-year U.S. dollar-denominated PPA with CAMMESA, awarded under Round 2.0 of the RENOVAR tender.

Vientos Sudamericanos Chubut Norte IV S.A. and Vientos Patagónicos Chubut Norte III S.A. were established in June 2016 and March 2018, respectively by Genneia and MyC Energía S.A. for the development of the Chubut Norte IV and Chubut Norte III wind projects. On July 16, 2019, Genneia and its subsidiary MyC Energía SA have agreed to transfer to Pan American Fueguina SA, a subsidiary of Pan American Energy SL, of 49% of the shareholding of Vientos Patagónicos Chubut Norte III S.A. and by Vientos Sudamericanos Chubut Norte IV S.A. This transfer was perfected on August 26, 2019.

Both projects are carried out by the companies Vientos Patagónicos Chubut Norte III S.A. and Vientos Sudamericanos Chubut Norte IV S.A, in which Genneia S.A. has a 51% of the shareholding and Pan American Fueguina S.A. the remaining 49% (see Note 12).

The PPAs will expire 20 years after the date in which CAMMESA granted the commercial authorization to operate the project in the WEM (commercial operation date). The main terms and conditions are as follows: (i) Vientos Patagónicos Chubut Norte III S.A. and Vientos Sudamericanos Chubut Norte IV S.A, have the obligation to build, operate and maintain the wind farms subject to such agreements and sell the electricity to CAMMESA (acting in representation of the WEM agents); (ii) Vientos Patagónicos Chubut Norte III S.A. and Vientos Sudamericanos Chubut Norte IV S.A committed 58 MW, and 83 MW of power capacity, respectively; (iii) Vientos Patagónicos Chubut Norte III S.A. and Vientos Sudamericanos Chubut Norte IV S.A will be entitled to receive payments for electricity effectively dispatched of USD 38.9 per MWh, and USD 38.9 per MWh, respectively, and an additional annual adjustment set forth in the PPAs as a percentage of the price for electricity effectively dispatched; (iv) amounts payable to Vientos Patagónicos Chubut Norte III S.A. and Vientos Sudamericanos Chubut Norte IV S.A under the PPAs will be denominated in U.S. dollars and payable in pesos at the prevailing exchange rate of the immediately preceding business day of the payment date; and (v) CAMMESA's obligations under the PPAs will be guaranteed by the FODER in which the Argentine government is the trustor.

Chubut Norte II Wind Farm

The Chubut Norte II wind farm project is part of our renewable pipeline, intended to generate electric power to be sold in the MATER or in the spot market. The Chubut Norte II wind farm will have an installed capacity of 26 MW.

New Private PPAs

In August 2019, Genneia entered into PPAs with Royal Canin and Cia. De Alimentos Fargo S.A. (both private users in Argentina) in connection with any of our wind farms not subject to other PPAs (Chubut Norte II, Pomona II and Villalonga II).

The PPAs have a tenure of 15 years and represent 100% of the energy consumption for both companies.

Business units – Electric power generation from conventional sources

GENNEIA develops its power generation business from conventional sources through seven thermal power plants with a total nominal installed capacity of 615 MW.

Resolution 220/2007 thermal plants

In 2007, the company participated in an international bidding process (RFP No. 1/2007 and 2/2007) conducted by IEASA in accordance with the Thermal generation of distributed Energy Programs ("Energía Distribuída I" and "Energía Distribuida II") to develop and operate new thermal power installed capacity. Genneia was awarded the right to develop and operate seven thermal generation plants located in Pinamar, Matheu, Olavarría, Bragado I and Las Armas I & II in the province of Buenos Aires, and Paraná and Concepción del Uruguay in the province of Entre Ríos, with a combined installed capacity of 273 MW.

The programs for the generation of distributed energy have been promoted by the National Government and by IEASA (EX ENARSA) in the framework of Resolution N° 220/07. On April 18, 2012, the Company entered into a Framework Agreement (hereinafter the "Framework Agreement") with the Energy Secretariat (at present, the National Electric Energy Secretariat and hereinafter, the "Secretariat"), whereby Genneia assumed the commitment to install thermal power plants for a total of 200 MW before April 18, 2019 (see Note 11.12) and the Secretariat would instruct Compañía Administradora del Mercado Mayorista Eléctrico ("CAMMESA"), which administers the Wholesale Electric Market ("MEM") to enter into nine Power Purchase Agreements ("PPA") with GENNEIA for the power plants under the framework of Resolution N° 220/2007, with a 10 year term as from the original commercial operation date of each power plant and with prices established in US Dollars. The agreements set a capacity payment in US dollars per MW-month and an energy payment in US dollars per MWh applicable during the term of the contract.

Under such PPAs, the Company has the obligation to operate and maintain the power generation assets subject to such agreements, make firm capacity available and sell electricity to CAMMESA. The Company is entitled to receive firm capacity rates of USD21,275 per MWm for making the Company's generation assets available to the NIS. The Company is also entitled to receive payments to compensate the Company's variable operating and maintenance expenses, which range from USD7.45 to USD10.00 per MWh for electricity effectively generated by the Company's power plants using natural gas and from USD10.15 to USD14.90 per MWh for electricity effectively generated by using diesel fuel. Under the PPAs, CAMMESA has the option to provide the Company with all the fuel required to fire the thermal power generation plants. However, according to the resolution of the Secretariat of Energy 95/2013, CAMMESA is currently in charge of managing and supplying all fuels required to operate the Company's thermal plants, and since June 2014 CAMMESA has provided the Company with the natural gas and diesel fuel necessary to operate the Company's thermal power plants. On November 2018, the Secretary of Energy issued Resolution 70/2018 that authorized the generators to obtain their own fuel, maintaining the methodology of setting maximum prices for the fuels to be recognized. CAMMESA continues with the purchase of fuel for those generators that do not buy their own fuel.

The maximum fuel prices were initially set by Resolution SE 46/18 from August 18. Then Resolution SGE 25/18 clarifies that if the gas is supplied by IEASA with gas from Bolivia, CAMMESA must consider the cost of acquisition.

Subsequently, the SE with the note NO-2019-07973690-APN-SGE # MHA decreased the maximum prices recognized to the average prices arising in the auctions carried out by CAMMESA in the MEM. With Resolution 12/2019 of December 2019, the Ministry of Productive Development repealed Resolution 70/2018 and once again focuses on CAMMESA the administration and supply of all the fuels necessary to operate the thermal plants.
Amounts payable to the Company under these PPAs are denominated in U.S. dollars and payable in pesos at the wholesale reference exchange rate (tipo de cambio de referencia mayorista) quoted by the Central Bank pursuant to Communication "A" 3,500.

The expiration dates of the PPAs are as follows: (i) Pinamar, 02/15/2018, (ii) Matheu, 11/18/2018, (iii) Paraná, 06/23/2019, (iv) Olavarría, 09/21/2019, (v) Concepción del Uruguay I, 10/20/2019, (vi) Concepción del Uruguay II, 10/29/2019; (vii) Las Armas I, 11/17/2019, (viii) Las Armas II, 01/20/2021, (ix) Bragado I, 06/15/2021, (x) Bragado II, 01/27/2027, (xi) Bragado III, 05/04/2027. As of the date of these financial statements, all plants, except for Las Armas II, Bragado I, Bragado II and Bragado III, are under the base energy remuneration scheme established under Resolution No. 31/2020, which is described in Note 15.

Furthermore, on November 9, 2015 GENNEIA and the Secretariat executed an addenda to the Framework Agreement whereby the Company agrees to fulfill the previously indicated commitment whether by installing new thermal power plants or, alternatively (either totally or proportionally) by installing one or more wind power plants; to such end, the Company may use the amounts accumulated in the "Account for future investments" created by the Framework Agreement ("CARFON") (Note 11.12).

In accordance with the Framework Agreement, the CARFON is funded by making the following deductions to the firm capacity charges under the Company's PPAs with CAMMESA for each of the thermal power plants connected to the NIS of USD 1,700 per MWm for the first three years, USD 3,400 per MWm the fourth year and USD 5,100 per MWm from the fifth year to the expiration. As of December 31, 2018 the PPAs for the Company's Panará, Olavarría, Concepción del Uruguay I and II, Las Armas I and II and Bragado thermal power plants are in the sixth or following year of their respective effective dates. Actually, only Las Armas II and Bragado I thermal power plants are subject to this retention.

Bragado II and III thermal plants

During the year 2016 the Company was awarded two projects under the bid process to install new thermal generation units called by Resolution N° 21/2016 of the Secretary of Electric Energy.

Under such context, the Company has expanded its generation capacity at the Bragado thermal power plant by 118 MW, of which 59 MW (Bragado II) reached commercial operation by February 2017 and the remaining 59 MW (Bragado III) reached commercial operation by May 2017. The Company signed two 10-year U.S. dollar-denominated PPAs with CAMMESA for the entire additional installed capacity. These PPAs will expire on January 31, 2027, in the case of Bragado II and on May 31, 2027, in the case of Bragado III. The main terms of these PPAs are the following: (i) the Company has the obligation to make available to CAMMESA up to 60.40 MW of power capacity from May to October of each year and 58 MW of power capacity from November to April of each year and deliver the electricity produced by the Company's generation units pursuant to the requests of CAMMESA, (ii) the Company is entitled to receive firm capacity rates of USD25,000 per MW-Month for making the Company's generation assets available to the NIS, with respect to Bragado II, and USD19,000 per MW-Month, with respect to Bragado III, (iii) under the Company's PPAs, CAMMESA is not obliged to provide the Company with natural gas or diesel fuel, but has the option to do so or reimburse the Company for the cost of diesel fuel and natural gas actually used, provided that the amount of fuel used matches the specific fuel consumption guaranteed by us. Nonetheless, pursuant to Resolutions No. 95/2013 and 529/2014 issued by the Secretary of Energy, CAMMESA is in charge of managing and supplying all fuel required to fire the Company's thermal plants; and (iv) amounts payable to the Company under these PPAs are denominated in U.S. dollars and payable in pesos at the wholesale reference exchange rate (tipo de cambio de referencia mayorista) quoted by the Central Bank pursuant to Communication "A" 3,500.

Cruz Alta thermal plant

On August 11, 2017 Genneia Desarrollos S.A. ("GEDESA") a subsidiary of Genneia S.A., acquired from Pluspetrol Resources Corporation B.V. and Pluspetrol Resources Corporation, 100% of the shares of Generadora Electrica de Tucuman S.A. ("GETSA"), controlling such company as of such date. On September 1st, 2017, the company was merged into GEDESA. GEDESA owns the Cruz Alta thermal plant, with a total installed capacity of 245 MW.

On October 21, 2013 the Energy Secretariat (at present, the National Electric Energy Secretariat and hereinafter) ("SEE"), issued the resolution No. 807/2013 recognizing GETSA as a Wholesale Electricity Market Agent (WEM) as a generator.

On February 2, 2017, the Resolution SEE 19/2017 issued by the National Ministry of Energy and Mining, established that the WEM agents (generators, co-generators, self-generators) were able to present guaranteed availability offers to subscribe guaranteed availability commitments (CoDiG), by installed energy-generating power units.

The offers must be accepted by CAMMESA (acting on behalf of the WEM electricity demanding agents), who will purchase the power under the guaranteed availability agreements.

Resolution SEE 19/17 establishes that such agreements may be assigned to Electricity Distribution Companies and Large Users of the WEM once the state of emergency situation of the electricity sector in Argentina is ended (according to Decree No. 134/1995, such emergency was declared until January 1st, 2018). Generator agents fully or wholly-owned by the Argentine Government are excluded from the scope of Resolution SEE 19/17.

The term of the guaranteed availability agreements is 3 years, and their general terms and conditions are established in Resolution SEE 19/17.

The energy power will be remunerated according to a calculation based on of the available monthly power, the real available power, a guaranteed offered power, the allocated power; and the generated and operated energy. The remuneration is calculated in US dollars convertible to Argentine Pesos, and the sale liquidations have an expiration date. The resolution also establishes an incentive operational efficiency mechanism for thermal power plants on the basis of the fulfilment of fuel consumption objectives.

In March 2019, the Ministry of Renewable Resources and Electricity Market issued Resolution 1/2019 that repeals the resolution mentioned above and establishes new remuneration schemes for the Thermal Enabled Generation, effective as of March 1, 2019.

On February 27, 2020, RESOL-2020-31-APN-SE # MD of the Ministry of Energy was published in the BO, which modified the remuneration scheme of Res. SRRYME No. 1/19, which had al ready canceled the remuneration scheme of Res. SEE N° 19/17. The new remuneration regime is denominated in Argentine pesos and is applicable as of February 1, 2020.

Thermal Power Plants: Completion of the contractual term

During this year and the previous one, MEM Contracts own by the Company and celebrated under Res. SE N ° 220/2007 have reached the contractual term for the thermal power plants of Concepción del Uruguay I, Concepción del Uruguay II, Las Armas I, Olavarría, Paraná, Matheu and Pinamar.

Concepción del Uruguay I and II are thermal power plants with a total installed capacity of 42 MW, began their commercial operation in October 2009 and terminated their contract under Res. SE No. 220/2007 in October 2019. Las Armas I is a thermal power plant with a total installed capacity of 10 MW, began its commercial operation in October 2009 and ended its contract under Res. SE N ° 220/2007 in November 2019. Olavarría is a thermal power plant with an installed capacity of 42 MW that began its operation in August 2009 and ended its contract under Res. SE N ° 220/2007 in September 2019. Paraná is a thermal power plant with an installed power of 42 MW, began its operation in May 2009 and ended its contract under Res. SE N ° 220/2007 in June 2019. Matheu is a thermal power plant with a total installed capacity of 42 MW, began its commercial operation as of October 2008 and finalized its contract under Res. SE N ° 220/2007 in November 2018. Pinamar is a thermal power plant with a total installed capacity of 19 MW, began its commercial operation in January 2008 and concluded its contract under Res. SE N ° 220/2007 in February 2018. As mentioned below, on April 24, 2019 the equipment of the Pinamar thermal power plant has been sold.

As of the compliance of the contractual term, all these thermal power plants are, with the exception of Pinamar, operating under the base energy remuneration scheme established under Resolution No. 01/2019, now replaced by Resolution No. 31/2020 (see Note 17.2).

As of the date of issuance of these consolidated financial statements, management and the board of directors are evaluating different destination alternatives for the assets related to the thermal power plants mentioned above, including the sale of the equipment. The evaluation of the asset's recovery value is based on estimates of the use value and disposition value as appropriate (see Note 15). In line with the possibility of disposing of the assets, the Company has requested the Ministry of Energy to disconnect Matheu, Concepción del Uruguay, Paraná and Olavarría thermal power plants, which will not be able to continue dispatching energy to CAMMESA as of the date that the disconnection authorization indicates. To date, although the Secretary of Energy enabled the disconnection of the Matheu CT, it may remain connected until 04/30/2020.

As of December 31, 2019, the book value of the Thermal Generation Plants analyzed amounts to USD73.3 million.

Sale of Pinamar thermal plant

On March 11, 2019, the Ministry of Finance, through resolution 2019-4-APN-SRRYME # MHA, approved the disassociation of the Pinamar thermal plant, previously requested by the Company with the objective of selling the assets that comprise it. (generation turbines). On April 24, 2019, through the acceptance of the offer of sale by the buyer for an amount of USD 6,478,000, the sale of the assets was established, which were already withdrawn by the buyer, the Company having received the agreed sale price.

Río Mayo and Gobernador Costa

Power plants of Río Mayo and Gobernador Costa started commercial operations in June 2008 and September 2009, respectively. The energy generated is sold to the province of Chubut according to an agreement effective until December 31, 2025. By means of this agreement, the province of Chubut has assumed the obligation to pay monthly to GENNEIA (i) a cost for the capacity made available, and (ii) a cost for thermoelectric power generated, which will be adjusted semiannually based on natural gas price.

The PPAs entered into for the Company’s Gobernador Costa and Río Mayo power generation plants located in the Province of Chubut expires in December 31, 2025. The PPA provides (except for the case of one generation unit in the Gobernador Costa plant for which a reduced price is received) for payment, in Argentine pesos (“Ps” or “AR$”), of a firm capacity charge of Ps.0.095 per kWh and a fare for electricity delivered of Ps.0.375 per kWh (both of which can be adjusted on a quarterly basis to reflect increases in natural gas prices and adjustment of U.S. dollar). The payments under this PPA are denominated

and payable in pesos. On October 24, 2018, the Company and the Province of Chubut executed an agreement whereby the Parties agreed to the following without any acknowledgement of facts or rights in relation to the amounts enforceable under the PPA until February 28, 2018 or in relation to the fine due under the PPA: (i) a prompt payment scheme for the amounts owed by the Province under the Agreement and enforceable as from March 1, 2018 until the date of delivery of the Power Plants to the Province; (ii) consummation of return of the Power Plants and transfer of personnel assigned to such plants to the Province of Chubut on February 28, 2019 subject to compliance by the Province with the payment scheme as agreed upon; and (iii) negotiation of the amount and form of payment by the Province of Chubut of the fine for termination set forth in the PPA.

In compliance with an agreement reached with the Province, the Provincial State Prosecutor and the Provincial Public Services Regulatory Entity before said Court on May 28, 2019, on June 27 and 28, 2019, transferred the CTs to the Province, by means of the holding of records and inventory. As of those dates, the CTs ceased to be owned by Genneia. See Note 11.11.

Business Unit – Commercialization and transportation capacity of natural gas and electricity

GENNEIA carried out all the trading of natural gas, natural gas transport capacity and energy through its subsidiary ENERSUD. However, since GENNEIA obtained on November 7, 2013 the enrollment at the Registro del Mercado Mayorista de Gas Natural (Natural Gas Wholesale Market Registry) and in the Registro de Comercializadores (Traders' Registry), as from January 2014 an important part of such activities were transferred to GENNEIA.

NOTE 2 - BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

2.1. Basis of preparation

These consolidated financial statements of GENNEIA and its controlled companies for the years ended December 31, 2019 and 2018 have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

These consolidated financial statements are presented in U.S. dollars ("USD") which is the functional currency of the Company (Note 3.1). and are prepared mainly with the purpose of being used by the non-Argentine holders of the Company's Negotiable Obligations and foreign financial institutions.

2.2. Applicable accounting policies

The consolidated financial statements have been prepared under the historical cost basis, except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the summary of significant accounting policies in Note 3. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are described in Note 3.

The preparation of these consolidated financial statements is the responsibility of the Company's Management and requires accounting estimates and judgments of the management when applying financial standards. Areas of high complexity which require more judgments or those in which assumptions and estimations are more significant are detailed in Note 4.

2.3. Standards and Interpretations issued

2.3.1. New standards issued adopted by the Company and impact of adoption

Standards and Interpretations or amendments to them, published by the IASB, which were adopted as from the year beginning January 1, 2019, are the following: i) IFRIC 23 Uncertainty about income tax treatments; (ii) Amendments to IFRS 9 Prepaid functions with negative compensation; (iii) Amendments to IAS 28 Long-term interests in associates and joint ventures; (iv) Modifications to IAS 19 Modification, reduction or liquidation of the plan; (v) Annual cycle of improvements to IFRS (2015-2017).

The impact of the adoption the new accounting policies mentioned above did not have any significant impact on the Company's accounting policies and did not require retrospective adjustments.

2.3.2. New standards, interpretations and amendments issued not yet adopted

The Company did not adopt the standards and interpretations or amendments mentioned below, because its application is not required at the end of the year ended December 31, 2019.

IFRS 17	Insurance contracts [3]
Conceptual Framwork	Revised Conceptual Framework for Financial Reporting [2]
IFRS 3 Clarification	Definition of a Business [2]
Amendments to IAS 1 and IAS 8	Definition of Material [2]
Amendments to IFRS 9, IAS 39 and IFRS 7	Reference interest rate reform [1]
Amendments to IAS 1	Classification of liabilities as current or non-current [4]

(1) Effective for fiscal years beginning on or after January 1, 2020, with early application permitted.
(2) Effective for fiscal years beginning on or after January 1, 2020.
(3) Effective for fiscal years beginning on or after January 1, 2021.
(4) Effective for fiscal years beginning on or after January 1, 2022, with early application permitted.

- IFRS 17 Insurance Contracts establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the Standard. The objective of IFRS 17 is to provide an entity to provide relevant information that faithfully represents those contracts. This information provides a basis for users of the financial statements assessing the effect that insurance contracts have on the financial position, financial performance and cash flows of the entity

An entity will apply IFRS 17 Insurance Contracts to:

- Insurance contracts, including reinsurance contracts, that the entity issues;
- Reinsurance contracts that you have; Y
- Investment contracts with discretionary participation characteristics that the entity issues, provided that the entity also issues insurance contracts.

This standard will be effective for annual periods beginning on or after January 1, 2021.

- References to the Conceptual Framework

  Together with the revised Conceptual Framework, the IASB has also issued Amendments to References to the Conceptual Framework in IFRS Standards. The document contains amendments to IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, IAS 37, IAS 38, IFRIC 12, IFRIC 19, IFRIC 20, IFRIC 22, and SIC-32. Not all amendments, however update those pronouncements with regard to references to and quotes from the framework so that they refer to the revised Conceptual Framework. Some pronouncements are only updated to indicate which version of the framework they are referencing to (the IASC framework adopted by the IASB in 2001, the IASB framework of 2010, or the new revised framework of 2018) or to indicate that definitions in the standard have not been updated with the new definitions developed in the revised Conceptual Framework.

  The amendments, where they actually are updates, are effective for annual periods beginning on or after 1 January 2020.

- The IASB has issued 'Definition of a Business (Amendments to IFRS 3)' aimed at resolving the difficulties that arise

when an entity determines whether it has acquired a business or a group of assets. The amendments in Definition of a Business (Amendments to IFRS 3) are changes to Appendix A Defined terms, the application guidance, and the illustrative examples of IFRS 3 only. They contemplate:

- clarify that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs;
- narrow the definitions of a business and of outputs by focusing on goods and services provided to customers and by removing the reference to an ability to reduce costs;
- add guidance and illustrative examples to help entities assess whether a substantive process has been acquired;
- remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs; and
- add an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business.

The amendments are effective for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2020.

- The IASB has issued 'Definition of Material (Amendments to IAS 1 and IAS 8)' to clarify the definition of ‘material’ and to align the definition used in the Conceptual Framework and the standards themselves.

  The amendments are effective for annual reporting periods beginning on or after January 1, 2020. Earlier application is permitted.

- The modifications introduced by the Reform of the interest rate benchmark index (amendments to IFRS 9, IAS 39 and IFRS 7):

  - modify the specific hedge accounting requirements for entities to apply those hedge accounting requirements assuming that the interest rate benchmark on which the covered cash flows and cash flows of the hedging instrument are based they will be altered as a result of the reform of the interest rate benchmark;
  - are mandatory for all hedging relationships directly affected by the reform of the interest rate benchmark;
  - they are not intended to provide relief from any other consequences arising from the reform of the interest rate benchmark (if a hedging relationship no longer meets the requirements for hedge accounting for reasons other than those specified by the amendments, interruption of hedge accounting is required) and
  - require specific disclosures about the extent to which the amendments affect the hedging relationships of the entities.

  The amendments are effective for annual reporting periods beginning on or after January 1, 2020. Earlier application is permitted.

- The amendments to IAS 1 'Classification of liabilities as current or non-current' provide a more general approach to the classification of liabilities according to IAS 1 based on the contractual agreements in force as of the reporting date.

  The amendments affect only the presentation of liabilities in the statement of financial position, not the amount or timing of the recognition of any asset, income or expense of liability, or the information that entities disclose about those elements. These amendments::

  - clarify that the classification of liabilities as current or non-current should be based on the rights existing at the end of the period on which the wording is reported and aligned in all the affected paragraphs to refer to the "right" to defer settlement in at least twelve months and make explicit that only the rights in force "at the end of the reporting period" should affect the classification of a liability;
  - clarify that the classification is not affected by expectations as to whether an entity will exercise its right to defer the settlement of a liability; Y
  - make it clear that liquidation refers to the transfer to the counterpart of cash, equity instruments, other assets or services.

The modifications are effective for the annual periods beginning on January 1, 2022 and will be applied retroactively. Earlier application is permitted.

As of the date of issuance of these consolidated financial statements, the Company is evaluating the impact that the adoption of the standards mentioned in the previous paragraph, which will be effective on or after January 1, 2020, will have on the consolidated financial statements of the Company. It is not practicable to provide a reasonable estimate of the potential effect until a detailed review has been completed. The Company will not early adopt any of these standards or amendments from their effective date and the Company will use the transition provisions included in each standards or amendments.

2.4 Basis of consolidation

The consolidated financial statements of GENNEIA incorporate the separate financial statements of the Company and its controlled entities. They are considered controlled when the Company (i) has power over the investee, (ii) is exposed, or has rights, to variable returns from its involvement with the investee and, (iii) has the ability to use its power to affect its returns.

The main consolidation adjustments are the following:

- elimination of assets and liabilities and income and expenses of the parent with its subsidiaries, in order to disclose the balances maintained effectively with third parties; and

- elimination of interests in the equity and earnings of the controlled entities, for each period.

The latest financial statements available as of the balance sheet date have been used in the consolidation process and considering significant subsequent events and transactions and/or available management information and the transactions between GENNEIA and the controlled entity.

If necessary, financial statements of controlled entities are adjusted to adapt their accounting policies with those used by the Company.

Detailed below are the controlled companies whose financial statements have been included in these consolidated financial statements:

	Main activity	Percentage of participation (direct and indirect)	
		December 31, 2019	December 31, 2018
Subsidiaries:			
Enersud Energy S.A.U.	Industrialization, separation and trading of propane and butane gas and/or liquefied gas and trading of natural gas and transportation for industrial or residential consumption.	100%	100%
Ingentis II Esquel S.A.	Power generation and trading.	100%	100%
Genneia Desarrollos S.A.	Production and development of renewable energies and its commercialization.	100%	100%
Nor Aldyl San Lorenzo S.A. (1)	Production and development of renewable energies and its commercialization, construction of gas pipelines and networks.	100%	100%
Nor Aldyl Bragado S.A. (1)	Production and development of renewable energies and its commercialization, construction of gas pipelines and networks.	100%	100%
MyC Energía S.A.	Generation, production, development and trading of energies.	100%	100%
Genneia Vientos Argentinos S.A.	Construction, financing, commissioning, operation and maintenance of a renewable sources power plant.	100%	100%
Genneia Vientos Sudoeste S.A.	Construction, financing, commissioning, operation and maintenance of a renewable sources power plant	100%	100%
Genneia Vientos del Sur S.A.	Construction, financing, commissioning, operation and maintenance of a renewable sources power plant	100%	100%
Patagonia Wind Energy S.A.	Production and development of renewable energies and its commercialization.	100%	100%
Parque Eólico Loma Blanca IV S.A. (2)	Production and development of renewable energies and its commercialization.	100%	100%
Genneia La Florida S.A.	Construction, financing, commissioning, operation and maintenance of a renewable sources power plant	100%	100%
Ullum I Solar S.A.U. (2)	Production and development of renewable energies and its commercialization.	100%	100%
Ullum II Solar S.A.U. (2)	Production and development of renewable energies and its commercialization.	100%	100%
Ullum III Solar S.A.U. (2)	Production and development of renewable energies and its commercialization.	100%	100%

	Main activity	Percentage of participation (direct and indirect)	
		December 31, 2019	December 31, 2018
Controlled companies as of December 31, 2018			
Vientos Sudamericanos Chubut Norte IV S.A. (3)	Construction, financing, commissioning, operation and maintenance of a renewable sources power plant	-	100%
Vientos Patagónicos Chubut Norte III S.A. (3)	Construction, financing, commissioning, operation and maintenance of a renewable sources power plant	-	100%

(1) Nor Aldyl San Lorenzo S.A. and Nor Aldyl Bragado S.A. began the liquidation and dissolution process as of September 30, 2019.
(2) As described in Note 14, Genneia S.A. acquired Ullum I Solar S.A., Ullum II Solar S.A. and Ullum III Solar S.A. ("Ullums Companies") on April 9, 2018.
(3) As described in Note 5.b Of these consolidated financial statements, these companies are now accounted for using the equity method. On July 16, 2019, the Company and its subsidiary MyC Energía S.A. They agreed to transfer to Pan American Fueguina S.A., a subsidiary of Pan American Energy SL, of 49% of the shareholding of Vientos Sudamericanos Chubut Norte IV S.A. and Vientos Patagónicos Chubut Norte III S.A. On August 26, 2019, the transfer of the shares was perfected.

Since the Company has a 100% interest in its controlled entities, there is no information to disclose in relation to non-controlling interests.

2.5 Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Company, liabilities incurred or assumed and the equity interests issued by the Company in exchange for control of the acquiree. Acquisition-related costs are generally recognized in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value at the acquisition date, except for certain assets and liabilities measured in accordance with the corresponding accounting policies.

The goodwill, if any, is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition date amounts of the identifiable assets acquired and liabilities assumed.

If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

The value of the investment and, if applicable, the goodwill, must be adjusted as soon as the original accounting measurements of the identifiable assets and liabilities of the acquired company have to be adjusted if, after the acquisition, there is additional evidence that allows a new and better estimate of its fair value at the time of acquisition. The accounting measurement assigned to the goodwill should be corrected, as a consequence of the aforementioned, if necessary, to the extent that its adjustment: a) does not take the accounting measurement of the goodwill above its recoverable value; and b) it is carried out at most during the first year after the year in which the acquisition took place.

2.6 Investments in joint ventures:

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of joint ventures are incorporated in these consolidated financial statements using the equity method of accounting.

Under the equity method, an investment in a joint venture is initially recognized in the consolidated balance sheet at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income of the joint ventures.

Joint ventures have been valued based upon the latest available financial statements of these companies as of the end of each year, taking into consideration, if applicable, significant subsequent events and transactions, available management information and transactions between the Company and the related company which have produced changes on the latter's shareholders' equity.

On each closing date or upon the existence of signs of impairment, it is determined whether there is any objective evidence of impairment in the value of the investment in joint ventures. If this is the case, Company calculates the amount of the impairment as the difference between the recoverable value of joint ventures and their book value, and recognizes the difference under "Loss on long term investments in joint ventures" in the statement of profit or loss and other comprehensive income. The recorded value of investments in joint ventures does not exceed their recoverable value.

2.7 Seasonality of operations

Except for the energy generation from conventional sources which, during the Argentinian winter has an increase of energy generation based on liquid fuel sources, the operations of the Company does not have a significant seasonal nature.

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1. Functional and presentation currencies and tax effects on other comprehensive income

Under IFRS the companies should define their functional currency in accordance with the criteria established by IAS 21 "Effects of changes in foreign currency exchange rates", which may differ from their reporting currency. Under the above mentioned rule, considering the main activities of the Company and of each of its subsidiaries as detailed in Note 1, and the currency of the primary economic environment in which the entities operates, the Company's Management and Board of Directors have defined the USD dollar ("USD") as the functional currency for GENNEIA, Genneia Desarrollos S.A., Genneia Vientos Argentinos S.A., Genneia Vientos del Sur S.A., Genneia Vientos del Sudoeste S.A., Vientos Sudamericanos Chubut Norte IV S.A., Vientos de Necochea S.A., Parque Eólico Loma Blanca IV S.A., Ullum I Solar S.A.U., Ullum II Solar S.A.U., Ullum III Solar S.A.U., Vientos Patagónicos Chubut Norte III S.A. and Genneia La Florida S.A. As a result, the financial statements of such companies have been converted into USD by applying the procedure established in IAS 21. In accordance with the established procedure, monetary assets and liabilities are remeasured into USD at the exchange rate prevailing on the balance sheet date. Non-monetary assets, measured on a historic cost basis, as well as income and expenses are remeasured using the exchange rate prevailing on the transaction date. Any gain or loss arising from the remeasurement of monetary assets and liabilities into USD is recognized in the income statement in the period they are generated. For all the other subsidiaries, Management has defined the Argentine peso as the functional currency. In these cases, the adjustment resulting from remeasuring the financial statements of such entities into the USD is recognized under other comprehensive income. On the disposal of a foreign operation, all of the exchange differences accumulated in equity in respect of that operation attributable to owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Company losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognized in profit or loss. For all other disposals, including the full or partial reimbursement of capital, the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

These consolidated financial statements are presented in the defined functional currency of the Company (U.S. dollars) which differs from the presentation currency required by Argentine regulations (Argentine pesos). Results accounted for in "Other comprehensive income" related to exchange differences arising from investments in companies with functional currencies other than U.S. dollars have no effect on the current or deferred income tax since at the time they were generated, the relevant transactions did not make any impact on net income or taxable income.

3.2. Foreign currencies

In preparing the consolidated financial statements, transactions in currencies other than the Company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting year, monetary items denominated in foreign currencies are translated to functional currency at the rates prevailing at that date. Exchange differences on monetary items are recognized in profit or loss in the period in which they arise.

3.3. Financial Instruments

Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financials assets and financial liabilities (other than financial assets and liabilities at fair value through profit or loss) are added or deducted from the fair value of the financial assets of financial liabilities, as appropriate, on initial recognition. Transactions costs directly attributable to the acquisition of financial assets of financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

During 2019 the Company granted financing to Vientos Patagonicos Chubut Norte III S.A. and Vientos Sudamericanos Chubut Norte IV S.A. to finance the execution of projects formalized through an interest-free credit line agreement and for a period of 17 years (see Note 6.1). These credits have been initially recognized at their fair value at the time of the operation in the caption other receivables of the Company's balance sheet, and are subsequently measured at their amortized cost using the effective interest rate method, the effect of the difference between the nominal value of the financial credit and its fair value has been recognized, net of the deferred tax effect, as other capital contributions within the non-current investments caption.

Any anticipated cancellations of the aforementioned credits will be recognized by one party by reducing the financial asset initially recognized in the caption other receivables of the Company's balance sheet according to the measurement thereof at the date of cancellation, based on the amortized cost using the effective interest rate method as described in the previous paragraph, and on the other hand, reducing the corresponding portion initially recognized as other capital contributions within non-current investments by the amount of the difference between the amount cancelled and the amount of the aforementioned credit reduction, net of the corresponding deferred tax effect.

3.4. Financial assets

Financial assets are classified into the following two specified categories: ‘financial assets measured at fair value through profit and loss’ or ‘financial assets measured at amortized cost’.

- *Financial assets at amortized cost*

  Financial assets are measured at amortized cost if both of the following criteria are met: (i) the objective of the Company’s business model is to hold the assets to collect the contractual cash flow, and (ii) the contractual terms only require specific dates for payment of principal and interest.

  In addition, and for assets that meet the above conditions, IFRS 9 contemplates the option of designating, at the time of the initial recognition, an asset as measured at its fair value, if doing so would eliminate or significantly reduce the valuation or recognition inconsistency that could arise in the event that the valuation of the assets and liabilities or the recognition of profit or losses resulting therefrom be carried out on different bases. The Company has not designated a financial asset at fair value by using this option.

  As of the closing date of these consolidated financial statements, the Company’s financial assets at amortized cost include certain elements of cash and cash equivalents, trade receivables and other receivables.

- *Financial assets at fair value through profit or loss*

  If either of the two criteria above are not met, the financial asset is classified as an asset measured “at fair value through profit or loss”.

  As of the closing date of these consolidated financial statements, the Company’s financial assets at fair value through profit or loss include mutual funds and the investments held in mutual funds in the account for future investments.

Financial assets are recognized on trade date, when the Company commits to purchase or sale an asset. The recognition method is consistent for all purchases or sales of financial assets of the same category. Financial assets are recognized when the rights to receive cash flows from the investments and the risks and rewards of ownership have expired or have been transferred.

Financial assets at amortized cost are initially measured at fair value, plus transaction costs. These assets accrue interest based on the effective interest rate method.

Financial assets at their fair value through profit or loss are initially recognized at fair value and transaction costs are recognized as an expense in the statement of comprehensive income. They are subsequently valued at fair value. Changes in fair values and results from sales of financial assets at fair value through profit or loss are recorded in “Net financial results” in the statement of comprehensive income.

In general, the Company uses the transaction price to ascertain the fair value of a financial instrument on initial recognition. In other cases, the Company records a gain or loss on initial recognition only if the fair value of the financial instrument can be supported by other comparable and observable market transactions for the same type of instrument or if it is based in a technical valuation that only inputs observable market information. Unrecognized gains or losses on initial recognition of a financial asset are recognized later on, only to the extent they arise from a change in the factors (including time) that market participants would consider upon setting the price.

Gains/losses on debt instruments measured at amortized cost and not included for hedging purposes are charged to income when the financial assets are derecognized or an impairment loss is recognized and during the amortization process using the effective interest rate method. The Company reclassifies all investments on debt instruments only when its business model for managing those assets changes.

3.4.1 Cash and cash equivalents

Include cash, time deposits in financial entities and short-term investments with maturity up to three months at the acquisition date, with low risk of value variation and destined to cancel short-term liabilities.

	December 31, 2019	December 31, 2018
Cash	63,704	150,145
Current investments	27,557	3,945
Cash and cash equivalents	91,261	154,090

Bank balances are made up of: current account deposits in pesos at local banks for USD 3,119, current account deposits in dollars at local banks for USD 12,641 and current account deposits in dollars at foreign banks USD 47,700.

3.4.2 Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

3.4.3 Impairment of financial assets

Financial assets are assessed by the Company for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial asset have been affected.

Objective evidence of impairment could include: significant financial difficulty of the issuer or counterparty; or breach of contract, such as a default or delinquency in interest or principal payments; or it becoming probable that the borrower will enter bankruptcy or financial re-organization; or the disappearance of an active market for that financial asset because of financial difficulties.

3.4.4 Derecognition of financial assets

The Company shall derecognize a financial asset only when the contractual rights on the financial assets cash flows expire and transfer the substantial risks and advantages inherent to ownership of the financial asset. If the Company does not transfer or retain substantially all the risks and advantages inherent to the ownership and retains the control over the asset transferred, the Company shall recognize its interest in the asset and the associated obligation at the amounts payable. If the Company retains substantially all the risks and advantages inherent to property on the transferred financial asset, the Company shall continue to recognize the financial asset and shall also recognize a collateral loan for the receipts.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognized on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received for the part no longer recognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income is recognized in profit or loss. A cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized and the part that is no longer recognized on the basis of the relative fair values of those parts.

3.5. Inventories

Materials and spare parts are stated at the weighted average cost reduced, if necessary, to net realizable value. The net realizable value is the estimated price of sale less estimated selling costs. Materials and spare parts in transit have been valued at acquisition cost.

Based on Management´s analysis at December 31, 2018 and 2017, no allowance for inventory has been recognized for materials and spare parts. Such analysis takes into consideration the conservation status, their future use and the net realizable value of the inventories.

3.6. Goodwill

The goodwill recorded by the Company in 2018 corresponds to the acquisitions of GETSA (in 2017) and Ullum 1, Ullum 2, Ullum 3 (in 2018) (Note 14).

Goodwill corresponds to the amount of the transferred consideration in excess of the net acquisition cost on the date of acquisition of the identifiable assets acquired and liabilities assumed.

Goodwill is not amortized but tested for impairment. For purposes of conducting the impairment test, goodwill is assigned to each of the Company's cash generating units expected to benefit from the synergies of the relevant combination. The cash generating units to which goodwill is assigned are subject to annual, or more frequent, impairment tests, when there are indicators of impairment. If the recoverable amount of the cash generating unit is lower than the unit's book amount, the impairment loss is firstly applied to reducing the carrying amount of goodwill assigned to the unit, and is then applied proportionately to the unit's other assets. The carrying amount of each asset in the reporting unit is used as basis. The impairment loss recognized for goodwill is not reversed in any subsequent period.

Any impairment loss for goodwill is recognised directly in profit or loss.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

The Company has recognized an impairment loss in the year ended December 31, 2018 related to the goodwill of Ullum 1, Ullum 2 and Ullum 3, which was included in the Other expenses, net caption of the consolidated statement of profit or loss and other comprehensive income for the year ended December 31, 2018. The Company has recognized an impairment loss in the year ended December 31, 2019 for the goodwill related to the acquisition of GETSA. (See Note 15)

3.7. Fixed assets

- Lands and buildings held for use in production, supply of services or for administrative purposes, machinery and equipment, generation equipment, tools, facilities, furniture and equipment and vehicles, are stated in the consolidated statement of financial position at their cost less any subsequent accumulated depreciation (except for land which is not depreciated) and less any recognized impairment loss.

  Depreciation of buildings, machinery and equipment, generation equipment, tools, facilities, furniture and equipment and vehicles is charged to expense for each year.

- Work in progress at the end of each year is carried at cost, less any recognized impairment loss. These assets are classified in the appropriate category of fixed assets when the construction is completed and are ready for use.

- Depreciation of these assets commences when the assets are ready for their intended use. The Company has capitalized the corresponding portion of financial costs (interest) related to third parties' financing of long-term construction of fixed assets.

- Improvement on third party assets are stated at cost less accumulated depreciation and accumulated impairment losses.

- Assets acquired through leasing agreements have been incorporated at the lower value of the cash purchase price and the sum of discounted values of the minimum payments of the assets, calculated at the implied interest rate of the leasing, with a counterpart in "Leasings" of current and non-current liabilities.

- Depreciation is recognized so as to write-off the cost or valuation of assets (other than land) less their residual values over their useful lives, using the straight-line method. The estimated useful lives and residual values are reviewed at each year end, with the effect of any changes in estimates being accounted for on a prospective basis.

- An item of fixed assets is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gain or loss derived of the sales proceeds disposal or retirement of an item of fixed assets is determined as the difference between the sales proceeds and the carrying amount of the asset and it is recognized in the consolidated statement of income and other comprehensive income.

- Costs related to assets retirement obligations are capitalized at their discounted value along with the related assets and are depreciated using the unit-of-production method. As compensation, a liability is recognized for this concept at the estimated value of the discounted payable amounts. Future changes in the abandonment cost, the useful life of the assets and their estimate of abandonment, as well as changes in regulations related to abandonment, which are not possible to be predicted at the date of issuance of these consolidated financial statements, could affect the value of the abandonment obligations and, consequently, the related asset, affecting the results of future operations.

3.8. Assets under concession - Service concession agreements

The value of assets for the generation power plants of Río Mayo and Gobernador Costa as indicated in Note 1 are recognized pursuant to the provisions of the IFRIC 12 "Service Concession Agreements". Assets meeting certain requirements set forth by the IFRIC 12, which at Management of the Company's judgment are met in the facilities mentioned in the preceding paragraphs, are recognized as intangible assets.

These assets are valued at their acquisition cost net of accumulated amortization. As mentioned in Note 1 and 11.11, in August 2017 the Company notified the Province of Chubut of the termination of this PPA effective as from the earlier of August 2018 or the date when the province of Chubut receives the possession of the plants.

These assets were depreciated using the straight-line method during the course of the concession period and as from the notification of termination, they were depreciated in the remaining contractual period that the Company had to continue operating the plants until August 2018.

3.9. Intangible assets

3.9.1 Intangible assets acquired separately

Mainly include costs of acquisition of new projects. The accounting policies for the recognition and measurement of these intangible assets are described below.

Intangible assets acquired are initially recognized at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired are reported at cost less accumulated impairment losses.

3.9.2 Intangible assets acquired in a business combination

Correspond to the intangible assets acquired in the business combination of ICERSA during the year 2017, Ullum 1, Ullum 2 and Ullum 3 during the year 2018 as detailed in Note 14, related to the PPA that these companies have with CAMMESA, which are recognized separately from goodwill and are initially recognized at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

The Company has recognized an impairment loss in the year ended December 31, 2018 related to the intangible assets of Ullum 1, Ullum 2 and Ullum 3 as described in note 15, which was included in the Other expenses, net caption of the consolidated statement of profit or loss and other comprehensive income for the year ended December 31, 2018.

3.10. Impairment of tangible and intangible assets other than Goodwill

At the end of each reporting year, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss.
To evaluate if there is evidence that an asset could be impaired, both external and internal sources of information are analyzed, whenever events or changes in circumstances indicate that the carrying amount of an asset or cash-generating unit may be negatively affected. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

In the impairment assessment, the assets that do not generate independent cash flows are grouped in an appropriate cash generating unit.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

3.11. Liabilities

The Company recognizes a liability when it has a present obligation (legally enforceable as a result of the execution of a contract or a requirement contained in a legal standard) resulting from a past event and which amount owed can be reliably estimated.

3.12. Financial liabilities

Financial liabilities are classified as fair value through profit or loss or as other financial liabilities.

Other financial liabilities, initially measured at fair value, net of transaction costs, are subsequently measured at amortized cost using the effective interest method. Interest charges are included in the “Financial expense, net” caption of the consolidated statement of profit or loss and other comprehensive income.

The financial liabilities at fair value through profit or loss have been recognized at their fair value, recognizing any gain or loss arising from the revaluation in the statement of profit or loss and other comprehensive income. The net gain or loss recognized in profit or loss is disclosed in the "Financial expense, net" caption of the consolidated statement of profit or loss and other comprehensive income.

The Company derecognizes financial liabilities (or a part of them) when, and only when, the Company's obligations are discharged, cancelled or they expired.

The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in profit or loss.

3.13. Other liabilities

Other financial liabilities, including borrowings and trade and other payables, are initially recognized at fair value, net of costs directly attributable to their acquisition (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts).

Subsequent to initial recognition, other financial liabilities are measured at amortized cost using the effective interest method, with interest income recognized based on the effective yield.

Financial liabilities are classified as current liabilities unless the Company has an unconditional right to defer its settlement for more than 12 months from the balance sheet date.

The estimated present value of the asset retirement obligation is recorded as a liability, with a corresponding increase in the carrying amount of the related asset, subject to depreciation. The liability recorded is increased each fiscal period due to the passage of time and this change is charged to net profit or loss. The asset retirement obligation can also increase or decrease due to changes in the estimated timing of cash flows, changes in the discount rate and/or changes in the original estimated undiscounted costs. Increases or decreases in the obligation will result in a corresponding change in the carrying amount of the related asset. Actual costs incurred upon settlement of the asset retirement obligation are charged against the asset retirement obligation to the extent of the liability recorded. The Company discounts the costs related to asset retirement obligations using the discount rate that reflects the current market assessment of the time value of money and risks specific to the liabilities that have not been reflected in the cash flow estimates. Asset retirement obligations are remeasured at each reporting period in order to reflect the discount rates in effect at that time.

3.14. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting year, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

The Company has been sued in certain labor, civil and commercial lawsuits. Provisions for contingencies are recorded on a risk assessment basis and when the likelihood of a loss is probable. The assessment of a loss probability is based on the opinion of legal counsels of the Company and its Management.

3.15. Revenue recognition

The Company derives its revenues mainly from power generation and sale of energy contracts, and natural gas trading and transportation.

Revenues derived from electric power generation and natural gas trading and transportation are measured at the fair value of the consideration received or receivable specified in the contract with a customer and excludes amounts collected on behalf of third parties and are recorded as sales when realized and transfers control of the product or service to the customer. For such purpose, they should meet the following criteria: there is an agreement with the client, the price is fixed or determinable, the service was provided and collection is reasonably secured.

Main revenue activities are the following:

Electric power generation from conventional sources:

The Company recognizes revenue based on monthly available capacity per MW and energy dispatch for each plant. Such activities are recognized as a performance obligation satisfied over time, measured on an hourly basis for firm capacity made available and energy dispatch, and then revenue recognized separately for these activities on a monthly basis according to the PPAs. The Company has no other performance obligations once capacity has been made available and energy has been dispatched. Company's Management has evaluated that performance obligations are satisfied over time since the customer simultaneously receives and consumes the benefits provided by the Company's performance as it performs. The consideration is contractually determined and allocated between these activities based on their contractual selling prices. Both activities are billed and paid for on a monthly basis according to contractual established due dates.

Electric power generation from renewable sources:

The Company recognizes revenue based on energy dispatch for each wind farm. Such activity is recognized as a performance obligation satisfied over time, measured on an hourly basis, and then revenue recognized on a monthly basis according to the PPAs. The Company has no other performance obligations once energy has been dispatched. Company's Management has evaluated that performance obligations are satisfied over time since the customer simultaneously receives and consumes the benefits provided by the Company's performance as it performs. The consideration is contractually determined based on contractual selling prices. This activity is billed and paid for on a monthly basis according to contractual established due dates.

Commercialization and transportation capacity of natural gas and electricity:

Revenue is recognized when natural gas and transport capacity is transfer to the customer. Such activities are recognized as a performance obligation satisfied over time, as natural gas or transportation capacity is transferred to the customer. The Company has no other performance obligations once natural gas or transportation capacity has been transferred to the customer. Company's Management has evaluated that performance obligations are satisfied over time since the customer simultaneously receives and consumes the benefits provided by the Company's performance as it performs.

Interest income is recognized based on the yields calculated by the effective interest rate method.

3.16. Leasing

The identification of a lease is made under a control model, distinguishing between leases and service contracts on the basis of whether there is an identified asset controlled by the customer. Control is considered to exist if the customer has (i) the right to obtain substantially all of the economic benefits from de use of an identified asset, and (ii) the right to direct the use of that asset.

Assets that qualify as a lease require the lessee to recognize a right-of-use asset and a lease liability at lease commencement date, except for short-term leases and leases of low value of assets.

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others.

The Company does not have significant leasing agreements at the end of December 2019 and 2018.

3.17. Financial costs

Financial costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalized to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Other financial costs are recognized as expenses in the period in which they are incurred.

3.18. Income tax and minimum presumed income tax

3.18.1 Income taxes – current and deferred

Income tax expenses represent the sum of the tax currently payable and the deferred tax.

3.18.1.1 Current tax

The tax currently payable is based on taxable profit for the year. The Company's liability for current tax is calculated using tax rate that have been enacted or substantively enacted at the end of the year. The current income tax charge is calculated on the basis of the tax laws in force in Argentina.

On December 29, 2017, Tax Reform, Law N° 27,430, was published in the Official Gazette, which came into force on the day following its publication in the Official Gazette, being one of the main changes the reduction of the tax rate for income tax on non-distributed corporate profits from 35% to: (i) 30% for the periods between January 1, 2018 and December 31, 2019 and (ii) 25% from January 1, 2020. This new regulation has an impact on the measurement of deferred tax assets and liabilities (including tax loss carryforwards) as from the effective date of this new law, given that they must be recognized by applying the tax rates that will be in force on the dates when the temporary differences will be reverted or used, in accordance with what is mentioned in the following section.

On December 23, 2019, Law No. 27,541 was published in the "Boletin Oficial", called «Law of Social Solidarity and Productive Reactivation in the framework of Public Emergency», which establishes, among other things, changes in the tax rate of income tax over corporate profits not distributed in the following years and produced changes with respect to what was mentioned in the previous paragraph.

In accordance with the aforementioned Law and subsequent clarifications by the Professional Council, an aliquot of 30% is established for the period 2020 and 25% as of January 1, 2021.

3.18.1.2 Adjustment for tax inflation

Law No. 27,468 published in the "Boletin Oficial" on December 4, 2018 provided that for the purposes of applying the adjustment procedure for tax inflation it is valid for the years that began on January 1, 2018. Regarding of the first, second and third year after its validity, this procedure will be applicable if the variation of the CPI, calculated from the beginning and until the end of each of those exercises exceeds 55%, 30% and in 15%, for the first, second and third year of application, respectively.

The impact of the adjustment for tax inflation as of fiscal year 2019 will be charged as follows: 1/6 in that same fiscal year and the remaining 5/6 in equal parts during the following five years.

On December 31, 2019, the Company applied the adjustment procedure for tax inflation considering that the accumulated CPI at the end of the fiscal year exceeded the mentioned 30%. The effect of the application of the adjustment for tax inflation is disclosed separately in the income tax note (Note 5.r).

3.18.1.3 Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax basis used in the computation of taxable results. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets, including tax loss carry forwards, are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Such deferred assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable results nor the accounting results.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the period or year, as detailed below. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the year to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Under IFRS, deferred income tax assets and liabilities are classified as non-current assets and non-current liabilities.

The net deferred tax liability as of December 31, 2018 and 2017 was measured considering the rates of 30% or 25%, according to the date in which it is expected that the temporary item will be reversed or used. The effect of the application of the new rates is disclosed separately in the income tax note (Note 5.r).

3.18.1.4 Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss in the consolidated statement of profit or loss and other comprehensive income, except when they relates to items that are recognized directly in equity, in which case, the current and deferred tax is recognized directly in equity or when current tax or deferred tax arises from the initial accounting for a business combination.

3.18.2 Minimum presumed income tax

The minimum presumed income tax complements the income tax. The Company determines the tax charge by applying the enacted rate of 1% to the taxable assets at the end of year. The Company´s tax obligation will coincide with the higher between the determined minimum presumed income tax and the income tax liability determined applying the enacted tax rate over the estimated taxable result of year. Nevertheless, if the presumed income tax in a fiscal year exceeds the corresponding income tax, such excess may be computed as a prepayment of any income tax excess over the minimum presumed income that may be generated in the next ten years.

According to Law N° 27,260 issued on July 22, 2016, this tax was repealed for fiscal years beginning as from January 1, 2019.

Regarding the declaratory status action filed against the Argentine state - AFIP - DGI, see Note 11.7.

3.19. Shareholders' equity accounts

Shareholders' contributions and reserves accounts were prepared in accordance with the accounting standards in force on the transition date to IFRS. Changes to such accounts were accounted for pursuant to the respective decisions of the Shareholders' Meetings, regulatory and statutory rules (Share premium and Reserves).

Capital stock
Includes capital contributions paid in by shareholders, and includes all outstanding shares at par value.

Share premium
It is the difference between the subscription price of capital increases and the corresponding par value of issued shares.

Capital contributions
Corresponds to transactions with shareholders that, as provided by IFRS, and based on the substance over form principle, are assimilated to capital contributions and, thus, their effects are directly recognized under Shareholders' equity.

Legal Reserve
In accordance with the provisions of Law N° 19,550, the Company is required to set up a legal reserve of at least 5% of net income, which results from the sum of net income for the year adjusted by any amount that could have been transferred form accumulated other comprehensive income (loss) to retained earnings plus any adjustment recognized directly in retained earnings, until such reserve reaches 20% of the subscribed capital plus adjustment to capital.

Facultative reserve
Corresponds to the allocation made by the Genneia's Shareholders' meeting, whereby a specific amount is being assigned to be used in future investments of the Company and its subsidiaries in power generation projects. During fiscal year 2019, this reserve has been released and transferred to unappropriated retained results.

Unappropriated retained results
It includes the retained earnings / losses without specific appropriation, which in case of being positive based on the separate financial statements of the Company presented in Argentine pesos according to the Argentine Securities Commission ("CNV") regulations, may be distributed pursuant to a resolution by the Shareholders' meeting, insofar as they are not subject to statutory restrictions, as that described in the previous legal reserve paragraph. Includes earnings / losses from prior years that were not distributed, the amounts transferred from other comprehensive income and the adjustments to prior years according to accounting standards. As of December 31, 2019, the unappropriated retained results according to the Company's separate financial statements presented in Argentine pesos amounts to an accumulated loss of AR$ 1,816 million.

In addition, pursuant to the provisions of CNV, when the net balance of the other comprehensive income account is positive, it cannot be distributed, capitalized or appropriated to absorbing accumulated losses, and when the net balance of such account is negative, a restriction shall apply to the distribution of retained earnings by such amount.

Under Law N° 25,063, passed in December 1998, dividends distributed, either in cash or in kind, in excess of accumulated taxable income at the end of year immediately preceding the payment or distribution date, will be subject to 35% as an income tax withholding as a sole and final payment. Accumulated taxable income for the purposes of this tax includes the balance of accumulated accounting profits at year end immediately preceding the effective date of the Law less dividends paid plus the taxable income determined from that exercise. However, according to Law No. 27,430 of Tax Reform (Note 3.18.1.1), this tax is eliminated for the profits generated as from 2018.

Finally, Law No. 27,430 of Tax Reform also established, among other issues, a withholding on dividends of 7% for the years 2018 and 2019, and 13% from 2020. According to Law No. 27,541 called the Law of Social Solidarity and Productive Reactivation in the Public Emergency framework mentioned above, the rate of retention rate on distributed dividends will be 7% by the year 2020.

In accordance with the Shareholders' Agreement, the approval to distribute dividends to the shareholders requires the favorable vote of a qualified majority of the Company´s capital stock. However, the Company is limited in the distribution of dividends by certain restrictive covenants assumed in connection with the issuance of the negotiable obligations (Note 9).

Other comprehensive income
It includes income and expenses directly recognized under Shareholders' Equity and the transfers of such items from Shareholders' Equity accounts to income for the period or retained earnings accounts, as established by IFRS.

3.20. Earnings per share

Net profit (loss) per share is calculated by dividing the net profit (loss) for the year attributable to the Company's shareholders by the weighted average of shares of the Company outstanding during the year.

Diluted net profit (loss) per share is calculated by dividing the net profit (loss) for the fiscal year by the weighted average of shares outstanding, and when dilutive, adjusted for the effect of all potentially dilutive shares, including share options, on an as if they had been converted.

In computing diluted net income per share, income available to ordinary shareholders, used in the basic earnings per share calculation, is adjusted by those results that would result of the potential conversion into ordinary stock. The weighted average number of ordinary shares outstanding is adjusted to include the number of additional ordinary shares that would have been outstanding if the dilutive potential ordinary shares had been issued. Diluted net income per share is based on the most advantageous conversion rate or exercise price over the entire term of the instrument from the standpoint of the security holder. The calculation of diluted net income per share excludes potential ordinary shares if their effect is anti-dilutive.

As of the date of the issuance of these consolidated financial statements, there are no instruments outstanding that imply the existence of potential ordinary shares. Thus the basic net income per share matches the diluted net income per share.

The following table shows the net profit (loss) and the weighted average number of shares that have been used for the calculation of the basic earnings per share:

	2019	2018
Net loss attributable to owners of the Company	(19,735)	(22,147)
Weighted average number of outstanding ordinary shares (Note 8)	103,040,496	101,870,956
Basic and diluted (losses) earnings per share (in United States dollars)	(0.19)	(0.22)

NOTE 4 - CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

In the application of the Company's accounting policies, the Management and Board of Directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future years.

Below is a detail of the main accounting areas and items that require that management make significant judgments and estimates in preparing these consolidated financial statements.

Functional Currency

The Company's Management applies its professional judgment in determining its functional currency and of its controlled entities. Judgement is basically made regarding the currency that mainly influences and determines sales prices, labor and material costs, investments and other costs, as well as the financing and collections derived from its operating activities in the long-term.

Recoverable value of trade receivables and other receivables

As detailed in Notes 7.3.2 and 11.11, the Company has significant receivables from entities with state participation or dependent on funds from the public sector, recognized as trade receivables and other receivables as a result of its generation operations.

Management makes an ongoing assessment of the recoverability of receivables based on aging, payment capacity of the counterparty, nature of the client, security interest received, its legal rights, among others, and accounts for provisions based on the estimated recoverable value of such receivables.

Recognition of the account for future investments

As mentioned in Note 11.12 CAMMESA deducts from its monthly payments to the Company an amount appropriated to set up an "Account for future investments" which might be used to the installation of certain power plants.

Such deductions are recorded as other receivables and Company's revenues in the period of accrual based on the regulatory and legal analysis made by Company's management, in consultation with its legal advisors (see Note 1 and 11.12).

Recoverable value of deferred tax assets, tax loss carryforwards and credits for minimum presumed income tax

The Company recognizes tax loss carryforwards and other tax credits as deferred tax assets when it is probable its deduction against future taxable income. To that effect, based on paragraph 26 of NIC 12, the Company considers the projected taxable income and the reversal of temporary liability differences.

In order to determine the likelihood of realization and estimate the recoverable amount of such assets, Management projects taxable income on the basis of several future variables, including the estimate of the Argentine currency devaluation against the US dollar for the following years. Such estimates are periodically reviewed and their effects are recognized in the period in which a revision is performed.

Useful life of fixed assets, recoverable value of fixed assets, assets under concession and intangible assets

The Company estimates the useful life of their fixed assets, assets under concession and intangible assets, mainly wind power plant and thermal generation plants, based on the technology of the corresponding assets and their type and characteristic of use.

In addition, the Company generally estimates the recoverable value of fixed assets, assets under concession and intangible assets on the basis of their economic value in use, calculated as the discounted expected future cash flows generated by each asset or group of assets under evaluation, considering their estimated useful life. With the exception of those thermal generation plants whose contract with CAMMESA has ended (Note 1) whose recoverable value has been estimated based on their estimated disposal value less costs to sell.

In order to estimate cash flows, the Company's Management calculates revenues and future costs based on its best estimate of the regulatory framework, tariffs, fuel costs, devaluation and inflation of the Argentine peso, salaries, wind farm utilization factor, useful life of the assets and the rate used to discount such cash flows, among others.

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash generating units to which goodwill has been allocated. The value in use calculation requires Management to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, a material impairment loss may arise.

The Company has recognized an impairment loss in the year ended December 31, 2018 related to the goodwill of Ullum 1, Ullum 2 and Ullum 3 as described in Note 15. And the Company has recognized an impairment loss in the year ended December 31, 2019 for the key value related to the acquisition of GETSA (Note 15).

Estimate of contingent liabilities for claims and lawsuits

The final outcome arising from litigation, claims and other contingencies, as well as the perspective given to each issue by the Management may vary from their estimates due to different interpretations of laws, contracts, opinions and final assessments of the amount of the claims. Changes in the facts or circumstances related to these types of contingencies can have, as a consequence, a significant effect on the amount of the provisions for litigation and other contingencies recorded or the perspective given by the Management.

NOTE 5 - DETAIL OF THE MAIN ACCOUNTS OF THE CONSOLIDATED FINANCIAL STATEMENTS

The breakdown of the main accounts of the consolidated financial statements is as follows:

Consolidated balance sheets as of December 31, 2019 and 2018

	December 31, 2019	December 31, 2018
Assets		
a) Cash and banks:		
Cash	235	480
Banks	63,460	149,651
Checks to be deposited	9	14
	63,704	150,145
b) Investments:		
Current		
Mutual funds	27,557	3,945
	27,557	3,945
Non-current		
Investments in joint venture	52,022	11,243
	52,022	11,243

Includes the interest in the following joint venture:

	Main activity	Percentage of participation	
Joint venture:		December 31, 2019	December 31, 2018
Vientos de Necochea S.A.	Production and development of renewable energies and its commercialization.	50%	50%
Vientos Sudamericanos Chubut Norte IV S.A.	Construction, financing, commissioning, operation and maintenance of a renewable sources power plant.	51%	100%
Vientos Patagónicos Chubut Norte III S.A.	Construction, financing, commissioning, operation and maintenance of a renewable sources power plant.	51%	100%

As of December 31, 2019, Vientos de Necochea S.A., Vientos Sudamericanos Chubut Norte IV S.A. and Vientos Patagónicos Chubut Norte III S.A. joint ventures are accounted for using the equity method in these consolidated financial statements.

Vientos de Necochea S.A., Vientos Sudamericanos Chubut Norte IV S.A. and Vientos Patagónicos Chubut Norte III S.A. are a stock corporation under the laws in force in Argentina whose legal form confers separation between the parties to the joint arrangement and the company itself. Furthermore, there is no contractual arrangement or any other facts and circumstances that indicate that the parties to the joint arrangement have rights to the assets and obligations for the liabilities of the joint arrangement. Accordingly, the above mentioned companies are classified as a joint venture of the Company.

Vientos de Necochea S.A. was incorporated in May 2017 by Genneia and Centrales de la Costa Atlántica S.A. for the development of the Vientos de Necochea 1 wind farm project, which is described in Note 12.1.

Vientos Sudamericanos Chubut Norte IV S.A. and Vientos Patagónicos Chubut Norte III S.A. were established in June 2016 and March 2018, respectively by Genneia and MyC Energía S.A. for the development of the Chubut Norte IV and Chubut Norte III wind projects. On July 16, 2019, Genneia and its subsidiary MyC Energía SA have agreed to transfer to Pan American Fueguina SA ("PAF"), a subsidiary of Pan American Energy SL ("PAE"), of 49% of the shareholding of Vientos Patagónicos Chubut Norte III S.A. and by Vientos Sudamericanos Chubut Norte IV S.A. This transfer was perfected on August 26, 2019.

As of the completion of the transfer of the shares, the Company has followed the guidelines of IFRS 10 "Consolidated Financial Statements" and has concluded that since the entry of PAE in Vientos Patagónicos Chubut Norte III S.A. and Vientos Sudamericanos Chubut Norte IV S.A., Genneia will jointly control Vientos Patagónicos Chubut Norte III S.A. and Vientos Sudamericanos Chubut Norte IV S.A. Consequently, the Company will apply IFRS 11 "Joint Agreements" that defines such Company as a joint venture, and will evaluate it in accordance with the equity method according to IAS 28 "Investments in associates and joint ventures", once it has been completed the transaction.

Some of the main assumptions evaluated are described below: (i) Any decision on certain relevant activities thereof, detailed in the shareholders agreement to be concluded, must be taken jointly between Genneia and PAE, since there is no power of a shareholder over the other in relation to the investment, regardless of the different capital percentages. interests of each of them. Although the Company will have a 51% stake in Vientos Patagónicos Chubut Norte III S.A. and Vientos Sudamericanos Chubut Norte IV SA, in accordance with the shareholders agreement, the approval of at least one Director appointed by each class of shares at the Board meeting or the approval of the full class of the shares at the shareholders meeting are required for decision making regarding certain relevant activities; fixed in the shareholders agreement to be concluded; (ii) No shareholder has any power, as defined in IFRS 10 to the detriment of any other, regardless of the number of Directors or personnel (key or not) designated by each class of shares, in the management of the Company itself to benefit or unilaterally modify variable investment returns or, ultimately, unilaterally direct any of the decisions associated with the relevant activities.

Summarized financial information in respect of the joint venture is set out below. The summarized financial information below represents amounts shown in the joint venture's financial statements.

	Vientos Sudamericanos Chubut Norte IV S.A.	Vientos Patagónicos Chubut Norte III S.A.	Vientos de Necochea S.A.	
	December 31, 2019	December 31, 2019	December 31, 2019	December 31, 2018
Balance sheet information				
Current assets	44,832	19,719	8,349	13,842
Non-current assets	90,032	44,097	60,477	13,429
Current liabilities	25,013	4,391	18,517	3,246
Non-current liabilities	61,095	31,541	24,445	1,539
Shareholders equity	48,756	27,884	25,864	22,486
Statement of profit or loss and other comprehensive income				
Administration expenses	(87)	(71)	(43)	(39)
Other expenses, net	(551)	(166)	(361)	(40)
Financial losses, net	(2,883)	(940)	15	267
Net (loss) income before income tax	(3,521)	(1,177)	(389)	188
Income tax	196	(441)	(638)	(3,034)
Net loss for the year	(3,325)	(1,618)	(1,027)	(2,846)
Reconciliation of the above summarized financial information to the carrying amount of the interest in the joint venture recognized in the consolidated financial information:				
Net assets of the joint venture	48,756	27,884	25,864	22,486
Proportion of the Company's ownership interest in the joint venture	51%	51%	50%	50%
Carrying amount of the Company's interest in the joint venture	24,865	14,225	12,932	11,243
Evolution of non-current investments:				
Balance at the beginning of the year	-	-	11,243	4,689
Interest maintained in sold companies	491	274	-	-
Capital contributions	9,148 (2)	6,262 (2)	2,200	7,977
Other capital contributions (1)	15,802	9,100	-	-
Comprehensive loss for the year	(576)	(1,411)	(511)	(1,423)
Balance at the end of the year	24,865	14,225	12,932	11,243

(1) Corresponds mainly to the effect related to those transactions of loans to joint ventures that, according to IFRS, according on the underlying economic substance of the operation, are assimilated to increases or decreases in other capital contributions to such companies (see Note 5.d and 3.4).

(2) Correspond to loans made to the company that were subsequently considered as a capital contribution on long term investments in joint ventures.

	December 31, 2019	December 31, 2018
c) Trade receivables:		
Current		
Trade receivables - electric power generation	52,200	26,637
Related parties (Note 6)	58	35
Accruals for unbilled sales of electric power generation	25,417	18,770
Trade receivables - sale of gas and gas transportation	671	566
Accruals for unbilled sales of gas and gas transportation	903	471
	79,249	46,479
Non-current		
Trade receivables - electric power generation		
Río Mayo and Costa, net (Note 11.11)	3,404	10,094
Trade receivables - electric power generation	-	547
	3,404	10,641
Aging of trade receivables		
Up to three months	13,766	3,878
Three to six months	833	1,571
Six to nine months	457	390
Nine to twelve months	1,451	384
More than one year	7,249	11,275
Past due balance at end of the year (1)(3)	23,756	17,498
To be due	58,897	39,622
Balance at end of year (2)	82,653	57,120

(1) In relation to uncollected past due current trade receivables with IEASA (Ex ENARSA) of 13,235 and 7,024 as of December 31, 2019 and 2018 respectively, see Note 11.8.
(2) In relation to uncollected trade receivables with the Province of Chubut (Dirección General de Servicios Públicos) for a net amount of 3,404 and 10,094 as of December 31, 2019 and 2018, respectively, see Note 11.11.
(3) As of December 31, 2019 and 2018, past due balances include certain trade receivables net amounts classified as non-current for 3,404 and 9,459, respectively, related to electric power generation of Rio Mayo and Costa power plants.

d) Other receivables:		
Current		
Financial assets		
Account for future investments (1)	11,169	14,335
Related parties (Note 6)	8,251	773
Credit for sale of companies (2)	1,851	-
Receivable for investment in Patagonian Pipeline	107	170
Loma Blanca Trust credits	327	312
	21,705	15,590
Prepayments, tax receivables and others		
Prepaid insurance	1,050	657
Value added tax	4,676	34,779
Income tax and minimum presumed income tax advances and withholdings (net of minimum presumed income tax payable)	1,254	735
Advanced payments to suppliers	65	104
Turnover tax credit	199	710
Recovery of expenses receivable	1,737	
Miscellaneous	3,325	3,193
	12,306	40,178
	34,011	55,768

(1) On January 2, 2019, February 28, 2019, May 10, 2019, October 2, 2019 and November 7,2019, the Company received reimbursements for US$ 2,1 million, US$ 2,2 million, US$ 1,9 million, US$ 1,9 million, and US$ 6,5 million respectively. On September 26, 2018, October 25, 2018 and November 26, 2018, the Company received reimbursements for US$ 24 million, US$ 8,1 million and US$ 6,5 million respectively. Also, on February 21, 2020 the Company received a new reimbursement por USD 2,9 million.
(2) Corresponds to the credit held with PAF associated with the sale of 49% of the shares of Vientos Sudamericanos Chubut Norte IV S.A. and Winds Patagonicos Chubut Norte III S.A. (Note 5.b)

	December 31, 2019	December 31, 2018
Non-current		
Financial assets		
Related parties (Note 6) (3)	17,068	-
Construction costs to be recovered	302	400
Receivable for investment in Patagonian Pipeline	655	1,046
Loma Blanca Trust credits	2,220	2,849
	20,245	4,295
Prepayments, tax receivables and others		
Minimum presumed income tax credit	661	1,335
Turnover tax credit	440	520
Advanced payments to suppliers of fixed assets (1)	7,376	119,534
Credit from tax on bank debits and credits	1,779	2,030
Deferred tax asset (Note 5.r)	-	149
Expenses paid in advance	1,638	1,516
Deposits in guarantee for contributions in joint ventures (2)	12,615	-
Miscellaneous	893	47
	25,402	125,131
	45,647	129,426

(1) Corresponds to advanced payments to suppliers for fixed assets acquisitions in relation to the projects as detailed in Notes 1 and 12.
(2) Corresponds to a security deposit of USD 12.6 million in compliance with the commiment of contribution to Chubut Norte III and IV projects.
(3) As of December 31, 2019 includes USD 6.3 million of term loans granted to joint ventures, which have been recognized at the time of their initial recognition at fair value, having recognized the difference generated with respect to the nominal value of the transaction, net of its effect on deferred tax, as other capital contributions in joint ventures .

e) Inventories:

Current		
Materials and spare parts	1,734	1,076
	1,734	1,076
Non-current		
Materials and spare parts	7,908	9,391
	7,908	9,391

f) Fixed assets, assets under concession, intangible assets and goodwill:

f.1) Fixed assets:		
Fixed assets value	1,134,319	951,446
Allowance for fixed assets impairments (Note 5.l)	(9,985)	-
Allowance for fixed assets impairments decrease (Note 5.l)	147	-
Net book value	1,124,481	951,446

	2019					
	Cost					
Main account	Accumulated at the beginning of the year	Increases	Decreases [3]	Transfers	Foreign currency exchange difference	Accumulated at the end of the year
Land	9,869	-	(1,499)	-	-	8,370
Furniture and fixture	544	-	-	-	-	544
Machinery	3,991	1	-	-	-	3,992
Computer equipment	5,295	348	-	584	-	6,227
Communication equipment	52	9	-	-	-	61
Vehicles	1,444	227	-	-	-	1,671
Buildings and installations	14,821	72	-	633	-	15,526
Tools	1,305	415	-	-	-	1,720
Pipelines	5,788	-	-	-	5,122	10,910
Power generation equipment	509,800	-	(18,850)	4,325	-	495,275
Wind Farm	499,575	12,548	-	377,205	-	889,328
Solar Photovoltaic Plant	75,754	7,864	-	-	-	83,618
Work in progress	166,912	289,826	(61,753)	(382,747)	-	12,238
Right of use on land and buildings	4,747	1,050		-	-	5,797
Total 2019	1,299,897	312,360[1][2]	(82,102)	-	5,122	1,535,277
Total 2018	846,448	450,290[1][2][4]	(29)	-	3,188	1,299,897

	2019							2018
	Accumulated Depreciation							
Main account	Accumulated at the beginning of the year	Annual depreciation rate	Increases	Decreases [3]	Foreign currency exchange difference	Accumulated at the end of the year	Net book value at December 31, 2019	Net book value at December 31, 2018
Land	-	-	-	-	-	-	8,370	9,869
Furniture and fixture	422	10%	22	-	-	444	100	122
Machinery	1,172	10%	322	-	-	1,494	2,498	2,819
Computer equipment	4,556	33%	557	-	-	5,113	1,114	739
Communication equipment	49	33%	1	-	-	50	11	3
Vehicles	971	20%	184	-	-	1,155	516	473
Buildings and installations	2,613	10%	402	-	-	3,015	12,511	12,208
Tools	743	10%	174	-	-	917	803	562
Pipelines	2,361	3%-7%	826	-	5,068	8,255	2,655	3,427
Power generation equipment	270,681	5%-10%	34,798	(17,658)	-	287,821	207,454	239,119
Windfarm	63,444	4%-5%	24,329	-	-	87,773	801,555	436,131
Solar Photovoltaic Plant	209	3%	2,768	-	-	2,977	80,641	75,545
Work in progress	-	-	-	-	-	-	12,238	166,912
Right of use on land and buildings	1,230	4%-33%	714	-	-	1,944	3,853	3,517
Total 2019	348,451		65,097	(17,658)	5,068	400,958	1,134,319	
Total 2018	294,226		53,626	(29)	628	348,451		951,446

(1) Includes 20,099 and 24,625 for the years ended December 31, 2019 and 2018, respectively, corresponding to financial costs related to third parties financing to work in progress extended for a substantial period of time.
(2) Includes 28 and 80 for the years ended December 31, 2019 and 2018, of depreciation of fixed assets that are being used in the construction projects.
(3) Includes decreases for a net amount of (1,192) associated with the power generation equipment of the Pinamar thermal power plant that were sold, (Note 1). It also includes (63,138) associated with the sale and loss of control of the companies Vientos Sudamericanos Chubut Norte IV S.A. and Vientos Patagónicos Chubut Norte III S.A. (Note 5.b).
(4) Includes 534, 523 and 10 of increase due to the acquisition of Ullum I Solar S.A., Ullum II Solar S.A. and Ullum III Solar S.A., respectively, for the year ended December 31, 2018.

f.2) Evolution of assets under concession:

	2019			
	Cost			
Main account	Accumulated at the beginning of the year	Decreases	Transfers	Accumulated at the end of the year
Power generation equipment	9,396	(9,396) [2]	-	-
Work in progress	-	-	-	-
Total 2019	9,396	(9,396)	-	-
Total 2018	9,396	-	-	9,396

	2019						2018
	Accumulated Amortization						
Main account	Accumulated at the beginning of the year	Annual depreciation rate	Increases	Decreases	Accumulated at the end of the year	Net book value at December 31, 2019	Net book value at December 31, 2018
Power generation equipment	9,396	5%[1]	-	(9,396) [2]	-	-	-
Work in progress	-	-	-	-	-	-	-
Total 2019	9,396		-	(9,396)	-	-	
Total 2018	7,620		1,776	-	9,396		-

(1) In virtue of the cancellation of the operating agreement of the "Rio Mayo" and "Costa" plants, as described in Note 11.11 to the consolidated financial statements as of December 31, 2018, the Company depreciated the plant within the term of 12 months in which the Company had to continue operating the plant from the date of notification of the termination of the agreement.
(2) As explained in Note 11.11, on June 27 and 28, 2019, the transfer of the "Rio Mayo" and "Costa" plants to the Province was formalized, by means of the conclusion of records and inventory. As of those dates, "Rio Mayo" and "Costa" plants ceased to be owned by Genneia.

f.3) Evolution of intangible assets:

	December 31, 2019			
	Intangible assets acquired separately (Puerto Madryn Project)	Intangible assets acquired in a business combination (intangible asset related PELBIV acquisition)	Intangible assets acquired in a business combination (intangible asset related ULLUMs acquisitions)	Total
Cost value	4,260	31,904	5,792	41,956
Accumulated amortization	(8)	(3,538)	-	(3,546)
Allowance for impairment of intangible assets	-	-	(5,792)	(5,792)
Book value at the beginning of the year	**4,252**	**28,366**	**-**	**32,618**
Amortization of the year	(69)	(3,538)	(288)	(3,895)
Impairment decrease	-	-	288	288
Book value at the end of the year	**4,183**	**24,828**	**-**	**29,011**
Cost value	4,260	31,904	5,792	41,956
Accumulated amortization	(77)	(7,076)	(288)	(7,441)
Allowance for impairment of intangible assets (Note 5.l)	-	-	(5,504)	(5,504)
Book value at the end of the year	**4,183**	**24,828**	**-**	**29,011**

	December 31, 2018			
	Intangible assets acquired separately (Puerto Madryn Project)	**Intangible assets acquired in a business combination (intangible asset related PELBIV acquisition)**	**Intangible assets acquired in a business combination (intangible asset related ULLUMs acquisitions)**	**Total**
Cost value	4,260	31,904	-	36,164
Accumulated amortization	-	-	-	-
Allowance for impairment of intangible assets	-	-	-	-
Book value at the beginning of the year	**4,260**	**31,904**	**-**	**36,164**
Increases	**-**	**-**	5,792	5,792
Amortization of the year	(8)	(3,538)	-	(3,546)
Impairment	-	-	(5,792)	(5,792)
Book value at the end of the year	**4,252**	**28,366**	**-**	**32,618**
Cost value	4,260	31,904	5,792	41,956
Accumulated amortization	(8)	(3,538)	-	(3,546)
Allowance for impairment of intangible assets	-	-	(5,792)	(5,792)
Book value at the end of the year	**4,252**	**28,366**	**-**	**32,618**

	December 31, 2019	**December 31, 2018**
f.4) Evolution of Goodwill:		
f.4.1) Evolution of Goodwill (GETSA):		
Cost and book value at the beginning of the year	17,587	17,587
Impairment (Note 15.2)	(17,587)	-
Book value at the end of the year	-	17,587
f.4.2) Evolution of Goodwill (ULLUMs):		
Cost and book value at the beginning of the year	-	-
Increases		2,511
Impairment (Note 15.3)	-	(2,511)
Book value at the end of the year	-	-
Total	-	17,587

	December 31, 2019	December 31, 2018
Liabilities		
g) Accounts payable:		
Current		
Trade	96,162	70,393
Accrual for invoices pending to receive	35,586	58,462
Related parties (Note 6)	81	81
	131,829(1)	128,936(2)

(1) Includes 46,467 past due up to three months, 430 from three to six months, 7 from six to nine months, 5 from nine to twelve months, and 43,919 over a year and 41,001 to be due up to three months. In relation to past due accounts payable to IEASA (Ex ENARSA) for an amount of 38,442 as of December 31, 2019, see Note 11. 8.

(2) Includes 1,144 past due up to three months, 13 from three to six months, 991 from six to nine months, 52 from nine to twelve months, and 43,500 over a year and 73,182 to be due up to three months and 10,054 up to three to six months. In relation to past due accounts payable to IEASA (Ex ENARSA) for an amount of 38,442 as of December 31, 2018, see Note 11.8.

h) Loans:		
Current		
Negotiable obligations	103,485	17,848
Bank loans and others	73,784	73,503
Related parties, net of commissions (Note 6)	12,519	35
Leasings	885	409
	190,673(1)	91,795
Non-current		
Negotiable obligations	504,749	577,322
Bank loans and others	186,256	201,187
Related parties, net of commissions (Note 6)	61,082	49,496
Leasings	2,983	3,086
	755,070(1)	831,091(1)

(1) Current loans are net of 3,473 and 7,534 as of December 31, 2019 and 2018, respectively, corresponding to fees and costs demanded in the structuring of loans and the issuance of negotiable obligations. Non-current loans are net of 47,604 and 49,683 as of December 31, 2019 and 2018, respectively, corresponding to fees and costs demanded in the structuring of loans and the issuance of negotiable obligations.

Detail of interest rates of loans:

Loans	Outstanding principal as of December 31, 2019	Interest Rate	Date	Maturity
Bank Loans	109,177	5.50% - 10.75%	2017 - 2019	2020 - 2026
Project Finance Loans	205,839	4.15% - 9.92%	2018 - 2019	2033 - 2034
Negotiable obligations	639,005	2% - 13%	2015 - 2019	2020 - 2022

		December 31, 2019	December 31, 2018
Evolution of loans and reconciliation of liabilities arising from financing activities:			
Balances at the beginning of the year		922,886	526,568
Financing cash flows			
Proceeds from loans		118,069	477,843
Principal payments		(98,743)	(92,934)
		19,326	384,909
Non-cash changes			
Effect for the disposal of interests in Vientos Sudamericanos Chubut Norte IV S.A. and Vientos Patagónicos Chubut Norte III S.A. (Note 5.b)		(15,529)	-
Leasings		1,050	1,332
		(14,479)	1,332
Other changes:			
Interest accrual		83,483	54,553
Issuance costs		9,564	2,320
Interest payments		(74,303)	(50,002)
Effect of exchange difference and others		(734)	3,206
		18,010	10,077
Balance at the end of the year		945,743	922,886
Detail of loans:	Note		
Series XVIII Negotiable Obligation	9.1	19,993	19,935
Series XX Bonds (Genn 2022 Bond)	9.1	522,290	523,709
Series XXI Negotiable Obligation	9.1	51,815	51,526
Series XXII Negotiable Obligation	9.2.1	61,082	49,531
Series XXIII Negotiable Obligation	9.1	6,751	-
Series XXV Negotiable Obligation	9.1	7,385	-
Banco Provincia S.A. II	9.2.4	3,422	5,513
Banco Provincia S.A. III	-	-	4,370
Banco Ciudad	-	-	4,020
Banco Ciudad III	-	-	5,605
Banco Itaú S.A.	-	-	7,086
Banco Itaú S.A. II	-	-	10,066
Syndicated Loan	9.2.2	19,680	-
Industrial and Commercial Bank of China (Argentina) S.A.	-	-	10,019
Banco Chubut S.A. I	-	-	2,006
Banco Macro S.A.	9.2.6	12,519	-
Banco Chubut S.A. II	9.2.8	2,510	-
Banco Mariva S.A.	9.2.7	1,003	-
Other Loan	-	317	-
GDSA Credit Facility	9.2.9	27,894	36,205
Financial Trust Loma Blanca Serie I	9.2.10	42,031	49,145
Project Finance Pomona I - Genneia Vientos del Sudoeste S.A. (1)	9.3.1	79,598	71,696
Project Finance Chubut Norte I - Genneia Vientos del Sur S.A. (2)	9.3.2	31,521	25,876
Project Finance Villalonga I - Genneia Vientos Argentinos S.A. (3)	9.3.2	52,064	43,083
Leasings Genneia S.A.	-	564	97
Leasings Parque Eólico Loma Blanca IV S.A.	-	1,575	1,657
Leasings Genneia Vientos del Sudoeste S.A.	-	1,585	1,600
Leasings Genneia La Florida S.A.	-	144	141
		945,743	922,886

(1) As of December 31, 2019 and 2018, the amount disbursed amounts to 104,043 and 100,500; respectively.
(2) As of December 31, 2019 and 2018, the amount disbursed amounts to 39,358 and 34,200; respectively.
(3) As of December 31, 2019 and 2018, the amount disbursed amounts to 64,268 and 56,100; respectively.

	December 31, 2019	December 31, 2018
i) Salaries and social security payable:		
Salaries, social security and withholdings payables	5,903	4,881
	5,903	4,881
j) Taxes payable:		
Current		
Value added tax	9,466	652
Tax withholdings payable	362	376
Taxes under regularization regime	709	8
Miscellaneous	787	148
	11,324	1,184
Non-current		
Taxes under regularization regime	-	115
	-	115
k) Other liabilities:		
Current		
Liability with the Province of Chubut on the purchase of Ingentis II shares	288	458
Liability with Pluspetrol on the purchase of GETSA shares	1,384	547
Liability on the purchase of Ullum I Solar S.A., Ullum II Solar S.A., and Ullum III Solar S.A. (Note 14)	-	6,498
Miscellaneous	56	55
	1,728	7,558
Non-current		
Accrual for assets retirement obligation	8,270	6,627
Liability with Pluspetrol on the purchase of GETSA shares	-	406
	8,270	7,033

l) Allowances and provisions:

Items	December 31, 2019				December 31, 2018		
	Value as of December 31, 2018	Decreases	Additions	Value as of December 31, 2019	Value as of December 31, 2017	Additions	Value as of December 31, 2018
Allowances deducted from assets:							
For fixed assets	-	(147)[1]	9,985	9,838	-	-	-
For intangible assets	5,792	(288)[2]	-	5,504	-	5,792	5,792
Total deducted from assets	5,792	(435)	9,985	15,342	-	5,792	5,792
Provisions included in liabilities:							
For claims and pending labor lawsuits	3,963	(484)	-	3,479	313	3,650	3,963
Total included in liabilities	3,963	(484)	-	3,479	313	3,650	3,963

(1) Included in Depreciation of fixed assets on Operating cost of electric power generation from conventional sources Note 5.o.
(2) Included in Amortization of intangible assets on Operating cost of electric power generation from renewable sources Note 5.o.

Consolidated statements of profit or loss and other comprehensive income for the years ended December 31, 2019 and 2018

	2019	2018
m) Net sales:		
Revenue from electric power generation from renewable sources	163,126	69,560
Revenue from electric power generation from conventional sources	99,761	126,939
Revenue from gas trading and transport	4,986	5,090
Other revenues	1,726	802
	269,599	202,391

(1) For the years ended December 31, 2019 and 2018, 95% and 92%, respectively, of sales were made to CAMMESA and IEASA (Ex ENARSA).

n) Cost of sales:		
Purchases for electric power generation from conventional sources	(4,943)	(6,388)
Purchases for gas trading and transport	(1,185)	(1,670)
Operating costs of electric power generation from conventional sources (Note 5.o)	(46,500)	(55,546)
Operating costs of electric power generation from renewable sources (Note 5.o)	(44,245)	(22,618)
Operating cost of gas trading and transport (Note 5.o)	(928)	(254)
	(97,801)	(86,476)

o) Operating costs and expenses:

	2019					
	Operating cost of electric power generation from renewable sources	**Operating cost of electric power generation from conventional sources**	**Operating cost of gas trading and transport**	**Administrative expenses**	**Selling expenses**	**Total**
Salaries and benefits	1,653	3,582	71	6,558	464	12,328
Social security charges and other contributions	638	979	14	1,169	94	2,894
Professional fees and compensations for services	6,901	510	-	1,579	3	8,993
Directors and statutory auditors' fees	-	-	-	666	-	666
Expenses for development of new businesses	-	-	-	350	-	350
Other staff costs	7	49	-	619	-	675
Travelling and lodging expenses	56	228	-	370	23	677
Freight and insurance	1,400	2,095	-	147	1	3,643
Rental and expenses of property, machinery and equipment	500	868	-	321	7	1,696
Taxes, rates and contributions	152	371	17	14	1,453	2,007
Maintenance and repairs	902	1,650	-	866	3	3,421
Works contracts and other services	80	257	-	201	-	538
Fixed assets depreciation	27,734	35,186	826	1,211	7	64,964
Amortization of intangible assets	3,607	-	-	-	-	3,607
Miscellaneous	615	725	-	1,149	333	2,822
Total 2019	**44,245**	**46,500**	**928**	**15,220**	**2,388**	**109,281**

	2018					
	Operating cost of electric power generation from renewable sources	**Operating cost of electric power generation from conventional sources**	**Operating cost of gas trading and transport**	**Administrative expenses**	**Selling expenses**	**Total**
Salaries and benefits	453	4,717	99	6,975	345	12,589
Social security charges and other contributions	90	1,261	19	1,033	116	2,519
Professional fees and compensations for services	4,216	472	-	4,769	9	9,466
Directors and statutory auditors' fees	-	-	-	666	-	666
Expenses for development of new businesses	-	-	-	2,012	-	2,012
Other staff costs	4	82	-	465	-	551
Travelling and lodging expenses	24	310	-	373	34	741
Freight and insurance	607	2,299	-	138	1	3,045
Rental and expenses of property, machinery and equipment	1	18	-	340	11	370
Taxes, rates and contributions	21	440	15	21	1,160	1,657
Maintenance and repairs	632	3,434	-	542	2	4,610
Works contracts and other services	85	338	-	-	-	423
Fixed and concessioned assets depreciation and amortization	12,754	41,109	121	1,329	9	55,322
Amortization of intangible assets	3,546	-	-	-	-	3,546
Contingencies and claims	-	-	-	1,920	-	1,920
Miscellaneous	185	1,066	-	478	5	1,734
Total 2018	**22,618**	**55,546**	**254**	**21,061**	**1,692**	**101,171**

	2019	2018
p) Other expenses, net:		
Tax on bank debits and credits	(4,037)	(4,647)
Impairment of goodwill, intangible assets and fixed assets (Note 15)	(27,572)	(8,303)
Result of the sale for the generation equipment associated with the Pinamar Thermal Power Plant	4,992	-
Others	(1,324)	14
	(27,941)	(12,936)
q) Financial expense, net:		
The breakdown of financial income and expenses is as follows:		
Financial income:		
Interest income	3,521	278
Fair value gains on financial assets at fair value through profit or loss	6,162	-
	9,683	278
Financial expense		
Fair value losses on financial assets at fair value through profit or loss	(2,511)	(17,565)
Interest expense	(66,735)	(30,361)
Exchange differences, net	(28,965)	(32,608)
Issuance costs and withholdings	(7,682)	(2,273)
Miscellaneous	(5,687)	(4,628)
	(111,580)	(87,435)
Total financial expense, net	(101,897)	(87,157)

r) Income tax:

The consolidated income tax charge for the years ended December 31, 2019, and 2018 is as follows:

	2019	2018
Current income tax	-	386
Deferred income tax	(40,749)	(14,179)
	(40,749)[1]	(13,793)

(1) Includes 3,892 related to the loss of control on the disposal of interes in the compañies Vientos Patagonicos Chubut Norte III S.A. y Vientos Sudamericanos Chubut Norte IV S.A. (Note 5.b)

The reconciliation between the consolidated income tax charge for the years ended December 31, 2019 and 2018 and the (loss) income that would result from applying the prevailing tax rate on the net loss before income tax, included in the consolidated statement of profit or loss and other comprehensive income for each year, is as follows:

	2019	2018
Net profit (loss) before income tax	21,014	(8,354)
Statutory tax rate	30%	30%
Statutory tax rate applied to net (loss) profit before income tax	(6,304)	2,506
Permanent differences and others at the prevailing tax rate:		
Loss on long term investment in joint ventures	(1,001)	(426)
Non recoverable tax loss carryforwards of subsidiaries	-	(8,756)
Tax effects due to tax restatement to current units of currency (Note 3.18.1.2)	(75,828)	-
Impairment of goodwill	(5,276)	-
Effects of the functional currency and others[(1)]	47,660	(7,117)
	(40,749)	(13,793)

(1) It mainly includes the effect of using a different currency for reporting and tax purposes.

Furthermore, the breakdown of the consolidated net deferred tax liabilities as of December 31, 2019 and 2018, is as follows:

	2019	2018
Deferred tax assets		
Tax loss carryforwards	82,691	50,828
Non deductible liabilities	3,526	17,838
Other receivables with related parties [(2)]	8,271	-
Miscellaneous	4,571	3,838
Total deferred tax assets	99,059	72,504
Deferred tax liabilities		
Fixed assets	(146,713)	(148,618)
Intangible assets	(7,615)	(8,126)
Tax effect due to restatement to current units of currency (Note 3.18.1.2)	(63,190)	-
Miscellaneous	(2,796)	(676)
Total deferred tax liabilities	(220,314)	(157,420)
Net deferred tax liabilities [(1)]	(121,255)	(84,916)

(2) Includes 149 of net deferred tax assets of subsidiaries that have been recorded in other receivables as of December 31, 2018.
(3) Corresponds to the deferred asset related to the financing mentioned in Note 6.1, which has been recognized as other capital contributions in non current investments at the time of initial recognition of the financing

As of December 31, 2019, the Company and its subsidiaries maintain a deferred tax asset for accumulated tax loss carryforwards of 82,691; which may be offset against taxable income as follows:

Year until it can be used	Tax loss carryforward	Deferred asset
2020	15,926	1,467
2021	803	201
2022	101	25
2023	33,397	8,349
2024	18,290	4,573
2027	4,851	1,214
2028	81,576	20,394
2029	185,876	46,468
	340,820	82,691

The following table summarizes the deferred tax assets for tax loss carry forwards as of December 31, 2019 by the individual project and company which generates it:

Project/Company	Deferred asset
PEM I	12,145
PEM II	14,669
PER III	3,533
Genneia Others	7,676
Subtotal Genneia	**38,023**
GEDESA	2,562
PELBIV	4,376
Vientos Argentinos	8,280
Vientos del Sudoeste	17,055
Vientos del Sur	4,162
Ullum I Solar	2,259
Ullum II Solar	2,473
Ullum III Solar	3,160
La Florida	340
Others	1
Subtotal Subsidiaries	**44,668**
Total	**82,691**

For the year ended December 31, 2019 the Company has estimated a tax loss in relation to the Madryn I, Madryn II, Rawson III, Villalonga, Chubut Norte I, Ullum I Solar, Ullum II Solar, Ullum III Solar and Pomona projects, by virtue of the benefit granted by Article 9 of Law No. 26.190 (National Development Regime for the Use of Renewable Sources of Energy Destined for The Production of Electric Energy), whose tax loss carryforwards may be used for up to ten years from the year in which they are generated to compensate against taxable income generated from these projects. In addition, the Companies in charge of these projects chose to apply the benefit of the accelerated tax amortization of wind and solar parks, granted in the aforementioned Law. In relation for tax results not generated by these businesses, for the year ended December 31, 2019 the Company has estimated a tax loss, mainly generated as a consequence of the devaluation of the argentine peso occurred during the year 2019, and the effect of the application of the adjustment for tax inflation, in compliance with current tax regulations.

For the year ended December 31, 2018 the Company has estimated a tax loss in relation to the Madryn I, Madryn II, Rawson III, Villalonga, Chubut Norte I, III and IV, Ullum I Solar, Ullum II Solar, Ullum III Solar and Pomona projects, whose tax loss carryforwards may be used compensate against taxable income. By virtue of the benefit granted by Article 9 of Law No. 26.190 (National Development Regime for the Use of Renewable Sources of Energy Destined for The Production of Electric Energy), the Company chose to apply the accelerated tax amortization for the projects mentioned in the previous paragraph, and the losses generated may be used for up to ten years from the year in which they are generated. In relation for tax results not generated by these businesses, for the year ended December 31, 2018 the Company has estimated a tax loss, mainly generated as a consequence of the devaluation of the argentine peso occurred during the year 2018, that may be offset against future taxable income.

The Company and its subsidiaries recognize tax loss carry-forwards and other tax credits as deferred tax assets when its deduction against future taxable income is probable. To that effect, based on paragraph 36 of IAS 12, the Company and its subsidiaries consider the projected tax results and reverse of temporary liability differences.

To assess the probability of recoverability and estimate the recoverable amount of deferred assets related to tax loss carryforwards, Management has projected the tax income based on various future variables including an estimate of the peso devaluation against the USD for the next fiscal years. Such estimates are reviewed periodically, and the effects of such estimates are recognized in the period of the revision. In virtue of such analysis, as of December 31, 2018 the Company has expensed 7,292 related to tax loss carryforwards that expire in the years 2019 and 2020 and that had high probability of not being used as a consequence of the estimate of the peso devaluation against the US dollar.

Unrecognised taxable temporary difference associated with investment and interest

Taxable temporary differences in relation to investments in subsidiaries and joint ventures for which deferred tax liabilities have not been recognised are attributable to the following::

	2019	2018
Subsidiaries	(22,767)	(28,885)
Joint ventures	(6,264)	(650)
	(29,031)	(29,535)

NOTE 6 - BALANCES AND TRANSACTIONS WITH RELATED PARTIES

The principal outstanding consolidated balances as of December 31, 2019 and 2018 for transactions with related parties are as follows:

	December 31, 2019					
	Trade receivables	Other receivables		Accounts payable	Loans	
	Current	Current	Non Current	Current	Current	Non Current
Companies under joint control:						
Vientos de Necochea S.A	-	547	10,794	-	-	-
Vientos Sudamericanos Chubut Norte IV S.A.	-	1,845	4,025	-	-	-
Vientos Patagónicos Chubut Norte III S.A.	-	5,836	2,249	-	-	-
Shareholders, directors and key management:						
Fintech Energy LLC	-	13	-	74	-	25,663
Jorge Horacio Brito	-	3	-	-	-	-
Jorge Pablo Brito	-	3	-	-	-	-
Delfín Jorge Ezequiel Carballo	-	3	-	7	-	5,130
LAIG Eolia S.A.	-	1	-	-	-	-
PointState Argentum LLC	-	-	-	-	-	30,793
Other related companies:						
Banco Macro S.A. [1]	58	-	-	-	12,519	-
	58	8,251	17,068	81	12,519	61,586

	December 31, 2018					
	Trade receivables	Other receivables		Accounts payable	Loans	
	Current	Current	Non Current	Current	Current	Non Current
Companies under joint control:						
Vientos de Necochea S.A	-	734	-	-	-	-
Shareholders, directors and key management:						
Fintech Energy LLC	-	20	-	74	15	20,625
Jorge Horacio Brito	-	6	-	-	-	-
Jorge Pablo Brito	-	6	-	-	-	-
Delfín Jorge Ezequiel Carballo	-	6	-	7	3	24,748
LAIG Eolia S.A.	-	1	-	-	-	-
PointState Argentum LLC	-	-	-	-	17	4,123
Other related companies:						
Banco Macro S.A. (1)	35	-	-	-	-	-
	35	773	-	81	35	49,496

(1) Company related to shareholders Delfín Jorge Ezequiel Carballo, Jorge Pablo Brito and Jorge Horacio Brito.

The main consolidated operations with related parties for the years ended December 31, 2019 and 2018 are as follows:

	December 31, 2019				
	Sales of goods and services	Recovery (reimbursement) of expenses, investments and other services, net	Loans received (paid), net	Loans granted (collected), net (3)	Interests and commisions lost
Companies under joint control:					
Vientos de Necochea S.A	479	-	-	10,065	2,080
Vientos Sudamericanos Chubut Norte IV S.A. (2)	189	-	-	(1,583)	70
Vientos Patagónicos Chubut Norte III S.A. (2)	131	-	-	4,870	54
Shareholders, directors and key management:					
Fintech Energy LLC	-	-	-	-	(4,598)
Delfín Jorge Ezequiel Carballo	-	-	-	-	(919)
PointState Argentum LLC	-	-	-	-	(5,518)
Other related companies:					
Banco Macro S.A. (1)	165	-	12,500	-	(423)
	964	-	12,500	13,352	(9,254)

	December 31, 2018				
	Sales of goods and services	Recovery (reimbursement) of expenses, investments and other services, net	Loans received (paid), net	Loans granted (collected), net	Interests and commisions lost
Companies under joint control:					
Vientos de Necochea S.A	727	38	-	-	-
Shareholders, directors and key management:					
Fintech Energy LLC	-	-	20,835	(116)	-
Delfín Jorge Ezequiel Carballo	-	-	4,165	(139)	-
PointState Argentum LLC	-	-	25,000	(23)	-
Other related companies:					
Banco Macro S.A. (1)	-	-	-	-	-
	727	38	50,000	(278)	-

(1) Company related to shareholders Delfín Jorge Ezequiel Carballo, Jorge Pablo Brito and Jorge Horacio Brito.
(2) Transactions are disclosed since they are companies under joint control (See Note 5.1).
(3) Includes 15,410 of cancellations of loans related to Vientos Patagonicos Chubut Norte III y Vientos Sudamericanos Chubut Norte IV that were subsequently considered as a capital contribution on long term investments in joint ventures as of December 31, 2019.

Additionally, the Company has hired insurance policies to grant an indemnity to its Directors in the exercise of their duties.

6.1 Financing agreements with companies under joint control

6.1.1 Financing agreements with Vientos de Necochea S.A.

In May 2019, the Company granted two loans for a total amount of USD 10,150,000 due within 17 years to finance the execution of the project.

One of the loans was defined in pesos for an amount of AR$ 231,946,000 and accrues an interest rate on the balance of principal equivalent to the BADLAR rate on a quarterly basis. These interests will be capitalized quarterly until the date of the effective payment of the principal.

The other loan was defined in US dollars for an amount of USD 4,950,000 and accrues an interest rate on the balance of principal equivalent to the annual LIBOR plus Country Risk Premium published by JPMorgan on a quarterly basis. These interests will be capitalized quarterly until the date of the effective payment of the principal.

The balance due as of December 31, 2019 amounts to 10,065.

6.1.2 Loans and financing to Vientos Sudamericanos Chubut Norte IV S.A. and Vientos Patagónicos Chubut Norte III S.A.

In July 2019, the Company formalized with its related company Vientos Sudamericanos Chubut Norte III SA, a credit line agreement in pesos and without interest, by means of which it was determined that all the financing made used to pay the VAT payments up to the date became part of the credit line, the terms and conditions for future financial assistance were defined, and the possibility that an interest rate applicable to said credit line could be determined under common agreement of the parties from the date on which the parties agree.

The capital owed will be returned and paid in pesos exclusively with the amounts paid by the AFIP as credit for VAT refunds as such payments are received.

In addition, in July 2019, the Companies signed a credit agreement in dollars and 0% interest rate, in order to finance previous and future capital requirements, except those included in the agreement mentioned in the previous paragraph.
If the parties reach an agreement, an interest rate could be applicable to the credit agreement.

The agreement has a term of 17 years from the signing date and it is pre-payable by the borrowers. In accordance with the provisions of IFRS, this financial credit has been initially recognized at fair value at the time of the transaction on the year ended December 31, 2019 at the time of the operation in the heading other non-current receivables of the Company's balance sheet to said date and the effect of the difference between said value and the nominal value of the financial assistance delivered has been recognized as other capital contributions within the long-term investment caption, net of the corresponding deferred tax effect.

As of December 31, 2019, the balance related to said agreement is disclosed under “other non-current receivables” and amounts to 4,025 with Vientos Sudamericanos Chubut Norte III S.A. and 2,249 with Vientos Patagónicos Chubut Norte III S.A.

NOTE 7 - FINANCIAL INSTRUMENTS

7.1 - Capital management

GENNEIA manages its capital to ensure its ability to continue as a going concern, managing investment projects, while maximizing the return to its shareholders through the optimization of debt and equity balance.

The Company takes part in operations which involves financial instruments, stated in statement of financial position, and intended to attend operative requirements and to reduce the exposure to risks of markets, currency and interest rate. The management of these risks, as well as their respective instruments, is performed through defined strategies, establishment of control systems and determination of exposure limits.

The Company is not subject to any externally imposed capital requirements.

The relation of net debt (loans, net of cash and cash equivalents) and the Company's equity is disclosed below:

	December 31, 2019	December 31, 2018
Debt [(1)]	945,743	922,886
Cash and cash equivalents	(91,261)	(154,090)
Net debt	854,482	768,796
Equity	239,197	258,144
Debt to equity ratio	3.57	2.98

(1) The debt is defined as current and non-current loans, as detailed in note 5.h).

7.2 - Financial instruments by category and fair value measurements

Company's Financial instruments were classified according to IFRS 7 in the following categories:

	December 31, 2019	December 31, 2018
Financial assets		
Amortized cost:		
Cash and cash equivalents	63,704	150,145
Loans and trade receivables	114,912	65,657
At fair value through profit or loss	37,248	15,293
Financial liabilities		
Amortized cost:		
Loans	945,743	922,886
Account payables and other liabilities	141,827	143,527

7.2.1 - Fair Value Measurements

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

7.2.1.1 - Fair value of the financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

	Fair value			
	December 31, 2019	December 31, 2018	Fair value hierarchy	Valuation technique(s) and key input(s)
Financial assets				
Investments in financial assets:				
- Mutual funds	27,557	3,945	Level 1	Quoted bid prices in the markets where these financial instruments trade
Other receivables				
- Account for future investments	9,691	11,348	Level 2	[(1)]

(1) Correspond to funds deposited in the account for future investments with CAMMESA as detailed in Notes 5.d and 11.12, which are invested in mutual funds and bonds, which were valued using quoted bid prices in the markets where these financial instruments trade.

7.2.1.2 - Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Except as detailed in the following table, Management considers that the carrying amounts of financial assets and financial liabilities recognized in the consolidated financial statements approximate their fair values.

	December 31, 2019		December 31, 2018	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Held at amortized cost				
Loans and trade receivables	762	178	1,216	263
Financial liabilities				
Held at amortized cost				
Loans	945,743	844,572	922,886	872,365

	Fair value		
	December 31, 2019	December 31, 2018	Fair value hierarchy (1)
Financial assets			
Held at amortized cost			
Loans and trade receivables	178	263	Level 3
Financial liabilities			
Held at amortized cost			
Loans	844,572	872,365	Level 3

(1) The fair value of financial assets and liabilities included in the Level 2 and 3 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties and prices derived from quoted bid prices in the markets where these financial instruments trade.

During the year ended December 31, 2019, there were no transfers between the different hierarchies used to determine the fair value of the Company's financial instruments.

7.3 - Risk Management

The Company´s financial management coordinates access to domestic and international financial markets and monitors and manages associated financial risks. According to the nature, financial instruments may involve known or unknown risks, being important the better possible analysis of the potential of those risks. Among the major risks that could affect the business of the Company are: market risk (which includes foreign currency risk, interest rate risk and price risk), credit risk and liquidity risk.

7.3.1 – Market risk

7.3.1.1 - Currency risk management

GENNEIA undertakes transactions denominated in currencies different to its functional currency, as described in Note 3.2 ("foreign currency"), consequently, exposures to exchange rate fluctuations arise. Since the functional currency of the Company is the U.S. Dollar, the Argentine peso is the currency which implies the largest exposure in terms of income impact.

The carrying amounts at each balance sheet date of financial assets and liabilities denominated in argentine pesos are as follows:

	December 31, 2019	December 31, 2018
Assets	102,800	67,995
Liabilities	13,532	28,155
Net currency exposure	89,268	39,840

Foreign currencies sensitivity analysis

The following table details the sensitivity of GENNEIA to a devaluation of the Argentine peso in respect to its functional currency. Sensitivity analysis only includes outstanding foreign currency denominated monetary items and adjusts their conversion at the end of the period for a 34% variation in the exchange rate, before any tax effect.

	Profit (Loss)
	December 31, 2019
Effect for a 34% devaluation	(30,352)

In Management's opinion, the sensitivity analysis is not representative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the period or year. Additionally, the Company's Management considers that a substantial part of the assets recorded in foreign currency on the consolidated financial statements related with CAMMESA and IEASA (EX ENARSA) will not be exposed to the negative impact of the devaluation as the PPA signed include a provision for adjustment due to foreign exchange variations.

From December 31, 2018 until December 31, 2019, there was a devaluation of the peso against the US dollar of around 59%, mainly generated during the months of August to October. The devaluation of the currency has an impact on the financial assets and liabilities denominated in Argentine pesos, the effect of which was recognized in these consolidated financial statements.

7.3.1.2 - Management of the interest rates risk

GENNEIA and its subsidiaries perform borrowing transactions at both fixed and variable interest rates. Risk is managed in the Company by maintaining an appropriate mix between fixed and variable rate borrowings. The Company does not use derivative financial instruments to cover risks on interest rates.

Changes in interest rates may affect income or expenses related to interest on financial assets and liabilities based on a floating rate; furthermore, they may modify the fair value of financial assets and liabilities that accrue a fixed interest rate.

At the end of each year, the Company's exposure to interest rates over financial assets and liabilities, net is as follows:

Features	Financial Assets - (Liabilities), net	
	December 31, 2019	December 31, 2018
Non-interest bear	70,973	86,352
Lease liabilities	(3,304)	(3,495)
Variable-rate financial instruments	(77,309)	(85,350)
Fixed-rate financial instruments	(862,066)	(832,825)
	(871,706)	**(835,318)**

The portion of variable interest rate debt is mainly subject to fluctuations of BADLAR/LIBOR rate.

Sensitivity analysis of the interest rates

The following sensitivity analysis has been prepared on basis of the exposure to the interest rates for financial instruments at the end of the year. For variable-rate liabilities, the analysis was prepared assuming that the outstanding balance at the end of the year was outstanding for the whole year. As of December 31, 2018, if BADLAR/LIBOR market interest rate for borrowings in Argentine pesos and in US dollars would have been 100 basis points higher than the real basis points of the Company, the net interest expense for the year ended December 31, 2019 would have increased by approximately 773.

7.3.1.3 - Management of price risk

The Company does not have a significant exposure to the price risk, mainly as a result of the PPA described in Note 1, whereby the prices are not materially affected by market price fluctuations in the short-term, except for those thermal power plants that operate under Resolution 1/19 (modified by Resolution 31/2020 as described in Note 17.2)

7.3.2 - Management of credit risk

Credit risk refers to the risk arising from the possibility that a financial institution receiving funds or financial investment or a counterparty in contracts default in its obligations resulting in losses to the Company. To mitigate these risks related to the transactions other than with the public sector, the Company adopted as practice, to only perform transactions with financial entities with good credit rating. Concerning counterparties in contracts, the Company evaluates its financial position, establishing credit limits and performs a constant follow-up of balances.

As regards to transactions with entities related to the public sector, the sale of energy produced by the Company is made, mainly, to companies dependent upon the financing of the public sector. Consequently, the financial results depend on public sector spending on energy, transportation and infrastructure facilities and on its ability to bid for and be awarded such contracts. In turn, public sector spending has depended, and is likely to continue depending, on the economic conditions of the country.

Government and public sector entities have considerable power to force renegotiation of contract terms with the other contracting parties. Forced renegotiation of contracts with public sector entities, and delay or default in payment by public sector agencies may have a substantial adverse effect not only on the Company’s financial situation and results of operations, but also on its ability to repay its debts. Management periodically assesses the recoverability of receivables based on aging, payment capacity of the counterparty, nature of the client, guarantees received, its legal rights, among others, and forecasts the estimated recoverable value of such receivables.

Almost all of the sales from electric power generation from conventional and renewable sources are carried out with entities with government participation, or dependent on funds from the public sector. For the years ended December 31, 2019 and 2018, 94% and 92% of sales were made to CAMMESA and IEASA (EX ENARSA), respectively.

As detailed in Notes 11.11 and 11.12 the Company has significant amounts of uncollected trade receivables for energy sold to the province of Chubut and in addition has amounts invested in the Account for future investments in relation with the energy supply agreements with CAMMESA.

Note 7.3.3 includes a breakdown of financial assets past due as of December 31, 2019.

7.3.3 - Management of liquidity risk

Liquidity risk is associated to a potential mismatch between cash requirements (related to operating and financial expenses, investments, debt maturities, and dividends) and the financing sources (net income, divestitures, and capacity for new financing).

The Company's Management has ultimate responsibility on management liquidity risk, having established an appropriate liquidity risk policy for the Company´s management of short, medium and long term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. In this regard, the credit facilities offered to clients are assessed on an ongoing and consolidated basis; to the extent such facilities are offset against liabilities owed by the same client, considering similar amounts and terms, regardless of their respective aging. In connection with the payment compensation transactions of past due assets and liabilities with IEASA (EX ENARSA), see Note 11.8.

As of December 31, 2019, the Company has a negative working capital of approximately 138,681. This situation is strictly temporary and is mainly due to the short-term obligations corresponding to commercial debts and the part of the short-term financial debt, directly related to the progress of the different projects that are under construction or have been completed. recently as described in the previous notes. In this regard, it is worth mentioning that, in line with the financial projections, the Company Management considers that the aforementioned situation does not present problems and will be reversed, among others, with (i) the cash flow of the projects inaugurated in the last quarter of 2018 and in the second half of 2019 (the Pomona I wind farm came into operation on July 12, 2019, with an installed capacity of 101 MW; the Pomona II wind farm went into operation on August 29, 2019, with a 11 MW installed capacity and the Madryn II wind farm came into operation on September 26, 2019, with an installed capacity of 151 MW), (ii) the process of new disbursements of Project Finance financing in subsidiaries; and (iii) medium-term corporate loan of USD 31 million from KfW in Genneia.

The following table details the aging of the Company´s financial assets and liabilities as of December 31, 2019.

		To be due						
	Past due	**Current**				**Non-current**		**Without term**
		0-3 months	3-6 months	6-9 months	9-12 months	1 a 5 years	+ de 5 years	
Investments	-	27,557	-	-	-	-	-	-
Trade receivables	23,744 (1)	58,908	-	-	-	-	-	-
Other receivables	17	33	33	33	11,020	2,288	17,669	10,937
Total assets	**23,761**	**86,498**	**33**	**33**	**11,020**	**2,292**	**17,669**	**10,937**
Accounts payable	90,850 (1)	41,509	-	-	-	-	-	
Loans	-	45,467	29,237	15,512	100,451	628,018	127,050	-
Other Liabilities	284	50	-	-	1,386	8,632	-	3,122
Total liabilities	**91,134**	**87,026**	**29,237**	**15,512**	**101,837**	**636,650**	**127,050**	**3,122**

(1) Mainly corresponds to account receivables with CAMMESA, IEASA (EX ENARSA) and the General Direction of Public Services of the Province of Chubut for the activities of the Company and accounts payable with IEASA (EX ENARSA) for natural gas purchases for energy generation. (See Note 11.8, 11.9 and 11.11) and the account payable with Vestas mentioned in Note 17.1.

NOTE 8 - CAPITAL STOCK

On February 7, 2018, the Ordinary and Extraordinary General Shareholders' Meeting, among other matters, resolved (i) to request authorization from the National Securities Commission ("Comisión Nacional de Valores") for the Company's entry into the public share offering regime and (ii) an offer of stock options for a total of 858,671 shares (less than 1% of the total shares of the Company) to key management of the Company, subject to compliance with certain conditions to be set by the Board of Directors of the Company in exercise of the faculties delegated by the Shareholders.

On April 24, 2018, the Ordinary and Extraordinary General Shareholders' Meeting approved the proposal made by the Board of Directors to allocate the positive result for the year ended December 31, 2017, which amounted to AR$ 640,993 as follows: AR$ 157,196 thousands to the total absorption of accumulated losses at the beginning of the year 2017, AR$ 18,630 thousands (USD 919 thousands) to integrate the legal reserve and AR$ 465,167 thousands (USD 22,960 thousands) to the constitution of an optional reserve to face investments of the Company and its subsidiaries in power generation projects.

On April 25, 2019, the Ordinary and Extraordinary General Meeting of Shareholders approved the release and transfer to unappropriate retained results of the facultative reserve for its total amount.

As of December 31, 2019, capital stock of GENNEIA amounts to 19,491 (AR$ 103,040,496) and is composed of (a) 51,520,248 Class A common registrable shares of AR$ 1 par value each, entitled to one vote per share; and (b) 51,520,248 Class B common registrable shares, of AR$ 1 par value each, entitled to one vote per share. GENNEIA's capital stock is fully subscribed and paid in.

All of the capital increases approved by the shareholders of the Company are registered as of the date of these financial statements.

NOTA 9 - FINANCING

9.1. NEGOTIABLE OBLIGATIONS

9.1.1. Global Negotiable Obligation Program

The Company maintains in effect a Global Note Program for the issuance of Negotiable Obligations ("NO"), non-convertible into shares, at short, medium or long term, for a maximum amount of up to USD 800 million or equivalent amount in other currencies (the "Global Program"). The Program was approved by resolutions of the Extraordinary General Meeting of Shareholders of the Company on July 2, 2008, April 17, 2013 and May 31, 2016 and January 4, 2018 and by Resolutions of the Board of Directors of the Company. National Securities Commission (the "CNV") No. 15,987 dated September 25, 2008, No. 17,245 dated December 12, 2013 and No. 18,345 dated November 10, 2016 and Disposition of the Issuer Management of the CNV DI-2018-52-APN-GE # CNV dated October 26, 2018.

Below is a description of the main features of the issues outstanding as of December 31, 2019 in the framework of the Global Program:

	Series XVIII	Global Notes (Series XX)	Global Notes (Retap Series XX)	Series XXI	Series XXIII	Series XXV
Issuance date	11/20/2015	01/20/2017	01/30/2018	11/23/2018	12/20/2019	12/20/2019
Nominal amount (USD)	USD 20,000,000	USD 350,000,000	USD 150,000,000	USD 51,503,944	USD 6,837,979	AR$ 441,794,205
Annual nominal interest rate	2%	8,75%	8,75%	12%	10%	BADLAR +10%
Use of proceeds	Partially finance the execution of project Wind Farm Madryn I.	Payment and/or prepayment of the Company and its subsidiaries's liabilities. Partially finance productive projects or infrastructure for electric power generation in Argentina	Partially finance productive projects or infrastructure for electric power generation in Argentina	Payment and/or prepayment of the Company and its subsidiaries's liabilities. Finance productive projects for electric power generation in Argentina	Working capital and general corporate purposes	Working capital and general corporate purposes
Maturity date	11/20/2020	01/20/2022	01/20/2022	11/23/2020	12/20/2020	06/20/2020
Additional Information	Unsecured	Unsecured	Unsecured	Unsecured	Unsecured	Unsecured

On January 20, 2017, the Company carried out its first debt issue in the international market under the Global Notes Program (International Notes) for a total amount of USD 350,000,000, without guarantee, with maturity in a single payment in 5 years term and interests at a rate equivalent to 8.75% per annum, payable semi-annually (Series XX). The proceeds from this issuance were used to cancel liabilities (mainly to the payment of NO II and III, the syndicated loan granted by the banks Banco Itaú S.A., Industrial and Commercial Bank of China (Argentina) S.A. and Banco Macro S.A., the two loans granted by Banco Hipotecario S.A., and the payment of NO XVII and XIX), for investments in expansion projects of the Company and working capital. As part of the terms of this issuance, the Company has entered into certain commitments including, but not limited to: a) the repurchase of securities in the event of a change of control of the Company, b) cross-default provisions for amounts greater than USD 20 million, c) compliance with certain financial ratios as a requirement for new indebtedness,

and d) limitations on the payment of dividends in certain circumstances, the creation of liens on assets, revenues or obligations of the Company, the disposal of its assets, mergers and divisions, certain transactions with related parties and certain types of investments.

On January 30, 2018, the Company made a further issuance of Senior Notes due 2022 (the "Global Notes") for an amount of USD150,000,000. The Notes consolidate with, and form a single series with, the USD 350,000,000 principal amount of Series XX." The Notes have became fully fungible with the Series XX initial notes and have the same terms and conditions (except for the date of issuance, the issue price and the initial interest payment date). The proceeds from this issuance were used to finance investments in expansion projects of the Company and working capital. The Issue Price was 109% plus accrued interest from January 20,2018, implying a yield to maturity of 5.967% anual. Gross Proceeds reached USD163,500,000.

On November 23, 2018, the Class XXI Negotiable Obligations were issued within the framework of the Global Program for USD 51,503,944, at an annual nominal fixed rate of 12%, whose interest will be payable on a quarterly basis. Class XXI expires 24 months after the date of issue. The funds from the Class XXI NO will be used to refinance short-term liabilities and finance the productive investment plan for the electric power generation process.

On December 20, 2019, Class XXIII Negotiable Obligations were issued under the Global Program for an amount of USD 6,837,979 million, at a nominal annual fixed rate of 10%, whose interest will be paid quarterly. Class XXIII expires 12 months after the date of issue. Class XXIII funds will be used for working capital and general corporate purposes.

On December 20, 2019, Class XXV Negotiable Obligations were issued under the Global Program for an amount of AR$ 441,794,205 million, at a Badlar + 10% interest coupon, whose interest will be paid quarterly. Class XXV expires 6 months after the date of issue. Class XXV funds will be used for working capital and general corporate purposes.

9.2. OTHER FINANCING ARRANGEMENTS

9.2.1. Private Notes

On December 21, 2018, the Company issued Simple Negotiable Obligations, non-convertible into shares and unsecured, for a face value of US$ 50,000,000 due on January 22, 2022, in compliance with the resolutions of the shareholders' meetings of October 9, 2018 and December 3, 2018. The Negotiable Obligations were placed privately and subscribed by certain shareholders of the Company. The destination of the funds from the issuance will be destined to productive investments of the Company and / or its subsidiaries and / or to the settlement and / or pre- settlement of the Company's short-term debt. The notes include a retribution fee and have an initial coupon of 13% with annual step-ups, payable in kind (PIK) at the Company's option. In this regard, on June 21, 2019, the Company issued USD 3,286,000 of additional negotiable obligations, which were delivered to the shareholders of the Company holding the negotiable obligations, in payment of the interest payable on said date. By a unanimous shareholders meeting held on December 18, 2019, the shareholders of the Company unanimously approved extending the period of accrual and payment of interest and commissions of the Negotiable Obligations until January 22, 2022, having subsequently to said meeting the Company and the holders of the Negotiable Obligations subscribed the corresponding amending instruments of the Negotiable Obligations.

9.2.2. Syndicated loan facility

On July 15th, Genneia signed a syndicated loan facility for up to US$ 70 million. On July 19th, an initial US$ 20 million disbursement was provided by Santander and BICE. Proceeds of the facility will be used for capex in renewables and general corporate purposes. The capital owed under this loan will be paid in seven quarterly payments starting June 17, 2020. The interest rate is equivalent to 10.75% per year, payable quarterly. The loan has been granted to the Company without guarantees.

9.2.3. Banco Ciudad loan

On January 9, 2019, the Company signed a loan agreement for USD 2 million with Banco Ciudad, for working capital and / or refinancing of liabilities. The capital owed under this loan was paid in a single payment on April 3, 2019. The interest rate was 7.5% per year, payable at maturity. The loan has been granted to the Company without guarantees.

On April 3, 2017, Genneia signed a loan agreement for USD 7.5 million with Banco Ciudad for working capital and / or refinancing of liabilities. The capital owed under this loan was paid in two payments on September 30, 2019 and October 30, 2019. The interest rate was 8.75% per year, payable at maturity. The loan has been granted to the Company without guarantees.

9.2.4. Banco Provincia S.A. loan

On January 16, 2019, Genneia signed a loan agreement for USD 5.5 million with Banco Provincia S.A. for working capital expenses and / or refinancing of liabilities. The capital owed under this loan was paid in a single payment on October 16, 2019. The interest rate was 6% per year, payable monthly. The loan has been granted to the Company without guarantees.

On April 1, 2019, Genneia signed a loan agreement for USD 2.9 million with Banco Provincia S.A. for working capital expenses and / or refinancing of liabilities. The capital owed under this loan was paid in a single payment on December 30, 2019. The interest rate was 7.5% per year, payable monthly. The loan has been granted to the Company without guarantees.

On October 17, 2019, Genneia signed a loan agreement for AR$ 198 million with Banco Provincia S.A. for working capital and / or refinancing of liabilities. The capital owed under this loan was paid in a single payment on February 14, 2020. The interest rate was 80% payable monthly. The loan has been granted to the Company without guarantees.

9.2.5. Banco ITAU S.A. loan

On January 31, 2019, Genneia signed a loan agreement for USD 3 million with Banco Itau S.A. for working capital and / or refinancing of liabilities. The capital owed under this loan was paid in two payments on August 23, 2019 and August 30, 2019. The interest rate was 7.75% per year, payable at maturity. The loan has been granted to the Company without guarantees.

9.2.6. Banco Macro S.A. loan

On May 27, 2019, Genneia signed a loan agreement for USD 22.5 million with Banco Macro S.A. for working capital and / or refinancing of liabilities. The capital owed under this loan will be paid in two payments: August 7, 2019 and April 21, 2020. The interest rate is 6% per year, payable at maturity. The loan has been granted to the Company without guarantees.

9.2.7. Banco Mariva loan

On June 14, 2019, Genneia signed a loan agreement for USD 1.2 million with Banco Mariva for working capital expenses and / or refinancing of liabilities. The capital owed under this loan was paid in a single payment on August 22, 2019. The interest rate was 5% per year, payable at maturity. The loan has been granted to the Company without guarantees.

On December 9, 2019, Genneia signed a loan agreement for USD 1 million with Banco Mariva for working capital expenses and / or refinancing of liabilities. The capital owed under this loan will be paid in a single payment on January 9, 2020. The interest rate was 5% per year, payable at maturity. The loan has been granted to the Company without guarantees.

9.2.8. Banco Chubut S.A. loan

On October 16, 2019, Genneia signed a loan agreement for USD 2.5 million with Banco Chubut S.A. for working capital and / or refinancing of liabilities. The capital owed under this loan will be paid in four quarterly payments starting on January 16, 2020. The interest rate was 11% per year, payable monthly. The loan has been granted to the Company without guarantees.

9.2.9. GEDESA Credit facility

On November 22, 2017, GEDSA entered into a Credit Facility Agreement for an amount USD 45,000 with Industrial and Commercial Bank of China (Argentina) S.A. Dubai Branch ("ICBC Dubai"), Banco Itaú Unibanco S.A. Nassau Branch ("Itau Nassau"), Banco Hipotecario S.A. ("BH") and BACS Banco de Crédito and Securitización S.A. ("BACS"), to finance the acquisition of GETSA. The principal outstanding amount is payable in 12 quarterly and consecutive installments. The first one dues on February 22, 2018 and the last one, on February 22, 2020. The financing interest rate is equivalent to Libor rate plus 5,5%, payable on a quarterly basis. The loan has been granted to GEDSA without guarantees.

At the end of this year, GEDESA verifies the breach of the ratios established in the aforementioned loan agreement. This breach corresponds to the new remuneration scheme of the thermal power plant that affected only the ability of the subsidiary to comply with the ratios agreed in the loan contract, but not its originally planned ability to pay current debt services.

As a result of the original loan maturity schedule, as of December 31, 2019, GEDESA has classified an amount of USD 21 million as current loans in the balance sheet.
Management is working together with the borrowing entities to agree on the financing of the last installment of the loan due in November 2020, as expected at the time of obtaining the financing.

In this sense, GEDESA and the banks are analyzing the effects of the new tariff regulation mentioned in note 1 section "Cruz Alta", to adequately establish the financing conditions of the remaining quota, prioritizing debt sustainability and the normal course of the business of the Company.

9.2.10. Financial Trust Loma Blanca Serie I

In order to obtain the necessary financing for Loma Blanca wind farm project, on December 2011 ICERSA decided:

(i) the issuance of negotiable bonds (hereinafter "NB"), which have been fully subscribed by Isolux Corsán Argentina S.A. and Isolux Ingeniería S.A. (hereinafter “The trustors”);

(ii) the creation of the financial trust "Loma Blanca Serie I" (hereinafter “The trust”); and the fiduciary securities issuance (VRDs) amounting to 103,000, by public offering. The trust assets correspond to the NB, assigned by the trustors.

The detail of the VRDs is as follows:

(a) Class A Debt Securities for a nominal value in Pesos equivalent to 29,890 (“VDRA”) ; and

(b) Class B Debt Securities for a nominal value of 73,110. (“VDRB”)

As of December 31, 2019 and 2018, VRDA were fully paid. The VRDB, acrues interest at a nominal reference rate (30-day LIBOR) plus margin the nominal 8% per year. The VDRB and their interests are payable on a monthly basis. The final due date for payments is December 31, 2026.

On December 22, 2011, Parque Eólico Loma Blanca IV, S.A. and the Trustors have signed an underwriting contract with Banco de la Nación Argentina, where the bank accepts the conditions established therein, to subscribe and integrate the VRDB that are not subscribed by third parties at the end of the Subscription Period, up to a nominal value equivalent to 73,110.

As a consequence of the shareholders’ change, the new shareholders of the Company, assumed the contractual position of the sellers under the Pledge of Shares Agreement and article 11 (ix) of the Trust Agreement in order to implement the change of shareholder, replacing Grupo Isolux Corsan S.A. by Sideli S.A., and then Genneia S.A.

As of December 31, 2019, the liability related to VRDB amounts to 42,031, being 14,945 classified as current and 27,086 as non-current.

9.2.11. Financing of the Pomona II Wind Farm and Chubut Norte II Wind Farm Projects

On July 23, 2019, Genneia S.A. signed a corporate loan of USD 31 million with KfW for the construction of the Pomona II (12 MW) and Chubut Norte II (26 MW) wind farms. The financing implies a 4-year secured loan granted by KfW. The KfW loan is guaranteed by the German Export Credit Agency Euler Hermes. Disbursements are subject to the satisfaction of certain agreed precedent conditions and the compliance of the lenders with the scope of the exchange controls established by the Banco Central de la República Argentina (hereinafter the “BCRA”, which is the Federal Reserve o Argentina) as of September 1, 2019.

9.3. PROJECT FINANCE NON RECOURSE

9.3.1. Financing of the Pomona I Wind Farm

On June 8, 2018, Genneia Vientos del Sudoeste S.A. ("GVSO"), a subsidiary controlled by the Company, signed a financing agreement for the Pomona I wind farm. This financing agreement comprises up to USD 142 million that will be used for the construction and start-up costs of the project.

The financing agreements include a 16-year guaranteed non-recourse loan granted by Kreditanstalt FürWiederaufbau, Kfw Ipex-Bank Gmbh (KfW) and a 15-year non-guaranteed and non-recourse loan granted by DEG - Deutsche Investitionsk - Und Entwicklungsgesellschaft Mbh (DEG). The KfW loan is guaranteed by the Export Credit Agency of Germany Euler Hermes through a comprehensive commercial and political credit insurance agreement for export.

On August 31, 2018, all of the preceding conditions for disbursement established in the financing agreements were satisfactorily fulfilled. As of that date, the disbursements of funds have been received according to financial documentation.

The financing agreements contain clauses that limit the ability of GVSO to pay dividends and provide for the granting of various guarantees in favor of the creditors, among which are the transfer of the real rights of usufruct over the buildings of the Project, direct, fiduciary or guarantee transfers, total or partial, of certain rights of GVSO, including the collection rights under the Renewable Electricity Supply Contract entered into with CAMMESA, insurance and other documents related to the Farm; pledge on shares representing 100% of the capital stock of GVSO, all features of traditional Project Finance Non Recourse.

At the date of these financial statements, the respective contracts were concluded by means of which the guarantees indicated in the preceding paragraph are implemented.

9.3.2. Financing of the Villalonga I Wind Farm and Chubut Norte I Wind Farm

On June 19, 2018, Genneia Vientos Argentinos S.A. ("GVA") and Genneia Vientos del Sur S.A. ("GVS"), subsidiaries wholly owned by the Company, entered into financing agreements for the Villalonga and Chubut Norte I wind farms, respectively. The financing agreements, GVA and GVS entered into financing agreements for up to USD 130.7 million that will be used for the construction and start-up costs of said projects.

The financing agreements include Guaranteed Tranches and Uncovered Tranches. A first Tranche is granted directly by the Export Credit Agency of Denmark (EKF), and second Tranche is lent by Sumitomo Mitsui Banking Corporation (SMBC). The Tranche granted by SMBC is guaranteed by EKF through a comprehensive political and commercial export credit guarantee agreement.

Additionaly, the financing includes two uncovered tranches. A 15-year uncovered and non- recourse loan granted by the Andean Development Corporation (CAF) and a 15-year uncovered and non- recourse loan granted by Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden NV (FMO). Disbursement funds are subject to the satisfaction of certain precedent conditions agreed upon.

On October 26, all the conditions precedent to disbursement established in the financing agreements were met. As of that date, the disbursements of funds have been received according to financial documentation First Disbursement includes the reimbursement of certain advances to the projects funded by Genneia S.A..

The financing agreements contain clauses that limit the ability of GVA and GVS to pay dividends and provide for the granting of various guarantees in favor of the creditors, among which are mortgages on the buildings of the Projects, direct assignements, fiduciary or in guarantee, total or partial, of certain rights of GVA and GVS, including the collection rights under the Renewable Electricity Supply Contracts entered into with CAMMESA, insurance and other documents related to the Farms; pledge on shares representing 100% of the capital stock of GVA and GVS, guarantees on bank accounts and pledge on the main assets of the Project.

As of the date of these financial statements, the contracts related to the above mentioned guarantees were celebrated.

9.4. CONTRACTUAL LIMITATIONS ON DIVIDEND PAYMENTS

Some of the projects in our portfolio are subject to project financings that contain certain financial covenants and distribution tests, including debt service coverage ratios. In general, these project financings contain covenants customary for these types of financings, including limitations on investments and restricted payments. Each of these projects is permitted to pay distributions out of available cash once certain conditions are satisfied, including that reserves are funded with cash or credit support, no default or event of default under the applicable financings has occurred and is continuing at the time of such distribution or would result therefrom, and each project is otherwise in compliance with the project financing's covenants and the applicable minimum debt service coverage ratio is satisfied. Finally, under the Shareholders' Agreement, approval to distribute dividends to the shareholders requires a vote of a qualified majority of the Company´s capital stock.

NOTA 10 - KEY MANAGEMENT COMPENSATION

For the years ended December 31, 2019 and 2018, directors' fees and key management´s compensations were stated as "Administrative expenses" in the consolidated statement of profit or loss and other comprehensive income. Fees and compensation for directors and key executives of the Company for the years ended December 31, 2019 and 2018 amounted to 1,747 and 1,789, respectively, being them short-term benefits and the only benefits granted to directors and key management.

The Company has no long-term employees' benefits, nor share-based payments.

NOTA 11 - PRINCIPAL CONTINGENCIES, CLAIMS, AND CONTINGENT ASSETS

11.1 Turnover tax claim regarding Gasoducto Patagónico

The Tax Agency of the Province of Chubut (Dirección General de Rentas, "DGR") made a turnover tax adjustment in connection with certain revenues accrued by the Company related to the construction of the Gasoducto Patagónico, plus applicable interest. The principal amount and penalty claimed amount to approximately AR$5.3 million plus interest. After several objections filed by the Company that were dismissed by the administrative and judicial authorities, the DGR filed a claim for collection (apremio) of the tax plus interest and penalty, in a total amount of AR$18.4 million plus court costs. Notice of the claim for collection was served on the Company, and the Company filed various defenses requesting its dismissal. The court hearing the case dismissed the claim for collection in 2016, and on that same year, the DGR filed a new claim for collection in which the Company filed the defenses of expiration of the statute of limitations term and unconstitutionality. In the docket of the claim for collection, the Company spontaneously filed a bond for the total amount plus 20% as interest and court costs (amounting to AR$18.4 million) in replacement of a temporary attachment for an identical amount ordered by the court. Based on its external counsel's opinion, the Company estimates that there are high chances that the claim for collection be dismissed again on the grounds of constructive abandonment or the court allowing the statute of limitations defense.

The company has recognized no provision related to this claim as of December 31, 2019.

11.2 Administrative claims filed by DGR Chubut for payment of turnover tax on power generation

11.2.1 In November 2016, the DGR filed an administrative claim against the Company for payment of turnover tax in connection with its business as power generator for the following fiscal periods (i) 3 and 4 of 2011, (ii) 3, 5 to 12 of 2012; (iii) 1 to 12 of 2013; (iv) 1 to 12 of 2014; (v) 1 to 12 of 2015; and (vi) 1 to 9 of 2016 for the sum of AR$ 35.7 million as principal and AR$ 14.6 million as liquidated interest as of November 29, 2016, and the Company filed its defenses in due course. The subject matter of the claim is that the DGR objects to the exemption applied by the Company based on the fiscal stability regulations applicable to renewable energy generation works and activities in the Province of Chubut and Law No. 15,336 on protection of electricity infrastructure works and free circulation of electric power.

In January 2017, the Company was served notice of the commencement of an administrative investigation by the DGR for alleged violation of the provisions of Section 43 of the Tax Code. In February 2017, the Company filed its defense, and as of the date hereof, no resolution has been adopted in such regard.

11.2.2 In September 2017, the DGR filed an administrative claim against the Company for payment of turnover tax in connection with its business as thermal power generator for fiscal periods 10 2016 to 5 of 2017 for the sum of AR$ 5.4 million as principal and AR$ 500,000 as liquidated interest as of July 19, 2017, and the Company filed its defenses in due course. The subject matter of the claim is that the DGR objects to the exemption applied by the Company based on Law No. 15,336 on protection of electricity infrastructure works and free circulation of electric power.

11.2.3 In December 2017, the DGR filed an administrative claim against the Company for payment of turnover tax in connection with its business as thermal power generator for fiscal periods 6 to 10 of 2017 for the sum of AR$ 8 million as principal and AR$ 800,000 as liquidated interest as of December 29, 2017, and the Company filed its defenses in due course. The subject matter of the claim is that the DGR objects to the exemption applied by the Company based on Law No. 15,336 on protection of electricity infrastructure works and free circulation of electric power. In May 2018, the Company was served notice of the commencement of an administrative investigation by the DGR for alleged violation of the provisions of Section 43 of the Tax Code. In May 2018, the Company filed its defense, and as of the date hereof, no resolution has been adopted in such regard.

Based on its external counsel's opinion, the Company estimates that if these claims were finally settled in court, there are high chances that the DGR's claims be dismissed.

The company has recognized no provision related to this claim as of December 31, 2019.

11.3 Administrative claim filed by ARBA for payment of turnover tax on power generation

By Resolution 892/2017, ARBA started sua sponte a proceeding for assessment of alleged turnover tax differences outstanding payment by the Company in connection with its business as thermal power generator with respect to advance payments 1 to 12 of 2011 for an amount of ARS 2 million as principal, and the Company filed its defenses in due course. The subject matter of the claim is that ARBA argues that the Company should not have applied a zero tax rate on the "Conventional thermal power generation" business during the fiscal period under review. In November 2017, ARBA served notice of its sua sponte assessment resolution whereby: (i) it assessed the Company's tax liability for turnover tax for fiscal period 2011 in a total amount of ARS 3.5 million; (ii) it determined that the outstanding differences amounted to ARS 2 million plus interest; and (iii) it imposed a default penalty equal to 20% of the unpaid tax. In January 2018, the Company filed an appeal with the Tax Court of Appeals of the Province of Buenos Aires.

Based on its external counsel's opinion, the Company considers that there are high chances that ARBA's claim be dismissed in court.

The company has recognized no provision related to this claim as of December 31, 2019.

11.4 Claim filed by the Federal Revenue Authority ("AFIP")

On February 6, 2014, the AFIP determined that the Company had failed to apply the 21% differential tax rate on social security contributions related to tis conventional electric power generation business for the periods 05/2010 to 12/2010, as it understood that such business qualifies as a service subject to such 21% tax rate rather than as an industrial business subject to a 17% tax rate, as applied by the Company. The principal amount claimed is ARS 433,000, plus a penalty of ARS 293,000 plus interest.

On April 16, 2014, GENNEIA filed an appeal with the Federal Social Security Court of Appeals challenging the debt and the imposition of the penalty as confirmed by AFIP. On November 19, 2014, the AFIP gave notice to GENNEIA that the appeal lodged with the Federal Social Security Court of Appeals had been denied, and on December 12, 2014 a complaint (recurso de queja) was filed against such denial before the Federal Social Security Court of Appeals. On June 21, 2017, the Company was given notice that the Federal Social Security Court of Appeals had allowed the complaint and had ordered AFIP to refer the administrative case record.

Based on its external counsel's opinion, the Company considers that there are sound arguments in support of the treatment given by it to its social security contributions and thus to revert AFIP's determination through the above mentioned appeal.

The company has recognized no provision related to this claim as of December 31, 2019.

11.5 Proceedings with the Secretary of Industry

On February 25, 2014, the Company was notified of Resolution No. 23 (the "Resolution") issued on February 14, 2014 by the Argentine Secretary of Industry and Services (the "Secretary of Industry"). This Resolution (i) declared that the Company, as a contractor of ENARSA, had breached the so called "buy argentine work" legal regime (régimen de compre trabajo argentino) (the "Buy Argentine Work Legal Regime") by acquiring a power transformer for its Bragado power plant from a foreign company; (ii) determined that such acquisition was null and void; and (iii) established to serve notice to the Secretary of Territorial Planning and Public Works Coordination (the "Secretary of Planning," which at the date of such notice was named Ministry of Federal Planning, Public Investments and Services) for it to impose additional sanctions. In June 2014, it filed a complaint with the National First Instance Court in Administrative Contentious Matters No. 5 claiming that the Resolution be annulled. As of the date of these financial statements, the case is at the discovery stage.

The Company is also part of another administrative procedure before the Ministry of Industry promoted by the ARGENTINE CHAMBER OF ELECTRONIC, ELECTROMECHANICAL AND LUMINOTECHNICAL INDUSTRIES ("CADDIEL") in relation to alleged violations of the legal "buy work in Argentina" regime (the "Procedure Administrative ") Although at the date of issuance of these individual financial statements, the Ministry of Industry has not issued a decision regarding this procedure, it should be noted that on December 3, 2019 the Company and CADDIEL signed a Memorandum of Understanding with in order to describe certain actions to be carried out by the parties to, without recognizing facts or rights with respect to past situations, make their best efforts and on the basis of trust and good faith, to continue collaborating in the development of the sector privileging the selection of local suppliers except technical, regulatory or contr limitations current. Under this Memorandum of Understanding among other agreements (i) on December 3, CADDIEL made a presentation to the Ministry of Industry, informing it of its lack of interest in continuing the administrative procedure invoked; and (ii) a letter of intent was signed between the Company and CADDIEL by virtue of which CADIEEL undertakes to refrain from executing any act and / or making any judicial and / or extrajudicial presentation that may prevent, obstruct and / or delay the termination of the Judicial Record, and in particular, CADIEEL expressly undertakes to refrain from appealing an eventual interlocutory or final judicial decision favorable to Genneia and / or that has the effect of terminating the Judicial Record prior to the issuance of a judgment.

The Buy Argentine Work Legal Regime provides that, in case of breach thereunder, among other actions, the relevant Ministry shall temporarily prevent the breaching company for a certain period of time (three to 10 years) from being awarded with future agreements, concessions, permits or licenses by the Argentine Government, its agencies, decentralized entities and state enterprises.

In connection with the proceedings with the Argentine Secretary of Industry described above, on July 4, 2014, the Company requested from the Secretary of Planning suspension of Resolution No. 23 and any administrative proceedings aimed to penalize us on the same grounds as Resolution No. 23, until the federal court provides a final judgment. As of the date of these financial statements, the Secretary of Planning has not issued a decision with respect to our petition.

Based on its external counsel's opinion, the Company believes that (i) it has reasonable legal and factual grounds to obtain the judicial annulment of Resolution No. 23 or other resolutions declaring us in violation of the Buy Argentine Work Legal Regime and reject a disqualification penalty, if any, that may be imposed by the Secretary of Planning; and (ii) an adverse result in the proceedings would not impact our existing PPAs or the PPAs that we expect to enter into in connection with our expansion projects.

The company has recognized no provision related to this claim as of December 31, 2019.

11.6 Administrative claim by the Municipality of Paraná (Entre Ríos) regarding payment of the Rate on Sanitary Inspection, Health, Prophylaxis and Safety (Tasa por Inspección Sanitaria, Higiene, Profilaxis and Seguridad, "TISeH")

On December 29, 2014, the Company was served notice of a sua sponte assessment proceeding whereby the taxable bases reported by the Company for settling the TISeH were adjusted and the criterion used by the Company was objected to. The Company had been calculating the taxable base considering the direct revenues from the sale of energy generated by the Paraná Thermal Plant without including in such base the revenues from capacity made available or applying the provisions of the Multilateral Agreement. Due to such adjustment, the Company has been claimed payment of approximately ARS 3.2 million as principal and ARS 5.4 million as interest as of December 31, 2018. On January 20, 2015, the Company filed its defenses against the adjustment notified to it.

In connection with this claim, on April 6, 2015, the Company filed a declaratory action for unconstitutionality, including a request for injunction seeking to suspend the administrative proceedings, with the Federal Courts of Paraná, aimed at avoiding the previous payment in the administrative proceedings and open an independent legal action challenging the legality of the required tax. The first and second instance Federal Courts ruled that they lacked jurisdiction over the matter, against which the Company filed a new declaratory action for unconstitutionality on June 30, 2017, based on several grounds and for different periods. The Federal Court again ruled that it lacked jurisdiction over the matter, against which the Company filed a new appeal, and the Federal Court of Appeals of Paraná ratified the former decisions. Therefore, the Company filed a federal extraordinary appeal against such decision with the Argentine Supreme Court.

On December 26, 2019, the Company was notified of a legal proceeding for enforcement filed by the Municipality of Paraná before the Civil and Commercial Court of First Instance No. 10 of Executions of the City of Paraná, for a claimed amount of ARS 9,502. 534 and plaintiff's attorney fees budgeted at ARS 941,280. On February 5, 2020, the Company (i) filed a request for an inhibitor before the Federal Court of Paraná, requesting that the latter be declared competent to understand in said enforcement process; and (ii) it filed as defenses in the record of the urgency exemptions of the executive title for unconstitutionality of the tax claim executed, and in subsidy, of prescription of obligations executed based on the unconstitutionality of municipal norms for being contrary to the provisions of the national legislation of substance.

Although there are low chances of succeeding in the administrative action, considering that the claim is being heard by the Federal Justice, the Company and its external counsel understand that the Company's global defense strategy has reasonable chances of avoiding payment of the sums claimed and having the tax claimed dismissed by the courts.

The company has recognized no provision related to this claim as of December 31, 2019.

11.7 Declaratory actions for certainty against the Argentine Government-AFIP-DGI

11.7.1 In April 2014, the Company filed a declaratory action for certainty against the Argentine Government-AFIP-DGI with the Federal Administrative Contentious Court No. 2 of the City of Buenos Aires, seeking that the court declare the application on the Company of the Minimum Presumed Income Tax (Impuesto a la Ganancia Mínima Presunta, "IGMP") for fiscal periods 2013, 2014 and 2015 unconstitutional until the Company finally offsets its tax losses.

The complaint was answered by the AFIP in due course, the discovery stage was concluded. On February 21, 2019 the court rendered a judgment rejecting the Company´s action. On February 27, 2019 the Company filed an Appeal against such judgement. On September 2019, Chamber IV of the Federal Administrative Contentious Appeals Chamber admitted the appeal filed by the Company. No legal action was taken as a result of this new decision, and the matter can now therefore be considered resolve firm in favor of the Company.

11.7.2 In November 2018, the Company filed a declaratory action for certainty against the Argentine Government-AFIP-DGI with the Federal First Instance Civil and Commercial and Administrative Contentious Court No. 1 of San Martín, seeking that the court declare the application on the Company of the IGMP for fiscal periods 2016 and 2017 unconstitutional until the Company finally offsets its tax losses. As of the date of these financial statements, notice of process by the court is pending.

11.7.3 In November 2018, Parque Eólico Loma Blanca IV S.A. ("PELBIV"), a subsidiary of the Company, filed a declaratory action for certainty against the Argentine Government-AFIP-DGI with the National Federal Administrative Contentious Court No. 4, seeking that the court declare the application on PELBIV of the IGMP for fiscal period 2017 unconstitutional in light of PELBIV's financial condition. As of the date of these financial statements, notice of process by the court is pending.

Based on the Company's external counsel, the Company believes that there are sound arguments in support of the declarations of unconstitutionality requested and to expect a ruling favorable to its interests.

The company has recognized no provision related to this claim as of December 31, 2019.

11.8. Situation with IEASA (EX ENARSA)

IEASA (EX ENARSA) receivables and payables

Since 2011, the Company and ENERSUD started to accumulate debts vis-à-vis IEASA (EX ENARSA) for purchases of natural gas, as a result of the extensive delay by the Argentine Government in implementing the process for replacing the power supply agreements with IEASA (EX ENARSA) under the Energía Distribuida Program with new agreements with CAMMESA under Resolution SE 220/07, which delay had a materially adverse financial impact on the Company. On the other hand, several balances receivable from IEASA (EX ENARSA) started to accrue for generation invoices and unrecorded accrued amounts for exchange rate differences between the invoicing date and the date of effective payment. After such replacement procedure started to be implemented in December 2012, in various opportunities the Company attempted to reach a mutual settlement with IEASA (EX ENARSA) regarding the mutual accounts referred to above. Such efforts proved to be unsuccessful, and between December 10 and 16, 2015, the Company made the following payments to IEASA (EX ENARSA):

(i) Invoices issued by IEASA (EX ENARSA) to ENERSUD under certain natural gas purchase agreements signed between them for an equivalent amount of USD 21,373,852;

(ii) Invoices issued by IEASA (EX ENARSA) to the Company for an equivalent amount of USD 14,043,922 under certain natural gas purchase agreements entered into between them; and

(iii) Invoices for AR$ 1,693,231 and AR$ 675,535 issued by IEASA (EX ENARSA) to the Company and ENERSUD, respectively, for the Trust Fund art. 75 of Law N° 25,565.

Simultaneously with such payments, the Company gave notice to IEASA (EX ENARSA) that the balance of other invoices issued by IEASA (EX ENARSA) to the Company for an amount equivalent to USD 38,205,515 under the above mentioned natural gas sale agreements was deemed discharged due to the satisfaction of the requirements for legally offsetting them against liabilities due and payable by IEASA (EX ENARSA) to the Company as outstanding balances of certain invoices and differences from exchange rate fluctuations accrued under electric power supply agreements executed between the Company and ENARSA, to the extent of an amount equivalent to USD 38,205,515 as stated above, from each moment as of which the liabilities of both parties subject to legal set-off coexisted.

In a notice sent by IEASA (EX ENARSA) to the Company on October 11, 2017, IEASA (EX ENARSA) continued to claim a liability for the sale of natural gas, thus impliedly ignoring the set-off established by the Company, and invited the Company to settle accounts.

Based on its external counsel's opinion, the Company considers that the set-off made by it is legal and that it has sound legal and factual bases to revoke any potential claim by IEASA (EX ENARSA) challenging the discharge of the mutual liabilities, including any potential claim for interest in connection with IEASA (EX ENARSA)´s invoices.

The company has recognized no provision related to this claim as of December 31, 2019.

Claim for PUI and GUI

On the other hand, by demand letters received in November 2015, IEASA (EX ENARSA) demanded payment by the Company and its subsidiary ENERSUD of invoices for natural gas sold by ENARSA as "Ultimate Supplier" (Proveedor de Ultima Instancia "PUI") and "Ultimate Gas" (Gas de Ultima Instancia, "GUI") pursuant to the provisions of Note ENARGAS GT/GD/GDyE/GAL/I No. 10414 dated September 7, 2011, Note SE No. 6177/2011, Note S.E. No. 8183/2013 and Notes ENARGAS GT/GD/GDyE/GAL/I No. D 3976/2013 and 4624/2013, for an aggregate amount claimed to the Company of USD 14,836,446, and an aggregate amount invoiced to ENERSUD of USD 1,870,747. Genneia and ENERSUD have objected to those invoices and the related collection rights, as Genneia and ENERSUD believe, among other arguments in support of their objection, that equitable treatment should be applied to the invoicing and payment of the invoiced natural gas and the regulated price of natural gas for generation, as the volumes so invoiced are used for consumption by GENNEIA's thermal plants located in the districts of Río Mayo and Gobernador Costa (Province of Chubut) and Las Armas, Pinamar and Bragado (Province of Buenos Aires).

Based on its external counsel's opinion, the Company considers that it has sound legal and factual arguments to revoke any potential claim by IEASA (EX ENARSA) regarding the invoices issued for GUI and PUI prices plus applicable interest, in excess of a price which, although still undetermined, should be determined in court based on the regulated price for generation (USD MMBTU 2.68).

The company has recognized a provision related to this claim as of December 31, 2019.

11.9. Situation with CAMMESA

Under the WEM Agreements executed under Resolution SE No. 220/2007 (Concepción del Uruguay, Concepción del Uruguay II, Las Armas, Las Armas II, Matheu, Olavarría, Paraná and Pinamar plants), CAMMESA has been paying the invoices issued by the Company only in part, as it did not include in such payments the sums arising from the difference between the exchange rate as of the settlement date and that as of the date of total effective payment. In the opportunities that CAMMESA has recognized exchange rate differences, it has done so between the settlement date and a date unilaterally determined by it to be the "maturity" date, which in CAMMESA's opinion (not shared by the Company), would be 41 days after the settlement date.

In 2014, Genneia filed a first claim with CAMMESA demanding to it the exchange rate differences accrued with respect to all the referred plants between December 2012 and November 2013, for a claimed amount of USD 6,291,144. CAMMESA rejected Genneia's claim and forwarded it to the Secretary for resolution. As of the date of these financial statements, the Secretary has not rendered a decision in this regard.

The Company filed a second claim against CAMMESA on February 3, 2016, extending its first claim for adjustment and payment of exchange rate differences under the WEM Supply Agreements, as follows:

(i) on the one hand, in connection with the transactions made between the months of April 2014 and September 2015, for an aggregate amount (net of exchange rate differences settled by CAMMESA and credited against the total amount accrued) of USD 4,898,826 during the referred period; and

(ii) on the other hand, in connection with the economic transactions for October 2015, as exchange rate differences for an additional approximate amount of USD 1,710,000.

In September 2018, the Company requested the Ministry of Energy a prompt dispatch regarding the claim to CAMMESA. As of the date of these consolidated balance sheets, the Ministry of Energy has not yet been issued.

On October 23, 2019, the Company and CAMMESA participated in a mandatory preliminary ruling mediation hearing under the terms of Law 26,589, in which it was agreed to go to a second hearing on November 6, 2019, which was closed without agreement of the parties.

On December 5, 2019, the Company filed a legal proceeding for collection of exchange rate differences before CAMMESA. before the National Court of 1st Instance in the Federal Administrative Dispute No. 4, Secretariat No. 7, claiming the payment of USD13,050,000 plus interest, costs and costs, as exchange rate differences accrued in favor of Genneia during the period December 2012 to July 2019, and not recognized by CAMMESA or the SE, under MEM Supply Contracts concluded in the terms of Resolution 220/07 SE in relation to Matheu, Paraná, Bragado I, Concepción del Uruguay Thermal Power Plants I and II, Pinamar, Olavarría, and Las Armas I and II. The petition also requests the citation as a third party to the Secretary of Government of Energy of the Nation, so that the sentence to be issued is enforceable. At the date of these financial statements, the Court gave a view of the proceedings to the Federal Prosecutor to issue its opinion on the jurisdiction of the intervening jurisdiction.

The Company will recognize said credits and other credits for the same concept accrued subsequently, when it is virtually certain that it will receive the respective disbursements from CAMMESA.

The company has recognized no provision related to this claim as of December 31, 2019.

11.10. Bragado II Penalty

The Bragado II power plant achieved commercial operation in February 2017. CAMMESA alleged a delay incurred by the Company in achieving the commercial authorization agreed in the PPA and consequently imposed a contractual fine and issued a AR$37 million invoice, equivalent to USD 2,4 million at the exchange rate then in effect. On March 20, 2017, the Company challenged the fine and rejected the invoice. On May 23, 2017, CAMMESA rejected the grounds for such challenge and invited the Company to initiate an arbitration process.

In September 2018 CAMMESA, with invocation in a resolution of the Undersecretary of Electric Power, rejected the challenge of the fine. On December 19, 2018, Genneia presented a Resource for Reconsideration and Hierarchy in subsidy in relation to the resolution of the Undersecretary of Electricity. CAMMESA began in November 2018 to debit monthly from Genneia's current account, the total amount of the fine, in 48 dollar installments, with an annual interest of 1.7% on the balance. On October 11, 2019, the Company filed a brief with the Undersecretary of Electric Power, withdrawing from the Appeal for Reconsideration and requesting the resolution of the Hierarchical Resource.

On October 23, 2019, the Company and CAMMESA participated in a mandatory preliminary ruling mediation hearing under the terms of Law 26,589, in which it was agreed to go to a second hearing for November 6, 2019, which was closed without agreement of the parties.

On December 5, 2019, the Company filed a lawsuit against the National Court of First Instance in Federal Administrative Litigation No. 2, Secretariat No. 3, in order to decree the annulment of the Resolution issued on September 28, 2018 by Mr. Under Secretary of Electricity Juan Alberto Luchilo -identified with the action number NO-2018-48224204-APN-SSEE # MHA- and its background, and consequently, the penalty imposed by CAMMESA to Genneia and endorsed by said Resolution, for the equivalent of USD 2,368,000, for delays in the commercial authorization with both types of fuel (gas and diesel) of CT Bragado II, awarded to Genneia within the framework of Resolution 21/2016 of the SEE The Ministry of Energy of the Nation was also co-sued. At the date of these Financial Statements, the Intervening Court issued an official letter to the Office of the Treasury of the Nation, in order to notify it of the lawsuit filed against the National State.

Based on our external legal advisors' opinion, the Company believes that the fine imposed by CAMMESA is groundless and should not be applied against the Company, for which reason there are conclusive arguments leading the Company to expect a favorable outcome in its favor in view of a potential legal action. Notwithstanding the foregoing, given that the fine is being currently deducted from monthly collections, the Company made a provision for its current estimated amount.

11.11. Situation with Provincia del Chubut

On June 12, 2007 Genneia entered into the "Agreement for installation, operation and maintenance of equipment for thermal power generation in Río Mayo and Gobernador Costa" with the Province of Chubut. Following construction of the power plants, on a partial basis as from 2011 and wholly after August 2013, the Province ceased to pay the invoices issued for the energy supplied and the power made available to both power plants. Genneia made several demands for payment before the General Office of Utilities (Dirección General de Servicios Públicos, "DGSP").

Additionally, on July 10, 2014 Genneia filed a first claim for redress before the Secretary of Infrastructure of the Province, which is a mandatory prerequisite that musts be complied with prior to initiating legal proceedings for collection. In addition to the unpaid invoices, a demand was made for urgent payment of amounts essential to keep the plants running. On December 30, 2014 an amended claim was filed, including subsequent overdue amounts. In turn, formal demands for payment were submitted on April 28, 2014, September 24, 2014, May 20, 2015, June 29, 2015 and February 8, 2017.

Due to non-payment of overdue amounts, on August 22, 2017, the Company notified the Province that it had terminated the contract for reasons solely attributable to the Province of Chubut, and that that it would continue operating such plants until the Province took possession of the assets comprising them within the contract term of no more than 12 months set forth in the Agreement for such purposes, without prejudice to the Company's right to claim and demand collection of amounts due against the Company, on the same payment terms established in the Agreement. Such termination was decided by the Company after giving the Province several opportunities to cure the extended breach and, therefore, providing the Province, to the extent possible, with a chance to preserve an Agreement in which the public interest was concerned.

On November 7, 2017, the Company filed a complaint against the Province of Chubut before the Superior Court of Justice (Superior Tribunal de Justicia) of the Province in relation to certain unpaid invoices due as of November 30, 2014 for an aggregate amount of AR$ 76.8 million plus interest accrued from the due date of each invoice at the interest rate charged by Banco de la Nación Argentina for commercial paper discount transactions (AR$ 18.1 million). The complaint encompasses certain unpaid invoices from July 2011 to July 2013, together with all overdue invoices from August 2013 to November 2014. On December 29, 2017, the Company filed an administrative claim with regard to the remaining unpaid invoices under the PPA and with respect to a fine owed to the Company under the PPA for early termination. The Company has a right to initiate further proceedings with respect to such fine due under the PPA.

On March 6, 2018, the Province of Chubut passed Provincial Law No. VII-82 on emergency and consolidation of the entire provincial debt enforceable prior to February 28, 2018, which was published in the Official Gazette of the Province of Chubut on March 9, 2018. Pursuant to such law, for the Company to be able to collect the amounts owed by the Province under the PPA, it was required to file a proof of claim before the Provincial Ministry of Economy and Public Credit in accordance with a procedure governed by Resolution No. 102/18 issued by such ministry and published on July 26, 2018 in the Official Gazette of the Province. Pursuant to the emergency law, the consolidated balances as of February 28, 2018 will be discharged by delivery of Peso-denominated government notes (TICADEP, Series II), payable in 4 biannual and equal installments subject to a one-year grace period, with interest accrued at the BADLAR rate and payable on a quarterly basis. Provincial Law No. VII-82 establishes that as a condition to collection thereof the legal proceedings should be abandoned and the right to the claims for which a proof of claim was filed and/or any other claim against the Province should be waived. The Company filed a proof of claim against the Province of Chubut in due course (except for the fine due to the Company under the PPA for early termination of the agreement attributable to the Province) in the total amount of AR$ 503,867,025 (capital plus interest). As of the date of these financial statements, eventhough the Provincial Ministry of Economy and Public Credit has not rendered any opinion or decision on the proof of claim filed by the Company, within the framework of the judicial collection case mentioned above, the STJ favorably resolved for the Company the inclusion in the case as a new fact the accreditation and recognition by the General Accounting Office of the Province of the debt capital whose verification was requested by the Company.

On October 24, 2018, the Company and the Province of Chubut executed an agreement whereby the Parties agreed to the following without any acknowledgement of facts or rights in relation to the amounts enforceable under the PPA until February 28, 2018 or in relation to the fine due under the PPA: (i) a prompt payment scheme for the amounts owed by the Province under the Agreement and enforceable as from March 1, 2018 until the date of delivery of the Power Plants to the Province; (ii) consummation of return of the Power Plants and transfer of personnel assigned to such plants to the Province of Chubut on February 28, 2019 subject to compliance by the Province with the payment scheme as agreed upon; and (iii) negotiation of the amount and form of payment by the Province of Chubut of the fine for termination set forth in the PPA.

On February 22, 2019, the Company was notified of Resolution 02/2019 of the Regulatory Entity of Public Services of Chubut, whereby said agency suspended the return of the Centrals to the Province of Chubut for a period of 60 days. The Company filed on April 3, 2019, before the Superior Court of Justice of Chubut, a demand for consignment of the real estate, facilities and other assets that make up the Rio Mayo Centrals and Governor Costa. In compliance with an agreement reached with the Province, the Provincial State Prosecutor and the Provincial Public Services Regulatory Entity before said Court on May 28, 2019, on June 27 and 28, 2019, the transfer of the CTs to the Province, by means of the holding of records and inventory. As of those dates, the CTs ceased to be owned by Genneia.

Also in compliance with said agreement, Genneia will continue with the temporary operation of the CTs, subject to the instructions and on behalf of the General Directorate of Public Services and at the expense of the Province, until the transfer of the employees currently affected is made. On October 15, 2019, the Legislature of the Province sanctioned Law II Nº 230 approving the transfer of said personnel to the Ministry of Infrastructure of the Province. Said law was published in the Official Gazette of the Province on October 22, 2019, and as of the date of publication of these financial statements, it is pending regulation by the Provincial Executive Power.

It also stands out that, since March 1, 2019, Genneia stopped billing for the sale of energy to the Province of Chubut, without prejudice to its right to recover from the Province, under the agreement reached with the Province mentioned above , operating costs accrued as of said date. The Company also considers that the unpaid invoices agreed in the Framework Agreement will be claimed in the future to the Province.

Based on the Company's external counsel, the Company believes that it has strong arguments for a ruling favorable to its interests if it initiates a judicial claim. The total claimable amount of this receivable as of December 31, 2019 and 2018, nominated in Argentine pesos, is 9,698 (2,828 corresponds to interests) and 15,112 (4,493 corresponds to interests), respectively.

11.12 Framework Agreement between the Secretary of Energy and GENNEIA. Account for future investments.

On April 18, 2012 the Company entered into a framework agreement with the Secretary of Energy for renewal of the agreements in relation to Energía Distribuida I and Energía Distribuida II whereby it agreed to execute the project for installation of one or more thermal power plants for Generation of Electric Power at 200 MW in the aggregate within 7 years (the "Framework Agreement"). In such regard, GENNEIA agreed to create an "Investment Fund" to guarantee and contribute a portion of the funding required for the new Power Plants. The fund will be monthly funded as from October 1, 2012 from a monthly and incremental deduction scheme out of payments from CAMMESA to GENNEIA under each WEM supply agreement referred to above ("CARFON").

On November 9, 2015, the Company and the Secretary of Energy entered into an addendum to the "Framework Agreement," so that the Company's commitment referred to above may be honored by means of installation of new thermal plants or, in the alternative (in whole or in part), by means of installation of one or more wind power plants, for which purposes the Company may use the amounts accumulated in the "Investment Fund" created under the Framework Agreement.

On November 7, 2016, the Company filed a formal appeal for reconsideration before the Ministry of Energy requesting it to review the resolution issued by the Secretary of Energy which rejected the Company's petition to release certain funds accumulated in the CARFON fund to be used in the project for expansion of the Bragado II Thermal Power Plant. Pursuant to such appeal, the Company requested that such funds be released for payments related to the Bragado II Thermal Power Plant or, instead, for the Company's wind power projects. On December 21, 2016, the Company received a request for submission of additional documents from the Secretary of Energy in relation to the project for expansion of the Bragado II Thermal Power Plant. On January 3, 2017, the Company filed a letter in compliance with such request. As of the date hereof, the Secretary of Energy has not issued any decision in such respect.

On July 19, 2017, the Company supplemented the filing made in January 2017 and requested the Ministry of Energy to release the funds accumulated in the CARFON fund for payments related the Rawson III wind farm.

On August 9, 2018, the Company entered into an addendum to the Framework Agreement (the "Addendum") with the Under-Secretary of Electric Energy, the terms and conditions of which are as follows: (I) funds accumulated in the CARFON under the Framework Agreement until the date the Addendum is executed shall be used: (i) first for reimbursements of the investments made by the Company for construction of the Rawson III Wind Farm which shall be duly evidenced to CAMMESA and (ii) second, for disbursements made by the Company for development of new renewable power plants for the "MATER" (Renewable Source Electric Power Term Market Regime): Villalonga II, Pomona II, Chubut Norte II Wind Farms and/or any other project for generation of electric power to be sold on the "MATER" or the "Spot" Market (the "New Power Plants for the MATER"); and (II) upon attainment of commercial operation at 200 MW within the period of time agreed upon, the CARFON will be closed on the earlier of (i) the expiration date in June 2021 of the effective term of the WEM supply agreement executed under the Framework Agreement in relation to Bragado I, or (ii) such earlier date on which the Company may provide evidence, and obtain approval from CAMMESA, that the investments made in the Rawson III Wind Farm and the New Power Plants for the MATER reached an amount equivalent to the maximum amount of funds that may be withheld in the CARFON. On September 26, 2018, October 25, 2018 and November 26, 2018, the Company received three reimbursements of funds withheld in the CARFON in the approximate amount of US$ 24 million, US$ 8.1 million and US$ 6.5 million, respectively. In addition, on January 2, 2019, February 28, 2019, May 10, 2019, October 2, 2019 and November 11, 2019 the Company received new reimbursements for US$ 2.1, US$ 2.2, US$ 1.9, US$ 2.2 and US$ 6.5 million, respectively. And on February 21, 2020 the Company received a new reimbursement for US$ 2.9 million. On January 10, 2019, the Company gave notice to CAMMESA of achievement of commercial operation of the new power plants for 200 MW as undertaken under the Framework Agreement.

NOTA 12 – ONGOING PROJECTS

12.1 Necochea Wind Farm Project

On November 21, 2016, the Company entered into an agreement with Centrales de la Costa Atlántica S.A. ("Centrales de la Costa") to jointly develop and finance the Vientos de Necochea 1 wind farm project of 37.95 MW (the "Necochea Joint Venture Agreement"), subject to the award of the Vientos de Necochea 1 wind farm project to Centrales de la Costa. On November 25, 2016, the Ministry of Energy issued Resolution No. 281 awarding Centrales de la Costa the right to develop the Vientos de Necochea 1 wind farm project. The Company expects this project to reach commercial operation in December 2019. As required by Resolution No. 281 issued by the Ministry of Energy, Vientos de Necochea S.A. ("Vientos de Necochea") provided performance bonds to CAMMESA for a total amount of USD 9.5 million to guarantee the obligations to be assumed under the PPA.

On November 21, 2017, Vientos de Necochea S.A entered into a 20-year U.S. dollar denominated PPA with CAMMESA for the entire installed capacity of the Vientos de Necochea 1 wind farm based on the relevant form of PPA included in Resolution No. 252. The PPA will expire 20 years after the date in which CAMMESA granted the commercial authorization to operate the project in the WEM (commercial operation date). The main terms and conditions are as follows: (i) Vientos de Necochea has the obligation to build, operate and maintain the wind farm subject to such agreements and sell the electricity to CAMMESA (acting in representation of the WEM agents); (ii) Vientos de Necochea committed 37.95 MW of power capacity; (iii) Vientos de Necochea will be entitled to receive a payment for electricity effectively dispatched of USD 55.5 per MWh, and an additional annual adjustment set forth in the PPAs as a percentage of the price for electricity effectively dispatched; (iv) amounts payable to Vientos de Necochea under the PPAs will be denominated in U.S. dollars and payablein pesos at the prevailing exchange rate of the immediately preceding business day of the payment date; and (v) CAMMESA's obligations under the PPAs will be guaranteed by the FODER in which the Argentine government is the trustor

As required in the bidding process and the PPA, as Financial Strategic Partner, Centrales de la Costa shall keep, directly or indirectly, the ownership of at least twenty-five per cent (25 %) of Vientos de Necochea S.A.´s share capital with right to vote until the commercial operation date.

On May 2018, Vientos de Necochea S.A., company jointly controlled through a joint venture by the Company and Centrales de la Costa Atlántica S.A., celebrated (i) an agreement with Vestas Mediterranean S.A. and Vestas Argentinas S.A. for the provision and installation under a "Full EPC" scheme Vientos de Necochea 1 wind farm (38 MW), including all the required works in relation to the design, engineering, supply of wind turbines, construction (civil and electrical works) , commissioning, testing, start-up and completion of said park; and (ii) an agreement for the provision of maintenance and guarantee of availability of wind turbines for this project

On August 2, 2019, Vientos de Necochea S.A. entered into a project finance agreement for the development of Necochea (38 MW) wind farm. Through an A-B Facility Agreement, the company entered into financing agreements for up to US$ 51 million that will be used for the construction and start-up costs of the projects.

The A Facility Agreement includes a Guaranteed Tranche and an Uncovered Tranche. The Guranteed Tranche is lent by Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V. (FMO) and guaranteed by the EKF Export Credit Agency of Denmark (EKF), and second Tranche is lent directly by FMO. The B Facility Agreement is granted directly by FMO. The transaction is arranged by Sumitomo Miutsui Banking Corporation (SMBC) and FMO.

The financing agreements contain clauses that limit the ability of the subsidiaries to pay dividends and provide for the granting of various guarantees in favor of the creditors, among which are the transfer of the real rights of usufruct over the buildings where the Projects will be installed, direct, fiduciary or guarantee transfers, total or partial, of certain rights of the subsidiaries, including the collection rights under the Renewable Electricity Supply Contract entered into with CAMMESA, insurance and other documents related to the wind farms; pledge on shares representing 100% of the capital stock of the subsidiaries, guarantees on bank accounts and pledge on the main assets of the projects. Disbursement are subject to the satisfaction of certain conditions precedent agreed upon and the lenders approval regarding the foreign exchange controls established by the BCRA as of September 1, 2019 (see Note 8.4).

On September 1, 2019, in order to strengthen the normal functioning of the economy, contribute to a prudent administration of the exchange market, reduce the volatility of financial variables and contain the impact of fluctuations in financial flows on the real economy , the national government issued Decree No. 609/2019 by which, in others, exchange controls were temporarily reestablished. The decree mentioned among other measures: (i) reestablished, until December 31, 2019, the obligation of exporters to enter the country in foreign exchange and / or negotiate in the exchange market, the counter value of exports of goods and services, under the conditions and deadlines established in the regulations to be dictated by the BCRA; and (ii) authorized the Central Bank, in the exercise of its powers, (a) to regulate access to the exchange market for the purchase of foreign currency and its transfer abroad; and (b) establish regulations that avoid practices and operations aimed at avoiding, through public titles or other instruments, the measures adopted in said decree.

From the aforementioned exchange controls established by the BCRA, EKF and FMO has suspended disbursements under the aforementioned financing agreements, until the modifying, complementary and clarifying exchange regulations that the BCRA has already begun to issue, allow to conclude, to the satisfaction of EKF and FMO, that the exchange controls that are in force do not prevent an adequate flow of funds (disbursements and their repayment) in the terms and conditions provided for in the financing agreements, as well as an adequate functioning of the guarantee structures already constituted (mainly, creation of reserve accounts in foreign currency under onshore and offshore trusts). Such suspension of disbursements necessarily entailed a suspension of payments to Vestas under the EPC agreement, given the intimate connection between the EPC agreement and the financing agreements; and in turn, led to a suspension by Vestas of its wind farm construction tasks from November 1, 2019.

On January 7, 2020, VDN and Vestas entered into an IV addendum to the Project EPC Contract, under which Vestas resumed its suspended contractual benefits, VDN canceled overdue invoices due to Vestas, and on January 31, 2020 VDN canceled costs overruns of work agreed by Vestas.

In January 2020, the first disbursement was made by the lenders under the aforementioned financing agreements.

On February 8, 2020, CAMMESA granted the commercial authorization of the Vientos de Necochea wind farm.

This meant a delay in the terms committed under the PPA, since the date agreed in said contract was December 11, 2019. In this context, CAMMESA could claim the application, to the Company, of the fine contemplated in the PPA, consisting of an amount of one thousand three hundred and eighty-eight Dollars (USD 1,388) for each megawatt of power contracted for each day of delay in reaching the Commercial Qualification Date with respect to the Committed Commercial Enabling Date. However, the legal advisors of the Company consider that, in the event of the application of the fine by CAMMESA, the Company has sufficient arguments to ensure that the fine is dismissed or reversed. That is why the Company has not registered any contingency provision as of December 31, 2019.

12.2 Chubut Norte III and IV Wind Farms Projects

On November 30, 2017, the Ministry of Energy issued Resolution No. 473 granting the Company the right to develop the Chubut Norte III and IV wind farm project of 57.60 MW and 82.80 MW respectively, located in the Province of Chubut.

On June 26, 2018 the respective PPAs (Power Purchase Agreement) for 20 years denominated in US dollars with CAMMESA were signed for the entire installed capacity of the Chubut Norte III and Chubut Norte IV wind farms, and we expect that these projects will reach its operations commercial in April 2020. As required by Resolution No. 281 issued by the Ministry of Energy, Vientos Sudamericanos Chubut Norte IV S.A. and Vientos Patagonicos Chubut Norte III S.A., provided performance bonds to CAMMESA for a total amount of USD 20.7 million and USD 14.4 million to guarantee the obligations to be assumed under the PPA, respectively.

On August 10, 2018, Vientos Sudamericanos Chubut Norte IV S.A.,Vientos Patagónicos Chubut Norte III S.A., Nordex Energy GmbH and Nordex Windpower S.A. concluded the respective agreements for the provision and installation under a "turnkey" scheme, and for the provision of maintenance services and guarantee of wind turbine availability, for these projects.

On July 15, 2019, Vientos Patagónicos Chubut Norte III S.A. and Vientos Sudamericanos Chubut Norte IV S.A., entered into financing agreements for the Chubut Norte III & Chubut Norte IV (141 MW) wind farms. Through these Project Finance, the subsidiaries entered into financing agreements for up to US$ 131 million that will be used for the construction and start-up costs of the projects.

The financing agreements include a 15-year guaranteed non-recourse loan granted by Kreditanstalt FürWiederaufbau, Kfw. The KfW loan is guaranteed by the Export Credit Agency of Germany Euler Hermes through a comprehensive commercial and political credit insurance agreement for export. Disbursement are subject to the satisfaction of certain conditions precedent agreed upon and the lenders approval regarding the foreign exchange controls established by the BCRA as of September 1, 2019 (see Note 8.4).

On July 16, 2019, the Company and its subsidiary MyC Energía S.A. They agreed to transfer to Pan American Fueguina S.A., a subsidiary of Pan American Energy SL, of 49% of the shareholding of Vientos Sudamericanos Chubut Norte IV S.A. and Vientos Patagónicos Chubut Norte III S.A. subject to compliance with certain conditions preceding. On August 26, 2019, the transfer of the shares was perfected.

As of December 31, 2019, 50% of the foundations were completed and 3 power transformers have been assembled. For Chubut Norte III and IV, almost all wind turbines have been nationalized and moved to the site.

On September 1, 2019, in order to strengthen the normal functioning of the economy, contribute to a prudent administration of the exchange market, reduce the volatility of financial variables and contain the impact of fluctuations in financial flows on the real economy , the national government issued Decree No. 609/2019 by which, among others, exchange controls were temporarily reestablished. The decree mentioned among other measures: (i) reestablished, until December 31, 2019, the obligation of exporters to enter the country in foreign exchange and / or negotiate in the exchange market, the proceds from exports of goods and services, under the conditions and deadlines established in the regulations to be dictated by the BCRA; and (ii) authorized the BCRA, in the exercise of its powers, (a) to regulate access to the exchange market for the purchase of foreign currency and its transfer abroad; and (b) establish regulations that avoid practices and operations aimed at avoiding, through public titles or other instruments, the measures adopted in said decree.

As a consequence of the aforementioned exchange controls established by the BCRA, KFW has suspended disbursements under the aforementioned financing agreements, until the modifying, complementary and clarifying exchange regulations that the BCRA were finally to be issued, allowing to conclude, to the satisfaction of KFW and Euler Hermes, that the exchange controls that are in force do not prevent an adequate flow of funds (disbursements and their repayment) in the terms and conditions provided for in the financing agreements, as well as an adequate functioning of the guarantee structures already constituted (mainly, creation of reserve accounts in foreign currency under onshore and offshore trusts). Such suspension of disbursements necessarily entailed a suspension of payments to Nordex under the EPC agreement, given the intimate connection between the EPC agreement and the financing agreements; and in turn, led to a suspension by Nordex of its wind farm construction tasks from November 1, 2019.

On November 26, 2019 Vientos Sudamericanos Chubut Norte IV S.A., Vientos Patagonicos Chubut Norte III S.A. and Nordex signed an addendum III to the EPC Contract of the Projects, under which Nordex resumed its suspended contractual benefits, new contractual dates were agreed for the "Final Take Over" of both projects , a schedule for cancellation of certain overdue invoices due to Nordex and costs overrun agreed.

In December 2019, the first disbursement was made by the lender KFW under the aforementioned financing agreements.

Under the Electricity Provision Contracts dated June 26, 2018, signed between CAMMESA and, respectively, Vientos Patagónicos Chubut Norte III S.A. and Vientos Sudamericanos Chubut Norte IV SA, pledged as Commercial Enabling Date of their respective projects on April 2, 2020. However, the mentioned Companies will not be able to reach that milestone in the deadlines committed under the respective PPA, because of the existing delays in the process of construction and implementation of projects.

The Company expects these projects to achieve COD in the third quarter of 2020.

If the COD committed in any of the projects is not reached, CAMMESA could claim the application, to the defaulting entity, of the fine contemplated in Article 13.2 of the PPA, consisting of an amount of one thousand three hundred and eighty-eight Dollars (USD 1,388) for each megawatt of power contracted for each day of delay in reaching the Commercial Enabling Operating Date with respect to the committed Commercial Enabling Date. However, the legal advisors of the aforementioned Companies consider that, in the event of the application of the fine by CAMMESA, they have sufficient arguments to ensure that the fine is dismissed or reversed. That is why these Companies have not registered any contingency provision as of December 31, 2019.

12.3 Chubut Norte II Wind Farm Project

Chubut Norte II wind farm project is part of our renewable pipeline.Energy generated by this wind farm will be sold to private users in the MATER or in the spot market. The Chubut Norte II wind farm will have an installed capacity of 26.28 MW.

The Chubut Norte II wind farm will be located approximately 18 km northeast of the city of Puerto Madryn, Province of Chubut. We acquired 1,766 hectares of land to develop this project. This project will expand the Chubut Norte substation of 33/132 kV located within the property.

On August 10, 2018, we executed (i) a "turn-key" engineering, procurement and construction agreement for the Chubut Norte II wind farm with Nordex Energy GmbH and Nordex Windpower SA, including all the works required in relation to the design, engineering, supply of wind turbines, construction (civil and electrical works), connection, testing, start-up and completion of the wind farm; and (ii) an agreement for the provision of operation and maintenance services (O&M Agreement) with Nordex Argentina S.A in respect of the wind farm's equipment, which will come into force once the operation stage has begun and will terminate after ten years.

On July 23, 2019, Genneia S.A. signed a $ 31 million corporate loan with KfW for the construction of the Pomona II and Chubut Norte II wind farms. The financing implies a 4-year secured loan granted by KfW. The KfW loan is guaranteed by the German Export Credit Agency Euler Hermes. Disbursement are subject to the satisfaction of certain conditions precedent agreed upon and the lenders approval regarding the foreign exchange controls established by the BCRA as of September 1, 2019h.

On September 1, 2019, in order to strengthen the normal functioning of the economy, contribute to a prudent administration of the exchange market, reduce the volatility of financial variables and contain the impact of fluctuations in financial flows on the real economy , the national government issued Decree No. 609/2019 by which, in others, exchange controls were temporarily reestablished. The decree mentioned among other measures: (i) reestablished, until December 31, 2019, the obligation of exporters to enter the country in foreign exchange and / or negotiate in the exchange market, the counter value of exports of goods and services, under the conditions and deadlines established in the regulations to be dictated by the BCRA; and (ii) authorized the Central Bank, in the exercise of its powers, (a) to regulate access to the exchange market for the purchase of foreign currency and its transfer abroad; and (b) establish regulations that avoid practices and operations aimed at avoiding, through public titles or other instruments, the measures adopted in said decree.

On December 18, 2019, the Company and Nordex entered an addendum III to the EPC Contract of the Chubut Norte II Project, under which Nordex resumed its suspended contractual services, a new work schedule and a new contractual date for the "Final take over" of the project were agreed, and a cancellation schedule for certain overdue invoices due to Nordex was agreed.

On January 28, 2020, the Company entered into an aforementioned loan agreement with KFW, in order to reflect said exchange controls by the BCRA in the operation of future disbursements.

In February 2020, the first disbursements of the financing having already been completed prior to the date of issuance of these financial statements.

12.4 La Florida Biomasa Project

On December 19, 2017, the Ministry of Energy issued Resolution No. 488-E / 2017 granting the Company the right to develop La Florida Biomass Project.

On June 26, 2018, the respective 20-year Power Purchase Agreement (PPA) denominated in US dollars with CAMMESA was signed for the total installed capacity of La Florida Biomass Plant and we expect this project to reach its commercial operations in November 2021.

The project will be located within the land of Ingenio La Florida, owned by Compañía Azucarera Los Balcanes S.A., in the community of La Florida, department of Cruz Alta, province of Tucumán. Compañía Azucarera Los Balcanes S.A. granted Genneia La Florida S.A. an exclusive and irrevocable usufruct right of 30 years of approximately 3 hectares. The plant will use the direct combustion of industrial type steam boilers, which will be specifically designed and manufactured to burn the biomass fuel resulting from the manufacture of ethanol and sugar cane. The project is expected to have an estimated capacity of 19 MW net. We celebrated a 20-year supply contract with Compañía Azucarera Los Balcanes S.A. for the acquisition of all the biomass required for the projected energy production.

Performance bonds

In accordance with the terms of the PPAs, the Company and its subsidiaries are required to contract and maintain performance bonds, consisting in insurance policies contracted with insurance companies, to guarantee compliance with their obligations under the PPAs throughout their term.

As of December 31, 2019, the Company maintains performance bonds contracted with insurance companies for an aggregate coverage amount of approximately USD 92 million.

NOTE 13 - CONSOLIDATED BUSINESS SEGMENT INFORMATION

The different segments in which the Company is organized have in considering the different activities from which the Company obtains income and incurs expenses. The mentioned organizational structure is based on the way in which the highest authority in the decision-making process analyzes the main financial and operating activities on the basis of internal reports regarding components of the Company while making decisions about resource allocation and performance assessment considering the Company's business strategy.

The Company develops its activities in three business segments: (i) electrical power generation from conventional sources; (ii) electrical power generation from renewable sources; (iii) trading on its own, on behalf of third parties or associated with third parties, of natural gas and/or its transportation capacity and of electric power, through the Company and its subsidiary ENERSUD. Costs and assets related to corporate administration and other income (expenses) are allocated into the segment "Corporate and others", except for the impairment and the result of the sale for the generation equipment associated with the Pinamar Thermal Power Plant which were allocated into their respective segments.

All the sales and the non-current assets of the Company are generated and are located in Argentina.

Below is disclosed the information for each business segment as defined by the Company:

	Electrical power generation from conventional sources	Electrical Power generation from renewable sources	Trading of natural gas and gas transportation	Corporate and others	Consolidation adjustments	Total
Year ended December 31, 2019						
Net sales to third parties	99,761	163,126	4,986	1,726	-	269,599
Net inter-segment sales	-	-	-	-	-	-
Net sales	99,761	163,126	4,986	1,726	-	269,599
Gross profit less administrative and selling expenses	48,318	118,881	2,873	(15,882)	-	154,190
Net profit (loss) before financial expense, net and income tax [2] [4]	25,749[5]	115,543	2,873	(21,254)[1]	-	122,911
Impairment loss on fixed assets and goodwill	27,572	-	-	-	-	27,572
Fixed and concessioned assets depreciation and intangible assets amortization	35,186	31,341	826	1,218	-	68,571
Fixed and concessioned assets investments [3]	582	310,806	-	983	-	312,371
Assets [3]	256,010	995,245	18,935	234,598	(36,060)	1,468,728
Year ended December 31, 2018						
Net sales to third parties	126,939	69,560	5,090	802	-	202,391
Net inter-segment sales	-	-	-	-	-	-
Net sales	126,939	69,560	5,090	802	-	202,391
Gross profit net administration and selling expenses	65,005	46,942	3,166	(21,951)	-	93,162
Net profit (loss) before financial expense, net and income tax [2] [4]	65,005	37,216	3,166	(26,584) [1]	-	78,803
Impairment loss on intangible assets and goodwill	-	8,303	-	-	-	8,303
Fixed and concessioned assets depreciation and amortization	41,109	16,300	121	1,338	-	58,868
Fixed and concessioned assets investments [3]	2,236	446,248	-	737	-	449,221
Assets [3]	326,429	917,412	6,709	276,383	(107,168)	1,419,765

(1) Includes (370) and (4,633) of other expenses, net for the year ended December 31, 2019 and 2018, respectively.
(2) Financial expense, net and income tax are allocated to the corporate and others segment. Loss on long term investments has been allocated to Electrical Power generation from renewable sources.
(3) In addition, the company has made advanced payments to fixed assets suppliers for an amount of 7,376 and 119,534 as of December 31, 2019 and 2018, respectively, included in other non-current receivables.
(4) As of December 31, 2019, the Electricity Generation segment from conventional sources includes: Gross profit for 48,318 and Other net expenses for (27,572). The Electricity generation from renewable sources segment includes: Gross profit for 118,881, and Results for long-term investments for (3,338). The gas marketing and transportation segment includes: Gross profit for 2,873. Corporate and others include: Gross profit for 1,726, Administrative expenses for (15,220), Selling expenses for (2,388) and Other net expenses for (369). As of December 31, 2018, the Electricity Generation segment from conventional sources includes: Gross profit for 65,005. The Electricity generation from renewable sources segment includes: Gross profit for 46,942, Other net expenses for (8,303) and Results for long-term investments for (1,423). The gas marketing and transportation segment includes: Gross profit for 3,166. The Corporate Administration segment and others include: Gross profit for 802, Administrative expenses for (21,061), Selling expenses for (1,692) and Other net expenses for (4,633).
(5) Includes 4,992 of result of the sale by the generation equipment, associated to the Pinamar Thermal Power Plant.

NOTE 14 – BUSINESS COMBINATION

14.1 Business combination - acquisition of Ullum I Solar S.A., Ullum II Solar S.A. and Ullum III Solar S.A.

On April 9, 2018, the Company accepted the sale offer made by 360 Energy S.A. and Energías Sustentables S.A., as sellers, of the shares representing 100% of the share capital and votes of the Ullum I Solar S.A., Ullum II Solar S.A. and Ullum III Solar S.A. ("The Ullum Companies").

The main characteristics of the transaction are described below:

Name and description of the acquired entity:	Ullum I Solar S.A., Ullum II Solar S.A. and Ullum III Solar S.A. are companies whose main purpose and activity are the generation of energy form renewable sources (photovoltaic solar energy projects located in the Province of San Juan) and its comercialization. The Ullum Companies are the owners of three solar plant projects located in the Province of San Juan, Argentina with a combined installed capacity of 82 MW. The Ullum Companies have PPAs signed with CAMMESA for 20 years denominated in Dollars, awarded under round 1 of the RENOVAR tender. The projects are in the initial stage of their construction.
The acquisition date, the percentage acquired and primary reasons for the acquisition:	The Company made the effective payment of the price corresponding to the 75% of the share capital of the Ullum Companies on April 9, 2018 (the acquisition date). While on July 31, 2018 the company has made the effective payment of the remaining 25% of the capital stock of Ullum Companies. The reason for the acquisition is linked to the Company's strong investment plan in energy generation assets.
The acquisition-date fair value of the total consideration transferred and the acquisition-date fair value of each main assets:	The price of the transaction for the acquisition of 100% of the shares mentioned above, including all items, amounts to approximately AR$ 157.2 million (USD 7.8 million). The consideration transferred at the date of this financial statements, net of cash and equivalents at the date of acquisition amounts to AR$ 30,195,000 (approximately USD 1,496,283). The acquisition of the shares was stipulated in two stages, transferring 75% of the shares in the first closing together with the payment of USD 1,125,000, and the remaining 25% with the payment of USD 375,000 to the second consummated closure on July 31, 2018. Additionally, a complementary contingent price of USD 6,290,000 is established at the time of commercial authorization, subject to compliance with certain conditions. As of the date of issuance of these consolidated financial statements, the payments corresponding to the contingent additional price have not yet been made. Furthermore, in addition to both the price and complementary contingent price, the company undertook to pay the seller the amount corresponding to the valued added tax balances for an amount of AR$ 7.831.075 (USD 388.061).

The following table summarizes allocation of the purchase price:

	Ullum I Solar S.A.	Ullum II Solar S.A.	Ullum III Solar S.A.	Total
Current and Non Current Assets				
Cash and equivalents	1	1	1	3
Other receivables	582	410	352	1,344
Fixed assets	535	523	11	1,069
Intangible assets	1,649	1,636	2,507	5,792
Current and Non Current Liabilities				
Accounts payable	462	291	340	1,093
Deffered income tax liability	412	409	627	1,448
Net identifiable assets	**1,893**	**1,870**	**1,904**	**5,667**

Based on what is mentioned in note 2.5, as of December 31, 2018, the Company has made a provisional determination of the measurements of identifiable assets and liabilities at the date of acquisition.

In relation with these acquisitions, the Company recognized intangible assets for an amount of 5,792, corresponding to the estimated fair value allocated at the acquisition date to the Power Purchase Agreements (‘‘PPA’’) with CAMMESA.

The Company has made a preliminary determination of the measurements of identifiable assets and liabilities at the date of acquisition, and accordingly allocating the difference between the cost of the acquisition corresponding to the value agreed for the purchase of the company and the amount of net identifiable assets (including the intangible assets mentioned above) at the date of acquisition to a goodwill calculated in such way, for a value of USD 2,5 million.

Goodwill arose in the acquisition because the cost of the combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth and future market development of the Companies. These benefits are not recognized separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

The goodwill arising on the acquisition is not deductible for tax purposes.

Income and expenses from ordinary activities of the Companies since the acquisition date included in the financial statements of the Company for the year ended December 31, 2018:

	Ullum I Solar S.A.	Ullum II Solar S.A.	Ullum III Solar S.A.	Total
Net sales	129	134	146	409
Cost of sales	(65)	(65)	(80)	(210)
Selling expenses	(1)	-	-	(1)
Administrative expenses	(172)	(171)	(172)	(515)
Financial income (expense), net	(1,423)	(1,008)	(313)	(2,744)
Other income (expenses), net	(105)	(151)	(210)	(466)
Income tax	435	272	202	909
Net loss for the period	**(1,202)**	**(989)**	**(427)**	**(2,618)**

Additional information

Had this business combination been effected at January 1, 2018, the revenues and net loss of the Company would have been 202,391 and 22,218, respectively.

NOTA 15 - IMPAIRMENT LOSSES RECOGNISED IN THE YEAS 2019 AND 2018

15.1 Considering the effect of the probable alternatives of use or disposal of the assets corresponding to the Thermal Power Plants mentioned in Note 1, the Company carried out a review of the recoverable amount of fixed assets related to said units.

The review led to the recognition of an impairment loss of 6,098 by some of the Thermal Generation Plants owned by the Company, which has been recognized in the income statement in the "Other expenses, net" line. This circumstance is entirely attributable to the impact of the change in the situation mentioned above. The recoverable value after tax of the mentioned generation plants as of December 31, 2019 amounts to 2,625 based on their economic value. The recoverable value of these plants was determined on the basis of their fair value less their disposal costs. The main inputs used in the valuation correspond to the estimated disposal price and the costs necessary to leave the plants in conditions to be transferred. Since the estimate contains certain significant unobservable inputs, the fair value used is classified as level 3 hierarchy. The asset disposal value has been estimated based on the company's experience in disposing of similar assets and reference values used for the acquisition of assets of similar characteristics, adjusted as may correspond by the estimated wear of the assets under evaluation on the basis of the hours of use since their acquisition and their conservation status.

As of December 31, 2019, there has been a partial impairment of fixed assets for 6,098.

The determination of whether an asset is impaired, and to what extent, implies management estimates on uncertain and volatile variables, such as the effects of inflation and deflation on operating expenses, discount rates, the realization values of assets, production and future prices. Actual cash flows and values may differ significantly from expected future cash flows and related values obtained through discount techniques and could result in a significant change in the book values of the assets.

The discount rates represent the current valuation of the market, of the specific risks of the Company, taking into account both the temporary value of the money and the individual risks of the underlying assets. The discount rate used is the weighted average cost of capital (CPPC) of 11%.

The CPPC represents the weighted average cost of a company's capital. The cost of capital is defined by the cost of debt and the cost of equity. The cost of debt is defined using the following data: 1) The risk-free interest rate (measured by the UST at 10 years); 2) the country risk index of Argentina (measured by EMBI +); 3) Cost of Genneia's debt over the Sovereign; 4) the 25% Income Tax rate. The cost of equity is defined using an adjusted version of the CAPM. The inputs used to determine the cost of equity are: 1) The risk-free interest rate (measured by the UST at 10 years); 2) Leveraged beta; 3) Market risk premium; 4) Country risk index of Argentina (measured by EMBI +).

The Company conducted a sensitivity analysis of the recoverable value of the fixed asset with respect to the discount rate that resulted in an increase or decrease of 1% of said rate, implying a decrease or a 1% increase in the recoverable value .

The assumptions used by the Company for the evaluation of the recovery value of the assets associated with thermal generation are in line with those set forth in the new resolution detailed in note 17.2.

As of December 31, 2019, the book value of the Thermal Generation Plants analyzed amounts to USD 73.3 million.

15.2 On March 1, 2019, Res. SRRYME No. 1/19 was published in the Official Gazette, through which the remuneration scheme of Res. SEE No. 19/17 was canceled, replacing it with a scheme of similar characteristics whose Main modifications are detailed below. The new remuneration regime is denominated in USD and is applicable as of March 1, 2019. The main changes are presented below: i. The power remuneration of thermal generators that declare guaranteed power availability (DIGO) is reduced from USD 7,000 / MW to USD 5,500 / MW-month for the periods from March to May (autumn) and September to November (spring); ii. For the thermal generators, a coefficient derived from the average utilization factor of the last twelve months of the unit is applied to the power remuneration: to receive 100% of the payment per power, a minimum of 70% of the power factor is required. utilization; between 30% and 70% utilization, a percentage is perceived based on it; and if the use factor is less than 30%, the resulting coefficient is 0.70; and iii. The remuneration for operation and maintenance is reduced to USD 4 / MWh in the energy generated with gas and to USD 7 / MWh with oil fuel or oil, and the remuneration for energy operated is reduced to USD 1.4 / MWh.

Considering the adverse effect that this new remuneration scheme represents in future flows of the thermal units, the Company carried out a review of the recoverable amount of the key values and fixed assets related to said units (both its property and its subsidiaries).

The review led to the recognition of an impairment loss of 20,142 of the Cruz Alta Thermal Generation Plant owned by the subsidiary Genneia Desarrollos SA, which has been recognized in the income statement of said company and of these consolidated financial statements condensed in the line “Other expenses, net”. This circumstance is entirely attributable to the impact of the change in remuneration mentioned above. The recoverable value after tax of the mentioned generation plant as of March 31, 2019 amounts to 52,947 based on its economic value, calculated as the expected discounted future cash flows generated by each asset or group of assets under evaluation , considering its estimated useful life.

As of March 31, 2019, the key value associated with the acquisition of Generadora Eléctrica de Tucumán S.A. It has deteriorated completely by an amount of 17,587 and there has been a partial impairment of fixed assets of 2,555, which belong to the segment of "generation of electricity from conventional sources" of the Company.

On February 27, 2020, RESOL-2020-31-APN-SE # MD of the Ministry of Energy was published in the BO, which modified the remuneration scheme of Res. SRRYME No. 1/19, which Once he had canceled the remuneration scheme of Res. SEE N° 19/17. The new remuneration regime is denominated in Argentine pesos and is applicable as of February 1, 2020. Unlike the previous one, the remuneration under this new scheme provides for a monthly adjustment system based on the Consumer Price Index (CPI).) and the Wholesale Internal Price Index (IPIM).

The following are the main current characteristics of the current remuneration scheme: i. The power remuneration of thermal generators that declare guaranteed power availability (DIGO) is reduced from USD 6,250 / MW to USD 5,000 / MW-month on average per year .; ii. For thermal generators, a coefficient derived from the average utilization factor of the last twelve months of the unit is applied to the power compensation: to receive 100% of the payment per power availability, a power dispatch greater than 70% of the utilization factor is required of use; between 30% and 70% utilization, a percentage is perceived based on a formula; and if the use factor is less than 30%, the resulting coefficient is 0.60; and iii. The remuneration for operation and maintenance is reduced to USD 3.8 / MWh in the energy generated with gas and to USD 6.7 / MWh with fuel oil or gas oil, and the remuneration for energy operated is reduced to USD 1,3 / MWh.

The assumptions used by the subsidiary Genneia Desarrollos S.A. For the evaluation of the recovery value of the assets associated with thermal generation, they are in line with those provided by this resolution.

The review at the end of the year led to the recognition of an impairment loss of 1,331 of the Cruz Alta Thermal Generation Plant owned by said subsidiary, which has been recognized in the income statement in the “Other expenses, net” line. The recoverable value after tax of the mentioned generation plant as of December 31, 2019 amounted to 50,128 on the basis of its economic value, calculated as the discounted expected future cash flows generated by each asset or group of assets under evaluation, considering Its estimated useful life.

As of December 31, 2019, there was a partial impairment of fixed assets by 3,887.

The determination of whether an asset is impaired, and to what extent, implies management estimates of uncertain and volatile variables, such as the effects of inflation and deflation on operating expenses, discount rates, production and future prices . Actual cash flows and values may differ significantly from expected future cash flows and related values obtained through discount techniques and could result in a significant change in the book values of the assets.

The discount rates represent the current market valuation of the specific risks of the Company, taking into account both the temporary value of the money and the consolidated risks of the underlying assets. The discount rate used is the weighted average cost of capital (CPPC) of 11%.

The CPPC represents the weighted average cost of a company's capital. The cost of capital is defined by the cost of debt and the cost of equity. The cost of debt is defined using the following data: 1) The risk-free interest rate (measured by the UST at 10 years); 2) the country risk index of Argentina (measured by EMBI +); 3) Cost of Genneia's debt over the Sovereign; 4) the 25% Income Tax rate. The cost of equity is defined using an adjusted version of the CAPM. The inputs used to determine the cost of equity are: 1) The risk-free interest rate (measured by the UST at 10 years); 2) Leveraged beta; 3) Market risk premium; 4) Country risk index of Argentina (measured by EMBI +).

The Company carried out a sensitivity analysis of the recoverable value of the fixed asset with respect to the discount rate that resulted in an increase or decrease of 1% of said rate, implying a decrease or a 5% increase in the recoverable value.

15.3 During the year, the Company carried out a review of the recoverable amount of the Goodwill and Intangible Assets related to Ullum 1, Ullum 2 and Ullum 3 acquisitions ("Ullum projects"). The review led to the recognition of a net impairment loss of 6.855 (net of deferred income tax for an amount of 1,448), which has been recognized in profit or loss statement. As of December 31, 2018, those assets have been impaired in full and they belong to the Company's "electrical power generation from renewable sources" segment.

Determination as to whether, and by how much, an asset is impaired involves management estimates on highly uncertain matters such as the effects of inflation and deflation on operating expenses, discount rates, production profiles, and future prices. The actual cash flows and the values may differ significantly from the expected future cash flows and the related values obtained through discount techniques and could result in a material change to the carrying values of the assets.

Discount rates represent the current market assessment of the risks specific to the Company, taking into consideration both the time value of money and individual risks of the underlying assets. The discount rate used is the weighted average cost of capital (WACC).

The WACC represents the Weighted Average Cost of Capital of a firm. The cost of capital is defined by the cost of debt and the cost of equity. The cost of debt is defined using the following inputs: 1) The risk-free interest rate (as measured by the UST 10y); 2) Argentina´s country risk index (as measured by the EMBI +); 3) Genneia´s cost of debt spread over the Sovereign. The cost of equity is defined using an adjusted version of the CAPM. Inputs used to determine the cost of equity are: 1) The risk-free interest rate (as measured by the UST 10y); 2) Levered Beta; 3) Equity Risk Premium ;4) Argentina´s country risk index (as measured by the EMBI +).

Net impairment losses on the Ullum projects are mainly attributable to an increase in the discount rate used to determine the assets value. This increase in the discount rate is mainly due to the worsening of Argentina´s macroeconomic conditions, reflected in Argentina´s country risk, and the increase in the Equity Risk Premium.

NOTA 16 – RECENT EVOLUTION OF THE ECONOMIC-FINANCIAL CONTEXT IN WHICH THE COMPANY OPERATES

During the year ended December 31, 2019, there has been an increasing rise in the general level of prices, salary costs, interest rates and the exchange rate of foreign currency, as well as volatility in other variables of the economy , which has impacted on the figures in these financial statements.

After the significant devaluation of the Argentine peso that occurred in mid-August 2019, the National Government adopted various measures that modified rules that were in force until that date and that had an effect on the aforementioned variables.

Additionally, on December 20, 2019, the National Congress passed Law No. 27,541 called the Law of Social Solidarity and Productive Reactivation in the framework of Public Emergency declaring the public emergency in economic, financial, fiscal, administrative, pension, tariff matters, energy, health and social, delegating to the National Executive Power broad powers to ensure the sustainability of public debt, regulate the rate restructuring of the energy system through a renegotiation of the current comprehensive tariff revision and reorder the regulatory entities of the energy system, among others . In addition, electricity and natural gas rates will be maintained for a maximum period of 180 days for residential and commercial users and industries.

Said law, promoted by the new National Government, modified the personal property tax, increasing its rate, and empowered the National Executive Power to set higher rates for financial assets located abroad. Also, a new 30% currency purchase tax was created. This tax covers the purchase of bills and foreign currency in foreign currency for treasury or without a specific destination. As part of the package of measures aimed at reducing the fiscal deficit, said law suspended the pension adjustment system for 180 days, among other issues.

The Board of Directors and the Management of the Company will analyze the evolution of the described issues, as well as the possible additional modifications that the National Government could implement, and will evaluate the impacts that they could have on their financial and economic situation, results and future cash flows.

NOTE 17 - SUBSEQUENTS EVENTS

17.1 Financing agreement with Vestas

On January 7, 2020, the Company and Vestas entered into an Addendum III to the agreement for the provision of turbines at the Madryn II Wind Farm, in order to agree for a deferred payment plan in installments during 2020, in relation to certain invoices originally payable by the Company 90 days after the commercial operation date of the Madryn II wind farm. These payment obligations of the Company under said agreement, are guaranteed to Vestas with the flow of funds from the Supply Contract with CAMMESA on the Madryn II Wind Farm , and with a pledge with first grade registration on the wind turbines of said wind farm.

17.2 Resolution 31/2020

On February 27, 2020, RESOL-2020-31-APN-SE # MD ("Resolution 31/2020") of the Ministry of Energy was published in the Official Gacette, which modified the remuneration scheme under Resolution SRRYME No. 1/19, which in turn revoked the remuneration scheme of Resolution SEE N ° 19/17.

The new remuneration regime, Resolution 31/2020, is denominated in Argentine pesos and is applicable starting February 1, 2020. This new remuneration scheme provides for an adjustment on a monthly basis by the Consumer Price Index ("CPI") and the Wholesale Internal Price Index ("IPIM").

The following are the main current characteristics of the current remuneration scheme: i. The power remuneration of thermal generators that declare guaranteed power availability (DIGO) is reduced: a. from USD 7,000 / MW to AR$360,000 / MW-month for winter and summer months; b. from USD 5,500 / MW to AR$270,000 / MW-month for the rest of the year; ii. For thermal generators, a coefficient derived from the average utilization factor of the last twelve months of the unit is applied to the power compensation: to receive 100% of the payment per power, a dispatch greater than 70% of the use factor is required; between 30% and 70% utilization, a percentage is perceived based on a formula; and if the use factor is less than 30%, the resulting coefficient is 0.60; and iii. The remuneration for operation and maintenance is reduced: a. from USD 4 / MWh to ARS AR$/ MWh in the energy generated with gas; b. and from USD 7 / MWh to AR$420 / MWh with fuel oil or gas oil; and c. the remuneration for energy operated is reduced from USD 1.4 / MWh to AR$84 / MWh.

Additionally, the resolution establishes a monthly price update based on a formula that weighs the IPC index by 60% and the IPIM index by 40%.

Due to the proximity between the date of issuance of these financial statements and the publication of the aforementioned resolution, the Company's management is evaluating the effects that the application of the new tariff scheme will entail. Although preliminary, it estimates that its application will not have a significant effect.

At the date of issuance of these consolidated financial statements there have been no other significant subsequent events whose effect on the consolidated financial position and the results of the Company's operations as of and for the year December 31, 2019 or its exposure in a note to these financial statements, if applicable, they would not have been considered in them according to IFRS.

NOTE 18 - APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

These consolidated financial, statements were approved by the Board of Directors of GENNEIA and authorized for issue on March 5, 2020.

Cesar Rossi
Authorized Director

ISSUER

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ANNEX A

TRANSFER CERTIFICATE

Genneia S.A.

Offer to Exchange (the "Offer" or "Exchange Offer") any and all of its 8.750% Series "XX" Notes due 2022 (the "Series XX Notes") and its Private Notes due January 22, 2022 (the "Private Notes" and together with the Series XX Notes, the "Existing Notes") for the applicable amount of 8.750% Senior Notes due 2027 (the "New Notes") and cash, as applicable.

					Option A		or	Option B[4]		
	Existing Notes	ISINs	CUSIPs	Aggregate Principal Amount of Existing Notes Outstanding	Early Tender Consideration[2] (Principal Amount of New Notes)	Late Tender Consideration[2] (Principal Amount of New Notes)		Early Tender Consideration[2] (Principal Amount of New Notes)	Early Cash Consideration[2]	Late Tender Consideration[2] (Principal Amount of New Notes)
1	8.750% Series "XX" Notes due 2022[1]	US372319AA15 (144A) / USP46756AH86 (Reg S)	372319 AA1 (144A) / P46756 AH8 (Reg S)	US$500,000,000	US$1,010-1,020[3][5]	US$970		Maximum of US$800 (or US$700 considering the Withdrawal Threshold)[5][6]	Minimum of US$200 (or US$300 considering the Withdrawal Threshold)[5][6]	US$970
2	Private Notes due January 22, 2022	XS1923602772	N/A	US$53,286,000	US$1,010-1,020 [3] [5]	US$970		N/A	N/A	N/A

Notes:

(1) The Series XX Notes are currently listed on the Luxembourg Stock Exchange and traded on its Euro MTF Market and are listed on the ByMA (as defined below) and are traded on the MAE (as defined below).

(2) Per US$1,000 principal amount of Existing Notes validly tendered and accepted for exchange. The Exchange Consideration (as defined below) does not include the Accrued Interest Payment (as defined below). No separate or additional consideration will be paid in connection with the Solicitation (as defined below).

(3) Tender Orders of Existing Notes submitted under Option A at or prior to the Early Tender Date will receive (a) 1,000 principal amount of New Notes per US$1,000 principal amount of Existing Notes validly tendered and accepted for exchange, plus (b) up to a maximum total aggregate principal amount of US$2,000,000 of New Notes payable pro rata, such that each Eligible Holder receives a minimum of US$1,010 and a maximum of US$1,020 per US$1,000 principal amount of Existing Notes validly tendered and accepted for exchange. Tender Orders of Series XX Notes (as defined below) in exchange for Early XX A Consideration (as defined below) will be accepted on a pro rata basis up the Option A Maximum Amount (as defined below). Tender Orders of Series XX Notes validly submitted at or prior to the Early Tender Date in excess of the Option A Maximum Amount will be, on a pro rata basis, automatically deemed submitted in exchange for Early XX B Consideration (as defined below). Tender Orders of Private Notes may only be made in exchange for Option A and consequently, will not be subject to proration. In other words, Tender Orders of Private Notes in exchange for Early Private Consideration will have priority over Tender Orders of Series XX Notes submitted in exchange for Early XX A Consideration.

(4) Holders of Series XX Notes validly submitting Tender Orders at or prior to the Early Tender Date in exchange for the Early XX B Consideration will receive a mix of Early Cash Consideration and New Notes, such that the total Early XX B Consideration per US$1,000 principal amount of Series XX Notes validly tendered and accepted for exchange will be equal to US$1,000 of Early Cash Consideration and principal amount of New Notes. The total Early Cash Consideration is US$100,000,000, payable on a pro rata basis to Eligible Holders of Series XX Notes, validly submitting Tender Orders at or prior to the Early Tender Date in exchange for Early XX B Consideration. At the Early Tender Date, the pro rata amount of Early Cash Consideration and New Notes will be determined based on the principal amount of Series XX Notes validly tendered and accepted in exchange for the Early XX B Consideration. The Late XX B Consideration will consist of New Notes only, without any Early Cash Consideration.

(5) If the Withdrawal Threshold (as defined below) is exceeded by the Early Tender Date, an Extended Withdrawal Period (as defined below) will be granted. Revocations of Tender Orders, submitted during the Extended Withdrawal Period, may change the participation in the Early A Consideration and the Early XX B Consideration, and consequently change any applicable proration factor in and composition of the Early A Consideration and the composition of the Early XX B Consideration.

(6) The Withdrawal Threshold will effectively allow revocations of Tender Orders during the Extended Withdrawal Period if the Early Cash Consideration would be less than US$300 per US$1,000 principal amount of Existing Notes validly tendered at or prior to the Early Tender Date and accepted for exchange.

This Transfer Certificate is for use in connection with Tender Orders of the Existing Notes listed in the table above, that are either submitted by (i) Argentine Entity Offerees (as defined below), (ii) Non-Cooperating Jurisdiction Offerees (as defined below), or (iii) Eligible Holders of Private Notes. This Transfer Certificate should be completed, signed and sent, together with all other required documents, to Global Bondholder Services Corporation (the "Exchange and Information Agent") at its postal address or email address set forth below.

This Transfer Certificate need not be completed by Eligible Holders who are not (i) Argentine Entity Offerees, (ii) Non-Cooperating Jurisdiction Offerees, nor (iii) Eligible Holders of Private Notes. For the avoidance of doubt, all Eligible Holders of Private Notes must submit to the Exchange and Information Agent

an executed copy of this Transfer Certificate, and its Annex C hereto, even is such Eligible Holders are not Argentine Entity Offerees or Non-Cooperating Jurisdictions Offerees. Eligible Holders of Private Notes who are also an Argentine Entity Offerees or Non-Cooperating Jurisdictions Offerees, must submit this Transfer Certificate to the Exchange an Information Agent, executing Annex C hereto, plus either Annex A or Annex B hereto, as applicable.

All capitalized terms used but not defined herein shall have the meanings ascribed to them in the Exchange Offer and Consent Solicitation Memorandum of the Company dated August 2, 2021 (as it may be supplemented and amended from time to time, the "Exchange Offer and Consent Solicitation Memorandum").

THE OFFER AND SOLICITATION (AS DEFINED BELOW) WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON AUGUST 30, 2021, UNLESS EXTENDED BY US IN OUR SOLE DISCRETION (SUCH DATE AND TIME, AS THEY MAY BE EXTENDED, THE "EXPIRATION DATE"). THE EXPIRATION DATE WILL BE EXTENDED FOR TWO BUSINESS DAYS IF THE EXTENDED WITHDRAWAL PERIOD (AS DEFINED BELOW) OCCURS. IN ORDER TO BE ELIGIBLE TO RECEIVE THE EARLY TENDER CONSIDERATION (AS DEFINED BELOW), ELIGIBLE HOLDERS OF EXISTING NOTES (EACH AS DEFINED BELOW) MUST SUBMIT THEIR TENDER ORDERS (AS DEFINED BELOW) AT OR PRIOR TO 5:00 P.M. NEW YORK CITY TIME ON AUGUST 16, 2021, UNLESS EXTENDED BY US IN OUR SOLE DISCRETION (SUCH DATE AND TIME, AS THEY MAY BE EXTENDED, THE "EARLY TENDER DATE"). ELIGIBLE HOLDERS OF EXISTING NOTES WHO VALIDLY SUBMIT THEIR TENDER ORDERS AFTER THE EARLY TENDER DATE, BUT ON OR PRIOR TO THE EXPIRATION DATE WILL BE ELIGIBLE TO RECEIVE THE LATE TENDER CONSIDERATION (AS DEFINED BELOW). TENDER ORDERS MAY BE VALIDLY REVOKED AT ANY TIME PRIOR TO 5:00 P.M., NEW YORK CITY TIME ON AUGUST 16, 2021 UNLESS EXTENDED BY US IN OUR SOLE DISCRETION (SUCH DATE AND TIME, AS THE SAME MAY BE EXTENDED, THE "WITHDRAWAL DATE"), BUT NOT THEREAFTER. THE WITHDRAWAL DATE WILL BE EXTENDED FOR TWO BUSINESS DAYS IF THE WITHDRAWAL THRESHOLD (AS DEFINED BELOW) IS EXCEEDED. THE DEADLINES SET BY ANY INTERMEDIARY OR RELEVANT CLEARING SYSTEM MAY BE EARLIER THAN THESE DEADLINES.

The Exchange and Information Agent for the Exchange Offer is:

Global Bondholder Services Corporation
65 Broadway – Suite 404
New York, New York 10006
Attn: Corporate Actions

Banks and Brokers call: (212) 430-3774
Toll free: (866)-807-2200

Confirmation:
(212) 430-3774

Email: contact@gbsc-usa.com

By Mail, by Overnight Courier, or by Hand:	*By Facsimile Transmission:*	*By Email:*
65 Broadway – Suite 404 New York, New York 10006	(for Eligible Institutions only) (212) 430-3775/3779	contact@gbsc-usa.com

DELIVERY OF THIS TRANSFER CERTIFICATE TO AN ADDRESS, OR TRANSMISSION VIA FACSIMILE TO A NUMBER, OR VIA EMAIL TO AN EMAIL ADDRESS OTHER THAN AS SET FORTH ABOVE WILL NOT CONSTITUTE VALID DELIVERY.

The instructions contained herein and in the Exchange Offer and Consent Solicitation Memorandum should be read carefully before this Transfer Certificate is completed and must be followed.

By the execution hereof, the undersigned represents and warrants that it is an Argentine Entity Offeree, a Non-Cooperating Jurisdiction Offeree and/or an Eligible Holder of Private Notes and acknowledges receipt of the Exchange Offer and Consent Solicitation Memorandum of the Company and this Transfer Certificate and instructions hereto (as the same may be amended or supplemented, this "Transfer Certificate"), which together constitute the offer to exchange the Existing Notes listed above for the Early Exchange Consideration or Late Exchange Consideration, as applicable, upon the other terms and subject to the conditions set forth in the Exchange Offer and Consent Solicitation Memorandum and this Transfer Certificate. The undersigned has completed, executed and delivered this Transfer Certificate to indicate the action the undersigned desires to take with respect to the Offer. Argentine Entity Offerees must complete Annex A below. Non-Cooperating Jurisdiction Offerees must complete Annex B below. Eligible Holders of Private Notes must Annex C below, waiving the Issuer's obligations to comply with Sections 7.06 (*Limitation on Debt*) and 7.09 (*Limitation on Liens*) of the Private Notes, in connection with the Exchange Offer. Eligible Holders of Private Notes who are also an Argentine Entity Offerees or Non-Cooperating Jurisdictions Offerees, will submit this Transfer Certificate to the Exchange an Information Agent, executing Annex C hereto, plus either Annex A or Annex B hereto, as applicable.

PURSUANT TO THE OFFER, ALL ELIGIBLE HOLDERS WHO WISH TO BE ELIGIBLE TO RECEIVE THE APPLICABLE EXCHANGE CONSIDERATION, MUST VALIDLY SUBMIT TENDER ORDERS AND NOT VALIDLY WITHDRAW SUCH ORDERS OF EXISTING NOTES TO THE EXCHANGE AND INFORMATION AGENT AT OR PRIOR TO THE EARLY TENDER DATE OR THE EXPIRATION DATE, AS APPLICABLE. ARGENTINE ENTITY OFFEREES, NON-COOPERATING JURISDICTION OFFEREES AND ELIGIBLE HOLDERS OF PRIVATE NOTES WISHING TO TENDER EXISTING NOTES PURSUANT TO THE OFFER MUST ALSO DELIVER THIS TRANSFER CERTIFICATE DULY COMPLETED, TO THE EXCHANGE AND INFORMATION AGENT AT OR PRIOR TO THE EARLY TENDER DATE OR THE EXPIRATION DATE, AS APPLICABLE.

ARGENTINE ENTITY OFFEREES MUST COMPLETE ANNEX A BELOW.

NON-COOPERATING JURISDICTION OFFEREES MUST COMPLETE ANNEX B BELOW.

ELIGIBLE HOLDERS OF PRIVATE NOTES MUST COMPLETE ANNEX C BELOW.

Eligible Holders of Private Notes who are also an Argentine Entity Offerees or Non-Cooperating Jurisdictions Offerees, will submit this Transfer Certificate to the Exchange an Information Agent, executing Annex C hereto, plus either Annex A or Annex B hereto, as applicable.

In addition to the applicable Exchange Consideration, all Eligible Holders whose Existing Notes are validly tendered and accepted for exchange will be entitled to receive payment of Accrued Interest Payment in cash with respect to Existing Notes accepted for exchange, subject to any tax withholdings applicable. Interest will cease to accrue on, but not including, the Settlement Date for all Existing Notes accepted in the Exchange Offer.

(a) Holders of Series XX Notes who are DTC Participants:

For Argentine Entity Offerees and Non-Cooperating Jurisdiction Offerees to validly submit Tender Orders of Series XX Notes pursuant to the Exchange Offer, (1) an Agent's Message (as defined below) and any other required documents must be received by the Exchange and Information Agent at its email address set forth in this Transfer Certificate, (2) Tender Orders of Series XX Notes must be transferred pursuant to the procedures for book-entry transfer described below and a confirmation of such book-entry transfer must be received by the Exchange and Information Agent at or prior to the Expiration Date, as applicable, and (3) a properly completed Transfer Certificate, with the properly completed Annex applicable to such Eligible Holder, together with all other documentation required under this Transfer Certificate, must be received by the Exchange and Information Agent at its address

set forth in this Transfer Certificate by no later than the Early Tender Date or the Expiration Date, as applicable.

If an Argentine Entity Offeree or a Non-Cooperating Jurisdiction Offeree desires to submit Tender Orders of Series XX Notes, such Argentine Entity Offeree or Non-Cooperating Jurisdiction Offeree must transfer such Series XX Notes through ATOP, for which the transaction will be eligible and must deliver to the Exchange and Information Agent a properly completed Transfer Certificate, together with any other documents required by this Transfer Certificate.

Argentine Entity Offerees and Non-Cooperating Jurisdiction Offerees desiring to submit Tender Orders of Series XX Notes must allow sufficient time for completion of the ATOP procedures during the normal business hours of The Depository Trust Company ("DTC") prior to the Expiration Date. **If you are tendering through a nominee, you should check to see whether there is an earlier deadline for instructions with respect to your decision. For a description of certain procedures to be followed in order to tender Series XX Notes through ATOP, please see "The Offer and Solicitation—Procedures for Tendering" in the Exchange Offer and Consent Solicitation Memorandum and the Instructions to this Transfer Certificate**.

(b) **Holders of Private Notes submitting Tender Orders through Euroclear or Clearstream:**

We will only accept Tender Orders of Private Notes held through Euroclear or Clearstream by way of the submission by you of valid electronic tender and blocking instructions ("Tender Instructions"), in the form required by Euroclear or Clearstream, as applicable, in accordance with the procedures set forth below.

To submit Tender Orders of Private Notes held through Euroclear or Clearstream, you should deliver, or arrange to have delivered on your behalf, via Euroclear or Clearstream, as applicable, and in accordance with the requirements of such clearing system, a valid Tender Instruction that is received by the Exchange and Information Agent at or prior to the Early Tender Expiration Date or the Expiration Date, as applicable.

The tendering of Private Notes held through Euroclear or Clearstream in the Offers will be deemed to have occurred upon receipt by the Exchange and Information Agent, via Euroclear or Clearstream, as applicable, of a valid Tender Instruction in accordance with the requirements of such clearing system. The receipt of such Tender Instruction by Euroclear or Clearstream, as applicable, will be acknowledged in accordance with the standard practices of such clearing system and will result in the blocking of the relevant Private Notes in such clearing system so that no transfers may be effected in relation to such Private Notes.

Only direct participants in such clearing systems may submit Tender Instructions. Each Holder or beneficial owner of Private Notes that is not a direct participant must arrange for the direct participant through which it holds the relevant Private Notes to submit a Tender Instruction on its behalf to Euroclear or Clearstream, as applicable, by the deadlines specified by such clearing system.

Eligible Holders who represent to be Argentine Entity Offerees or Non-Cooperating Jurisdiction Offerees when submitting the Agent's Message or Tender Instruction and the applicable Transfer Certificate may be subject to certain tax withholdings in respect of interest paid with respect to the Series XX Notes, and gains or losses resulting from the exchange of the Series XX Notes for the New Notes. See "Taxation—Certain Argentine Tax Considerations" in the Exchange Offer and Consent Solicitation Memorandum. Such Argentine Entity Offerees and Non-Cooperating Jurisdiction Offerees are not eligible to receive additional amounts in respect of any such tax withholdings. Any Accrued Interest Payment due to Argentine Entity Offerees or Non-Cooperating Jurisdiction Offerees who tender Series XX Notes in this Exchange Offer will be subject to the applicable tax withholding at an effective withholding tax rate of 6% (subject to the withholding regime established by the General Resolution (AFIP) No. 830/2000), and up to 35%, respectively. Any capital gains deriving from the Exchange

Consideration resulting from the exchange of the Series XX Notes for the New Notes paid to Non-Cooperating Jurisdiction Offerees who submit Tender Orders will be subject to the applicable tax withholding at an effective withholding tax rate of 31.5% on the gross amount. Capital gains will consist of the amount equivalent to the difference between the Exchange Consideration and the par value of the Existing Notes, as opposed to the value at which they were purchased or acquired. Neither the Company nor any of its agents or affiliates will be required to pay any additional amounts or other gross-up amounts in respect of such tax withholdings to the Argentine Entity Offerees or Non-Cooperating Jurisdiction Offerees. Payments of interest under the Private Notes will be subject to the applicable tax withholdings.

In the case of tax withholding applicable to any Exchange Consideration in accordance with the Exchange Offer and Consent Solicitation Memorandum and the preceding paragraph, the Company will deduct the relevant amount from the cash payments payable to the Eligible Holders who validly submit their Tender Orders and which Tender Orders are accepted by the Company in the Exchange Offer and Consent Solicitation. If the total amount of the cash payments is withheld by the Company for the purposes of the applicable tax withholding, any outstanding amounts thereunder will be deducted by the Company from the Exchange Consideration, in a principal amount of New Notes equal to the remaining amount of the applicable tax withholding.

U.S. Information Reporting and Backup Withholding. Payments made to holders may be subject to information reporting and backup withholding of U.S. federal income tax, currently at a rate of 24%. Certain holders are not subject to these information reporting and backup withholding requirements. To avoid backup withholding, a holder that is a U.S. person and does not otherwise establish an exemption should complete and return to the applicable withholding agent an IRS Form W-9, certifying that the holder is a "United States person" (within the meaning of Section 7701 of the Internal Revenue Code of 1986, as amended), that the taxpayer identification number provided is correct, and that the holder is not subject to backup withholding. Failure to provide the correct information on the Form W-9 may subject the tendering holder to a penalty imposed by the IRS. Holders that are not United States persons may be required to complete and submit to the applicable withholding agent an IRS Form W-8BEN or IRS Form W-8BEN-E or other applicable IRS W-8 Form, signed under penalties of perjury, attesting to the holder's foreign status. IRS forms may be obtained from the Exchange and Information Agent or at the IRS website, www.irs.gov.

The instructions included with this Transfer Certificate must be followed.

Questions and requests for assistance or for additional copies of the Exchange Offer and Consent Solicitation Memorandum and this Transfer Certificate can be directed to the Exchange and Information Agent, at the address and telephone numbers set forth on the back-cover page of this Transfer Certificate.

CERTAIN DEFINITIONS

"Eligible Holder" means:

A beneficial owner of Existing Notes that has certified by duly completing the eligibility letter described in the Exchange Offer and Consent Solicitation Memorandum that it is:

(a) a "Qualified Institutional Buyer," as defined in Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"); or

(b) a person outside the United States who is (i) not a "U.S. person" (as defined in Rule 902 under the Securities Act), (ii) not acting for the account or benefit of a U.S. person and (iii) a "Non-U.S. qualified offeree" (as defined below), other than an "Argentine Entity Offeree" and a "Non-Cooperating Jurisdiction Offeree"; or

(c) an Argentine Entity Offeree (as defined below); or

(d) a Non-Cooperating Jurisdiction Offeree (as defined below).

* * * * * *

"Qualified Institutional Buyer" means:

(1) Any of the following entities, acting for its own account or the accounts of other qualified institutional buyers, that in the aggregate owns and invests on a discretionary basis at least U.S.$100 million in securities of issuers that are not affiliated with the entity:

(a) Any insurance company as defined in Section 2(a)(13) of the Securities Act of 1933, as amended (the "Securities Act");

(b) Any investment company registered under the Investment Company Act of 1940, as amended (the "Investment Company Act"), or any business development company as defined in Section 2(a)(48) of the Investment Company Act;

(c) Any small business investment company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958;

(d) Any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees;

(e) Any employee benefit plan within the meaning of Title I of the Employee Retirement Income Security Act of 1974, as amended;

(f) Any trust fund whose trustee is a bank or trust company and whose participants are exclusively plans of the types identified in subparagraph (1)(d) or (e) above, except trust funds that include as participants individual retirement accounts or H.R. 10 plans;

(g) Any business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940, as amended (the "Investment Advisers Act");

(h) Any organization described in Section 501(c)(3) of the Internal Revenue Code, corporation (other than a bank as defined in Section 3(a)(2) of the Securities Act or a savings and loan association or other institution referenced in Section 3(a)(5)(A) of the Securities Act or a foreign bank or savings and loan association or equivalent institution), partnership, or Massachusetts or similar business trust; and

(i) Any investment adviser registered under the Investment Advisers Act.

(2) Any dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), acting for its own account or the accounts of other qualified institutional buyers, that in the aggregate owns and invests on a discretionary basis at least U.S.$10 million of securities of issuers that are not affiliated with the dealer, *provided* that securities constituting the whole or a part of an unsold allotment to or subscription by a dealer as a participant in a public offering shall not be deemed to be owned by such dealer;

(3) Any dealer registered pursuant to Section 15 of the Exchange Act acting in a riskless principal transaction on behalf of a qualified institutional buyer;

(4) Any investment company registered under the Investment Company Act, acting for its own account or for the accounts of other qualified institutional buyers, that is part of a family of investment companies which own in the aggregate at least U.S.$100 million in securities of issuers, other than issuers that are affiliated with the investment company or are part of such family of investment companies. "Family of investment companies" means any two or more investment companies registered under the Investment Company Act, except for a unit investment trust whose assets consist solely of shares of one or more registered investment companies, that have the same investment adviser (or, in the case of unit investment trusts, the same depositor), *provided that*, for purposes of this subparagraph:

(a) Each series of a series company (as defined in Rule 18f-2 under the Investment Company Act) shall be deemed to be a separate investment company; and

(b) Investment companies shall be deemed to have the same adviser (or depositor) if their advisers (or depositors) are majority-owned subsidiaries of the same parent, or if one investment company's adviser (or depositor) is a majority-owned subsidiary of the other investment company's adviser (or depositor);

(5) Any entity, all of the equity owners of which are qualified institutional buyers, acting for its own account or the accounts of other qualified institutional buyers; and

(6) Any bank as defined in Section 3(a)(2) of the Securities Act, any savings and loan association or other institution as referenced in Section 3(a)(5)(A) of the Securities Act, or any foreign bank or savings and loan association or equivalent institution, acting for its own account or the accounts of other qualified institutional buyers, that in the aggregate owns and invests on a discretionary basis at least U.S.$100 million in securities of issuers that are not affiliated with it and that has an audited net worth of at least U.S.$25 million as demonstrated in its latest annual financial statements, as of a date not more than 16 months preceding the date of sale under the rule in the case of a U.S. bank or savings and loan association, and not more than 18 months preceding such date of sale for a foreign bank or savings and loan association or equivalent institution.

For purposes of the foregoing definition:

(1) In determining the aggregate amount of securities owned and invested on a discretionary basis by an entity, the following instruments and interests shall be excluded: bank deposit notes and certificates of deposit; loan participations; repurchase agreements; securities owned but subject to a repurchase agreement; and currency, interest rate and commodity swaps.

(2) The aggregate value of securities owned and invested on a discretionary basis by an entity shall be the cost of such securities, except where the entity reports its securities holdings in its financial statements on the basis of their market value, and no current information with respect to the cost of those securities has been published. In the latter event, the securities may be valued at market for purposes of the foregoing definition.

(3) In determining the aggregate amount of securities owned by an entity and invested on a discretionary basis, securities owned by subsidiaries of the entity that are consolidated with the entity in its financial statements prepared in accordance with generally accepted accounting principles may be included if the investments of such subsidiaries are managed under the direction of the entity, except that, unless the entity is a reporting

company under Section 13 or 15(d) of the Exchange Act, securities owned by such subsidiaries may not be included if the entity itself is a majority-owned subsidiary that would be included in the consolidated financial statements of another enterprise.

(4) "Riskless principal transaction" means a transaction in which a dealer buys a security from any person and makes a simultaneous offsetting sale of such security to a qualified institutional buyer, including another dealer acting as riskless principal for a qualified institutional buyer.

* * * * * *

"U.S. person" means:

(1) Any natural person resident in the United States;

(2) Any partnership or corporation organized or incorporated under the laws of the United States;

(3) Any estate of which any executor or administrator is a U.S. person;

(4) Any trust of which any trustee is a U.S. person;

(5) Any agency or branch of a foreign entity located in the United States;

(6) Any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person;

(7) Any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and

(8) Any partnership or corporation if:

(a) Organized or incorporated under the laws of any foreign jurisdiction; and

(b) Formed by a U.S. person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organized or incorporated, and owned, by accredited investors (as defined in Rule 501(a) under the Securities Act) who are not natural persons, estates or trusts.

* * * * * *

"Non-U.S. qualified offeree" means:

(1) In relation to each Member State of the European Economic Area (the "EEA"), a person that is not a retail investor. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "Prospectus Regulation").

(2) In relation to the United Kingdom,

i) a person that is not a retail investor in the United Kingdom ("UK"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, the "FSMA") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1)

of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA (the "UK Prospectus Regulation"). Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the New Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the New Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

ii) persons who are "qualified investors" (as defined in the UK Prospectus Regulation) who are (i) persons having professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Order"), or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order, or (iii) persons to whom it would otherwise be lawful to distribute them, all such persons together being referred to as "Relevant Persons."

(a) a "Relevant Person" (as defined below under "Offer and Distribution Restrictions"), or

(3) any entity outside the U.S., the EEA and the United Kingdom to whom the offers related to the New Notes may be made in compliance with all other applicable laws and regulations of any applicable jurisdiction.

*** * * * * ***

"Argentine Entity Offeree" means:

A beneficial owner of Existing Notes that is not a U.S. person and who is any of the following:

(1) corporations, including sole-member corporations, limited partnerships, in the portion that corresponds to limited partners, simplified stock corporations governed by Title III of Law No. 27,349 incorporated in Argentina, and limited liability companies;

(2) associations, foundations, cooperatives, entities governed by civil law and mutual aid nonprofits organized in Argentina in so far as the Argentine Income Tax Law does not afford them another treatment for tax purposes;

(3) state-owned companies, for the portion of earnings that are not exempt from income tax; entities and organizations referred to in Section 1 of Law No. 22,016;

(4) trusts set up in Argentina in conformity with the provisions under the Argentine Civil and Commercial Code except for those where trustors are also beneficiaries (unless settlor-beneficiaries are Nonresidents (as defined below) or the trust is a financial trust);

(5) financial trusts pursuant to Decree 471/18 only to the extent that participation certificates and/or debt securities had not been placed through a public offering authorized by the *Comisión Nacional de Valores*, the Argentine Securities Commission ("CNV");

(6) closed-end mutual funds organized in Argentina only to the extent that the quota shares had not been placed through a public offering authorized by the CNV;

(7) the companies included in Sub-section b) of Section 53 and the trusts comprised in Sub-section c) of Section 53 of the Argentine Income Tax Law, who opt for paying tax in accordance with the provisions applicable to stock companies and thus satisfy the requirements for exercising such option; and

(8) Argentine permanent establishments of foreign persons.

*** * * * * ***

"Non-Cooperating Jurisdiction Offeree" means:

Beneficial owners of the Existing Notes who are nonresidents (i.e., persons that do not qualify as tax residents under Section 116 of the Argentine Income Tax Law, the "Nonresidents") and are residents of any jurisdiction considered as a non-cooperating jurisdiction (*jurisdicción no cooperante*) as determined under applicable Argentine law or regulation.

Section 19 of the Argentine Income Tax Law defines "non-cooperating jurisdictions" as those countries or jurisdictions that have not entered into a tax information exchange agreement with Argentina or into an agreement to avoid international double taxation including broad exchange of information provisions. Likewise, countries having entered into an agreement with Argentina with the above-mentioned scope, but which do not effectively comply with the exchange of information are considered "non-cooperating jurisdictions". In addition, the aforementioned agreements must comply with the international standards of transparency and exchange of information on fiscal matters to which Argentina has committed itself.

Section 24 of Decree No. 862/19 lists the "non-cooperating jurisdictions" for Argentine tax purposes as of the date of this letter. Argentine tax authorities are required to report updates to the Ministry of Finance to modify this list:

1. Bosnia and Herzegovina
2. Brecqhou
3. Burkina Faso
4. State of Eritrea
5. Vatican City State
6. State of Libya
7. Independent State of Papua New Guinea
8. Plurinational State of Bolivia
9. British Overseas Territories Saint Helena, Ascension and Tristan da Cunha
10. Sark Island
11. Solomon Islands
12. Federated States of Micronesia
13. Mongolia
14. Montenegro
15. Kingdom of Bhutan
16. Kingdom of Cambodia
17. Kingdom of Lesotho
18. Kingdom of Eswatini (Swaziland)
19. Kingdom of Thailand
20. Kingdom of Tonga
21. Hashemite Kingdom of Jordan
22. Kyrgyz Republic
23. Arab Republic of Egypt
24. Syrian Arab Republic
25. People´s Democratic Republic of Algeria
26. Central African Republic
27. Cooperative Republic of Guyana
28. Republic of Angola
29. Republic of Belarus
30. Republic of Botswana
31. Republic of Burundi
32. Republic of Cabo Verde
33. Republic of Côte d'Ivoire
34. Republic of Cuba
35. Republic of the Philippines

36. Republic of Fiji
37. Republic of The Gambia
38. Republic of Guinea
39. Republic of Equatorial Guinea
40. Republic of Guinea-Bissau
41. Republic of Haiti
42. Republic of Honduras
43. Republic of Iraq
44. Republic of Kenya
45. Republic of Kiribati
46. Republic of the Union of Myanmar
47. Republic of Liberia
48. Republic of Madagascar
49. Republic of Malawi
50. Republic of Maldives
51. Republic of Mali
52. Republic of Mozambique
53. Republic of Namibia
54. Republic of Nicaragua
55. Republic of Palau
56. Republic of Rwanda
57. Republic of Sierra Leone
58. Republic of South Sudan
59. Republic of Suriname
60. Republic of Tajikistan
61. Republic of Trinidad and Tobago
62. Republic of Uzbekistan
63. Republic of Yemen
64. Republic of Djibouti
65. Republic of Zambia
66. Republic of Zimbabwe
67. Republic of Chad
68. Republic of the Niger
69. Republic of Paraguay
70. Republic of the Sudan
71. Democratic Republic of São Tomé and Príncipe
72. Democratic Republic of Timor-Leste
73. Republic of the Congo
74. Democratic Republic of the Congo
75. Federal Democratic Republic of Ethiopia
76. Lao People's Democratic Republic
77. Democratic Socialist Republic of Sri Lanka
78. Federal Republic of Somalia
79. Federal Democratic Republic of Nepal
80. Gabonese Republic
81. Islamic Republic of Afghanistan
82. Islamic Republic of Iran
83. Islamic Republic of Mauritania
84. People's Republic of Bangladesh
85. Republic of Benin
86. Democratic People's Republic of Korea
87. Socialist Republic of Vietnam
88. Togolese Republic
89. United Republic of Tanzania
90. Sultanate of Oman
91. British Overseas Territory Pitcairn, Henderson, Ducie and Oeno Islands

94. Tuvalu
95. Union of the Comoros

* * * * * *

ANNEX A

PLEASE COMPLETE THE FOLLOWING IF YOU ARE AN ARGENTINE ENTITY OFFEREE:

List below principal amounts of Existing Notes being tendered. If the space provided is inadequate, list the principal amounts on a separately executed schedule and affix the schedule to this Transfer Certificate. The Existing Notes may be tendered and accepted for exchange only in principal amounts equal to minimum denominations of US$1,000 and integral multiples of US$1,000 in excess thereof.

No alternative, conditional or contingent tenders will be accepted. Eligible Holders who tender less than all of their Existing Notes must continue to hold Existing Notes in the applicable minimum authorized denomination.

DESCRIPTION OF EXISTING NOTES TENDERED				
Series of Notes	**CUSIP/ISIN No.**	**VOI, EC or CS Reference Number**	**DTC, Euroclear or Clearstream Participant Number**	**Principal Amount Tendered**
☐ **8.750% Series "XX" Notes due 2022 (the "Series XX Notes") (CUSIP No.: P46756 AH8; ISIN No.: USP46756AH86)** ☐ **Private Notes due January 22, 2022 (the "Private Notes") (ISIN No.: XS1923602772)[(1)]**				
** Unless otherwise indicated in the column labeled "Principal Amount Tendered" and subject to the terms and conditions, of the Exchange Offer, an Argentine Entity Offeree will be deemed to have tendered the entire aggregate principal amount represented by the Existing Notes indicated in the column labeled "Aggregate Principal Amount Represented." See Instructions below.				

Note –

(1) Check the type of Existing Note tendered, as applicable.

DESCRIPTION OF EXISTING NOTES TENDERED

☐ **CHECK HERE IF YOU ARE AN ARGENTINE ENTITY OFFEREE;**

☐ **CHECK HERE IF TENDERED EXISTING NOTES ARE BEING DELIVERED BY BOOK-ENTRY TRANSFER OR TENDER INSTRUCTION MADE TO AN ACCOUNT MAINTAINED BY THE EXCHANGE AND INFORMATION AGENT WITH DTC, EUROCLEAR OR CLEARSTREAM, AND COMPLETE THE FOLLOWING (ONLY PARTICIPANTS IN A BOOK-AGENT ENTRY TRANSFER FACILITY MAY DELIVER EXISTING NOTES BY BOOK-ENTRY TRANSFER AND ONLY DIRECT PARTICIPANTS MAY DELIVER EXISTING NOTES BY TENDER INSTRUCTIONS):**

Name of Tendering Institution:

Account Number:

Transaction Code Number:

ANNEX B

PLEASE COMPLETE THE FOLLOWING IF YOU ARE A NON-COOPERATING JURISDICTION OFFEREE:

List below principal amounts of Existing Notes being tendered. If the space provided is inadequate, list the principal amounts on a separately executed schedule and affix the schedule to this Transfer Certificate. The Existing Notes may be tendered and accepted for exchange only in principal amounts equal to minimum denominations of U.S.$1,000 and integral multiples of US$1,000 in excess thereof.

No alternative, conditional or contingent tenders will be accepted. Eligible Holders who tender less than all of their Existing Notes must continue to hold Existing Notes in the applicable minimum authorized denomination.

DESCRIPTION OF EXISTING NOTES TENDERED				
Series of Notes	**CUSIP/ISIN No.**	**VOI, EC or CS Reference Number**	**DTC, Euroclear or Clearstream Participant Number**	**Principal Amount Tendered**
☐ **8.750% Series "XX" Notes due 2022 (the "Series XX Notes") (CUSIP No.: P46756 AH8; ISIN No.: USP46756AH86)** ☐ **Private Notes due January 22, 2022 (the "Private Notes") (ISIN No.: XS1923602772)[(1)]**				
** Unless otherwise indicated in the column labeled "Principal Amount Tendered" and subject to the terms and conditions, of the Exchange Offer, an Argentine Entity Offeree will be deemed to have tendered the entire aggregate principal amount represented by the Existing Notes indicated in the column labeled "Aggregate Principal Amount Represented." See Instructions below.				

Note –

(1) Check the type of Existing Note tendered, as applicable.

☐ **CHECK HERE IF YOU ARE A NON-COOPERATING JURISDICTION OFFEREE;**

☐ **CHECK HERE IF TENDERED EXISTING NOTES ARE BEING DELIVERED BY BOOK-ENTRY TRANSFER OR TENDER INSTRUCTION MADE TO AN ACCOUNT MAINTAINED BY THE EXCHANGE AND INFORMATION AGENT WITH DTC, EUROCLEAR OR CLEARSTREAM, AND COMPLETE THE FOLLOWING (ONLY PARTICIPANTS IN A BOOK-AGENT ENTRY TRANSFER FACILITY MAY DELIVER EXISTING NOTES BY BOOK-ENTRY TRANSFER AND ONLY DIRECT PARTICIPANTS MAY DELIVER EXISTING NOTES BY TENDER INSTRUCTIONS):**

Name of Tendering Institution:

Account Number:

Transaction Code Number:

ANNEX C

PLEASE COMPLETE THE FOLLOWING IF YOU ARE AN ELGIBLE HOLDER OF PRIVATE NOTES:

By submitting this Transfer Certificate you waive the Issuer's obligations to comply with Sections 7.06 (*Limitation on Debt*) and 7.09 (*Limitation on Liens*) of the Private Notes, in connection with the Exchange Offer. You hereby waive any right to claim, exercise or vote in favor of claiming or exercising, any right or remedy whatsoever, based on any of the aforementioned provisions of the Private Notes in connection with this Exchange Offer.

DESCRIPTION OF PRIVATE NOTES TENDERED		
EC or CS Reference Number	**Euroclear or Clearstream Participant Number Principal Amount Tendered**	**Principal Amount Tendered**
Private Notes due January 22, 2022 (the "Private Notes") (ISIN No.: XS1923602772)		
** Unless otherwise indicated in the column labeled "Principal Amount Tendered" and subject to the terms and conditions, of the Exchange Offer, an Argentine Entity Offeree will be deemed to have tendered the entire aggregate principal amount represented by the Private Notes indicated in the column labeled "Aggregate Principal Amount Represented." See Instructions below.		

☐ **CHECK HERE IF YOU ARE AN ELIGIBLE HOLDER OF PRIVATE NOTES;**

☐ **CHECK HERE IF TENDERED PRIVATE NOTES ARE BEING DELIVERED BY TENDER INSTRUCTION MADE TO AN ACCOUNT MAINTAINED BY THE EXCHANGE AND INFORMATION AGENT WITH EUROCLEAR OR CLEARSTREAM, AND COMPLETE THE FOLLOWING (ONLY DIRECT PARTICIPANTS MAY DELIVER EXISTING NOTES BY TENDER INSTRUCTIONS):**

Tax Identification Code:

Address:

Account Number:

Transaction Code Number:

NOTE: SIGNATURES MUST BE PROVIDED BELOW
PLEASE READ THE ACCOMPANYING INSTRUCTIONS CAREFULLY

Ladies and Gentlemen:

Upon the terms and subject to the conditions of the Exchange Offer (as set out at "The Offer and Solicitation—Procedures for Tendering" of the Exchange Offer and Consent Solicitation Memorandum), the undersigned hereby tenders to the Company the principal amount of Existing Notes indicated above pursuant to the Exchange Offer. The undersigned understands that the Company's obligation to complete the Exchange Offer is conditioned on the satisfaction of conditions (as set out at "The Offer and Solicitation—The Conditions" in the Exchange Offer and Consent Solicitation Memorandum). Subject to applicable law, the Exchange Offer may be amended, extended or, upon failure of a condition to be satisfied or waived prior to the Expiration Date, terminated individually.

Subject to, and effective upon, the acceptance for exchange of, and payment for, the principal amount of the Existing Notes tendered with this Transfer Certificate, the undersigned hereby:

- irrevocably agrees to sell, assign and transfer to or upon the Company's order or the Company's nominees' order, all right, title and interest in and to, and any and all claims in respect of or arising or having arisen as a result of the tendering Eligible Holder's status as a holder of, all Existing Notes tendered, such that thereafter it shall have no contractual or other rights or claims in law or equity against the Company or any fiduciary, trustee, fiscal agent or other person connected with the Existing Notes arising under, from or in connection with such Existing Notes;

- waives any and all rights with respect to the Existing Notes tendered (including, without limitation, any existing or past defaults and their consequences in respect of such Existing Notes and the indenture governing the Series XX Notes);

- releases and discharges the Company and the Series XX Notes Trustee from any and all claims the tendering Eligible Holder may have, now or in the future, arising out of or related to the Existing Notes tendered, including, without limitation, any claims that the tendering Eligible Holder is entitled to receive additional principal, interest payments or additional amounts, if any, with respect to the Existing Notes tendered (other than as expressly provided in the Exchange Offer and Consent Solicitation Memorandum) or to participate in any repurchase, redemption or defeasance of the Existing Notes tendered; and

- irrevocably constitutes and appoints the Exchange and Information Agent the true and lawful agent and attorney in fact of such tendering Eligible Holder (with full knowledge that the Exchange and Information Agent also acts as the Company's agent) with respect to any tendered Existing Notes, with full power of substitution and resubstitution (such power of attorney being deemed to be an irrevocable power coupled with an interest) to (a) deliver such Existing Notes or transfer ownership of such Existing Notes on the account books maintained by DTC, Euroclear or Clearstream together with all accompanying evidences of transfer and authenticity, to or upon the Company's order, (b) present such Existing Notes for transfer on the register, and (c) receive all benefits or otherwise exercise all rights of beneficial ownership of such Existing Notes, including receipt of New Notes and Early Cash Consideration, as applicable, issued in exchange therefor and the balance of the Exchange Consideration for any Existing Notes tendered pursuant to such Exchange Offer with respect to the Existing Notes that are accepted by the Company and transfer such New Notes and such funds to the Eligible Holder, all in accordance with the terms of such Exchange Offer.

The undersigned understands that (i) the tender of Existing Notes pursuant to the Exchange Offer may be validly withdrawn at any time prior to or at the Withdrawal Date but not thereafter, except as otherwise required by law. The undersigned understands that tenders of Existing Notes must be validly withdrawn in accordance with the procedures described in the Exchange Offer and Consent Solicitation Memorandum and in this Transfer Certificate.

The undersigned hereby represents and warrants that the undersigned has full power and authority to tender, sell, assign and transfer the Existing Notes tendered hereby, and that when such Existing Notes are accepted for

exchange by the Company, the Company will acquire good title thereto, free and clear of all liens, restrictions, charges and encumbrances and not subject to any adverse claim or right. If the undersigned tenders less than all of the Existing Notes of a particular series owned by the undersigned, it hereby represents and warrants that, immediately following the acceptance for exchange of such tendered Existing Notes, the undersigned would beneficially own Existing Notes of such series in an aggregate principal amount of at least the applicable authorized denomination. The undersigned will, upon request, execute and deliver any additional documents deemed by the Exchange and Information Agent or the Company to be necessary or desirable to complete the sale, assignment and transfer of the Existing Notes tendered hereby.

The undersigned understands that the tender of Existing Notes pursuant to any of the procedures and instructions described in the Exchange Offer and Consent Solicitation Memorandum and in this Transfer Certificate and acceptance thereof by the Company, will constitute a binding agreement between the undersigned and the Company, upon the terms and subject to the conditions, which agreement will be governed by, and construed in accordance with, the laws of the State of New York. For purposes of the Exchange Offer, the undersigned understands that the Company will be deemed to have accepted for exchange validly tendered Existing Notes if, as and when the Company gives oral or written notice thereof to the Exchange and Information Agent.

Notwithstanding any other provision of the Exchange Offer and Consent Solicitation Memorandum, the undersigned understands that the Company's obligation to accept the Existing Notes validly tendered and not validly withdrawn for exchange pursuant to the Exchange Offer is subject to, and conditioned upon, the satisfaction of or, where applicable, its waiver, of the conditions contained in the Exchange Offer and Consent Solicitation Memorandum.

By tendering Existing Notes pursuant to an Exchange Offer, an Eligible Holder will have agreed that the delivery and surrender of the Existing Notes is not effective, and the risk of loss of the Existing Notes does not pass to the Exchange and Information Agent, until receipt by the Exchange and Information Agent of a properly transmitted Agent's Message or Tender Instruction and a properly completed Transfer Certificate. All questions as to the form of all documents and the validity (including time of receipt) and acceptance of tenders and withdrawals of Existing Notes will be determined by the Company, in its sole discretion, which determination shall be final and binding.

Notwithstanding any other provision of the Exchange Offer and Consent Solicitation Memorandum, payment of the applicable Exchange Consideration, and Accrued Interest Payment, if any, with respect to the Existing Notes, and subject to any tax withholdings applicable, in exchange for any Existing Notes tendered for exchange and accepted by the Company pursuant to the Exchange Offer will occur only after timely receipt by the Exchange and Information Agent of a Book-Entry Confirmation with respect to such Existing Notes, together with an Agent's Message or Tender Instruction and any other required documents and any other required documentation. The method of delivery of Existing Notes, the Agent's Message or Tender Instruction and all other required documents is at the election and risk of the tendering Argentine Entity Offeree, to Non-Cooperating Jurisdictions Offeree or Eligible Holder of Private Notes. In all cases, sufficient time should be allowed to ensure timely delivery.

Alternative, conditional or contingent tenders will not be considered valid. The Company reserves the right to reject any or all Tender Orders of Existing Notes that are not in proper form or the acceptance of which would, in its opinion, be unlawful. The Company also reserves the right, subject to applicable law, to waive any defects, irregularities or conditions of tender as to particular Existing Notes, including any delay in the submission thereof or any instruction with respect thereto. A waiver of any defect or irregularity with respect to the tender of one Existing Note shall not constitute a waiver of the same or any other defect or irregularity with respect to the tender of any other Existing Note. The Company's interpretations of the terms and conditions of the Exchange Offer will be final and binding on all parties. Any defect or irregularity in connection with tenders of Existing Notes must be cured within such time as the Company determines, unless waived by the Company. Tenders of Existing Notes shall not be deemed to have been made until all defects and irregularities have been waived by the Company or cured. None of the Company, the Series XX Notes Trustee, the dealer managers and solicitation agents and the Exchange and Information Agent or any other person will be under any duty to give notice of any defects or irregularities in tenders of Existing Notes or will incur any liability to Argentine Entity Offerees, to Non-Cooperating Jurisdictions Offerees or holders of Private Notes for failure to give any such notice.

All authority conferred or agreed to be conferred by this Transfer Certificate shall survive the death or incapacity of the undersigned and every obligation of the undersigned under this Transfer Certificate shall be binding upon the undersigned's heirs, personal representatives, executors, administrators, successors, assigns, trustees in bankruptcy and other legal representatives.

All questions as to the form of all documents and the validity (including time of receipt) and acceptance of all tenders and withdrawals of Existing Notes will be determined by the Company, in its sole discretion, the determination of which shall be final and binding.

The undersigned acknowledges that none of the Company or its affiliates, their respective boards of directors, the trustee with respect to either series of Existing Notes, the dealer managers and solicitation agents or the Exchange and Information Agent is making any recommendation as to whether or not the undersigned should tender notes in response to the Exchange Offer.

The undersigned represents and warrants that the undersigned has reviewed and accepted this offer and the terms, conditions, risk factors and other considerations of the Exchange Offer, all as described in the Exchange Offer and Consent Solicitation Memorandum, and has undertaken an appropriate analysis of the implications of such offers without reliance on the Company, the dealer managers and solicitation agents, or the Exchange and Information Agent.

In addition to the above, the undersigned represents, warrants and agrees to the representations set forth in the Exchange Offer and Consent Solicitation Memorandum at "The Offer and Solicitation—Representations, Warranties and Covenants of Existing Notes."

The undersigned hereby requests that the Exchange and Information Agent deliver the applicable Exchange Consideration plus the Accrued Interest Payment, subject to any tax withholdings applicable, to, but not including, the Settlement Date for any Existing Notes tendered hereby that are accepted for exchange pursuant to the Exchange Offer to the Argentine Entity Offeree, Non-Cooperating Jurisdiction Offerees or Eligible Holder of Private Notes appearing under "Description of Existing Notes Tendered" above. For the avoidance of doubt, interest will cease to accrue on the Settlement Date for all Existing Notes accepted in the Exchange Offer, including those tendered by the guaranteed delivery procedures. Similarly, the undersigned hereby requests that the Existing Notes in a principal amount not tendered or not accepted for exchange be credited to an account maintained at DTC, Euroclear or Clearstream from which such Existing Notes were delivered promptly following the Expiration Date or the termination of the Exchange Offer, appearing under "Description of Existing Notes Tendered."

If, for any reason, acceptance for exchange of tendered Existing Notes, or issuance of New Notes in exchange for validly tendered Existing Notes, pursuant to the Offer is delayed, or we are unable to accept tendered Existing Notes for exchange or to issue New Notes in exchange for validly tendered Existing Notes pursuant to the Exchange Offer, then the Exchange and Information Agent may, nevertheless, on behalf of us, retain the tendered Existing Notes, without prejudice to our rights described under "The Offer and Solicitation—Expiration Date; Extensions; Termination; Amendments", "—The Conditions", "—Revocation of Tender Orders" of the Exchange Offer and Consent Solicitation Memorandum , but subject to Rule 14e-l under the Exchange Act, which requires that we pay the consideration offered or return the Existing Notes tendered promptly after the termination or withdrawal of the Exchange Offer. If any tendered Existing Notes are not accepted for exchange for any reason pursuant to the terms and conditions of the Exchange Offer, such Existing Notes will be credited to an account maintained at DTC, Euroclear or Clearstream from which such Existing Notes were delivered promptly following the Expiration Date or the termination of the Exchange Offer.

The undersigned understands that Argentine Entity Offerees or Non-Cooperating Jurisdiction Offerees may be subject to certain tax withholdings in respect of interest paid with respect to the Series XX Notes, and gains or losses resulting from the exchange of the Series XX Notes. See "Taxation—Certain Argentine Tax Considerations" in the Exchange Offer and Consent Solicitation Memorandum. Such Argentine Entity Offerees and Non-Cooperating Jurisdiction Offerees are not eligible to receive additional amounts in respect of any such tax withholdings. Any Accrued Interest Payment due to Argentine Entity Offerees or Non-Cooperating Jurisdiction Offerees who tender Series XX Notes in the Exchange Offer will be subject to the applicable tax withholding at an effective withholding tax rate of 6% (subject to the withholding regime established by the General Resolution (AFIP) No. 830/2000), and up to 35%, respectively. Any capital gains deriving from the Exchange Consideration

resulting from the exchange of the Series XX Notes for the New Notes paid to Non-Cooperating Jurisdiction Offerees who submit Tender Orders will be subject to the applicable tax withholding at an effective withholding tax rate of 31.5% on the gross amount. Capital gains will consist of the amount equivalent to the difference between the Exchange Consideration and the par value of the Existing Notes, as opposed to the value at which they were purchased or acquired. Neither the Company nor any of its agents or affiliates will be required to pay any additional amounts or other gross-up amounts in respect of such tax withholdings to the Argentine Entity Offerees or Non-Cooperating Jurisdiction Offerees. Payments of interest under the Private Notes will be subject to the applicable tax withholdings.

The undersigned understands that, in the case of tax withholding applicable to any Exchange Consideration in accordance with the Exchange Offer and Consent Solicitation Memorandum and the preceding paragraph, the Company will deduct the relevant amount from the cash payments payable to the Eligible Holders who validly submit their Tender Orders and which Tender Orders are accepted by the Company in the Exchange Offer and Consent Solicitation. If the total amount of the cash payments is withheld by the Company for the purposes of the applicable tax withholding, any outstanding amounts thereunder will be deducted by the Company from the Exchange Consideration, in a principal amount of New Notes equal to the remaining amount of the applicable tax withholding.

# # #

SIGNATURE(S)

(To Be Completed by All Argentine Entity Offerees, Non-Cooperating Jurisdiction Offerees and Eligible Holder of Private Notes)

This Transfer Certificate must be signed by the tendering DTC, Euroclear or Clearstream Participant exactly as such participant's name appears on a security position listing as the owner of Existing Notes. If the signature is by a trustee, executor, administrator, guardian, attorney-in-fact, officer or other person acting in a fiduciary or representative capacity, such person must set forth his or her full title below under "Capacity" and submit evidence satisfactory to the Company of such person's authority to so act. See Instructions below

X

X

(Signature(s) of DTC Euroclear or Clearstream Participants)

Date:

Name(s):

(Please Print)

Capacity:

Address:

(Include Zip Code)

Telephone No.: ( )

(Include Area Code)

Email Address:

PLEASE COMPLETE IRS FORM W-9 OR APPROPRIATE IRS FORM W-8, AS APPROPRIATE

MEDALLION SIGNATURE GUARANTEE (If required)

(See Instructions 1 and 6 below)

Certain signatures must be guaranteed by a Medallion Signature Guarantor.

Name of Medallion Signature Guarantor:
Authorized Signature:
Printed Name:
Title:
Address of Firm (incl. Zip Code):

Telephone No. of firm (incl. Area Code): ( )
Date:

INSTRUCTIONS

Forming Part of the Terms and Conditions of

the Exchange Offer and Consent Solicitation Memorandum

Guarantee of Signatures. Signatures on Transfer Certificates with relation to Series XX Notes must be guaranteed by a Medallion Signature Guarantor (as defined below), unless such Series XX Notes tendered hereby are tendered and delivered (i) by a DTC participant whose name appears on a security position listing as the owner of such Series XX Notes, or (ii) for the account of an Eligible Institution (as defined below). Without limiting the foregoing, unless Series XX Notes are tendered by an Eligible Institution, (i) if the signer of this Transfer Certificate is a person other than the DTC participant whose name appears on a security position listing as the owner, (ii) if the payment of the Exchange Consideration, plus Accrued Interest Payment, subject to any tax withholdings applicable, is being made to a person other than the DTC participant whose name appears on a security position listing as the owner, or (iii) Series XX Notes not accepted for purchase or not tendered are to be returned to a person other than the DTC participant whose name appears on a security position listing as the owner, then the signature on this Transfer Certificate accompanying the tendered Series XX Notes must be guaranteed by a Medallion Signature Guarantor as described above. Beneficial owners whose Series XX Notes are registered in the name of a custodian bank, broker, dealer, commercial bank, trust company or other nominee must contact such custodian bank, broker, dealer, commercial bank, trust company or other nominee if they desire to tender Series XX Notes so registered. See "The Offer and Solicitation—Procedures for Tendering" in the Exchange Offer and Consent Solicitation Memorandum.

No guarantee is required in connection with signatures on Transfer Certificates with relation to Private Notes.

Requirements of Tender. To tender Existing Notes that are held through DTC, DTC participants must electronically transmit their acceptance through ATOP (and thereby tender Existing Notes) and deliver to the Exchange and Information Agent a properly completed form of this Transfer Certificate (pursuant to the procedures set forth in the Exchange Offer and Consent Solicitation Memorandum under "The Offer and Solicitation—Procedures for Tendering") duly executed by such DTC participant, together with any other documents required by this Transfer Certificate, and deliver the tendered Existing Notes by book-entry transfer to the Exchange and Information Agent.

The Exchange and Information Agent will establish an account with respect to the Existing Notes at DTC for purposes of the Offer, and any financial institution that is a participant in DTC may make book-entry delivery of the Existing Notes by causing DTC to transfer such Existing Notes into the Exchange and Information Agent's account in accordance with DTC's procedures for such transfer. DTC will then send an Agent's Message to the Exchange and Information Agent. The confirmation of a book-entry transfer into the Exchange and Information Agent's account at DTC as described above is referred to herein as a "Book-Entry Confirmation." Delivery of documents to DTC does not constitute delivery to the Exchange and Information Agent.

Tenders of Existing Notes will not be deemed validly made until such Book-Entry Confirmation is received by the Exchange and Information Agent. Delivery of documents to any DTC Direct Participant does not constitute delivery to the Exchange and Information Agent. If you desire to tender your Existing Notes using the ATOP procedures on the day on which the Early Tender Date or the Expiration Date occurs, as applicable, you must allow sufficient time for completion of the ATOP procedures during the normal business hours of DTC on such date.

The term "Agent's Message" means a message transmitted by DTC to, and received by, the Exchange and Information Agent and forming a part of the Book-Entry Confirmation, which states that DTC has received an express acknowledgment from the participant in DTC described in such Agent's Message, stating the aggregate principal amount of Existing Notes that have been tendered by such participant pursuant to the Offer, that such participant has received the Exchange Offer and Consent Solicitation Memorandum and that such participant agrees to be bound by and makes the representations and warranties contained in the terms of the Exchange Offer and that the Company may enforce such agreement against such participant.

Eligible Holders desiring to tender Existing Notes pursuant to ATOP must allow sufficient time for completion of the ATOP procedures during normal business hours of DTC. Except as otherwise provided herein, delivery of Existing Notes will be made only when the Agent's Message is actually received by the Exchange and

Information Agent and, if applicable, a properly completed Transfer Certificate is actually received by the Exchange and Information Agent. No documents should be sent to us or the dealer managers and solicitation agents. If you are tendering through a nominee, you should check to see whether there is an earlier deadline for instructions with respect to your decision.

To tender Existing Notes that are held through Euroclear or Clearstream, you must submit a Tender Order by way of the submission by you of valid electronic tender and blocking instructions ("Tender Instructions"), in the form required by Euroclear or Clearstream, as applicable, in accordance with the procedures set forth below.

To submit Tender Orders of Private Notes held through Euroclear or Clearstream, you should deliver, or arrange to have delivered on your behalf, via Euroclear or Clearstream, as applicable, and in accordance with the requirements of such clearing system, a valid Tender Instruction that is received by the Exchange and Information Agent at or prior to the Early Tender Expiration Date or the Expiration Date, as applicable.

The tendering of Private Notes held through Euroclear or Clearstream in the Offers will be deemed to have occurred upon receipt by the Exchange and Information Agent, via Euroclear or Clearstream, as applicable, of a valid Tender Instruction in accordance with the requirements of such clearing system. The receipt of such Tender Instruction by Euroclear or Clearstream, as applicable, will be acknowledged in accordance with the standard practices of such clearing system and will result in the blocking of the relevant Private Notes in such clearing system so that no transfers may be effected in relation to such Private Notes.

In the event that an Eligible Holder's custodian is unable to tender the Existing Notes on such Eligible Holder's behalf, that Eligible Holder should contact the Exchange and Information Agent for assistance in tendering the Existing Notes. There can be no assurance that the Exchange and Information Agent will be able to assist in successfully tendering such Existing Notes.

The tender by an Eligible Holder pursuant to the procedures set forth herein will constitute an agreement between such Eligible Holder and the Company in accordance with the terms and subject to the conditions set forth in the Exchange Offer and Consent Solicitation Memorandum, the Eligibility Letter (as defined in the Exchange Offer and Consent Solicitation Memorandum) and in this Transfer Certificate.

By tendering Existing Notes pursuant to the Offer, an Eligible Holder will have represented, warranted and agreed that such Eligible Holder is the beneficial owner of, or a duly authorized representative of one or more such Eligible Holders of, and has full power and authority to tender, sell, assign and transfer, the Existing Notes tendered thereby and that when such Existing Notes are accepted for exchange and the New Notes are issued by the Company, we will acquire good, indefeasible, marketable and unencumbered title thereto, free and clear of all liens, restrictions, charges and encumbrances and not subject to any adverse claim or right and that such Eligible Holder will cause such Existing Notes to be delivered in accordance with the terms of the Offer. The Eligible Holder, by tendering Existing Notes will also have agreed to (a) not sell, pledge, hypothecate or otherwise encumber or transfer any Existing Notes tendered from the date of such tender and that any such purported sale, pledge, hypothecation or other encumbrance or transfer will be void and of no effect and (b) execute and deliver such further documents and give such further assurances as may be required in connection with such Offer and the transactions contemplated thereby, in each case on and subject to the terms and conditions of such Offer. In addition, by tendering Existing Notes, an Eligible Holder will also have released the Company and its affiliates from any and all claims that such Eligible Holder may have arising out of or relating to the Existing Notes.

No alternative, conditional or contingent tenders will be accepted. All tendering Eligible Holders, by execution of this Transfer Certificate (or a manually signed facsimile thereof), waive any right to receive any notice of the acceptance of their Existing Notes for payment.

Withdrawal of Tenders. Tenders Order may be validly withdrawn or revoked on or prior to the Withdrawal Date but may not be validly withdrawn or revoked after such time. In the event of a termination of the Offer, the Existing Notes tendered pursuant to the Offer will be promptly returned to the tendering Holders.

For a withdrawal of Tender Orders of Series XX Notes to be effective, a properly transmitted "Request Message" through ATOP must be received by the Exchange and Information Agent prior to the Withdrawal

Date, at its address set forth on the back cover page of this Exchange Offer and Consent Solicitation Memorandum. Any such notice of withdrawal must:

- specify the name of the participant in the book-entry transfer facility whose name appears on the security position listing as the owner of such Series XX Notes;
- contain the description of the aggregate principal amount represented by such Series XX Notes; and
- specify the name and number of the account at the book-entry transfer facility to be credited with withdrawn Series XX Notes.

If the Tender Order of Series XX Notes to be withdrawn have been delivered or otherwise identified to the Depositary, notice of withdrawal is effective immediately upon receipt by the Depositary of the "Request Message" through ATOP.

For a withdrawal of Tender Orders of Existing Notes submitted through Euroclear or Clearstream to be effective, you must submit an electronic withdrawal instruction in accordance with the requirements of Euroclear or Clearstream, as applicable, and the deadlines required by that clearing system in order to unblock the tendered Existing Notes. To be valid, such instruction must specify the Existing Notes to which the original Tender Instruction related, the securities account to which such Existing Notes are credited and any other information required by Euroclear or Clearstream, as applicable.

Withdrawal of Tender Orders may only be accomplished in accordance with the foregoing procedures.

Any permitted revocation of Tender Orders may not be rescinded. Any Tender Orders validly revoked will thereafter be deemed not validly submitted for purposes of the Offers; provided, however, that withdrawn Notes may be re-tendered by again following one of the appropriate procedures described herein at any time prior to the Expiration Date.

After the Withdrawal Date, submitted Tender Orders may not be validly withdrawn unless we amend or otherwise change the Offer and Solicitation in a manner material to tendering Eligible Holders or are otherwise required by law to permit withdrawal (as determined solely by us in our reasonable discretion). The minimum period during which the Offer and Solicitation will remain open following material changes in the terms of such Offer and Solicitation or in the information concerning such Offer and Solicitation will depend upon the facts and circumstances of such changes, including the relative materiality of the changes. With respect to a change in consideration, the affected Offer and Solicitation will remain open for a minimum five business day period. If the terms of the Offer and Solicitation are amended in a manner determined by the Issuer to constitute a material change, the Issuer will promptly disclose any such amendment in a manner reasonably calculated to inform Eligible Holders of such amendment, and the Company will extend such Offer and Solicitation for a minimum three business day period following the date that notice of such change is first published or sent to Eligible Holders to allow for adequate dissemination of such change, if such Offer and Solicitation would otherwise expire during such time period. If the Offer and Solicitation is terminated, Tender Orders submitted pursuant to such Exchange Offer will be returned promptly to the tendering Eligible Holders.

During the course of this Exchange Offer, on August 11, 2021, we expect to issue our unaudited consolidated financial statements as of and for the six-month period ended June 30, 2021 with the CNV. The period to exercise withdrawal rights in respect of Tender Orders previously submitted will be reopened for a limited period thereafter.

A valid revocation of a Tender Order will be deemed a revocation of the related Consents. An Eligible Holder who validly revokes a previously submitted Tender Order will not receive the applicable Exchange Consideration unless such Tender Order is re-submitted by the Early Tender Date (with respect to the Early Tender Consideration) or the Expiration Date (with respect to Late Tender Consideration), as applicable, in accordance with the procedures and deadlines described in this Exchange Offer and Consent Solicitation Memorandum.

We will determine all questions as to the form and validity (including time of receipt) of any notice of withdrawal of a Tender Order or Transfer Certificate, in our sole discretion, which determination shall be final

and binding. None of us, the dealer managers or the Exchange and Information Agent or any other person will be under any duty to give notification of any defect or irregularity in any notice of revocation of a Tender Order or Transfer Certificate or incur any liability for failure to give any such notification.

If we are delayed in our acceptance for exchange of, or issuance of New Notes in exchange for (together with any applicable cash amounts), any Existing Notes or if we are unable to accept for exchange any Existing Notes or issue New Notes in exchange therefor pursuant to the Offer and Solicitation for any reason, then, without prejudice to our rights hereunder, but subject to applicable law, Tender Orders may be retained by the Exchange and Information Agent on our behalf and may not be validly withdrawn (subject to Rule 14e-l under the Exchange Act, which requires that we issue or pay the consideration offered or return the Existing Notes deposited by or on behalf of the Eligible Holders promptly after the termination or withdrawal of the Exchange Offer).

Signatures on this Transfer Certificate, Bond Powers and Endorsement. If this Transfer Certificate is signed by a participant in DTC, Euroclear or Clearstream whose name is shown on a security position listing as the owner of the Existing Notes tendered hereby, the signature must correspond with the name shown on a security position listing the owner of the Existing Notes.

If this Transfer Certificate is signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing and the proper evidence satisfactory to the Company of their authority so to act must be submitted with this Transfer Certificate.

Transfer Taxes.

We will pay all transfer taxes, if any, applicable to the transfer and exchange of Existing Notes to the Company in the Exchange Offer. If transfer taxes are imposed for any reason other than the transfer and tender to the Company, the amount of those transfer taxes, whether imposed on the registered holders or any other persons, will be payable by the tendering holder. Transfer taxes that will not be paid by the Company include taxes, if any, imposed:

- if New Notes in book-entry form are to be registered in the name of any person other than the person on whose behalf an Agent's Message or Tender Instruction was sent;
- if tendered Existing Notes are to be registered in the name of any person other than the person on whose behalf an Agent's Message or Tender Instruction was sent; or
- if any cash payment in respect of the Exchange Offer is being made to any person other than the person on whose behalf an Agent's Message or Tender Instruction was sent.

If satisfactory evidence of payment of or exemption from transfer taxes that are not required to be borne by the Company is not submitted with the Agent's Message or Tender Instruction, the amount of those transfer taxes will be billed directly to the tendering holder and/or withheld from any payments due with respect to the Existing Notes tendered by such holder.

Irregularities. The Company reserves the right to reject any or all Tender Orders that are not in proper form or the acceptance of which would, in our opinion, be unlawful. The Company also reserves the right, subject to applicable law, to waive any defects, irregularities or conditions of tender as to particular Existing Notes, including any delay in the submission thereof or any instruction with respect thereto. A waiver of any defect or irregularity with respect to the tender of one Existing Note shall not constitute a waiver of the same or any other defect or irregularity with respect to any Tender Order. Our interpretations of the terms and conditions of the Offer will be final and binding on all parties. Any defect or irregularity in connection with tenders of Existing Notes must be cured within such time as we determine, unless waived by us. Tender Orders shall not be deemed to have been made until all defects and irregularities have been waived by us or cured. None of us, the Trustee, the dealer managers and solicitation agents, the Exchange and Information Agent or any other person will not be under any duty to give notice of any defects or irregularities in tenders of Existing Notes nor will incur in any liability to Eligible Holders for failure to give any such notice.

Waiver of Conditions. The Company expressly reserves the right, subject to applicable law, to (i) delay accepting any Tender Orders, extend the Offer, or, upon failure of a condition to be satisfied or waived prior to the Early Tender Date, the Expiration Date or Settlement Date, as the case may be, terminate the Offer and not accept any Tender Orders; and (ii) amend, modify, waive or terminate at any time, or from time to time, the terms of the Offer in any respect, including waiver of any conditions to consummation of the Offer.

Requests for Assistance or Additional Copies. Questions relating to the procedures for tendering Existing Notes and requests for assistance or additional copies of the Exchange Offer and Consent Solicitation Memorandum and this Transfer Certificate may be directed to, and additional information about the Exchange Offer may be obtained from, the dealer managers and solicitation agents or the Exchange and Information Agent whose addresses and telephone numbers appear on the back cover page of this Transfer Certificate.

Issuer

Genneia S.A.
Nicolás Repetto 3676 3° Floor, Olivos (1636),
Provincia de Buenos Aires,
Argentina

The Exchange and Information Agent for the Exchange Offer is:

Global Bondholder Services Corporation
65 Broadway – Suite 404
New York, New York 10006
Attn: Corporate Actions
Email: contact@gbsc-usa.com

Banks and Brokers call: (212) 430-3774
Toll free: (866)-807-2200

By facsimile:
(For Eligible Institutions only):
(212) 430-3775/3779

Confirmation:
(212) 430-3774

By Mail, by Overnight Courier, or by Hand:	*By Facsimile Transmission:*	*By email:*
65 Broadway – Suite 404 New York, New York 10006	(for Eligible Institutions only) (212) 430-3775/3779	contact@gbsc-usa.com

If an Eligible Holder has questions about any of the Exchange Offer or the procedures for tendering Existing Notes, the Eligible Holder should contact the Exchange and Information Agent or the Dealer Managers and Solicitation Agents at their respective telephone numbers.

The Dealer Managers and Solicitation Agents for the Exchange Offer are:

BofA Securities, Inc.
One Bryant Park
New York, New York 10036
Attention: Liability Management Group
Call Collect: (646) 855-8988
US Toll-Free: (888) 292-0070

J.P. Morgan Securities LLC
383 Madison Avenue, 6th Floor
New York, New York 10179
United States
Attention: Latin America Debt Capital Markets
Call Collect: (212) 834-7279
Toll-Free: (866) 846-2874

ANNEX B

ELIGIBILITY LETTER

Genneia S.A.

August 2, 2021

To the beneficial owners, or representatives acting on behalf of beneficial owners, of the securities listed herein:

CUSIP / ISIN	Title of Security
144A: CUSIP No.: 372319 AA1 ISIN No.: US372319AA15	8.750% Series "XX" Notes due 2022
Regulation S: CUSIP No.: P46756 AH8 ISIN No.: USP46756AH86 ISIN No.: XS1923602772	Private Notes due January 22, 2022

* * *

Genneia S.A. (the "Company") is considering undertaking a transaction to exchange the above-listed notes (the "Existing Notes") for newly issued 8.750% Senior Secured Notes due 2027 (the "Offer and Solicitation"). If you are a beneficial owner, or a representative acting on behalf of a beneficial owner, of Existing Notes that is an "Eligible Holder" (as described below), please complete the attached Eligibility Certification and either submit it electronically or return it to Global Bondholder Services Corporation (acting as the Information and Exchange Agent) at the address set forth in the Eligibility Certification. If you are a beneficial owner of Existing Notes that is not an Eligible Holder, you may not participate in the Offer and Solicitation, and you should not complete the attached Eligibility Certification.

An "Eligible Holder" is a beneficial owner of Notes that certifies that it is: (a) a "qualified institutional buyer," as defined in Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"); or (b) a person outside the United States who is (i) not a "U.S. person" (as defined in Rule 902 under the Securities Act), (ii) not acting for the account or benefit of a U.S. person and (iii) a "Non-U.S. qualified offeree" (as defined below), other than an "Argentine Entity Offeree" (as defined below), a "Non-Cooperating Jurisdiction Offeree" (as defined below) or an "Eligible Canadian Holder" (as defined below); (c) an Argentine Entity Offeree; (d) a Non-Cooperating Jurisdiction Offeree or (e) an Eligible Canadian Holder. The definitions of "qualified institutional buyer," "U.S. person," "Non-U.S. qualified offeree," "Eligible Canadian Holder," "Argentine Entity Offeree" and "Non-Cooperating Jurisdiction Offeree" are set forth in Annex A.

In addition, if you are a beneficial owner of the Existing Notes who is resident in Canada, or an authorized representative acting on behalf of such beneficial owner, that is an Eligible Canadian Holder (as defined in Annex A), please complete the additional section of the Eligibility Certification, which comprises the Additional Certification for Canadian Beneficial Holders, by checking the applicable box under 2(b)(i)-(xvi). For this purpose, a "beneficial holder" of Existing Notes is considered to be a person acting on behalf of a fully managed account managed by that person, if that person is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a non-Canadian jurisdiction. If you are an Eligible Holder resident in Canada that is not an Eligible Canadian Holder, you may not participate in the Offer and Solicitation.

Please submit your responses as soon as possible in order to participate in the Offer and Solicitation. Please note that the ability of certain Eligible Holders outside the United States to participate in the Offer and Solicitation will be subject to the delivery of additional documentation to satisfy Argentine tax regulations. In particular, Argentine Entity Offerees and Non-Cooperating Jurisdiction Offerees who participate in the Offer and Solicitation are required to complete, sign and submit to Global Bondholder Services Corporation (acting as the Information and Exchange Agent) a properly completed letter of transmittal.

This letter is not an offer nor a solicitation of an offer with respect to the Existing Notes nor creates any obligations whatsoever on the part of the Company to make any offer or on the part of the recipient to participate if an offer is made.

You may direct any questions to Global Bondholder Services Corporation (email info@gbsc-usa.com) Confirmation: 212-925-1630; Toll Free: (866)-807-2200.

Very truly yours,

GENNEIA S.A.

ANNEX A

"Qualified Institutional Buyer" means:

(1) Any of the following entities, acting for its own account or the accounts of other qualified institutional buyers, that in the aggregate owns and invests on a discretionary basis at least U.S.$100 million in securities of issuers that are not affiliated with the entity:

(a) Any insurance company as defined in Section 2(a)(13) of the Securities Act of 1933, as amended (the "Securities Act");

(b) Any investment company registered under the Investment Company Act of 1940, as amended (the "Investment Company Act"), or any business development company as defined in Section 2(a)(48) of the Investment Company Act;

(c) Any small business investment company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958;

(d) Any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees;

(e) Any employee benefit plan within the meaning of Title I of the Employee Retirement Income Security Act of 1974, as amended;

(f) Any trust fund whose trustee is a bank or trust company and whose participants are exclusively plans of the types identified in subparagraph (1)(d) or (e) above, except trust funds that include as participants individual retirement accounts or H.R. 10 plans;

(g) Any business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940, as amended (the "Investment Advisers Act");

(h) Any organization described in Section 501(c)(3) of the Internal Revenue Code, corporation (other than a bank as defined in Section 3(a)(2) of the Securities Act or a savings and loan association or other institution referenced in Section 3(a)(5)(A) of the Securities Act or a foreign bank or savings and loan association or equivalent institution), partnership, or Massachusetts or similar business trust; and

(i) Any investment adviser registered under the Investment Advisers Act.

(2) Any dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), acting for its own account or the accounts of other qualified institutional buyers, that in the aggregate owns and invests on a discretionary basis at least U.S.$10 million of securities of issuers that are not affiliated with the dealer, *provided* that securities constituting the whole or a part of an unsold allotment to or subscription by a dealer as a participant in a public offering shall not be deemed to be owned by such dealer;

(3) Any dealer registered pursuant to Section 15 of the Exchange Act acting in a riskless principal transaction on behalf of a qualified institutional buyer;

(4) Any investment company registered under the Investment Company Act, acting for its own account or for the accounts of other qualified institutional buyers, that is part of a family of investment companies which own in the aggregate at least U.S.$100 million in securities of issuers, other than issuers that are affiliated with the investment company or are part of such family of investment companies. "Family of investment companies" means any two or more investment companies registered under the Investment Company Act, except for a unit investment trust whose assets consist solely of shares of one or more registered investment companies, that have the same investment adviser (or, in the case of unit investment trusts, the same depositor), *provided that*, for purposes of this subparagraph:

(a) Each series of a series company (as defined in Rule 18f-2 under the Investment Company Act) shall be deemed to be a separate investment company; and

(b) Investment companies shall be deemed to have the same adviser (or depositor) if their advisers (or depositors) are majority-owned subsidiaries of the same parent, or if one investment company's adviser (or depositor) is a majority-owned subsidiary of the other investment company's adviser (or depositor);

(5) Any entity, all of the equity owners of which are qualified institutional buyers, acting for its own account or the accounts of other qualified institutional buyers; and

(6) Any bank as defined in Section 3(a)(2) of the Securities Act, any savings and loan association or other institution as referenced in Section 3(a)(5)(A) of the Securities Act, or any foreign bank or savings and loan association or equivalent institution, acting for its own account or the accounts of other qualified institutional buyers, that in the aggregate owns and invests on a discretionary basis at least U.S.$100 million in securities of issuers that are not affiliated with it and that has an audited net worth of at least U.S.$25 million as demonstrated in its latest annual financial statements, as of a date not more than 16 months preceding the date of sale under the rule in the case of a U.S. bank or savings and loan association, and not more than 18 months preceding such date of sale for a foreign bank or savings and loan association or equivalent institution.

For purposes of the foregoing definition:

(7) In determining the aggregate amount of securities owned and invested on a discretionary basis by an entity, the following instruments and interests shall be excluded: bank deposit notes and certificates of deposit; loan participations; repurchase agreements; securities owned but subject to a repurchase agreement; and currency, interest rate and commodity swaps.

(8) The aggregate value of securities owned and invested on a discretionary basis by an entity shall be the cost of such securities, except where the entity reports its securities holdings in its financial statements on the basis of their market value, and no current information with respect to the cost of those securities has been published. In the latter event, the securities may be valued at market for purposes of the foregoing definition.

(9) In determining the aggregate amount of securities owned by an entity and invested on a discretionary basis, securities owned by subsidiaries of the entity that are consolidated with the entity in its financial statements prepared in accordance with generally accepted accounting principles may be included if the investments of such subsidiaries are managed under the direction of the entity, except that, unless the entity is a reporting company under Section 13 or 15(d) of the Exchange Act, securities owned by such subsidiaries may not be included if the entity itself is a majority-owned subsidiary that would be included in the consolidated financial statements of another enterprise.

(10) "Riskless principal transaction" means a transaction in which a dealer buys a security from any person and makes a simultaneous offsetting sale of such security to a qualified institutional buyer, including another dealer acting as riskless principal for a qualified institutional buyer.

* * * * * *

"U.S. person" means:

(1) Any natural person resident in the United States;

(2) Any partnership or corporation organized or incorporated under the laws of the United States;

(3) Any estate of which any executor or administrator is a U.S. person;

(4) Any trust of which any trustee is a U.S. person;

(5) Any agency or branch of a foreign entity located in the United States;

(6) Any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person;

(7) Any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and

(8) Any partnership or corporation if:

(a) Organized or incorporated under the laws of any foreign jurisdiction; and

(b) Formed by a U.S. person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organized or incorporated, and owned, by accredited investors (as defined in Rule 501(a) under the Securities Act) who are not natural persons, estates or trusts.

* * * * * *

"Non-U.S. qualified offeree" means:

(1) In relation to each Member State of the European Economic Area (the "EEA"), a person that is not a retail investor. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "Prospectus Regulation").

(2) in relation to the United Kingdom,

i) a person that is not a retail investor in the United Kingdom ("UK"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, the "FSMA") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA (the "UK Prospectus Regulation"). Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the New Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the New Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

ii) persons who are "qualified investors" (as defined in the UK Prospectus Regulation) who are (i) persons having professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Order"), or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order, or (iii) persons to whom it would otherwise be lawful to distribute them, all such persons together being referred to as "Relevant Persons."

(a) a "Relevant Person" (as defined below under "Offer and Distribution Restrictions"), or

(3) any entity outside the U.S., the EEA and the United Kingdom to whom the offers related to the New Notes may be made in compliance with all other applicable laws and regulations of any applicable jurisdiction.

* * * * * *

"Eligible Canadian Holder" means an Eligible Holder resident in Canada who is both an "accredited investor," as that term is defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and a "permitted client," as that term is defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations.

* * * * * *

"Argentine Entity Offeree" means:

Beneficial owners of the Existing Notes who are:

(1) corporations, including sole-member corporations, limited partnerships, in the portion that corresponds to limited partners, simplified stock corporations governed by Title III of Law No. 27,349 incorporated in Argentina, and limited liability companies;

(2) associations, foundations, cooperatives, entities governed by civil law and mutual aid nonprofits organized in Argentina in so far as the Argentine Income Tax Law does not afford them another treatment for tax purposes;

(3) state-owned companies, for the portion of earnings that are not exempt from income tax; entities and organizations referred to in Section 1 of Law No. 22,016;

(4) trusts set up in Argentina in conformity with the provisions under the Argentine Civil and Commercial Code except for those where trustors are also beneficiaries (unless settlor-beneficiaries are Nonresident (as defined below) or the trust is a financial trust);

(5) financial trusts pursuant to Decree 471/18 only to the extent that participation certificates and/or debt securities had not been placed through a public offering authorized by the *Comisión Nacional de Valores*, the Argentine Securities Commission ("CNV");

(6) closed-end mutual funds organized in Argentina only to the extent that the quota shares had not been placed through a public offering authorized by the CNV;

(7) the companies included in Sub-section b) of Section 53 and the trusts comprised in Sub-section c) of Section 53 of the Argentine Income Tax Law, who opt for paying tax in accordance with the provisions applicable to stock companies and thus satisfy the requirements for exercising such option; and

(8) Argentine permanent establishments of foreign persons.

*** * * * * ***

"Non-Cooperating Jurisdiction Offeree" means:

Beneficial owners of the Existing Notes who are nonresidents (i.e., persons that do not qualify as tax residents under Section 116 of the Argentine Income Tax Law, the "Nonresidents") and are residents of any jurisdiction considered as a non-cooperating jurisdiction (*jurisdicción no cooperante*) as determined under applicable Argentine law or regulation.

Section 19 of the Argentine Income Tax Law defines "non-cooperating jurisdictions" as those countries or jurisdictions that have not entered into a tax information exchange agreement with Argentina or into an agreement to avoid international double taxation including broad exchange of information provisions. Likewise, countries having entered into an agreement with Argentina with the above-mentioned scope, but do not effectively comply with the exchange of information are considered "non-cooperating jurisdictions". In addition, the aforementioned agreements must comply with the international standards of transparency and exchange of information on fiscal matters to which Argentina has committed itself.

Section 24 of Decree No. 862/19 lists the "non-cooperating jurisdictions" for Argentine tax purposes as of the date of this letter. Argentine tax authorities are required to report updates to the Ministry of Finance to modify this list:

1. Bosnia and Herzegovina
2. Brecqhou
3. Burkina Faso
4. State of Eritrea
5. Vatican City State
6. State of Libya
7. Independent State of Papua New Guinea
8. Plurinational State of Bolivia
9. British Overseas Territories Saint Helena, Ascension and Tristan da Cunha
10. Sark Island
11. Solomon Islands
12. Federated States of Micronesia
13. Mongolia
14. Montenegro
15. Kingdom of Bhutan
16. Kingdom of Cambodia
17. Kingdom of Lesotho
18. Kingdom of Eswatini (Swaziland)
19. Kingdom of Thailand
20. Kingdom of Tonga
21. Hashemite Kingdom of Jordan
22. Kyrgyz Republic
23. Arab Republic of Egypt
24. Syrian Arab Republic
25. People´s Democratic Republic of Algeria
26. Central African Republic
27. Cooperative Republic of Guyana
28. Republic of Angola
29. Republic of Belarus
30. Republic of Botswana
31. Republic of Burundi
32. Republic of Cabo Verde
33. Republic of Côte d'Ivoire
34. Republic of Cuba
35. Republic of the Philippines

36. Republic of Fiji
37. Republic of The Gambia
38. Republic of Guinea
39. Republic of Equatorial Guinea
40. Republic of Guinea-Bissau
41. Republic of Haiti
42. Republic of Honduras
43. Republic of Iraq
44. Republic of Kenya
45. Republic of Kiribati
46. Republic of the Union of Myanmar
47. Republic of Liberia
48. Republic of Madagascar
49. Republic of Malawi
50. Republic of Maldives
51. Republic of Mali
52. Republic of Mozambique
53. Republic of Namibia
54. Republic of Nicaragua
55. Republic of Palau
56. Republic of Rwanda
57. Republic of Sierra Leone
58. Republic of South Sudan
59. Republic of Suriname
60. Republic of Tajikistan
61. Republic of Trinidad and Tobago
62. Republic of Uzbekistan
63. Republic of Yemen
64. Republic of Djibouti
65. Republic of Zambia
66. Republic of Zimbabwe
67. Republic of Chad
68. Republic of the Niger
69. Republic of Paraguay
70. Republic of the Sudan
71. Democratic Republic of São Tomé and Príncipe
72. Democratic Republic of Timor-Leste
73. Republic of the Congo
74. Democratic Republic of the Congo
75. Federal Democratic Republic of Ethiopia
76. Lao People's Democratic Republic
77. Democratic Socialist Republic of Sri Lanka
78. Federal Republic of Somalia
79. Federal Democratic Republic of Nepal
80. Gabonese Republic
81. Islamic Republic of Afghanistan
82. Islamic Republic of Iran
83. Islamic Republic of Mauritania
84. People's Republic of Bangladesh
85. Republic of Benin
86. Democratic People's Republic of Korea
87. Socialist Republic of Vietnam
88. Togolese Republic
89. United Republic of Tanzania
90. Sultanate of Oman
91. British Overseas Territory Pitcairn, Henderson, Ducie and Oeno Islands

94. Tuvalu
95. Union of the Comoros

* * * * * *

Eligibility Certification

To: Genneia S.A.
Nicolás Repetto 3676 3° Floor,
Olivos (1636),
Province of Buenos Aires, Argentina

c/o Global Bondholder Services Corporation
65 Broadway, Suite 404
New York, NY 10006
Email: info@gbsc-usa.com
Facsimile: 212-624-0294
To Confirm: (866)-807-2200 (toll-free) or 212-925-1630 (collect)
Attention: Corporate Actions

Ladies and Gentlemen:

The undersigned acknowledges receipt of your letter dated July 30, 2021 (the "Letter"). Capitalized terms used, but not defined, in this letter shall have the meanings set forth in the Letter.

The undersigned hereby represents and warrants to Genneia S.A. (the "Company") as follows and as set forth in box 2(a), 2(b), 2(c), 2(d) or 2(e) (please check one).

In addition, if the undersigned is an Eligible Canadian Holder, the undersigned hereby represents and warrants to the Company that it is (a) an "accredited investor" as defined in section 73.3(1) of the Securities Act (Ontario), in the case of a person resident in Ontario, or National Instrument 45-106 – Prospectus Exemptions, in the case of a person resident in any other jurisdiction in Canada, that either would acquire the New Notes for its own account or would be deemed to be acquiring the New Notes as principal pursuant to applicable law; and (b) a "permitted client" as defined in National Instrument 31-103 – Registration Requirements, Exemptions and Ongoing Registrant Obligations. The definitions of "accredited investor" and "permitted client" are reproduced in Schedule A.

(1) It is the beneficial owner, or is acting on behalf of a beneficial owner, of the Existing Notes in the amount set forth below; **and**

(2) it is

☐ (a) a "qualified institutional buyer," as defined in the Letter, that is acting for either (i) its own account or (ii) the accounts of other qualified institutional buyers, for which certification as qualified institutional buyers can be validated by a written certification received within the last six months, and as to which it exercises sole investment discretion and has the authority to make the statements in this letter; **or**

☐ (b) a person outside the United States who is (i) not a "U.S. person," (as that term is defined in Rule 902 under the Securities Act), (ii) not acting for the account or benefit of a U.S. person and (iii) a "Non-U.S. qualified offeree", such person a "Reg S Person," other than an "Argentine Entity Offeree," a "Non-Cooperating Jurisdiction Offeree" or an "Eligible Canadian Holder" as defined in the Letter; **or**

☐ (c) a Reg S Person who is an "Argentine Entity Offeree," as defined in the Letter; **or**

☐ (d) a Reg S Person who is a "Non-Cooperating Jurisdiction Offeree," as defined in the Letter; **or**

☐ (e) a Reg S Person who is an Eligible Canadian Holder who is one of the following:

❑ (i) a "Canadian financial institution," or a Schedule III bank (a "**Canadian financial institution**" is (i) an association governed by the *Cooperative Credit Associations Act* (Canada) or a central cooperative credit, society for which an order has been made under section 473(1) of that Act, or (ii) a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada),

❑ (ii) the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada),

❑ (iii) a subsidiary of any person referred to in paragraphs (a) or (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary,

❑ (iv) a person registered under the securities legislation of a jurisdiction of Canada as an adviser or dealer, other than a scholarship plan dealer or a restricted dealer,

❑ (v) the Government of Canada or a jurisdiction of Canada, or any crown corporation, agency or wholly owned entity of the Government of Canada or a jurisdiction of Canada,

❑ (vi) a municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l'île de Montréal or an intermunicipal management board in Québec,

❑ (vii) any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government,

❑ (viii) a pension fund that is regulated by either the Office of the Superintendent of Financial Institutions (Canada) or a pension commission or similar regulatory authority of a jurisdiction of Canada,

❑ (ix) an individual who beneficially owns "financial assets" having an aggregate realizable value that, before taxes, but net of any "related liabilities," exceeds C$5,000,000 ("**financial assets**" means cash, securities, or any contract of insurance or deposit or evidence thereof that is not a security for the purposes of securities legislation, and "**related liabilities**" means liabilities incurred or assumed for the purpose of financing the acquisition or ownership of financial assets and liabilities that are secured by financial assets),

❑ (x) a person or company that is entirely owned by an individual or individuals referred to in paragraph (i), who holds the beneficial ownership interest in the person or company directly or through a trust, the trustee of which is a trust company or trust corporation registered or authorized to carry on business under the *Trust and Loan Companies Act* (Canada) or under comparable legislation in a jurisdiction of Canada or a foreign jurisdiction, and therefore is a person in respect of which all of the owners of interests, direct, indirect or beneficial, except the voting securities required by law to be owned by directors, are persons that are accredited investors,

❑ (xi) a person or company, other than an individual or investment fund, that has net assets of at least C$25,000,000 as shown on its most recently prepared financial statements,

❑ (xii) a trust company or trust corporation registered or authorized to carry on business under the *Trust and Loan Companies Act* (Canada) or under comparable legislation in a jurisdiction of Canada or a foreign jurisdiction, acting on behalf of a "fully managed account" managed by the trust company or trust corporation, as the case may be (a "**fully managed account**" means an account of a client for

which a person makes the investment decisions if that person has full discretion to trade securities for the account without requiring the client's express consent to a transaction),

- ❑ (xiii) a person acting on behalf of a fully managed account managed by that person, if that person is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction,
- ❑ (xiv) a registered charity under the *Income Tax Act* (Canada) that, in regard to the trade, has obtained advice from on the securities to be traded from an "eligibility adviser" or an adviser registered under the securities legislation of the jurisdiction of the registered charity to give advice on the securities being traded (an "**eligibility adviser**" means a person that is registered as an investment dealer and authorized to give advice with respect to the type of security being distributed),
- ❑ (xv) an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs (a) to (d) or paragraph (h) in form and function, or
- ❑ (xvi) an investment fund that is advised by a person or company authorized to act as an adviser under the securities legislation of a jurisdiction of Canada.

The undersigned understands that it is providing the information contained herein to the Company solely for purposes of the Company's consideration of transactions with respect to the Existing Notes. This letter is not an offer or a solicitation of an offer with respect to the Existing Notes and does not create any obligation whatsoever on the part of the Company to make any offer or on the part of the undersigned to participate if an offer is made.

The undersigned agrees (1) not to copy or reproduce any part of any materials (except as permitted therein) received in connection with any transaction that the Company may undertake or has undertaken, (2) not to distribute or disclose any part of such materials or any of their contents (except as permitted therein) to anyone other than, if applicable, the aforementioned beneficial owners on whose behalf the undersigned is acting and (3) to notify the Company if any of the representations the undersigned makes in this letter cease to be correct. The undersigned acknowledges that the Company reserves the right to request any additional information it deems necessary for purposes of determining the undersigned's eligibility to participate in the Exchange Offer.

Dated: _____, 2021

Very truly yours,

By:
(Signature)

(Name and Title)

(Institution)

(Address)

(City/State/Zip Code)

(Phone)

(Facsimile)

(E-Mail Address)

DTC Participant Number: _____

Aggregate Principal Amount of Notes: _____

CUSIP / ISIN / Common Code Number	**Title of Security**	**Principal Amount Held (U.S.$)**