

Generación Mediterránea S.A.

Consolidated Financial Statements

At December 31, 2023 presented
in comparative format

(Stated in thousands of US dollars (USD))

Generación Mediterránea S.A.

Consolidated Financial Statements

At December 31, 2023 presented in comparative format

Contents

Glossary of technical terms

Composition of the Board of Directors and Syndics' Committee

Consolidated Financial Statements

Consolidated Statement of Financial Position

Consolidated Statement of Comprehensive Income

Consolidated Statement of Changes in Equity

Consolidated Statement of Cash Flows

Notes to the Consolidated Financial Statements

Summary of Activity

Independent Auditors' Report

GLOSSARY OF TECHNICAL TERMS

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

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

GLOSSARY OF TECHNICAL TERMS (Cont'd)

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

Generación Mediterránea S.A.

Composition of the Board of Directors and Syndics' Committee at December 31, 2023

President

Armando Losón (Jr.)

1st Vice President

Guillermo Gonzalo Brun

2nd Vice President

Julián Pablo Sarti

Full Directors

María Eleonora Bauzas
Oscar Camilo De Luise
Ricardo Martín López
Osvaldo Enrique Alberto Cado

Alternate Directors

Juan Gregorio Daly
Juan Carlos Collin
Jorge Hilario Schneider
María Andrea Bauzas

Full Syndics

Enrique Omar Rucq
Marcelo Pablo Lerner
Francisco Agustín Landó

Alternate Syndics

Marcelo Claudio Barattieri
Juan Cruz Nocciolino
Carlos Indalecio Vela

Generación Mediterránea S.A.

Consolidated Financial Statements

Company Name:	Generación Mediterránea S.A.
Legal address:	Av. L.N. Alem 855, 14th floor - City of Buenos Aires
Main business activity:	Generation and sale of electric energy Development of energy projects, execution of projects, advisory services, provision of services, management, administration and performance of works of any kind. Investments and financial operations of any kind, except those established by Law No. 21526
Tax Registration Number:	30-68243472-0
Dates of Registration with the Public Registry of Commerce:	
Bylaws or incorporation agreement:	January 28, 1993
Latest amendment:	August 24, 2022
Registration with the Legal Entities Regulator under number:	644 of Book 112, Volume A of Corporations
Expiration date of Company By-laws:	January 28, 2092

Generación Mediterránea S.A.

Consolidated Statement of Financial Position

At December 31, 2023 and 2022

Stated in thousands of US dollars

	<u>Notes</u>	<u>12/31/2023</u>	<u>12/31/2022</u>
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	1,318,007	1,079,842
Investments in associates	8	2,183	4,765
Income tax credit balance, net		18	60
Other receivables	10	14,849	11,893
Financial assets at fair value through profit or loss	12	-	12,300
Total non-current assets		<u>1,335,057</u>	<u>1,108,860</u>
CURRENT ASSETS			
Inventories	9	4,095	2,724
Other receivables	10	32,124	54,734
Trade receivables	11	35,416	42,280
Financial assets at fair value through profit or loss	12	78,815	115,900
Cash and cash equivalents	13	35,692	20,564
Total current assets		<u>186,142</u>	<u>236,202</u>
Total assets		<u><u>1,521,199</u></u>	<u><u>1,345,062</u></u>

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

Generación Mediterránea S.A.

Consolidated Statement of Financial Position (Cont'd)

At December 31, 2023 and 2022

Stated in thousands of US dollars

	Notes	12/31/2023	12/31/2022
EQUITY			
Share Capital	14	2,414	2,414
Capital adjustment		20,051	20,051
Additional paid-in capital		19,809	19,809
Legal reserve		4,365	3,672
Optional reserve		99,075	96,598
Special Reserve GR No. 777/18		40,222	45,378
Technical revaluation reserve		40,276	45,574
Other comprehensive income/(loss)		(161)	(149)
Unappropriated retained earnings (accumulated losses)		(24,199)	3,564
Equity attributable to the owners		201,852	236,911
Non-controlling interest		11,399	14,157
Total Equity		213,251	251,068
LIABILITIES			
NON-CURRENT LIABILITIES			
Deferred tax liabilities	23	109,127	107,583
Other liabilities	17	887	872
Defined benefit plan	24	497	804
Loans	18	865,184	748,980
Trade payables	16	2,378	-
Total non-current liabilities		978,073	858,239
CURRENT LIABILITIES			
Other liabilities	17	13,073	982
Social security liabilities	21	1,142	1,710
Defined benefit plan	24	17	51
Loans	18	282,605	184,997
Derivative instruments		-	42
Tax payables	22	450	2,482
Trade payables	16	32,588	45,491
Total current liabilities		329,875	235,755
Total liabilities		1,307,948	1,093,994
Total liabilities and equity		1,521,199	1,345,062

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

Generación Mediterránea S.A.

Consolidated Statement of Comprehensive Income

For the years ended December 31, 2023 and 2022

Stated in thousands of US dollars

	Notes	12/31/2023	12/31/2022
Sales revenue	26	201,330	197,436
Cost of sales	27	(114,443)	(95,501)
Gross income		86,887	101,935
Selling expenses	28	(477)	(564)
Administrative expenses	29	(16,751)	(15,709)
Other operating income	30	167	7,345
Other operating expenses		(97)	-
Operating income/(loss)		69,729	93,007
Financial income	31	18,999	12,073
Financial expenses	31	(102,764)	(68,507)
Other financial results	31	(6,901)	(36,946)
Financial results, net		(90,666)	(93,380)
Income/(loss) from interests in associates	8	(1,151)	(725)
Pre-tax profit/(loss)		(22,088)	(1,098)
Income tax	23	(1,557)	777
(Loss) from continuing operations for the year		(23,645)	(321)
(Loss) from discontinued operations	36	-	(4,362)
(Loss) for the year		(23,645)	(4,683)
Other comprehensive income/(loss)			
<i>These items will not be reclassified under income/(loss):</i>			
Pension plan		(22)	(134)
Impact on Income Tax - Benefit plan	23	8	47
<i>These items will be reclassified under income/(loss):</i>			
Translation differences of subsidiaries and associates		(4,079)	654
Other comprehensive income/(loss) from continuing operations for the year		(4,093)	567
Other comprehensive income/(loss) from discontinued operations	36	-	186
Other comprehensive (loss)/income for the year		(4,093)	753
Comprehensive (loss) for the year		(27,738)	(3,930)

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

Generación Mediterránea S.A.

Consolidated Statement of Comprehensive Income (Cont'd)

For the years ended December 31, 2023, 2023 and 2022

Stated in thousands of US dollars

	<u>Note</u>	<u>12/31/2023</u>	<u>12/31/2022</u>
(Loss) for the year attributable to:			
Owners of the company		(20,416)	(4,087)
Non-controlling interest		(3,229)	(596)
		(23,645)	(4,683)
 (Loss)/Income for the year attributable to the owners of the company:			
Continuing operations		(20,416)	57
Discontinued operations		-	(4,144)
		(20,416)	(4,087)
 Comprehensive (loss) for the year attributable to:			
Owners of the company		(24,365)	(3,359)
Non-controlling interest		(3,373)	(571)
		(27,738)	(3,930)
 Comprehensive (loss)/income for the year attributable to the owners of the company:			
Continuing operations		(24,365)	608
Discontinued operations		-	(3,967)
		(24,365)	(3,359)
 (Losses)/Earnings per share attributable to the owners of the company:			
Basic and diluted (loss)/earnings per share from continuing operations	32	(0.10)	0.00
Basic and diluted (losses) per share from discontinued operations	32	-	(0.02)
Basic and diluted (loss) per share	32	(0.10)	(0.02)

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

Generación Mediterránea S.A.

Consolidated Statement of Changes in Equity For the years ended December 31, 2023, 2022 and 2021 Stated in thousands of US dollars

	Shareholders' contributions			Attributable to Shareholders						Non-controlling interest	Total equity	
	Share capital (Note 14)	Capital adjustment	Additional paid-in capital	Legal reserve	Optional reserve	Special Reserve GR No. 777/18	Technical revaluation reserve	Other comprehensive income/(loss)	Unappropriated retained earnings (accumulated losses)			Total
Balances at December 31, 2021	2,414	20,051	19,809	898	30,883	48,854	49,192	(319)	68,488	240,270	13,705	253,975
Shareholders' Meeting dated April 19, 2022:												
- Setting up of legal reserve	-	-	-	2,774	-	-	-	-	(2,774)	-	-	-
- Setting up of optional reserve	-	-	-	-	65,715	-	-	-	(65,715)	-	-	-
Contributions from non-controlling interest	-	-	-	-	-	-	-	-	-	-	1,023	1,023
Other comprehensive income/(loss)	-	-	-	-	-	(615)	(737)	170	1,910	728	25	753
Reversal of technical revaluation reserve	-	-	-	-	-	(2,861)	(2,881)	-	5,742	-	-	-
(Loss) for the year	-	-	-	-	-	-	-	-	(4,087)	(4,087)	(596)	(4,683)
Balances at December 31, 2022	2,414	20,051	19,809	3,672	96,598	45,378	45,574	(149)	3,564	236,911	14,157	251,068
Shareholders' Meeting dated April 19, 2023:												
- Setting up of legal reserve	-	-	-	693	-	-	-	-	(693)	-	-	-
- Setting up of optional reserve	-	-	-	-	13,171	-	-	-	(13,171)	-	-	-
Shareholders' Meeting minutes dated April 22, 2023:												
- Reversal of optional reserve	-	-	-	-	(10,694)	-	-	-	10,694	-	-	-
- Distribution of dividends	-	-	-	-	-	-	-	-	(10,694)	(10,694)	-	(10,694)
Contributions from non-controlling interest	-	-	-	-	-	-	-	-	-	-	615	615
Other comprehensive income/(loss)	-	-	-	-	-	(2,053)	(2,182)	(12)	298	(3,949)	(144)	(4,093)
Reversal of technical revaluation reserve	-	-	-	-	-	(3,103)	(3,116)	-	6,219	-	-	-
(Loss) for the year	-	-	-	-	-	-	-	-	(20,416)	(20,416)	(3,229)	(23,645)
Balances at December 31, 2023	2,414	20,051	19,809	4,365	99,075	40,222	40,276	(161)	(24,199)	201,852	11,399	213,251

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

Generación Mediterránea S.A.

Consolidated Statement of Cash Flows For the years ended December 31, 2023 31, 2023 and 2022 Stated in thousands of US dollars

	Notes	12/31/2023	12/31/2022
Cash flows provided by operating activities:			
(Loss) from continuing operations for the year		(23,645)	(321)
Adjustments to arrive at net cash flows provided by operating activities:			
Income tax	23	1,557	(777)
Income/(loss) from interests in associates	8	1,151	725
Depreciation of property, plant and equipment	27	41,520	36,842
Present value of receivables and debts		(44)	62
Provision for Directors' fees	29	420	1,354
Income/(loss) from the sale of property, plant and equipment	30	(22)	(471)
Income/(loss) from changes in the fair value of financial instruments	31	(8,960)	4,450
Income/(loss) from repurchase of negotiable obligations	31	(401)	(130)
Interest and exchange differences and other		16,155	56,108
Gain/(loss) on purchasing power parity	31	8,064	586
Difference in UVA value	31	67,245	29,567
Accrual of benefit plans		85	137
Provision for tax credits		34	-
Changes in operating assets and liabilities:			
(Increase) in trade receivables		(26,472)	(12,789)
(Increase) in other receivables (1)		(29,411)	(13,521)
(Increase)/Decrease in inventories		(1,371)	1,017
(Decrease) in trade payables (2)		(12,434)	(34,538)
(Decrease) in defined benefit plans		(2)	(23)
Increase/(Decrease) in other liabilities		7,265	(755)
Increase in social security liabilities and taxes		2,218	2,965
Extraordinary advance payment of Income Tax		(887)	(5,016)
Net cash flows provided by operating activities from discontinued operations		-	1,055
Net cash flows provided by operating activities		42,065	66,527
Cash flows from investing activities:			
Capital contributions in subsidiaries and associates		-	(125)
Acquisition of property, plant and equipment	7	(48,195)	(33,821)
Government securities		(5,204)	465
Collection from the sale of property, plant and equipment		705	713
Refund from the sale of property, plant and equipment	7	7,766	-
Loans granted	33	(13,861)	(9,838)
Loans collected		426	-
Cash flows (used in) investing activities		(58,363)	(42,606)
Cash flows from financing activities:			
Payment of financial instruments		(8,762)	(1,750)
Repurchase of negotiable obligations	18	(1,851)	(819)
Payment of loans	18	(280,545)	(146,704)
Lease payments	18	(719)	(945)
Payment of interest	18	(69,738)	(72,531)
Leases taken out	18	158	645
Borrowings	18	423,562	207,685
Cash flows provided by/(used in) financing activities		62,105	(14,419)
INCREASE IN CASH AND CASH EQUIVALENTS		45,807	9,502
Cash and cash equivalents at the beginning of the year	13	20,564	17,493
Exchange difference of cash and cash equivalents		(36,662)	(1,989)
Financial results of cash and cash equivalents		5,088	(3,888)
Gain/loss on purchasing power parity of cash and cash equivalents		(4,280)	(554)
Cash and cash equivalents at year end	13	30,517	20,564
		45,807	9,502

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

- (1) It includes advances to suppliers for the purchase of property, plant and equipment for USD 20,323 and USD 42,986 at December 31, 2023 and 2022, respectively.
- (2) It includes commercial payments for works financing (see Note 38).

Generación Mediterránea S.A.

Consolidated Statement of Cash Flows (Cont'd)

For the years ended December 31, 2023, 2023 and 2022
Stated in thousands of US dollars

Material transactions not entailing changes in cash:

	<u>Notes</u>	<u>12/31/2023</u>	<u>12/31/2022</u>
Acquisition of property, plant and equipment financed by suppliers	7	(22,672)	(15,405)
Advances to suppliers applied to the acquisition of property, plant and equipment	7	(19,397)	(43,341)
Financial costs capitalized in property, plant and equipment	7	(204,539)	(102,293)
Dividend offsetting	33	(10,694)	-
Issuance of negotiable obligations paid up in kind	18	83,789	10
Loans to Directors, repaid	33	219	8,960
Loans to Shareholders/Directors	33	(313)	(242)
Mutual funds - CTE Trust		39,386	29,953
Interest on Mutual funds capitalized in property, plant and equipment - CTE Trust	7	14,191	34,073
Acquisition of property, plant and equipment - CTE Trust	7	(36,048)	(29,364)
Advances to suppliers - CTE Trust		(822)	-
Issuance of Class XVII, XVIII, and XIX Negotiable Obligations - CTMM Trust	18	-	125,000
Mutual funds - CTMM Trust		(11,380)	(107,604)
Interest on Mutual funds capitalized in property, plant and equipment - CTMM Trust	7	58,564	32,323
Acquisition of property, plant and equipment - CTMM Trust	7	(47,155)	(46,966)
Advances to suppliers - CTMM Trust		(362)	-
Investments in related companies - Capital contributions		-	(784)
Capital paid-in in related companies		-	(111)
Capital increase from debt assignment		-	(19,833)
Net benefit plans from discontinued operations		15	(96)
Sale of property, plant and equipment from discontinued operations		-	(544)
Sale of property, plant and equipment not paid		24,645	1,119
Capitalized interest on Class XV and XVI Negotiable Obligations - CTE Trust	18	11,141	10,429
Capitalized interest on Class XVII, Class XVIII and Class XIX Negotiable Obligations - CTMM Trust	18	6,725	3,324
Leases written-off due to termination of the lease agreement		-	(1,546)
Loans repaid - Centennial S.A.		-	1,871
Assignment from minority shareholders		1,399	-
Issuance of Class I and III Negotiable Obligations - PAS Trust	18	144,602	-
Interest on Mutual funds capitalized in property, plant and equipment - PAS Trust	7	75,937	-
Acquisition of property, plant and equipment - PAS Trust	7	(49,548)	-
Finance leases	18	(9,272)	-

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

Generación Mediterránea S.A.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2023 and 2022

Stated in thousands of US dollars

NOTE 1: GENERAL INFORMATION

GMSA's main line of business is the conventional thermal power generation. It has five thermal power plants operating throughout the whole country fed with natural gas as well as diesel as alternative fuel. They sell the energy generated in accordance with different regulatory frameworks. GMSA's nominal installed capacity is 924 MW.

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

On March 10, 2022, the merger by absorption was registered with the Legal Entities' Regulator whereby ASA and GECEN were merged into the Company, with January 1, 2021 being the effective merger date ("Merger 2021"). Further, on March 10, 2022, the dissolutions without liquidation of ASA and GECEN were registered.

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

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

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

Companies	Country of incorporation	Main activity	Participation %	
			12/31/2023	12/31/2022
CTR	Argentina	Electric power generation	75%	75%
GLSA	Argentina	Electric power generation	95%	95%
GROSA	Argentina	Electric power generation	95%	95%
Solalban Energía S.A.	Argentina	Electric power generation	42%	42%
GM Operaciones S.A.C.	Peru	Electric power generation	50%	50%

At the date of these consolidated Financial Statements, Grupo Albanesi had a total installed capacity of 1,404 MW, it being expanded with additional 356 MW with all the new projects awarded.

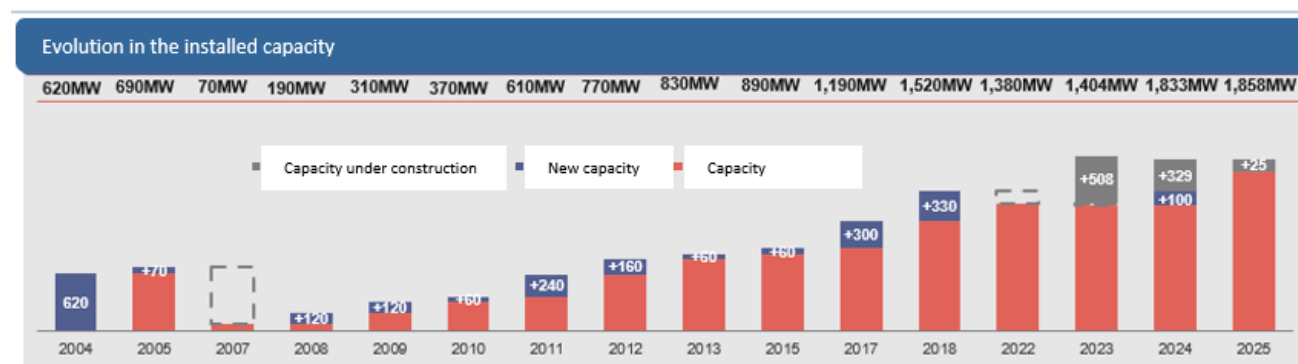
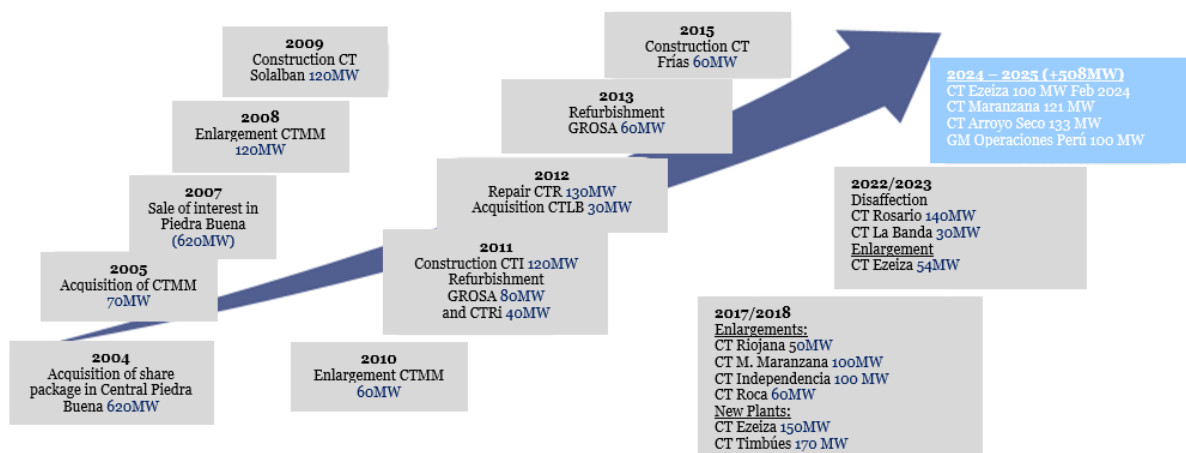
Generación Mediterránea S.A.

Notes to the Consolidated Financial Statements (Cont'd)

NOTE 1: GENERAL INFORMATION (Cont'd)

Plants	Company	Nominal installed capacity	Resolution	Location
Central Térmica Modesto Maranzana (CTMM) 1281/06 and 869/2023	GMSA	350 MW	ES Resolutions Nos. 220/07,	Río Cuarto, Córdoba
Central Térmica Independencia (CTI)	GMSA	220 MW	ES No. 220/07, 1281/06 Plus, 21/16 and 869/2023	San Miguel de Tucumán, Tucumán
Central Térmica Frías (CTF)	GMSA	60 MW	ES No. 220/07 and ES No. 869/2023	Frías, Santiago del Estero
Central Térmica Riojana (CTRi)	GMSA	90 MW	ES No. 220/07 and ES No. 869/2023	La Rioja, La Rioja
Central Térmica Ezeiza (CTE)	GMSA	204 MW	SEE No. 21/16	Ezeiza, Buenos Aires
Total nominal installed capacity (GMSA)		924 MW		
Central Térmica Roca (CTR)	CTR	190 MW	ES No. 220/07 and ES No. 869/2023	Gral Roca, Río Negro
Solalban Energía S.A.		120 MW	No. 1281/06 Energía Plus	Bahía Blanca, Buenos Aires
Total nominal installed capacity (GMSA interest)		310 MW		
Central Térmica Cogeneración Timbúes	AESA	170 MW	SEE No. 21/16	Timbúes, Santa Fe
Total nominal installed capacity Grupo Albanesi		1,404 MW		

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



Generación Mediterránea S.A.

Notes to the Consolidated Financial Statements (Cont'd)

NOTE 1: GENERAL INFORMATION (Cont'd)

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

GMSA participated in that call and was awarded two projects for closure of combined cycles through EES Resolution No. 926 – E/2017. GECEN participated in that call and was awarded a co-generation project through EES Resolution No. 820 – E/2017.

Project for closure of cycle Ezeiza

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

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

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

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

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

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 1: GENERAL INFORMATION (Cont'd)

Project for closure of cycle Ezeiza

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

On July 1, 2021, an agreement was executed with Sociedad Argentina de Construcción y Desarrollo Estratégico S.A. for the project of the CTE Closure of Cycle. The project includes the review of engineering, management of project's supplies and procurement, execution of civil and electromechanical works to install the main generation equipment and associated systems. The Company will rely on its own organization system to control the construction, supplies, progress of works and their certification. The pricing method is mixed: unit prices for equipment supplies and civil works, fixed amount for the rest. Execution term is 28 months (See Note 40).

The agreement includes a performance bond for 15% on the total agreement amount, formalized as a bond insurance. The agreement states daily progressive penalties in the case of noncompliance with the term, with a cap of up to 10% of the value and daily rewards for accelerating the dispatch date up to a limit of USD 2,0 million. It also includes a bonus for project completion of USD 1,5 million.

On July 16, 2021, the Company issued Class XV and XVI Negotiable Obligations for a total amount equivalent to USD 130 million; the proceeds shall be allocated exclusively to investments necessary for the start-up of the CTE enlargement during 2023 (see Note 18).

On January 27, 2022, the Energy Secretariat through Resolution No. 39/2022, required generating agents that have executed Wholesale Demand Agreements (CdD) under the framework of ES Resolution No. 287/2017 and which have not obtained commercial authorization prior to the New Date Committed for Commercial Authorization (NFHCC) to set a New Committed Extended Date (NFCE) within a term of thirty calendar days from publication of this measure, which will be considered as the Committed Date for the purposes of the CdD.

The NFCE cannot exceed one thousand and eighty calendar days counted as from the NFHCC defined pursuant to ES Resolution No. 25/2019 considering the extensions granted due to COVID.

In addition, it was determined that projects whose owners have opted to set the NFCE shall be subject to the adjustment made to the Price for Power Availability, which decreases the greater the term selected up to a maximum of 1,080 days and a minimum of 17,444 USD/MW-month.

In case the full Commercial Authorization of Committed Machines be later than the NFCE, the penalties for noncompliance with Committed Date shall apply.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 1: GENERAL INFORMATION (Cont'd)

Project for closure of cycle Ezeiza

Finally, Resolution No 39/2022 establishes that owners of projects who were awarded bids and have no Commercial Authorization at the date of publication of this resolution may request before CAMMESA the termination of their CdD, subject to the payment of an amount equivalent to 17,500 USD/MW to be paid only once.

On June 9, 2022, the Company and CAMMESA entered into Addendum II to the wholesale demand agreement signed on December 14, 2017 and modified by an Addendum dated May 7, 2021, as provided for by EES Resolutions Nos. 287-E/2017 and 926-E/2017 and ES Resolution No. 39/2022. As set forth in Addendum II, the new committed extended date for commercial authorization of the project shall be November 7, 2023, with a price of 19,522 USD/MW-month.

On July 18, 2023, the Company filed a note with the ES requesting a 45-day term extension to comply with the committed date for commercial authorization. To date, the reply from the ES is pending. (See Note 45).

On December 8, 2023, the TG04 turbine obtained commercial authorization to operate with natural gas within the framework of Resolution No. 287/2017, as amended.

Project for closure of cycle Río IV

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

Regulatory aspects are identical to those described in the Ezeiza closure of cycle Project.

On May 23, 2022, the Company issued Class XVII, XVIII and XIX Negotiable Obligations for a total amount equivalent to USD 125,000,000; the proceeds shall be allocated exclusively to investments necessary for the start-up of the CTMM capacity expansion during 2024 (see Note 18).

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 1: GENERAL INFORMATION (Cont'd)

Project for closure of cycle Río IV (Cont'd)

On June 9, 2022, the Company and CAMMESA entered into Addendum II to the wholesale demand agreement signed on December 14, 2017 and amended by an Addendum dated May 7, 2021, as provided for by EES Resolutions Nos. 287-E/2017 and 926-E/2017 and ES Resolution No. 39/2022. As set forth in Addendum II, the new committed extended date under Resolution No. 39/2022 for commercial authorization of the project shall be June 15, 2024, with a price of 18,078 USD/MW-month.

Co-generation Project Arroyo Seco

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

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

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

Regulatory aspects are identical to those described in the Ezeiza closure of cycle Project.

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

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

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

Generación Mediterránea S.A.

Notes to the Consolidated Financial Statements (Cont'd)

NOTE 1: GENERAL INFORMATION (Cont'd)

Co-generation Project Arroyo Seco (Cont'd)

On June 8, 2022, the Company and CAMMESA entered into Addendum II to the wholesale demand agreement signed on November 28, 2017 and amended by an Addendum dated May 7, 2021, as provided for by EES Resolutions Nos. 287-E/2017 and 820-E/2017 and ES Resolution No. 39/2022. As set forth in Addendum II, the new committed extended date under Resolution No. 39/2022 for commercial authorization of the project shall be April 25, 2024, with a price of 17,444 USD/MW-month.

On January 23, 2023, the Company, GLSA and CAMMESA entered into Addendum III to the Wholesale Demand Agreement signed on November 28, 2017 and amended by Addenda I and II dated May 7, 2021 and June 8, 2022, as provided for by EES Resolutions Nos. 287-E/2017 and 820-E/2017 and ES Resolution No. 39/2022. As set forth in Addendum III, GMSA assigns the agreement to GLSA, which is also a company of Grupo Albanesi, and CAMMESA accepts such assignment to use a special purpose entity to obtain the necessary financing for the project construction under the modality "Project Finance".

Furthermore, on February 9, 2023, GMSA assigned its contractual rights to GLSA relating to: (i) the Steam and Electric Power Supply Agreement, (ii) the Usufruct Agreement, and (iii) the Master Agreement for Works in Planta General Lagos. On the same date, GLSA and LDC made amendments to the agreements mentioned in (i), (ii) and (iii) to formally agree that GLSA will become a party thereto, and to include supplementary terms and conditions relating to terms, penalties, guarantees and technical aspects of Arroyo Seco Project. Lastly, GLSA and LDC entered into: (i) a master agreement to buy and allocate green bonds that may be eventually generated by Arroyo Seco Project, and (ii) a loan for use agreement of a portion of LDC's land of 3.3248 hectares, so that GLSA may temporarily collect and store equipment and materials for Arroyo Seco Project.

On March 8 and June 7, 2023, GLSA issued Class I and Class III Negotiable Obligations and additional issuance for a total amount equivalent to USD 139,891; the proceeds shall be allocated exclusively to investments necessary for the start-up of the Arroyo Seco Project during 2024 (see Note 18).

The environment

The ISO 14001:2015 certification for the Environmental Management System of Grupo Albanesi is available based on implementation with a corporate scope, for the following companies: GROSA, CTR, AESA and GMSA, with their thermal power plants: CTMM, CTRi, CTI, CTLB, CTF, and CTE. Among these companies, it is important to mention:

- a) CTMM also has a Quality Management System certified under ISO standard 9001:2015 implemented in an integrated manner with its Environmental Management System.
- b) CTE obtained the ISO 45001:2018 certification on Occupational Safety and Health in December 2021.

Generación Mediterránea S.A.

Notes to the Consolidated Financial Statements (Cont'd)

NOTE 1: GENERAL INFORMATION (Cont'd)

The environment (Cont'd)

This type of environmental management, especially notable for its corporate character, allows working in a unified and coordinated manner at all work sites, applying the same criteria for determining the environmental aspects of the activity, significant assessments and the operational controls adopted in response to those matters.

Supported by standardized documentation and implemented within a work framework based on joint and cooperative performance between the parties, sustained growth has been achieved over time, subject to regular performance reviews and ongoing improvement processes.

In October 2022, a new external audit process was conducted by the IRAM, which resulted in the renewal of the certifications on Management Systems (Quality at CTMM and Environment at Group level in the electricity generation area) for another three-year period.

NOTE 2: REGULATORY ASPECTS RELATING TO ELECTRICITY GENERATION

The Group's revenue from electricity generation activity derives from sales to Large Users on the Forward Market, for surplus demand for energy (ES Resolution No. 1281/06); from sales to CAMMESA under ES Resolution No. 220/07, and sales under ES Resolution No. 21/16 and ES Resolution No. 869/2023. In addition, the excess electricity generated under the modalities of ES Resolutions No. 1281/ 06, 220/07 and 21/16 is sold on the Spot Market, in accordance with the regulations in force in the WEM administered by CAMMESA.

a) Energía Plus Regulations, ES Resolution No. 1281/06

This Resolution provides that the existing energy sold on the Spot Market has the following priorities:

- (1) Demand lower than 300 KW;
- (2) Demand over 300 KW, with agreements; and
- (3) Demand over 300 KW, without agreements.

It also establishes certain restrictions on the sale of electric power and implements the “Energía Plus” service, which allows generating agents to offer the available additional generation. They must fulfill the following requirements: (i) they must be WEM agents whose generating units shall have been authorized for commercial operation after September 5, 2006; and (ii) they must have fuel supply and transportation agreements.

The regulation establishes that:

- Large Users with demand over 300 KW (“GU300”) will be authorized to enter into an agreement for their demand of electricity in the forward market with the generating agents existing in the WEM at the moment, only for the electricity consumption in 2005 (“Basic Demand”).

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

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

a) Energía Plus Regulations, ES Resolution No. 1281/06 (Cont'd)

- The electricity consumed by GU300 above their Basic Demand must be hired with new generation (Energía Plus) at a price agreed upon by the parties with the *Energía Plus* generating agent.
- New Agents entering the system must contract 50% of their total demand under the Energía Plus service, under the same conditions as described above and may opt to supply 100% of its demand under the *Energía Plus* service.

At the date of these consolidated Financial Statements, almost all the nominal power of 142MW available is under agreement. The duration of these agreements is from 1 to 2 years.

GMSA units under Forward Market Contracts are TG03, TG04, and TG05 of Central Térmica Modesto Maranzana, and 15MW of TG01 and TG02 of Central Térmica Independencia.

b) WEM Supply Agreement (ES Resolution No. 220/07)

In January 2007, the ES issued Resolution No. 220, which authorized the execution of Supply Agreements between CAMMESA and the generating agents that would like to install new generation capacity and related energy. In this regard, the execution of Supply Agreements was foreseen as another way to generate incentives for the development of additional energy projects.

These Supply Agreements were entered into between generating agents and CAMMESA, with a duration of 10 years or a shorter term that may exceptionally be established. The valuable consideration for availability of generation and the related electricity was established in each agreement based on the costs accepted by the ES. In addition, agreements also establish that the machines and power plants used to cover the Supply Agreements will generate energy as they are dispatched by CAMMESA and they will be remunerated for the power as long as the machines are available, irrespective of the associated electric power generation.

Sales under this modality are denominated in US dollars and are paid by CAMMESA and the generated surplus is sold to the Spot Market, pursuant to regulations in effect in the WEM administered by CAMMESA.

GMSA entered into various Wholesale Electric Market (WEM) supply agreements with CAMMESA: for CTMM it agreed a power of 45 MW for TG5, for a term of 10 years counted as from October 2010, and 89.9 MW for TG6 and 7 and a duration of 10 years counted as from July 2017; for CTI it agreed a power of 100 MW and a duration of 10 years counted as from November 2011; for CTF it agreed a power of 55.5 MW and a duration of 10 years counted as from December 2015, and for CTRi it agreed a power of 42 MW and a duration of 10 years counted as from May 2017.

The agreement for unit TG05 of Central Térmica Modesto Maranzana expired In October 2020, and the agreement for units TG01 and TG02 of Central Térmica Independencia expired in November 2021.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

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

b) WEM Supply Agreement (ES Resolution No. 220/07) (Cont'd)

Further, CTR and CAMMESA entered into a WEM supply agreement for 116.7 MW, for a term of 10 years counted as from June 2012. On October 14, 2015, a new WEM supply agreement for 53.59 MW was signed with CAMMESA for a term of 10 years counted as from the date of authorization for commercial operation of the agreed upon turbine. The latter agreement will be supported by the conversion of the gas turbine into a combined cycle. The TV01 agreement began on August 4, 2018, starting from the conversion of the current gas turbine generator into a combined cycle. To this end, equipment was installed, so that the exhaust fume recovery of the existing gas turbine generates an amount of steam such that when expanded through a steam turbine, additional power of up to 60 MW may be generated.

The Wholesale Demand Agreement (ES Resolution No. 220/07) for TG01 unit of CT Roca terminated on June 18, 2022, thus being considered fundamental machinery.

The effective agreements set forth a remuneration made up of 5 components:

- i) a fixed charge for hired power, affected by monthly average availability; the remunerated price is:

Power plants	Fixed charge for power hired	Hired power
	USD/MW-month	MW
CTF	USD 19,272	55.5
CTMM TG 6 and 7	USD 15,930	89.9
CTRi TG 24	USD 16,790	42
CTR TV01	USD 31,916	53.59

- ii) the fixed charge recognizes transportation costs plus other costs inherent to the generating agents;
- iii) the variable charge associated with the energy effectively prescribed under the agreement and which purpose is to remunerate the operation and maintenance of the Plant;

Power plants	Variable charge in USD/MWh	
	Gas	Diesel
CTF	USD 10.83	USD 11.63
CTMM TG 6 and 7	USD 8.00	USD 10.50
CTRi TG 24	USD 11.44	USD 15.34
CTR TV01	USD 5.38	USD 5.38

- iv) a variable charge for repayment of fuel costs, all of them at reference price; and
- v) a discount for penalties. These penalties are applied to the hours in which 92% of the agreed upon power has not been reached and are valued on a daily basis and according to the operating condition of the machine and the market situation.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

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

c) Sales under EES Resolution No. 21/2016

Through ES Resolution No. 21/2016 dated March 22, 2016 interested generating, co-generating and self-generating agents are called for to offer new thermal generation capacity and associated energy production, with the commitment to be available at WEM during the summer periods of (2016/2017 and 2017/2018) and for the winter season of 2017.

Through ES Note No. 161/2016 the Energy Secretariat made public the bidding process whereby 1000 MW of thermoelectric power was expected to be installed. Power to be installed should arise from new generation projects. Bids could not commit, at each connection point proposed, a generation capacity lower than 40 MW total and, in turn, the net power of each generating unit forming the offer for location may not be lower than 10 MW. Equipment committed in the offers should have dual capacity of fuel consumption to operate interchangeably and specific consumption should not exceed 2,500 kilocalories per kWh.

Finally, through ES Resolution No. 155/2016 the first projects awarded by ES Resolution No. 21/2016 were reported among which were CTE and the enlargement of CTI.

These Supply Agreements were entered into between generating agents and CAMMESA for a term of 10 years. The valuable consideration for availability of power and energy generated was established in each agreement based on the bids made by the generators and awarded by the ES. Sales under this modality are denominated in US dollars and paid by CAMMESA.

The agreements set forth a remuneration made up of 5 components:

- i) a fixed charge for hired power, affected by monthly average availability; the remunerated price is:

Power plants	Fixed charge for power hired	Hired power
	USD/MW-month	MW
CTE TG 2 and 3	USD 21,900	93
CTE TG 1	USD 20,440	46
CTI TG 3	USD 21,900	46
CTI TG 4	USD 20,440	46

- ii) the fixed charge recognizes transportation costs plus other costs inherent to the generating agents;
 iii) the variable charge associated with the energy effectively prescribed under the agreement and which purpose is to remunerate the operation and maintenance of the Plant;

Power plants	Variable charge in USD/MWh	
	Gas	Diesel
CTE TG 1, 2 and 3	USD 8.50	USD 10.00
CTI TG 3 and 4	USD 8.50	USD 10.00

- iv) a variable charge for repayment of fuel costs, all of them at reference price; and
 v) a discount for penalties. These penalties are applied to the hours in which the agreed upon power has not been reached and are valued on a daily basis and according to the operating condition of the machine and the market situation.

Generación Mediterránea S.A.

Notes to the Consolidated Financial Statements (Cont'd)

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

d) Sales under ES Resolutions Nos. 750/ 2023 and 869/2023

ES Resolutions Nos. 750/2021 and 869/2023 were published with the aim of adjusting the remuneration for the generation not committed under any kind of agreements for transactions as from August and November 2023, respectively.

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

On October 27, 2023, the Energy Secretariat of the Ministry of Economy published Resolution 869/2023 setting forth that, in order to secure the reliability and sustainability of the Wholesale Electric Market (WEM) and the Wholesale Electric Market of Tierra del Fuego (WEMTF), remunerations for the economic transactions conducted as from November 2023 must be increased by 28%, to be rendered economically reasonable and efficient.

1. Power prices:

a. Base Power (for those generators not guaranteeing any availability)

Technology/Scale	ES Resolution No. 826/2022 (202209)	ES Resolution No. 826/2022 (202212)	ES Resolution No. 826/2022 (202302)	ES Resolution No. 826/2022 (202308)	ES Resolution No. 750/2023 (202309)	ES Resolution No. 869/2023 (202311)
	Base Power Price	Base Power Price	Base Power Price	Base Power Price	Base Power Price	Base Power Price
	[ARS/MW-month]	[ARS/MW-month]	[ARS/MW-month]	[ARS/MW-month]	[ARS/MW-month]	[ARS/MW-month]
CC large P>150 MW	222,804	245,084	306,356	392,135	482,326	617,377
CC small P≤150 MW	248,370	273,207	341,509	437,131	537,672	688,220
TV large P>100 MW	317,768	349,545	436,932	559,272	687,906	880,520
TV small P≤100 MW	379,861	417,847	522,309	668,555	822,323	1,052,573
TG large P>50 MW	259,328	285,261	356,577	456,418	561,394	718,586
TG small P≤50MW	336,030	369,633	462,041	591,413	727,439	931,122
Internal combustion engines >42 MW	379,861	417,847	522,309	668,556	822,323	1,052,573
CC small P≤15 MW	451,583	496,741	620,926	794,786	977,586	
TV small P≤15 MW	690,655	759,721	949,651	1,215,553	1,495,130	
TG small P≤15MW	610,964	672,061	840,076	1,075,297	1,322,616	
Internal combustion engines ≤42 MW	690,655	759,721	949,651	1,215,553		

b. DIGO Guaranteed Power

Period	ES Resolution No. 826/2022 (202209)	ES Resolution No. 826/2022 (202212)	ES Resolution No. 826/2022 (202302)	ES Resolution No. 826/2022 (202308)	ES Resolution No. 750/2023 (202309)	ES Resolution No. 869/2023 (202311)
	Base Power Price	Base Power Price	Base Power Price	Base Power Price	Base Power Price	Base Power Price
	[ARS/MW-month]	[ARS/MW-month]	[ARS/MW-month]	[ARS/MW-month]	[ARS/MW-month]	[ARS/MW-month]
Summer: December-January-February	796,910	876,601	1,095,752	1,402,562	1,725,152	2,208,193
Winter: June-July-August	796,910	876,601	1,095,752	1,402,562	1,725,152	2,208,193
March-April-May-September-October-November	597,683	657,451	821,814	1,051,922	1,293,864	1,656,146

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

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

d) Sales under ES Resolutions Nos. 750/ 2023 and 869/2023 (Cont'd)

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

2. Energy prices

a. Operation and maintenance

Technology/Scale	Natural gas for September, 2023	Natural gas as from November 2023	Fuel Oil/Gas Oil for September 2023	Fuel Oil/Gas Oil as from September 2023
	\$/MWh	\$/MWh	\$/MWh	\$/MWh
CC large P>150 MW	1,151	1,473	2,014	2,578
CC small P≤150 MW	1,151	1,473	2,014	2,578
TV large P>100 MW	1,151	1,473	2,014	2,578
TV small P≤100 MW	1,151	1,473	2,014	2,578
TG large P>50 MW	1,151	1,473	2,014	2,578
TG small P≤50MW	1,151	1,473	2,014	2,578
Internal combustion engines	1,151	1,473	2,014	2,578

ES Resolution No. 59/2023

ES Resolution No. 59/2023 was published on February 7, 2023. By means of this resolution, the ES enables Generating Agents who own combined cycle power plants but have entered into no electric energy supply agreements to sign a Power Availability and Efficiency Improvement Agreement with CAMMESA for the purpose of encouraging the necessary investments in Major and Minor Maintenance of the machines. Any combined cycle plant who adheres to this agreement must declare a committed availability of 85% of the net power, for a term that may not exceed 5 years.

The committed power of the unit will be remunerated with USD 2,000/MW-month, payable in its equivalent in Argentine pesos, provided that the monthly average availability is greater than or equal to 85% of the net power of each committed machine. In case the average power is lower than 55%, the remuneration will be 30% of the price set in the month of operation.

In addition to the above remuneration, the same generating unit will receive 65% of the price set for the Offered Guaranteed Availability (DIGO) in December, January, February, June, July and August and 85% of the price for the Offered Guaranteed Availability (DIGO) in March, April, May, September, October and November. The energy generated will be remunerated based on the energy price agreement in dollars per Megawatt-hour payable in its equivalent in pesos:

Power generated using natural gas: 3.5

USD/MWh Power generated using gas oil: 6.1

USD/MWh.

On March 30, 2023 CTR filed with CAMMESA a letter of adherence to this new Resolution.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

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

ES Resolution No. 147/2023

The Energy Secretariat, through Resolution No. 147/23 dated March 13, 2023, authorized that the units LBANTG21 and LBANTG22, belonging to CTLB, be disconnected from the WEM as from March 1, 2023, the final deadline being November 1, 2023. On March 21, 2023, CAMMESA was informed that the date when the units are to be released is September 30, 2023.

ES Resolution No. 280/2023

On April 25, 2023, by means of Resolution No. 280/23, the Energy Secretariat authorized GMSA to operate as self-generator agent of the WEM through the CTMM self-generator plant, located in Río Cuarto, province of Córdoba, which comprises generation units MMARCC01 and MMARCC02, with a total power of 70 MW, connecting to SADI at the level of 132 kV at Maranzana Transforming Plant, in the jurisdiction of EPEC.

NOTE 3: BASIS FOR PRESENTATION

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

The fiscal year commences on January 1 and ends December 31 of each year. Economic and financial results are presented on the basis of the fiscal year.

The Company's functional currency, i.e. the currency of the primary economic environment in which the entity operates, is the US dollar.

These consolidated Financial Statements are stated in thousands of US dollars without cents, as are notes, except for net earnings per share.

The preparation of these consolidated Financial Statements in accordance with IFRS requires making estimates and assessments that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of issue of these consolidated financial statements, as well as the income and expenses recorded in the fiscal year. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the Financial Statements are disclosed in Note 6.

These consolidated Financial Statements were approved for issuance by the Company's Board of Directors on March 12, 2024.

Generación Mediterránea S.A.

Notes to the Consolidated Financial Statements (Cont'd)

NOTE 3: BASIS FOR PRESENTATION (Cont'd)

Purpose of these consolidated Financial Statements

These non-statutory consolidated Financial Statements are presented in US dollars (USD), which is the Company's functional currency, and prepared mainly for the purpose of their use by non-Argentine holders of Company Negotiable Obligations and foreign financial entities.

Comparative information

Balances at December 31, 2022, disclosed in these consolidated Financial Statements for comparative purposes, arise from financial statements at those dates.

Certain reclassifications have been included in the financial statement figures presented for comparative purposes to conform them to the current year presentation.

Inflation adjustment for tax purposes

To determine the net taxable income, an adjustment for inflation computed according to Sections 105 to 108 of Income Tax Law must be deducted from or added to the tax result of the fiscal period being calculated. This will be applicable in the fiscal year in which the variation percentage of the Consumer Price Index (CPI) accumulated over the 36 months prior to the year end is higher than 100%. These provisions are applicable for fiscal years commencing on or after January 1, 2018.

The Company estimated that at December 31, 2023, the CPI variation will exceed the index mentioned in the paragraph above; accordingly, the Company included this adjustment in the determination of the taxable income for the current year.

Going concern principle

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

NOTE 4: ACCOUNTING POLICIES

The main accounting policies used in the preparation of these consolidated Financial Statements are explained below.

4.1 Amendments to interpretation and standards

4.1.1 New accounting standards, amendments, and interpretations issued by the IASB effective at December 31, 2023 adopted by the Group

- IFRS 17 Insurance Contracts. This standard replaced IFRS 4, which allowed a wide variety of practices of accounting for insurance contracts. IFRS 17 introduces a fundamental change to existing insurance accounting practices for all entities that issue insurance contracts.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 4: ACCOUNTING POLICIES (Cont'd)

4.1 Amendments to interpretations and standards (Cont'd)

4.1.1 New accounting standards, amendments, and interpretations issued by the International Accounting Standards Board (IASB) effective at December 31, 2023 adopted by the Group (Cont'd)

- Narrow-scope amendments to IAS 1. Practice Statement 2 and IAS 8. The amendments aim to improve accounting policy disclosures and help financial statement users to distinguish between accounting policies and accounting estimates.

- Amendments to IAS 12 - Deferred taxes related to assets and liabilities arising from a single transaction. These amendments require companies to recognize deferred taxes on those transactions which, at initial recognition, give rise to equal temporary taxable and deductible differences.

- Amendments to IAS 12 - International tax reform. These amendments aim to provide a temporary exception to the accounting for deferred taxes arising from the implementation of the international tax reform of the Minimum Tax Implementation Handbook. The amendments also introduce disclosure requirements for affected companies.

The application of the detailed standards and/or amendments did not generate any impact on the results of the Group's operations or its financial position.

4.1.2 New published standards, modifications, and interpretations that have not yet entered into force and have not been early adopted by the Group

- Amendments to IFRS 16 - Sale and Leaseback Transactions Amended in September 2022. These amendments include the requirements for sale and leaseback transactions to explain how an entity recognizes a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all lease payments are variable and do not depend on an index or rate are more likely to be affected. Amendments are applicable for annual reporting periods beginning on or after January 1, 2024. The Company estimates that the application thereof will not have a significant impact on the results of operations or the financial position of the Company.

- Amendments to IAS 1 Non-Current Liabilities with Covenants Amended in January 2020 and November 2022 These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve the information an entity provides in connection with liabilities subject to covenants. Amendments are applicable for annual reporting periods beginning on or after January 1, 2024. The Company estimates that the application thereof will not have a significant impact on the results of operations or the financial position of the Company.

Generación Mediterránea S.A.

Notes to the Consolidated Financial Statements (Cont'd)

NOTE 4: ACCOUNTING POLICIES (Cont'd)

4.1 Amendments to interpretations and standards (Cont'd)

4.1.2 New published standards, modifications, and interpretations that have not yet entered into force and have not been early adopted by the Group (Cont'd)

- Amendments to IAS 7 and IFRS 7 on supplier financing agreements. Amended in May 2023. These amendments contain disclosure requirements to enhance the transparency of supplier financial arrangements and their effects on a company's liabilities, cash flows, and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier financing arrangements are not sufficiently visible, hindering investors' analysis. Amendments are applicable for annual reporting periods beginning on or after January 1, 2024 (with transitory exemptions in the first year). The Company estimates that the application thereof will not have a significant impact on the results of operations or the financial position of the Company.

- Amendments to IAS 21 - Lack of Exchangeability. Amended in August 2023. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations. Amendments are applicable for annual reporting periods beginning on or after January 1, 2025. The Company is currently assessing the possible effects of their application.

4.2 Consolidation

The financial statements include the Company's and its subsidiaries' financial statements. Subsidiaries are all entities over which the Company exerts control, generally accompanied by an interest of more than 50% of available voting rights. The Company controls an entity when the entity is exposed or has the right to variable returns for its involvement in the entity and has the ability to affect those returns by exercising its power over the entity. In determining whether the Company controls an entity, the existence and the effect of possible exercisable or convertible voting rights are considered.

The Company also evaluates the existence of control when it does not hold more than 50% of the voting rights but it may direct the operating and financial policies through a factual control. Factual control may exist in circumstances where the relative size of the group's voting rights in relation to the number and dispersion of the other shareholders gives the Group the power to direct the operating and financial policies, etc. Subsidiaries are consolidated as from the date when control is transferred to the Group and are excluded when such control ceases.

The main consolidation adjustments are as follows:

- i. Elimination of reciprocal balances for asset and liability accounts between the Group companies, such that the financial statements only disclose the balances held with third parties and uncontrolled related parties;
- ii. Elimination of intercompany transactions, such that the financial statements only disclose those transactions carried out with third parties and uncontrolled related parties;

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 4: ACCOUNTING POLICIES (Cont'd)

4.2 Consolidation (Cont'd)

- iii. Elimination of the equity interests and results for each fiscal year of the subsidiaries as a whole.

The accounting policies of the subsidiaries have been amended, where applicable, to ensure consistency with the accounting policies adopted by the Company.

GMSA performs its business activities through several subsidiaries. Unless otherwise provided, the subsidiaries detailed below have a share capital made up of ordinary shares only, which are directly in the possession of the Group, and the proportion of shares held is equal to the Group's voting rights. The country of incorporation or registration is also their principal place of business. Below is a detail of subsidiaries.

Companies	Country of incorporation	Main activity	Participation %	
			12/31/2023	12/31/2022
CTR	Argentina	Electric power generation	75%	75%
GLSA	Argentina	Electric power generation	95%	95%
GROSA	Argentina	Electric power generation	95%	95%
Solalban Energía S.A.	Argentina	Electric power generation	42%	42%
GM Operaciones S.A.C.	Peru	Electric power generation	50%	50%

4.3 Revenue recognition

a) Sale of energy

Revenue from contracts with CAMMESA (ES Resolution No. 220/07, EES Resolution No. 21/16)

The Company recognizes revenue from supply agreements with CAMMESA for:

- i) power availability, if any, on a monthly basis, provided that the different power plants are available for generation, and
- ii) energy generated when there is an effective delivery of energy, based on the price set in each agreement.

Revenue is not adjusted due to the effects of financing components as sales are performed in an average term of 45 days, which is in line with market practice.

Revenue from Forward Market Contracts

The Company recognized revenue from the sale of *Energía Plus* with the effective delivery of energy at the price set in each agreement.

Revenue is not adjusted due to the effects of financing components as sales are performed in an average term of 30 days, which is in line with market practice.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 4: ACCOUNTING POLICIES (Cont'd)

4.3 Revenue recognition (Cont'd)

a) Sale of energy (Cont'd)

Revenue from the sale of energy in the Spot Market

The Company recognizes revenue from:

- i) power availability, if any, on a monthly basis, provided that the different power plants are available for generation,
- ii) power generated in the hours of maximum technical requirement in the month, and
- iii) generated and operated energy when there is effective delivery of energy, based on the applicable price according to the technology of each power plant, and from the application of the coefficient derived from the average use factor of the latest 12-month period on the power remuneration indicated in the resolution.

Revenue is not adjusted due to the effects of financing components as sales are performed in an average term of 45 days, which is in line with market practice.

b) Sale of services

Sale of services is recognized in the period they are rendered, based on the degree of completion.

c) Other revenue - Interest income

Interest income is recognized applying the effective interest rate method. This income is registered on a temporary basis, considering outstanding principal and the effective tax rate.

Such income is recognized when it is likely that the entity will receive the economic benefits associated with the transaction and the transaction amount can be measured reliably.

4.4 Effects of the foreign exchange rate fluctuations

a) Functional and presentation currency

The information included in the consolidated Financial Statements is recorded in US dollars, which is the Company's functional currency, i.e. the currency of the primary economic environment in which the entity operates.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 4: ACCOUNTING POLICIES (Cont'd)

4.4 Effects of the foreign exchange rate fluctuations (Cont'd)

b) Foreign currency balances and transactions

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

c) Translation to Group companies presentation currency

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

The results and financial position of the Company, its subsidiaries and associates with the US dollar as functional currency are translated to presentation currency at the end of each period, as follows:

- assets and liabilities are translated at the closing exchange rates;
- results are translated at the exchange rates of the transactions;
- translation gain/(loss) from functional currency to presentation currency are recorded under Other comprehensive income/(loss).

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

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

The Company classifies and directly accumulates the translation differences (at the beginning and for the year) in the Retained earnings/accumulated losses account, within equity of the Company and its subsidiaries, joint ventures and associates with the US dollar as functional currency.

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

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

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 4: ACCOUNTING POLICIES (Cont'd)

4.5 Property, plant and equipment

In general, property, plant and equipment, excluding land, buildings, facilities, and machinery and turbines are recognized at cost net of accumulated depreciation and/or accumulated impairment losses, if any.

Depreciation of property, plant and equipment begins when available for use. Repair and maintenance expenses of property, plant and equipment are recognized in the Statement of Comprehensive Income during the financial year in which they are incurred.

Works in progress are valued based on the degree of progress. Works in progress are stated at cost less impairment losses, if any. Depreciation of these assets begins when they are available for use.

The Company measures buildings, facilities, machinery and turbines at fair value less accumulated depreciation and impairment losses recognized at the date of revaluation, if any. Land is measured at fair value and is not depreciated. Revaluations are made frequently enough to ensure that the fair value of a revalued asset does not differ significantly from its carrying amount.

On December 31, 2023, the Group has not revalued land, buildings, facilities, and machinery, for there have not been important changes in the fair values of those assets caused by macroeconomic fluctuations.

To determine the fair value, the Group uses the income approach which consists of valuation techniques that convert future amounts (e.g. cash flows or income and expenses) into a single present value (i.e., discounted). Fair value measurement is determined based on the value indicated by current market expectations of those future amounts. The Group considers that the income approach more reliably reflects the true value of these assets.

The appraiser used a valuation method based on a discounted cash flow model, in view of the absence of comparable market information due to the nature of those assets, that is, a combination of Level 3 inputs has been used.

The participation of external appraisers is decided by the Board of Directors. The criteria for the selection of appraisers include attributes, such as market knowledge, reputation, independence and whether they meet professional standards.

Fair value was determined using the income approach, which reflects current market expectations of those future amounts. This means that the revalued amounts are based on present value techniques which convert future income amounts into a single present value, that is, discounted.

In measuring the facilities and machinery according to the fair value revaluation model, the present value technique was used, as this technique better allows to capture attributes of the use of the asset and the existing synergies with the rest of the Group's assets and liabilities.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 4: ACCOUNTING POLICIES (Cont'd)

Property, plant and equipment (Cont'd)

If an asset's carrying amount is increased as a result of a revaluation, the increase shall be recognized in Other comprehensive income/(loss) and accumulated in equity under the heading of Revaluation surplus. However, the increase shall be recognized in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss. If an asset's carrying amount is decreased as a result of a revaluation, the decrease shall be recognized in profit or loss. However, the decrease shall be recognized in Other comprehensive income/(loss) to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

At the time of sale of the revalued assets, any revaluation surplus related to this asset is transferred to retained earnings. However, a portion of the revaluation reserve will be transferred to retained earnings as the asset is used by the company. In such a case, the amount of the surplus transferred would be the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost.

According to IAS 23 Borrowing Costs, financial costs must be capitalized in the cost of an asset when it is in the process of production, construction, assembly or finishing, and those processes are not interrupted due to their long-term nature; the term for production, construction, assembly or finishing does not exceed the period technically required; the activities needed for the asset to be ready for its intended use or sale are not substantially complete; and the asset is not in condition to be used in the production of other assets or placed into service, according to the purpose of its production, construction, assembly or finishing. The financial costs capitalized in the carrying value of property, plant and equipment amounted to USD 204,539 and USD 102,293 in the years ended December 31, 2023 and 2022, respectively. The average capitalization rate used for fiscal year 2023 and 2022 was 18.19% and 30.23%, respectively.

Subsequently to initial recognition, costs are included in the carrying amount of that asset or recognized as a separate asset, as applicable, only when it is probable that the future economic benefits associated to those assets will flow to the Company and their cost can be determined reliably. In the case of replacements, the carrying amounts of the replaced part is derecognized from accounting. Other repair and maintenance costs are recognized as an expense in the period in which they are incurred.

If all types of property, plant and equipment had been measured using the cost model, the carrying amounts would have been the following:

	12/31/2023	12/31/2022
Cost	1,381,883	1,159,141
Accumulated depreciation	(236,902)	(195,403)
Residual value	1,144,981	963,738

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 4: ACCOUNTING POLICIES (Cont'd)

4.6 Investments in associates and other companies

Investments in associates

Associates are all entities over which GMSA has a significant influence but no control, generally represented by a 20-50% holding of the voting rights of the entity. Investments in associates are accounted for using the equity value method. According to this method, the investment is initially recognized at cost, and the carrying value increases or decreases to recognize the investor's interest on the income/loss of the associate after the acquisition date.

Investments in other companies

All the investments in equity instruments are measured at fair value through profit or loss. The fair value of the unlisted ordinary shares of TJSM and TMB was estimated using a model of discounted cash flows.

4.7 Impairment of non-financial assets

For assets subject to depreciation, an impairment test is performed whenever facts or circumstances suggest that the carrying amount may not be recoverable. An impairment loss is recognized for the amount in which the carrying amount of the asset exceeds its recoverable amount. The value in use is the total amount of the net discounted cash flows expected to be derived from the use of the assets and from their eventual disposal. To this purpose, the assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the asset are considered, among other elements. The recoverable amount of an asset is the higher of the fair value less costs to sell or value in use. To assess impairment losses, assets are grouped at the lowest level for which cash flows can be identified separately (cash-generating units).

The possible reversal of impairment losses of non-financial assets is reviewed at every date that financial information is presented.

At December 31, 2023, the Group has concluded that the carrying amount of land, real property, facilities, machinery and turbines does not exceed its recoverable value.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 4: ACCOUNTING POLICIES (Cont'd)

4.8 Financial assets

4.8.1 Classification

The Group classifies its financial assets in the following categories: assets subsequently measured at fair value and assets measured at amortized cost. This classification depends on whether the financial asset is an investment in a debt or equity instrument. For the asset to be measured at amortized cost, the two conditions described below must be fulfilled. The remaining financial assets are measured at fair value. IFRS 9 - Financial Instruments, requires that all the investments in equity instruments are measured at fair value.

a) Financial assets at amortized cost

Financial assets are measured at amortized cost if the following conditions are met:

- the business model of the Company is aimed at keeping the assets to obtain contractual cash flows;
- contractual conditions give rise on specified dates to cash flows that are only payments of the principal and interest on the outstanding principal amount.

b) Financial assets at fair value

If any of the conditions above is not fulfilled, financial assets are measured at fair value through profit or loss.

All the investments in equity instruments are measured at fair value. The Company may irrevocably opt at initial recognition of investments not held for trading to disclose the changes in fair value under Other comprehensive income/(loss). The Company has decided to recognize the changes in fair value in income/(loss).

4.8.2 Recognition and measurement

Regular purchases and sales of financial assets are recognized on the trade date, when the Company undertakes to purchase or sell the asset. Financial assets are de-recognized when the rights to receive cash flows from investments have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Financial assets are initially recognized at fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs directly attributable to the purchase of those financial assets.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 4: ACCOUNTING POLICIES (Cont'd)

4.8 Financial assets (Cont'd)

4.8.3 Impairment of financial assets

Financial assets at amortized cost

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets may have suffered impairment losses. A financial asset or a group of financial assets is impaired, and an impairment loss is incurred if, and only if, there is objective evidence of the impairment of value as a result of one or more events that have occurred after the initial recognition of the asset, and such an event (or events) causing the loss has (have) an impact on the estimated future cash flows from the financial asset or group of financial assets, which may be reliably estimated.

The Group uses the following criteria for determining whether there is objective evidence of an impairment loss:

- significant financial difficulties of the debtor;
- breach of contractual clauses, such as late payment of interest or principal;
- and probability that the debtor will enter into bankruptcy or other financial reorganization.

The amount of the impairment is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred), discounted using the original effective interest rate. The carrying amount of the asset is reduced and the amount of the impairment loss is recognized in the statement of comprehensive income. If the financial asset bears a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate under the agreement. As a useful measure, the Group may calculate the value of impairment based on the fair value of the financial asset using an observable market price.

If in future fiscal years the amount of the impairment loss declines and that decline may be objectively associated with an event subsequent to the recognition of impairment (such as the improvement in a debtor's credit rating), the reversal of the impairment loss previously recorded is recognized in the statement of comprehensive income.

4.8.4 Offsetting of financial instruments

Financial assets and liabilities are offset, and presented net on the statement of financial position, when there is a legally enforceable right to offset the recognized amounts, and an intention to settle the net amount, or to simultaneously realize the asset and settle the liability.

4.9 Inventories

Inventories are valued at the lower of acquisition cost or net realizable value.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 4: ACCOUNTING POLICIES (Cont'd)

4.9 Inventories (Cont'd)

Since inventories of the Group are not for sale, their value is calculated based on the purchase price, import duties (if any) and other taxes (non-refundable taxes by the tax authorities), transportation, storage and other costs directly attributable to the purchase of those assets. Cost is determined applying the weighted average cost method.

The Group classified inventories into current and non-current depending on their final allocation+ and the term during which they are expected to be used, whether for maintenance or improvement of present assets. The non-current portion of materials and spare parts is disclosed under Property, plant and equipment. The value of inventories as a whole does not exceed their recoverable value at the end of each fiscal year.

4.10 Trade and other receivables

Trade receivables are amounts due from customers for business sales made by the Company in the ordinary course of business. If collection is expected within one year or less, receivables are classified under current assets. Otherwise, they are classified as non-current assets.

Trade and other receivables are initially recognized at fair value and subsequently measured at amortized cost, using the effective interest rate method and, where appropriate, adjusted at the time value of money.

The Group sets up bad debt allowances when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables, based on an individual analysis of historical performance of accounts receivable to assess the recoverability of the credit portfolio.

To measure expected credit losses, credits have been grouped by segment and, based on shared credit risk characteristics and the number of days past due.

Expected losses at December 31, 2023 were determined based on the following ratios calculated for the numbers of days past due:

RATIO PCE	Not yet due	30 days	60 days	90 days	120 days	150 days	180 days	+180 days
CAMMESA	-	-	-	-	-	-	-	-
Interco	-	-	-	-	-	-	-	-
Other debtors	-	-	-	-	-	-	-	48%

Trade receivables are written off when there is no reasonable expectation of their recovery. The Company understands that the following are signs of non-compliance: i) reorganization proceedings, bankruptcy or commencement of litigation, ii) insolvency that implies a high degree of impossibility of collection and iii) balances in arrears for more than 180 business days from the first expiration date of the invoice.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 4: ACCOUNTING POLICIES (Cont'd)

4.10 Trade and other receivables (Cont'd)

In addition, and in the event of similar and/or exception situations, the Company's management may redefine the amounts for setting up provisions to support and justify the criteria adopted.

For the application of the expected loss model as regards trade receivables, no impairment allowance adjustment has been made at January 1, 2023 as against the allowance recorded at December 31, 2022. Further, in the year 2023, no impairment allowance has been set up.

At December 31, 2023, the Company has set up a provision of USD 3 for trade receivables.

4.11 Advances to suppliers

The Group has adopted as accounting policy to disclose advances to suppliers under Other current receivables, until the assets are received.

At December 31, 2023, the Company recorded an advance to suppliers balance of USD 20,323.

4.12 Cash and cash equivalents

Cash and cash equivalents include cash on hand, sight deposits in banks and other short-term highly liquid investments originally falling due within three months or less and subject to low material risk of changes in value. Bank overdrafts, if any, are disclosed under Cash and cash equivalents in the Statements of Cash Flows since they are part of the Group's cash management.

4.13 Trade and other payables

Trade payables are obligations to pay for goods or services acquired from suppliers in the ordinary course of business. Trade payables are classified as Current liabilities if payments fall due within one year or less. Otherwise, they are classified as Non-current liabilities.

Trade and other payables are initially recognized at fair value and subsequently measured at amortized cost applying the effective interest rate method.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 4: ACCOUNTING POLICIES (Cont'd)

4.14 Loans

Loans are initially recognized at fair value, less direct transaction costs incurred. They are subsequently measured at amortized cost, and any difference between the funds received (net of transaction costs) and the amount payable at due date is recognized in the statement of income over the term of the loan, applying the effective interest rate method. The Group analyzes loan renegotiation terms to determine if as a result of the quantitative and qualitative changes to their conditions, they should be considered as amended or settled.

4.15 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e. those that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalized as part of the cost of those assets until the moment they are ready for their use or sale.

Other borrowing costs are recognized as expenses in the period in which they are incurred.

4.16 Derivative instruments

Derivative instruments are initially recognized at fair value on the date when the contract is executed. Subsequent to initial recognition, they are again measured at fair value.

The method for recognizing the resulting loss or profit depends on whether the derivative has been designated as a hedging instrument and, if so, on the nature of the item it is covering. The Group has executed derivative contracts in foreign currency to hedge the next installment payments falling due in connection with principal and interest on its loans in US dollars and reduce the exchange rate risk. However, the Group has not applied hedge accounting; therefore, the changes in its value are recognized in profit or loss, in the caption Changes of fair value of financial instruments, under Other financial results.

Fair values of derivative instruments that are traded in active markets are recorded according to quoted market prices. Fair values of derivative instruments that are not traded in active markets are determined by using valuation techniques. The Group applies critical judgment to select the most appropriate methods and to determine assumptions that are based mainly on the market conditions existing at the end of each year.

4.17 Allowances and provisions

Provisions are recognized when the Group has a present obligation, whether legal or implicit, as a result of past events; a resource outflow will likely be necessary to settle that obligation; and the amount of the obligation can be measured reliably.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 4: ACCOUNTING POLICIES (Cont'd)

4.17 Allowances and provisions (Cont'd)

The amount recorded as provisions was the best estimate of the resource outflow necessary to settle the present obligation, at the end of the reporting period, considering the pertinent risks and uncertainties and the opinion of the Group's legal counsel. When a provision is measured using the estimated cash outflow for settling the present obligation, the amount recorded represents the present value of that cash flow.

4.18 Income Tax and Minimum Notional Income Tax

a) Current and deferred income taxes

The Income Tax charge for the year comprises current tax and deferred tax. Income Tax is recognized in income/(loss).

The current income tax expense is calculated as established by the tax laws enacted or to be enacted at the closing balance sheet date. Management regularly assesses the positions on the tax returns regarding situations where the applicable tax regulation is subject to interpretation and, if necessary, sets out provisions based on the amounts payable to the tax authorities.

Deferred tax is recognized according to the liability method, for the temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the statement of financial position. However, no deferred tax liability is recognized if the differences arise from the initial recognition of goodwill, or from the initial recognition of assets and liabilities in a transaction (different from a business combination) that did not affect accounting income nor tax income at the moment of being performed.

Deferred tax assets are recognized only to the extent that it is likely that the Company has future tax income against which to offset the temporary differences.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset recognized amounts and if deferred tax assets and liabilities derive from income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Current and deferred income tax assets and liabilities have not been discounted and are stated at nominal value.

IFRIC 23 - Uncertainty over Income Tax Treatments:

IFRIC 23 issued in 2017 clarifies how accounting recognition and measurement requirements under IAS 12 are applied when there is uncertainty over Income Tax treatments.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 4: ACCOUNTING POLICIES (Cont'd)

4.18 Income Tax and Minimum Notional Income Tax (Cont'd)

a) Current and deferred Income Tax (Cont'd)

For this purpose, an entity must assess whether a tax authority will accept an uncertain tax treatment used, or proposed to be used, or planned to be used in its income tax filings.

If the entity concludes that it is probable that a tax authority will accept an uncertain tax treatment, the entity should determine its accounting tax position consistently with the tax treatment used or planned to be used in its income tax filings. If the entity concludes that such acceptance is not probable, the entity should reflect the effect of uncertainty in determining its taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

An entity will make judgments and estimates consistent with current Income Tax and deferred tax.

An entity has to reassess its judgments and estimates if facts and circumstances change or as a result of new information affecting the judgment or estimate.

At December 31, 2023, the Company has applied this interpretation to record the current and deferred income tax, in relation to the recognition of the tax-purpose inflation adjustment over cumulative tax loss carry-forwards (Note 23).

b) Minimum Notional Income Tax

Although minimum notional income tax was repealed, the Group has recognized as a credit the tax paid in prior years, considering that it will be offset against future taxable profits.

Minimum Notional Income Tax assets and liabilities have not been discounted and are stated at nominal value.

4.19 Balances with related parties

Payables and receivables with related parties have been valued based on the terms agreed upon between the parties.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 4: ACCOUNTING POLICIES (Cont'd)

4.20 Leases

The Group adopted IFRS 16 Leases and applied the following options established by the standard:

- For leases classified as financial due to the application of IAS 17 and IFRIC 4, carrying amounts were computed for assets for rights of use and lease liabilities prior to the initial application of IFRS 16, as provided for by item 11 of the Appendix C of the standard. Those values are disclosed under Property, plant and equipment and Loans.
- Finance charges generated for lease liabilities are disclosed under Interest on loans in Note 31.
- The rest of lease commitments identified are related to contracts ending within 12 months as from adoption and which continue to be recognized on a straight-line basis by the Company.

Consequently, the Group did not change the accounting for assets recorded for operating and finance leases as a result of the adoption of IFRS 16.

4.21 Defined benefit plan

GMSA and CTR grant defined benefit plans. Usually, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, generally dependent on one or more factors such as age, years of service and compensation.

The liability recorded in the statement of financial position in relation to defined benefit plans is the present value of the obligation from defined benefit plans at the closing date. The obligation from defined benefit plans is calculated annually by independent actuaries in accordance with the projected unit credit method. The present value of the obligation from defined benefit plans is determined by discounting the future cash outflows estimated using actuarial assumptions based on the demographic and financial variables that have an influence in determining the amount of those benefits.

Actuarial gains and losses arising from adjustments due to the experience and changes of actuarial assumptions are recognized in Other comprehensive income/(loss) in the year when they occur. The costs for past services are immediately recognized in the income statement.

4.22 Equity accounts

Movements in this item have been accounted for in accordance with the pertinent decisions of shareholders' meetings and legal or regulatory provisions.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 4: ACCOUNTING POLICIES (Cont'd)

4.22 Equity accounts (Cont'd)

a) Share Capital

Share capital represents the capital issued, composed of the contributions that were committed and/or made by the shareholders and represented by shares that comprise outstanding shares at nominal value. Ordinary shares are classified under equity.

b) Legal reserve

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

c) Optional reserve

Corresponds to the allocation decided by the Company's Shareholders' Meeting whereby a specific amount is applied to meet the needs for funds required by the projects and situations relating to the Company policy.

d) Technical revaluation reserve

Corresponds to the technical revaluation reserve of the subsidiary companies and associates according to the percentage of interest, as a result of applying the revaluation model for property, plant and equipment.

e) Other comprehensive income/(loss)

Corresponds to actuarial gains and losses from the calculation of liabilities for defined benefit plans and their tax effects.

f) Unappropriated retained earnings (accumulated losses)

Retained earnings comprise accumulated profits or losses without a specific appropriation; positive earnings can be distributable by the decision of the Shareholders' Meeting, as long as they are not subject to legal restrictions. These earnings/(losses) comprise prior year earnings that were not distributed and prior year adjustments derived from application of the accounting standards.

In case of existence of unappropriated losses to be absorbed at the end of the year under consideration by the shareholders' meeting, the following order for appropriation of balances must be followed:

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 4: ACCOUNTING POLICIES (Cont'd)

4.22 Equity accounts (Cont'd)

f) Unappropriated retained earnings (accumulated losses) (Cont'd)

- (i) Retained earnings
 - Optional reserves
 - Reserves provided for by Company bylaws
 - Legal reserve
- (ii) Capital contributions
- (iii) Additional paid-in capital
- (iv) Other equity instruments (if feasible from the legal and corporate point of view)
- (v) Capital adjustment

g) Distribution of dividends

The distribution of dividends among the shareholders of the Company is recognized as a liability in the financial statements for the period in which dividends are approved by the meeting of shareholders.

h) Special Reserve GR No. 777/18

Following the mechanism established in GR No. 777/2018 of the CNV, in the transition year in which the inflation adjustment is disclosed, the Company has set up a special reserve for an amount equivalent to the revaluation balance determined by its nominal value transferred in accounting to unappropriated retained earnings. This special reserve may be reversed following the mechanism provided for by applicable accounting standards. The reserve will be set up at referendum of the next Annual Ordinary Shareholders' Meeting.

NOTE 5: FINANCIAL RISK MANAGEMENT

5.1 Financial risk factors

Financial risk management is encompassed within the global policies of the Group, which are focused on the uncertainty of the financial markets and are aimed at minimizing the potential adverse effects on its financial yield. Financial risks are the risks associated with financial instruments to which the Group is exposed during or at the end of each fiscal year. Financial risks comprise market risk (including the foreign exchange risk, price risk and interest rate risk), credit risk and liquidity risk.

This section includes a description of the main financial risks and uncertainties that could have a material adverse effect on the Group's strategy, performance, results of operations and financial condition.

Financial risk management is controlled by the Finance Division of the Group, which identifies, assesses and covers the financial risks. The financial risk management policies and systems are reviewed regularly to reflect the changes in the market conditions and in the Group's business activities.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 5: FINANCIAL RISK MANAGEMENT (Cont'd)

5.1 Financial risk factors (Cont'd)

a) Market risk

Foreign exchange risk

Most of the sales made by the Group are denominated in US dollars, due to the fact that they are performed under Resolutions No. 1281/06 (*Energía Plus*), No. 220/07, and No. 21/16. Furthermore, the financial debt is mainly denominated in that currency and financial debt is allocated to the investment in the cycle closure projects stated in US dollars, which means that the business has a genuine hedge against exchange rate fluctuations. However, the Group constantly monitors the exchange rate fluctuations of the main world currencies to define foreign exchange strategies.

Price risk

Group revenues rely, to a lesser extent, on sales made under Resolution No. 869/23. This resolution adapts certain remuneration criteria to economic conditions which are reasonable, foreseeable and efficient, through medium-term commitments. The Group may suffer the impact of any material amendment or repeal of any terms of the Resolution and such repeal or amendment may cause a minor adverse effect on its business, financial position and results of operations.

If for any reason not attributable to the Group, it were no longer eligible to participate in the Energía Plus Program (ES Resolution No. 1281/06), Resolution No. 220/07 and/or ES Resolution No. 21/16, or if these resolutions were repealed or substantially amended, and the Group were obliged to sell all the power generated in the Spot Market or the sales price were limited, the results of the Group could be badly affected.

Additionally, the Group's investments in listed capital instruments are susceptible to the market price risk deriving from the uncertainties on the future value of these instruments. Considering the minor importance of investments in equity instruments vis-à-vis the net position of assets/liabilities, the Group is not significantly exposed to risks relating to price instruments.

In addition, the Group is not exposed to the raw materials price risk.

Interest rate risk

Interest rate risk arises from the Group's debt at floating rate. Indebtedness at floating rate exposes the Group to interest rate risk on their cash flows. At December 31, 2023, a small portion of the loans in effect had been taken out at floating rates, mainly BADLAR (plus an applicable margin).

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 5: FINANCIAL RISK MANAGEMENT (Cont'd)

5.1 Financial risk factors (Cont'd)

a) Market risks (Cont'd)

Interest rate risk (Cont'd)

The Group analyzes its exposure to interest rate risk in a dynamic manner. Hypothetical situations are simulated considering the positions relating to refinancing, renewal of current positions, alternative financing and hedging. Based on these scenarios, the Group estimates the impact on profit or loss of a definite variation in interest rates. Simulation is only made in relation to obligations representing the main positions that accrue interest.

The following table shows the Group's loans broken down by interest rate:

	<u>12/31/2023</u>	<u>12/31/2022</u>
Fixed rate:	1,119,410	912,914
	1,119,410	912,914
Floating rate:	28,379	21,063
	28,379	21,063
	1,147,789	933,977

Based on simulations run with all the other variables kept constant, an increase/(decrease) of 1% in the variable interest rates would (decrease)/increase the profit or loss for the year as follows:

	<u>12/31/2023</u>	<u>12/31/2022</u>
Floating rate:	284	211
Impact on the profit/(loss) for the year	284	211

b) Credit risk

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, and from the exposure to credit of customers, including the outstanding balances of accounts receivable and arranged transactions.

Our credit analysis division assesses privately-held corporate customers' payment ability, taking as a basis their financial statements, financial position, market reports, historical behavior towards the Company and other financial creditworthiness factors. Credit limits are set on the basis of the indicators described above and are regularly monitored by the respective area.

The electricity generators with sales to the spot market, per ES Resolution No. 869/2023 and generators with agreements under Resolutions Nos. 220/07 and ES No. 21/16 receive through CAMMESA the payments for making available the power and energy supplied to the system.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 5: FINANCIAL RISK MANAGEMENT (Cont'd)

b) Credit risk

In 2023, CAMMESA paid its past due obligations, recognizing interest and exchange difference as agreed in the pertinent agreements.

The average collection dates per transaction conducted in 2023 are detailed below.



c) Liquidity risk

The Management of the Group monitors the updated projections on liquidity requirements to ensure that the Group has enough cash to cover the operational needs while maintaining an adequate level of credit facilities available. In this way, the Group is expected to meet its commitments required as a result of the financial debt arising from any credit facility. The projections take into account payment plans of the Company's debts, compliance with external regulatory requirements and legal requirements.

Temporary cash surpluses are prudently managed until they are used for debt servicing purposes and investment in enlargement projects currently in progress. The Group has worked in the medium and long term financing structure, having, in addition, available credit lines and loans to guarantee compliance with commitments.

The following table shows an analysis of the Group's financial liabilities classified according to the due dates, considering the remaining period from the respective balance sheet date to their contractual due date. The amounts shown in the table are the non-discounted contractual cash flows.

At December 31, 2023	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	More than 2 years	Total
Trade and other payables	42,480	3,181	3,264	1	48,926
Loans	113,891	310,043	309,428	700,772	1,434,134
Finance Leases/	110	330	2,593	3,149	6,182
Total	156,481	313,554	315,285	703,922	1,489,242

At December 31, 2023	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	More than 2 years	Total
Trade and other payables	22,513	23,960	867	5	47,345
Loans	63,002	216,307	353,484	1,986,436	2,619,229
Finance Leases/	17	51	274	35	377
Total	85,532	240,318	354,625	1,986,476	2,666,951

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 5: FINANCIAL RISK MANAGEMENT (Cont'd)

5.2 Management of capital risk

The objectives of the Group when it administers capital are to secure the correct operation of the Group, to encourage its growth, to meet the financial commitments taken on and produce yields to its shareholders, keeping an optimum capital structure.

Consistently with the industry, the Group monitors its capital based on the Consolidated Debt to Adjusted EBITDA ratio, This ratio is calculated dividing the net loans by EBITDA, Net borrowings correspond to total borrowings (including current and non-current borrowings) less cash and cash equivalents, Adjusted EBITDA is defined as operating income less operating expenses (including selling and administrative expenses, provided that they are included under operating expenses) plus amortization, depreciation and any other non-cash expenses (provided that they are included under operating expenses).

Consolidated debt to adjusted EBITDA ratio at December 31, 2023 was as follows:

	<u>12/31/2023</u>
Total loans	1,147,789
Less: cash and cash equivalents	<u>(35,692)</u>
Net debt	1,112,097
EBITDA (*)	<u>111,249</u>
Net debt / EBITDA	<u>10,00</u>

(1) Amount not covered in the Audit Report,

NOTE 6: CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

The preparation of the financial statements require that the Group makes estimates and carries out evaluations relating to the future, Actual future results may differ from those estimates and assessments made at the date these consolidated Financial Statements were prepared, The estimates that have a significant risk of causing an adjustment to the carrying amounts of assets and liabilities within the next fiscal year are detailed below:

a) Impairment of assets

Long-lived assets are tested for impairment at the lowest levels for which there are separately identifiable cash flows (cash-generating units or CGUs).

Electricity production plants of GMSA's subsidiaries or associates constitute a cash generating unit, already representing the lowest level of separation of assets that generate independent cash flows.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 6: CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (Cont'd)

a) Impairment of assets (Cont'd)

Assets that are subject to amortization are tested for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable.

In evaluating whether there is any indication that the cash generating unit could be affected, internal and external sources of information are analyzed, Specific events and circumstances are considered, which in general include the discount rate used in the projections of cash flows of each of the CGU and the business condition in terms of market and economic factors, such as the cost of raw materials, the regulatory framework of the energy industry, projected capital expenditure and the evolution of energy demand, An impairment loss is recognized when the asset's carrying value exceeds its recoverable value, The recoverable value is the higher of an asset's fair value less costs to sell and value in use, Any impairment loss will be distributed (to reduce the carrying value of the assets of the CGU) as follows:

- a) First, to reduce the carrying amount of goodwill allocated to the cash generating unit, and
- b) then, reduce the carrying amounts of the other assets of the unit (or group of units) pro rata on the basis of the carrying amount of each asset of the unit (or group of units), The carrying amount of an asset should not be reduced below the highest of its fair value less costs of sales and its value in use, or zero.
- c) The amount of the impairment loss that cannot be otherwise allocated to the asset shall be allocated pro rata to the other assets of the CGU.

Judgment is required from Management at the time of estimating the future cash flows, Actual cash flows and values may significantly vary from expected future cash flows and the related values obtained through discount techniques.

b) Current and deferred income taxes

The Group recognizes income taxes applying the deferred tax method, Consequently, the deferred tax assets and liabilities are recognized according to the future tax consequences attributable to the differences between the carrying amount of existing assets and liabilities and the respective tax bases, Deferred tax assets and liabilities are valued at the approved tax rates that should theoretically be applied on the taxable income in the years in which the temporary differences are expected to be settled, A high degree of judgment is required to determine the provision for income tax since Management regularly assesses the positions on the tax returns regarding situations where the applicable tax regulation is subject to interpretation and, if necessary, sets out provisions based on the amounts payable to the tax authorities, When the final outcome of these matters is different from the initially recognized amounts, such differences will have an impact on income tax and deferred taxes in the fiscal year in which they are determined.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 6: CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (Cont'd)

b) Current and deferred Income Tax (Cont'd)

There are many transactions and calculations according to which the latest tax determination is uncertain, The Company early recognizes tax liabilities based on the estimates as to whether additional taxes must be paid in the future, When the final tax result differs from the amounts initially recognized, any such differences will have an impact on the current and deferred income tax assets and liabilities in the period in which such determination was made.

Deferred tax assets are reviewed at every reporting date and reduced according to the probability that a sufficient tax base might be available to allow recovering these assets in whole or in part, Deferred assets and liabilities are not discounted, When assessing the realizability of deferred tax assets, Management considers it probable that some, or all, deferred tax assets are not realizable.

Whether deferred tax assets are realizable depends on the generation of future taxable income for the periods in which these temporary differences are deductible, In making this assessment, Management takes into account the scheduled reversal of deferred tax liabilities, projected future taxable income and tax planning strategies.

c) Allowances and provisions

Provisions cover contingencies arising in the ordinary course of business and other sundry risks that could create obligations for the Group, In estimating the amounts and probabilities of occurrence, the opinion of the Group's legal advisors has been considered.

At the date of issuance of these consolidated Financial Statements, the Management of the Group understands that there are no elements which may determine the existence of other contingencies that could materialize and have a negative impact on these consolidated Financial Statements.

d) Allowances for bad debts and other receivables

The allowances for bad debts and other receivables have been set up based on a historical analysis of accounts receivable and other receivables to assess the recoverability of the credit portfolio.

The allowance for bad debts has been set up based on a historical analysis of accounts receivable to assess the recoverability of the credit portfolio.

The allowance for bad debts amounted to USD 3 and USD 15 at December 31, 2023 and 2022, respectively.

The allowance for other receivables amounted to USD 34 at December 31, 2023. At December 31, 2022, this allowance was not set up.

For more information on the balance of the allowance for bad debts and other receivables, see Notes 10, 11, and 20 to these consolidated Financial Statements.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 6: CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (Cont'd)

e) Defined benefit plans

GMSA and CTR determine the liabilities related to accumulated bonuses for service length and to the employee benefits plans mentioned, considering all the rights accrued by the beneficiaries until period end, based on an actuarial study performed by an independent professional at that date. The actuarial method applied by the Company is the Projected Benefit Unit method.

f) Fair value of property, plant and equipment

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

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

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

The discounted cash flows at December 31, 2023 consider two scenarios (pessimistic and base scenarios) with different probabilities of occurrence, The two scenarios arise from current rate schedules and are combined with different turbine dispatch alternatives.

The criteria considered in each scenario are the following:

1. Base scenario: in this case the Group considers a historical average availability and an expected dispatch according to projections of the demand for energy with a vegetative growth, Probability of occurrence: 70%.
2. Pessimistic scenario: in this case the Group considers a historical average availability and a dispatch of a lower demand for energy than expected, as well as a lesser adjustment index of remuneration that impact on cash flows, Probability of occurrence: 30%.

In all scenarios a discount rate in dollars of approximately 11,50% was used, which contemplates the future scenarios.

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

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 6: CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (Cont'd)

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

Actual results may differ from estimates, so the projected cash flows may be badly affected if one of the above-mentioned factors change in the near future.

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

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

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

- To increase the fair value of land, buildings, facilities, and machinery by USD 57,676, if it were favorable; or
- To reduce the fair value of land, buildings, facilities, and machinery by USD 57,676, if it were not favorable.

At December 31, 2023, the Company performed an analysis of the variables that are considered for the calculation of the recoverable value of property, plant and equipment and concluded that there were no significant changes in such variables.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 7: PROPERTY, PLANT AND EQUIPMENT

Captions	ORIGINAL VALUE					DEPRECIATION					NET VALUE	
	Value at beginning of the year	Increases (1)	Decreases/transfers	Translation differences	Value at the end of year	Accumulated at beginning of year	For the year	Decreases	Translation differences	Accumulated at year end	12/31/2023	12/31/2022
Land	15,897	1,152	(40)	-	17,009	-	-	-	-	-	17,009	15,897
Buildings	31,172	-	(152)	-	31,020	1,804	949	(152)	-	2,601	28,419	29,368
Facilities	94,841	6,490	(406)	-	100,925	11,936	6,316	(390)	-	17,862	83,063	82,905
Machinery and turbines	523,905	16,182	(2,029)	-	538,058	58,841	32,964	(2,020)	-	89,785	448,273	465,064
Computer and office equipment	3,145	716	(2)	-	3,859	1,822	1,044	(2)	-	2,864	995	1,323
Vehicles	1,288	632	(20)	-	1,900	689	247	(20)	-	916	984	599
Works in progress	477,357	255,185	-	-	732,542	-	-	-	-	-	732,542	477,357
Spare parts and materials	7,329	11	(618)	-	6,722	-	-	-	-	-	6,722	7,329
Total at 12/31/2023	1,154,934	280,368	(3,267)	-	1,432,035	75,092	41,520	(2,584)	-	114,028	1,318,007	-
Total at 12/31/2022	986,144	204,794	(40,426)	4,422	1,154,934	66,899	37,275	(32,648)	3,566	75,092	-	1,079,842

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

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 8: INFORMATION ON SUBSIDIARIES AND ASSOCIATES

a) Information on subsidiaries

The Group carries its business through various operating subsidiaries. See composition of the Economic Group, equity interest percentages, materiality criteria and other relevant information on the Group subsidiaries in Note 4.2.

b) Financial information of subsidiaries with significant non-controlling interest

Non-controlling interest in subsidiaries is not significant for the Group.

At December 31, 2023 and 2022, the Group's associates are Solalban Energía S.A. and GM Operaciones S.A.C.

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

GMSA, GROSA and CBEI LLC created on January 14, 2022 a closed corporation in Peru under the name of GM Operaciones S.A.C. (See Note 41).

Changes in the investments in GMSA's associates for the year ended December 31, 2023 and 2022 are as follows:

	12/31/2023	12/31/2022
At beginning of year	4,765	3,921
Capital contributions	-	1,062
Income/(loss) from interests in associates	(1,151)	(725)
Other comprehensive income/(loss) - Translation difference	(1,431)	507
Year end	2,183	4,765

Below is a breakdown of the investments and the value of interests held by the Company in the associates at December 31, 2023 and 2022, as well as the Company's share of profits in these companies' income/(loss) for the years ended on December 31, 2023 and 2022:

Name of issuing entity	Main activity	Share interest %		Share interest %		Share of profit of the Company in income/(loss)	
		31.12.23	31.12.22	31.12.23	31.12.22	31.12.23	31.12.22
Associates GM Operaciones S.A.C.	Electricity	50%	50%	72	951	(659)	(111)
Solalban Energía S.A.	Electricity	42%	42%	2.111	3.814	(492)	(614)
				2.183	4.765	(1.151)	(725)

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 8: INFORMATION ON SUBSIDIARIES AND ASSOCIATES (Cont'd)

b) Financial information of subsidiaries with significant non-controlling interest (Cont'd)

Summarized statements of financial position:

	GMOP		SESA	
	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>
Total non-current assets	3,535	2,434	5,933	9,719
T Total current assets	28,761	14,673	9,901	13,487
Total assets	<u>32,296</u>	<u>17,107</u>	<u>15,834</u>	<u>23,206</u>
Total Equity	<u>141</u>	<u>1,898</u>	<u>5,025</u>	<u>9,082</u>
Total non-current liabilities	24,271	12,226	1,264	2,013
Total current liabilities	7,884	2,983	9,545	12,111
Total liabilities	<u>32,155</u>	<u>15,209</u>	<u>10,809</u>	<u>14,124</u>
Total liabilities and equity	<u>32,296</u>	<u>17,107</u>	<u>15,834</u>	<u>23,206</u>

Summary income statements and comprehensive income statement:

	GMOP		SESA	
	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>
Sales revenue	3,946	362	42,468	74,882
Excercise result	(1,758)	(226)	(1,172)	(1,462)
Total comprehensive income/(loss) for the year	<u>(1,758)</u>	<u>(226)</u>	<u>(1,172)</u>	<u>(1,462)</u>

Cash flow statements:

	GMOP		SESA	
	<u>31.12.23</u>	<u>31.12.22</u>	<u>31.12.23</u>	<u>31.12.22</u>
Cash flows (used in)/provided by provided by operating activities	(523)	(14,315)	2,087	919
Cash flows (used in) investing activities	(14,016)	(53)	(428)	(909)
Cash flows provided by/(used in) financing activities	14,233	15,134	-	(37)
(Decrease)/Increase in cash for the year	<u>(306)</u>	<u>766</u>	<u>1,659</u>	<u>(27)</u>

The information above shows the balances recorded in the financial statements of the associates (not the share of the Group in those amounts) adjusted by differences in accounting policies for valuation of property, plant and equipment under the revaluation model.

Secured Private Notes (GMOP)

On October 28, 2022, GMOP issued secured private notes for USD 12,500, initially purchased in their entirety by GCS ENERGY INVESTMENTS LLC, under the following conditions (“Initial Closing”). On June 28, 2023, GMOP issued new notes for USD 3,250 (“Second Closing”), purchased by the same investor, Thus, the total nominal value amounted to USD 15,750.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 8: INFORMATION ON SUBSIDIARIES AND ASSOCIATES (Cont'd)

b) Financial information of subsidiaries with significant non-controlling interest (Cont'd)

Secured Private Notes (GMOP) (Cont'd)

Finally, on November 15, 2023, GMOP issued new notes for USD 6,000, Thus, the total nominal value was USD 21,750.

Principal: nominal value: USD 21,750 to be amortized 100% at maturity date, subject to the condition of advancing payments according to availability of funds (“cash sweep”).

Interest: 12,5% annual nominal rate, payable on a quarterly basis on the 30th day of June, September, December and March each year, At GMOP's choice, the first payment of interest could be made in cash, by the issuance of new notes (“pay in kind”) or through a combination of both. This first payment should take place on the date of collection by GMOP of the first payment for the Operational Stage of the Supply Agreement or on June 30, 2023, whichever was first, At June 30, 2023, the first payment of the Operational Stage had not been made and therefore the first service of interest occurred on that date, GMOP exercised the option described above to make its payment (in full) by increasing the principal amount. As a result, the capitalized amount was USD 16,815,625 at June 30, 2023, Taking into account the amount issued at the Third Closing, the capitalized amount was USD 22,815,625 at December 31, 2023.

Maturity: the secured private notes mature on May 27, 2027.

Payment: the secured private notes were paid-in in US dollars.

The Notes rely on the GMOP’s compliance with the financial commitments usual for this kind of transaction, such as limitations to indebtedness, restricted payments, changes in shareholders’ control, setting up of guarantees, among others, At the date of presentation of the consolidated Financial Statements, GMOP is in compliance with those commitments,

The securities are guaranteed by the Cash Management and Guarantee Trust Agreement (GM2 Trust) where the guaranteed obligations are all and each of the amounts of money owed or that could be owed by GMOP to the final beneficiary (GCS ENERGY INVESTMENTS LLC) mentioned in the agreement for secured private notes, Further, GMSA, a company organized under the laws of the Republic of Argentina and shareholder of GMOP, commits to granting a corporate guarantee under Argentine legislation to each of the noteholders, once certain future conditions are met.

The funds from this financing are to be used for the payment of the initial deposit to secure the issuance of the performance bond and the guarantee of compliance with labor obligations, both conditions precedent to the execution with Petroperú of the agreement for the supply of electricity, steam and water for boilers, and operation and maintenance of substations GE2 and GE1.

The funds from the Initial Closing were used for the payment of the initial deposit to secure the issuance of the Performance Bond and the Labor Obligations Compliance Bond, both conditions precedent to the execution of the agreement with Petroperú.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 9: INVENTORIES

	12/31/2023	12/31/2022
<u>Current</u>		
Supplies and materials	4,095	2,724
	4,095	2,724

NOTE 10: OTHER RECEIVABLES

	Note	12/31/2023	12/31/2022
<u>Non-current</u>			
Value added tax		4,719	210
Minimum Notional Income Tax		109	573
Income Tax credits		446	33
Tax Law No, 25413		1,473	3,181
Turnover tax credit balance		-	144
Sub-total tax credits		6,747	4,141
Related companies	33	7,817	1,913
Loans to Directors/Shareholders	33	285	5,816
Sundry		-	23
		14,849	11,893
 <u>Current</u>			
Value added tax		2,512	159
Turnover tax credit balance		159	179
Extraordinary Income Tax prepayment		-	5,016
Other tax credits		122	5
Provision for tax credits		(34)	-
Sub-total tax credits		2,759	5,359
Advances to suppliers		20,323	42,986
Insurance to be accrued		4,399	3,286
Guarantees		10	74
Related companies	33	2,424	1,256
Advances to Directors	33	36	81
Sundry		2,173	1,692
		32,124	54,734

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 11: TRADE RECEIVABLES

	12/31/20	12/31/20
<u>Current</u>		
Trade receivables	13,248	28,996
Sales not yet billed	22,171	13,299
Allowance for bad debts	(3)	(15)
	35,416	42,280

The movements of the provision for trade and other receivables are as follows:

	For trade receivables	For other receivables
Balances at December 31, 2022	15	-
Increases	-	34
Exchange difference	(12)	-
Balance at December 31, 2023	3	34

NOTE 12: OTHER FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	12/31/2023	12/31/2022
<u>Non-current</u>		
Mutual funds (a)	-	12,300
	-	12,300
	12/31/2023	12/31/2022
<u>Current</u>		
Mutual funds (a)	69,804	115,900
Government securities	9,011	-
	78,815	115,900

(a) The proceeds from Class XV and Class XVI GMSA Negotiable Obligations, Class XVII, Class XVIII and Class XIX GMSA Negotiable Obligations and the proceeds from Class I and Class III GLSA Negotiable Obligations are restricted and administered by the trust; therefore, they were not considered cash and cash equivalents in the Company's condensed interim consolidated Financial Statements, (See Note 18).

NOTE 13: CASH AND CASH EQUIVALENTS

	12/31/2023	12/31/2022
Cash	2	3
Checks to be deposited	61	291
Banks	30,556	4,676
Mutual funds	5,073	1,635
Time deposit	-	13,959
Cash and cash equivalents	35,692	20,564

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 13: CASH AND CASH EQUIVALENTS (Cont'd)

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

	<u>Note</u>	<u>12/31/2023</u>	<u>12/31/2022</u>
Cash and cash equivalents		35,692	20,564
Bank overdrafts	18	<u>(5,175)</u>	<u>-</u>
Cash and cash equivalents		<u>30,517</u>	<u>20,564</u>

NOTE 14: CAPITAL STATUS

Subscribed, paid-in and registered capital at December 31, 2023 amounted to USD 2,414 (AR\$ 203,124 thousand).

NOTE 15: DISTRIBUTION OF PROFITS

Dividends

A tax is levied on dividends or profits distributed, among others, by Argentine companies or permanent establishments to: individuals, undivided estates or foreign beneficiaries, according to the following rates: (i) dividends deriving from profits generated during fiscal years beginning on or after January 1, 2018 until December 31, 2020 will be subject to tax at a rate of 7%, and; (ii) dividends deriving from profits obtained during fiscal years beginning on or after January 1, 2021 will be subject to tax at a rate of 13%.

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

On June 16, 2021, the National Executive Branch enacted Law No, 27630 whereby a tax rate of 7% was set for tax on dividends, This amendment is applicable for annual reporting periods beginning on or after January 1, 2021.

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

Due to the issuance of the International bonds, the co-issuers must comply with ratios on a consolidated basis to be allowed to distribute dividends, During 2023, dividends of USD 10,694 (AR\$8,600,000 thousand) have been approved.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 16: TRADE PAYABLES

	<u>Note</u>	<u>12/31/2023</u>	<u>12/31/2022</u>
<u>Non-current</u>			
Related companies	33	2,378	-
		2,378	-
<u>Current</u>			
Suppliers		20,636	34,373
Provisions for invoices to be received		3,681	5,477
Related companies	33	8,271	5,641
		32,588	45,491

NOTE 17: OTHER LIABILITIES

	<u>Note</u>	<u>12/31/2023</u>	<u>12/31/2022</u>
<u>Non-current</u>			
Other income to be accrued		79	88
Related companies	33	808	784
		887	872
<u>Current</u>			
Advances from customers		13,018	619
Related companies	33	-	55
Directors' fees	33	55	306
Other income to be accrued	-	-	2
		13,073	982

Other long-term receivables are measured at present value applying a market rate, The amount thus obtained does not differ from its fair value.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 18: LOANS

	<u>Note</u>	<u>12/31/2023</u>	<u>12/31/2022</u>
<u>Non-current</u>			
International bond		196,880	261,756
Negotiable Obligations		651,574	476,353
Foreign loan debt		7,526	9,687
Other bank debts		761	876
Related companies	33	5,325	-
Bond insurance		2,700	-
Finance lease debt		418	308
		<u>865,184</u>	<u>748,980</u>
<u>Current</u>			
International bond		60,421	102,440
Negotiable Obligations		124,131	53,757
Foreign loan debt		8,149	9,545
Other bank debts		23,101	17,904
Related companies	33	3,511	-
Bond insurance		58,058	1,282
Bank overdrafts		5,175	-
Finance lease debt		59	69
		<u>282,605</u>	<u>184,997</u>

At December 31, 2023, the total financial debt amounts to USD 1,147,789. The following table shows the total debt at that date.

Generación Mediterránea S.A.

Notes to the Consolidated Financial Statements (Cont'd)

NOTE 18: LOANS (Cont'd)

	<u>Borrower</u>	<u>Principal</u>	<u>Balance at 31.12.23</u>	<u>Interest rate</u>	<u>Currency</u>	<u>Issue date</u>	<u>Maturity date</u>	
		(In thousands)	(In thousands of USD)	(%)				
<u>Loan agreement</u>								
	JP Morgan	GMSA	USD 5,923	6,379	LIBOR 6m + 1%	USD	12/28/2020	11/20/2025
	Eurobanco Loan	GMSA	USD 2,000	2,015	12,00%	USD	09/21/2020	12/01/2027
	Eurobanco Loan	GMSA	USD 2,002	2,017	12,00%	USD	05/04/2022	12/01/2027
	Eurobanco Loan	GMSA	USD 4,500	4,584	SOFR 6 Month + 4,7 %	USD	10/25/2023	04/25/2024
	Eurobanco Loan	GROSA	USD 673	680	12,00%	USD	07/01/2023	12/01/2027
	Subtotal		15,675					
<u>Debt securities</u>								
	ON Internacional 2027 (*) (a)	GMSA/CTR	USD 262,818	257,301	9,625%	USD	12/01/2021	12/01/2027
	Class IX ON Co-issuance (**)	GMSA/CTR	USD 1,312	1,369	12,50%	USD	04/09/2021	04/09/2024
	Class XI ON Co-issuance	GMSA/CTR	USD 16,002	16,113	6,00%	USD Linked	11/12/2021	11/12/2024
	Class XII ON Co-issuance	GMSA/CTR	UVA 17,946	10,336	UVA + 4,60%	ARS	11/12/2021	11/12/2024
	Class XIII ON Co-issuance	GMSA/CTR	USD 12,187	12,402	7,50%	USD	01/10/2022	01/10/2024
	Class XIV ON Co-issuance	GMSA/CTR	USD 5,858	6,094	9,50%	USD	07/18/2022	07/18/2024
	Class XV ON Co-issuance	GMSA/CTR	USD 26,276	26,359	3,50%	USD Linked	07/18/2022	07/18/2025
	Class XVI ON Co-issuance	GMSA/CTR	UVA 15,889	9,029	UVA + 0%	ARS	07/18/2022	07/18/2025
	Class XVII ON Co-issuance	GMSA/CTR	USD 11,486	11,603	9,50%	USD	11/07/2022	11/07/2024
	Class XVIII ON Co-issuance	GMSA/CTR	USD 21,108	21,146	3,75%	USD Linked	11/07/2022	11/07/2024
	Class XIX ON Co-issuance	GMSA/CTR	UVA 11,555	6,568	UVA + 1%	ARS	11/07/2022	11/07/2025
	Class XX ON Co-issuance	GMSA/CTR	USD 19,362	19,872	9,50%	USD	04/17/2022	07/27/2024
	Class XXI ON Co-issuance	GMSA/CTR	USD 25,938	25,991	5,50%	USD Linked	04/17/2022	04/17/2025
	Class XXII Co-issuance	GMSA/CTR	USD 74,999	71,753	13,25%, as from 26/10/2024 14,50% and as from 26/10/2025 16,50%	USD	07/26/2023	07/26/2026
	Class XXIII Co-issuance	GMSA/CTR	USD 9,165	9,382	9,50%	USD	07/20/2023	01/20/2026
	Class XXIV Co-issuance	GMSA/CTR	USD 15,332	15,247	5,00%	USD Linked	07/20/2023	07/20/2025
	Class XXV Co-issuance	GMSA/CTR	USD 8,174	8,446	9,50%	USD	10/18/2023	04/18/2026
	Class XXVI Co-issuance	GMSA/CTR	USD 63,598	64,538	6,50%	USD Linked	10/12/2023	04/12/2026
	Class XXVII Co-issuance	GMSA/CTR	USD 31,821	17,103	5,00%	ARS	10/12/2023	04/12/2027
	Class XIII ON	GMSA	USD 4,368	4,444	12,50%	USD	02/12/2020	02/16/2024
	Class XV ON	GMSA	UVA 41,705	24,383	UVA + 6,50%	ARS	07/16/2021	07/28/2026
	Class XVI ON	GMSA	USD 115,278	117,996	7,75%	USD Linked	07/16/2021	07/28/2026
	Class XVII ON	GMSA	USD 25,574	25,391	3,50%	USD Linked	05/23/2022	05/28/2027
	Class XVIII ON	GMSA	UVA 14,926	8,396	UVA + 0%	ARS	05/23/2022	05/28/2027
	Class XIX ON	GMSA	USD 94,447	93,897	6,50%	USD Linked	05/23/2022	05/28/2027
	Class I ON	GLSA	USD 25,445	26,046	4,00%	USD Linked	03/08/2023	03/28/2028
	Class III ON	GLSA	USD 119,157	121,801	6,50%	USD Linked	03/08/2023	03/28/2028
	Subtotal		1,033,006					

Generación Mediterránea S.A.

Notes to the Consolidated Financial Statements (Cont'd)

NOTE 18: LOANS (Cont'd)

	Borrower	Principal (In thousands)	Balance at 31.12.23 (In thousands of USD)	Interest rate (%)	Currency	Issue date	Maturity date
Other liabilities							
Ciudad Loan	GMSA	USD 350	353	SOFR + 7,00%	USD	12/28/2023	01/18/2024
Macro Loan	GMSA	\$ 300,000	407	BADLAR + 13%	ARS	07/06/2023	01/06/2023
BPN Loan	GMSA	\$ 23,449	29	83,00%	ARS	01/16/2023	01/16/2024
BPN Loan	GMSA	\$ 455,998	606	92,00%	ARS	06/30/2023	07/01/2025
Industrial Loan	GMSA	USD 2,603	2,620	9,00%	USD	05/15/2023	04/01/2024
Ciudad Loan	GMSA	USD 2,626	2,646	SOFR + 5%	USD	07/03/2023	07/03/2024
Chubut Loan	GMSA	USD 337	337	5,00%	USD	07/21/2023	01/22/2024
BAPRO Loan	GMSA	\$ 500,000	673	128,50%	ARS	09/09/2023	03/06/2024
Superviella Loan	GMSA	\$ 161,373	202	132,00%	ARS	10/06/2023	06/28/2024
BAPRO Loan	GMSA	\$ 150,000	203	128,50%	ARS	10/09/2023	04/05/2024
Bibank Loan	GMSA	\$ 250,000	320	BADCOR + 9%	ARS	10/20/2023	01/17/2024
Ciudad Loan	GMSA	\$ 1,000,000	1,259	129,00%	ARS	10/25/2023	01/23/2024
Superviella Loan	GMSA	\$ 256,429	320	158,00%	ARS	11/28/2023	02/22/2024
CMF Loan	GMSA	\$ 2,150,000	2,678	BADCOR + 8%	ARS	11/28/2023	02/29/2024
Bibank Loan	GMSA	\$ 200,000	277	135,00%	ARS	11/29/2023	01/28/2024
Hipotecario Loan	GMSA	\$ 1,000,000	1,245	BADCOR + 2%	ARS	11/28/2023	02/29/2024
Chubut Loan	GMSA	USD 3,006	3,007	5,00%	USD	11/29/2023	05/29/2024
Bancor Loan	GMSA	\$ 566,667	739	BADLAR + 7%	ARS	11/28/2023	05/13/2024
CMF Loan	GMSA	\$ 100,000	129	BADCOR + 8%	ARS	12/11/2023	03/19/2024
Bibank Loan	GMSA	\$ 640,000	821	134,00%	ARS	12/19/2023	02/29/2024
Hipotecario Loan	GMSA	\$ 1,000,000	1,284	155,00%	ARS	12/21/2023	02/22/2024
Chubut Loan	CTR	\$ 22,973	30	BADLAR	ARS	12/22/2023	06/16/2024
Chubut Loan	CTR	\$ 147,273	188	BADLAR	ARS	06/16/2023	11/14/2024
Chubut Loan	CTR	\$ 50,913	65	BADLAR + 6%	ARS	11/14/2023	07/22/2024
Macro Loan	CTR	\$ 200,000	266	BADLAR + 13%	ARS	07/21/2023	01/06/2024
BPN Loan	CTR	\$ 23,449	30	83,00%	ARS	01/06/2023	01/17/2024
Bapro Loan	CTR	\$ 131,000	168	107,50%	ARS	12/11/2023	01/19/2024
CMF Loan	CTR	\$ 850,000	1,051	BADLAR + 8%	ARS	12/19/2023	02/29/2024
CMF Loan	CTR	\$ 800,000	990	BADLAR 8%	ARS	07/25/2023	02/29/2024
Superviella Loan	CTR	\$ 115,454	144	158,00%	ARS	11/28/2023	03/19/2024
BPN Loan	CTR	\$ 181,895	227	89,00%	ARS	06/30/2023	07/01/2025
Bapro Loan	CTR	\$ 155,847	210	128,50%	ARS	10/09/2023	05/05/2024
Chubut Loan	CTR	\$ 95,434	127	BADLAR + 6%	ARS	10/10/2023	10/09/2024
Superviella Loan	CTR	\$ 168,810	211	132,00%	ARS	10/06/2023	06/28/2024
Bond insurance	GMSA/CTR		60,758				
Bank overdrafts			5,175				
GMOP Related companies (Note 33)	GMSA		3,131				
Related companies - RGA finance lease (Note 33)	GLSA		5,705				
Finance lease	GMSA/CTR		477				
Subtotal			99,108				
Total financial debt			1,147,789				

(*)GMSA and GROSA have ALBAAR27 (International Bonds) for a residual value of USD 7,111 thousand and USD 3,402 thousand, respectively.

(**)GMSA has Class IX Negotiable Obligations Co issuance for a residual value of USD 138 thousand.

(a) Effective June 1, 2022, interest on the Class X Negotiable Obligations shall accrue at an annual rate of 9.875%, and the time frame envisaged in the Pricing Supplement for providing the first Lien on the Credits Assigned in Guarantee to the benefit of the Secured Parties has expired, without the Required Guarantee Consents having been obtained.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 18: LOANS (Cont'd)

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

	<u>12/31/2023</u>	<u>12/31/2022</u>
Fixed rate		
Less than 1 year	263,144	170,552
Between 1 and 2 years	222,359	228,503
Between 2 and 3 years	223,258	152,652
More than 3 years	<u>410,649</u>	<u>361,207</u>
	<u>1,119,410</u>	<u>912,914</u>
Floating rate		
Less than 1 year	19,461	14,445
Between 1 and 2 years	5,768	3,855
Between 2 and 3 years	3,150	2,742
More than 3 years	<u>-</u>	<u>21</u>
	<u>28,379</u>	<u>21,063</u>
	<u>1,147,789</u>	<u>933,977</u>

The fair value of Company's international bonds at December 31, 2023 and 2022 amounts to approximately USD 233,908 and USD 240,885, respectively, This value was calculated based on the estimated market price of the Company's international bonds at the end of each period, The applicable fair value category would be Level 1.

Regarding the remaining loans, the carrying amount of short-term financial loans approximates their fair value since they fall due in the short term, Long-term financial loans were measured at amortized cost.

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

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

Group loans are denominated in the following currencies:

	<u>12/31/2023</u>	<u>12/31/2022</u>
Argentine pesos	106,868	149,851
US dollars	<u>1,040,921</u>	<u>784,126</u>
	<u>1,147,789</u>	<u>933,977</u>

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 18: LOANS (Cont'd)

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

	<u>12/31/2023</u>	<u>12/31/2022</u>
Loans at beginning of year	933,977	737,190
Loans received	669,819	343,124
Loans paid	(364,334)	(146,714)
Accrued interest	99,669	82,464
Interest paid	(87,604)	(82,960)
Leases taken out	9,430	645
Leases paid	(719)	(945)
Leases written-off due to termination of the lease agreement	-	(1,546)
Repurchase of negotiable obligations	(1,851)	(819)
Income/(loss) from repurchase of negotiable obligations	(401)	(130)
Exchange difference	(224,112)	(46,617)
Translation difference	-	2,654
Difference in UVA value	116,436	52,678
Bank overdrafts	5,175	-
Capitalized expenses	(9,788)	(1,968)
Gain/(loss) on purchasing power parity	2,092	(3,079)
Loans at year end	<u>1,147,789</u>	<u>933,977</u>

a) Issuance of international bonds

On July 7, 2016, under CNV Resolution No, 18110, GMSA, Generación Frías S.A. and CTR obtained authorization for the co-issuance in the domestic and international markets of simple guaranteed unsubordinated negotiable obligations, not convertible for shares, On July 27, 2016, Negotiable Obligations were issued for USD 250 million, maturing in 7 years.

This issuance allowed financing investments under the Company's expansion plans, as a result of the award by the ES of Wholesale Demand Agreements through Resolution No, 115/2016 dated June 14, 2016, and also the Group's projects under development, which in the aggregate represent works for installing 460 nominal MW. It has also improved the Group's financial profile with the early repayment of existing loans, obtaining a term for financing in accordance with the projects and also a considerable decrease in financing costs, which implies financial efficiency and release of guarantees.

On November 8, 2017, under RESFC-2017-19033-APN-DIR#CNV Resolution, GMSA and CTR obtained authorization from the CNV for the International Bond reopening, On December 5, 2017, Negotiable Obligations were issued for USD 86 million, with a nominal value of USD 336 million, The negotiable obligations have the same conditions as the originally issued ones.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 18: LOANS (Cont'd)

a) Issuance of international bonds (Cont'd)

a.1) 2023 International Bonds

Principal: Nominal value: USD 336,000; amount assigned to GMSA: USD 266,000 (considering the effect of merger Generación Frías S.A.) and the amount assigned to CTR: USD 70,000.

Amortization term and method: Interest on the International Bond will be paid semi-annually in arrears, on the following dates: January 27 and July 27 of each year, commencing on January 27, 2017 to maturity.

Principal on the Negotiable Obligations shall be amortized in a lump sum payment at maturity, that is, on July 27, 2023,

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

On October 22, 2021, the holders of the International Bond were informed that GMSA and CTR (as co-issuers) offer the subscription of Class X Negotiable Obligations, stated and payable in US dollars, at a fixed interest rate of 9,625%, maturing in 2027.

At November 26, 2021, expiration date of the swap offer, valid offers had been filed by holders of the International bonds for a nominal value of USD 212,802 from USD 266,000 (80%).

The principal balance due on that International Bond at December 31, 2023 has been fully paid.

a.2) 2027 International Bond (Class X Negotiable Obligation Co-issuance)

On 22 October 2021, the holders of the International Bond and the creditors of Existing Loans (Credit Suisse AG London Branch) were informed that GMSA and CTR (as co-issuers) offer the subscription of Class X Negotiable Obligations, stated and payable in US dollars, at a fixed interest rate of 9,625%, maturing in 2027.

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

With this outcome and the swap ratio offered to holders of the International bond which will file their advanced offer, the total amount issued on December 1, 2021 was USD 325,395.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 18: LOANS (Cont'd)

a) Issuance of international bonds (Cont'd)

a.2) 2027 International bond (Class X Negotiable Obligation Co-issuance) (Cont'd)

Together with the swap offers filed, the necessary consents were obtained to amend, subject to the Meeting of Holders to be held on November 30, certain commitments and clauses of the Trust Agreement of the 2023 International bond.

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

The Meeting of Holders was held on November 30, 2021, and concluded the swap of the instruments mentioned and amended certain commitments and clauses of the Trust Agreement of the 2023 International Bond.

On December 1, 2021, GMSA and CTR co-issued Class X Negotiable Obligations under the following conditions:

Principal: nominal value: USD 325,395; amount assigned to GMSA: USD 268,275 and amount assigned to CTR: USD 57,120,

Interest: 9,625% annual nominal rate, payable monthly in arrears on February 1, 2022 and June 1, 2022 and subsequently they will be payable on a half-year basis as follows: December 1, 2022; June 1, 2023; December 1, 2023; June 1, 2024; December 1 2024; June 1, 2025; December 1, 2025; June 1, 2026; December 1, 2026, June 1, 2027 and December 1, 2027,

Payment term and method: The principal of the new Negotiable Obligations shall be payable in 12 installments on the following dates: 2% on February 1, 2022; 3,50% on December 1, 2022; 3,50% on June 1, 2023; 7,00% on December 1, 2023; 10,00% on June 1, 2024; 10,00% on December 1, 2024; 10,00% on June 1, 2025; 10,00% on December 1, 2025; 10,00% on June 1, 2026; 10,00% on December 1, 2026; 10,00% on June 1, 2027; 14,00% on December 1, 2027.

Payment: the Negotiable Obligation was paid with the swap of international bond issued in 2016 and Credit Suisse AG London Branch loan.

Effective June 1, 2022, interest on the Class X Negotiable Obligations shall accrue at an annual rate of 9,875%, and the time frame envisaged in the Pricing Supplement for providing the first Lien on the Credits Assigned in Guarantee to the benefit of the Secured Parties has expired, without the Required Guarantee Consents having been obtained.

Principal balance due on those Negotiable Obligations at December 31, 2023 amounts to USD 262,818, GMSA and GROSA have 2027 International Bonds for a residual value of USD 7,111 and USD 3,402, respectively.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 18: LOANS (Cont'd)

a) Issuance of international bonds (Cont'd)

a.3) GMSA and CTR Class XXII Negotiable Obligations Co-issuance

Generación Mediterránea S.A. ("GMSA") and Central Térmica Roca S.A. ("CTR" and, together with GMSA, the "Issuers") announced on July 19, 2023 the pricing of their offering of USD 74,999 of secured notes with a coupon of 13,25%, maturing in 2026 (the "New Notes"), The sale of the New Notes was completed in the week following the announcement in July 2023, The Issuers used the proceeds of this offering to refinance existing indebtedness, including the amortization of their existing 9,625% coupon notes due in 2023 (the "2023 Notes"),

This transaction marks a milestone for the Issuers, including exchange agreements on approximately 48,5% of its 2023 Notes for New Notes and New Funds, The success of this transaction in a market environment surrounded by uncertainty confirms the trust that the investment community has placed on the Issuers, The Issuers expect to maintain a mutually beneficial relationship with all their noteholders.

Following expiration of the Offering Period, the results of the placement of the Negotiable Obligations are mentioned below:

Nominal value: USD 74,999, It is further reported that (i) USD 41,394 were paid in cash; and (ii) USD 33,605 were paid in kind through the delivery of the Existing Notes, (USD 68,002 allocated to GMSA and USD 6,997 allocated to CTR),

Price: 97%,

Date of issue: July 26, 2023,

Maturity date: July 26, 2026,

Interest rate: The Negotiable Obligations will accrue interest at an initial fixed annual nominal interest rate of 13,25%, subject to the incremental interest rate, by virtue of which the interest rate of the Notes will increase as follows: (a) by 1,25% up to 14,50% annual nominal rate from October 26, 2024 (inclusive) to October 26, 2025 (exclusive); and, additionally, (b) by 2,00% up to 16,50% annual nominal rate from October 26, 2025 (inclusive) until the maturity date.

Interest payment dates: October 26, 2023; January 26, 2024; April 26, 2024; July 26, 2024; October 26, 2024; January 26, 2025; April 26, 2025; July 26, 2025; October 26, 2025; January 26, 2026; April 26, 2026;and the expiration date.

Principal amortization: The principal of the Negotiable Obligations will be paid in ten (10) quarterly and consecutive installments on the following dates and in the following manner: 6% of the principal on April 26, 2024; 6% of the principal on July 26, 2024; 6% of the principal on October 26, 2024; 6% of the principal on January 26, 2025; 12% of the principal on April 26, 2025; 12% of the principal on July 26, 2025; 12% of the principal on October 26, 2025; 12% of the principal on January 26, 2026; 14% of the principal on April 26, 2026;and 14 % of principal on the maturity date, that is, July 26, 2026.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 18: LOANS (Cont'd)

a) Issuance of international bonds (Cont'd)

a,3) GMSA and CTR Class XXII Negotiable Obligations Co-issuance (Cont'd)

Principal balance due on those Negotiable Obligations at December 31, 2023 amounts to USD 74,999,

b) Negotiable obligations

At December 31, 2023 there are outstanding Class XIII, XV, XVI, XVII, XVIII, and XIX Negotiable Obligations (issued by GMSA); Class IX, XI, XII, XIII, XIV, XV, XVI, XVII, XVIII, XIX, XX, XXI, XXII, XXIII, XXIV, XXVI y XXVII Negotiable Obligations Co-issuance (issued by GMSA and CTR); and Class I and II Negotiable Obligations (issued by GLSA) for the amounts and under the conditions detailed below.

Additionally, in the current year, Class II, VII, and VIII Negotiable Obligations Co-issuance (GMSA and CTR) were settled.

b.1) GMSA-CTR Class II Negotiable Obligations Co-issuance

Co-issuance of Class II Negotiable Obligations took place on August 5, 2019 and were fully subscribed in cash,

On November 18, 2020, the co-issuers of the Class II Negotiable Obligations requested consent from each and all holders to, among other things, change the payment schedule and reduce payments of principal maturing over the next 24 months, On December 4, co-issuers announced that they had obtained consent from 100% of holders, with the amendment being subject to fulfillment of certain conditions precedent, On December 17, those conditions precedent were fulfilled, and the amendments became effective, At the same time, the amendment fulfilled the requirements of Communication "A" 7106 of the Central Bank.

Principal: total nominal value: USD 80,000; amount assigned to GMSA: USD 72,000 and amount assigned to CTR: USD 8,000.

Interest: 15% annual nominal rate, payable quarterly as from November 5, 2019 to maturity.

Maturity date: May 05, 2023

Payment method: Principal on Negotiable Obligations shall be paid in nine (9) quarterly consecutive installments, each of them for an amount equal to the original percentage of the principal established below: May 5, 2021: 7,00%; August 5, 2021: 9,00%; November 5, 2021: 9,00%; February 5, 2022: 6,50%; May 5, 2022: 6,50%; August 5, 2022: 8,50 %; November 5, 2022: 10,00%; February 5, 2023: 10,00%; maturity date: 33,50%.

The proceeds from the issuance of Class II Negotiable Obligations were chiefly allocated to the refinancing of liabilities and investment in fixed assets and, to a lesser extent, to working capital.

Class II Negotiable Obligations are secured by pledges on operating turbines, a mortgage on CTI, a reserve account funded by two periods' interest and the assignment of collection rights over agreements with CAMMESA under ES Resolutions Nos, No, 220/07 and ES Resolution No, 21/17.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 18: LOANS (Cont'd)

b) Negotiable obligations (Cont'd)

b.1) GMSA and CTR Class II Negotiable Obligations Co-issuance (Cont'd)

The principal balance due on those Negotiable Obligations at December 31, 2023 was settled in full.

b.2) GMSA and CTR Class VII Negotiable Obligations Co-issuance

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

Principal: total nominal value: USD 7,708; amount assigned to GMSA: USD 7,363; amount assigned to CTR: USD 345.

Interest: 6,0% annual nominal rate, payable quarterly to maturity, on March 11, 2023.

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

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

The principal balance due on those Negotiable Obligations at December 31, 2023 was settled in full.

b.3) GMSA and CTR Class VIII Negotiable Obligations Co-issuance

Principal: total nominal value: UVA 41,936 thousand; amount assigned to GMSA: UVA 41,023 thousand; and amount assigned to CTR: UVA 913.

Interest: 4,6% annual nominal rate, payable quarterly to maturity, on March 11, 2023.

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

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

The principal balance due on those Negotiable Obligations at December 31, 2023 was settled in full.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 18: LOANS (Cont'd)

b) Negotiable obligations (Cont'd)

b.4) GMSA and CTR Class IX Negotiable Obligations Co-issuance

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

Principal: nominal value: USD 4,266; amount assigned to GMSA: USD 2,844; amount assigned to CTR: USD 1,422,

Interest: 12,5% annual nominal rate, payable quarterly to maturity, on April 09, 2024.

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

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

Principal balance due on those Negotiable Obligations at December 31, 2023 amounts to USD 1,312, GMSA has Class IX Negotiable Obligations for a residual value of USD 138.

b.5) GMSA-CTR Class XI and XII Negotiable Obligations Co-issuance

On November 12, 2021, the Company, together with CTR, issued Class XI and XII Negotiable Obligations under the conditions described below:

b.5.1) GMSA and CTR Class XI Negotiable Obligations Co-issuance

Principal: nominal value: USD 38,655 (US dollar-linked); amount assigned to GMSA: USD 38,420; amount assigned to CTR: USD 235.

Interest: 6,0% annual nominal rate, payable quarterly to maturity, on November 12, 2024.

Payment term and method: Class XI Negotiable Obligations shall be amortized in four consecutive installments, each for an amount equivalent to 25% of the nominal value of Class XI Negotiable Obligations, on the following dates: February 12, 2024, May 12, 2024, August 12, 2024 and November 12, 2024.

Payment: the Negotiable Obligations were paid up in pesos at the initial exchange rate and in kind under the swap of Class V, Class VII and Class VIII Negotiable Obligations GMSA-CTR Co-issuance.

Principal balance due on those Negotiable Obligations at December 31, 2023 amounts to USD 16,002.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 18: LOANS (Cont'd)

b) Negotiable obligations (Cont'd)

b.5) GMSA-CTR Class XI and XII Negotiable Obligations Co-issuance (Cont'd)

b.5.2) GMSA and CTR Class XII Negotiable Obligations Co-issuance

Principal: nominal value: UVA 48,161 thousand; amount assigned to GMSA: UVA 47,360 thousand; and amount assigned to CTR: UVA 801 thousand

Interest: 4,6% annual nominal rate, payable quarterly to maturity, on November 12, 2024.

Payment term and method: Class XII Negotiable Obligations shall be amortized in four consecutive installments, each for an amount equivalent to 25% of the nominal value of Class XI Negotiable Obligations, on the following dates: February 12, 2024, May 12, 2024, August 12, 2024 and November 12, 2024.

Payment: the Negotiable Obligations were paid up in pesos at the initial exchange rate and in kind under the swap of GMSA and CTR Class VIII Negotiable Obligations co-issuance.

The principal balance due on that Negotiable Obligation at December 31, 2023 amounts to UVA 17,946 thousand.

b.6) GMSA and CTR Class XIII Negotiable Obligations Co-issuance

On January 10, 2022, GMSA and CTR co-issued Class XIII Negotiable Obligations under the following conditions:

Principal: nominal value: USD 14,066; amount assigned to GMSA: USD 12,673; amount assigned to CTR:

USD 1,393, **Interest:** 7,5% annual nominal rate, payable half-yearly to maturity, on January 10, 2024.

Payment term and method: Amortization: Principal on the negotiable obligations shall be amortized in full on January 10, 2024, Principal balance due on those Negotiable Obligations at December 31, 2023 amounts to USD 12,187.

b.7) GMSA-CTR Class XIV, XV, and XVI Negotiable Obligations Co-issuance

On July 18, 2022, GMSA and CTR co-issued Class XIV, Class XV and Class XVI Negotiable Obligations under the following conditions:

b.7.1) GMSA and CTR Class XIV Negotiable Obligations Co-issuance

Principal: nominal value: USD 5,858; amount assigned to GMSA: USD 4,720; amount assigned to CTR: USD 1,138,

Interest: 9,5% annual nominal rate, payable half-yearly to maturity, on July 18, 2024.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 18: LOANS (Cont'd)

b) Negotiable obligations (Cont'd)

b.7) GMSA and CTR Class XIV, XV, and XVI Negotiable Obligations Co-issuance (Cont'd)

b.7.1) GMSA and CTR Class XIV Negotiable Obligations Co-issuance (Cont'd)

Payment term and method: Amortization: Principal on the Negotiable Obligations shall be fully amortized in a lump sum payment at maturity, that is, on July 18, 2024.

Payment: the negotiable obligation was paid-in in USD.

Principal balance due on those Negotiable Obligations at December 31, 2023 amounts to USD 5,858.

b.7.2) GMSA and CTR Class XV Negotiable Obligations Co-issuance

Principal: nominal value: USD 27,659; amount assigned to GMSA: USD 22,404; amount assigned to CTR: USD 5,255.

Interest: 3,5% annual nominal rate Interest payments shall be made quarterly, on the following dates: October 18, 2022, January 18, 2023, April 18, 2023, July 18, 2023, October 18, 2023, January 18, 2024, April 18, 2024, July 18, 2024, October 18, 2024, January 18, 2025, April 18, 2025, and July 18, 2025.

Payment term and method: Amortization: Class XV Negotiable Obligations shall be amortized in 7 (seven) installments equivalent to: (i) 5% for the first and second installments; (ii) 10% for the third and fourth installments; (iii) 20% for the fifth installment; and (iv) 25% for the sixth and seventh installments, of the initial nominal value of Class XV Negotiable Obligations, on the following dates: July 18, 2023; January 18, 2024; July 18, 2024; October 18, 2024; January 18, 2025; April 18, 2025 and July 18, 2025.

Payment: the negotiable obligation was paid-in in pesos at the exchange rate applied on the date of payment.

Principal balance due on those Negotiable Obligations at December 31, 2023 amounts to USD 26,276.

b.7.3) GMSA and CTR Class XVI Negotiable Obligations Co-issuance

Principal: nominal value: UVA 15,889 thousand, equivalent to ARS 2,102,753 thousand,; amount assigned to GMSA: UVA 12,870 thousand; and amount assigned to CTR: UVA 3,019 thousand.

Interest: 0,0% annual nominal rate Interest payments shall be made quarterly, on the following dates: October 18, 2022, January 18, 2023, April 18, 2023, July 18, 2023, October 18, 2023, January 18, 2024, April 18, 2024, July 18, 2024, October 18, 2024, January 18, 2025, April 18, 2025, and July 18, 2025.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 18: LOANS (Cont'd)

b) Negotiable obligations (Cont'd)

b.7) GMSA and CTR Class XIV, XV, and XVI Negotiable Obligations Co-issuance (Cont'd)

b,7,3) GMSA and CTR Class XVI Negotiable Obligations Co-issuance (Cont'd)

Payment term and method: Amortization: Principal on the negotiable obligations shall be fully amortized on July 18, 2025 (the Maturity Date).

Payment: the Negotiable Obligations were paid-in in pesos at initial UVA value.

The principal balance due on that Negotiable Obligation at December 31, 2023 is UVA 15,889 thousand.

b.8) GMSA and CTR Class XVII, XVIII, and XIX Negotiable Obligations Co-issuance

On November 3, 2022, GMSA CTR Class XVII, XVIII and XIX Negotiable Obligations Co-issuance was subject to tender.

b.8.1) GMSA and CTR Class XVII Negotiable

Obligations Co-issuance Principal USD 11,486.

Interest: 9,50% annual nominal rate Interest shall be paid in arrears, Interest payments shall be made half-yearly, on the following dates: May 07, 2023, November 07, 2023, May 07, 2024 and November 07, 2024.

Payment term and method: Amortization: There will be only one payment at maturity, (November 7, 2024).

Payment: the negotiable obligation was paid-in in USD.

Principal balance due on those Negotiable Obligations at December 31, 2023 amounts to USD 11,486.

b.8.2) GMSA and CTR Class XVIII (Dollar Linked) Negotiable

Obligations Co-issuance Principal USD 21,108.

Payment: USD 18,918 were paid-in in cash; ii, USD 1,953 were paid-in in kind by means of the delivery of Class V Negotiable Obligation; and iii, USD 236 were paid-in in kind by means of the delivery of Class VII Negotiable Obligation.

Interest: 3,75% annual nominal rate Interest shall be paid in arrears, Interest payments shall be made quarterly, on the following dates: February 7, 2023; May 7, 2023; August 7, 2023; November 7, 2023; February 7, 2024; May 7, 2024; August 7, 2024 and November 7, 2024.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 18: LOANS (Cont'd)

b) Negotiable obligations (Cont'd)

b.8) GMSA and CTR Class XVII, XVIII, and XIX Negotiable Obligations Co-issuance (Cont'd)

b.8.2) GMSA and CTR Class XVIII (Dollar Linked) Negotiable Obligations Co-issuance (Cont'd)

Payment term and method: Amortization: There will be only one payment at maturity, (November 7, 2024).

Principal balance due on those Negotiable Obligations at December 31, 2023 amounts to USD 21,108.

b.8.3) GMSA and CTR Class XIX Negotiable Obligations Co-issuance

Principal: UVA 11,555 thousand equivalent to \$1,923,159 thousand (100% paid-in in cash).

Interest: 1,00% annual nominal rate Interest shall be paid in arrears, Interest payments shall be made quarterly, on the following dates: February 7, 2023; May 7, 2023; August 7, 2023; November 7, 2023; February 7, 2024; May 7, 2024; August 7, 2024 and November 7, 2024.

Payment term and method: Amortization: There will be only one payment at maturity, (November 7, 2025). The

principal balance due on that Negotiable Obligation at December 31, 2023 amounts to UVA 11,555 thousand.

b.9) GMSA and CTR Class XX and XXI Negotiable Obligations Co-issuance

Class XX and XXI Negotiable Obligations of GMSA and CTR were issued on April 17, 2023.

b.9.1) GMSA and CTR Class XX Negotiable Obligations Co-issuance

Nominal value: USD 19,362 (USD 16,667 allocated to GMSA and USD 2,695 allocated to CTR).

Interest rate: 9,5% annual nominal rate Interest payment shall be made on the following dates: July 27, 2023; January 27, 2024; July 27, 2024; January 27, 2025; and July 27, 2025.

Amortization: Single payment at maturity date (July 27, 2025).

Issuance and Settlement Date: April 17, 2023.

Maturity date: July 27, 2025.

Principal balance due on those Negotiable Obligations at December 31, 2023 amounts to USD 19,362.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 18: LOANS (Cont'd)

b) Negotiable obligations (Cont'd)

b.9) GMSA- CTR Class XX and XXI Negotiable Obligations Co-issuance

b.9.2) GMSA and CTR Class XXI Negotiable Obligations Co-issuance

Nominal value: USD 25,938 (Dollar-linked) (100% allocated to GMSA).

Interest rate: 5,50% annual nominal rate Interest payments shall be made quarterly at the applicable exchange rate, on the following dates: July 17, 2023; October 17, 2023; January 17, 2024; April 17, 2024; July 17, 2024; October 17, 2024; January 17, 2025; and April 17, 2025.

Amortization: Single payment at maturity date, at applicable exchange rate (April 17, 2025).

Maturity date: April 17, 2025.

Issuance and Settlement Date: April 17, 2023.

Exchange rate at the date of payment: \$ 214,25

Principal balance due on those Negotiable Obligations at December 31, 2023 amounts to USD 25,938.

b.10) GMSA- CTR Class XXIII and XXIV Negotiable Obligations Co-issuance

Class XXIII and Class XXIV Negotiable Obligations of GMSA and CTR were issued on July 20, 2023, as follows:

b.10.1) GMSA-CTR Class XXIII Negotiable Obligations Co-issuance

Nominal Value: USD 9,165 (100% allocated to GMSA).

Interest rate: 9,5% annual nominal rate Interest payment shall be made on the following dates: January 20, 2024; July 20, 2024; January 20, 2025; July 20, 2025; and January 20, 2026.

Amortization: Single payment at maturity date (January 20, 2026).

Maturity date: January 20, 2026.

Issuance and Settlement Date: July 20, 2023.

Principal balance due on those Negotiable Obligations at December 31, 2023 amounts to USD 9,165.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 18: LOANS (Cont'd)

b) Negotiable obligations (Cont'd)

b.10.2) GMSA and CTR Class XXIV Negotiable Obligations Co-issuance

Nominal value: USD 15,332 (Dollar-linked) (USD 9,726 allocated to GMSA and USD 5,606 allocated to CTR).

Interest rate: 5,0% annual nominal rate, Interest payments shall be made quarterly at the applicable exchange rate, on the following dates: October 20, 2023; January 20, 2024; April 20, 2024; July 20, 2024; October 20, 2024; January 20, 2025; April 20, 2025; and July 20, 2025.

Amortization: Single payment at maturity date, at applicable exchange rate (July 20, 2025).

Maturity date: July 20, 2025.

Issuance and Settlement Date: July 20, 2023.

Exchange rate at the date of payment: \$ 267,5833

Principal balance due on those Negotiable Obligations at December 31, 2023 amounts to USD 15,332.

b.11) GMSA and CTR Class XXVI and XXVII Negotiable Obligations Co-issuance

Class XXVI and Class XXVII GMSA and CTR co-issuance Negotiable Obligations were issued on October 12, 2023. And subsequently, GMSA and CTR Class XXVI Additional Co-issuance Negotiable Obligations were issued on December 6, 2023, The results were as follows:

b.11.1) GMSA and CTR Class XXVI (Dollar Linked) Negotiable Obligations Co-issuance

Amount issued: USD 63,598 (USD 63,445 allocated to GMSA and USD 153 allocated to CTR).

Term: 30 months.

Amortization: 100% on maturity, Payable in pesos at the applicable exchange rate.

Interest rate: 6,50%, with quarterly payments.

Principal balance due on those Negotiable Obligations at December 31, 2023 amounts to USD 63,598.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 18: LOANS (Cont'd)

b) Negotiable obligations (Cont'd)

b.11) GMSA and CTR Class XXVI and XXVII Negotiable Obligations Co-issuance (Cont'd)

b.11.2) GMSA and CTR Class XXVII (UVA) Negotiable Obligations Co-issuance

Amount issued: UVA 31,821 thousand (UVA 31,311 thousand allocated to GMSA and UVA 510 thousand allocated to CTR).

They were paid in as follows:

- i. UVA 1,182 thousand were paid in cash;
- ii. UVA 30,639 thousand were paid in kind through Class XII Negotiable Obligations.

Term: 42 months.

Amortization: 100% on maturity, Payable in pesos at the applicable exchange rate.

Interest rate: 5,00%, with quarterly payments.

The principal balance due on this Negotiable Obligation at December 31, 2023 amounts to UVA 31,821 thousand.

b.12) GMSA and CTR Class XXV (Hard Dollar) Negotiable Obligations Co-issuance

Class XXV GMSA and CTR co-issuance Negotiable Obligations were issued on October 18, 2023. And subsequently, GMSA and CTR Class XXV Additional Co-issuance Negotiable Obligations were issued on December 6, 2023. The results were as follows:

Amount issued: USD 8,174 paid-in in cash (USD 7,988 allocated to GMSA and USD 186 allocated to CTR).

Term: 30 months.

Amortization: 100% on maturity.

Interest rate: 9,50%, with half-yearly payments.

Principal balance due on those Negotiable Obligations at December 31, 2023 amounts to USD 8,174.

b.13) GMSA Class XIII Negotiable Obligations

On December 2, 2020, GMSA issued Class XIII Negotiable Obligations fully paid by the swap of Class X Negotiable Obligations under the following conditions:

Principal: nominal value: USD 13,077.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 18: LOANS (Cont'd)

b) Negotiable obligations (Cont'd)

b.13) GMSA Class XIII Negotiable Obligations (Cont'd)

Interest: 12,5% annual nominal rate Interest on Class XIII Negotiable obligations shall be paid in arrears, Payment of quarterly interest in the following dates: February 16, 2021, May 16, 2021, August 16, 2021, November 16, 2021, February 16, 2022, May 16, 2022, August 16, 2022, November 16, 2022, February 16, 2023, May 16, 2023, August 16, 2023, November 16, 2023 and February 16, 2024.

Payment term and method: Amortization: The principal of the Negotiable Obligations shall be amortized in three installments, the first one on February 16, 2021 for 33,33% principal, the second on February 16, 2022 for 33,33% principal, and the third on February 16, 2024 for 33,34% principal, which agrees with their maturity.

The issue allowed the swap of 66,37% of the principal issued under Class X Negotiable Obligations, improving the financial debt maturities profile of the Company.

Principal balance due on those Negotiable Obligations at December 31, 2023 amounts to USD 4,368.

b.14) GMSA Class XV and XVI Negotiable Obligations

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

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

Consent was received from 89,72% of the holders of the International bond 144 A Reg-S and 98,75% of the holders of Class II Negotiable Obligation co-issued,

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

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 18: LOANS (Cont'd)

b) Negotiable obligations (Cont'd)

b.14) GMSA Class XV and XVI Negotiable Obligations (Cont'd)

b.14.1) GMSA Class XV Negotiable Obligations

Principal: nominal value: UVA 36,621 thousand equivalent to USD 31,227,

Interest: 6,5% annual nominal rate, Interest shall be paid (i) on a six-month basis until the date when 24 months from the Issue Date have elapsed; (ii) 31 months from the Issue Date and (iii) on a monthly basis, as from the month 32 with an option to capitalize interest until month 31, in each case, on the day 28 of each calendar month or, if other than a business day, the payment date will be the immediately following business day, That is, on January 28, 2022; July 28, 2022; January 28, 2023; July 28, 2023; February 28, 2024; March 27, 2024; April 28, 2024; May 28, 2024; June 28, 2024; July 28, 2024; August 28, 2024; September 28, 2024; October 28, 2024; November 28, 2024; December 28, 2024; January 28, 2025; February 28, 2025; March 28, 2025; April 28, 2025; May 28, 2025; June 28, 2025; July 28, 2025; August 28, 2025; September 28, 2025; October 28, 2025; November 28, 2025; December 28, 2025; January 28, 2026; February 28, 2026; March 28, 2026; April 28, 2026; May 28, 2026; June 28, 2026; July 28, 2026,

Payment term and method: Amortization: Principal on the negotiable obligations shall be amortized in 29 consecutive installments payable on a monthly basis as from March 2024, Amortization dates for Class XV Negotiable Obligations shall be: March 27, 2024; April 28, 2024; May 28, 2024; June 28, 2024; July 28, 2024; August 28, 2024; September 28, 2024; October 28, 2024; November 28, 2024; December 28, 2024; January 28, 2025; February 28, 2025; March 28, 2025; April 28, 2025; May 28, 2025; June 28, 2025; July 28, 2025; August 28, 2025; September 28, 2025; October 28, 2025; November 28, 2025; December 28, 2025; January 28, 2026; February 28, 2026; March 28, 2026; April 28, 2026; May 28, 2026; June 28, 2026; July 28, 2026,

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

At December 31, 2023, interest were capitalized for UVA 2,584 thousand,

The principal balance due on that Negotiable Obligation at December 31, 2023 amounts to UVA 41,705 thousand,

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 18: LOANS (Cont'd)

b) Negotiable obligations (Cont'd)

b.14) GMSA Class XV and XVI Negotiable Obligations (Cont'd)

b.14.2) GMSA Class XVI Negotiable Obligations (Cont'd)

Principal: nominal value: USD 98,773,

Interest: 7,75% annual nominal rate, Interest shall be paid (i) on a six-month basis until the date when 24 months from the Issue Date have elapsed; (ii) 31 months from the Issue Date and (iii) on a monthly basis, as from the month 32 with an option to capitalize interest until month 31, in each case, on the day 28 of each calendar month or, if other than a business day, the payment date will be the immediately following business day, That is, January 28, 2022; July 28, 2022; January 28, 2023; July 28, 2023; February 28, 2024; March 27, 2024; April 28, 2024; May 28, 2024; June 28, 2024; July 28, 2024; August 28, 2024; September 28, 2024; October 28, 2024; November 28, 2024; December 28, 2024; January 28, 2025; February 28, 2025; March 28, 2025; April 28, 2025; May 28, 2025; June 28, 2025; July 28, 2025; August 28, 2025; September 28, 2025; October 28, 2025; November 28, 2025; December 28, 2025; January 28, 2026; February 28, 2026; March 28, 2026; April 28, 2026; May 28, 2026; June 28, 2026; July 28, 2026; August 28, 2026, September 28, 2026; October 28, 2026; November 28, 2026; December 28, 2026; January 28, 2027; February 28, 2027; March 28, 2027; April 28, 2027; May 28, 2027; June 28, 2027; July 28, 2027; August 28, 2027; September 28, 2027; October 28, 2027; November 28, 2027; December 28, 2027; January 28, 2028; February 28, 2028; March 28, 2028; April 28, 2028; May 28, 2028; June 28, 2028; July 28, 2028; August 28, 2028; September 28, 2028; October 28, 2028; November 28, 2028; December 28, 2028; January 28, 2029; February 28, 2029; March 28, 2029; April 28, 2029; May 28, 2029; June 28, 2029; July 28, 2029,

Payment term and method: Amortization: Principal on the negotiable obligations shall be amortized in 48 consecutive installments payable on a monthly basis as from August 2025, The amortization dates for Class XVI Negotiable Obligation shall be: August 28, 2025, September 28, 2025; October 28, 2025; November 28, 2025; December 28, 2025; January 28, 2026; February 28, 2026; March 28, 2026; April 28, 2026; May 28, 2026; June 28, 2026; July 28, 2026; August 28, 2026, September 28, 2026; October 28, 2026; November 28, 2026; December 28, 2026; January 28, 2027; February 28, 2027; March 28, 2027; April 28, 2027; May 28, 2027; June 28, 2027; July 28, 2027; August 28, 2027; September 28, 2027; October 28, 2027; November 28, 2027; December 28, 2027; January 28, 2028; February 28, 2028; March 28, 2028; April 28, 2028; May 28, 2028; June 28, 2028; July 28, 2028; August 28, 2028; September 28, 2028; October 28, 2028; November 28, 2028; December 28, 2028; January 28, 2029; February 28, 2029; March 28, 2029; April 28, 2029; May 28, 2029; June 28, 2029; July 28, 2029,

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

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 18: LOANS (Cont'd)

b) Negotiable obligations (Cont'd)

b.14) GMSA Class XV and XVI Negotiable Obligations (Cont'd)

b.14.2) GMSA Class XVI Negotiable Obligations (Cont'd)

At December 31, 2023, interest were capitalized for USD 8,440,

Principal balance due on those Negotiable Obligations at December 31, 2023 amounts to USD 115,278,

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

Guarantee trust to secure payment obligations

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

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

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 18: LOANS (Cont'd)

b) Negotiable obligations (Cont'd)

b.14) GMSA Class XV and XVI Negotiable Obligations (Cont'd)

Guarantee trust to secure payment obligations (Cont'd)

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

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

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

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

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

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

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 18: LOANS (Cont'd)

b) Negotiable obligations (Cont'd)

b.15) GMSA Class XVII, XVIII and XIX Negotiable Obligations

b.15.1) GMSA Class XVII Negotiable Obligations

Principal: nominal value: USD 24,262,

Interest: 3,5% annual nominal rate, Interest shall be paid (i) on a six-month basis until the date when 24 months from the Issue Date have elapsed; (ii) 31 months from the Issue Date and (iii) on a monthly basis, as from the month 32 with an option to capitalize interest until month 31, in each case, on the day 28 of each calendar month or, if other than a business day, the payment date will be the immediately following business day, That is, November 28, 2022; May 28, 2023; November 28, 2023; May 28, 2024; December 28, 2024; January 28, 2025; February 28, 2025; March 28, 2025; April 28, 2025; May 28, 2025; June 28, 2025; July 28, 2025; August 28, 2025; September 28, 2025; October 28, 2025; November 28, 2025; December 28, 2025; January 28, 2026; February 28, 2026; March 28, 2026; April 28, 2026; May 28, 2026; June 28, 2026; July 28, 2026; August 28, 2026; September 28, 2026; October 28, 2026; November 28, 2026; December 28, 2026; January 28, 2027; February 28, 2027; March 28, 2027; April 28, 2027; and May 28, 2027,

Payment term and method: Amortization: Principal on the negotiable obligations shall be amortized in 29 consecutive installments payable on a monthly basis as from January 2025, The amortization dates for Class XVII Negotiable Obligation shall be: January 28, 2025; February 28, 2025; March 28, 2025; April 28, 2025; May 28, 2025; June 28, 2025; July 28, 2025; August 28, 2025; September 28, 2025; October 28, 2025; November 28, 2025; December 28, 2025; January 28, 2026; February 28, 2026; March 28, 2026; April 28, 2026; May 28, 2026; June 28, 2026; July 28, 2026; August 28, 2026; September 28, 2026; October 28, 2026; November 28, 2026; December 28, 2026; January 28, 2027; February 28, 2027; March 28, 2027; April 28, 2027, and May 28, 2027,

Payment: the negotiable obligation was paid-in in pesos at the exchange rate applied on the date of payment,

At December 31, 2023, interest were capitalized for USD 872,

Principal balance due on those Negotiable Obligations at December 31, 2023 amounts to USD 25,574,

b.15.2) GMSA Class XVIII Negotiable Obligations

Principal: nominal value: UVA 14,926 thousand equivalent to USD 15,028,

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

b,15) GMSA Class XVII, XVIII and XIX Negotiable Obligations (Cont'd)

b.15.2) GMSA Class XVIII Negotiable Obligations (Cont'd)

Interest: 0% annual nominal rate, Interest shall be paid (i) on a six-month basis until the date when 24 months from the Issue Date have elapsed; (ii) 31 months from the Issue Date and (iii) on a monthly basis, as from the month 32 with an option to capitalize interest until month 31, in each case, on the day 28 of each calendar month or, if other than a business day, the payment date will be the immediately following business day, That is, November 28, 2022; May 28, 2023; November 28, 2023; May 28, 2024; December 28, 2024; January 28, 2025; February 28, 2025; March 28, 2025; April 28, 2025; May 28, 2025; June 28, 2025; July 28, 2025; August 28, 2025; September 28, 2025; October 28, 2025; November 28, 2025; December 28, 2025; January 28, 2026; February 28, 2026; March 28, 2026; April 28, 2026; May 28, 2026; June 28, 2026; July 28, 2026; August 28, 2026; September 28, 2026; October 28, 2026; November 28, 2026; December 28, 2026; January 28, 2027; February 28, 2027; March 28, 2027; April 28, 2027; and May 28, 2027,

Payment term and method: Amortization: Principal on the negotiable obligations shall be amortized in 29 consecutive installments payable on a monthly basis as from January 2025, The amortization dates for Class XVIII Negotiable Obligation shall be: January 28, 2025; February 28, 2025; March 28, 2025; April 28, 2025; May 28, 2025; June 28, 2025; July 28, 2025; August 28, 2025; September 28, 2025; October 28, 2025; November 28, 2025; December 28, 2025; January 28, 2026; February 28, 2026; March 28, 2026; April 28, 2026; May 28, 2026; June 28, 2026; July 28, 2026; August 28, 2026; September 28, 2026; October 28, 2026; November 28, 2026; December 28, 2026; January 28, 2027; February 28, 2027; March 28, 2027; April 28, 2027, and May 28, 2027,

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

The principal balance due on that Negotiable Obligation at December 31, 2023 amounts to UVA 14,926 thousand,

b.15.3) GMSA Class XIX Negotiable Obligations

Principal: nominal value: USD 85,710,

Interest: 6,50% annual nominal rate, (i) on a six-month basis until the date when 24 months from the Issue Date have elapsed; (ii) 31 months from the Issue Date and (iii) on a monthly basis, as from the month 32 with an option to capitalize interest until month 31, in each case, on the day 28 of each calendar month or, if other than a Business Day, the payment date will be the immediately following Business Day, i.e, March 28, 2024; April 28, 2024; May 28, 2024; June 28, 2024; July 28, 2024; August 28, 2024; September 28, 2024; October 28, 2024; November 28, 2024; December 28, 2024; January 28, 2025; February 28, 2025; March 28, 2025; April 28, 2025; May 28, 2025; June 28, 2025; July 28, 2025; August 28, 2025; September 28, 2025; October 28, 2025; November 28, 2025; December 28, 2025; January 28,

Generación Mediterránea S.A.

Notes to the Consolidated Financial Statements (Cont'd)

NOTE 18: LOANS (Cont'd)

b) Negotiable obligations (Cont'd)

b.15) GMSA Class XVII, XVIII, and XIX Negotiable Obligations (Cont'd)

b,15,3) GMSA Class XIX Negotiable Obligations (Cont'd)

2026; February 28, 2026; March 28, 2026; April 28, 2026; May 28, 2026; June 28, 2026; July 28, 2026; August 28, 2026, September 28, 2026; October 28, 2026; November 28, 2026; December 28, 2026; January 28, 2027; February 28, 2027; March 28, 2027; April 28, 2027; May 28, 2027; June 28, 2027; July 28, 2027; August 28, 2027; September 28, 2027; October 28, 2027; November 28, 2027; December 28, 2027; January 28, 2028; February 28, 2028; March 28, 2028; April 28, 2028; May 28, 2028; June 28, 2028; July 28, 2028; August 28, 2028; September 28, 2028; October 28, 2028; November 28, 2028; December 28, 2028; January 28, 2029; February 28, 2029; March 28, 2029; April 28, 2029; May 28, 2029; June 28, 2029; July 28, 2029; August 28, 2029; September 28, 2029; October 28, 2029; November 28, 2029; December 28, 2029; January 28, 2030; February 28, 2030; March 28, 2030; April 28, 2030; May 28, 2030; June 28, 2030; July 28, 2030; August 28, 2030; September 28, 2030; October 28, 2030; November 28, 2030; December 28, 2030; January 28, 2031; February 28, 2031; March 28, 2031; April 28, 2031; May 28, 2031; June 28, 2031; July 28, 2031; August 28, 2031; September 28, 2031; October 28, 2031; November 28, 2031; December 28, 2031; January 28, 2032; February 28, 2032; March 28, 2032; April 28, 2032; and May 28, 2032,

Payment term and method: Amortization: Principal on the negotiable obligations shall be amortized in 60 consecutive installments payable on a monthly basis as from June 2027, The amortization dates for Class XIX Negotiable Obligation shall be: June 28, 2027; July 28, 2027; August 28, 2027; September 28, 2027; October 28, 2027; November 28, 2027; December 28, 2027; January 28, 2028; February 28, 2028; March 28, 2028; April 28, 2028; May 28, 2028; June 28, 2028; July 28, 2028; August 28, 2028; September 28, 2028; October 28, 2028; November 28, 2028; December 28, 2028; January 28, 2029; February 28, 2029; March 28, 2029; April 28, 2029; May 28, 2029; June 28, 2029; July 28, 2029; August 28, 2029; September 28, 2029; October 28, 2029; November 28, 2029; December 28, 2029; January 28, 2030; February 28, 2030; March 28, 2030; April 28, 2030; May 28, 2030; June 28, 2030; July 28, 2030; August 28, 2030; September 28, 2030; October 28, 2030; November 28, 2030; December 28, 2030; January 28, 2031; February 28, 2031; March 28, 2031; April 28, 2031; May 28, 2031; June 28, 2031; July 28, 2031; August 28, 2031; September 28, 2031; October 28, 2031; November 28, 2031; December 28, 2031; January 28, 2032; February 28, 2032; March 28, 2032; April 28, 2032; and May 28, 2032,

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

At December 31, 2023, interest were capitalized for USD 5,852.

Principal balance due on those Negotiable Obligations at December 31, 2023 amounts to USD 94,447.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 18: LOANS (Cont'd)

b) Negotiable obligations (Cont'd)

b.15) GMSA Class XVII, XVIII and XIX Negotiable Obligations (Cont'd)

b,15,3) GMSA Class XIX Negotiable Obligations (Cont'd)

The financing obtained is a limited recourse loan, exclusive to the CTMM closure of cycle project, It is guaranteed by the project's main equipment and a PPA agreement under Resolution No, 287/17, The conditions are described below:

Guarantee trust to secure payment obligations

On March 22, 2022, the Company, as trustor, and Banco de Servicios y Transacciones S.A., as trustee, entered into an agreement for the assignment in trust and guarantee trust in favor of Trustee, to the benefit of the holders of negotiable obligations, to secure (i) due and timely compliance as a method of payment of each and every obligation relating to and/or otherwise associated with the negotiable obligations (including, without limitation, the payment of principal, compensatory interest, penalty interest, cost, expenses and other charges and payment commitments of any nature), including the amounts that may become due and payable by reason of events of acceleration of maturities, and (ii) the application to the Project of the proceeds from the placement of the negotiable obligations, This agreement was amended on May 10, 2022,

The Company assigned (or will assign, as applicable) under guarantee in favor of Trustee the trust ownership of all GMSA's rights to be collected, received or accrued, as applicable (all of them jointly referred to as the "Assigned Rights"):

(A) All sums of money owed to GMSA under the Project Supply Agreement, as well as those deriving from any renewal and/or amendment and/or addition and/or replacement (in whole or in part) of said Project Supply Agreement and/or a new Project Supply Agreement to be entered into with CAMMESA (the "Collection Rights"), provided, however, that until an Event of Default occurs, GMSA and the Trustee will instruct CAMMESA to transfer regarding each (monthly) invoice under the Project Supply Agreement (i) a monthly amount ranging between USD 2,200 thousand and USD 2,500 thousand, which will be determined in such manner that it is sufficient to defray the projected principal and interest payments of the Negotiable Obligations, considering the Issued Amount of Negotiable Obligations, the Interest Rate on the Negotiable Obligations and the expenses related to the Negotiable Obligations (the "Transfer Amount") to a Trust Account, and (ii) the remainder of the payment of each invoice to a Margin Account under Guarantee; (B) all sums of money owed to GMSA under, in relation, or linked to, the Equipment Purchase Agreements and the Main Agreements of the Project and the Eligible Bond Insurance Policies (once they have been underwritten), as well as any other rights of GMSA as a beneficiary of any payment and any of the representations and warranties or indemnities thereunder; including, but not limited to, all sums of money owed to GMSA under, in relation, or linked to, the Equipment Purchase Agreements, and the rights of GMSA as a beneficiary of any payment and any of the representations and warranties or indemnities established; (C) all sums of money owed to GMSA under, in relation, or linked to, the Long-Term Service Agreements, as well as the rights of GMSA as a beneficiary of any payment and any of the representations and warranties or indemnities established; (D) the percentage of the collections rights of Maranzana Power Plant under the Insurance Policies and the funds payable thereunder in relation to the Project or any other payment in the event of an Insurance Claim

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 18: LOANS (Cont'd)

b) Negotiable obligations (Cont'd)

b.15) GMSA Class XVII, XVIII and XIX Negotiable Obligations (Cont'd)

Guarantee trust to secure payment obligations (Cont'd)

payable thereunder in relation to the Project or any other payment in the event of an Insurance Claim, The collection rights arising under the insurance policies for the Project Equipment shall be governed by the provisions of the Pledge on the Project Equipment and the Creditors' Agreement; (E) all proceeds from the placement of the Negotiable Obligations, which will be deposited into the Construction Account and disbursed only by following the Disbursement Procedure; (F) all funds deposited under guarantee into the Trust Accounts and the Margin Account at any time; (G) any payment for Condemnation of the Assets under Guarantee or for any of the agreements under which Assigned Rights exist; (H) any payment for the sale of assets actually received by GMSA under a Sale of Assets under guarantee or any of the agreements under which Assigned Rights exist; and (I) any payment in Case of Payment or Termination of the Project Documents,

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

The Company will irrevocably instruct the underwriters of the Negotiable Obligations so that the proceeds from the placement is made available to the Trustee, net of the placement expenses, who will deposit or invest those proceeds as set forth in the Guarantee Trust Agreement following the Disbursement Procedure,

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

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

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

The funds available at the Trust may be invested in mutual funds and the Company has disclosed in its financial statements those investment under current and non-current investments based on the estimated cash flow from the capex expected by the Company for use of those funds, The funds are restricted funds administered by the trust;

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 18: LOANS (Cont'd)

b) Negotiable obligations (Cont'd)

b.15) GMSA Class XVII, XVIII and XIX Negotiable Obligations (Cont'd)

Guarantee trust to secure payment obligations (Cont'd)

therefore, they were not considered cash and cash equivalents in the Company's consolidated Financial Statements,

b.16) GLSA Class I and III Negotiable Obligations

On March 8, 2023, GLSA Class I and Class III Negotiable Obligations were issued, and on June 7, 2023, GLSA Class I and Class III additional Negotiable Obligations were issued, as follows:

b.16.1) GLSA Class I Negotiable Obligations

(Dollar Linked) Principal: USD 24,891,

Interest: 4% annual nominal rate Interest is payable on a half-year basis, on the following dates: September 28, 2023, March 27, 2024, September 28, 2024, March 28, 2025, September 28, 2025, and monthly on the following dates: October 28, 2025; November 28, 2025; December 28, 2025; January 28, 2026; February 28, 2026; March 28, 2026; April 28, 2026; May 28, 2026; June 28, 2026; July 28, 2026; August 28, 2026; September 28, 2026; October 28, 2026; November 28, 2026; December 28, 2026; January 28, 2027; February 28, 2027; March 28, 2027; April 28, 2027; May 28, 2027; June 28, 2027; July 28, 2027; August 28, 2027; September 28, 2027; October 28, 2027; November 28, 2027; December 28, 2027; January 28, 2028; February 28, 2028; and on the maturity date, March 28, 2028,

Payment term and method: Amortization: Class I Negotiable Obligation shall be amortized in 30 (thirty) consecutive installments, to be paid on a monthly basis as from the date when 31 months have elapsed from the issuance and settlement date, on the following dates: October 28, 2025; November 28, 2025; December 28, 2025; January 28, 2026; February 28, 2026, March 28, 2026; April 28, 2026; May 28, 2026; June 28, 2026; July 28, 2026; August 28, 2026; September 28, 2026; October 28, 2026; November 28, 2026; December 28, 2026; January 28, 2027; February 28, 2027; March 28, 2027; April 28, 2027; May 28, 2027; June 28, 2027; July 28, 2027; August 28, 2027; September 28, 2027; October 28, 2027; November 28, 2027; December 28, 2027; January 28, 2028; February 28, 2028, and on the maturity date, March 28, 2028,

At December 31, 2023, interest were capitalized for USD 554,

Principal balance due on those Negotiable Obligations at December 31, 2023 amounts to USD 25,445,

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 18: LOANS (Cont'd)

b) Negotiable obligations (Cont'd)

b.16) GLSA Class I and III Negotiable Obligations (Cont'd)

b.16.2) GLSA Class III Negotiable Obligations (Dollar Linked)

Principal: USD 115,000,

Interest: 6,50% annual nominal rate Interest is payable on a half-year basis, on the following dates: September 28, 2023; March 27, 2024; September 28, 2024; March 28, 2025; September 28, 2025, and monthly on the following dates; October 28, 2025, November 28, 2025; December 28, 2025; January 28, 2026; February 28, 2026; March 28, 2026; April 28, 2026; May 28, 2026; June 28, 2026; July 28, 2026; September 28, 2026; October 28, 2026; November 28, 2026; December 28, 2026; January 28, 2027; February 28, 2027; March 28, 2027; April 28, 2027; May 28, 2027; June 28, 2027; July 28, 2027; August 28, 2027; September 28, 2027; October 28, 2027; November 28, 2027; December 28, 2027; January 28, 2028; February 28, 2028; March 28, 2028; April 28, 2028; May 28, 2028; June 28, 2028; July 28, 2028; August 28, 2028; September 28, 2028; October 28, 2028; November 28, 2028; December 28, 2028; January 28, 2029; February 28, 2029; March 28, 2029; April 28, 2029; May 28, 2029; June 28, 2029; July 28, 2029; August 28, 2029; September 28, 2029; October 28, 2029; November 28, 2029; December 28, 2029; January 28, 2030; February 28, 2030; March 28, 2030; April 28, 2030; May 28, 2030; June 28, 2030; July 28, 2030; August 28, 2030; September 28, 2030; October 28, 2030; November 28, 2030; December 28, 2030; January 28, 2031; February 28, 2031; March 28, 2031; April 28, 2031; May 28, 2031; June 28, 2031; July 28, 2031; August 28, 2031; September 28, 2031; October 28, 2031; November 28, 2031; December 28, 2031; January 28, 2032; February 28, 2032; March 28, 2032; April 28, 2032; May 28, 2032; June 28, 2032; July 28, 2032; August 28, 2032; September 28, 2032; October 28, 2032; November 28, 2032; December 28, 2032; January 28, 2033; February 28, 2033; and on the maturity date, March 28, 2033 or, if not a Business Day, on the immediately following Business Day,

Payment term and method: Amortization: Class III Negotiable Obligation shall be amortized in 60 (sixty) consecutive installments, to be paid on a monthly basis as from the date when 61 months have elapsed from the issuance and settlement date, on the following dates: April 28, 2028; May 28, 2028; June 28, 2028; July 28, 2028; August 28, 2028; September 28, 2028; October 28, 2028; November 28, 2028; December 28, 2028; January 28, 2029; February 28, 2029, March 28, 2029; April 28, 2029; May 28, 2029; June 28, 2029; July 28, 2029; August 28, 2029; September 28, 2029; October 29, 2029; November 28, 2029; December 28, 2029; January 28, 2030; February 28, 2030, March 28, 2030; April 28, 2030; May 28, 2030; June 28, 2030; July 28, 2030; August 28, 2030; September 30, 2030; October 28, 2030; November 28, 2030; December 28, 2030; January 28, 2031; February 28, 2031, March 28, 2031; April 28, 2031; May 28, 2031; June 28, 2031; July 28, 2031; August 28, 2031; September 28, 2031; October 28, 2031; November 28, 2031; December 28, 2031; January 28, 2032; February 28; March 28, 2032; April 28, 2032; May 28, 2032; June 28, 2032; July 28, 2032; August 28, 2032; September 28, 2032; October 28, 2032; November 28, 2032; December 28, 2032; January 28, 2033; February 28, 2033; and on the maturity date, March 28, 2033,

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 18: LOANS (Cont'd)

b) Negotiable obligations (Cont'd)

b.16) GLSA Class I and III Negotiable Obligations (Cont'd)

b,16,2) GLSA Class III Negotiable Obligations (Dollar Linked) (Cont'd)

At December 31, 2023, interest were capitalized for USD 4,157,

Principal balance due on those Negotiable Obligations at December 31, 2023 amounts to USD 119,157,

Guarantee trust to secure payment obligations

GLSA, as trustor (the “Trustor”) and Banco de Servicios y Transacciones S.A., as trustee (the “Trustee”), entered into an agreement on December 22, 2022 (as amended on February 24, 2023) for the assignment in trust and guarantee trust (the “Guarantee and Payment Trust Agreement”), for the purpose of creating a guarantee and payment trust under the regulatory framework provided by Chapters 30 and 31 of Title IV, Third Volume of the Argentine Civil and Commercial Code (the “Guarantee and Payment Trust”) for the assignment in favor of Trustee, to the benefit of the holders of negotiable obligations and, if used, to the benefit of the creditors for Eligible Third-Party Financing (the “Third-Party Creditor”), to secure (i) due and timely compliance as a method of payment of each and every obligation relating to and/or otherwise associated with the negotiable obligations and, if used, the Eligible Third-Party Financing (including, without limitation, the payment of principal, compensatory interest, penalty interest, cost, expenses and other charges and payment commitments of any nature), including the amounts that may become due and payable by reason of acceleration of maturities and/or expiration, and (ii) the application to the Arroyo Seco Project of the proceeds from the placement of the negotiable obligations, The Guarantee and Payment Trust states that, if any Eligible Third-Party Financing is used, the Third-Party Creditor must sign a letter of adherence to the terms and conditions of the Guarantee and Payment Trust Agreement to be included as beneficiary under the Guarantee and Payment Trust Agreement and appoint the Trustee as Guarantee Agent under the Guarantee Documents,

GLSA assigned (or will assign, as applicable) under guarantee in favor of Trustee the trust ownership of all GLSA’s rights to collect, receive or accrue, as applicable (all of them jointly referred to as the “Assigned Rights”): (A) all sums of money owed to GLSA under the Project Supply Agreement as well as those deriving from any renewal and/or amendment and/or addition and/or replacement (in whole or in part) of said Project Supply Agreement and/or a new Project Supply Agreement to be entered into with CAMMESA (the “CAMMESA Collection Rights”), provided, however, that until an Event of Default occurs, GLSA and the Trustee will instruct CAMMESA to transfer to a Trust Account, (i) the monthly calculation of sales conducted under the Project Supply Agreement to be determined within 10 Business Days prior to publication of the payment notice informing of the effective payments of principal and interest, in such a way to cover for the payment of principal and 46 projected interest payments, for an amount equivalent to (i) from the Issuance and Settlement Date until the payment of Class I Negotiable Obligations and Class II Negotiable Obligations, the highest installment and, if used, the highest of the Eligible Third-Party Financing payable in that period; and (ii) from the date of payment of Class I Negotiable Obligations and Class II Negotiable Obligations until the payment of Class III Negotiable Obligations, the highest installment of Class III Negotiable Obligations and, if used, the highest of the Eligible Third-Party Financing payable in that period (the “Transfer Amount”); and (ii) the remaining payable amount of each monthly sale calculation, to the Margin Account; (B) all sums of money owed to GLSA under the Agreements with LDC, as well as those deriving from any renewal and/or amendment and/or addition and/or replacement (in whole or in part) of said agreements (the “LDC Collection Rights”); (C) all sums of money owed to GLSA under, in relation to, or linked to the Agreement for the Transfer of Project Equipment, and the Main Agreements of the Project and the Eligible Bond Insurance Policies (once they have been issued), as well as any other rights of GLSA as a beneficiary of any payment and any of the representations and warranties or indemnities thereunder; including, but not limited to, all sums of money owed to GLSA under, in relation to,

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 18: LOANS (Cont'd)

b) Negotiable obligations (Cont'd)

b.16) GLSA Class I and III Negotiable Obligations (Cont'd)

or linked to the Agreement for the Transfer of Project Equipment, and the rights of GLSA as a beneficiary of any payment and any of the representations and warranties or indemnities established; (D) all sums of money owed to GLSA under, in relation, or linked to, the Long-Term Service Agreements, as well as the rights of GLSA as a beneficiary of any payment and any of the representations and warranties or indemnities established; (E) the collection rights of the Issuer under the insurance policies and the funds payable thereunder in relation to the Arroyo Seco Project or any other payment in the event of an insurance claim, establishing that the collection rights arising under the insurance policies for the Project Equipment and the Existing Additional Equipment shall be governed by the provisions of Chattel Mortgages; (F) all proceeds from the placement of the Negotiable Obligations, which will be deposited into the Construction Account and disbursed only by following the Disbursement Procedure; (G) all funds deposited under guarantee into the Trust Accounts and the Margin Account at any time; (H) any payment for Condemnation of the Assets under Guarantee or for any of the agreements under which Assigned Rights exist (I) the Usufruct; and (J) any payment in Case of Payment or Termination of the Project Documents,

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 18: LOANS (Cont'd)

b) Negotiable obligations (Cont'd)

b.16) GLSA Class I and III Negotiable Obligations (Cont'd)

Without detriment to the assignment of the LDC Collection Rights described in item (B) above, as long as no Event of Default has occurred or is currently ongoing, LDC Financing (if incurred) may include the possibility for LDC to offset the amounts arising from LDC Financing against the Issuer's collection rights under the Steam and Electric Power Supply Agreement,

On February 24, 2023 GLSA notified GMSA of the assignment of the Agreement for the Transfer of Project Equipment, GLSA will have a period of 5 business days as from the execution of each Main Agreement of the Project to obtain their consent and/or notify the assigned debtors of the assignment under any Project Document (including, without limitation, the Main Agreements of the Project), in accordance with the provisions of the Guarantee and Payment Trust Agreement, In connection with item (E), the Issuer may reinvest those funds, provided that the pertinent Net Cash Revenue receivable under the insurance policies or any other payment in the event of an insurance claim are lower than USD 1,000 individually or than USD 5,000 as a whole (translated, if applicable, at the applicable exchange rate), In case that the Net Cash Revenue is higher than USD 1,000 individually and USD 5,000 as a whole, the Issuer may reinvest those funds if it obtains a report by the Independent Engineer determining that should the Net Cash Revenue be destined to the Arroyo Seco Project (i) it could be reasonably expected to complete the Arroyo Seco Project on or before May 31, 2025, or (ii) that after the Completion Date of the Project, it could be reasonably expected to maintain continuity of the Arroyo Seco Project,

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 18: LOANS (Cont'd)

b) Negotiable obligations (Cont'd)

b.16) GLSA Class I and III Negotiable Obligations (Cont'd)

Failure to obtain the report mentioned above shall be considered an Event of Default under the Pricing Supplement, In connection with item (I), the Issuer committed to bringing about the necessary acts for the creation of the Usufruct and assignment in guarantee of the Usufruct contractual rights to the Guarantee and Payment Trust, and to making the pertinent presentations to the Real Estate Registry on or before March 31, 2023, GLSA has also taken out a bond insurance policy and designated the Trustee, in its capacity as Trustee of the Guarantee and Payment Trust, as beneficiary of that insurance, The funds eventually receivable by the Trustee under the bond insurance policy shall be considered part of the Guarantee and Payment Trust's assets, The Guarantee and Payment Trust provides that, in case certain changes in taxes are implemented which cause the Issuer to pay significant amounts additional to the ones payable at the Issuance and Settlement Date due to the payment structure of the Guarantee and Payment Trust (clarifying that an increase in the rate of Tax on Bank Debits and Credits is not to be considered an additional amount), and provided that no Event of Default has occurred or is currently ongoing (the "Trust Condition"), CAMMESA will be instructed to credit all payments under CAMMESA collection rights in the Margin Account, This situation will be duly and immediately informed through a relevant fact, If, the Trust Condition having taken place, the Issuer merged with another Party in the terms allowed by the Pricing Supplement, CAMMESA will be instructed again to credit the payments under CAMMESA collection rights in the Revenue Account in Pesos, up to the Transfer Amount, as from the effective merger date,

GLSA will irrevocably instruct the underwriters of the Negotiable Obligations so that the proceeds from the placement are made available to the Trustee, net of any placement expenses, who will deposit or invest those proceeds as set forth in the Guarantee and Payment Trust Agreement following the Disbursement Procedure,

The funds shall be disbursed following the Disbursement Procedure only,

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

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

The Guarantee and Payment Trust (and their condition as beneficiaries thereunder) is considered accepted by the holders of the negotiable obligations upon payment of the amount to be paid up of the negotiable obligations awarded to them according to Section 1681 of the Argentine Civil and Commercial Code,

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 18: LOANS (Cont'd)

b) Negotiable obligations (Cont'd)

b.16) GLSA Class I and III Negotiable Obligations (Cont'd)

The funds available at the Trust may be invested in mutual funds and these consolidated Financial Statements reflect those investments under current and non-current investments based on the estimated cash flow from the capex expected by GLSA for use of those funds, The funds are restricted funds administered by the trust; therefore, they were not considered cash and cash equivalents in these condensed interim consolidated Financial Statements,

At the date of publication of these consolidated Financial Statements, GMSA and its subsidiaries have duly paid the principal and interest on all financial obligations undertaken, Class XIII, XIX, and XVIII Negotiable Obligation co-issuances stand out,

c) Loan JPMorgan Chase Bank, N,A,

On July 6, 2020, a loan was signed with JPMorgan Chase Bank, N,A for USD 14,808, The loan is secured by the Export-Import Bank of the United States,

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

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

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

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

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

At December 31, 2023, the principal balance due under the loan amounts to USD 5,923,

d) BLC Loan

Principal: USD 13,037,210

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

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 18: LOANS (Cont'd)

d) BLC Loan (Cont'd)

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

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

The principal balance due on the loan at December 31, 2023 was settled in full,

Additionally, see Note 46,

NOTE 19: LEASES

This note provides information on leases in which the Group acts as lessor, Amounts recognized in the statement of Financial Position:

	<u>12/31/2023</u>	<u>12/31/2022</u>
Right of use of assets		
Original value		
Machinery	21,792	21,254
Vehicles	757	803
Works in progress	8,253	-
Right of use	-	-
Accumulated depreciation	<u>(2,832)</u>	<u>(1,989)</u>
	27,970	20,068
 Lease liabilities		
Current	439	69
Non-current	5,743	308

Changes in Group finance leases were as follows:

	<u>12/31/2023</u>	<u>12/31/2022</u>
Financial lease at beginning	377	2,007
Addition	9,430	645
Leases written-off due to termination of the lease agreement	-	(1,546)
Payments made for the year	(162)	(825)
Interest paid	(557)	(120)
Accrued interest and exchange difference	2,677	(1,081)
Gain/(loss) on purchasing power parity	-	1,297
Translation difference	(5,583)	-
Financial lease at the year-end	<u>6,182</u>	<u>377</u>

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 20: ALLOWANCES AND PROVISIONS

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

	For trade receivables	For other receivables
Balances at December 31, 2022	<u>15</u>	<u>-</u>
Increases	-	34
Exchange difference	(12)	-
Balance at December 31, 2023	<u>3</u>	<u>34</u>

At December 31, 2023, the provision for contingencies has been paid,

NOTE 21: SOCIAL SECURITY LIABILITIES

	<u>12/31/2023</u>	<u>12/31/2022</u>
<u>Current</u>		
Salaries payable	-	8
Social security liabilities payable	834	1,232
Provision for vacation pay and Christmas bonus	308	470
	<u>1,142</u>	<u>1,710</u>

NOTE 22: TAX PAYABLES

	<u>12/31/2023</u>	<u>12/31/2022</u>
<u>Current</u>		
Withholdings to be deposited	348	541
Payment-in-installment plan	-	402
National Fund of Electric Energy	52	105
Value added tax payable	-	1,319
Turnover tax payable	22	54
Other	28	61
	<u>450</u>	<u>2,482</u>

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 23: INCOME TAX

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

	12/31/2023	12/31/2022
Deferred tax assets:		
Deferred tax assets to be recovered over more than 12 months	-	-
	-	-
Deferred tax liabilities:		
Deferred tax liabilities to be settled over more than 12 months	(109,127)	(107,583)
	(109,127)	(107,583)
Deferred tax (liabilities), net	(109,127)	(107,583)

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

	12/31/2023	12/31/2022
Balance at beginning of year	(107,583)	(108,430)
Charge to Income Statement	(1,552)	800
Charge to other comprehensive income/(loss)	8	47
Balance at year end	(109,127)	(107,583)

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

Items	Balances at 12/31/22	Charge to income statement	Charge to other comprehensive income/(loss)	Balances at 12/31/23
USD				
Deferred tax - Assets (Liabilities)				
Property, plant and equipment	(179,359)	(94,922)	-	(274,281)
Investments	(13,727)	66	-	(13,661)
Trade receivables	(2)	-	-	(2)
Other receivables	(1,655)	1,287	-	(368)
Loans	(2,064)	1,107	-	(957)
Inventories	(998)	(2,075)	-	(3,073)
Provisions	271	(163)	8	116
Deferred assets allowance	(371)	235	-	(136)
Inflation adjustment	(20,926)	18,189	-	(2,737)
Subtotal	(218,831)	(76,276)	8	(295,099)
Deferred tax losses	111,248	74,724	-	185,972
Subtotal	111,248	74,724	-	185,972
Total	(107,583)	(1,552)	8	(109,127)

On June 16, 2021, the National Executive Branch enacted Law No. 27630, Detailed below are the amendments introduced by the law:

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 23: INCOME TAX (Cont'd)

- Income Tax rate: the fixed rate for companies has been eliminated and a new progressive rate structure has been established for Income Tax, with three segments according to the range of cumulative taxable net income, The new rates are the following: 25% for cumulative taxable net income ranging between \$0 and \$5 million; 30% for the second segment, between \$5 million and \$50 million; and 35% for taxable income in excess of \$50 million, It is also established that the fixed amounts in the tax brackets shall be adjusted by applying the CPI for fiscal years beginning on or after January 1, 2022,

- Tax on dividends: the 7% rate shall apply,

Amendments are applicable for annual reporting periods beginning on or after January 1, 2021,

By means of Law No, 27701 on the National Budget for 2023, it was established that taxpayers which compute, under Title VI of the Income Tax Law, a positive adjustment for inflation for the first and the second fiscal year beginning on or after January 1, 2022, may allocate one third of such adjustment for inflation in that fiscal period, and the remaining two thirds may be allocated in equal parts in the two fiscal periods immediately following,

The computation of the positive adjustment for inflation under the terms of the foregoing paragraph may only be applicable to taxpayers whose investment in the purchase, construction, manufacture, production or final import of fixed assets, except vehicles, in each of the two fiscal periods immediately following that of the computation of one third of a given period, is equal to or higher than thirty billion (\$30,000,000 thousand), Failure to comply with this requirement will result in the benefit loss,

Extraordinary tax prepayment

By means of General Resolution No 5391/23, AFIP established an Income Tax prepayment to be made by the so-called *corporate taxpayers* that comply with the following parameters:

- Having reported a tax gain/loss -without applying the deduction of tax losses from previous years- equal to or higher than six hundred million pesos (ARS 600,000 thousand), and
- Having failed to determine the tax,

For the purposes of the requirements set in the first paragraph, the taxpayers should consider:

- The Income Tax return for the 2023 tax period, for fiscal years ending between August and December 2022, both inclusive,
- The Income Tax return for the 2024 tax period, for fiscal years ending between January and July 2023, both inclusive,

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 23: INCOME TAX (Cont'd)

Extraordinary tax prepayment (Cont'd)

The tax prepayment shall be computable in tax period 2023 for years ended between August and December 2022 and in tax period 2024 for years ended between January and July 2023,

The amount of the prepayment was determined as follows:

- Taxpayers: 15% on the tax gain/loss for the previous tax period to which the prepayment is to be allocated, without taking into account tax losses from previous fiscal years,

It was also established that the determined tax prepayment shall be made in three (3) equal and consecutive installments as from August 2023 onwards (according to the fiscal year-end), It was applicable to GMSA, and a tax credit for USD 446 was disclosed under Other current receivables (see Note 10),

The reconciliation between the income tax charged to income to that resulting from the application of the tax rate in force in Argentina to the pre-tax profit for the years ended on December 31, 2023 and 2022 is the following:

	<u>12/31/2023</u>	<u>12/31/2022</u>
Pre-tax profit/(loss)	(22,088)	(1,098)
Current tax rate	35%	35%
Income/(loss) at the tax rate	7,731	384
Permanent differences	(14,291)	597
Difference between the Income Tax provision for the prior period and the tax returns	-	(7)
Income/(loss) from interests in associates	(403)	(254)
Variation in tax losses	(2,100)	-
Expiration of tax losses	(6,172)	-
Unrecognized tax losses	-	(2,391)
Accounting inflation adjustment	(1,049)	(128)
Inflation adjustment for tax purposes and restatement of tax losses	(165,256)	(62,275)
Expiration of Minimum Notional Income Tax	(5)	(23)
Effects of exchange and translation differences of property, plant and equipment	179,988	63,347
Discontinued operations	-	1,527
Income tax	(1,557)	777
	<u>12/31/2023</u>	<u>12/31/2022</u>
Deferred tax	(1,552)	807
Variation between the Income Tax provision and the tax returns	-	(7)
Statute-barred Minimum Notional Income Tax	(5)	(23)
Income Tax	(1,557)	777

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

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 23: INCOME TAX (Cont'd)

Income tax losses arising from GMSA and CTR are valued at the rate prevailing in the year in which they are expected to be used, considering their index-adjustment in line with the tax-purpose inflation adjustment procedures mentioned in Note 3, Based on the guidelines of IFRIC 23 - Uncertainty over Income Tax Treatments and in accordance with the opinion of the legal and tax advisors, the Company has restated for inflation the tax losses using the Wholesale Price Index, pursuant to Section 19 of the Income Tax Law, The Company recognizes the deferred tax assets only if there are sufficient future taxable profits against which the tax losses may be offset,

At December 31, 2023, accumulated tax losses amount to USD 552,264 and pursuant to the tax laws in force, they can be offset against tax profits from future fiscal years according to the following breakdown:

Year	Amount in USD	Expires in
Tax loss for the period 2019	116,591	2024
Tax loss for the period 2020	57,290	2025
Tax loss for the period 2021	237	2026
Tax loss for the period 2022 (*)	526	2027
Tax loss for the period 2023	378,735	2028
Total accumulated tax losses at December 31, 2023	553,379	
Unrecognized tax losses	(1,115)	
Recorded tax losses	552,264	

(*) From losses generated in 2022, USD 973 are specific losses,

NOTE 24: DEFINED BENEFIT PLAN - LABOR COMMITMENTS WITH PERSONNEL

A detailed description of the estimated cost and liability for benefits after retirement granted to employees of CTR and GMSA is included below, These benefits are:

- A bonus for all the employees retiring under the differential regime of Decree No, 937/74, when reaching 55 years of age and 30 years of service, consisting in 10 salaries, augmented by 2% per each year of service exceeding the first 5 years,
- A bonus for service length, consisting in paying one salary after 20 years of employment (17 years, for women) plus another one every 5 years up to 35 years' service (32 years, for women) and two more salaries upon reaching 40 years of service (37 years, for women),

The liabilities related to accumulated bonuses for service length and to the employee benefits plans mentioned above were determined considering all the rights accrued by the beneficiaries until closing date of the year ended December 31, 2023, based on an actuarial study performed by an independent professional at that date, The actuarial method applied by the Group is the Projected Benefit Unit method,

The amounts and conditions vary according to the collective bargaining agreement,

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 24: DEFINED BENEFIT PLANS - LABOR COMMITMENTS WITH STAFF (Cont'd)

	<u>12/31/2023</u>	<u>12/31/2022</u>
Defined benefit plan		
Non-current	497	804
Current	17	51
Total	<u>514</u>	<u>855</u>

Changes in the Company's obligations for benefits at December 31, 2023 and 2022 are as follows:

	<u>12/31/2023</u>	<u>12/31/2022</u>
Present value of the obligations for benefits	514	855
Obligations for benefits at year end	<u>514</u>	<u>855</u>

The actuarial assumptions used were:

	<u>12/31/2023</u>	<u>12/31/2022</u>
Interest rate	5,5%	5,5%
Salary growth rate	1,0%	1%
Inflation	106,4%	82,8%

At December 31, 2023 and 2022, CTR and GMSA do not have assets related to pension plans, The charge

recognized in the statement of comprehensive income is as follows:

	<u>12/31/2023</u>	<u>12/31/2022</u>
Cost of current services	85	130
Interest charges	259	230
Actuarial loss through Other comprehensive income/(loss)	22	134
Cost of current services from discontinued operations	-	13
Interest charges from discontinued operations	-	64
Actuarial (gain) through Other comprehensive income/(loss) from discontinued operations	-	(248)
Total cost	<u>366</u>	<u>323</u>

Changes in the obligation for defined benefit plans are as follows:

	<u>12/31/2023</u>	<u>12/31/2022</u>
Balance at beginning of year	855	1,057
Cost of current services	85	137
Interest charges	397	352
Actuarial loss through Other comprehensive income/(loss)	22	134
Payments of benefits	(2)	(23)
Exchange difference	(843)	(462)
Gain/(loss) on purchasing power parity	-	(56)
Discontinued operations	-	(284)
Closing balances	<u>514</u>	<u>855</u>

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 24: DEFINED BENEFIT PLANS - LABOR COMMITMENTS WITH STAFF (Cont'd)

Estimates based on actuarial techniques involve the use of statistical tools, such as the demographic tables used in the actuarial valuation of the Group active personnel, To determine mortality for the Group active personnel, the mortality table “RP 2000” has been used, In general, a mortality table shows, for each age group, the probability that a person in that age group will die before reaching a predetermined age, Mortality tables are elaborated separately for men and women, given that both have substantially different mortality rates,

To estimate total and permanent disability due to any cause, the table “Pension Disability Table 1985” has been used,

To estimate the probability that the Group active personnel will leave the job or stay, the table “ESA 77” has been used,

The liabilities related to the above-mentioned benefits were determined considering all the rights accrued by the beneficiaries of the plans until closing date of the year ended December 31, 2023,

NOTE 25: FINANCIAL AND NON-FINANCIAL ASSETS AND LIABILITIES

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

Financial assets and liabilities at December 31, 2023 and 2022 were as follows:

At December 31, 2023	Financial assets/liabilities a amortized cost	Financial assets/liabilities at fair value through profit or loss	Non- financial assets/ liabilities	Total
Assets				
Trade receivables, other receivables and others	52,560	-	29,829	82,389
Financial assets at fair value through profit or loss	-	78,815	-	78,815
Cash and cash equivalents	30,619	5,073	-	35,692
Non-financial assets	-	-	1,324,303	1,324,303
Total	83,179	83,888	1,354,132	1,521,199
Liabilities				
Trade and other payables	48,926	-	-	48,926
Loans (finance leases excluded)	1,141,607	-	-	1,141,607
Finance leases	6,182	-	-	6,182
Non-financial liabilities	-	-	111,233	111,233
Total	1,196,715	-	111,233	1,307,948

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 24: DEFINED BENEFIT PLANS - LABOR COMMITMENTS WITH STAFF (Cont'd)

At December 31, 2022	Financial assets/liabilities at amortized cost	Financial assets/liabilities at fair value through profit or loss	Non- financial assets/ liabilities	Total
Assets				
Trade receivables, other receivables and others	56,398	-	52,509	108,907
Financial assets at fair value through profit or loss	-	128,200	-	128,200
Cash and cash equivalents	18,929	1,635	-	20,564
Non-financial assets	-	-	1,087,391	1,087,391
Total	<u>75,327</u>	<u>129,835</u>	<u>1,139,900</u>	<u>1,345,062</u>
Liabilities				
Trade and other payables	47,345	-	-	47,345
Derivative instruments	-	42	-	42
Loans (finance leases excluded)	933,600	-	-	933,600
Finance leases	377	-	-	377
Non-financial liabilities	-	-	112,630	112,630
Total	<u>981,322</u>	<u>42</u>	<u>112,630</u>	<u>1,093,994</u>

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 25: FINANCIAL AND NON-FINANCIAL ASSETS AND LIABILITIES

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

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

At December 31, 2023	Financial assets at amortized cost	Financial liabilities at amortized cost	Non-financial instruments	Assets/ liabilities at fair value	Total
Interest gain	18,999	-	-	-	18,999
Interest expenses	-	(99,071)	-	-	(99,071)
Changes in the fair value of financial	-	-	-	8,960	8,960
Income / loos from the repurchase of negotiable	-	401	-	-	401
Exchange difference, net	(189,006)	256,736	-	-	67,730
Other financial costs	-	(12,376)	(8,064)	(67,245)	(87,685)
Total	(170,007)	145,690	(8,064)	(58,285)	(90,666)

At December 31, 2022	Financial assets at amortized cost	Financial liabilities at amortized cost	Non-financial instruments	Assets/ liabilities at fair value	Total
Interest gain	12,073	-	-	-	12,073
Interest expenses	-	(67,437)	-	-	(67,437)
Changes in the fair value of financial	-	-	-	(4,450)	(4,450)
Income / loos from the repurchase of negotiable	-	130	-	-	130
Exchange difference, net	(126,678)	130,712	-	-	4,034
Other financial costs	-	(7,577)	(586)	(29,567)	(37,730)
Total	(114,605)	55,828	(586)	(34,017)	(93,380)

Determination of fair value

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

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 25: FINANCIAL AND NON-FINANCIAL ASSETS AND LIABILITIES (Cont'd)

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

These charts show financial assets and liabilities of the Group measured at fair value at December 31, 2023 and 2022 and their allocation to the different hierarchy levels:

<u>At December 31, 2023</u>	<u>Level 1</u>	<u>Level 3</u>	<u>Total</u>
Assets			
Cash and cash equivalents			
<i>Mutual funds</i>	5,073	-	5,073
Financial assets at fair value through profit or loss			
<i>Mutual funds</i>	69,804	-	69,804
<i>Government securities</i>	9,011	-	9,011
Property, plant and equipment at fair value	-	576,764	576,764
Total	83,888	576,764	660,652
<hr/>			
<u>At December 31, 2022</u>	<u>Level 1</u>	<u>Level 3</u>	<u>Total</u>
Assets			
Cash and cash equivalents			
<i>Mutual funds</i>	1,635	-	1,635
Financial assets at fair value through profit or loss			
<i>Mutual funds</i>	128,200	-	128,200
Investment in shares	-	-	-
Property, plant and equipment at fair value	-	593,234	593,234
Total	129,835	593,234	723,069
<hr/>			
Liabilities			
Derivative instruments			
<i>Derivative instruments</i>	(42)	-	(42)
Total	(42)	-	(42)

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

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

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 25: FINANCIAL AND NON-FINANCIAL ASSETS AND LIABILITIES (Cont'd)

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

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

- a) The fair values of real properties and land have been adjusted by a method using coefficients that comprise changes in the purchasing power of the currency to conform a fair value at December 31, 2023,
- b) The fair values of Facilities and Machinery and turbines have been calculated by means of the discounted cash flows (see Note 4),

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

NOTE 26: SALES REVENUE

	<u>12/31/2023</u>	<u>12/31/2022</u>
Sale of energy Res, No, 95, as amended, plus spot	21,727	17,772
Energía Plus sales	58,120	44,705
Sale of electricity Res, No, 220	60,417	75,542
Sale of electricity Res, No, 21	61,066	59,417
	<u>201,330</u>	<u>197,436</u>

NOTE 27: COST OF SALES

	<u>12/31/2023</u>	<u>12/31/2022</u>
Cost of purchase of electric energy	(41,130)	(37,903)
Cost of gas and diesel consumption at the plant	(7,881)	(135)
Salaries and social security charges	(9,297)	(8,944)
Defined benefit plan	(85)	(137)
Other employee benefits	(679)	(213)
Fees for professional services	(382)	(107)
Depreciation of property, plant and equipment	(41,520)	(36,842)
Insurance	(3,745)	(2,825)
Maintenance	(7,513)	(6,650)
Electricity, gas, telephone and postage	(417)	(330)
Rates and taxes	(535)	(421)
Travel and per diem	(97)	(17)
Security guard and cleaning	(1,037)	(881)
Miscellaneous expenses	(125)	(96)
	<u>(114,443)</u>	<u>(95,501)</u>

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 28: SELLING EXPENSES

	<u>12/31/2023</u>	<u>12/31/2022</u>
Rates and taxes	(477)	(564)
	<u>(477)</u>	<u>(564)</u>

NOTE 29: ADMINISTRATIVE EXPENSES

	<u>12/31/2023</u>	<u>12/31/2022</u>
Salaries and social security charges	(1,267)	(845)
Leases	(299)	(323)
Fees for professional services	(12,051)	(11,039)
Insurance	(1)	(1)
Directors' fees	(420)	(1,354)
Electricity, gas, telephone and postage	(202)	(225)
Rates and taxes	(165)	(724)
Travel and per diem	(1,538)	(688)
Gifts	(37)	(55)
Miscellaneous expenses	(771)	(455)
	<u>(16,751)</u>	<u>(15,709)</u>

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 30: OTHER OPERATING INCOME

	<u>12/31/2023</u>	<u>12/31/2022</u>
Sale of property, plant and equipment	22	471
Rental of premises	120	6,501
Miscellaneous income	25	373
Total Other operating income	167	7,345

NOTE 31: FINANCIAL RESULTS

	<u>12/31/2023</u>	<u>12/31/2022</u>
<u>Financial income</u>		
Interest on loans granted	1,073	1,393
Commercial interest	17,926	10,680
Total financial income	18,999	12,073
<u>Financial expenses</u>		
Interest on loans	(73,751)	(63,689)
Commercial and other interest	(25,320)	(3,748)
Bank expenses and commissions	(3,693)	(1,070)
Total financial expenses	(102,764)	(68,507)
<u>Other financial results</u>		
Exchange differences, net	67,730	4,034
Changes in the fair value of financial instruments	8,960	(4,450)
Income/(loss) from repurchase of negotiable obligations	401	130
Difference in UVA value	(67,245)	(29,567)
Gain/(loss) on purchasing power parity	(8,064)	(586)
Other financial results	(8,683)	(6,507)
Total other financial results	(6,901)	(36,946)
Total financial results, net	(90,666)	(93,380)

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 32: EARNINGS/(LOSSES) PER SHARE

Basic

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

	12/31/2023	12/31/2022
-		
(Loss)/Income from continuing operations for the year attributable to the owners of the Company	(20,416)	57
Weighted average of outstanding ordinary shares	203,124	203,124
Basic and diluted (loss)/earnings per share from continuing operations	(0,10)	0,00

	12/31/2023	12/31/2022
(Loss) from discontinued operations attributable to the owners of the company for the year	-	(4,144)
Weighted average of outstanding ordinary shares	203,124	203,124
Basic and diluted (losses) per share from discontinued operations	-	(0,02)

	12/31/2023	12/31/2022
(Loss) for the year attributable to the owners of the Company:	(20,416)	(4,087)
Weighted average of outstanding ordinary shares	203,124	203,124
Basic and diluted (loss) per share	(0,10)	(0,02)

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

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 33: TRANSACTIONS AND BALANCES WITH RELATED PARTIES

a) *Transactions with related companies and associates*

		12/31/2023	12/31/2022
		USD	
		Income/(Loss)	
Purchase of electric energy and gas			
RGA ⁽¹⁾	Related Company	(16,334)	(8,662)
Solalban Energía S.A.	Associate	(358)	(16)
Purchase of wines			
BDD	Related company	(177)	(153)
Purchase of flights			
AJSA	Related company	(2,185)	(1,557)
Purchase of spare parts			
AESA	Related company	-	(68)
Sale of energy			
Solalban Energía S.A.	Associate	7	1
Leases and services agreements			
RGA	Related company	(19,291)	(16,139)

⁽¹⁾ They are associated with gas purchases, which are partly assigned to CAMMESA within the framework of the Natural Gas Dispatch Procedure for power generation.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 33: TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Cont'd)

a) *Transactions with related parties and associates (Cont'd)*

		12/31/2023	12/31/2022
		USD	
		Income/(Loss)	
Recovery of expenses			
RGA	Related company	(53)	(139)
AESA	Related company	775	721
Work management service			
RGA	Related company	(165)	(3,976)
Interest generated due to loans received			
GMOP	Subsidiary	(221)	-
RGA - finance lease	Related company	(3,034)	-
Interest generated due to loans granted			
RGA - finance advances	Related company	3,528	-
Directors/Shareholders	Related parties	5,281	1,043
Centennial S.A.	Related company	-	287
GMOP	Associate	380	56
Commercial interest			
RGA	Related company	(862)	(590)
Guarantees provided/received			
RGA	Related company	(2,300)	-
AJSA	Related company	1	2
Commissions earned			
RGA	Related company	(811)	-
Exchange difference			
RGA	Related company	(970)	(793)
In-kind contributions			
Minority shareholders	Other related parties	(521)	-

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 33: TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Cont'd)

b) *Remuneration of key managerial staff*

The senior management includes directors (executive and non-executive), Their remunerations for the years ended on December 31, 2023 and 2022 amounted to USD 792 and USD 873, respectively,

	12/31/2023	12/31/2022
	USD	
	Income/(Loss)	
Salaries	(792)	(873)
	(792)	(873)

c) *Balances at the date of the consolidated Financial Statements*

		12/31/2023	12/31/2022
Items	Type		
NON-CURRENT ASSETS			
Other receivables			
Loans to Directors/Shareholders	Related company	285	5,816
TEFU S.A.	Related company	23	103
RGA - finance advances granted	Related company	5,768	-
GMOP	Associate	1,755	1,542
CBEI LLC,	Related company	271	268
		8,102	7,729
CURRENT ASSETS			
Other receivables			
RGA	Related company	412	21
GMOP	Associate	1,246	514
AESA	Related company	766	721
Advances to Directors	Related parties	36	81
		2,460	1,337
NON-CURRENT LIABILITIES			
Trade payables			
RGA	Related company	2,378	-
		2,378	-
Other liabilities			
GMOP- Capital to be paid-in (Note 41)	Associate	808	784
		808	784
Loans			
RGA - Finance lease (Note 42)	Related company	5,325	-
		5,325	-
CURRENT LIABILITIES			
Trade payables			
Solalban Energía S.A.	Associate	57	-
AJSA	Related company	27	-
RGA	Related company	8,187	5,641
		8,271	5,641
Other liabilities			
BDD	Related company	-	55
Directors' fees	Related parties	55	306
		55	361
Loans			
RGA - Finance lease (Note 42)	Related company	380	-
GMOP	Associate	3,131	-
		3,511	-

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 33: TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Cont'd)

d) Loans granted to and received from related parties

	<u>12/31/2023</u>	<u>12/31/2022</u>
Loans to Centennial S.A.		
Balance at beginning of year	-	635
Loans granted	-	931
Loans repaid	-	(1,871)
Accrued interest	-	287
Exchange difference	-	18
Balance at year end	-	-
Loans to GMOP		
Balance at beginning of year	2,056	-
Loans granted	565	2,000
Accrued interest	380	56
Balance at year end	4,606	2,056

The loans are governed by the following terms and conditions:

<u>Entity</u>	<u>Amount</u>	<u>Interest rate</u>	<u>Conditions</u>
At December 31, 2023			
GMOP	1,025	15%	Maturity date: 10/24/2027
GMOP	1,500	15%	Maturity date: 10/24/2027
Total in USD	2,525		

	<u>12/31/2023</u>	<u>12/31/2022</u>
Loans to Directors/Shareholders		
Balance at beginning of year	5,816	7,308
Loans granted	13,609	7,149
Loans repaid with dividends	(10,694)	-
Loans offset	(645)	(8,960)
Accrued interest	5,281	1,043
Exchange difference	(12,020)	(505)
Translation difference	(1,062)	(219)
Balance at year end	285	5,816

The loans are governed by the following terms and conditions:

<u>Entity</u>	<u>Amount</u>	<u>Interest rate</u>	<u>Conditions</u>
At December 31, 2023			
Directors/Shareholders	222	Badlar + 5%	Maturity date: 1 year
Total in USD	222		

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 33: TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Cont'd)

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

	<u>12/31/2023</u>	<u>12/31/2022</u>
Loans from GMOP		
Loans received	(2,910)	-
Accrued interest	(221)	-
Balance at year end	<u>(3,131)</u>	<u>-</u>

The loans received are governed by the following terms and conditions:

<u>Entity</u>	<u>Amount</u>	<u>Interest rate</u>	<u>Conditions</u>
At December 31, 2023			
GMOP	(2,910)	8% in USD	Maturity date: 1 year, extendable
Total in USD	<u>(2,910)</u>		by operation of law

	<u>12/31/2023</u>	<u>12/31/2022</u>
RGA finance lease		
Loans received	(8,253)	-
Accrued interest	(3,034)	-
Exchange difference	5,582	-
Balance at year end	<u>(5,705)</u>	<u>-</u>

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

NOTE 34: WORKING CAPITAL

At December 31, 2023, the Company reports a negative working capital of USD 143,733 (calculated as current assets less current liabilities), which means a decrease of USD 144,180, compared to the surplus in working capital at December 31, 2022 (USD 447), The Board of Directors and the shareholders will implement measures to improve the working capital, such as issuing negotiable obligations after year end (see Note 46: Subsequent events),

EBITDA(*) for the fiscal year ended December 31, 2023 amounted to USD 111,249, in line with projections, which shows compliance with the objectives and efficiency of the transactions carried out by the Group,

(*) Amount not covered by the Audit Report, It was determined based on the guidelines of the international bonds,

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 35: SEGMENT REPORTING

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

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

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

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

NOTE 36: GROSA - DISCONTINUED OPERATIONS - LEASE AGREEMENT, SETTLEMENT AGREEMENT AND MANAGEMENT AGREEMENT ENTERED INTO WITH CENTRAL TÉRMICA SORRENTO S.A.

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

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

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

In the case “Central Térmica Sorrento S.A. c/ Generación Rosario S.A. s/Medidas Precautorias” (Central Térmica Sorrento S.A. v, Generación Rosario S.A. on precautionary measures), an attachment was levied on the funds that CAMMESA should settle with Generación Rosario S.A. for \$13,817 thousand, plus interest for \$6,900 thousand, which was recorded by CAMMESA in the settlement dated December 12, 2017, In reply to this resolution, on April 17, 2018 the attachment decreed against GROSA was replaced with a bond insurance policy, The sums subject to the court-ordered attachment were returned to the Company on June 28, 2018,

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

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 36: GROSA - DISCONTINUED OPERATIONS - LEASE AGREEMENT, SETTLEMENT AGREEMENT AND MANAGEMENT AGREEMENT ENTERED INTO WITH CENTRAL TÉRMICA SORRENTO S.A. (Cont'd)

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

On May 23, 2022, GROSA and Central Térmica Sorrento S.A. (“CTS”) entered into a settlement agreement whereby they decided to put an end to all reciprocal pending legal actions; at the date of issuance of these condensed interim consolidated Financial Statements, the pertinent presentations had been filed in the court records, Further, on the date of execution of the Settlement Agreement with Central Térmica Sorrento, GROSA restored the real property where the power plant is located, retaining its management for a term of 60 (sixty) business days or until the Energy Secretariat acknowledges the change of ownership in favor of CTS as WEM Agent, For this purpose, a Management Agreement was entered into to regulate the operation of the power plant during this period,

Within the framework of the Settlement Agreement, the following items were agreed upon as sole and full compensation for the occupation and use of the real property and thermal power plant until the date of execution of the agreement and/or any other liability that might be owed by GROSA as a result of its relationship with CTS and its effects: i) the entire amounts deposited by GROSA in the case “Generación Rosario S.A. c/ Central Térmica Sorrento S.A. s/ Consignación”, Case record No, 3181/2016 (the “Consignment Case”), plus interest; (ii) an amount of ARS 8,924 thousand, payable in two equal installments of ARS 4,147 thousand each, the first one on May 27, 2022 and the second on June 27, 2022; and (iii) an amount of ARS 96,357 thousand, plus VAT, which by mutual agreement was considered as paid by being offset against the receivable in favor of GROSA from the assignment to CTS of the improvements on the power plant and the building where it is located,

On September 16, 2022, through Resolution RESOL-2022-654-APN-SE#MEC, the Energy Secretariat authorized the change of ownership in favor of CTS as WEM Agent,

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 36: GROSA- DISCONTINUED OPERATIONS - LEASE AGREEMENT, SETTLEMENT AGREEMENT AND MANAGEMENT AGREEMENT ENTERED INTO WITH CENTRAL TÉRMICA SORRENTO S.A. (Cont'd)

DISCONTINUED OPERATIONS

The Statement of Comprehensive Income in relation to discontinued operations is disclosed below:

	Energy generation GROSA	
	12/31/2023	12/31/2022
Sales revenue	-	1,352
Cost of sales	-	(1,819)
Gross income	-	(467)
Selling expenses	-	(26)
Other operating income	-	9
Other operating expenses	-	(4,311)
Operating income/(loss)	-	(4,795)
Financial income	-	140
Other financial results	-	293
Financial results, net	-	433
Pre-tax profit/(loss)	-	(4,362)
(Loss) from discontinued operations for the year	-	(4,362)
Other comprehensive income/(loss)		
<i>These items will not be reclassified under income/(loss):</i>		
Pension plan	-	248
Impact on Income Tax - Benefit plan	-	(62)
Other comprehensive income/(loss) from continuing operations for the year	-	186
Comprehensive (loss) from discontinued operations for the year	-	(4,176)
	12/12/2023	12/12/2022
(Loss) from discontinued operations for the year attributable to:		
Owners of the Company	-	(4,144)
Non-controlling interest	-	(218)
	-	(4,362)
Comprehensive (loss) from discontinued operations for the year attributable to:		
Owners of the Company	-	(3,967)
Non-controlling interest	-	(209)
	-	(4,176)

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 37: OTHER COMMITMENTS

A, GMSA

Some of the contractual obligations relating to the supply of electric energy to large customers of the MAT at December 31, 2023 and periods in which those obligations must be fulfilled are detailed below, These commitments are originated in supply agreements (energy and power) entered into between the Company and large users on the Forward Market in accordance with regulations set forth by the Energy Secretariat under Resolution No, 1281/06 (Energía Plus), They are agreements denominated in United States dollars, entered into with private customers,

<i>Sale commitments</i> ⁽¹⁾	Total	Up to 1 year	From 1 to 3 years
Electric energy and power - Plus	34,928,009	32,990,621	1,937,388

(1) Commitments are denominated in thousands of pesos and have been valued considering estimated market prices, based on the particular conditions of each agreement, They reflect the valuation of the agreements with private customers in force at December 31, 2023, under ES Resolution No, 1281/06,

NOTE 38: EXECUTION OF AGREEMENTS FOR THE PURCHASE MACHINERY

BLC Asset Solutions B,V,

On February 21, 2018, GMSA signed an agreement with BLC Asset Solutions B,V, (BLC) for the purchase of equipment to be installed at the electric power generation plants located in Río Cuarto, Province of Córdoba, and in Ezeiza, Province of Buenos Aires, for expansion through cycle closures at the two power plants, The purchase agreement sets forth financing by BLC for USD 61,200, according to the irrevocable commitment signed on July 22, 2019, At the date of signing these consolidated Financial Statements, machinery amounting to USD 48,9 million was received,

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

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

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

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 38: EXECUTION OF AGREEMENTS FOR THE PURCHASE MACHINERY (Cont'd)

BLC Asset Solutions B,V, (Cont'd)

On May 10, 2022, GMSA and BLC agreed, through an amendment to the documents, to modify the collateral to facilitate the financing of the closure of cycle project to be developed at the CTMM, with the addition of funds from a new issuance of Negotiable Obligations,

Through this amendment, BLC would release from its collateral the CTMM collection rights of the PPA agreement under Resolution No, 287, previously assigned in guarantee, and sign an Intercreditor Agreement to share the pledge on the closure of cycle equipment with proceeds from the Negotiable Obligations, That agreement was also signed on May 10, 2022,

The entire principal amount of the BLC loan (USD 22,245), plus interest (USD 874) at a 15,55% (SOFR+11%) rate, was paid off on June 12, 2023, The commercial segment includes USD 17,510 of principal, USD 688 of interest; and the financial segment includes USD 4,735 of principal and USD 186 of interest,

NOTE 39: LONG-TERM MAINTENANCE AGREEMENT – CTMM, CTI, CTF, CTE, CTRi AND CTR POWER PLANTS

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

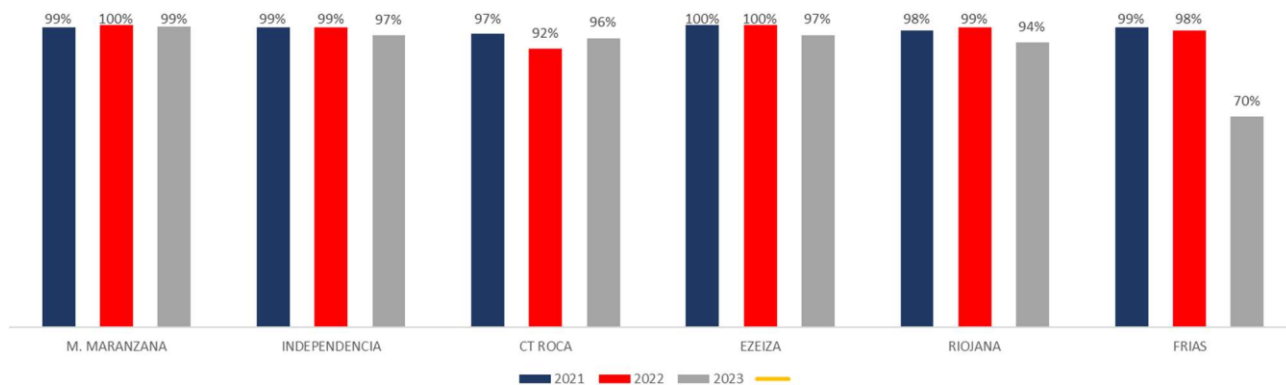
GMSA and PWPS Argentina entered into a service agreement for the power plant CTF, which remains in effect and whereby PWPS Argentina commits permanent on-site technical assistance as well as the provision of a remote monitoring system to follow-up the operation of turbines and 24-hour assistance,

In addition, GMSA signed with Siemens S.A. and Siemens Energy AB a global service and spare part agreement for the power plants CTRi, CTMM, CTI and CTE, which remains in effect, As set forth in the agreements, Siemens must provide on-site technical assistance on a permanent basis, a remote monitoring system to follow up on the performance of the turbines, 24-hour assistance from the engineering department, original spare parts in a timely manner and repairs for planned and corrective maintenance, as needed, Thus, an average availability of no less than ninety six percent (96%) is guaranteed to the above mentioned power plants for each biannual measurement period, In addition, the power plants have their own repair shop with tools and spare parts in stock to make on-site repairs, Compliance with the energy sale agreement with CAMMESA under Resolution No, 220/07 (for power plants CTRi and CTMM) and Resolution No, 21/16 (for power plants CTI and CTE) is thus guaranteed,

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 39: LONG-TERM MAINTENANCE AGREEMENT – CTMM, CTI, CTF, CTE, CTRI AND CTR POWER PLANTS (Cont'd)

Availability per Power Plant (%)



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

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

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

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 40: ENGINEERING, PROCUREMENT AND MANAGEMENT (EPC) AGREEMENT

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

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

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

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

NOTE 41: AWARD OF TALARA REFINERY MODERNIZATION PROJECT

On January 12, 2022, GMSA was awarded, under the framework of the Abbreviated Bidding Process, the "Talara Refinery Modernization Project - Process for engaging the operating management service of auxiliary unit packages of Talara Refinery (Package 4)" called for by Petróleos del Perú S.A.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 41: AWARD OF TALARA REFINERY MODERNIZATION PROJECT (Cont'd)

The purpose of the bidding process was to engage a specialized legal entity to undertake the operating management of Package 4 of Talara Refinery Auxiliary Units, located in the City of Talara, District of Pariñas, Perú, Package 4 consists of the following components:

- Electric cogeneration units (GE), 100MW
- Water distribution unit for Boilers (steam generation system)
- Condensed treatment unit (RCO)
- Electrical Stations (GE2, GE1)

In this way, the engagement includes the beneficial interest of GMSA over the assets that form part of Package 4, an electricity supply agreement with Petroperú, steam and water for boilers, and operation and maintenance of substations GE2 and GE1 for a term of 20 years counted as from the “operating stage”.

With the purpose of operating the cogeneration plant in Talara, GMSA (25% equity interest), GROSA (25%) and CBEI LLC (50%) created on January 14, 2022 a closed corporation in Peru under the name of GM Operaciones S.A.C.

GMSA holds an equity interest of 25% in GMOP, and at the Shareholder’s Meeting held at March 23, 2022, undertook to pay in capital for PEN 2,000 thousand, At December 31, 2023, PEN 1,496 thousand equivalent to USD 404 have not yet been paid-in.

GROSA also holds an equity interest of 25% in GMOP and undertook to pay in capital for PEN 2,000 thousand, At December 31, 2023, PEN 1,496 thousand equivalent to USD 404 have not yet been paid-in.

NOTE 42: LEASE AGREEMENT BETWEEN GLSA AND RGA FOR THE ACQUISITION OF CERTAIN ASSETS

On May 22, 2023, GLSA accepted RGA’s offer involving the lease agreement for the acquisition of certain assets for the development of the Arroyo Seco Project, whose characteristics are outlined below:

Lessor: RGA

Lessee: GLSA

Amount: USD 23,586,

Fee and payment method: The fee will be made up of (i) the Amortization Value and (ii) the Financial Cost,

- The amortization value will arise from applying the relevant percentage to the value of the assets, In the event that the payments are denominated in US dollars, the amount in dollars converted to pesos using the selling exchange rate prevailing at the close of the day prior to the payment to the manufacturer will be considered.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 42: LEASE AGREEMENT BETWEEN GLSA AND RGA FOR THE ACQUISITION OF CERTAIN ASSETS
(Cont'd)

Installment No,	Percentage
1	5%
2	5%
3	15%
4	15%
5	15%
6	15%
7	15%
8	15%

- The financial cost will be calculated by applying an interest rate equivalent to 30/35-days BADLAR for deposits over one million pesos + 5% per year on the unpaid balance of the amortization values, on all amounts paid to the manufacturer.

The total fee will be payable in 8 (eight) quarterly installments, the first due 15 (fifteen) months after the Lease Offer Acceptance date.

Advances to the manufacturer: GLSA and RGA acknowledge that the manufacturer may require an advance for the acquisition of the assets in order to ensure the timely availability of the assets, The parties may make said advances directly to the manufacturer, If made by the lessor, any amounts advanced will generate a credit in favor of GLSA, which will be remunerated at an interest rate equivalent to 30/35-days BADLAR for deposits over one million pesos + 6% per year (the "Remunerated Advances"), The Remunerated Advances will be denominated in pesos and in the event that the advances to the manufacturer are denominated in US dollars, the Remunerated Advances will be converted into pesos using the selling exchange rate prevailing at the close of the day prior to the disbursement, Furthermore, the Remunerated Advances may be offset at any time, in whole or in part, at GLSA's exclusive option, against the amounts to be paid to the lessor under the agreement, including for the purposes of paying the fees and/or the purchase price.

NOTE 43: ADVANCE LOSS OF PROFIT INSURANCE COVERAGE

All-risk insurance policy with coverage for loss of profit

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

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

Generación Mediterránea S.A.

Notes to the Consolidated Financial Statements (Cont'd)

NOTE 43: ADVANCE LOSS OF PROFIT INSURANCE COVERAGE (Cont'd)

On November 30, 2023, the all-risk insurance policy of all generators of Grupo Albanesi was renewed for a further 12-month period through first-class insurers, as listed below: Starr Insurance Companies, Nación Seguros, Federación Patronal, Chubb, Sancor, and Provincia Seguros.

Contractors' all-risk and assembly insurance

Works for installation or enlargement of the capacity developed by the Company are insured by a Contractors' all-risk and assembly insurance, which covers all accidental or unforeseeable damages occurred during the execution of a civil work, including damages caused by acts of God, provided that they are not expressly excluded from the policy.

The policy includes delay in start-up (DSU) or advance loss of profit (ALOP) insurance of up to 12 months, providing coverage for the expected commercial profit margin for sales of energy and power, discounting the variable costs during the period of repair or replacement of the damaged equipment.

Once all pieces of equipment are in operation, the new assets will be covered by the All-risk insurance that Grupo Albanesi has taken out, and which covers all power plants in operation.

NOTE 44: ECONOMIC CONTEXT IN WHICH THE GROUP OPERATES

The Company has been operating in a complex economic environment whose main variables have been affected by a strong volatility, both nationally and internationally.

The main indicators in our country are as follows:

- The increase in GDP year-on-year expected for 2023 is around 1,4%.
- Year-on-year inflation for December 2023 with respect to December 2022 recorded 211,41% (CPI).
- Between December 31, 2022 and December 30, 2023, the peso depreciated 356,34% relative to the US dollar, according to the Banco de la Nación Argentina exchange rate.
- The monetary authority imposed tighter foreign exchange restrictions, which have also affected the value of the foreign currency in existing alternative markets for certain exchange transactions that are restricted in the official market.

On December 10, 2023, Argentina's new government took office and set several goals, including a new economic regime in the country, proposing the implementation of a comprehensive reform of laws and regulations.

The plan put forth by the new government calls for a significant deregulation of the economy as well as structural reforms that lift restrictions on foreign investment and business operations, These reforms include a gradual easing of the previously-mentioned exchange restrictions, with the ultimate goal of eliminating them altogether once the necessary macroeconomic conditions are met.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 44: ECONOMIC CONTEXT IN WHICH THE GROUP OPERATES (Cont'd)

One of the first measures adopted by the president-elect was to publish an Emergency Decree (DNU), which repeals and/or amends nearly 300 laws and introduces reforms to the labor market, the Customs Code, and the status of state-owned companies, among others. Although the DNU must be discussed and ratified by at least one of the houses of Congress, its provisions are partially in force as from December 29, 2023, considering a series of judicial actions ordering the suspension of certain reforms.

The situation as of December 31, 2023, including the main measures taken by the new government that affect our business and that are already in force, such as, restrictions on access to the official exchange market are maintained.

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

The reforms proposed by the new administration started to be discussed by the legislative, It is not possible to anticipate neither their progress nor any new measure that might be announced, Company Management permanently monitors the performance of variables affecting its business, to define the course of action and identify the potential impact on its economic and financial position.

The Company's Financial Statements must be read in light of these circumstances.

NOTE 45: SUPPLY AGREEMENT WITH CAMMESA: COMMITTED DATE OF AUTHORIZATION FOR THE COMMERCIAL OPERATION OF THE POWER PLANT COMBINED CYCLE

On December 14, 2017, within the framework of Resolution SEE No, 287-E/2017, awarded through Resolution SEE No, 926-E/2017, GMSA -as seller- and CAMMESA -as buyer, on behalf of the WEM- entered into the Supply Agreement for the closing of CTE's cycle, At that time, the Committed Date for the commercial authorization of the committed machines that make up CTE's combined cycle was set for June 19, 2020.

Subsequently, two addenda were signed in connection with the Supply Agreement on May 7, 2021 and June 9, 2022, modifying the Committed Date, According to the latter (Addendum II), the Committed Date (renamed as "NFCE") was set for November 7, 2023 (and remains so at present).

In order to guarantee that the commercial authorization would be obtained by the Committed Date, GMSA posted a performance bond in favor and to the satisfaction of CAMMESA, for an amount equivalent to USD 20,286.

If the commercial authorization deadline is not met, CAMMESA has the right to demand payment of the amounts resulting from non-compliance; however, CAMMESA cannot enforce the aforementioned guarantee unless the penalties invoiced have not been paid and CAMMESA has received the relevant default notice.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 45: SUPPLY AGREEMENT WITH CAMMESA: COMMITTED DATE OF AUTHORIZATION FOR THE COMMERCIAL OPERATION OF THE POWER PLANT COMBINED CYCLE (Cont'd)

On July 18 and November 22, 2023, GMSA made a filing with the SE, informing the negative consequences that the changes implemented in the system for the import of goods and services have had on the project. In view of the above, GMSA requested an 89-day extension to the SE to meet the commercial authorization deadline, without this entailing a reduction in the term of the agreement or the application of default penalties.

At the date of signing of these consolidated Financial Statements, the aforementioned actions are pending resolution by the SE.

The Company and its external legal advisors consider that the Company has provided solid and sufficient grounds, as they consist in a reasonable interpretation of applicable regulations and contractual terms, considering the specific circumstances and emergency situation of the electric sector.

The Company and its external legal advisors consider that there is a strong probability that the ES will accept the Company's extension request.

Therefore, at December 31, 2023, GMSA has not recognized any liability associated with this matter.

NOTE 46: SUBSEQUENT EVENTS

a) **Resolution No. 09/2024**

On February 7, 2024, the Energy Secretariat of the Ministry of Economy published Resolution 09/2024 setting forth that, in order to secure the reliability and sustainability of the Wholesale Electric Market (WEM) and the Wholesale Electric Market of Tierra del Fuego (WEMTF), remunerations for the economic transactions conducted as from February 2024 must be increased by 74%, to be rendered economically reasonable and efficient.

b) **GLSA capital increase and bylaws' amendment**

At the Extraordinary Shareholders' Meeting held on February 2, 2024, shareholders decided GLSA's capital increase from \$2,883,803 to \$17,006,368 through in-kind contributions for \$13,807,077 of certain components of a recovery boiler and cash contributions for \$315,488. As a result of such increase, article four of the Bylaws was amended and the restated text of the Bylaws was approved. To the date of issue of these consolidated Financial Statements, these resolutions are pending registration with the public registry under the Legal Entities Regulator.

c) **Additional GMSA and CTR Class XXVIII, XXIX, XXX, and XXIV Negotiable Obligations Issuance and Co-issuance**

On March 7, 2024, additional GMSA and CTR Class XXVIII, XXIX, XXX, and XXIV Negotiable Obligations, to be co-issued on March 8, 2024, were subject to tender. Below are the co-issuance details:

c.1) Class XXVIII Negotiable Obligations Co-issuance

Nominal value: USD 5,548 (100% allocated to GMSA).

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 46: SUBSEQUENT EVENTS

c) **Additional GMSA and CTR Class XXVIII, XXIX, XXX, and XXIV Negotiable Obligations Issuance and Co-issuance (Cont'd)**

Interest rate: 9,50% annual nominal rate, Interest on Class XXVIII Negotiable Obligations shall be paid semi-annually, in arrears, on the following dates: September 8, 2024; March 8, 2025; September 8, 2025, and on their Maturity Date, that is, March 8, 2026.

Payment: Class XXVIII Negotiable Obligations shall be fully amortized in a lump sum payment on their Maturity Date, that is, March 8, 2026.

c,2) Class XXIX Negotiable Obligations Co-issuance

Nominal value: \$1,696,417 thousand (100% allocated to GMSA),

Interest rate: Badlar + 5,00% annual nominal rate, Interest on Class XXIX Negotiable Obligations shall be paid on a quarterly basis, in arrears, on the following dates: June 8, 2024; September 8, 2024; December 8, 2024, and on their Maturity Date, that is, March 8, 2025.

Payment: Class XXIX Negotiable Obligations shall be fully amortized in a lump sum payment on their Maturity Date, that is, March 8, 2025.

c,3) Class XXX Negotiable Obligations Co-issuance

Nominal value: UVA 6,037 thousand (100% allocated to GMSA).

Payment: i) Nominal value to be paid-in in kind through the delivery of Class XII Negotiable Obligations co-issued by GMSA and CTR: UVA 1,212 thousand, ii) Nominal value to be paid-in in cash: UVA 4,824 thousand.

Interest rate: 0% annual nominal rate, In accordance with the tender, Class XXX Negotiable Obligations shall not accrue interest.

Payment: Class XXX Negotiable Obligations shall be fully amortized in a lump sum payment on their Maturity Date, that is, March 8, 2027.

Exchange rate at the date of payment: \$711,53/UVA.

c,4) Additional Class XXIV Negotiable Obligations Co-issuance

Nominal value: USD 1,911 (Dollar-linked) (100% allocated to GMSA), This principal amount is in addition to the sum initially issued, totaling an outstanding nominal value of USD 17,243 thousand.

Generación Mediterránea S.A.
Notes to the Consolidated Financial Statements (Cont'd)

NOTE 46: SUBSEQUENT EVENTS

c)Additional GMSA and CTR Class XXVIII, XXIX, XXX, and XXIV Negotiable Obligations Issuance and Co-issuance (Cont'd)

c,4) Additional Class XXIV Negotiable Obligations Co-issuance (Cont'd)

Payment: i) Series A nominal value: USD 1,504 to be paid-in in kind through the delivery of Class XI Negotiable Obligations co-issued by GMSA and CTR, ii) Series B nominal value: USD 407 thousand to be paid-in in cash in pesos at the exchange rate applied on the date of payment.

Interest rate: 5,00% annual nominal rate, Interest on Class XXIV Negotiable Obligations shall be paid on a quarterly basis, in arrears, on the following dates: April 20, 2024; July 20, 2024; October 20, 2024; January 20, 2025; April 20, 2025, and on their Maturity Date, that is, July 20, 2025.

Payment: Class XXIV Negotiable Obligations shall be fully amortized in a lump sum payment on their Maturity Date, that is, July 20, 2025.

Exchange rate at the date of payment: \$845,75/USD.

Generación Mediterránea S.A.
Summary of Activity at December 31, 2023 and 2022

1. Brief description of the activities of the issuing company, including references to relevant situations subsequent to year end.

We present below an analysis of the results of operations of Generación Mediterránea S.A. (the Company) and its financial position, which must be read together with the attached consolidated Financial Statements.

	Fiscal year ended December 31:			
	2023	2022	Variation	Variation %
	GW			
Sales by type of market				
Sale of energy Res. No. 95, as amended, plus Spot	1,067	491	576	117%
Energía Plus sales	744	698	46	7%
Sale of energy Res. No. 220	467	863	(396)	(46%)
Sale of energy Res. No. 21	258	178	80	45%
	2,536	2,230	306	14%

(Information not covered by the auditor's report on the financial statements issued by independent auditors)

Sales by type of market (in thousands of US dollars) are shown below:

	Fiscal year ended December 31:			
	2023	2022	Variation	Variation %
	(in thousands of USD)			
Sales by type of market				
Sale of energy Res. No. 95, as amended, plus Spot	21,727	17,772	3,955	22%
Energía Plus sales	58,120	44,705	13,415	30%
Sale of energy Res. No. 220	60,417	75,542	(15,125)	(20%)
Sale of energy Res. No. 21	61,066	59,417	1,649	3%
Total	201,330	197,436	3,894	2%

Generación Mediterránea S.A.
Summary of Activity at December 31, 2023 and 2022

Income/(loss) for the fiscal years ended December 31, 2023 and 2022 (in thousands of US dollars):

	Fiscal year ended December 31:			
	2023	2022	Variation	Variation %
Sale of energy	201,330	197,436	3,894	2%
Net sales	201,330	197,436	3,894	2%
Cost of purchase of electric energy	(41,130)	(37,903)	(3,227)	9%
Gas and diesel consumption at the plant	(7,881)	(135)	(7,746)	5,738%
Salaries and social security liabilities	(9,297)	(8,944)	(353)	4%
Defined benefit plans	(85)	(137)	52	(38%)
Maintenance services	(7,513)	(6,650)	(863)	13%
Depreciation of property, plant, and equipment	(41,520)	(36,842)	(4,678)	13%
Insurance	(3,745)	(2,825)	(920)	33%
Sundry	(3,272)	(2,065)	(1,207)	58%
Cost of sales	(114,443)	(95,501)	(18,942)	20%
Gross income/(loss)	86,887	101,935	(15,048)	(15%)
Rates and taxes	(477)	(564)	87	(15%)
Selling expenses	(477)	(564)	87	(15%)
Salaries and social security liabilities	(1,267)	(845)	(422)	50%
Fees for professional services	(12,051)	(11,039)	(1,012)	9%
Directors' fees	(420)	(1,354)	934	(69%)
Travel and per diem	(1,538)	(688)	(850)	124%
Rates and taxes	(165)	(724)	559	(77%)
Gifts	(37)	(55)	18	(33%)
Sundry	(1,273)	(1,004)	(269)	27%
Administrative expenses	(16,751)	(15,709)	(1,042)	7%
Other operating income	167	7,345	(7,178)	(98%)
Other operating expenses	(97)	-	(97)	100%
Operating income/(loss)	69,729	93,007	(23,278)	(25%)
Commercial interest, net	(7,394)	6,932	(14,326)	(207%)
Interest on loans, net	(72,678)	(62,296)	(10,382)	17%
Bank expenses and commissions	(3,693)	(1,070)	(2,623)	245%
Exchange differences, net	67,730	4,034	63,696	1,579%
Difference in UVA value	(67,245)	(29,567)	(37,678)	127%
Gain/(loss) on net monetary position (RECPAM)	(8,064)	(586)	(7,478)	1,276%
Other financial results	678	(10,827)	11,505	(106%)
Financial results, net	(90,666)	(93,380)	2,714	(3%)
Income/(loss) from interest in associates	(1,151)	(725)	(426)	59%
Pre-tax profit/(loss)	(22,088)	(1,098)	(20,990)	1,912%
Income Tax	(1,557)	777	(2,334)	(300%)
Net income/(loss) from continuing operations	(23,645)	(321)	(23,324)	7,266%
Income/(loss) from discontinued operations	-	(4,362)	4,362	(100%)
(Loss) for the year	(23,645)	(4,683)	(18,962)	405%
Other comprehensive income/(loss) for the year				
<i>These items will not be reclassified under income/(loss):</i>				
Defined benefit plans	(22)	(134)	112	(84%)
Impact on Income Tax - Benefit plan	8	47	(39)	(83%)
<i>These items will be reclassified under income/(loss):</i>				
Translation differences of subsidiaries and associates	(4,079)	654	(4,733)	(724%)
Other comprehensive income/(loss) from continuing operations for the year	(4,093)	567	(4,660)	(822%)
Other comprehensive income/(loss) from discontinued operations	-	186	(186)	(100%)
Other comprehensive (loss)/income for the year	(4,093)	753	(4,846)	(644%)
Total comprehensive income/(loss) for the year	(27,738)	(3,930)	(23,808)	606%

Generación Mediterránea S.A.
Summary of Activity at December 31, 2023 and 2022

Sales:

Net sales for the fiscal year ended on December 31, 2023 amounted to USD 201,330, compared to the USD 197,436 recorded in fiscal year 2022, showing an increase of USD 3,894 (2%).

During the fiscal year ended on December 31, 2023, 2,536 GW of energy were sold, thus accounting for a 14% increase compared with the 2,230 GW sold in 2022.

Below is a description of the Company's main revenues and their variation during the year ended on December 31, 2023, as against the previous year:

(i) USD 21,727 from the sale of energy under Res. No. 95, as amended, plus sales in the spot market, which accounted for an increase of 22% from the USD 17,772 recorded in fiscal year 2022. This was due to the increase in rates and to the fact that a larger GW amount of energy was sold in the year ended on December 31, 2023, compared to fiscal year 2022. Such increase was also because of the termination of the Wholesale Demand Agreement (ES Resolution No. 220/07) of CTR's TG01 unit on June 18, 2022, and such unit started to be considered as a base machine. In addition, on December 8, 2023, TG04 gas turbine was authorized for commercial operation using natural gas under Resolution No. 287/2017 as amended.

(ii) USD 58,120 from sales under Energía Plus, which accounted for a 30% increase from the USD 44,705 sold for fiscal year 2022. This variation is mainly explained by an increase in the dispatch of energy.

(iii) USD 60,417 from the sale of energy to CAMMESA in the forward market under Res. No. 220/07, representing a 20% decrease compared to the USD 75,542 sold in 2022. This variation is mainly explained by a decrease in the amount of energy sold. The decrease in the amount sold is mainly due to the expiration of the Wholesale Demand Agreement (ES Resolution No. 220/07) for TG01 unit of CTR in June 2022, which unit started to be considered as a base machine; and also due to the accident that occurred on March 24, 2023 in TG01 unit of CTF, leaving it out of service until July 2023.

(iv) USD 61,066 from the sale of energy under Res. No. 21, which accounted for an increase of 3% from the USD 59,417 recorded in fiscal year 2022. This is mainly because of the increase in the amount sold for the year ended on December 31, 2023, compared to fiscal year 2022.

Cost of sales:

The total cost of sales for the year ended on December 31, 2023 reached USD 114,443, compared with USD 95,501 for fiscal year 2022, accounting for an increase of USD 18,942 (20%).

Below is a description of the main costs of sales of the Company, and their variation during the fiscal year ended on December 31, 2023, compared with the previous fiscal year:

(i) USD 41,130 for the purchase of electric energy, representing a 9% increase compared to the USD 37,903 recorded in the same period of 2022, as a result of the higher sales of GW.

(ii) USD 7,881 for gas consumption, accounting for an increase of USD 7,746 as against the USD 135 recorded in fiscal year 2022, due to the authorization obtained in connection with CTMM's autogenerator that consumes gas partially recognized by CAMMESA in April 2023.

(iii) USD 41,520 for depreciation of property, plant, and equipment, up 13% from the USD 36,842 in fiscal year 2022. This variation is mainly due to the addition of property, plant, and equipment over the last twelve months. This does not entail an outlay of cash.

Generación Mediterránea S.A.
Summary of Activity at December 31, 2023 and 2022

(iv) USD 9,297 in salaries and social security liabilities, representing a 4% increase compared with the USD 8,944 recorded in fiscal year 2022. This variation is explained by the salary increases.

(v) USD 7,513 in maintenance services, representing a 13% increase compared with the USD 6,650 recorded in fiscal year 2022. This is mainly because of the increase in the dispatch of energy and in the exchange rate for the year ended on December 31, 2023, compared to fiscal year 2022.

Gross income/(loss):

Gross income for the year ended on December 31, 2023 was USD 86,887, compared with the USD 101,935 income recorded in fiscal year 2022, accounting for a decrease of USD 15,048.

Selling expenses:

Selling expenses for the year ended on December 31, 2023 amounted to USD 477, compared with the USD 564 for fiscal year 2022, accounting for a decrease of USD 87. In part, this is due to the change in the Turnover Tax rate levied on the generation of energy and the variation in sales.

Administrative expenses:

Administrative expenses for the year ended on December 31, 2023 amounted to USD 16,751, compared with the USD 15,709 recorded in fiscal year 2022, thus showing an increase of USD 1,042 (7%).

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

(i) USD 12,051 for fees for professional services, representing a 9% increase from the USD 11,039 recorded in fiscal year 2022. This variation is due to the increase in expenses billed by RGA for administrative services.

(ii) USD 420 for directors' fees, which represented a 69% decrease compared to the USD 1,354 recorded in fiscal year 2022. It is associated with the provision for directors' fees of GMSA and CTR for the fiscal year ended on December 31, 2023.

Other operating income and expenses:

Total other operating income for the fiscal year ended on December 31, 2023 amounted to USD 167, showing a decrease of 98% compared to USD 7,345 recorded in 2022, which included GMSA's revenue for a recovery of storage and dispatch services.

Total other operating expenses for the year ended on December 31, 2023 amounted to USD 97, showing a 100% increase compared with fiscal year 2022.

Operating income/(loss):

Operating income for the fiscal year ended on December 31, 2023 was USD 69,729, compared with the USD 93,007 income for fiscal year 2022, accounting for a decrease of USD 23,278 (25%).

Generación Mediterránea S.A.
Summary of Activity at December 31, 2023 and 2022

Financial results:

Financial loss for the fiscal year ended on December 31, 2023 amounted to a total of USD 90,666, compared with the USD 93,380 loss recorded in fiscal year 2022, which accounted for a decrease of USD 2,714 (3%).

The most noticeable aspects of the variation are:

(i) A USD 72,678 loss for interest on loans, which accounted for a 17% increase from the USD 62,296 loss recorded in fiscal year 2022. This variation is due to an increase in the financial debt.

(ii) A USD 67,730 gain due to net exchange differences, accounting for an increase of USD 63,696 compared with the USD 4,034 gain recorded in fiscal year 2022.

(iii) A USD 67,245 loss due to a difference in the UVA value, which accounted for a 127% increase, compared to the USD 29,567 loss for fiscal year 2022, given by an increase in the negotiable obligations issued by the Group, stated in UVAs.

Pre-tax profit/(loss):

The Company reported a pre-tax loss of USD 22,088 for the fiscal year ended on December 31, 2023, compared with the USD 1,098 loss recorded in fiscal year 2022, which represents a USD 20,990 increase.

The Company recognized an Income Tax benefit of USD 1,557 for the fiscal year ended on December 31, 2023, representing an increase of USD 2,334 as against USD 777 recorded in fiscal year 2022.

Net income/(loss):

Continuing operations for the fiscal year ended on December 31, 2023 recorded a net loss of USD 23,645, which accounted for an increase in the loss of USD 23,324, considering the USD 321 loss recorded in fiscal year 2022.

Discontinued operations for the fiscal year ended on December 31, 2023 decreased 100% compared with the USD 4,362 loss recorded in 2022, as a result of the termination of the lease agreement between GROSA and CTS.

A loss of USD 23,645 was reported in the fiscal year ended on December 31, 2023, representing an increase in the loss of USD 18,962, compared with the USD 4,683 loss recorded in fiscal year 2022.

Comprehensive income/(loss):

Other comprehensive loss from continuing operations for the fiscal year ended on December 31, 2023 amounted to USD 4,093 and includes the variation in pension plans and its impact on Income Tax and translation differences, representing an 822% decrease in income compared to the USD 567 income recorded in fiscal year 2022.

Other comprehensive income/(loss) from discontinued operations for the fiscal year ended on December 31, 2023 decreased 100% compared to the USD 753 income recorded in 2022 due to the pension plans and its impact on GROSA's Income Tax.

Total comprehensive loss for the year ended on December 31, 2023 amounted to USD 27,738, representing a 606% increase in the loss compared with the USD 3,930 comprehensive loss recorded in fiscal year 2022.

Generación Mediterránea S.A.
Summary of Activity at December 31, 2023 and 2022

Adjusted EBITDA

**Fiscal year ended
December 31:**

2023

Adjusted EBITDA in millions of US dollars ⁽¹⁾

111.2

(1) (Information not covered by the auditor's report on the financial statements issued by independent auditors)

2. Brief comment on the 2024 outlook (information not covered by the auditor's report on the financial statements issued by independent auditors)

Electric energy

The Group's Management expects to continue operating and normally maintaining the various generating units to achieve high levels of availability in 2024. The fact of introducing more efficient group machines to the Electricity System would imply obtaining higher levels of dispatch, and, therefore, increasing the generation of electric energy.

Progress was made to complete the project for closure of cycle at the CTE plant awarded under Resolution No. 287/17, which will add 154 MW of nominal generation capacity to the system. On December 8, 2023, TG04 gas turbine was authorized for commercial operation using natural gas under Resolution No. 287/2017, as amended.

Progress is also being made to complete the project for closure of cycle at the CTMM plant awarded under Resolution No. 287/17, which will add 121 MW of nominal generation capacity to the system. The project is expected to start its commercial operation by mid-2024.

Progress is also expected regarding the cogeneration project in Arroyo Seco, through GLSA, using a specific-purpose company to obtain the financing necessary for the project's construction under the category of "Project Finance." The project is expected to start its commercial operation by mid-2024.

Financial Position

During fiscal year 2024, the Company's objective is ensuring financing to make progress with the investment works in accordance with the agreed-upon schedule and budget. Meanwhile, the financing structure will continue to be strengthened, ensuring the Company's gradual debt reduction. GMSA and CTR issued Class XXVIII, XXIX, XXX y XXIV Negotiable Obligations subsequent to year end (see Note 46: Subsequent events.)



Independent auditor's report

To the Shareholders, President and Directors of
Generación Mediterránea S.A.

Opinion

We have audited the consolidated financial statements of Generación Mediterránea S.A. and its subsidiaries] (the Company) which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company (the Group) as at December 31, 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

Basis for opinión

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and the ethical requirements that are relevant to our audit of the consolidated financial statements in Argentina. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

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.

Key audit matters

Audit response

Financial position and going concern assessment

The Company has prepared its consolidated financial statements based on the going concern assumption, as mentioned in Note 3 to the financial statements at December 31, 2023.

As mentioned in Note 34, at December 31, 2023, the Company presents a working capital deficit. To reverse this situation, the Company's Management and shareholders have developed a refinancing plan for short-term financial liabilities.

In Note 44, the Company states that debt issuances carried out in the capital market as well as renegotiations with local banks in the last 12 months have been successful. Management expects the same behavior for the next accounting period. However, the current context of the Argentine economy could limit access to the debt market and, in turn, create difficulties in the renegotiation of existing liabilities.

The Company's ability to continue as a going concern depends on management's ability to maintain liquidity to comply with deadlines of existing obligations with its creditors.

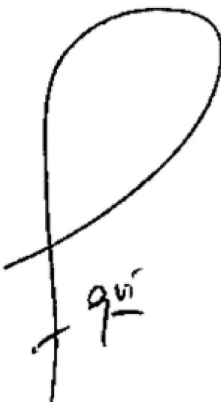
Management carried out a sensitivity analysis on its cash flow forecast using alternative financing scenarios and rate patterns.

Management's assessment of the going concern is based on cash flow projections and business plans, each of which depends on significant management judgment and may be influenced by management bias.

The situation described above, the way in which the Company's business will develop and how it will obtain the necessary resources for its normal operation in an uncertain context, have led us to consider this matter as a key issue in our audit.

The audit procedures that we have carried out to validate the correct application of the going concern principle included, among others:

- carry out inquiries to the key members of Management and Board of Directors, to understand the process of assessing the principle of a going concern;
- verify the mathematical precision of Management's cash flow projections and validate the initial cash position;
- gather evidence on Management's underlying cash flow projections for the Company by validating data with other external and internal sources as necessary, including recent dispatch volumes, prices as per current resolutions, and comparing cost assumptions with historical and actual ones and assessing the realistic likelihood of achieving cost reductions;
- carry out an independent sensitivity analysis to assess the impact of changes in the key premises underlying cash flow forecasts. These could be a change in the prices set up in the current resolutions or a lower-than-expected operating performance;
- carry out an acid test of liquidity verifying the Company's ability to comply with existing deadlines within one year with no debts restructured at the date of issuance of the consolidated financial statements;
- consider the financial situation of the Company's main clients, the impact of a potential delay in their payments and its correlation on the Company's cash flows;
- assess the disclosures included in the consolidated financial statements.





Key audit matters

Audit response

Fair value of property plant and equipment, and impairment of non-current non-financial assets

As described in Notes 4, 6, and 7 to the consolidated financial statements at December 31, 2023, the balance of property, plant and equipment is USD 1,318,007 thousand.

The Company has chosen to state land, buildings, facilities, machinery and turbines at fair value, using discounted cash flow techniques and market comparables.

As described in Notes 4.7 and 6.a, Management analyzes the recoverability of its non-current non-financial assets either periodically or when an event or change of circumstances indicate that its recoverable value may be lower than its carrying value. In evaluating whether there is any indication that an event or circumstance could affect the cash-generating unit (CGU), internal and external sources of information are analyzed. The events and circumstances generally considered are the discount rate used in the cash flow projections of the CGU and the business condition in terms of market and economic factors, such as the cost of raw materials, the regulatory framework of the energy industry, projected capital expenditure and the evolution of energy demand. The recoverable amount is the higher of its fair value less costs of disposal and its value in use. Management took the value in use to determine the recoverable amount. To assess impairment losses, assets are grouped under the CGU. The value in use of the CGU is determined based on projected and discounted cash flows, using discount rates which reflect the time value of money and the particular risks of the assets considered.

The fair value calculated through discounted cash flow was used to value the facilities, machinery, and turbines.

Audit procedures performed in this key audit matter included, among others:

- evaluate the reasonableness of the Management’s assessment on the existence of any indication of impairment;
- evaluate the preparation and supervision process carried out by Management for calculations of the fair value of property, plant and equipment;
- examine the key data and premises used to determine the fair value of property, plant and equipment. In particular:
 - ✓ validate with external sources the premises on trends in inflation exchange rates;
 - ✓ for the operational and regulatory assumptions used to prepare future cash flows, evaluate the consistency of the operating conditions of each thermal power plant and its performance based on historical data, as well as the applicable regulations to date;
 - ✓ examine the method for determining the discount rate and the consistency with the underlying market assumptions, checking that the value is within a reasonable range based on the comparables in the sector and the Company’s particular risk;



Key audit matters

Audit response

Fair value of property plant and equipment, and impairment of non-current non-financial assets (Cont'd.)

At December 31, 2023, the carrying amount of property, plant and equipment does not significantly differ from their fair value; therefore, no revaluation or impairment was registered.

The fair value was determined by using the income approach method based on projected cash flows for each of the thermal power plants based on their useful life, in which different scenarios were weighted depending on their probability of occurrence.

In addition to the defined deadlines, the projections of future cash flows determined on the basis of macroeconomic assumptions (inflation and exchange rates), price projections in accordance with the resolutions in force and projections of dispatch volumes based on knowledge of the market by the Company were extrapolated.

These recoverable amounts are based on assumptions relating to the market outlook and the regulatory environment, of which any modification could have a material impact on the amount of impairment loss to be recognized.

We consider that the measurement of the fair value and the determination of the existence of indications of impairment of property plant and equipment are key audit matters due to their materiality in the Company's financial position and because they require the application of critical judgments and significant estimates by Management on the key variables used to evaluate cash flows, as well as for the unpredictability of the future variations of this estimates, and the fact that future significant changes in the key premises may heavily impact on the consolidated financial statements.

- evaluate the sensitivity of measurements to changes in certain assumptions;
- confirm the mathematical accuracy of calculations and the proper use of the model prepared by Management;
- assess the disclosures included in the consolidated financial statements;

Additionally, the audit was performed with skilled professionals specialized in the subject matter who assisted us in the assessment of the model and certain key assumptions, including the discount rate.

Other information

The other information comprises Summary of Activity. Board of Directors is responsible for the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Other Matter – Restriction on use and distribution

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

Responsibilities of Board of Directors for the consolidated financial statements

Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as 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, 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 Company or to cease operations, or has no realistic alternative but to do so.

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 scepticism 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 Company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Board of Directors.
- Conclude on the appropriateness of Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’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 Company 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 Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide to Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Autonomous City of Buenos Aires, March 12, 2024.



PRICE WATERHOUSE & CO.S.R.L.
Nicolas Angel Carusoni
Partner