

Free translation from the original prepared in Spanish for publication in Argentina

## **Central Térmica Roca S.A.**

### **Condensed Interim Financial Statements**

At September 30 and for the nine-month periods  
ended September 30, 2019 and 2018  
presented in comparative format

Free translation from the original prepared in Spanish for publication in Argentina

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### **CONDENSED INTERIM FINANCIAL STATEMENTS**

At September 30 and for the nine-month periods  
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## GLOSSARY OF TECHNICAL TERMS

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

<b>Terms</b>	<b>Definitions</b>
/day	Per day
AESA	Albanesi Energía S.A.
AFIP	Federal Administration of Public Revenue
AJSA	Alba Jet S.A.
ASA	Albanesi S.A.
AVRC	Alto Valle Río Colorado S.A.
BADCOR	Adjusted BADLAR rate
BADLAR	Average interest rate paid by financial institutions on time deposits for over one million pesos.
BCRA	Central Bank of Argentina
BDD	Bodega del Desierto S.A.
CAMMESA	Compañía Administradora del Mercado Mayorista Eléctrico S.A. (Wholesale Electricity Market Management Company)
CC	Combined cycle
IFRIC	International Financial Reporting Interpretations Committee
CNV	National Securities Commission
CTE	Central Térmica Ezeiza (Ezeiza Thermal Power Plant) located in Ezeiza, Buenos Aires.
CTF	Central Térmica Frías (Frías Power Plant) located in Frías, Santiago del Estero
CTI	Central Térmica Independencia (Independencia Thermal Power Plant) located in San Miguel de Tucumán, Tucumán.
CTLB	Central Térmica La Banda (La Banda Thermal Power Plant) located in La Banda, Santiago del Estero
CTMM	Central Térmica Modesto Maranzana (Modesto Maranzana Thermal Power Plant) located in Río Cuarto, Córdoba
CTR	Central Térmica Roca S.A.
CTRi	Central Térmica Riojana (Riojana Thermal Power Plant) located in La Rioja, La Rioja
CVP	Variable Production Cost
Dam3	Cubic decameter. Volume equivalent to 1,000 (one thousand) cubic meters
DH	Historical 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 Group	Albanesi S.A. jointly with its subsidiaries and other related companies
ENARSA	Energía Argentina S.A.
Energía Plus	Plan created under ES Resolution No. 1281/06
ENRE	National Electricity Regulatory Authority
EPEC	Empresa Provincial de Energía de Córdoba
FACPCE	Argentine Federation of Professional Councils in Economic Sciences
FONINVEMEM	Fund for investments required to increase the electric power supply in the WEM
GE	General Electric
GECEN	Generación Centro S.A.

**GLOSSARY OF TECHNICAL TERMS (Cont'd)**

<b>Terms</b>	<b>Definitions</b>
GLSA	Generación Litoral S.A.
GMSA	Generación Mediterránea S.A.
Large Users	WEM agents classified according to their consumption into: GUMAs, GUMEs, GUPAs and GUDIs
GROSA	Generación Rosario S.A.
GUDIs	Large Demand from Distributors' customers, with declared or demanded power of over 300 kW
GUMAs	Major Large Users
GUMEs	Minor Large Users
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
IASB	International Accounting Standards Board
IGJ	Superintendency of Commercial Companies
kV	Kilovolt Unit of electromotive force which is equal to 1,000 volts
kW	Kilowatt Unit of power equivalent to 1,000 watts
kWh	Kilowatt-hour Unit of energy equivalent to 1,000 watts hour
LGS	General Companies Law
LVFVD	Sales liquidations with maturity date to be defined
MAPRO	Major Scheduled Maintenance
MAT	Futures market
WEM	Wholesale Electric Market
MMm3	Million cubic meters
MVA	Mega-volt ampere, unit of energy equivalent to 1 volt x 1 ampere x 10 <sup>6</sup>
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
NFHCC	New Date for Commercial Authorization Committed
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
ON	Negotiable Obligations
PWPS	Pratt & Whitney Power System Inc
RECPAM (Purchasing Power Parity)	Gain/loss on purchasing power parity
Resolution No. 220/07	Regulatory framework for the sale of energy to CAMMESA through the "WEM Supply Contract" under Energy Secretariat Resolution No. 220/07
RG	General Resolution
RGA	Rafael G. Albanesi S.A.
RT	Technical Pronouncements
SADI	Argentine Interconnection System
ES	Energy Secretariat
SEK	Swedish crowns
SGE	Energy Government Secretary
TRASNOA S.A.	Empresa de Transporte de Energía Eléctrica por Distribución Troncal del Noroeste Argentino S.A.
CGU	Cash Generating Unit
USD	US Dollars

## **Central Térmica Roca S.A.**

### **Composition of the Board of Directors and Syndics' Committee at September 30, 2019**

#### **President**

Armando Losón (h)

#### **Full Directors**

Guillermo G. Brun

Julián P. Sarti

Carlos A. Bauzas

Roberto F. Picone

#### **Full Syndics**

Enrique O. Rucq

Marcelo P. Lerner

Francisco A. Landó

#### **Alternate Syndics**

Juan Cruz Nocciolino

Carlos I. Vela

Marcelo Barattieri

## Legal information

Business name: Central Térmica Roca S.A.

Legal address: Av. Leandro N. Alem 855, 14th floor, City of Buenos Aires.

Main business activity: Generation and sale of electric energy

Tax ID: 33-71194489-9

Date of registration with the Public Registry of Commerce:

By-Laws: July 26, 2011  
Latest amendment: May 15, 2014

Registration number with the Legal Entities Regulator: No. 14,827 of Book 55, Volume of Companies by shares

Expiration date of the Company: July 26, 2110

Parent Company: Albanesi S.A.

Legal domicile of Parent Company: Av. Leandro N. Alem 855, 14th floor, City of Buenos Aires.

Main line of business of Parent Company: Investment and financial activities

Percentage of participation of Parent Company in equity: 75%

Percentage of voting rights of Parent Company: 75%

CAPITAL STATUS (Note 14)			
Shares			Subscribed, paid-in and registered
Number	Type	Number of votes per share	
73,070,470	Ordinary of \$ 1 par value	1	\$ 73,070,470

**Central Térmica Roca S.A.**  
**Condensed Interim Statement of Financial Position**  
 At September 30, 2019 and December 31, 2018  
 Stated in pesos

	Note	09.30.2019	12.31.2018
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	12	7,456,507,245	8,548,400,053
Other receivables		27,935,521	38,465,816
<b>Total non-current assets</b>		<b>7,484,442,766</b>	<b>8,586,865,869</b>
<b>CURRENT ASSETS</b>			
Inventories		21,818,078	16,062,349
Other receivables		654,819,530	247,388,536
Other financial assets at fair value through profit or loss		-	75,023,121
Trade receivables		928,635,360	261,167,825
Cash and cash equivalents	13	564,258,065	292,709,402
<b>Total current assets</b>		<b>2,169,531,033</b>	<b>892,351,233</b>
<b>Total Assets</b>		<b>9,653,973,799</b>	<b>9,479,217,102</b>
<b>EQUITY</b>			
Share Capital	14	73,070,470	73,070,470
Capital Adjustment		392,314,549	392,314,549
Legal reserve		11,005,956	11,005,956
Optional reserve		207,435,998	207,435,998
Special Reserve GR No. 777/18		803,055,117	871,994,676
Technical revaluation reserve		118,979,413	750,034,681
Other comprehensive income		(704,080)	(704,080)
Unappropriated retained earnings		(878,589,559)	(599,627,264)
<b>TOTAL EQUITY</b>		<b>726,567,864</b>	<b>1,705,524,986</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liabilities, net		796,664,246	545,136,223
Defined benefit plan		5,485,391	5,322,450
Loans	16	5,514,582,885	4,818,275,699
<b>Total non-current liabilities</b>		<b>6,316,732,522</b>	<b>5,368,734,372</b>
<b>CURRENT LIABILITIES</b>			
Tax payables		37,242,778	-
Salaries and social security liabilities		11,287,833	11,547,393
Loans	16	1,278,039,024	2,061,884,107
Trade payables		1,284,103,778	331,526,244
<b>Total current liabilities</b>		<b>2,610,673,413</b>	<b>2,404,957,744</b>
<b>Total liabilities</b>		<b>8,927,405,935</b>	<b>7,773,692,116</b>
<b>Total liabilities and equity</b>		<b>9,653,973,799</b>	<b>9,479,217,102</b>

The accompanying notes form an integral part of these condensed interim financial statements.

**Central Térmica Roca S.A.**  
**Condensed Interim Statement of Comprehensive Income**  
 For the nine-month periods ended September 30, 2019 and 2018  
 Stated in pesos

	Note	Nine months at		Three months at	
		09.30.2019	09.30.2018	09.30.2019	09.30.2018
Sales revenue	7	1,804,332,787	853,436,358	667,723,808	462,427,742
Cost of sales	8	(608,674,027)	(375,364,530)	(234,885,842)	(260,224,556)
<b>Gross income/(loss)</b>		<b>1,195,658,760</b>	<b>478,071,828</b>	<b>432,837,966</b>	<b>202,203,186</b>
Selling expenses	9	(51,072,210)	(13,251,578)	(22,118,559)	(5,960,775)
Administrative expenses	10	(117,834,627)	(48,383,097)	(44,833,855)	(15,942,868)
<b>Operating income</b>		<b>1,026,751,923</b>	<b>416,437,153</b>	<b>365,885,552</b>	<b>180,299,543</b>
Financial income	11	106,807,552	4,985,747	89,809,010	3,730,316
Financial expenses	11	(592,734,586)	(316,825,699)	(208,492,672)	(209,979,776)
Other financial results	11	(505,910,231)	(1,857,010,667)	(1,094,012,426)	(1,116,408,009)
<b>Financial results, net</b>		<b>(991,837,265)</b>	<b>(2,168,850,619)</b>	<b>(1,212,696,088)</b>	<b>(1,322,657,469)</b>
<b>Income/(loss) before taxes</b>		<b>34,914,658</b>	<b>(1,752,413,466)</b>	<b>(846,810,536)</b>	<b>(1,142,357,926)</b>
Income tax		(442,113,961)	(12,072,933)	56,980,734	1,993,550
<b>(Loss) for the period</b>		<b>(407,199,303)</b>	<b>(1,764,486,399)</b>	<b>(789,829,802)</b>	<b>(1,140,364,376)</b>
Revaluation of property, plant and equipment	12	(762,343,759)	6,947,696,127	-	6,492,442,293
Impact on deferred tax		190,585,940	(1,736,924,032)	-	(1,623,110,574)
<b>Other comprehensive income/(loss) for the period</b>		<b>(571,757,819)</b>	<b>5,210,772,095</b>	<b>-</b>	<b>4,869,331,719</b>
<b>Total comprehensive income/(loss) for the period</b>		<b>(978,957,122)</b>	<b>3,446,285,696</b>	<b>(789,829,802)</b>	<b>3,728,967,343</b>
<b>Earnings/(losses) per share</b>					
Basic and diluted (loss) per share	15	(5.57)	(24.15)		

The accompanying notes form an integral part of these condensed interim financial statements.

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## Central Térmica Roca S.A.

### Condensed Interim Statement of Changes in Equity

For the nine-month periods ended September 30, 2019 and 2018

Stated in pesos

	Share capital (Note 14)	Capital Adjustment	Legal reserve	Optional reserve	Special Reserve GR No. 777/18	Technical revaluation reserve	Other comprehensive income/(loss)	Unappropriated retained earnings	Total equity
<b>Balances at December 31, 2017</b>	<b>73,070,470</b>	<b>392,314,549</b>	<b>1,941,915</b>	<b>35,219,217</b>	<b>871,994,676</b>	-	-	<b>646,366,964</b>	<b>2,020,907,791</b>
Minutes of Shareholders' Meeting dated April 18, 2018									
- Setting up of legal reserve	-	-	9,064,041	-	-	-	-	(9,064,041)	-
- Setting up of optional reserve	-	-	-	172,216,781	-	-	-	(172,216,781)	-
Other comprehensive income for the nine-month period	-	-	-	-	-	5,210,772,095	-	-	5,210,772,095
Loss for the nine-month period	-	-	-	-	-	-	-	(1,764,486,399)	(1,764,486,399)
<b>Balances at September 30, 2018</b>	<b>73,070,470</b>	<b>392,314,549</b>	<b>11,005,956</b>	<b>207,435,998</b>	<b>871,994,676</b>	<b>5,210,772,095</b>	-	<b>(1,299,400,257)</b>	<b>5,467,193,487</b>
Other comprehensive income for the supplementary three-month period	-	-	-	-	-	(4,460,737,414)	(704,080)	-	(4,461,441,494)
Income for the supplementary three-month period	-	-	-	-	-	-	-	699,772,993	699,772,993
<b>Balances at December 31, 2018</b>	<b>73,070,470</b>	<b>392,314,549</b>	<b>11,005,956</b>	<b>207,435,998</b>	<b>871,994,676</b>	<b>750,034,681</b>	<b>(704,080)</b>	<b>(599,627,264)</b>	<b>1,705,524,986</b>
Other comprehensive income for the period	-	-	-	-	-	(571,757,819)	-	-	(571,757,819)
Reversal of technical revaluation reserve	-	-	-	-	(68,939,559)	(59,297,449)	-	128,237,008	-
Loss for the nine-month period	-	-	-	-	-	-	-	(407,199,303)	(407,199,303)
<b>Balances at September 30, 2019</b>	<b>73,070,470</b>	<b>392,314,549</b>	<b>11,005,956</b>	<b>207,435,998</b>	<b>803,055,117</b>	<b>118,979,413</b>	<b>(704,080)</b>	<b>(878,589,559)</b>	<b>726,567,864</b>

The accompanying notes form an integral part of these condensed interim financial statements.

**Central Térmica Roca S.A.****Condensed Interim Statement of Cash Flows**

For the nine-month periods ended September 30, 2019 and 2018

Stated in pesos

	Notes	09.30.2019	09.30.2018
<b>Cash flow provided by operating activities:</b>			
(Loss) for the period		(407,199,303)	(1,764,486,399)
<b>Adjustments to arrive at net cash flows provided by operating activities:</b>			
Income tax		442,113,961	12,072,933
Accrued interest, net	11	485,330,949	310,423,175
Depreciation of property, plant and equipment	8	394,032,381	257,634,439
Provision for defined benefit plans	8	713,308	4,739,338
Exchange differences and other financial results	11	2,422,195,991	4,081,072,729
Income/(Loss) from changes in the fair value of financial instruments	11	(25,176,214)	(188,394,757)
Other financial results		1,174,938	960,924
RECPAM (Purchasing Power Parity)		(1,513,423,100)	(1,548,389,876)
<b>Changes in operating assets and liabilities:</b>			
Decrease in trade receivables		21,064,946	80,189,484
Decrease in Other financial assets at fair value through profit or loss		-	10,494,543
Decrease in other receivables (1)		380,326,647	70,953,154
(Increase) in inventories		(5,755,729)	(57,253)
Increase / (Decrease) in trade payables (2)		301,008,241	(1,073,595,361)
(Decrease) in other liabilities		-	(6,892,268)
Defined benefit plans		(1,725,305)	(1,305,974)
(Decrease)/Increase in salaries and social security charges		(259,560)	6,303,765
(Decrease) in tax payables		(8,949,943)	(609,269,960)
<b>Cash flows provided by (used in) operating activities</b>		<b>2,485,472,208</b>	<b>(357,547,364)</b>
<b>Cash flow from investment activities:</b>			
Acquisition of property, plant and equipment	12	(17,970,982)	(594,929,221)
Subscription of mutual funds, net		-	76,519,225
Loans granted		(759,752,391)	(7,420,559)
<b>Net cash flows (used in) investment activities</b>		<b>(777,723,373)</b>	<b>(525,830,555)</b>
<b>Cash flow from financing activities:</b>			
Loans received	16	388,929,425	2,019,198,782
Payment of loans	16	(807,518,887)	(948,079,552)
Payment of interest	16	(648,132,509)	(535,322,121)
Collection of financial instruments		63,476,206	85,391,010
<b>Net cash flow (used in) / provided by financing activities</b>		<b>(1,003,245,765)</b>	<b>621,188,119</b>
<b>INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>704,503,070</b>	<b>(262,189,800)</b>
Cash and cash equivalents at the beginning of year		292,709,402	197,675,934
Financial results of cash and cash equivalents		46,531,931	14,657,200
Gain/loss on PPP (RECPAM) of cash and cash equivalents		(514,465,598)	56,935,325
Cash and cash equivalents at the end of the period	13	529,278,805	7,078,659
		<b>704,503,070</b>	<b>(262,189,800)</b>
<b>Significant transactions not entailing changes in cash</b>			
Acquisition of property, plant and equipment not yet paid	12	(30,486,270)	(36,786,212)
Advance to suppliers applied to the purchase of property, plant and equipment	12	(16,026,080)	(137,816,584)
(Decrease) / Increase in technical revaluation		571,757,819	(5,210,772,095)
Interest and exchange difference capitalized in property, plant and equipment	12	-	(660,464,679)
Loans to Directors, repaid		-	(6,338,664)

The accompanying notes form an integral part of these condensed interim financial statements.

- (1) Includes advances to suppliers for the purchase of property, plant and equipment for \$ 8,427,099 and \$ 34,417,365 at September 30, 2019 and 2018, respectively.
- (2) Includes commercial payments for the cycle closure project at the Power Plant in September 2018.

## Central Térmica Roca S.A.

### Notes to the Condensed Interim Financial Statements

For the nine-month periods ended September 30, 2019 and 2018

and the fiscal year ended December 31, 2018

Stated in pesos

#### NOTE 1: GENERAL INFORMATION

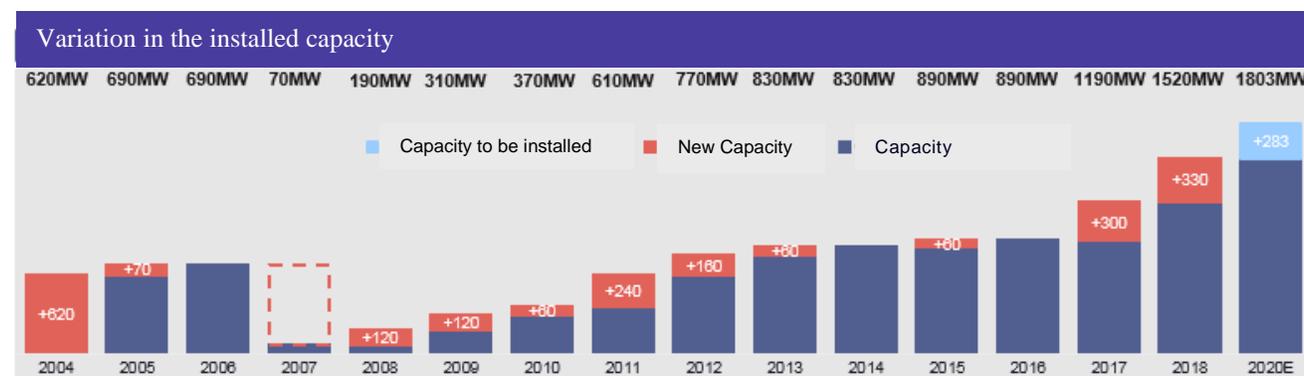
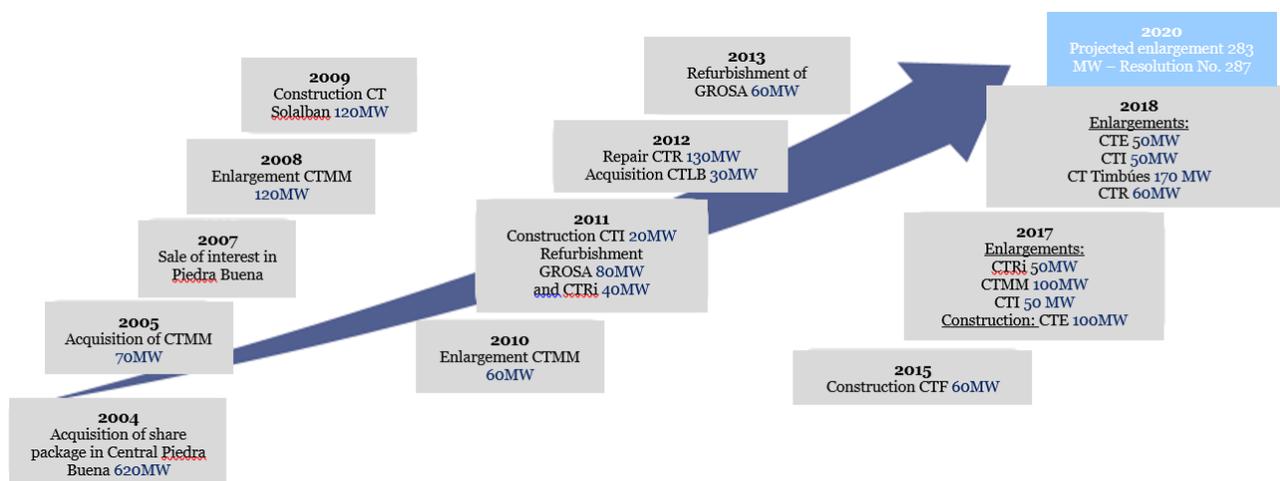
CTR's main line of business is the generation and sale of electric energy. Nominal installed capacity is 190 MW under ES Resolution No. 220/07 and SRRyME Resolution No. 01/2019.

In 2011, Grupo Albanesi acquired through CTR a power plant located in the outskirts of the city of General Roca, province of Río Negro, on Provincial Road No. 6, km 11.1 (the "Power Plant"), which had been unavailable since 2009.

ASA holds a 75% interest in the capital stock of CTR, and Tefu S.A., the remaining 25%.

Grupo Albanesi had at the date these condensed Financial Statements were signed a total installed capacity of 1,520 MW, representing 6.1% of the total installed thermal capacity in Argentina, it being expanded with additional 283 MW with all the new projects awarded and currently under way.

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



## **Central Térmica Roca S.A.**

### Notes to the Condensed Interim Financial Statements (Cont'd)

#### **NOTE 1: GENERAL INFORMATION (Cont'd)**

##### **Maintenance contract**

CTR signed a global Long Term Service Agreement for the power plant with the companies GE International INC and GE Energy Parts International, LLC. As set forth in the agreement, GE must provide on-site technical assistance on a permanent basis, as well as a remote monitoring system to follow up on the efficient 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. GE thus guarantees average availability of not less than ninety five percent (95%) to the Power Plant per contractual year. In addition, the Power Plant has its own repair workshop with tools and spare parts in stock to make on-site repairs. Compliance with the power sale agreement with CAMMESA under Resolution 220/07 is thus guaranteed.

##### **Environmental management**

The certification for an Environmental Management System under the ISO 14001:2015 standard, developed and implemented across the entire corporation, is maintained in effect. Its documentation has been updated in compliance with the new requirements of the organization about environmental management, as a result of the changes introduced by the revised version of the Standard and on-field facts in connection with the development of the project related to the extension of existing processes and the installation of new generation sites.

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

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

During the period from October to November 2017, a new external audit on maintenance control of the Management System was conducted by the IRAM as certification agency, with a positive outcome.

#### **NOTE 2: REGULATORY ASPECTS RELATED TO THE COMPANY'S POWER GENERATION ACTIVITIES**

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

##### **Sales under SRRyME Resolution 01/2019**

SRRyME Resolution 1/2019 was published on February 28, 2019, replacing ES Resolution No. 19/2017. This resolution establishes new remuneration mechanisms for the generators, co-generators and self-generators in the WEM which do not have WEM Supply Contracts.

First, it establishes the Guaranteed Power Availability system to report on power availability on a quarterly basis.

Second, the resolution establishes a remuneration mechanism for power and energy.

The remuneration for power availability consists of a minimum price associated with the Real Power Availability (DRP, its Spanish acronym) and a price for guaranteed power, as per compliance with a Guaranteed Power Supply (DIGO, its Spanish acronym).

Remuneration for power is affected depending on the use factor of the power generation equipment.

## **Central Térmica Roca S.A.**

Notes to the Condensed Interim Financial Statements (Cont'd)

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

#### Sales under SRRyME Resolution 01/2019 (Cont'd)

The following table shows the Base Price for the Power, according to the technology and scale (PrecBasePot):

<b>TECHNOLOGY/SCALE</b>	<b>PrecBasePot [USD/MW-month]</b>
CC large P > 150 MW	3,050
CC small P < 150 MW	3,400
TV large P > 100 MW	4,350
TV small ≤ 100 MW	5,200
TG large > 50 MW	3,550
TG small P ≤ 50 MW	4,600
Internal combustion engines	5,200

The following table shows the Price for Availability (DIGO):

<b>Period</b>	<b>PrecPotDIGO [USD/MW-month]</b>
Summer: December - January - February	7,000
Winter: June - July - August	7,000
Rest of the year: March - April - May - September - October - November	5,500

These two prices are affected by the Use Factor, which is the relation between the energy actually generated each year and the actual energy available at the power plant (without forced unavailability or maintenance).

For the energy actually generated for conventional thermal power generation, nonfuel variable costs of up to 4 USD/MWh for natural gas and 7 USD/MWh for diesel or fuel oil are recognized per type of fuel consumed by the power plant. Only 50% of nonfuel variable costs are paid for the Energy Generated in case a power plant that has opted to get its own fuel for power generation does not have the fuel required for such generation when called for dispatch. In addition, generators receive a monthly remuneration for the Energy Operated, represented by the integration of hourly powers in the period, valued at 1.4 USD/MWh for any type of fuel.

Lastly, Section 8 of SRRyME Resolution provides that CAMMESA will convert the dollar-denominated prices into Argentine pesos, applying the "A" 3500 (Wholesale) Exchange Rate in effect on the day preceding the due date of the economic transactions.

The new resolution is effective from March 1, 2019.

## **Central Térmica Roca S.A.**

### Notes to the Condensed Interim Financial Statements (Cont'd)

#### **NOTE 3: BASIS FOR PRESENTATION**

The condensed interim Financial Statements for the nine-month periods ended September 30, 2019 and 2018 have been prepared in accordance with IAS 34. This condensed interim financial information must be read jointly with the Company's annual Financial Statements at December 31, 2018.

The presentation in the condensed interim 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 the twelve months following the end of the reporting period. In addition, the Company reports on the cash flows from operating activities using the indirect method.

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

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

The condensed interim Financial Statements for the nine-month period ended September 30, 2019 and 2018 have not been audited. Company Management estimates that they include all adjustments necessary to reasonably present the results for each period. The results for the nine-month periods ended September 30, 2019 and 2018 do not necessarily reflect the proportion of Company's results for full fiscal years.

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

These condensed interim Financial Statements were approved for issuance by the Company's Board of Directors on Friday, November 8, 2019.

#### **Going concern**

As of the date of these condensed interim 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.

#### **Comparative information**

Balances at December 31, 2018 and for the nine-month period ended September 30, 2018, disclosed for comparative purposes in these Condensed Interim Financial Statements, arise from Financial Statements at that date, restated in constant currency at September 30, 2019. Certain reclassifications have been included in the financial statement figures presented for comparative purposes to conform them to the current period presentation.

#### **Financial reporting in hyperinflationary economies**

These condensed interim Financial Statements have been disclosed in constant currency as established by IAS 29. See detail of the inflation adjustment procedure in Note 3 to the Financial Statements at December 31, 2018.

#### **Tax adjustment for inflation**

To determine the net taxable income, an adjustment for inflation computed according to Sections 95 to 98 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 General Consumer Price Index (CPI) accumulated over the 36 months prior to the year end is higher than 100%. These provisions are applicable for fiscal years commencing on or after January 1, 2018. For the first, second and third fiscal years following its effective date, it will be applicable when the index variation, calculated from the beginning to the end of each year, exceeds 55%, 30% and 15% in the first, second and third year of application,

## **Central Térmica Roca S.A.**

### Notes to the Condensed Interim Financial Statements (Cont'd)

#### **NOTE 3: BASIS FOR PRESENTATION (Cont'd)**

##### **Tax adjustment for inflation (Cont'd)**

respectively. The inflation adjustment for the fiscal year under calculation will have effect either as a negative or positive adjustment; one third of it will be allocated in the relevant fiscal period and the remaining two thirds, in two equal parts, in the two immediately following fiscal years.

The Company has estimated that the CPI variation by December 31, 2019 will exceed the index mentioned in the above paragraph, so the Company included this adjustment in the determination of the taxable income for the current period.

#### **NOTE 4: ACCOUNTING POLICIES**

The accounting policies adopted for these condensed interim Financial Statements are consistent with those used in the audited financial information for the last fiscal year, which ended on December 31, 2018, except for those mentioned below.

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

These condensed interim Financial Statements must be read together with the audited Financial Statements at December 31, 2018, prepared under IFRS.

The Company measures facilities, machinery and buildings at fair value less accumulated depreciation and impairment losses, if any, recognized at the revaluation date (see accounting policy for property, plant and equipment in Note 4 to the December 31, 2018 Financial Statements). Revaluations are made frequently enough to make sure that the fair value of a revalued asset does not differ significantly from its carrying amount.

On March 31, 2019, the Company revalued the facilities, machinery and buildings for there have been important changes in the fair values of those assets caused by macroeconomic fluctuations.

#### **NOTE 5: CRITICAL ESTIMATES AND JUDGMENTS**

The preparation of these condensed interim Financial Statements in accordance with the accounting framework mentioned above, 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 interim condensed Financial Statements, as well as the income and expenses recorded.

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

In preparing these condensed interim Financial Statements, the critical judgments delivered by the Management to apply the Company's accounting policies and the sources of information used for the related estimates are the same as those delivered in the Financial Statements for the fiscal year ended December 31, 2018.

## **Central Térmica Roca S.A.**

### Notes to the Condensed Interim Financial Statements (Cont'd)

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

##### ***a) Acquisition of property, plant and equipment***

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

For the determination of the fair value of land and buildings, market quotations have been used requested from expert external appraisers. The values obtained, in the case of property, include the current status of assets.

The fair value calculated by means of the discounted cash flow was used to value facilities and machinery. 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 March 31, 2019 consider two scenarios (pessimistic and basic scenarios) with different probabilities of occurrence. The two scenarios arise from current rate schedules and are combined with different turbine dispatch alternatives.

The criteria considered in each scenario are the following:

1. Base scenario: in this case the Company considers a historical average availability and an expected dispatch according to projections of the demand for energy with a vegetative growth. Probability of occurrence: 70%.
2. Pessimistic scenario: in this case the Company considers a historical average availability and a dispatch of less than expected of the demand for energy. Probability of occurrence: 30%.

In all scenarios a discount rate in dollars of approximately 10.86% was used, which contemplates the future scenarios.

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

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

The fair value determination of property, plant and equipment is significantly affected by the 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 Company will need:

- To increase the fair value of land, buildings, facilities and machinery by \$ 742 million, if it were favorable; or
- To reduce the fair value of land, buildings, facilities and machinery by \$ 742 million, if it were not favorable.

## Central Térmica Roca S.A.

### Notes to the Condensed Interim Financial Statements (Cont'd)

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

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

At March 31, 2019, the fair values of revalued fixed assets amounted to \$ 8,560,630,492, representing an increase of \$ 125,478,852 in their values which was recorded in other comprehensive income.

The Company performed an analysis of the recoverable value of property, plant and equipment at June 30, 2019 and concluded that due to the macroeconomic variations in inflation and the US dollar exchange rate, assets decreased by \$ 887,822,611 and recognized its effect in other comprehensive income.

At September 30, 2019, 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.

#### **NOTE 6: FINANCIAL RISK MANAGEMENT**

The Company's activities are disclosed under sundry financial risks: market risk (including the foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

These condensed interim Financial Statements do not include the information required for the annual Financial Statements regarding risk management. They must be read jointly with the Financial Statements for the year ended December 31, 2018. No significant changes have been made to risk management policies since the last annual closing.

#### **NOTE 7: SALES REVENUE**

	<b>09.30.2019</b>	<b>09.30.2018</b>
Sale of electricity Res. 220	1,798,414,614	810,922,516
Sale of electricity, as per Res. No. 95, as amended, plus Spot	5,918,173	42,513,842
	<b>1,804,332,787</b>	<b>853,436,358</b>

#### **NOTE 8: COST OF SALES**

	<b>09.30.2019</b>	<b>9.30.2018</b>
Purchase of electricity	(4,130,631)	(1,450,715)
Gas and diesel consumption at the plant	(63,450,878)	(7,570,336)
Salaries and social security contributions	(57,885,170)	(43,400,026)
Defined benefit plan	(713,308)	(4,739,338)
Other employee benefits	(2,894,859)	(3,580,900)
Fees for professional services	(1,861,997)	(3,150,483)
Maintenance services	(55,351,384)	(31,378,663)
Depreciation of property, plant and equipment	(394,032,381)	(257,634,439)
Security guard and porter	(4,303,214)	(4,592,094)
Per diem, travel and representation expenses	(514,203)	(98,311)
Insurance	(14,586,216)	(9,110,838)
Communication expenses	(1,547,081)	(1,245,082)
Snacks and cleaning	(1,492,993)	(830,365)
Taxes, rates and contributions	(5,470,591)	(5,881,697)
Sundry	(439,121)	(701,243)
	<b>(608,674,027)</b>	<b>(375,364,530)</b>

**Central Térmica Roca S.A.**

Notes to the Condensed Interim Financial Statements (Cont'd)

**NOTE 9: SELLING EXPENSES**

	<u>09.30.2019</u>	<u>09.30.2018</u>
Taxes, rates and contributions	(51,072,210)	(13,251,578)
	<u>(51,072,210)</u>	<u>(13,251,578)</u>

**NOTE 10: ADMINISTRATIVE EXPENSES**

	<u>09.30.2019</u>	<u>09.30.2018</u>
Fees and remunerations for services	(112,964,602)	(43,176,909)
Directors' fees	-	(290,939)
Taxes, rates and contributions	(751,171)	(1,385,551)
Leases	(2,114,835)	(2,713,220)
Per diem, travel and representation expenses	(947,192)	(12,572)
Communication expenses	-	(39,049)
Insurance	-	(4,288)
Office expenses	(443,281)	(758,194)
Donations	(105,886)	-
Sundry	(507,660)	(2,375)
	<u>(117,834,627)</u>	<u>(48,383,097)</u>

**NOTE 11: FINANCIAL RESULTS**

	<u>09.30.2019</u>	<u>09.30.2018</u>
<u>Financial income</u>		
Commercial and other interest	64,002,348	1,120,690
Interest on loans granted	42,805,204	3,865,057
<b>Total financial income</b>	<u><b>106,807,552</b></u>	<u><b>4,985,747</b></u>
<u>Financial expenses</u>		
Loan interest	(588,382,521)	(314,686,148)
Commercial and other interest	(3,755,980)	(722,774)
Bank expenses and commissions	(596,085)	(1,416,777)
<b>Total financial expenses</b>	<u><b>(592,734,586)</b></u>	<u><b>(316,825,699)</b></u>
<u>Other financial results</u>		
Exchange differences, net	(2,389,679,856)	(4,063,158,150)
RECPAM (Purchasing Power Parity)	1,891,109,546	2,035,667,305
Changes in the fair value of financial instruments	25,176,214	188,394,757
Other financial results	(32,516,135)	(17,914,579)
<b>Total other financial results</b>	<u><b>(505,910,231)</b></u>	<u><b>(1,857,010,667)</b></u>
<b>Total financial results, net</b>	<u><b>(991,837,265)</b></u>	<u><b>(2,168,850,619)</b></u>

Free translation from the original prepared in Spanish for publication in Argentina

## Central Térmica Roca S.A.

Notes to the Condensed Interim Financial Statements (Cont'd)

### NOTE 12: PROPERTY, PLANT AND EQUIPMENT

Type of asset	Original values					Depreciation					Net amount at end of period/year		
	At beginning of period/year	Increases	Transfers/ withdrawals	Technical revaluation (2)	(Impairment)/ Recovery	At the end of period/year	Accumulated at beginning of period/year	For the period/year (1)	Technical revaluation (2)	(Impairment)/ Recovery	Accumulated at beginning of period/year	At 09.30.2019	At 12.31.2018
Land	28,565,669	-	-	-	-	28,565,669	-	-	-	-	-	28,565,669	28,565,669
Buildings	428,137,330	769,542	22,488,746	(6,395,745)	-	444,999,873	4,163,719	9,749,880	(6,395,745)	-	7,517,854	437,482,019	423,973,611
Facilities	975,651,126	753,985	3,480,791	(41,726,159)	-	938,159,743	23,079,956	51,975,268	(35,074,676)	-	39,980,548	898,179,195	952,571,170
Machinery	7,381,723,554	15,946,969	18,952,537	(1,151,660,028)	-	6,264,963,032	297,995,202	330,762,445	(395,967,752)	-	232,789,895	6,032,173,137	7,083,728,352
Works in progress - Extension of Plant	-	44,922,074	(44,922,074)	-	-	-	-	-	-	-	-	-	-
Computer and office equipment	5,659,106	1,187,874	-	-	-	6,846,980	2,861,700	1,089,930	-	-	3,951,630	2,895,350	2,797,406
Vehicles	5,504,777	-	-	-	-	5,504,777	3,657,322	454,858	-	-	4,112,180	1,392,597	1,847,455
Spare parts and materials	54,916,390	902,888	-	-	-	55,819,278	-	-	-	-	-	55,819,278	54,916,390
<b>Total at 09.30.2019</b>	<b>8,880,157,952</b>	<b>64,483,332</b>	<b>-</b>	<b>(1,199,781,932)</b>	<b>-</b>	<b>7,744,859,352</b>	<b>331,757,899</b>	<b>394,032,381</b>	<b>(437,438,173)</b>	<b>-</b>	<b>288,352,107</b>	<b>7,456,507,245</b>	<b>-</b>
<b>Total at 12.31.2018</b>	<b>6,365,661,168</b>	<b>1,520,803,909</b>	<b>-</b>	<b>846,074,057</b>	<b>147,618,818</b>	<b>8,880,157,952</b>	<b>4,095,618</b>	<b>382,526,621</b>	<b>(153,972,188)</b>	<b>99,107,848</b>	<b>331,757,899</b>	<b>-</b>	<b>8,548,400,053</b>
<b>Total at 09.30.2018</b>	<b>6,365,661,171</b>	<b>1,429,996,696</b>	<b>-</b>	<b>6,691,836,082</b>	<b>-</b>	<b>14,487,493,949</b>	<b>4,095,618</b>	<b>257,634,439</b>	<b>(255,860,045)</b>	<b>-</b>	<b>5,870,012</b>	<b>-</b>	<b>14,481,623,937</b>

(1) Depreciation charges for the nine-month period ended September 30, 2019 and for the fiscal year ended December 31, 2018 were allocated to cost of sales.

(2) Corresponds to a decrease of \$ 762,343,759 resulting from a revaluation, net of accumulated depreciation at the time of revaluation for \$ 437,438,173.

**Central Térmica Roca S.A.**

Notes to the Condensed Interim Financial Statements (Cont'd)

**NOTE 13: CASH AND CASH EQUIVALENTS**

	<u>09.30.2019</u>	<u>12.31.2018</u>
Cash	86,002	104,592
Banks in local currency	2,685,317	34,148,842
Banks in foreign currency	462,169,230	903,407
Mutual funds	99,317,516	257,552,561
	<u><b>564,258,065</b></u>	<u><b>292,709,402</b></u>

For the purposes of the cash flow statement, cash, cash equivalents and bank overdraft facilities include:

	<u>09.30.2019</u>	<u>09.30.2018</u>
Cash and cash equivalents	564,258,065	7,078,659
Bank overdraft (Note 17)	(34,979,260)	-
<b>Cash and cash equivalents (bank overdraft included)</b>	<u><b>529,278,805</b></u>	<u><b>7,078,659</b></u>

**NOTE 14: CAPITAL STATUS**

Subscribed and registered capital at September 30, 2019 amounted to \$ 73,070,470.

**NOTE 15: EARNINGS (LOSSES) PER SHARE****Basic**

The basic earnings per share are calculated by dividing the income attributable to the holders of the Company's equity instruments by the weighted average number of ordinary shares outstanding during the period.

	<u>09.30.2019</u>	<u>09.30.2018</u>
(Loss) for the period	(407,199,303)	(1,764,486,399)
Weighted average of outstanding ordinary shares	73,070,470	73,070,470
<b>Basic earnings (loss) per share</b>	<b>(5.57)</b>	<b>(24.15)</b>

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

**NOTE 16: LOANS**

<u>Non-Current</u>	<u>09.30.2019</u>	<u>12.31.2018</u>
International bond	4,009,666,484	3,595,933,096
Negotiable obligations	1,317,522,211	1,065,605,191
Other bank debts	165,141,195	130,249,457
Finance lease debts	22,252,995	26,487,955
	<u><b>5,514,582,885</b></u>	<u><b>4,818,275,699</b></u>
<u>Current</u>		
International bond	55,465,017	135,229,601
Related companies (Note 18)	-	386,308,967
Negotiable obligations	241,043,938	290,442,068
Other bank debts	936,795,779	1,241,461,210
Bank overdraft	34,979,260	-
Finance lease debts	9,755,030	8,442,261
	<u><b>1,278,039,024</b></u>	<u><b>2,061,884,107</b></u>

**Central Térmica Roca S.A.**

## Notes to the Condensed Interim Financial Statements (Cont'd)

**NOTE 16: LOANS (Cont'd)**

At September 30, 2019, the total financial debt amounts to \$ 6,792 million. Total financial debt at that date is disclosed in the table below:

	<b>Principal</b>	<b>Balances at September 30, 2019</b>	<b>Interest rate</b>	<b>Currency</b>	<b>Date of Issue</b>	<b>Maturity date</b>
		(Pesos)	(%)			
<u>Debt securities</u>						
International Negotiable Obligations	USD 70,000,000	4,065,131,501	9.63%	USD	July 27, 2016	July 27, 2023
Class II Negotiable Obligations	\$ 135,000,000	139,113,135	BADLAR + 2%	ARS	November 17, 2015	November 17, 2020
Class IV Negotiable Obligations	\$ 291,119,753	376,879,414	BADLAR + 5%	ARS	July 24, 2017	July 24, 2021
GMSA-CTR Class I Bond	USD 10,000,000	584,081,868	6.68%	USD	October 11, 2017	October 11, 2020
Class II Negotiable Obligations GMSA-CTR	USD 8,000,000	458,491,732	15.00%	USD	August 5, 2019	May 5, 2023
<b>Subtotal</b>		<b>5,623,697,650</b>				
<u>Other liabilities</u>						
Banco Ciudad loan	USD 5,018,182	290,248,092	7.90%	USD	August 4, 2017	August 4, 2021
BAPRO Loan	USD 10,600,000	625,748,800	4.00%	USD	January 3, 2018	July 4, 2020
ICBC Loan	USD 1,225,000	70,248,866	10.50%	USD	December 27, 2018	December 27, 2019
Banco Macro loan	USD 2,000,000	115,691,216	9.00%	USD	December 28, 2018	December 27, 2019
Financial lease		32,008,025				
Bank overdraft		34,979,260				
<b>Subtotal</b>		<b>1,168,924,259</b>				
<b>Total financial debt</b>		<b>6,792,621,909</b>				

**a) International Bond issuance**

Under Resolution No. RESFC-2019-20111-APN-DIR#CNV dated March 8, 2019, GMSA and CTR obtained authorization from the CNV to increase the International Bond co-issuance program by an amount of up to USD 300,000,000.

**Class II Negotiable Obligations (GMSA and CTR co-issuance):**

Co-issuance of Class II negotiable obligations took place on August 5, 2019 and were fully subscribed in cash.

**Principal:** total nominal value USD 80 million; amount assigned to CTR: USD 8 million.

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

**Maturity date:** May 5, 2023

**Amortization method:** in ten equal and consecutive quarterly installments from February 5, 2021 to maturity.

## Central Térmica Roca S.A.

Notes to the Condensed Interim Financial Statements (Cont'd)

### **NOTE 16: LOANS (Cont'd)**

#### *Issuance of international bonds (Cont'd)*

The proceeds from the issuance of Class II Negotiable Obligations will be mainly applied to the refinancing of liabilities and investment in fixed assets and, to a lesser extent, to the financing of working capital.

Class II Negotiable Obligations will be: (i) secured by ASA with suretyships; and (ii) guaranteed with pledges on operating turbines, a mortgage on the Power Plant Central Térmica Independencia (Tucumán), a reserve account with funds from two interest periods and an assignment of rights to collect debts on contracts with CAMMESA under ES Resolutions Nos. 220/07 and 21/17.

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

	<u>09.30.2019</u>	<u>12.31.2018</u>
<b>Fixed rate</b>		
Less than 1 year	1,007,650,079	1,770,058,143
Between 1 and 2 years	867,986,658	638,279,471
Between 2 and 3 years	172,942,863	-
After 3 years	4,161,062,474	3,606,546,178
	<u><b>6,209,642,074</b></u>	<u><b>6,014,883,792</b></u>
<b>Floating rate</b>		
Less than 1 year	270,388,945	291,825,964
Between 1 and 2 years	9,362,502	155,041,615
Between 2 and 3 years	302,242,377	408,614,960
After 3 years	986,011	9,793,475
	<u><b>582,979,835</b></u>	<u><b>865,276,014</b></u>
	<u><b>6,792,621,909</b></u>	<u><b>6,880,159,806</b></u>

The fair value of Company International Bonds at September 30, 2019 and December 31, 2018 amounted to approximately \$ 2.1 billion and \$ 2.3 billion, respectively. This value was calculated based on the estimated market price of the Company International Bonds at the end of each period. The applicable fair value hierarchy would be Level 1.

The other loans at variable rates have been stated at fair value. Fixed rate loans do not differ significantly from their fair value, as they were issued at a near date.

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

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

**Central Térmica Roca S.A.**

## Notes to the Condensed Interim Financial Statements (Cont'd)

**NOTE 16: LOANS (Cont'd)**

Company loans are denominated in the following currencies:

	<u>09.30.2019</u>	<u>12.31.2018</u>
Argentine pesos	582,979,834	1,251,584,902
US dollars	6,209,642,075	5,628,574,904
	<u><b>6,792,621,909</b></u>	<u><b>6,880,159,806</b></u>

Changes in Company's loans during the nine-month period ended September 30, 2019 and 2018 were as follows:

	<u>09.30.2019</u>	<u>09.30.2018</u>
Loans at beginning of the period	6,880,159,806	4,625,379,892
Loans received	388,929,425	2,019,198,782
Loans paid	(807,518,887)	(948,079,552)
Accrued interest	588,382,521	628,935,631
Interest paid	(648,132,509)	(535,322,121)
Exchange difference	2,393,327,170	3,773,424,888
Bank overdraft	34,667,251	-
Capitalized expenses/present values	(16,361,024)	6,462,971
RECPAM (Purchasing Power Parity)	(2,020,831,844)	(1,475,517,525)
<b>Loans at period end</b>	<u><b>6,792,621,909</b></u>	<u><b>8,094,482,966</b></u>

**NOTE 17: TRANSACTIONS AND BALANCES WITH RELATED PARTIES**

	<u>Income / (Loss)</u>	
	\$	
	<u>09.30.2019</u>	<u>09.30.2018</u>
<i>a) Purchase of gas and energy</i>		
<b>Other related parties:</b>		
RGA (*)	(1,906,464,409)	(2,272,477,054)
	<u><b>(1,906,464,409)</b></u>	<u><b>(2,272,477,054)</b></u>

(\*) Correspond to purchase of gas consumed for dispatch of the power plant.

<i>b) Administrative services</i>		
<b>Other related parties:</b>		
RGA	(96,748,868)	(76,541,679)
	<u><b>(96,748,868)</b></u>	<u><b>(76,541,679)</b></u>
<i>c) Leases</i>		
<b>Other related parties:</b>		
RGA	(2,114,835)	(2,713,220)
	<u><b>(2,114,835)</b></u>	<u><b>(2,713,220)</b></u>
<i>d) Other purchases and services received</i>		
<b>Other related parties:</b>		
AJSA - Flights made	(1,299,321)	(18,768,131)
ASA - Suretyships received	(782,573)	(1,204,799)
	<u><b>(2,081,894)</b></u>	<u><b>(19,972,930)</b></u>

**Central Térmica Roca S.A.**

Notes to the Condensed Interim Financial Statements (Cont'd)

**NOTE 17: TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Cont'd)**

	<u>Income / (Loss)</u>	
	\$	
	<u>09.30.2019</u>	<u>09.30.2018</u>
<i>e) Expense reimbursement</i>		
<b><u>Other related parties:</u></b>		
RGA	(4,134,382)	-
GMSA	(68,864,803)	(37,215,922)
	<u>(72,999,185)</u>	<u>(37,215,922)</u>

*f) Interest generated due to loans granted*

<b><u>Other related parties:</u></b>		
Directors - Shareholders	5,579,746	3,865,057
GMSA	37,157,368	-
	<u>42,737,114</u>	<u>3,865,057</u>

*g) Interest accrued on loans received*

<b><u>Other related parties:</u></b>		
GMSA	(37,065,106)	-
	<u>(37,065,106)</u>	<u>-</u>

*h) Remuneration of key managerial staff*

The senior management includes directors (executive and non-executive). Their remunerations at September 30, 2019 and 2018 amounted to \$ 6,665,573 and \$ 6,709,060, respectively.

	<u>09.30.2019</u>	<u>09.30.2018</u>
Salaries	(6,665,573)	(6,709,060)
	<u>(6,665,573)</u>	<u>(6,709,060)</u>

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

	<u>09.30.2019</u>	<u>12.31.2018</u>
<b><u>Other current receivables from related parties</u></b>		
GMSA	533,507,708	-
Directors - Shareholders	24,367,522	20,713,854
	<u>557,875,230</u>	<u>20,713,854</u>

**Central Térmica Roca S.A.**

Notes to the Condensed Interim Financial Statements (Cont'd)

**NOTE 17: TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Cont'd)**

	<u>09.30.2019</u>	<u>12.31.2018</u>
<u>Current trade payables with related parties</u>		
RGA	1,174,363,340	156,003,211
GMSA	1,144,120	36,226
AJSA	-	15,433,625
	<u>1,175,507,460</u>	<u>171,473,062</u>

<u>Current financial debts with related parties</u>		
GMSA	-	386,308,967
	-	<u>386,308,967</u>

*j) Loans granted related parties*

	<u>09.30.2019</u>	<u>09.30.2018</u>
<b><i>Loans to Directors - Shareholders</i></b>		
Balances at beginning of year	20,713,854	20,640,464
Loans granted	5,130,777	7,420,559
Loans repaid	-	(6,338,664)
Accrued interest	5,579,746	3,865,057
RECPAM (Purchasing Power Parity)	(7,056,855)	(5,442,485)
Closing balance	<u>24,367,522</u>	<u>20,144,931</u>

<u>Entity</u>	<u>Principal</u>	<u>Interest rate</u>	<u>Conditions</u>
<b>At 09.30.2019</b>			
Directors - Shareholders	20,869,611	BADLAR + 3%	Maturity date: 1 year
<b>Total in pesos</b>	<u>20,869,611</u>		

*j) Loans between related parties*

	<u>09.30.2019</u>	<u>09.30.2018</u>
<b><i>Loans from Generación Mediterránea S.A.</i></b>		
Balances at beginning of year	(386,308,967)	-
Loans obtained	(10,705,840)	(275,812,989)
Loans repaid	100,186,348	-
Loans granted	754,621,614	-
Accrued interest	92,262	-
Paid interest	56,192,656	-
RECPAM (Purchasing Power Parity)	19,429,635	2,508,219
Closing balance	<u>533,507,708</u>	<u>(273,304,770)</u>

<u>Entity</u>	<u>Principal</u>	<u>Interest rate</u>	<u>Conditions</u>
<b>At 09.30.2019</b>			
GMSA	498,110,127	35%	Maturity date: 1 year
<b>Total in pesos</b>	<u>498,110,127</u>		

## **Central Térmica Roca S.A.**

### Notes to the Condensed Interim Financial Statements (Cont'd)

#### **NOTE 18: WORKING CAPITAL**

The Company reported a deficit of \$ 441,142,380 in its working capital (calculated as current assets less current liabilities) at September 30, 2019. The deficit in working capital amounted to \$ 1,512,606,511 at December 31, 2018.

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

#### **NOTE 19: 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 having a single segment, the generation and sale of electricity.

The information used by the Board of Directors for decision-making is based primarily on operating indicators of the business. Considering that the adjustments between the prior accounting standards and IFRS refer to non-operating items, such information is not substantially affected by the application of the new standards.

#### **NOTE 20: STORAGE OF DOCUMENTATION**

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

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

Entity responsible for warehousing of information - Domicile  
Iron Mountain Argentina S.A. – Av. Amancio Alcorta 2482, City of Buenos Aires  
Iron Mountain Argentina S.A. - San Miguel de Tucumán 601, Spegazzini, Ezeiza.

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

#### **NOTE 21: AGREEMENT FOR THE REGULARIZATION AND SETTLEMENT OF RECEIVABLES WITH THE WEM**

As instructed by the Government Secretariat of Energy to CAMMESA, through Note NO-2019-66843995 APN-SGE#MHA, the Company and CAMMESA entered into an Agreement for the Regularization and Settlement of Receivables with the WEM ("the Agreement").

In view of the agreement, CAMMESA settled the Sale Settlements With Maturity Dates to be Determined (Liquidaciones de Venta con Fecha de Vencimiento a Definir - LVFVD) pending payment, after discounting the debts incurred with the WEM under financing agreements, mutuum agreement and assignment of credits agreements executed by the generators, and applying a 18 % reduction to the remaining balance .

## **Central Térmica Roca S.A.**

### Notes to the Condensed Interim Financial Statements (Cont'd)

#### **NOTE 21: AGREEMENT FOR THE REGULARIZATION AND SETTLEMENT OF RECEIVABLES WITH THE WEM (Cont'd)**

In this regard, the parties agreed on a net sum for all items corresponding to the pending LVFVD, considering the accumulated interest at September 30, 2019 as well as the reduction mentioned above, which amounts to \$38,626,126, before applying withholdings, if any. Lastly, on October 4, 2019, the offsetting was performed and the LVFVD's outstanding balance was collected.

In compliance with the commitments undertaken, the Company abandoned all claims filed and irrevocably waived to file any (administrative or legal) claims against the national government, the Government Secretariat of Energy and/or CAMESSA in connection with the pending LVFVD.

#### **NOTE 22: ECONOMIC ENVIRONMENT IN WHICH THE COMPANY OPERATES**

The Company has been operating in a complex economic environment whose main variables have recently been affected by a strong volatility at a national level.

Locally, the following circumstances are presented:

- GDP dropped 2.5% in the first half of the year versus the same period last year
- Cumulative inflation reached 37.7% between January 1, 2019 and September 30, 2019.
- The significant peso devaluation since August has led to an unexpected withdrawal of deposits in dollars in the financial system, thereby eroding the Central Bank reserves, and to an increase in the reference interest rate of over 74%.
- In view of these circumstances, the government decided to implement certain measures, as follows:
  - Specific time frames for bringing into Argentina and trading foreign exchange arising from exports.
  - Prior authorization of BCRA for the formation of external assets for companies
  - Prior authorization from BCRA for the payment of debt to foreign related companies.
  - Deferral of payment of certain public debt instruments.
  - Price control on gasoline and diesel, for fuel supply to gas stations.

This context of volatility and uncertainty still persists at the date of issuance of these financial statements.

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 23: FINANCIAL STATEMENTS TRANSLATION INTO ENGLISH LANGUAGE**

These financial statements are the English translation of those originally prepared by the Company in Spanish and presented in accordance with accounting principles generally accepted in Argentina. The effects of the differences between the accounting principles generally accepted in Argentina and the accounting principles generally accepted in the countries in which the financial statements are to be used have not been quantified. Accordingly, the accompanying financial statements are not intended to present the financial position, statements of comprehensive income, changes in equity or cash flows in accordance with accounting principles generally accepted in the countries of users of the financial statements, other than Argentina.

## Summary of Activity at September 30, 2019 and 2018

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

In accordance with the provisions of General Resolution No. 368/01 of the CNV and its amendments, below is an analysis of the results of operations and financial position of CTR, which must be read together with the accompanying condensed interim financial statements.

<b>Nine-month period ended September 30,</b>				
<b>2019</b>	<b>2018</b>	<b>Variation</b>	<b>Variation %</b>	
MWh				
<b>Sales by type of market</b>				
Sale of Electricity Res. 220	773,854	158,457	615,397	388%
Sale of Electricity Res. No. 95, as amended, plus Spot	13,767	-	13767	100%
	<b>787,621</b>	<b>158,457</b>	<b>629,164</b>	<b>397%</b>

Sales by type of market (in millions of pesos):

<b>Nine-month period ended September 30,</b>				
<b>2019</b>	<b>2018</b>	<b>Variation</b>	<b>Variation %</b>	
(in millions of pesos)				
<b>Sales by type of market</b>				
Sale of Electricity Res. 220	1,798.40	811.00	987.40	122%
Sale of Electricity Res. No. 95, as amended, plus Spot	5.90	42.50	(36.60)	(86%)
	<b>1,804.30</b>	<b>853.40</b>	<b>950.90</b>	<b>111%</b>

**Summary of Activity at September 30, 2019 and 2018**

Income/loss for the periods ended September 30, 2019 and 2018 (in millions of pesos):

	Nine-month period ended September 30,			
	2019	2018	Variation	Variation %
Sale of energy	1,804.3	853.4	950.9	111%
<b>Net sales</b>	<b>1,804.3</b>	<b>853.4</b>	<b>950.9</b>	<b>111%</b>
Purchase of electric energy	(4.1)	(1.5)	(2.6)	173%
Gas and diesel consumption at the plant	(63.5)	(7.6)	(55.9)	736%
Salaries, social security charges and fringe benefits	(60.8)	(47.0)	(13.8)	29%
Defined benefit plans	(0.7)	(4.7)	4.0	(85%)
Maintenance services	(55.4)	(31.4)	(24.0)	76%
Depreciation of property, plant and equipment	(394.0)	(257.6)	(136.4)	53%
Security guard and porter	(4.3)	(4.6)	0.3	(7%)
Insurance	(14.6)	(9.1)	(5.5)	60%
Taxes, rates and contributions	(5.5)	(5.9)	0.4	(7%)
Other	(5.9)	(6.0)	0.1	(2%)
<b>Cost of sales</b>	<b>(608.7)</b>	<b>(375.4)</b>	<b>(233.3)</b>	<b>62%</b>
<b>Gross profit/(loss)</b>	<b>1,195.7</b>	<b>478.1</b>	<b>717.6</b>	<b>150%</b>
Taxes, rates and contributions	(51.1)	(13.3)	(37.8)	284%
<b>Selling expenses</b>	<b>(51.1)</b>	<b>(13.3)</b>	<b>(37.8)</b>	<b>284%</b>
Fees and compensation for services	(113.0)	(43.2)	(69.8)	162%
Directors' fees	-	(0.3)	0.3	(100%)
Leases	(2.1)	(2.7)	0.6	(22%)
Per diem, travel and representation expenses	(0.9)	0.00	(0.9)	100%
Gifts	(0.1)	-	(0.1)	100%
Sundry	(1.7)	(2.2)	0.5	(23%)
<b>Administrative expenses</b>	<b>(117.8)</b>	<b>(48.4)</b>	<b>(69.4)</b>	<b>143%</b>
<b>Operating income</b>	<b>1,026.8</b>	<b>416.4</b>	<b>610.4</b>	<b>147%</b>
Gain/loss on purchasing power parity (RECPAM)	1,891.1	2,035.7	(144.6)	(7%)
Commercial interest	60.2	0.4	59.8	14950%
Loan interest	(545.6)	(310.8)	(234.8)	76%
Bank expenses and commissions	(0.6)	(1.4)	0.8	(57%)
Exchange difference, net	(2,389.7)	(4,063.2)	1,673.5	(41%)
Other financial results	(7.3)	170.5	(177.8)	(104%)
<b>Financial and holding results, net</b>	<b>(991.8)</b>	<b>(2,168.9)</b>	<b>1,177.1</b>	<b>(54%)</b>
<b>Income/ (Loss) before tax</b>	<b>34.9</b>	<b>(1,752.4)</b>	<b>1,787.3</b>	<b>(102%)</b>
Income tax	(442.1)	(12.1)	(430.0)	3554%
<b>Income/(loss) for the period:</b>	<b>(407.2)</b>	<b>(1,764.5)</b>	<b>1,357.3</b>	<b>(77%)</b>

**Summary of Activity at September 30, 2019 and 2018**

	Nine-month period ended September 30:			
	2019	2018	Variation	Variation %
<b>Other comprehensive income for the period</b>				
Revaluation of property, plant and equipment	(762.3)	6,947.7	(7,710)	(111%)
Impact on income tax	190.6	(1,736.9)	1,927.5	(111%)
<b>Other comprehensive (loss)/ income for the period</b>	<b>(571.8)</b>	<b>5,210.8</b>	<b>(5,782.6)</b>	<b>-111%</b>
<b>Total comprehensive (loss)/ income for the period</b>	<b>(979.0)</b>	<b>3,446.3</b>	<b>(4,425.3)</b>	<b>-128%</b>

Sales:

Net sales were worth \$ 1.804,3 million in the nine-month period ended September 30, 2019, as against \$ 853.4 million in the same period of 2018, which is equivalent to an increase of \$ 950.9 million (111%).

During the nine-month period ended September 30, 2019, the dispatch of electricity was 787,621 MWh, accounting for a 397% increase, compared with 158,457 MWh for the same period of 2018.

The main sources of income of the Company and their performance during the nine-month period ended September 30, 2019 compared with the same period of 2018 are described below:

- (i) \$ 1.804,3 million from energy sales on the forward market to CAMMESA under the framework of Resolution No. 220/07, representing a 111% increase compared with the \$ 853.4 million for the nine-month period ended September 30, 2018. This variation is basically attributable to the effect between an increase in the energy dispatched, due to the closure of the cycle in the plant that became operative as from August 4, 2018, a higher exchange rate and the result of applying SRRyME Resolution No. 01/2019 that establishes new remuneration mechanisms.

Cost of sales:

The total cost of sales for the nine-month period ended September 30, 2019 reached \$ 608.7 million, compared with \$ 375.4 million for the same period of 2018, reflecting an increase of \$ 233.3 million or 62%.

The main cost of sales of the Company and their performance during the nine-month period ended September 30, 2019 compared with the same period of 2018 are described below:

- (ii) \$ 60.8 million for salaries, social security charges and employee benefits, which accounted for a 29% increase compared with the \$ 47.0 million recorded for the same period of 2018; a variation due to salary rises net of capitalized remuneration, whose tasks were affected to the closure of the cycle.
- (iii) \$ 394 million for depreciation of property, plant and equipment, up 53% from the \$ 257.6 million for fiscal year 2018. This change is mainly due to a depreciation of property, plant and equipment added in the last year and the effect of depreciation charges relating to the technical revaluation made in March 2019. This item does not entail an outlay of cash.

## Summary of Activity at September 30, 2019 and 2018

### Gross profit/(loss):

Gross profit/(loss) for the nine-month period ended September 30, 2019 amounted to \$ 1,195.7 million, compared with \$ 478.1 million for the same period of 2018, reflecting an increase of \$ 717.6 million (150%). This variation is mainly due to the increase in the exchange rate, the fact that the closure of the cycle became operative and the increase in the dispatch of energy.

### Selling expenses:

The total selling expenses for the nine-month period ended September 30, 2019 reached \$ 51.1 million, compared with \$ 13.3 million for the same period of 2018, reflecting an increase of \$ 37.8 million or 284%.

The main component of the Company's selling expenses are listed below:

(i) \$51.1 million in taxes, rates and contributions, accounting for a 284% increase compared with \$13.3 million in fiscal year 2018.

### Administrative expenses:

Total administrative expenses for the nine-month period ended September 30, 2019 amounted to \$ 117.8 million, showing a 143% increase from \$ 48.4 million in the same period of 2018.

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

- (i) \$ 113 million of fees and compensation for services, which accounted for an increase of 162% from the \$ 43.2 million for the same period of 2018. Such variation is due to the billing of administrative services rendered by RGA.
- (ii) \$2.1 million in rental costs, accounting for a decrease of 22% compared with \$2.7 million for the same period of 2018. Although in 2019 there was an increase in the administrative office rental cost, the application of the CPI restatement of office rental costs for the 2018 period had more significant effects.

### Operating income/(loss):

Operating results for the nine-month period ended September 30, 2019 reached \$ 1,026.8 million, compared with \$ 416.4 million for the same period of 2018, reflecting an increase of \$ 610.4 million or 147%.

### Financial and holding results, net:

Financial and holding results, net for the nine-month period ended September 30, 2019 was a loss of \$ 991.8 million, compared with a loss of \$ 2,168.9 million in the same period of 2018, reflecting a variation of \$ 1,177.1 million. This variation is primarily due to the effect of the adjustment for inflation, the exchange rate fluctuation, changes in fair value of financial instruments, and the variation in interest on loans.

## Summary of Activity at September 30, 2019 and 2018

### Financial and holding results, net (Cont'd)

The most noticeable aspects of the variation are:

- (i) \$ 545.6 million loss for interest on loans, accounting for an increase of 76% compared with \$ 310.8 million loss for the same period of 2018, due to the new financial instruments taken between both periods and the exchange rate variation.
- (ii) \$ 2,389.7 million loss due to net exchange differences, reflecting an increase of 41% compared to \$ 4,063.2 million loss for the same period in the previous year. Despite the exchange rate rise in the 2019 period compared with the 2018 period, there is a decrease in holding results mainly due to the effects of the CPI restatement of holding results due to exchange difference corresponding to the 2018 period.
- (iii) Gain/loss on PPP (RECPAM) for \$1,891.1 million, which represented a decrease of 7% compared to \$2,035.7 of Gain/loss on PPP (RECPAM) for fiscal year 2018, due to the effect of the CPI restatement of the results due to exchange difference corresponding to the 2018 period.

### Income/(loss) for the period:

The Company reported income before tax for \$ 34.9 million for the nine-month period ended September 30, 2019, which accounted for a 102% increase compared with the losses for \$ 1,752.4 million in the same period of 2018. The change is mainly due to the variation in the exchange rate, changes in the fair value of financial instruments and in interest on loans.

The income tax charge represented \$ 442.1 million loss for the nine-month period ended September 30, 2019, compared with the loss of \$ 12.1 million for the same period of 2018, thus obtaining a loss after income tax for \$407.2 million compared with \$1764.5 million of income for the same period of 2018.

### Comprehensive income for the period:

Other comprehensive income /(loss) for the period was worth \$ 571.8 million in the nine-month period ended September 30, 2019, accounting for a 111% decrease compared with the same period of 2018, and included the revaluation of property, plant and equipment performed at March 31, 2019 and its effect on income tax.

Total comprehensive loss for the period amounted to \$ 979 million, representing a 128% decrease, compared to a comprehensive income of \$ 3,446.3 million for the same period in 2018.

**Summary of Activity at September 30, 2019 and 2018**

## 2. Comparative balance sheet figures:

(in millions of pesos)

	<b>09.30.2019</b>	<b>09.30.2018</b>
Non-current Assets	7,484.4	14,524.5
Current assets	2,169.5	1,311.0
<b>Total assets</b>	<b>9,654.0</b>	<b>15,835.5</b>
Equity	726.6	5,467.2
<b>Total equity</b>	<b>726.6</b>	<b>5,467.2</b>
Non-current Liabilities	6,316.7	7,716.5
Current liabilities	2,610.7	2,651.8
<b>Total liabilities</b>	<b>8,927.4</b>	<b>10,368.3</b>
<b>Total Liabilities and Shareholders' equity</b>	<b>9,654.0</b>	<b>15,835.5</b>

## 3. Comparative income statement figures:

(in millions of pesos)

	<b>09.30.2019</b>	<b>09.30.2018</b>
Ordinary operating income	1,026.8	416.4
Financial and holding results	(991.8)	(2,168.9)
Ordinary net income/(loss)	<b>34.9</b>	<b>(1,752.4)</b>
Income tax	(442.1)	(12.1)
<b>Net income/loss</b>	<b>(407.2)</b>	<b>(1,764.5)</b>
Other comprehensive income	(571.8)	5,210.8
<b>Total comprehensive income</b>	<b>(979.0)</b>	<b>3,446.3</b>

## Summary of Activity at September 30, 2019 and 2018

### 4. Comparative cash flow figures:

(in millions of pesos)

	09.30.2019	09.30.2018
Funds generated by (applied to) operating activities	2,485.5	(357.5)
Cash (applied to) investment activities	(777.7)	(525.8)
Funds (applied to) generated by financing activities	(1,003.2)	621.2
<b>Increase (Decrease) in cash and cash equivalents</b>	<b>704.5</b>	<b>(262.2)</b>

### 5. Comparative ratios:

	09.30.2019	09.30.2018
Liquidity (1)	0.83	0.49
Solvency (2)	0.08	0.53
Tied-up capital (3)	0.78	0.92
Indebtedness ratio (4)	3.99	6.20
Interest coverage ratio (5)	3.12	4.20
Profitability (6)	(0.13)	(0.50)

(1) Current Assets/Current Liabilities

(2) Shareholders' Equity/Total liabilities

(3) Non-current Assets/Total Assets

(4) Financial debt/annual EBITDA (\*)

(5) Annual EBITDA (\*) / annual accrued financial interests (\*)

(6) Net Income/(loss) for the period (without OCI)/Total average Shareholders' Equity

(\*) Amount not covered in the Review Report.

## **Summary of Activity at September 30, 2019 and 2018**

### 6. Brief remarks on the outlook for fiscal year 2019: \_

#### Electric power

The Company developed a project to close the Power Plant cycle, which means expanding the current capacity by 60 MW with the installation of a steam turbine and a boiler, among other equipment. Not only will this project increase power but will also be significant in environmental and energy efficiency terms, as the extra power to be generated will not require additional fuel.

On August 4, 2018, the Company obtained authorization for commercial operation of the GE steam turbine as a generating agent for the Wholesale Electricity Market, expanding the generation capacity of the Power Plant by 60 MW.

Energy will be sold to CAMMESA under a WEM Supply Contract for 55 MW, under ES Resolution No. 220/07.

#### Financial Position

In the following months, the Company expects to continue optimizing its financing structure and to keep a level of indebtedness in line with the Power Plant's operational needs.

The actions mentioned ensure compliance by the Company with its obligations, as well as the correct and efficient operation of the Power Plant.

**ADDITIONAL INFORMATION REQUIRED BY SECTION 12, CHAPTER III, TITLE  
IV, OF THE NATIONAL SECURITIES COMMISSION REGULATIONS, FOR THE  
NINE-MONTH PERIOD ENDED  
SEPTEMBER 30, 2019**

General matters referred to the activity of Central Térmica Roca S.A. (the Company)

1. Specific and significant legal systems that imply contingent extinguishment or inception of benefits included in those provisions.

There are none.

2. Significant changes in the company activities or similar circumstances that took place during the fiscal years corresponding to the financial statements that affect their comparability with those presented in previous years, or that could affect comparability with those to be presented in future years.

There are none.

	Trade receivables	Other receivables	Trade payables	Loans	Salaries and social security liabilities	Tax payables and deferred tax liability	Defined benefit plans
	\$						
Falling due within							
1st quarter	928,635,360	629,296,616	76,546,472	1,039,599,632	9,505,458	37,242,778	-
2nd quarter	-	8,486,316	1,207,557,306	87,318,437	1,782,375	-	-
3rd quarter	-	8,550,282	-	87,318,436	-	-	-
4th quarter	-	8,486,316	-	63,802,519	-	-	-
After 1 year	-	27,935,521	-	5,514,582,885	-	796,664,246	5,485,391
<b>Total at 09/30/2019</b>	<b>928,635,360</b>	<b>682,755,051</b>	<b>1,284,103,778</b>	<b>6,792,621,909</b>	<b>11,287,833</b>	<b>833,907,024</b>	<b>5,485,391</b>
Non-interest bearing	928,635,360	658,387,529	1,284,103,778	-	11,287,833	797,598,789	5,485,391
At fixed rate	-	-	-	(1) 6,209,642,074	-	36,308,235	-
At floating rate	-	24,367,522	-	(1) 582,979,835	-	-	-
<b>Total at 09/30/2019</b>	<b>928,635,360</b>	<b>682,755,051</b>	<b>1,284,103,778</b>	<b>6,792,621,909</b>	<b>11,287,833</b>	<b>833,907,024</b>	<b>5,485,391</b>

(1) See Note 16 to the financial statements at September 30, 2019.

3. Breakdown of receivables and debts according to the financial impact of maintaining the balances.

Captions	Type and amount of foreign currency	Closing exchange rate (1)	Amount recorded at 09/30/2019	Amount recorded at 12/31/2018
			\$	
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and cash equivalents				
Banks	USD 8,053,132	57.390	462,169,230	903,407
Trade receivables				
Trade receivables - Res. 220/07 - Res. No. 19/17	USD 16,181,135	57.390	928,635,360	261,167,825
<b>Total current assets</b>			<b>1,390,804,590</b>	<b>262,071,232</b>
<b>Total Assets</b>			<b>1,390,804,590</b>	<b>262,071,232</b>
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
Trade payables				
Related parties	USD 20,427,263	57.490	1,174,363,340	156,003,211
Suppliers	USD 216,803	57.590	12,485,694	8,534,891
Financial debt				
Other bank debts	USD 16,266,640	57.590	936,795,779	1,241,461,210
Negotiable obligations	USD 267,221	57.590	15,389,283	7,058,440
International Bond loan	USD 963,102	57.590	55,465,017	135,229,600
<b>Total current liabilities</b>			<b>2,194,499,113</b>	<b>1,548,287,352</b>
<b>NON-CURRENT LIABILITIES</b>				
Financial debts				
Other bank debts	USD 2,867,532	57.590	165,141,195	130,249,460
Negotiable obligations	USD 17,836,158	57.590	1,027,184,317	518,643,098
International Bond loan	USD 69,624,353	57.590	4,009,666,484	3,595,933,096
<b>Total non-current liabilities</b>			<b>5,201,991,996</b>	<b>4,244,825,654</b>
<b>Total Liabilities</b>			<b>7,396,491,109</b>	<b>5,793,113,006</b>

(1) Banco Nación exchange rate prevailing at period-end. An average exchange rate is applied to intercompany balances.

4. Intercompany:

Participation percentage in intercompany

There are no participations in intercompany.

Accounts payable and receivable with companies Sect. 33, Law No. 19550:

See Note 17 to the condensed interim financial statements at September 30, 2019.

5. Trade receivables or loans against directors, syndics, members of the surveillance committee or their relatives in the second degree inclusive.

See Note 17 to the condensed interim financial statements at September 30, 2019.

6. Regularity and scope of the physical inventory of materials and spare parts.

The Company keeps a permanent record of its inventories, verifying it on a yearly basis.

There are no impaired, damaged, out of service or idle assets.

#### Current values

7. Source of the data used in calculating the current values for the valuation of inventories, property, plant and equipment, and other significant assets.

See Note 5 to the condensed interim Financial Statements at September 30, 2019.

#### Property, plant and equipment

8. Release of the Reserve for technical revaluation when part of it had been previously reduced to absorb losses.

None.

9. Value of property, plant and equipment without use due to obsolescence

There are none.

#### Equity interest in other companies

10. Interests in other companies in excess of what is authorized by Sect. 31 of Law No. 19550.

There are none.

#### Recoverable values

11. Criteria followed to determine significant recoverable values of the headings Property, plant and equipment and Material and spare parts, applied as the limit to their accounting valuation.

See Note 5 to the Financial Statements at September 30, 2019.

## Insurance

Insured items:

<b>Kind of Risk</b>	<b>Insured amount 2019</b>	<b>Insured amount 2018</b>
Operational all-risk - material damages	USD 140,800,000	USD 156,801,886
Operational all-risk - loss of profit	USD 43,827,223	USD 43,496,470
Civil liability (primary)	USD 1,000,000	USD 1,000,000
Civil liability (excess coverage)	USD 9,000,000	USD 9,000,000
Directors and Officers (D&O) liability insurance	USD 15,000,000	USD 15,000,000
Automobile	\$ 2,520,000	\$ 2,170,000
Transportation insurance, Argentine and international market	USD 10,000,000	USD 10,000,000
Directors' bond	\$ 200,000	\$ 200,000
Customs bond	-	\$ 1,092,100
ENES bond	\$ 104,166,110	\$ 91,067,320
Environmental insurance	\$ 5,751,789	\$ 5,751,789
Equipment technical insurance	USD 63,530	USD 49,340
Life insurance - mandatory life insurance	\$ 68,750	\$ 55,000
Life - mandatory group life insurance (LCT, employment contract law)	Disability: 1 salary per year Death: 1/2 salary per year	Disability: 1 salary per year Death: 1/2 salary per year
Life - Additional group life insurance	24 salaries	24 salaries

### **Operational all-risk coverage - Loss of profit**

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

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

### **Contractors' all-risk 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.

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 all-risk insurance to be taken out by Grupo Albanesi for all power plants in operation.

**Civil liability:**

The Company has taken on insurance policies that cover underlying civil liability of the insured, as a result of injuries and/or death of third parties and/or damages to property of third parties, caused and /or derived from the development of the insured activity, subject to the terms, conditions, limitations and exclusions contained in the policy.

This coverage is structured as follows:

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

In addition, an insurance policy common to all companies has been taken out with a compensation limit of USD 9,000,000- per event and during the effective term of the policy in excess of USD 1,000,000 - (individual policies), with two limit reinstatements.

**Directors and Officers (D&O) liability insurance:**

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

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

It covers the personal equity of present, past or future directors and/or executives, and the company's exposure to capital market issues.

**Automobile insurance:**

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

**Transport insurance:**

The Company has an insurance policy that covers transportation of all generators of Albanesi Group under the modality of sworn statement to be presented monthly in arrears.

It covers national transportation, as well as imports and exports.

**Customs Bonds**

Temporary imports: this guarantee avoids the payment of pertinent duties for the entry of goods into the country, provided that they are exported in a term determined, at which time the guarantee is released.

Temporary export: the amount of pertinent duties are guaranteed for the export of those exported goods which will be re-imported.

**Directors' qualification bond:**

It is the guarantee required by the General Companies Law (Law No. 19550, Section 256, paragraph 2) from directors of corporations and members of the administrative bodies of other companies (LLC, joint stock company). This bond protects the Company against non-compliance with obligations by Directors or Managing partners while performing their duties.

**Mandatory life insurance:**

In addition to Workers' compensation insurance and mandatory life insurance, the Company has the following coverages:

Life insurance (LCT, employment contract law):

This insurance covers underlying obligations from the Employment Contract Law, if the company has to pay compensation in case of a total and permanent disability or death of the employee, whichever the cause.

Group Life insurance:

The Company has taken out a group life insurance policy, on behalf of all Group employees, for an amount equivalent to 24 times the gross salary of the employee (plus a maximum insured principal of \$ 4,000,000). It grants compensation in case of death, double severance pay in case of accidental death, partial losses due to accident, advances for terminal diseases, organ transplant and birth of child after the employee's death.

**Environmental bond:**

The environmental bond for damage with group incidence covers the environmental bond established by the General Environmental Law No. 25675, Section 22, as required by the enforcement authorities.

Positive and negative contingencies

12. Elements considered to calculate provisions whose balances, considered individually or in the aggregate, exceed 2% of the equity.

Allowances and provisions were recognized in the cases in which, considering a present obligation on the Company, whether legal or constructive, arising from a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate could be made of its amount.

The amount recorded as allowances and 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. 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.

The following allowances and provisions have been set up:

- a) Allowances from assets:

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

- b) Provisions carried under liabilities:

These provisions have been set up to cover potential contingent situations that could give rise to future obligations of payment. In estimating the amounts and probabilities of occurrence, the opinion of the Company's legal advisors has been considered.

13. Contingent situations not accounted for at the date of the Financial Statements.

There are none.

Irrevocable advances on account of future subscriptions

14. Status of the capitalization procedure.

There are none.

15. Unpaid cumulative dividends on preferred shares

There are none.

16. Conditions, circumstances or terms for the removal of restrictions on the distribution of unappropriated earnings.

See Note 16 to the financial statements at December 31, 2018.

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## **REVIEW REPORT ON THE CONDENSED INTERIM FINANCIAL STATEMENTS**

To the Shareholders, President and Directors of  
Central Térmica Roca S.A.  
Legal address: Leandro N. Alem 855 - 14th Floor  
City of Buenos Aires  
Tax Registration Number: 33-71194489-9

### **Introduction**

We have reviewed the accompanying condensed interim financial statements of Central Térmica Roca S.A. (“the Company”), including the Statement of financial position at September 30, 2019, the Statement of comprehensive income for the nine-month period ended September 30, 2019, the Statements of changes in equity and of cash flows for the nine-month period then ended, and the selected explanatory notes.

The balances and other information for the fiscal year 2018 and its interim periods are an integral part of the Financial Statements mentioned above; therefore, they must be considered in connection with those Financial Statements.

### **Board's responsibility**

The Board of Directors of the Company is responsible for the preparation and presentation of the financial statements in accordance with International Financial Reporting Standards, adopted by the Argentine Federation of Professional Councils in Economic Sciences (FACPCE) as professional accounting standards and included by the National Securities Commission (CNV) in its regulations, as approved by the International Accounting Standards Board (IASB), and is therefore responsible for the preparation and presentation of the condensed interim financial statements mentioned in the first paragraph, in accordance with International Accounting Standard 34 “Interim Financial Information” (IAS 34).

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### **Scope of our review**

Our review was limited to the application of the procedures established under International Standards on Review Engagements ISRE 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity, adopted as a review standard in Argentina by Technical Pronouncement No. 33 of the FACPCE and approved by the International Auditing and Assurance Standards Board (IAASB). A review of interim financial information consists of inquiries of Company staff responsible for preparing the information included in the condensed interim Financial Statements and of analytical and other review procedures. This review is substantially less in scope than an audit examination conducted in accordance with international standards on auditing and consequently it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the financial position, the comprehensive income, or the cash flows of the Company.

### **Conclusion**

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

### **Report on compliance with current regulations**

In accordance with current regulations, we report, in connection with Central Térmica Roca S.A., that:

- a) the condensed interim Financial Statements of Central Térmica Roca S.A. have been transcribed into the Inventory and Balance Sheet book and as regards those matters that are within our competence, they are in compliance with the provisions of the General Companies Law and pertinent resolutions of the National Securities Commission;
- b) the condensed interim Financial Statements of Central Térmica Roca S.A. arise from accounting records carried in all formal aspects in accordance with legal requirements;

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- c) we have read the summary of activity and the additional information to the notes to the condensed interim financial statements required by Section 12, Chapter III, Title IV of the National Securities Commission regulations, on which, as regards those matters that are within our field of competence, we have no observations to make;
- d) at September 30, 2019 the debt accrued by Central Térmica Roca S.A. in favor of the Argentine Integrated Social Security System according to the Company's accounting records amounted to \$1,180,052, none of which was claimable at that date;

City of Buenos Aires, November 8, 2019

PRICE WATERHOUSE & CO. S.R.L.

(Partner)

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Raúl Leonardo Viglione

## **Report of the Syndics' Committee**

To the Shareholders of  
Central Térmica Roca S.A.

1. In accordance with Section 294 of Law No. 19550 and the standards issued by the National Securities Commission (CNV), we have examined the attached condensed interim Financial Statements of Central Térmica Roca S.A. (the "Company") which comprise the Statement of Financial Position at September 30, 2019, the Statement of Comprehensive Income for the nine-month period ended September 30, 2019, the Statement of Changes in Equity and of Cash Flows for the nine-month period then ended, and the selected explanatory Notes. The balances and other information corresponding to the fiscal year 2018 are an integral part of the audited financial statements mentioned above; therefore, they must be considered in connection with these financial statements.
2. The Board of Directors of the Company is responsible for the preparation and presentation of the financial statements in accordance with International Financial Reporting Standards, adopted by the Argentine Federation of Professional Councils in Economic Sciences (FACPCE) as professional accounting standards and included by the National Securities Commission (CNV) in its regulations, as approved by the International Accounting Standards Board (IASB), and is therefore responsible for the preparation and presentation of the condensed interim Financial Statements mentioned in the first paragraph, in accordance with International Accounting Standard 34 Interim Financial Information (IAS 34). Our responsibility is to express a conclusion based on the review that we have performed with the scope detailed in paragraph 3.
3. Our review was carried out in accordance with standards applicable to syndics. Those standards require the application of the procedures established by Technical Pronouncement No. 33 of the Argentine Federation of Professional Councils in Economic Sciences for limited reviews of interim financial statements, and include verifying the consistency of the documents reviewed with the information on corporate decisions, as disclosed in minutes and the conformity of those decisions to the law and by-laws insofar as concerns formal and documentary aspects. To fulfill our professional duties, we have reviewed the work done by the external auditors, Price Waterhouse & Co. S.R.L., who issued their review report without observations on the condensed interim financial statements on the same date of this report. A review of interim financial information consists of inquiries of Company staff responsible for preparing the information included in the condensed interim financial statements and of analytical and other review procedures. This review is substantially less in scope than an audit examination conducted in accordance with international standards on auditing and consequently it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the financial position, the comprehensive income, or the cash flows of the Company. We have not assessed the administrative, financing, marketing and operating business criteria as these matters fall within the exclusive competence of the Board of Directors and Shareholders' meeting.
4. As stated in Note 3, the condensed interim financial statements mentioned in paragraph 2 have been prepared in accordance with International Accounting Standard 34.
5. Based on our review, we are not aware of any significant changes that should be made to the condensed interim Financial Statements mentioned in paragraph 1. for their presentation in

accordance with the relevant provisions of Law No. 19550, the rules of the National Securities Commission and the standards mentioned in paragraph 2.

6. The provisions of Section 294 of the Law No. 19550 have been duly fulfilled.

City of Buenos Aires, November 8, 2019

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For the Syndics' Committee  
Marcelo P. Lerner  
Full Syndic