



aes Argentina

3Q - 2021 Earnings Report



December 2, 2021

AES ARGENTINA THIRD QUARTER 2021 RESULTS & HIGHLIGHTS

- AES Argentina Generación S.A. (AES Argentina, AAG, or the Company) reported a Gross Profit for the third quarter of 2021 of AR\$3,358 million, a 14% decrease compared to the same period in 2020.
 - The effect of inflation when converting 2020 revenues into the same purchasing power as current Argentine pesos is the main driver for the decrease in Gross Profit in the third quarter of 2021 compared to the same period last year. Higher generation at San Nicolás and Paraná plants, in addition to the positive contribution of the wind assets Vientos Bonaerenses and Vientos Neuquinos partly offset this negative variance. The 29% increase in Energía Base tariffs retroactive from February 2021 also helped to mitigate the negative effect of inflation.
 - Regulatory changes in effect from February 2020 involved freezing and reduction in tariffs perceived by the Company's legacy plants under Energía Base market framework. Tariffs were converted from US Dollars into Argentine Pesos with monthly adjustments for inflation, however this measure was temporarily postponed amid the COVID-19 pandemic. On May 29, 2021, Resolution 440/2021 was issued, increasing energy and capacity prices under the Energía Base regime, by 29% related to inflation, retroactive from February 2021.
- AAG reported AR\$3,462 million in EBITDA for the third quarter of 2021, 21% lower than the same quarter of 2020.
 - The main driver of the decrease in EBITDA was the decrease in Gross Profit, in addition to higher Administrative and Trading Expenses.
- The Company reported a Net Income of AR\$672 million for the third quarter of 2021, a AR\$716 million decrease compared to the AR\$1,387 million Net Income for the third quarter of 2020.
- During the third quarter of 2021, FONINVEMEM collections, including interest, totaled approximately US\$12.2 million, net of VAT, totaling US\$36.4 million as of September 30, 2021 year to date.
 - During the first quarter of 2020 FONINVEMEM 1 and FONINVEMEM 2 were fully repaid, with FONINVEMEM 3 remaining outstanding until April 2026, when it will be fully repaid.
- Wind Project Progress:
 - The 100MW Vientos Bonaerenses project was completed in February 2020.
 - Vientos Bonaerenses is 80% contracted under a RenovAr PPA and 20% contracted with C&I customers under MATER PPAs
 - The 100MW Vientos Neuquinos project was completed in September 2020.
 - Vientos Neuquinos is fully contracted with C&I customers under MATER PPAs
- On October 5, 2021, the Company issued a material fact informing that it has acquired US\$20.5 million of the Class A Senior Notes due in 2024, an equivalent to 6.8% of the issued amount.
- In November 2021, a new transitional tariff adjustment was issued, retroactive from September 2021 to February 2022, including:
 - The removal of the usage factor for thermal plants in capacity remuneration
 - The incorporation of a new rate over Res 440 for thermal and hydro plants to remunerate energy exports to Brazil. Each MWh exported will be valued at AR\$1,000 / MWh and total amount will be distributed among all thermal and hydro generation under Res 440 on a monthly basis.

As of February 1, 2020, the company's functional currency was changed to AR\$ as a result of regulatory changes to the Energía Base framework included in Resolution 31/2020, explained in this report.

REVIEW OF SECOND QUARTER 2021 RESULTS

Income Statement (AR\$ Million)	YTD			3Q		
	2021	2020	Var (%)	2021	2020	Var (%)
Operating Revenue	23,259	18,870	23 %	8,933	8,015	11 %
Cost of Sales	(14,700)	(9,820)	50 %	(5,575)	(4,113)	36 %
Gross Profit	8,559	9,049	(5)%	3,358	3,902	(14)%
Administrative Expenses	(1,537)	(1,458)	5 %	(451)	(455)	(1)%
Trading Expenses	(625)	(2,496)	(75)%	(443)	(158)	180 %
Other income and expenses	(69)	71	(197)%	(8)	95	(109)%
Operating Income	6,328	5,166	22 %	2,456	3,383	(27)%
Financial Income	4,028	3,317	21 %	1,432	1,039	38 %
Financial Expense	(4,006)	(3,630)	10 %	(1,848)	(1,140)	62 %
Effect of FX differences	638	428	49 %	218	(447)	(149)%
Inflation effect	(4,034)	(1,625)	148 %	(1,380)	(713)	94 %
Income from Investments in Associates	46	85	(46)%	9	15	(38)%
Income (Loss) before Taxes	2,999	3,741	(20)%	887	2,138	(59)%
Income Tax	(1,287)	(1,444)	(11)%	(215)	(751)	(71)%
Net Income	1,712	2,297	(25)%	672	1,387	(52)%
EBITDA	9,715	8,077	20 %	3,462	4,384	(21)%

It is worthy to note that numbers in the analysis along with business explanations are presented in AR\$ rounded to millions; therefore, differences may arise with the financial statements which are presented in thousands AR\$ as of September 30, 2021, to comply with local authorities' requirements. AR\$ Figures have been adjusted for local inflation to be presented in AR\$ of equal purchasing power as of September 30, 2021.

Generation

The Company generated 2,502 GWh during the third quarter of 2021, a 30% increase compared to the same period last year. Total thermal generation grew 57%, while hydro generation fell 26% between both periods. Thermal generation increased due to higher dispatch at Paraná plant, in addition to higher coal-fired dispatch at San Nicolás in the third quarter of 2021 compared to the same period last year. These increases were the result of higher energy exports to Brazil which is experiencing dry hydrology and higher gas availability at the Parana plant. The 44GWh increase in generation at Vientos Bonaerenses and Vientos Neuquinos wind farms also helped drive the growth in output. Vientos Bonaerenses started operations in the fourth quarter of 2019 and reached full operations in February 2020, increasing 14GWh production and Vientos Neuquinos which started operations in stages in June 2020 and reached full operations in September 2020, added 30GWh in the period. Drier hydrology at Alicurá led to a decrease in hydro generation.

Net Generation by Plant (GWh)	YTD			3Q		
	2021	2020	Var (%)	2021	2020	Var (%)
Paraná	3,435	3,209	7 %	1,324	756	75 %
San Nicolás	1,403	723	94 %	559	448	25 %
Alicurá	764	996	(23)%	319	472	(32)%
Cabra Corral	113	121	(7)%	52	47	11 %
El Tunal	36	39	(8)%	12	14	(14)%
Ullum	68	81	(16)%	25	20	25 %
Sarmiento	2	23	(91)%	—	(3)	(100)%
Vientos Bonaerenses	337	276	22 %	126	112	13 %
Vientos Neuquinos	237	59	---	85	55	---
Total Generation / Sales	6,395	5,527	16 %	2,502	1,921	30 %

Operating Revenue

Energía Base energy sales at Paraná and San Nicolás boosted revenues in the third quarter of 2021 compared to the same period last year, in addition to the 29% adjustment to energy and capacity tariffs, retroactive from February 2021, applied from May 2021. The increase in tariffs is partially offset by the impact of the devaluation of the Argentine peso on energy sales. The USD-denominated contracted wind energy sales under the RenovAr PPA with CAMMESA and MATER PPAs with private customers also contributed to the increase in revenues. These effects led to a 11% increase in operating revenues to AR\$8,933 million in the third quarter of 2021.

Resolution 31/2020 was enacted by Argentina's Secretariat of Electric Energy in February 2020, modifying the regulatory framework for the Energía Base market, under which the Company's thermal and hydro assets operate. The new framework modified the pricing scheme established by Resolution 1/2019. Energy and Capacity rates were converted from US Dollars under Resolution 1/2019, into Argentine Pesos under Resolution 31/2020. An inflation mechanism was established for the new AR\$-denominated rates to be adjusted on a monthly basis, however this measure was temporarily postponed amid the COVID-19 pandemic. Energy Rates were merely converted into AR\$ while Capacity rates were converted into AR\$ and reduced. An additional payment was introduced rewarding plants that generate energy during hours of peak thermal demand on the system.

On May 29, 2021, Resolution 440/2021 was issued which's main modification was a 29% inflation related increase in energy and capacity prices under the Energía Base regime, retroactive from February 2021. For more details see the Regulatory Risk section of this report or Note 3.a of the Financial Statements.

Operating Revenue (AR\$ Million)	YTD			3Q		
	2021	2020	Var (%)	2021	2020	Var (%)
Energy Sales	13,081	8,342	57 %	5,356	4,159	29 %
Capacity Sales	6,823	8,484	(20)%	2,406	2,809	(14)%
Contracts Sales	3,167	1,773	79 %	1,093	958	14 %
Other Revenue	188	271	(31)%	78	88	(11)%
Total Operating Revenue	23,259	18,870	23 %	8,933	8,014	11 %

Cost of Sales

Cost of Sales reached AR\$5,575 million in the third quarter of 2021, a 36% increase compared to the same period in 2020, mainly attributable to higher fuel cost.

The 111GWh increase in San Nicolás' generation resulted in higher Fuel Costs associated with coal generation. It is important to mention that as per Resolution 12/2019, enacted in December 2019, the company can no longer opt to source its own natural gas for its plants, as was permitted under Resolution 70/2018, leaving CAMMESA as the sole supplier for natural gas. The Company does not incur costs for the natural gas and diesel fuel supplied by CAMMESA. The Company continues to source its own fuel for the coal fired units (1, 2 and 5) at San Nicolás.

Cost of Sales (AR\$ Million)	YTD			3Q		
	2021	2020	Var (%)	2021	2020	Var (%)
Fuel cost	6,412	2,595	147 %	3,014	1,500	101 %
Maintenance	1,600	1,058	51 %	458	399	15 %
Operating costs	180	102	76 %	46	—	— %
Personnel costs	1,278	1,248	2 %	429	408	5 %
Insurance	1,391	1,159	20 %	429	408	5 %
Depreciation	2,834	2,466	15 %	854	912	(6)%
Rights and royalties	123	215	(43)%	51	88	(42)%
Amortization of intangible assets	345	378	(9)%	108	131	(18)%
Purchases of energy and power	49	59	(17)%	13	19	(32)%
Operator Fee	103	131	(22)%	31	50	(38)%
Transmission charges	63	98	(36)%	19	30	(37)%
Fees and remuneration to third parties	27	59	(54)%	2	7	(71)%
Others	294	252	16 %	121	161	(25)%
Total Cost of Sales	14,700	9,820	50 %	5,575	4,113	36 %

Gross Profit

Gross Profit in the third quarter of 2021 reached AR\$3,358 million, a 14% decrease compared to the same period last year. This decrease was mainly driven by the inflation effect when converting 2020 revenues into current Argentine pesos, which is only partly compensated by the 29% tariffs adjustment executed May 2021 (retroactive from February 2021) as per Resolution 440/2021. Higher Energía Base sales due the increase in generation at San Nicolás, in addition to higher sales from the wind farms partially offset the drop in gross margin.

Administrative & Trading Expenses

Administrative and Trading Expenses reached AR\$894 million in the third quarter of 2021, compared to the AR\$613 million registered in the third quarter of 2020. The 46% increase is primarily due to a bad debt provision registered in the third quarter of 2021 associated to an adjustment in the provision from certain account receivables with CAMMESA. For more details on the provision for bad debt please see Note 14.3 of the Financial Statements.

Administrative & Trading Expenses (AR\$ Million)	YTD			3Q		
	2021	2020	Var (%)	2021	2020	Var (%)
Personnel costs	298	332	(10)%	100	124	(19)%
Depreciation	139	138	1 %	36	53	(32)%
Taxes, rates and contributions	657	685	(4)%	222	213	4 %
Operator fee	600	443	35 %	163	123	33 %
Fees and remuneration to third parties	210	256	(18)%	60	73	(18)%
Bad Debt Expense	222	2,053	---	303	15	---
Others	36	47	(23)%	10	12	(17)%
Total Administrative & Trading Expenses	2,162	3,954	(45)%	894	613	46 %

EBITDA

The Company reported EBITDA of AR\$3,462 million for the third quarter of 2021, a 21% decrease over the same quarter of 2020 primarily due to lower gross profit, and to a lesser extent to an increase in Administrative and Trading Expenses.

EBITDA (AR\$ Million)	YTD			3Q		
	2021	2020	Var (%)	2021	2020	Var (%)
Net Income	1,712	2,297	(25)%	672	1,387	(52)%
Income tax	1,287	1,444	(11)%	215	751	(71)%
Other Income	69	(71)	(197)%	8	(95)	(109)%
Income from Investments in Associates	(46)	(85)	(46)%	(9)	(15)	(38)%
Financial Income	(4,028)	(3,317)	21 %	(1,432)	(1,039)	38 %
Financial Expense	4,006	3,630	10 %	1,848	1,140	62 %
Effect of FX differences	(638)	(428)	49 %	(218)	447	(149)%
Inflation effect	4,034	1,625	148 %	1,380	713	94 %
Depreciation and Amortization	3,318	2,982	11 %	998	1,095	(9)%
EBITDA	9,715	8,077	20 %	3,462	4,384	(21)%

Non-Operating Results

The Non-Operating Results of the Company in the third quarter of 2021 totaled AR\$-1,578 million, compared to the AR\$-1,260 million registered in the third quarter of 2020. The AR\$667 million negative variation in Inflation Effect and the AR\$708 million growth in Financial Expenses were partly offset by a AR\$665 million positive variance in FX differences and a AR\$393 million increase in Financial Income.

Financial Income grew AR\$393 million. This variance is primarily due to higher interest income on financial assets due to the increase in CAMMESA interest rates, in addition to higher gains on cash balance investments.

Financial Expense grew AR\$708 million primarily due a loss associated to the partial repurchase of AES Argentina's Senior Notes during August and September 2021. As of September 30, 2021, US\$11.5 million had been repurchased.

Losses registered in the third quarter of 2020 in hedging instruments were the main drivers for the positive variance in FX Differences. Lower FX gains on the net balance position in the third quarter of 2021, compared to the third quarter of 2020. These drivers are associated mainly to the effect of FX rates on FONINMEM account receivables and debt denominated in US\$, respectively.

A AR\$1,380 million negative inflation adjustment was registered in the third quarter of 2021 compared to AR\$713 million registered in the same quarter of 2020, both associated to the change in the functional currency of the company to AR\$ in February 2020.

Non-Operating Results (AR\$ Million)	YTD			3Q		
	2021	2020	Var (%)	2021	2020	Var (%)
Interest Income	3,121	2,828	10 %	1,040	865	20 %
Other finance income	906	489	85 %	392	174	125 %
Interest income from related companies	1	—	---	1	—	---
Financial Income	4,028	3,317	21 %	1,432	1,039	38 %
Interest on financial debt	(3,085)	(3,465)	(11)%	(1,008)	(1,089)	(7)%
Interest on tax debts	(13)	(70)	(81)%	(2)	(27)	(93)%
Interest on commercial loans	(20)	(20)	(3)%	(17)	(1)	1,600 %
Interest on obligations for long-term benefits	(96)	(75)	29 %	(29)	(23)	26 %
Loss on liability early payment	(793)	—	---	(793)	—	---
Financial Expense	(4,006)	(3,630)	10 %	(1,848)	(1,140)	62 %
FX difference generated by assets	6,152	11,540	(47)%	927	3,573	(74)%
FX difference generated by liabilities	(5,347)	(10,183)	(47)%	(709)	(3,092)	(77)%
Hedging instruments	(167)	(928)	---	—	(928)	---
Total FX Differences	638	428	49 %	218	(447)	(149)%
Inflation Effect	(4,034)	(1,625)	---	(1,380)	(713)	94 %
Total Non-Operating Results	(3,375)	(1,510)	124 %	(1,578)	(1,260)	25 %

Exchange Rate

The average quarterly AR\$/US\$ exchange rate was 33% higher in the third quarter of 2021 compared to the same period in 2020. During the third quarter of 2021, the AR\$/US\$ exchange rate rose 3%, while in the same period of 2020, the AR\$/US\$ exchange rate increased 8%. During the twelve-month year ended September 30, 2021, the AR\$/US\$ exchange rate rose 30%.

	September 30, 2021	June 30, 2021	March 31, 2021	December 31, 2020
Argentine Peso EOP (ARS/US\$)	98.74	95.72	92.00	84.15
	September 30, 2020	June 30, 2020	March 31, 2020	December 31, 2019
Argentine Peso EOP (ARS/US\$)	76.18	70.46	64.47	59.89

	3Q		
	2021	2020	Var (%)
Argentine Peso AVG (ARS/US\$)	97.24	73.31	33%

Net Income

AES Argentina's Pre-tax Income fell AR\$1,251 in the third quarter of 2021 compared to the same period in 2020 primarily due to a decrease in Operating Income, higher Financial Expense and higher Inflation Adjustments, partly offset by a the positive impact in FX Differences and higher interest income.

AAG recorded an expense of AR\$215 million in Income tax in the three-month period ended September 30, 2021, which positively compares to the Income tax expense of AR\$751 million registered in the same period of 2020. This positive variation is due to lower Pre-tax income as of September 30, 2021, explained earlier.

AAG reported a Net Income of AR\$672 million for the third quarter of 2021, compared to the third quarter 2020's Net Income of AR\$1,387 million primarily due to the lower Pre-tax Income, partly offset by lower Income taxes.

Cash Flow

Net Cash flow from operations reached AR\$9,434 million in inflows in the period ended September 30, 2021, compared to AR\$6,084 million inflow in the same period in 2020. Operating cash flows grew AR\$3,350 million primarily due to higher collections and lower income taxes paid partly offset by an increase in coal inventory both as a result of an increase in the generation at San Nicolás plant during the nine-month period ended September 30, 2021.

Investing cash outflows totaled AR\$2,157 million in the period ended September 30, 2021, down from a cash outflow of AR\$10,714 million in the same period last year. The decrease in purchases of Property, Plant and Equipment associated to the wind project construction in 2020 was the main variances in investing activities.

AES Argentina reported an outflow from financing activities of AR\$5,831 million in the first nine months of 2021, a significant decrease when compared to the net inflow of AR\$991 million in the same period of 2020. The main variance was attributable to lower proceeds from loans of AR\$9,004 million primarily related to debt disbursements in the first quarter of 2020 to assure the completion of the wind projects, finance fuel shipments and fortify the company's liquidity position in the face of COVID-19 Pandemic, partly offset by a AR\$1,913 million guarantee deposit disbursed as of June 30, 2020. Additionally, AES Argentina paid AR\$1,919 million associated to the partial repurchase of AES Argentina's Senior Notes during the third quarter of 2021. During the first nine months of 2021, AES Argentina paid AR\$3,292 million in interest on debt compared to AR\$3,541 million paid in the same period of 2020, and principal payments of AR\$3,268 million in the first nine months of 2021 compared to AR\$4,911 million in the first nine months of 2021.

The net inflow in cash and cash equivalents during the period ended September 30, 2021, was AR\$1,636 million, compared to the AR\$3,049 million outflow registered in the same period of 2020.

Total cash and cash equivalents on the Cash Flow statement at the end of September 2021, reached AR\$3,171 million, compared to the AR\$2,856 million as of the period ended September 30, 2021. It is important to mention that as of September 30, 2020, the company had US\$20 million restricted, registered as other financial assets, pledged as collateral for the bank loan with Goldman Sachs, according to the pledge agreement dated February 12, 2020. To date, AES Argentina has US\$12 million pledged as collateral for the aforementioned loan.

Cash Flow Statement Summary (AR\$ Million)	YTD		
	2021	2020	Var (%)
Net cash from operating activities	9,434	6,084	55 %
Net cash from investing activities	(2,157)	(10,714)	(80)%
Net cash from financing activities	(5,831)	991	(688)%
Effects of Foreign Exchange Variations	190	590	---
Total Net Cash Flow for the Period	1,636	(3,049)	---
Cash at the beginning of the period	1,535	5,905	(74)%
Total Cash at the End of the Period	3,171	2,856	11 %

Total cash and cash equivalents on the Balance Sheet as of September 30, 2021, reached AR\$7,290 million, compared to the AR\$3,815 million as of September 30, 2020. The difference between the balance sheet and Cash Flow figures is explained primarily by the treatment of common investment funds balances, which are included in the balance sheet cash and cash equivalents balance, however not included in the cash flow. For more details see the Note 15 of the Financial Statements.

As of September 30, 2021, the Company held 2% of its cash and cash equivalents in US\$.

FONINVEMEM Receivables

As of September 30, 2021, outstanding FONINVEMEM Receivables associated with the FONINVEMEM fund III totaled US\$189.9 million, net of VAT. FONINVEMEM funds I and II were fully repaid during the first quarter of 2020.

During the third quarter of 2021, FONINVEMEM collections, including interest, associated with FONINVEMEM fund totaled approximately US\$12.4 million, net of VAT.

AES Argentina is in the process of receiving a 6% stake in the 865MW José de San Martín and a and 7% stake in the 868MW Manuel Belgrano, combined cycle plants associated with FONINVEMEM I and II, as per the agreements reached in May 2020 between the Argentine authorities, AES Argentina and the rest of the generation companies who participate in the operating companies who manage the aforementioned plants. Final transfer of these assets has not been formalized as of September 30, 2021. For more details please see Note 3.d.1. of the Financial Statements.

Dividends

The Company paid AR\$61 million in dividends in the period ended September 30, 2021 and AR\$357 million as of September 30, 2020.

CAPEX

As of September 30, 2021 the Company's CAPEX totaled US\$11 million in 2021, compared to a total capex of US\$103 million in the same period of 2020, US\$84 million of which was related to growth CAPEX.

As of September 30, 2021, the Company has invested approximately US\$276 million to add 200MW of wind capacity to its portfolio and expects to invest an additional US\$2 million to in the projects related to post-COD CAPEX.

Financial Debt

As of September 30, 2021, AES Argentina has a total financial debt of US\$379 million. As of September 30, 2021, 84% of the Company's financial debt liabilities were at fixed interest rates and 94% were US\$-denominated or US\$-linked.

On January 26, 2017, the Company issued US\$300 million of 144A/RegS Senior Notes at 7.750% annual interest rate with 7-year tenor and bullet amortization.

In May 2019, AES Argentina secured a US\$30 million bank loan with Citibank New York at LIBOR + 5.2% Spread interest rate with 12 quarterly payments. Also, in May 2019, the Vientos Neuquinos project secured a US\$50 million loan with ICBC Argentina at LIBOR + 5.5% Spread with 15 quarterly payments.

In February 2020, AAG issued a US\$48 million local green bond with maturity in November 2020 in three tranches. A first tranche for US\$22 million in US\$-denominated and US\$-payable notes at an 8.0% annual interest rate, a second tranche for US\$19 million in US\$-linked (US\$-denominated and AR\$-payable) notes at a 7.5% annual interest rate and a third tranche of AR\$469 million (~US\$7 million) AR\$ notes at a variable interest rate of BADLAR + 6.5%. In November 2020, the company repaid in full the green bond as scheduled.

During the first quarter of 2020 the Company secured an additional US\$46 million in short term loans. A cash collateralized short-term loan for US\$20 million was raised with Goldman Sachs, at LIBOR + 1.75% Spread interest Rate with due date in February 2021. In February 2021, the Company paid US\$8 million of the outstanding US\$20 million Goldman Sachs Secured Loan. The remaining US\$12 million was refinanced to be paid in February 2023.

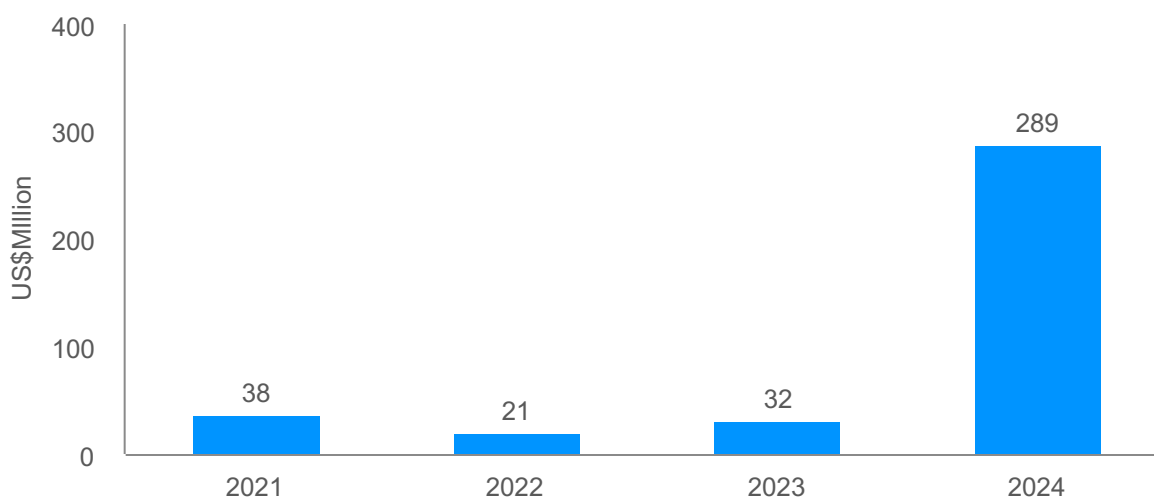
In addition, the company raised approximately US\$26 million short-term bank loans denominated in US\$ and AR\$ with local banks, all of which were repaid during the third quarter of 2020.

During the second quarter of 2021, the company raised a US\$24 million Short-Term debt in Argentine Pesos to be paid in 2021.

For more details please see Note 19 of the Financial Statements.

The following graph details AES Argentina's debt maturity profile, as of September 30, 2021:

AES Argentina Debt Maturity



Debt Amortization (US\$ Million)		Average Interest Rate	September 30, 2021			
			2021	2022	2023	2024
AAG 2024 Notes	289	7.75%	—	—	—	289
ICBC US\$ 50mn Loan Vientos Neuquinos 2023	41	5.71%	8	14	20	—
Citi US \$ 30mn Loan 2022	13	5.30%	7	7	—	—
GS Secured Loan	12	1.92%	—	—	12	—
ST Loan*	24	43.47%	24	—	—	—
Total	379		38	21	32	289

* Debt in Argentine Pesos

RISK ANALYSIS

MARKET AND FINANCIAL RISK

Market risk is the risk that the fair value of future cash flows of a financial instrument might fluctuate because of a change in market prices. Market risks affecting the Company include Exchange Rate Risk, Interest Rate Risk, and Commodity Price Risk. Financial instruments affected by the market risk include interest-accruing debts and loans, cash deposits, trades receivable and other accounts receivable, available-for-sale financial assets and financial assets at fair value through profits or loss.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument might fluctuate as a result of changes in market interest rates. Variations in Interest rates affect the value of assets and liabilities, accrued interests, as well as the flow of financial assets with variable interest rates.

The grand majority of the Company's debt, including the US\$300 million in 144A/RegS Senior Notes, has a fixed interest rate while the Company's medium-term bank loans and main interest incurring assets, FONINVEMEM Receivables, are exposed to variations in LIBOR. AAG has other accounts receivables and debts with CAMMESA that are exposed to changes to the interest rate set by the grid operator (CAMMESA rate) which is calculated based on LIBOR and the interest rate the ISO achieves with its financial instruments.

As of September 30, 2021, 84% of the Company's interest-bearing liabilities, including CAMMESA loans, had fixed interest rates.

A 10% variation of the LIBOR would have had a AR\$0.7 million impact on the third quarter pretax income.

A 10% variation of the CAMMESA rate would have had a AR\$118 million impact on the third quarter pretax income.

Foreign Currency Risk

The exchange rate risk is the risk of fluctuations in the fair value or the future cash flows of financial instruments due to changes in the exchange rates. The value of those financial assets and liabilities denominated in a currency other than the functional currency of the Company, now the AR\$, are subject to variations arising from the fluctuation of exchange rates. The main source of FX exposure is now related to US\$ denominated assets and liabilities.

Since the change in functional currency to US\$ on February 1, 2017, until the dollarization of Energía Base tariffs according to the regulation in force until January 2020, FX exposure was limited as most of the assets and liabilities of the Company were dollar-denominated or dollar-linked. The main exposure came from fixed costs and taxes denominated in AR\$. From February 2020 onwards, after Resolution 31/2020 came in force, tariffs were established in Argentine pesos. The impact of Resolution 31/2020 resulted in a change in functional currency from March 31, 2020 onwards.

According to Argentine tax law, the Company's taxable base is calculated in AR\$ and taxes are paid in AR\$. The variation in the exchange rate can impact the valuation in AR\$ of the Company's US\$ denominated assets and liabilities, which can impact the tax expense.

Foreign currency exchange controls, transfer restrictions, restrictions imposed by the IMF, and other policies of the Argentine government may limit the availability of international and local credit or otherwise adversely affect AES Argentina Generación's business, as well as its ability to repay the notes. For more details of the Foreign currency exchange controls in effect during 2020 please see Note 19.1 of the Financial Statements.

A 10% variation of the US\$/AR\$ exchange rate would have had a AR\$91 million impact on the third quarter pretax income.

The following table summarizes the value of assets and liabilities in foreign currencies at their value in AR\$ as of September 30, 2021.

AR\$ million	September 30, 2021
Non-current Assets	15,923
Current Assets	5,775
Total Assets	21,698
Non-current Liabilities	31,995
Current Liabilities	5,312
Total Liabilities	37,307

Inflation Risks

Changes in the purchasing power of the AR\$ currency affect the value of assets and liabilities, mainly the monetary type.

A 10% variation of the AR\$ real purchasing power would have had a AR\$439 million impact on the third quarter pretax income.

Energy Price Risks

The Company faces price risk, as revenues depend directly on tariffs set for the “Energía Base” price structure, which are based on a fixed price remuneration set at the regulator’s discretion. These tariffs are readjusted at the discretion of the regulator.

Commodity Price Risk

Most of the fuel for the Company’s thermal plants is provided by CAMMESA, free of charge. However, the Company itself procures the coal used at the San Nicolás plant’s Unit 1, Unit 2 and Unit 5. The cost of coal is currently reimbursed by CAMMESA, as part of the variable cost payment, effectively mitigating the risk of commodity price fluctuations.

Between the fourth quarter of 2018 and the fourth quarter of 2019, as per Resolution 70, the Company could opt to source its own natural gas and diesel fuel or have CAMMESA to supply it. In December 2019, the Argentine Government repealed Resolution 70, and therefore generation companies can no longer source their own diesel or natural gas, leaving CAMMESA as the sole supplier.

Credit Risk

Credit risk is related to the ability of the Company’s counterparties to meet their financial obligations. The Company’s financing and investment agreements are executed with high-quality local and foreign financial institutions.

The main off-taker of the Company is CAMMESA, who acquires all the energy produced by the Company. CAMMESA is directly funded by the Argentine national treasury. Since December 2016, CAMMESA has been meeting its payment obligations, diminishing the credit risk faced by the Company.

The credit risk associated with CAMMESA is linked to Argentina’s country risk. The Argentine sovereign credit rating has been under pressure due to the rapid depreciation of the AR\$ and the high inflation in recent years.

For more details of the Credit risk and commercial operations with CAMMESA please see Notes 1, 3 and 14 of the Financial Statements.

Liquidity Risk

The Company manages its liquidity to secure the necessary funds to support its business strategy. AES Argentina uses self-generated funds for the payment of its obligations and maintains uncommitted credit lines with premier banks in Argentina, which are disbursed if necessary.

As of September 30, 2021, AES Argentina had AR\$7,290 million in available liquid resources, classified as cash and cash equivalents (including short-term investments) on the balance sheet, compared to AR\$3,815 million as of September 30, 2020. It is important to mention that as of September 30, 2021, the company had US\$20 million restricted, registered as other financial assets, pledged as collateral for the bank loan with Goldman Sachs, according to the pledge agreement dated February 12, 2020. To date, AES Argentina has US\$12 million pledged as collateral for the aforementioned loan.

As of September 30, 2021, the Company held 2% of cash and cash equivalents in US\$.

Country Risk

The Company's operations, properties and customers are located in Argentina, and, as a result, its business is to some extent, dependent upon economic conditions prevailing in Argentina. The changes in economic, political and regulatory conditions in Argentina and measures taken by the Argentine government have had and are expected to continue to have an impact on the Company.

The Argentine economy has experienced significant volatility in recent decades, characterized by periods of low or negative growth, high levels of inflation and currency devaluation, and may experience further volatility in the future.

As a consequence, the Company could in the future be, affected from time to time to varying degrees by economic and political developments and other material events affecting the Argentine economy, such as inflation; price controls; foreign exchange controls; fluctuations in foreign currency exchange rates and interest rates; governmental policies regarding spending and investment, national, provincial or municipal tax increases and other initiatives increasing government involvement with economic activity; civil unrest and local security concerns. The Argentine economy continues to remain vulnerable. It is possible that similar measures could be adopted by the current or future Argentine government or that economic, social and political developments in Argentina, over which the Company has no control, could have a material adverse effect on the Argentine economy and, in turn, adversely affect AES Argentina Generación's financial condition and results of operations.

OPERATIONAL RISKS

Operational risks relate to the possibility of future outages or deficiencies that can negatively affect the Company's strategic operational and/or financial objectives.

Hydrology

Approximately 42% of AES Argentina Generación's installed capacity is made up of hydroelectric operations, which may be affected by hydrological conditions, a key factor in determining plant dispatch in Argentina. The main river basins which affect the Company's hydroelectric plants' availability include the Limay, San Juan, and Juramento river.

Operational Failures and Maintenance

Mechanical failures, accidents, planned or unplanned maintenance that affects the availability of the Company's efficient capacity could have a material adverse effect on results.

Although the Company performs regular maintenance and operational enhancements to guarantee the commercial availability of its generation plants and operational insurance policies remain in effect, mechanical failures or accidents could result in periods of commercial unavailability. Significant periods of unavailability of AES Argentina Generación's plants as a result of mechanical failure or unplanned maintenance would impact the Company's fulfillment of its availability commitments.

Regulatory Risks

AES Argentina Generación is subject to several different aspects of regulation in Argentina. Modifications to the existing legislation could adversely affect the Company's financial results.

On March 19, 2020, the Government of Argentina through Decree 297/2020 has declared mandatory social and preventive isolation from March 20 to 31, 2020, which was subsequently extended on several occasions by stages and with different scopes according to the jurisdictions until August 2. Additionally, in the framework of the mandatory isolation through Decree 311/2020, the temporary suspension of the cut in the supply of services (electricity, water, gas, telecommunications and image) was established in the event of default or non-payment of the same, only for a certain universe of people, companies and institutions; as well as the established framework of payment plans for the services set forth for the regularization that was subsequently regulated by Resolution Ministry of Productive Development 173/2020 of April 18, 2020. Notwithstanding the foregoing, potential effects are being analyzed on the payment chain of the different segments of the sector.

Resolution 1/2019 was enacted by Argentina's Secretariat of Electric Energy in March 2019, modifying the regulatory framework for the Energía Base market, under which the Company's thermal and hydro assets operate. The new framework established different thermal plant capacity tariff structures for peak (summer and winter) and non-peak seasons (spring and fall). During peak seasons January, February, June, July, August and December, the capacity price remained unchanged, at US\$7,000/MW/month, while during non-peak seasons, March, April, May, September, October and November, capacity prices were reduced to US\$5,500/MW/month. A new usage factor was also included a capacity payment structure, which is determined by the plants' usage over the previous 12 months. In addition, Resolution 1/2019 reduced energy prices by US\$1.6/MWh compared to Resolution 19/2017.

In February 2020, Resolution 31/2020 modified the tariff structure established by Resolution 1/2019. Energía Base rates were converted from US Dollars to Argentine Pesos, an inflation-based indexation mechanism was introduced, capacity rates were reduced, and an additional remuneration mechanism was added for plants operating during hours of peak thermal requirement on the system. Energy and Capacity Rates from resolution 1/2019 were converted to Argentine pesos at an exchange rate of 60 AR\$/US\$ under Resolution 31/2020.

All rates are to be adjusted on a monthly basis for local inflation based on an index made up of 60% Consumer price index (IPC) and 40% Wholesale Internal Price Index (IPIM). In April 2020 however, amid the COVID-19 Pandemic, the Argentine authorities postponed until new notice the inflation adjustments. On May 21, 2021, Resolution 440/2021 was issued which's main modification was a 29% inflation related increase in energy and capacity prices under the Energía Base regime, retroactive from February 2021.

Capacity rates for thermal units were reduced between 14% and 45%, while hydro units' capacity rates were reduced approximately 45%. The thermal capacity offered guaranteed availability rate (DIGO) during peak seasons, was reduced 14% to US\$6,000/MW/month (AR\$360,000/MW/month), while during non-peak seasons, the rate was

reduced 18% to US\$4,500/MW/month (AR\$270,000/MW/month). Thermal capacity base rates, applicable to plants that do not offer a guaranteed availability (DIGO), were reduced 45%.

The usage factor introduced under Resolution 1/2019 was maintained in the thermal capacity rate structure. The usage factor adjusts thermal capacity rates between 60% and 100% according to the plants' usage over the previous 12 months. Capacity rates for hydro assets were reduced to US\$1,650/MW/month (AR\$99,000/MW/month) for Large hydro (Alicurá), to US\$3,025/MW/month (AR\$181,500/MW/month) for Small hydro (Cabra Corral) and to US\$4,950/MW/month (AR\$297,000) for Renewable hydro (Ullum and El Tunal).

An additional remuneration mechanism was introduced for plants operating during hours of peak requirement on the system. Plants operating during the first and second 25 hours per month of peak thermal demand on the system in summer / winter months and the first 25 hours of maximum thermal requirement in autumn / spring are eligible for the new remuneration framework. The remuneration amount under this mechanism is determined by four factors: the average capacity of the plant during the first or second 25 hours of peak thermal requirement on the system, a capacity rate based on the type of plant, an adjustment factor for the first and second 25 hours of each month, and finally the month of the year in question which are categorized by season. The average capacity of the plant is based on the energy produced, in the case of thermal plants, and operated energy, in the case of hydroelectric plants during the hours of peak thermal requirement on the system.

Rates for generated and operated energy for both hydro and thermal plants under Res 31/2020 were not changed in US\$ terms compared to Resolution 1/2019, however they were converted into AR\$ as were all rates under Energía Base.

		Capacity				
		Res 440/2021	Res 31/2020	Res 1/2019	Res 19/2017	
Hydro	Large Hydro	AR\$ 127,710	AR\$ 99,000 (US\$ 1,650)	3,000	3,000	
	Small Hydro	AR\$ 234,135	AR\$ 181,000 (US\$ 3,025)	5,500	5,500	
	Renewable Hydro	AR\$ 383,130	AR\$ 297,000 (US\$ 4,950)	6,300	6,300	
Thermal	DIGO Rate	Winter/ Summer	AR\$ 464,400	AR\$ 360,000 (US\$ 6,000)	7,000	7,000
		Spring/Fall	AR\$ 348,300	AR\$ 270,000 (US\$ 4,500)	5,500	7,000
	Base Rate	Large CCGT	AR\$ 129,839	AR\$ 100,650 (US\$ 1,678)	3,050	3,050
		Large Steam Turbine	AR\$ 185,180	AR\$ 143,550 (US\$ 2,393)	4,350	4,350
		Small Steam Turbine	AR\$ 221,364	AR\$ 171,600 (US\$ 2,860)	5,200	5,700
		Small GAS Turbine	AR\$ 195,822	AR\$ 151,800 (US\$ 2,530)	4,600	4,600
	Utilization Factor	Yes	Yes	Yes	No	

	Generated Energy				Operated Energy			
	Res 440/2021	Res 31/2020	Res 1/2019	Res 19/2017	Res 440/2021	Res 31/2020	Res 1/2019	Res 19/2017
Hydro	AR\$ 271	AR\$ 210 (US\$ 3.5)	3.5	3.5	AR\$108	AR\$ 84 (US\$ 1.4)	1.4	1.4
Thermal	AR\$ 310	AR\$ 240 (US\$ 4)	4	5	AR\$ 108	AR\$ 84 (US\$ 1.4)	1.4	2
	AR\$ 542	AR\$ 420 (US\$ 7)	7	8				
	AR\$ 929	AR\$ 720 (US\$ 12)	12	13				

Peak System Thermal Requirement Capacity Rate (AR\$/MW)					
		Res 440/2021	Res 31/2020	Res 1/2019	Res 19/2017
Hydro	Large Hydro	35,475	27,500	—	—
	Small Hydro	41,925	32,500	—	—
	Renewable Hydro	45,150	35,000	—	—
Thermal	All Fuels	48,375	37,500	—	—

Peak System Thermal Requirement Adjustment Factor			
		Summer & Winter Months	Fall & Spring Months
Hydro & Thermal	First 25 hours	1.2x	0.2x
	Second 25 hours	0.6x	0.0x

For more details of the regulatory framework of Energía Base please see Notes 3 of the Financial Statements or Resolution 31/2020 available [here](#).

Tax Regulation

AES Argentina Generación, its subsidiaries, and affiliates are subject to existing tax legislation in Argentina. Amendments to laws or modifications in tax rates may have a direct impact on earnings.

On December 23, 2019, Law 27,541 "Law of Social Solidarity and Reactivation of Production in Argentina" was enacted, which introduced some changes to the tax reform enacted in 2017. The new law suspended the reduction previously approved from the Income Tax rate from 30% to 25% and the approved increase in the withholding tax on dividends from 7% to 13%, until the fiscal years beginning on January 1, 2021, inclusive. This law also increased the rate of the Personal Property "Surrogate Responsible Person" Tax from 0.25% to 0.50%, from the fiscal period 2019 inclusive, and established a new method of prorating the adjustment for comprehensive fiscal inflation applicable to the 2019 and 2020 fiscal years, The adjustment will assign one sixth to the current year and the remaining to the following five years.

On June 16, 2021, the National Executive Power enacted Law 27,630, through which a scale was established for the rate of the Income Tax from the fiscal years beginning on January 1, 2021 and subsequent at 25% for companies with accumulated net earnings of up to 5 million Argentine pesos, in 30% above this amount and until reaching fifty million and in 35% when said profits exceed fifty million Argentine pesos. It also established a 7% withholding tax on dividends distributed to individuals and beneficiaries abroad.

AES ARGENTINA GENERACIÓN BALANCE SHEET

As of September 30, 2021, and December 31, 2020

International Financial Reporting Standards (IFRS).

(End of period exchange rate used to convert AR\$ into US\$ for referential purposes is 98.74 AR\$/US\$.)

Assets	AR\$ Million			US\$ Million
	September 30, 2021	December 31, 2020	Var. %	September 30, 2021
Non- Current Assets				
Investments in subsidiaries and associates	181	165	10 %	2
Property, plant & equipment	42,041	47,873	(12)%	426
Intangible Assets	2,709	2,994	(10)%	27
Inventory	1,142	1,142	— %	12
Accounts receivable from related parties	6	5	20 %	0
Other financial assets	1,185	0	---	12
Other non-financial assets	128	87	47 %	1
Trade & Other accounts receivable	17,110	25,352	(33)%	173
Tax assets	580	1,451	(60)%	6
Deferred tax assets	293	349	(16)%	3
Total Non-Current Assets	65,375	79,418	(18)%	662
Current Assets				
Inventory	2,017	674	199 %	20
Accounts receivable from related parties	52	30	73 %	1
Other financial assets	800	2,315	---	8
Other non-financial assets	1,090	1,431	(24)%	11
Trade & Other accounts receivable	11,563	11,157	4 %	117
Cash & Cash equivalents	7,290	3,815	91 %	74
Tax assets	1,624	2,061	(21)%	16
Total Current Assets	24,436	21,485	14 %	247
TOTAL ASSETS	89,810	100,903	(11)%	910

AES ARGENTINA GENERACIÓN BALANCE SHEET

As of September 30, 2021, and December 31, 2020

International Financial Reporting Standards (IFRS).

(End of period exchange rate used to convert AR\$ into US\$ for referential purposes is 98.74 AR\$/US\$)

Liabilities and Shareholders' Equity	AR\$ Million			US\$ Million
	September 30, 2021	December 31, 2020	Var. %	September 30, 2021
Equity				
Issued Equity	1,153	1,153	— %	12
Equity Adjustment	4,884	4,884	— %	49
Irrevocable contributions	150	150	— %	2
Additional paid-in capital	1,454	1,454	— %	15
Legal Reserve	1,498	1,498	— %	15
IFRS special reserve	3,448	3,448	— %	35
Optional Reserves	16,971	14,206	19 %	172
Other Reserves	12,326	14,034	(12)%	125
Retained Earnings	1,726	2,850	(39)%	17
Equity Attributable to Shareholders of Parent	43,611	43,677	— %	442
Non-controlling Interest in Controlled Subsidiaries	86	27	219 %	1
TOTAL EQUITY	43,696	43,704	— %	443
Non-Current Liabilities				
Employee benefits	288	258	12 %	3
Tax liabilities	442	653	(32)%	4
Deferred tax liabilities	3,773	3,958	(5)%	38
Provisions	240	243	(1)%	2
Accounts payable to related parties	34	42	(19)%	—
Interest-accruing liabilities	31,772	41,208	(23)%	322
Trade & other accounts payable	—	—	---	—
Total Non-Current liabilities	36,549	46,363	(21)%	370
Current Liabilities				
Employee benefits	601	809	(26)%	6
Tax liabilities	570	472	21 %	6
Accounts payable to related parties	1,435	1,308	10 %	15
Trade & other accounts payable	1,779	1,280	39 %	18
Interest-accruing liabilities	5,180	6,967	(26)%	52
Total Current liabilities	9,565	10,836	(12)%	97
TOTAL LIABILITIES	46,114	57,199	(19)%	467
Total Liabilities and Equity	89,810	100,903	(11)%	910

AES ARGENTINA GENERACIÓN INCOME STATEMENT

For the years ended September 30, 2021, and September 30, 2020

International Financial Reporting Standards (IFRS)

(Average exchange rate used to convert AR\$ into US\$ for referential purposes is \$94.08 AR\$/US\$ and \$91.31AR\$/US\$ for the three and six month periods ended September 30, 2021, respectively)

Income Statement	AR\$ Million		US\$ Million		AR\$ Million		US\$ Million
	YTD		YTD		3Q		3Q
	2021	2020	2021	2021	2020	2021	
Operating Revenue	23,259	18,870	255	8,933	8,015	95	
Cost of Sales	(14,700)	(9,820)	(161)	(5,575)	(4,113)	(59)	
Gross Profit	8,559	9,049	94	3,358	3,902	36	
Administrative Expenses	(1,537)	(1,458)	(17)	(451)	(455)	(5)	
Trading Expenses	(625)	(2,496)	(7)	(443)	(158)	(5)	
Other income and expenses	(69)	71	(1)	(8)	95	—	
Operating Income	6,328	5,166	69	2,456	3,384	26	
Financial Income	4,028	3,317	44	1,432	1,039	15	
Financial Expense	(4,006)	(3,630)	(44)	(1,848)	(1,140)	(20)	
Effect of FX differences	638	428	7	218	(447)	2	
Inflation effect	(4,034)	(1,625)	(44)	(1,380)	(713)	(15)	
Income from Investments in Associates	46	85	1	9	15	0	
Income (Loss) before Taxes	2,999	3,741	33	887	2,138	8	
Income Tax	(1,287)	(1,444)	(14)	(215)	(751)	(2)	
Net Income	1,712	2,297	19	672	1,387	6	
EBITDA	9,715	8,077	106	3,462	4,384	37	

AES ARGENTINA GENERACIÓN CASH FLOW STATEMENT

For the six and three months periods ended September 30, 2021, and September 30, 2020 (cumulative results)
 International Financial Reporting Standards (IFRS)
 (Average exchange rate used to convert AR\$ into US\$ for referential purposes is \$91.31 AR\$/US\$ for the six-month period ended September 30, 2021)

	AR\$ Million			US\$ Million
	September 30,			September 30,
	2021	2020	Var (%)	2021
Operating Activities				
Net income	1,712	2,297	(25)%	19
Earnings reconciliation adjustments				
Depreciation & amortization expenses	3,318	2,982	11 %	36
Result due to loss of property, plant and equipment and intangibles	18	—	---	—
FX differences and conversion differences	2,260	2,674	---	25
Interest gains and other financial income	(4,028)	(3,317)	21 %	(44)
Income from investments in other companies	(46)	(85)	(46)%	(1)
Income tax expenses	1,287	1,444	(11)%	14
Provision expenses	60	76	(22)%	1
Accrued interest expenses	3,168	3,540	(10)%	35
Bad debt provision	222	2,053	---	2
Pension plan	114	91	26 %	1
Adjustments for balance sheet accounts variations				
Inventory	(1,342)	(1,042)	29 %	(15)
Trade & other account receivables	4,303	2,309	86 %	47
Account receivables from related parties	(1,181)	571	(307)%	(13)
Other non-financial assets	5	(671)	(101)%	—
Other financial assets	(293)	(123)	138 %	(3)
Trade & other account payables	(1,607)	(5,988)	(73)%	(18)
Accounts payable to related parties	831	564	47 %	9
Provisions	(9)	(3)	---	0
Tax Assets	378	(1,207)	(131)%	4
Tax Liabilities	696	1,446	(52)%	8
Employee benefits	86	72	20 %	1
Income tax paid	(1,950)	(2,765)	(29)%	(21)
Hedging instruments	(167)	(6)	---	(2)
Interests received on trade accounts	805	1,173	(31)%	9
Net cash flow from operations	9,434	6,084	55 %	103

AES ARGENTINA GENERACIÓN CASH FLOW STATEMENT (CONTINUED)

For the years ended September 30, 2021, and September 30, 2020 (cumulative results)
 International Financial Reporting Standards (IFRS)
 (Average exchange rate used to convert AR\$ into US\$ for referential purposes is \$91.31 AR\$/US\$ for the six-month period ended September 30, 2021)

	AR\$ Million			US\$ Million
	September 30, 2021	September 30, 2020	Var (%)	September 30, 2021
Investment Activities				
Purchase of Property, Plant & Equipment	(1,035)	(9,371)	(89)%	(11)
Purchase of intangible assets	(91)	(518)	(82)%	(1)
Sale of intangible assets	63	—	---	1
Interests received	933	487	92 %	10
Dividend Received	33	242	(86)%	—
Sale of short term investment	222	2,194	(90)%	2
Purchase of short term investment	(139)	(1,324)	(90)%	(2)
Net decrease of common investment funds	(2,117)	(2,424)	(13)%	(23)
Loans granted to related parties	(27)	—	---	—
Net cash flows used in investment activities	(2,157)	(10,714)	(80)%	(23)
Financing Activities				
Proceeds from third-party loans	2,713	11,717	(77)%	30
Guarantee deposit	—	(1,913)	---	—
Payments of third-party loans	(3,268)	(4,911)	(33)%	(36)
Interests paid on third-party loans	(3,292)	(3,541)	(7)%	(36)
Payments for the repurchase of A class Bonds	(1,919)	—	---	(21)
Payment of financial leases	(4)	(5)	(20)%	0
Dividend payments	(61)	(357)	(83)%	(1)
Net Cash flows from (used in) financing activities	(5,831)	991	(688)%	(64)
Effect of FX difference on cash & cash equivalents	190	590	(68)%	2
Net Increase in cash & cash equivalents	1,636	(3,049)	(154)%	18
Opening Cash & Cash Equivalent	1,535	5,905	(74)%	17
Ending Cash & Cash Equivalent	3,171	2,856	11 %	35

ABOUT AES ARGENTINA GENERACIÓN

AES Argentina Generación S.A. is a wholly owned subsidiary of the AES Corporation, engaged in power generation in Argentina. It owns and operates a portfolio of seven power plants, four hydro-electrical plants, three thermal power plants and two wind farms located in the Provinces of Buenos Aires, Salta, San Juan, and Neuquén, with a total installed capacity of 2,985 MW.

To learn more, please visit www1.aesargentina.com.ar/en

ABOUT THE AES CORPORATION

The AES Corporation (NYSE: AES) is a Fortune 500 global energy company accelerating the future of energy. Together with our many stakeholders, we're improving lives by delivering the greener, smarter energy solutions the world needs. The company's diverse workforce is committed to continuous innovation and operational excellence while partnering with our customers on their strategic energy transitions and continuing to meet their energy needs today.

In 2020, The AES Corporation reported \$10 billion in revenues and owned and managed \$35 billion in total assets.

To learn more, please visit www.aes.com