



aes Argentina

4Q - 2022 Earnings Report



April 3, 2023

AES ARGENTINA FULL YEAR 2022 RESULTS & HIGHLIGHTS

- AES Argentina Generación S.A. (AES Argentina, AAG, or the Company) reported a Gross Profit for 2022 of AR\$ 15,940 million, a 30% decrease compared to the same period in 2021.
 - Lower sales at Parana and, to a lesser extent, San Nicolas as a result of lower dispatch, in addition to the inflation effect when converting 2021 revenues into current Argentine pesos were the main drivers for the decrease in Gross Profit in 2022 compared to 2021. The 30% and 10% tariffs adjustments executed in May 2022 (retroactive to February 2022) and June 2022 as per Resolution 238/2022, and the 20% and 10% tariffs adjustments executed in November 2022 and December 2022 as per Resolution 826/2022 partly compensated these negative variances.
 - Regulatory changes in effect from February 2020 involved a freeze 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 postponed until new notice 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. On April 18, 2022, Resolution 238/2022 was issued increasing energy and capacity prices under resolution 440/2021 by 30%, retroactive from February 2022 and an additional 10% from June 2022. On December 12, 2022, Resolution 826/2022 was issued, once again modifying energy and capacity prices under the Energía Base regime, increasing tariffs by 20% and 10% since November 2022 (retroactive from September 2022) and December 2022, respectively, in addition to establishing tariff increases in advance of 25% and 28% from February 2023 and August 2023, respectively.
- AAG reported an EBITDA of AR\$ 13,837 million for 2022, AR\$11,454 million below the 2021's EBITDA.
 - The main driver of the decrease in EBITDA was lower Gross Profit, in addition to a 60% increase in Administrative and Trading Expenses compared to 2021. Trading expenses increased AR\$3,829 million primarily due to due to a bad debt provision (which is a non-cash item) registered in the third quarter of 2022 associated to certain account receivables with Cammesa.
- The Company reported a Net Income of AR\$2,287 million for 2022, AR\$697 million less compared to the AR\$2,984 million Net Income for 2021. The variance was due primarily to the decrease in EBITDA, a higher impact from the RECPAM (result for the exposure to the change in the purchasing power of the currency, for its acronym in Spanish) Inflation effect in 2022 than in 2021, in addition to a negative impact from FX differences, partly offset by decreases in income tax and financial expenses.
- FONINVEMEM collections, including interest, totaled approximately US\$47.2 million, net of VAT as of December 31, 2022, 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 Assets:
 - The 100MW Vientos Bonaerenses wind farm is 80% contracted under a RenovAr PPA and 20% contracted with C&I customers under MATER PPAs
 - The 100MW Vientos Neuquinos wind farm is fully contracted with C&I customers under MATER PPAs
- Since the third quarter of 2021, the Company has acquired a nominal amount of US\$25.5 million of its US\$300 million Class A Senior Notes due in 2024, US\$22.5 million were acquired in 2021 and US\$3 million in the first quarter of 2022.

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 FULL YEAR 2022 RESULTS

Income Statement (AR\$ Million)	FY		
	2022	2021	Var (%)
Operating Revenue	70,126	67,052	5 %
Cost of Sales	(54,186)	(44,429)	22 %
Gross Profit	15,940	22,623	(30)%
Administrative Expenses	(4,091)	(4,234)	(3)%
Trading Expenses	(5,764)	(1,935)	198 %
Other income and expenses	(66)	(166)	(60)%
Operating Income	6,019	16,288	(63)%
Financial Income	11,724	10,956	7 %
Financial Expense	(8,645)	(12,276)	(30)%
Effect of FX differences	(1,815)	2,013	(190)%
Inflation effect	(14,420)	(11,990)	20 %
Income from Investments in Associates	78	171	(55)%
Income (Loss) before Taxes	(7,059)	5,162	(237)%
Income Tax	9,345	(2,178)	(529)%
Net Income	2,287	2,984	(23)%
EBITDA	13,837	25,291	(45)%

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 December 31, 2022, 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 December 31, 2022.

Generation

The Company generated 6,768 GWh during 2022, a 17% decrease compared to last year. Total thermal generation fell 31%, while hydro generation grew 32% between both periods. The 46GWh increase in wind generation due to more wind principally in the first and second quarters of 2022, also contributed to offset the decrease in production. Thermal generation decreased mainly due to lower generation at Paraná, as a consequence of maintenance in the second quarter of 2022, lower demand and lower gas availability in the region where Parana is located, coupled with higher hydro generation in the system, and to a lesser extent, lower generation at San Nicolás in the second half of 2022. Better hydrology at Alicurá led to an increase in hydro generation.

Net Generation by Plant (GWh)	FY		
	2022	2021	Var (%)
Paraná	2,408	4,138	(42)%
San Nicolás	1,626	1,823	(11)%
Alicurá	1,553	1,147	35 %
Cabra Corral	166	142	17 %
El Tunal	47	47	— %
Ullum	108	105	3 %
Sarmiento	33	6	450 %
Vientos Bonaerenses	451	439	3 %
Vientos Neuquinos	376	351	7 %
Total Generation / Sales	6,768	8,198	(17)%

Operating Revenue

The adjustments to energy and capacity tariffs from Resolutions 238/2022 and 826/2022 were the primary drivers for the 5% increase in revenues to AR\$70,126 million in 2022, compared to AR\$67,053 million in 2021. This increase was partly offset by lower generation at Paraná, and to a lesser extent San Nicolás, due to lower dispatch at both plants, in addition to the effect of inflation when converting 2021 figures into the same purchasing power as current Argentine pesos.

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. On April 18, 2022, Resolution 238/2022 was issued, modifying the established energy and capacity prices of Resolution 440/2021, applying tariff average increases of 30% from February 2022, and an additional 10% from June 2022 onwards. On December 12, 2022, Resolution 826/2022 was issued, once again modifying energy and capacity prices under the Energía Base regime, increasing tariffs by 20% and 10% since November 2022 and December 2022, respectively, in addition to establishing tariff increases in advance of 25% and 28% from February 2023 and August 2023, respectively. For more details see the Regulatory Risk section of this report or Note 3.a of the Financial Statements.

The increase in total revenues was partially offset by lower contract sales explained by the effect of inflation when converting 2021 figures into the same purchasing power as current Argentine pesos, despite the 37 GWh increase in sales volume from the wind farms.

Operating Revenue (AR\$ Million)	FY		
	2022	2021	Var (%)
Energy Sales	45,432	38,419	18 %
Capacity Sales	16,322	18,956	(14)%
Contracts Sales	7,967	9,113	(13)%
Other Revenue	405	565	(28)%
Total Operating Revenue	70,126	67,053	5 %

Cost of Sales

Cost of Sales reached AR\$54,186 million in 2022, a 22% increase compared to 2021, mainly attributable to higher fuel cost as a result of the increase in the price of coal, used for a portion of San Nicolás' generation, partly offset by lower depreciation.

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)	FY		
	2022	2021	Var (%)
Fuel cost	32,161	21,039	53 %
Maintenance	4,891	4,971	(2)%
Personnel costs	3,904	3,738	4 %
Insurance	3,589	4,311	(17)%
Depreciation	6,263	7,520	(17)%
Rights and royalties	376	380	(1)%
Amortization of intangible assets	1,124	951	18 %
Purchases of energy and power	363	136	166 %
Related-Party Services	218	292	(25)%
Operator Fee	218	189	15 %
Transmission charges	164	172	(5)%
Fees and remuneration to third parties	74	76	(2)%
Frequency Regulation	156	57	174 %
Travel and transportation	127	53	140 %
Safety services	137	134	2 %
Others	421	410	3 %
Total Cost of Sales	54,186	44,429	22 %

Gross Profit

Gross Profit in 2022 reached AR\$15,940 million, a 30% decrease compared to the previous year. This decrease was mainly driven by lower sales at Parana due to a 42% reduction in generation as a result of lower gas availability in the region where the plant is located, as well as maintenance performed during the second quarter of 2022. The inflation effect when converting 2021 revenues into current Argentine pesos also contributed to this negative variation, which is partly compensated by the tariffs adjustments executed as per Resolutions 238/2022 and 826/2022.

Administrative & Trading Expenses

Administrative and Trading Expenses reached AR\$9,855 million in 2022, compared to the AR\$6,169 million registered in 2021. The 60% increase is primarily due to a AR\$4,436 million bad debt provision registered in the third quarter of 2022 associated with certain account receivables with Cammesa from Resolutions 95/2013 and 529/2014 which aimed to remunerate certain operating and maintenance costs, among others, that were modified in subsequent resolutions. The bad debt provision in the third quarter of 2022 was much greater than the AR\$761 million bad debt provision registered in the second quarter of 2021. For more details on the provision for bad debt please see Note 14.3 of the Financial Statements.

Administrative & Trading Expenses (AR\$ Million)	FY		
	2022	2021	Var (%)
Personnel costs	898	863	4 %
Depreciation	364	366	(1)%
Taxes, rates and contributions	1,970	1,918	3 %
Related-Party Services	1,371	1,381	(1)%
Fees and remuneration to third parties	593	731	(19)%
Bad Debt Expense	4,436	761	483 %
Others	223	149	50 %
Total Administrative & Trading Expenses	9,855	6,169	60 %

EBITDA

The Company reported EBITDA of AR\$13,837 million for 2022, a 45% decrease over 2021 primarily due to lower gross profit, in addition to higher bad debt provisions registered in 2022, as explained above.

EBITDA (AR\$ Million)	FY		
	2022	2021	Var (%)
Net Income	2,287	2,984	(23)%
Income tax	(9,345)	2,178	(529)%
Other Income	66	166	(60)%
Income from Investments in Associates	(78)	(171)	(55)%
Financial Income	(11,724)	(10,956)	7 %
Financial Expense	8,645	12,276	(30)%
Effect of FX differences	1,815	(2,013)	(190)%
Inflation effect	14,420	11,990	20 %
Depreciation and Amortization	7,751	8,837	(12)%
EBITDA	13,837	25,291	(45)%

Non-Operating Results

The Non-Operating Results of the Company in 2022 totaled AR\$-13,156 million, compared to the AR\$-11,296 million registered in 2021. The AR\$3,829 million negative variance in FX differences and the AR\$2,430 million negative variation in Inflation Effect, were partly offset by AR\$3,631 million less Financial Expense and AR\$768 million increase in Financial Income.

Financial Income grew AR\$768 million. This variance is primarily due to higher other financial income associated to interest earned on investments and on bank deposits, partly offset by lower interest income on financial assets mainly related to Cammesa accounts receivables.

Financial Expense decreased AR\$3,631 million primarily due lower interest expenses on financial debt as a result of lower outstanding debt.

Higher FX losses on liabilities partly offset by higher gains on assets in 2022 compared to 2021, was the main driver of the negative variance in FX Differences. These drivers are associated mainly to the effect of FX rates on debt denominated in US\$ and FONINVEMEM account receivables, respectively.

A AR\$14,420 million negative inflation adjustment was registered in 2022 compared to AR\$11,990 million registered in 2021, both associated to the change in the functional currency of the company to AR\$ in February 2020.

Non-Operating Results (AR\$ Million)	FY		
	2022	2021	Var (%)
Interest Income	7,407	8,145	(9)%
Other finance income	4,315	2,809	54 %
Interest income from related companies	3	3	---
Financial Income	11,724	10,956	7 %
Interest on financial debt	(7,803)	(8,380)	(7)%
Interest on tax debts	(4)	(28)	(86)%
Interest on commercial loans	(12)	(45)	(74)%
Interest on Related Party loans	(214)	—	---
Interest on obligations for long-term benefits	(247)	(264)	(7)%
Loss on liability early payment	(366)	(3,559)	---
Financial Expense	(8,645)	(12,276)	(30)%
FX difference generated by assets	27,361	16,305	68 %
FX difference generated by liabilities	(29,177)	(13,934)	109 %
Hedging instruments	—	(358)	---
Total FX Differences	(1,815)	2,013	(190)%
Inflation Effect	(14,420)	(11,990)	20 %
Total Non-Operating Results	(13,156)	(11,296)	16 %

Exchange Rate

The average yearly AR\$/US\$ exchange rate was 37% higher in 2022 compared to 2021. During the fourth quarter of 2022, the AR\$/US\$ exchange rate rose 20%, while in the same period of 2021, the AR\$/US\$ exchange rate increased 4%. During the twelve-month year ended December 31, 2022, the AR\$/US\$ exchange rate rose 72%.

	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022
Argentine Peso EOP (ARS/US\$)	177.16	147.32	125.23	111.01
	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021
Argentine Peso EOP (ARS/US\$)	102.72	98.74	95.72	92.00

	FY		
	2022	2021	Var (%)
Argentine Peso AVG (ARS/US\$)	130.72	95.09	37%

Net Income

AES Argentina's Pre-tax Loss fell to AR\$7,059 in 2022 compared to AR\$5,162 million Pre-tax Income in 2021 primarily due to lower Gross Profit, higher Trading Expenses due to a bad debt provision mentioned earlier, higher Inflation Adjustments, in addition to a negative impact in FX Differences, offset in part by a reduction in Financial Expenses.

AAG recorded a AR\$9,345 million Income tax gain in the twelve-month period ended December 31, 2022, which positively compares to the Income tax expense of AR\$2,178 million registered in 2021. This positive variation is due to Pre-tax losses as of December 31, 2022, compared to the Pre-tax income as of December 31, 2021 as explained above.

AAG reported a Net Income of AR\$2,287 million in 2022, compared to the 2021's Net Income of AR\$2,984 million primarily due to the decrease in Pre-tax Income in 2022 explained above, partly offset by lower Income tax expense.

Cash Flow

Net Cash flow from operations reached AR\$9,996 million in inflows in the year ended December 31, 2022, compared to AR\$22,670 million inflow in the same period in 2021. Operating cash flows fell AR\$12,674 million primarily due to an increase in coal purchases as a result of higher coal prices, in addition to lower collections due to lower Energía Base sales.

Investing cash inflows totaled AR\$1,772 million in the period ended December 31, 2022, up from a cash outflow of AR\$803 million last year. This variance is primarily due to higher interest income on financial assets due to the increase in CAMMESA interest rates, in addition to lower Mutual Funds investments balance as of December 31, 2022, compared to 2021, partly offset by lower net Short-term investment in 2022 compared to 2021.

AES Argentina reported an outflow from financing activities of AR\$8,247 million in the twelve-month period ended December 31, 2022, compared to the net outflow of AR\$21,640 million in 2021. The main variance was attributable to

the purchase of US\$22.5 million Class A Senior Notes in 2021 compared to US\$3 million acquired in 2022. Principal payments were AR\$24,313 million in 2022 compared to AR\$23,100 million in 2021 (including the bond repurchases), while proceeds from third-party loans were AR\$25,051 million in 2022, compared to AR\$7,744 million in 2021. During the twelve months of 2022, AES Argentina paid AR\$7,904 million in interest on debt compared to AR\$7,789 million paid in 2021.

The net inflow in cash and cash equivalents during the year ended December 31, 2022, was AR\$3,333 million, compared to the AR\$201 million outflow registered in 2021.

Total cash and cash equivalents on the Cash Flow statement at the end of December 2022, reached AR\$6,424 million, compared to the AR\$3,091 million as of the period ended December 31, 2021. It is important to mention that as of December 31, 2022, the company had US\$12 million pledged as collateral for the bank loan with Goldman Sachs, according to the pledge agreement dated February 12, 2020, which is registered as other financial assets, and not cash and cash equivalent.

Cash Flow Statement Summary (AR\$ Million)	FY		
	2022	2021	Var (%)
Net cash from operating activities	9,996	22,670	(56)%
Net cash from investing activities	1,772	(803)	(321)%
Net cash from financing activities	(8,247)	(21,640)	(62)%
Effects of Foreign Exchange Variations	(189)	(428)	(56)%
Total Net Cash Flow for the Period	3,333	(201)	---
Cash at the beginning of the period	3,091	3,292	(6)%
Total Cash at the End of the Period	6,424	3,091	108 %

Total cash and cash equivalents on the Balance Sheet as of December 31, 2022, reached AR\$11,671 million, compared to the AR\$9,544 million as of December 31, 2021. The difference between the balance sheet and Cash Flow figures is explained primarily by the treatment of 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.

FONINVEMEM Receivables

As of December 31, 2022, outstanding FONINVEMEM Receivables associated with the FONINVEMEM fund III totaled US\$139.3 million, net of VAT. FONINVEMEM funds I and II were fully repaid during the first quarter of 2020.

In 2022, FONINVEMEM collections, including interest, associated with FONINVEMEM fund totaled approximately US\$47.2 million, net of VAT.

AES Argentina received a 6% stake in the 865MW José de San Martín and a 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 December 31, 2022. For more details please see Note 3.d.1. of the Financial Statements.

Dividends

The Company paid AR\$153 million in dividends in the period ended December 31, 2022 and AR\$131 million as of December 31, 2021, mainly to fund tax payments of holding companies.

CAPEX

As of December 31, 2022 the Company's CAPEX totaled US\$19 million in 2022, compared to a total capex of US\$22 million in the same period of 2021.

The Company invested approximately US\$278 million to add 200MW of wind capacity to its portfolio. The 100MW Vientos Bonaerenses project was completed in February 2020 while The 100MW Vientos Neuquinos project was completed in September 2020.

Financial Debt

As of December 31, 2022, AES Argentina has a total financial debt of US\$306 million. As of December 31, 2022, 90% of the Company's financial debt liabilities were at fixed interest rates and 100% were US\$-denominated.

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. Since the third quarter of 2021, the Company has acquired a nominal amount of US\$25.5 million of this bond, US\$22.5 million were acquired in 2021 and US\$3 million in the first quarter of 2022.

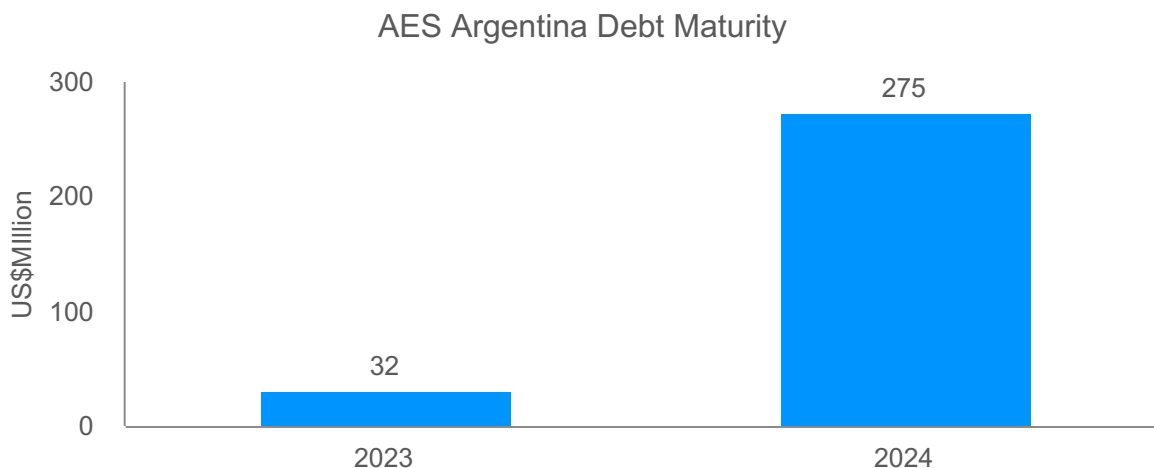
In May 2019, AES Argentina secured a US\$30 million bank loan with Citibank New York at LIBOR + 5.2% Spread interest rate with 12 quarterly payments, which was repaid in full in June 2022. Also, in May 2019, the Vientos Neuquinos project secured a US\$50 million loan with ICBC Argentina at LIBOR + 5.5% Spread with 15 quarterly payments (US\$19.5 million outstanding as of December, 31, 2022).

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, in 2022, the company raised approximately US\$35 million short-term bank loans denominated in AR\$ with local banks to finance fuel purchases and fortify the company's liquidity position, all of which were repaid during 2022.

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

The following graph details AES Argentina's debt maturity profile, as of December 31, 2022:



Debt Amortization (US\$ Million)		Average Interest Rate	December 31, 2022	
			2023	2024
AAG 2024 Notes	275	7.75%	—	275
ICBC US\$ 50mn Loan Vientos Neuquinos 2023	20	9.22%	20	—
GS Secured Loan	12	6.36%	12	—
Total	306		32	275

* 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 December 31, 2022, 90% 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\$81.4 million impact on the fourth quarter pretax income.

A 10% variation of the CAMMESA rate would have had a AR\$307 million impact on the fourth 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, 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.

A 10% variation of the US\$/AR\$ exchange rate would have had a AR\$938 million impact on the fourth quarter pretax income.

The following table summarizes the value of assets and liabilities in foreign currencies at their value in AR\$ as of December 31, 2022.

AR\$ million	December 31, 2022
Non-current Assets	41,931
Current Assets	16,421
Total Assets	58,352
Non-current Liabilities	48,921
Current Liabilities	10,915
Total Liabilities	59,836

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\$1,680 million impact on the fourth 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 December 31, 2022, AES Argentina had AR\$11,671 million in available liquid resources, classified as cash and cash equivalents (including short-term investments) on the balance sheet, compared to AR\$9,544 million as of December 31, 2021. It is important to mention that as of December 31, 2022, the company had US\$12 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, and the outstanding amount.

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 40% 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.

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.

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. It additionally suppressed

an inflation-based indexation mechanism. The prices rates continue to be denominated in Argentine pesos. The rates increase was reflected starting in the second quarter of 2021.

On November 2, 2021, Resolution 1037/2021 was issued, which mainly establishes an additional and transitory remuneration will be recognized for Generation Companies with regards to energy exports from September 2021. This regulation also establishes a Utilization Factor equal to 70% for the determination of the Power Availability Remuneration.

On April 18, 2022, Resolution 238/2022 was issued, modifying the established energy and capacity prices of Resolution 440/2021, applying tariff average increases of 30% from February 2022, and an additional 10% from June 2022 onwards. Additionally by this Resolution, the capacity payment adjustment based on the last 12 months capacity factor (usage factor) was eliminated. This change was be accrued starting in the second quarter 2022 results.

On December 12, 2022, the Energy Secretariat issued Resolution 826/2022, which updated the prices established in Resolution 238/2022. The same became retroactively effective as from September 2022 and establishes the increases in tariffs by 20% and 10% since November 2022 and December 2022, respectively, in addition to establishing tariff increases in advance of 25% and 28% from February 2023 and August 2023, respectively.

		Capacity (Price per MW/Month)						
		Res 826/2022***	Res 826/2022**	Res 238/2022*	Res 440/2021	Res 31/2020	Res 1/2019	
Hydro	Large Hydro	AR\$ 385,705	AR\$ 241,065	AR\$ 182,625	AR\$ 127,710	AR\$ 99,000 (US\$ 1,650)	US\$ 3,000	
	Small Hydro	AR\$ 707,125	AR\$ 441,953	AR\$ 334,813	AR\$ 234,135	AR\$ 181,000 (US\$ 3,025)	US\$ 5,500	
	Renewable Hydro	AR\$ 1,157,114	AR\$ 723,196	AR\$ 547,876	AR\$ 383,130	AR\$ 297,000 (US\$ 4,950)	US\$ 6,300	
Thermal	DIGO Rate	Winter/ Summer	AR\$ 1,402,562	AR\$ 876,601	AR\$ 664,092	AR\$ 464,400	AR\$ 360,000 (US\$ 6,000)	US\$ 7,000
		Spring/Fall	AR\$ 1,051,922	AR\$ 657,451	AR\$ 498,069	AR\$ 348,300	AR\$ 270,000 (US\$ 4,500)	US\$ 5,500
	Base Rate	Large CCGT	AR\$ 392,135	AR\$ 245,084	AR\$ 185,670	AR\$ 129,839	AR\$ 100,650 (US\$ 1,678)	US\$ 3,050
		Large Steam Turbine	AR\$ 559,273	AR\$ 349,546	AR\$ 264,807	AR\$ 185,180	AR\$ 143,550 (US\$ 2,393)	US\$ 4,350
		Small Steam Turbine	AR\$ 668,555	AR\$ 417,847	AR\$ 316,551	AR\$ 221,364	AR\$ 171,600 (US\$ 2,860)	US\$ 5,200
		Small GAS Turbine	AR\$ 591,414	AR\$ 369,634	AR\$ 280,025	AR\$ 195,822	AR\$ 151,800 (US\$ 2,530)	US\$ 4,600
	Utilization Factor	No	No	No	Yes	Yes	Yes	

* Includes all tariff increases of Res 238/2022

** Includes tariff increases as of December 31, 2022

*** Includes tariff increases as of August 2023

		Generated Energy					
		(AR\$/MWh)	(AR\$/MWh)	(AR\$/MWh)	(AR\$/MWh)	(US\$/MWh)	
		Res 826/2022***	Res 826/2022**	Res 238/2022*	Res 440/2021	Res 31/2020	Res 1/2019
Hydro		AR\$ 818	AR\$ 512	AR\$ 388	AR\$ 271	AR\$ 210 (US\$ 3.5)	3.5
Thermal	Natural Gas	AR\$ 936	AR\$ 585	AR\$ 443	AR\$ 310	AR\$ 240 (US\$ 4)	4
	Fuel Oil / Gas Oil	AR\$ 1,637	AR\$ 1,023	AR\$ 775	AR\$ 542	AR\$ 420 (US\$ 7)	7
	Mineral Coal	AR\$ 2,806	AR\$ 1,754	AR\$ 1,328	AR\$ 929	AR\$ 720 (US\$ 12)	12

* Includes all tariff increases of Res 238/2022

** Includes tariff increases as of December 31, 2022

*** Includes tariff increases as of August 2023

		Operated Energy					
		(AR\$/MWh)	(AR\$/MWh)	(AR\$/MWh)	(AR\$/MWh)	(US\$/MWh)	
		Res 826/2022***	Res 826/2022**	Res 238/2022*	Res 440/2021	Res 31/2020	Res 1/2019
Hydro		AR\$ 326	AR\$ 204	AR\$ 154	AR\$ 108	AR\$ 84 (US\$ 1.4)	1.4
Thermal		AR\$ 326	AR\$ 204	AR\$ 154	AR\$ 108	AR\$ 84 (US\$ 1.4)	1.4

* Includes all tariff increases of Res 238/2022

** Includes tariff increases as of December 31, 2022

*** Includes tariff increases as of August 2023

		Peak System Thermal Requirement Capacity Rate (AR\$/MW)			
		Res 238/2022*	Res 440/2021	Res 31/2020	Res 1/2019
Hydro	Large Hydro	50,729	35,475	27,500	—
	Small Hydro	59,953	41,925	32,500	—
	Renewable Hydro	64,565	45,150	35,000	—
Thermal	All Fuels	69,176	48,375	37,500	—

* Includes all tariff increases of Res 238/2022

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](#).

Resolution 59/2023

On February 7, 2023 the Energy Secretariat published Resolution 59/2023 which presents a voluntary adhesion scheme to dollarize part of the remuneration of combined cycles with a PPA for up to 5 years, to be paid in Argentine pesos at the official exchange rate. Companies have up to 90 days to sign the contract with the market administrator CAMMESA and a unit availability commitment of 85% is required. The updated power prices are US\$2000 + 65% of the Resolution 826 Power Price in winter and summer, and US\$2000 + 85% of the Resolution 826 Power Price in spring and autumn. The price of the energy generated with gas would increase to US\$3.5/MWh and with diesel oil to US\$6.1/MWh. The Company is analyzing this regulatory option.

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 June 16, 2021, the National Executive Power enacted Law 27,630 through which it provided for a 7% withholding on dividends distributed to individuals and beneficiaries abroad and established a scale for the calculation of income tax as from fiscal years beginning on January 1, 2021 and subsequent years. The scale applicable for fiscal years beginning on January 1, 2022 is:

Accumulated Net Taxable Profit				
Since	Up to	Will Pay	Plus % of	On the surplus of
—	7,604,948	—	25%	—
7,604,948	76,049,485	1,901,237	30%	7,604,948
76,049,485	onwards	22,434,598	35%	76,049,485

On August 16, 2022, the Federal Administration of Public Revenues published General Resolution 5248 in the Official Gazette, whereby the obligation to pay an extraordinary advance payment of income tax was established under the following premises:

a. 25% of the Income Tax determined in 2021 less withholdings, when such tax has exceeded AR\$ 100,000,000,000.

b. 15% of the Tax Income before offsetting with tax losses from previous years, when such Tax Income has exceeded AR\$ 300,000,000.

The Argentine companies included in the aforementioned Resolution complied with this obligation during the months of October, November and December 2022, in due time and form.

AES ARGENTINA GENERACIÓN BALANCE SHEET

As of December 31, 2022, and December 31, 2021

International Financial Reporting Standards (IFRS).

(End of period exchange rate used to convert AR\$ into US\$ for referential purposes is 177.16 AR\$/US\$.)

Assets	AR\$ Million			US\$ Million
	December 31, 2022	December 31, 2021	Var. %	December 31, 2022
Non- Current Assets				
Investments in subsidiaries and associates	301	275	9 %	2
Property, plant & equipment	76,362	85,874	(11)%	431
Intangible Assets	4,532	5,537	(18)%	26
Inventory	1,968	1,968	— %	11
Accounts receivable from related parties	9	11	(18)%	0
Other financial assets	143	2,507	(94)%	1
Other non-financial assets	314	400	(22)%	2
Trade & Other accounts receivable	17,505	32,728	(47)%	99
Tax assets	2,857	727	293 %	16
Deferred tax assets	5,001	619	708 %	28
Total Non-Current Assets	108,991	130,647	(17)%	615
Current Assets				
Inventory	12,884	8,838	46 %	73
Accounts receivable from related parties	78	116	(33)%	0
Other financial assets	2,144	0	---	12
Other non-financial assets	229	331	(31)%	1
Trade & Other accounts receivable	20,451	21,123	(3)%	115
Cash & Cash equivalents	11,671	9,544	22 %	66
Tax assets	3,224	5,999	(46)%	18
Total Current Assets	50,680	45,950	10 %	286
TOTAL ASSETS	159,671	176,597	(10)%	901

AES ARGENTINA GENERACIÓN BALANCE SHEET

As of December 31, 2022, and December 31, 2021

International Financial Reporting Standards (IFRS).

(End of period exchange rate used to convert AR\$ into US\$ for referential purposes is 177.16 AR\$/US\$)

Liabilities and Shareholders' Equity	AR\$ Million			US\$ Million
	December 31, 2022	December 31, 2021	Var. %	December 31, 2022
Equity				
Issued Equity	1,153	1,153	— %	7
Equity Adjustment	11,793	11,793	— %	67
Irrevocable contributions	321	321	— %	2
Additional paid-in capital	3,119	3,119	— %	18
Legal Reserve	3,213	3,213	— %	18
IFRS special reserve	7,395	7,395	— %	42
Optional Reserves	39,147	36,395	8 %	221
Other Reserves	23,676	25,709	(8)%	134
Retained Earnings	2,134	2,998	(29)%	12
Equity Attributable to Shareholders of Parent	91,951	92,095	— %	519
Non-controlling Interest in Controlled Subsidiaries	328	190	73 %	2
TOTAL EQUITY	92,279	92,285	— %	521
Non-Current Liabilities				
Employee benefits	597	578	3 %	3
Tax liabilities	402	826	(51)%	2
Deferred tax liabilities	1,018	6,429	(84)%	6
Provisions	430	490	(12)%	2
Accounts payable to related parties	281	69	307 %	2
Interest-accruing liabilities	48,461	61,478	(21)%	274
Total Non-Current liabilities	51,189	69,871	(27)%	289
Current Liabilities				
Employee benefits	1,574	1,609	(2)%	9
Tax liabilities	364	338	8 %	2
Accounts payable to related parties	2,338	1,850	26 %	13
Trade & other accounts payable	4,655	4,586	2 %	26
Interest-accruing liabilities	7,271	6,057	20 %	41
Total Current liabilities	16,203	14,441	12 %	91
TOTAL LIABILITIES	67,392	84,312	(20)%	380
Total Liabilities and Equity	159,671	176,597	(10)%	901

AES ARGENTINA GENERACIÓN INCOME STATEMENT

For the periods ended December 31, 2022, and December 31, 2021

International Financial Reporting Standards (IFRS)

(Average exchange rate used to convert AR\$ into US\$ for referential purposes is 130.72 AR\$/US\$ for the twelve-month periods ended December 31, 2022 and 162.54 AR\$/US\$ for the three-month periods ended December 31, 2022)

Income Statement	AR\$ Million			US\$ Million
	FY		Var (%)	FY
	2022	2021		2022
Operating Revenue	70,126	67,052	5 %	536
Cost of Sales	(54,186)	(44,429)	22 %	(415)
Gross Profit	15,940	22,623	(30)%	122
Administrative Expenses	(4,091)	(4,234)	(3)%	(31)
Trading Expenses	(5,764)	(1,935)	198 %	(44)
Other income and expenses	(66)	(166)	(60)%	(1)
Operating Income	6,019	16,288	(63)%	46
Financial Income	11,724	10,956	7 %	90
Financial Expense	(8,645)	(12,276)	(30)%	(66)
Effect of FX differences	(1,815)	2,013	(190)%	(14)
Inflation effect	(14,420)	(11,990)	20 %	(110)
Income from Investments in Associates	78	171	(54)%	1
Income (Loss) before Taxes	(7,059)	5,162	(237)%	(54)
Income Tax	9,345	(2,178)	---	71
Net Income	2,287	2,984	(23)%	17
EBITDA	13,837	25,291	(45)%	106

AES ARGENTINA GENERACIÓN CASH FLOW STATEMENT

For the twelve months period ended December 31, 2022, and December 31, 2021 (cumulative results)
 International Financial Reporting Standards (IFRS)
 (Average exchange rate used to convert AR\$ into US\$ for referential purposes is \$130.72 AR\$/US\$ for the twelve-month period ended December 31, 2022)

	AR\$ Million			US\$ Million
	December 31,			December 31,
	2022	2021	Var (%)	2022
Operating Activities				
Net income	2,287	2,984	(23)%	17
Earnings reconciliation adjustments				
Depreciation & amortization expenses	7,751	8,837	(12)%	59
Result due to loss of property, plant and equipment and intangibles	34	41	(17)%	—
FX differences and conversion differences	15,096	6,467	133 %	115
Loss for partial repurchase of negotiable obligations	366	3,559	---	3
Interest gains and other financial income	(11,724)	(10,956)	7 %	(90)
Income from investments in other companies	(78)	(171)	(55)%	(1)
Income tax expenses	(9,345)	2,178	---	(71)
Provision expenses	116	167	(30)%	1
Accrued interest expenses	7,995	8,533	(6)%	61
Bad debt provision	4,436	761	---	34
Pension plan	291	312	(7)%	2
Adjustments for balance sheet accounts variations				
Inventory	(4,046)	(6,911)	(41)%	(31)
Trade & other account receivables	(2,052)	13,972	(115)%	(16)
Account receivables from related parties	(3,291)	(3,491)	(6)%	(25)
Other non-financial assets	462	1,921	(76)%	4
Trade & other account payables	776	(3,064)	(125)%	6
Accounts payable to related parties	1,978	1,418	39 %	15
Provisions	46	(55)	---	0
Tax Assets	562	913	(38)%	4
Tax Liabilities	709	(1,423)	(150)%	5
Employee benefits	792	662	20 %	6
Income tax paid	(4,949)	(5,822)	(15)%	(38)
Hedging instruments	—	(358)	---	0
Interests received on trade accounts	1,784	2,196	(19)%	14
Net cash flow from operations	9,996	22,670	(56)%	76

AES ARGENTINA GENERACIÓN CASH FLOW STATEMENT (CONTINUED)

For the years ended December 31, 2022, and December 31, 2021 (cumulative results)
 International Financial Reporting Standards (IFRS)
 (Average exchange rate used to convert AR\$ into US\$ for referential purposes is \$130.72 AR\$/US\$ for the twelve-month period ended December 31, 2022)

	AR\$ Million			US\$ Million
	December 31,		Var (%)	December 31,
	2022	2021		2022
Investment Activities				
Purchase of Property, Plant & Equipment	(2,500)	(2,939)	(15)%	(19)
Purchase of intangible assets	(261)	(258)	1 %	(2)
Sale of intangible assets	—	136	---	—
Interests received	4,656	2,812	66 %	36
Dividend Received	39	122	(68)%	—
Sale of short term investment	984	3,699	(73)%	8
Purchase of short term investment	(516)	(1,945)	(73)%	(4)
Net decrease of common investment funds	(639)	(2,374)	(73)%	(5)
Loans granted to related parties	8	(56)	---	—
Net cash flows used in investment activities	1,772	(803)	(321)%	13
Financing Activities				
Proceeds from third-party loans	25,051	7,744	---	192
Guarantee deposit	—	1,645	---	—
Payments of third-party loans	(25,237)	(23,100)	9 %	(193)
Interests paid on third-party loans	(7,904)	(7,789)	1 %	(60)
Proceeds from related party loans	1,098	—	---	8
Payments of related party loans	(1,094)	—	---	(8)
Payment of financial leases	(9)	(10)	(10)%	0
Dividend payments	(153)	(131)	17 %	(1)
Net Cash flows from (used in) financing activities	(8,247)	(21,640)	(62)%	(63)
Effect of FX difference on cash & cash equivalents	(189)	(428)	(56)%	(1)
Net Increase in cash & cash equivalents	3,333	(201)	(1758)%	25
Opening Cash & Cash Equivalent	3,091	3,292	(6)%	24
Ending Cash & Cash Equivalent	6,424	3,091	108 %	49

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, in addition to 16 MW of battery energy storage systems,.

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 2022, The AES Corporation reported \$12.6 billion in revenues and owned and managed \$38 billion in total assets.

To learn more, please visit www.aes.com