



2Q20 Results Conference Call

August 21, 2020



Disclaimer



This earnings presentation contains forward-looking statements that are based on our current expectations, assumptions, estimates and projections about us and our industry. These forward-looking statements can be identified by words or phrases such as “anticipate,” “forecast,” “believe,” “continue,” “estimate,” “expect,” “intend,” “is/are likely to,” “may,” “plan,” “should,” “would,” or other similar expressions.

The forward-looking statements included in this presentation relate to, among others: (i) our business prospects and future results of operations; (ii) the implementation of our combined cycle expansion project; (iii) the implementation of our financing strategy and the cost and availability of such financing; (iv) the competitive nature of the industries in which we operate; (v) future demand and supply for energy and natural gas; (vi) the relative value of the Argentine Peso compared to other currencies; (vii) weather and other natural phenomena; (viii) the performance of the South American and world economies; and (ix) developments in, or changes to, the laws, regulations and governmental policies governing our business, including environmental laws and regulations.

These forward-looking statements involve various risks and uncertainties. Although we believe that our expectations expressed in these forward looking statements are reasonable, our expectations may turn out to be incorrect. Our actual results could be materially different from our expectations. In light of the risks and uncertainties described above, the estimates and forward-looking statements discussed in this release might not occur, and our future results and our performance may differ materially from those expressed in these forward-looking statements due to, inclusive, but not limited to, the factors mentioned above. Because of these uncertainties, you should not make any investment decision based on these estimates and forward-looking statements.

The forward-looking statements made in this earnings release relate only to events or information as of the date on which the statements are made in this report. We undertake no obligation to update any forward-looking statements to reflect events or circumstances after the date on which the statements are made or to reflect the occurrence of unanticipated events.

This presentation does not constitute or form any part of any offer or invitation or inducement to sell or issue, or any solicitation of any offer to purchase or subscribe for, any senior notes or other securities of the Company.



We Successfully Reached Combined Cycle COD In Our Villa Maria and General Rojo Plants

Villa Maria and General Rojo new steam turbine reached COD on August 15 and 20, respectively

Installed Capacity Increased By 100MW To 700MW

Combined cycle operation improves efficiency by 25%, new capacity is powered by steam

15-year PPAs Activated

The steam turbine plus the previously added 4th gas turbine in each plant now under Res 287 scheme

We Continue Delivering Best-In-Class Operational Performance, Even Under Lockdown

Our three plants achieved 99.6% availability factor in 6M20

Financial Performance Remains In Line With Forecast

EBITDA in 6M20 reached USD 50.8 million, 1% higher than 6M19

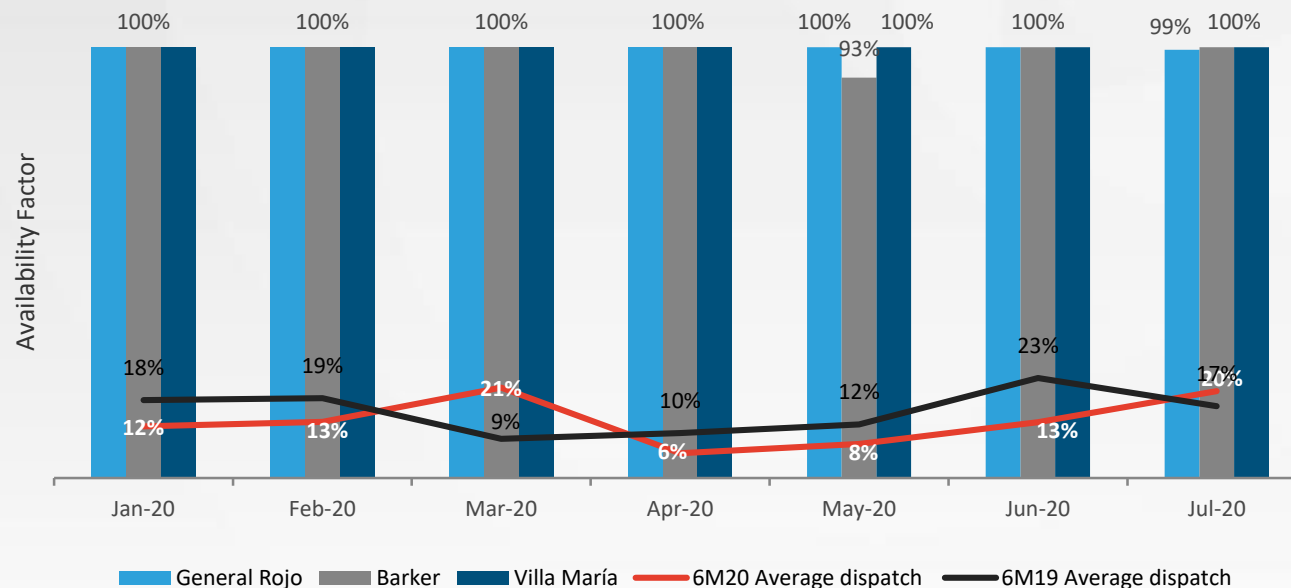
Close To Achieve 100% Capacity Under Combined Cycle

Barker combined cycle conversion advancing at full speed, work-in-progress currently stands at 98%



Commercial Availability

- Health & Safety contingency plan was implemented to enable safe working conditions for our operating teams and staff and secure uninterrupted service of our plants.
- Availability factor, our key performance driver, reached 99.2% during 2Q20 and 99.6% year-to-date. Minor downtime during May in one turbine at Barker plant promptly resolved.
- Dispatch averaged 9% in 2Q20 and 12% in 6M20, slightly lower than previous year, mainly explained by lower energy demand in April and May. Energy demand decreased by 5.7% in 2Q20 and 0.5% in 6M20 compared to the same periods of 2019, as a result of covid-19 lockdown coupled with mild temperatures.
- During July, dispatch increased to 20% as a result of combined cycle tests.

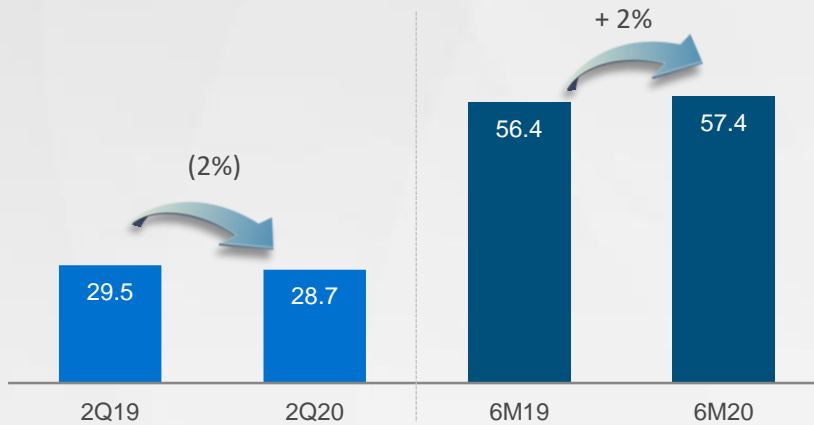


Key metrics	Availability factor	Dispatch
2Q19	99.8%	15%
2Q20	99.2%	9%
6M19	99.9%	15%
6M20	99.6%	12%

Stable and predictable dollar denominated revenues



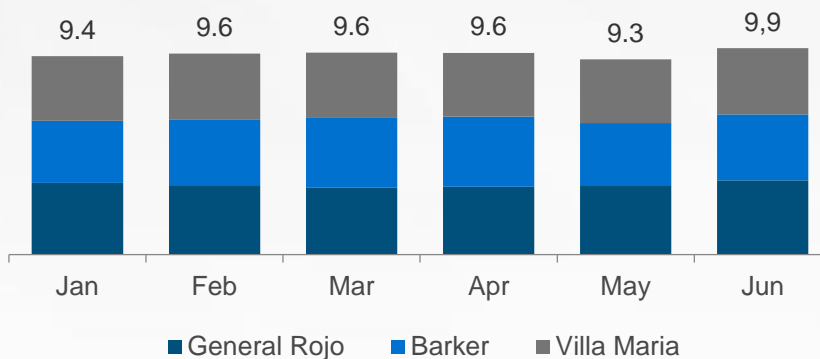
Revenues - USD millions



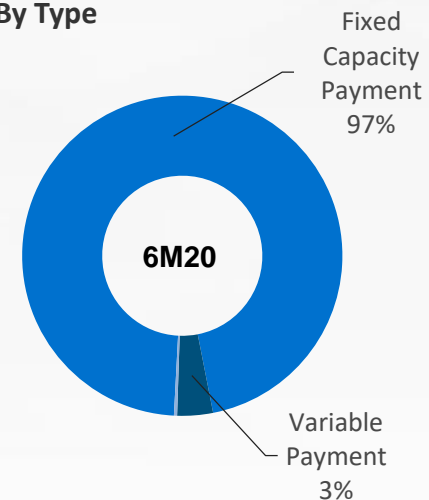
- Revenues in 2Q20 reached USD 28.7 million, 2% lower year-over-year. The slight decrease was mainly driven by slightly lower availability at Barker plant coupled with slightly lower dispatch during the quarter as a result of covid-19.
- Revenues during 6M20 reached USD 57.4 million, 2% higher than 6M19. This increase is mainly explained by the ramp-up of the gas turbine added in each plant between April and July 2019, representing an incremental capacity of 150MW.
- Fixed Capacity payments represented 97% of total revenues.

2020 Revenues Breakdown – USD millions

By month/Plant

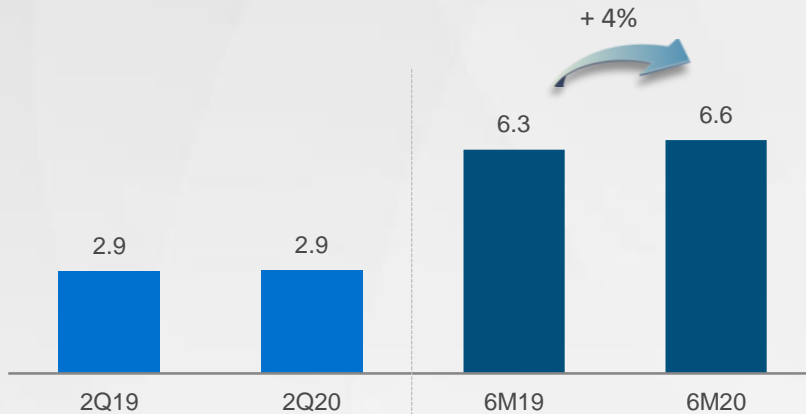


By Type





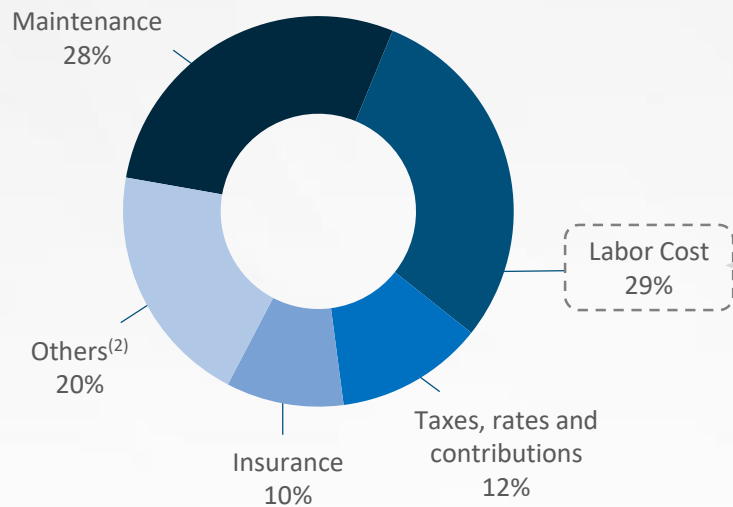
Cash Costs⁽¹⁾ - USD millions



⁽¹⁾ Cost of sales plus General and Administrative Expenses net of DD&A

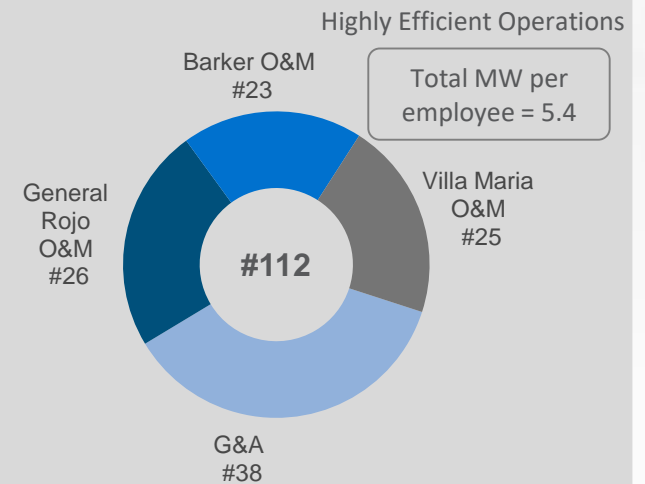
- Cash Costs in 6M20 reached USD 6.6 million, 4% higher than 6M19, mainly driven by higher insurance costs related to the three gas turbines added mid 2019, higher credit and debit taxes and professional fees, partially offset by lower maintenance expenses and the devaluation on our ARS peso denominated expenses.

6M20 Costs Breakdown



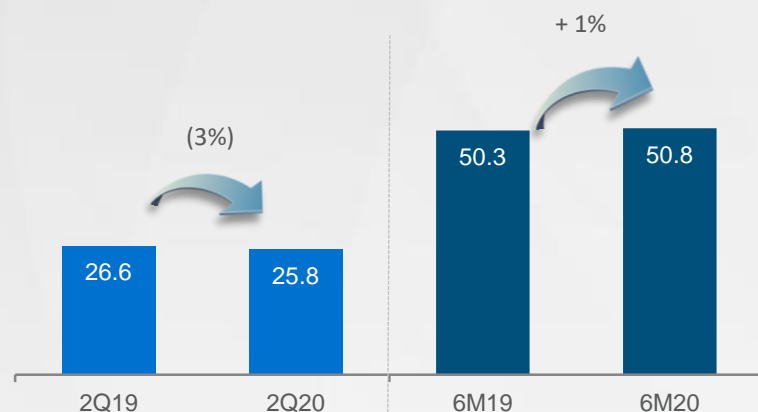
⁽²⁾ Other expenses includes: selling expenses, professional fees, office, vehicles and travel

Headcount - # as of June 30, 2020



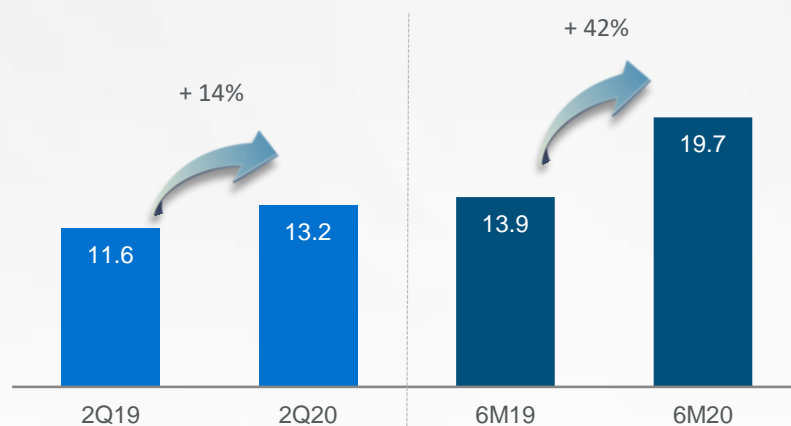


EBITDA - USD millions



- EBITDA during 2Q20 reached USD 25.8 million, 3% lower year-over-year, explained by slightly lower availability and dispatch.
- EBITDA during 6M20 reached USD 50.8 million, 1% higher year-over-year. This increase is mainly explained by the 150MW of incremental capacity, partially offset by lower availability and dispatch and higher cash costs.

Net Income - USD millions

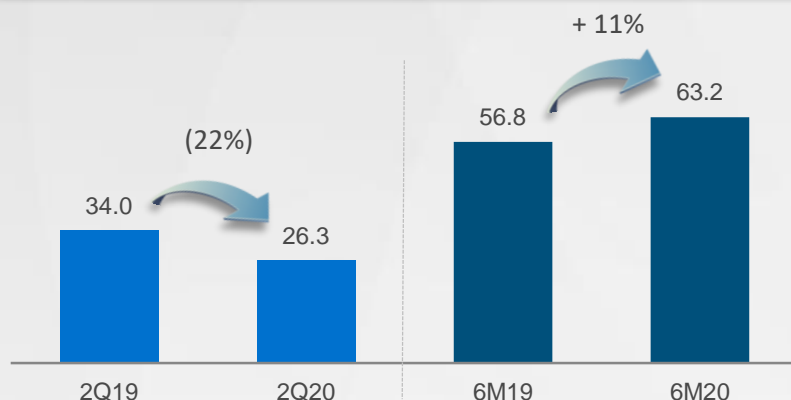


- Net Income during 2Q20 reached USD 13.2 million, USD 1.6 million higher compared to 2Q19.
- Net Income during 6M20 reached USD 19.7 million, USD 5.8 million higher compared to 6M19. This growth is mainly explained by:
 - a USD 0.5 million increase in EBITDA;
 - a USD 0.5 million decrease in DD&A due to lower dispatch;
 - a USD 9.7 million decrease in Net Finance costs;
 - And, partially offset by a USD 4.9 million increase in Income tax expenses as a result of higher profit.

Net Finance Costs breakdown USD mm	2Q19	2Q20	6M19	6M20
Net Interest expense	(8.2)	(12.7)	(19.2)	(24.2)
Foreign exchange gain (loss)	0.8	9.6	(5.9)	8.8
Net Finance costs	(7.4)	(3.2)	(25.1)	(15.4)



Adjusted Operating Cash Flow ⁽¹⁾ - USD millions



⁽¹⁾ Adjusted Operating Cash Flow is defined as Net Cash Flow Provided by Operating Activities net of Tax Receivables related to investments in PP&E (Line item: "Increase in tax assets due to recoverable taxes related for property, plant and equipment").

- Adjusted Operating Cash Flow during 6M20, reached USD 63.2 million, 11% higher year-over-year. This increase is driven by a USD 6.1 million lump sum payment from General Electric related to the General Rojo simple cycle project liquidated damages.
- As of June 30, 2020 overdue Cammesa receivables amounted to USD 12 million vs USD 10 million overdue as of 2019 year end.

Net Debt - USD millions

- Net Debt as of June 30, 2020 stands at USD 838.0 million, consisting of:
 - USD 600 million 2025 Senior Secured Notes
 - USD 250.3 million 2024 Senior Secured Floating Rate Notes
 - USD 13.4 million Short Term Debt

Debt Breakdown USD mm	as of June 30, 2020
Senior secured notes	(859.5)
Short Term Debt	(13.4)
Total Financial Debt ⁽²⁾	(872.9)
Cash	34.9
Net Financial Debt	(838.0)

⁽²⁾ Net of capitalized issuance expenses

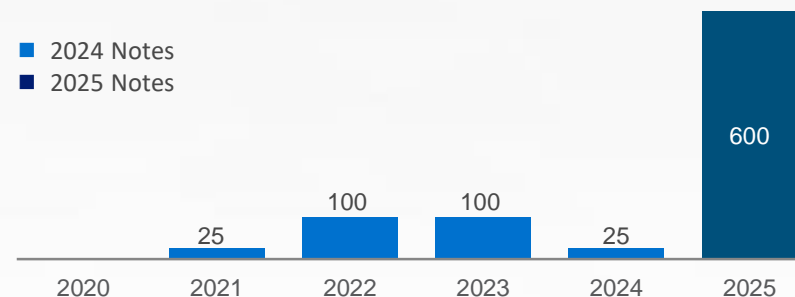
2024 Senior Secured Floating Rate Notes

- Amortization: 10 equal quarterly installments starting on Nov-21

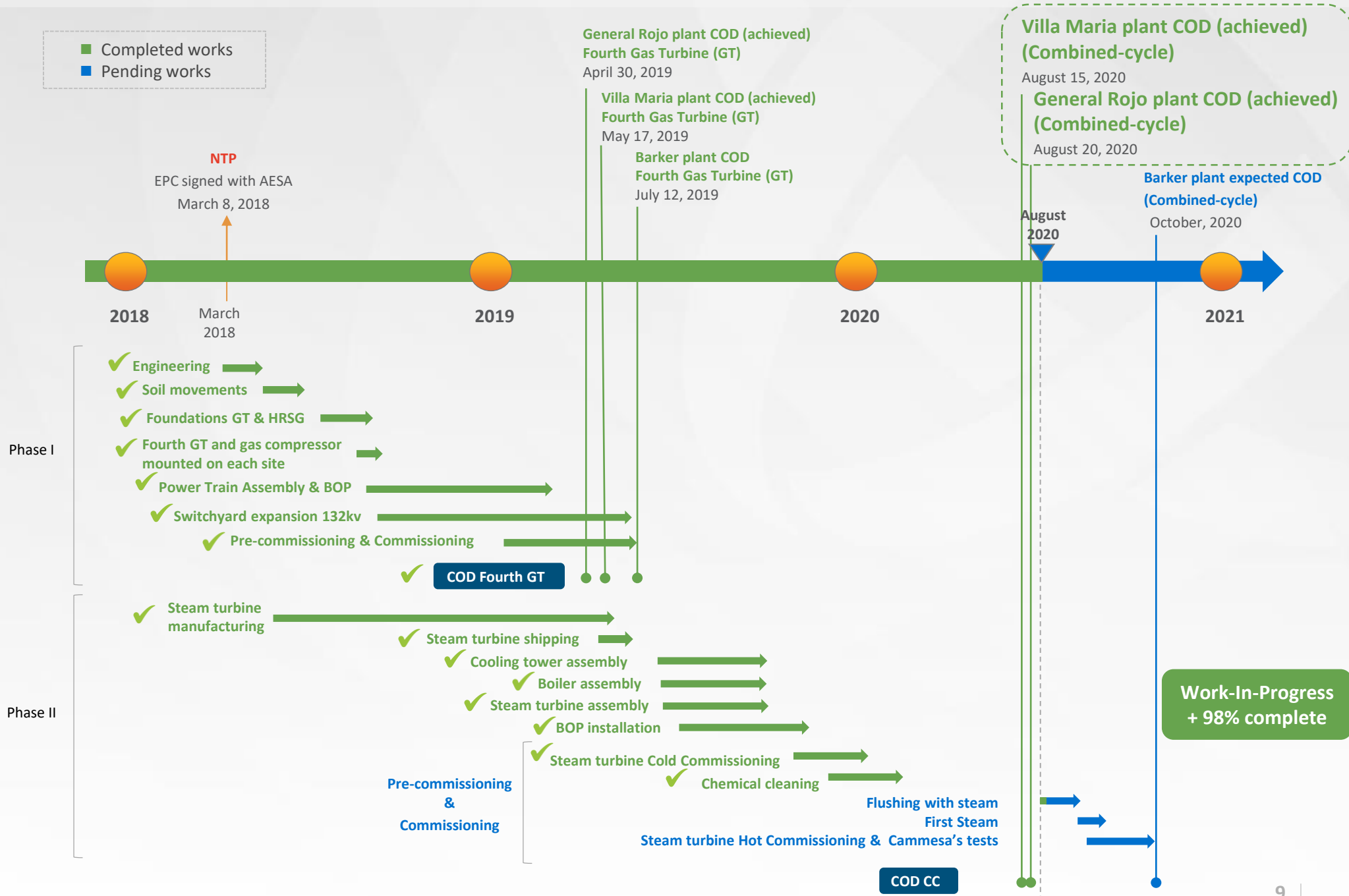
2025 Senior Secured Notes

- Amortization: Bullet February 2025

Pro-forma Debt Amortization

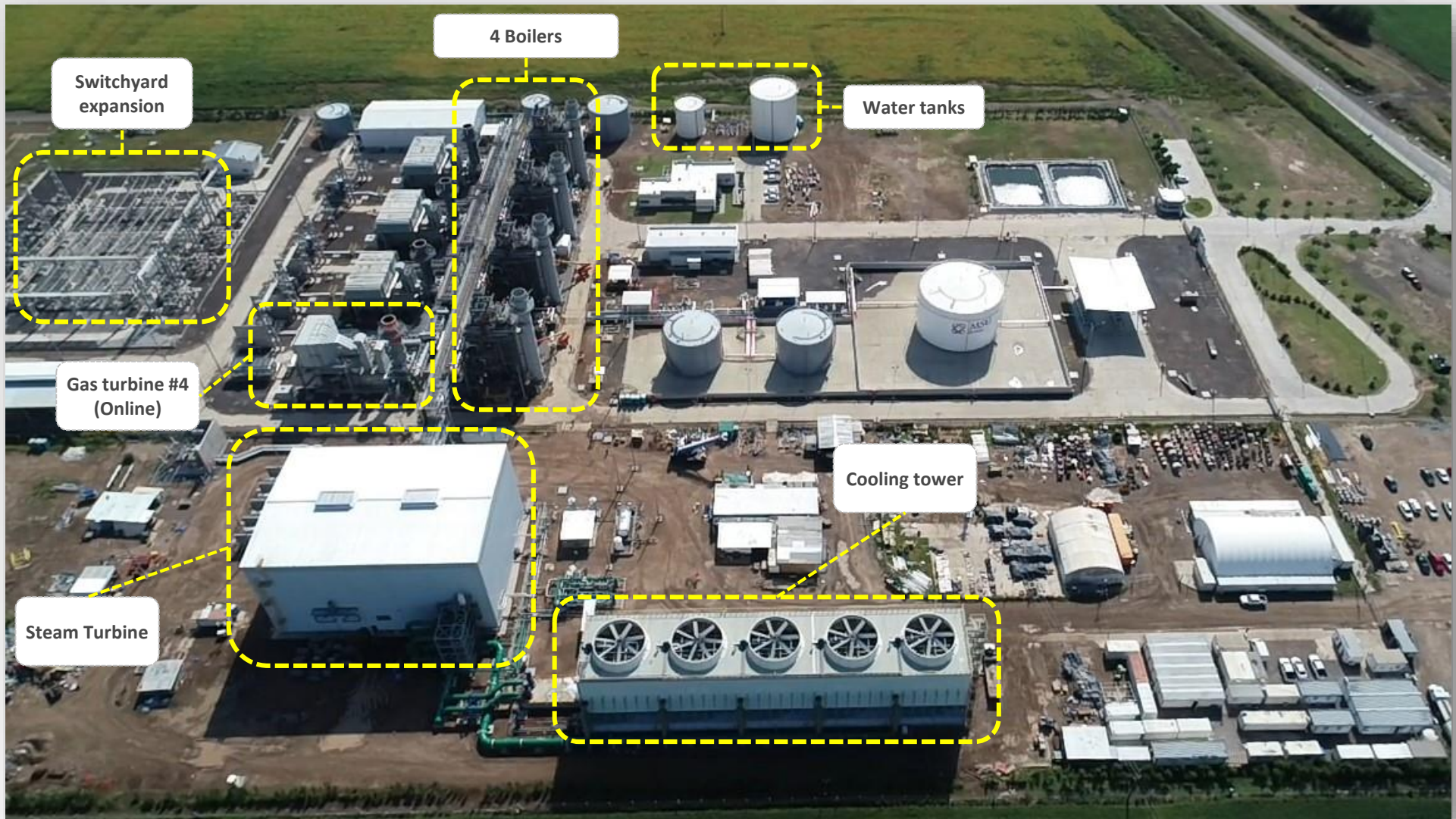


Combined-Cycle project at Barker plant advancing at full speed





Combined Cycle Plant Layout | Key Equipment Installed





Villa Maria Plant





General Rojo Plant





Financial Statements

Financial Highlights – Income Statement



In USD	2Q20	2Q19	6M20	6M19
Net revenue	28,729,436	29,455,843	57,358,473	56,368,023
Cost of sales	(5,404,043)	(6,162,907)	(11,113,100)	(11,710,219)
Gross profit	23,325,393	23,292,936	46,245,373	44,657,804
Other income and expenses-net	-	(376)	-	243,472
General and administrative expenses	(736,091)	(500,995)	(1,795,765)	(1,433,118)
Operating profit	22,589,302	22,791,565	44,449,608	43,468,158
Net finance costs	(3,165,561)	(7,423,072)	(15,395,750)	(25,128,918)
Profit before tax	19,423,741	15,368,493	29,053,858	18,339,240
Income tax expenses	(6,179,029)	(3,796,334)	(9,388,533)	(4,479,575)
Profit for the period	13,244,712	11,572,159	19,665,325	13,859,665
Other comprehensive income	-	-	-	-
Comprehensive income for the period	13,244,712	11,572,159	19,665,325	13,859,665

Financial Highlights - Cash Flows



In USD	As of June 30, 2020	As of June 30, 2019
Operating activities		
Gain for the period	19,665,325	13,859,665
Adjustments for:		
Income tax expense	9,388,533	4,479,575
Depreciation of property, plant and equipment	6,332,159	6,833,722
Foreign exchange, differences	(8,773,826)	5,886,403
Accrued interest, net	24,169,576	19,242,515
Changes in operating assets and liabilities		
Decrease (Increase) in trade receivables	10,285,380	(5,252,251)
Decrease in other assets	6,316,693	6,248,964
Decrease in tax assets	11,189,585	10,507,916
Decrease in trade and other payable	(15,513,933)	(4,778,534)
Increase in taxes payable	45,837	73,291
Increase (Decrease) in other liabilities	113,589	(262,980)
Net cash flows provided by operating activities before Tax payments for PP&E	63,218,918	56,838,286
Increase in tax assets due to recoverable taxes related to property, plant and equipment	(2,933,020)	(21,340,734)
Net cash flows from operating activities	60,285,898	35,497,552
Cash flow from investing activities		
Interest received and other financials receivables	16,145,520	855,441
Payments for acquisition of property, plant and equipment	(16,405,883)	(91,912,572)
Net cash flows used in investing activities	(260,363)	(91,057,131)
Financing activities		
Proceeds from senior secured floating rate notes	300,000	-
Loans received	3,131,691	-
Payments of loans	(6,002,301)	-
Payments of interest and financing expenses	(43,653,064)	(38,979,684)
Net cash flows used in financing activities	(46,223,674)	(38,979,684)
Net increase (decrease) in cash	13,801,861	(94,539,263)
Cash and cash equivalents at the beginning of the period	21,125,794	119,326,703
Cash and cash equivalents at the end of the period	34,927,655	24,787,440
Net increase (decrease) in cash	13,801,861	(94,539,263)

Financial Highlights – Balance Sheet



In USD	As of June 30, 2020	As of December 31, 2019
Assets		
Property, plant and equipment	902,523,917	866,693,539
Loans granted	41,601,259	40,363,564
Tax assets	2,356,561	2,205,762
Deferred tax assets	3,590,901	12,979,434
Other assets	6,511,827	7,153,892
Total non-current assets	956,584,465	929,396,191
Tax assets	21,779,639	34,634,321
Other assets	3,898,015	9,220,530
Trade receivables	37,065,139	47,487,199
Cash and cash equivalents	34,927,655	21,125,794
Total current assets	97,670,448	112,467,844
Total assets	1,054,254,913	1,041,864,035
Shareholders' equity		
Share capital	30,295,440	30,295,440
Merger premium	(20,161,526)	(20,161,526)
Legal reserve	1,475,657	202,266
Other reserves	2,157,498	2,157,498
Retained earnings	53,934,165	35,542,231
Total equity	67,701,234	48,035,909
Liabilities		
Loans	840,285,008	833,192,242
Trade and other payables	5,651,491	8,799,925
Total non-current liabilities	845,936,499	841,992,167
Loans	32,640,949	36,668,614
Other liabilities	868,156	744,649
Taxes payable	10,376,835	5,677,574
Trade and other payable	96,731,240	108,745,122
Total current liabilities	140,617,180	151,835,959
Total liabilities	986,553,679	993,828,126
Total liabilities and equity	1,054,254,913	1,041,864,035

Financial Highlights – EBITDA Reconciliation



In USD	2Q20	2Q19	6M20	6M19
Net profit for the period	13,244,712	11,572,159	19,665,325	13,859,665
Net finance costs	3,165,561	7,423,072	15,395,750	25,128,918
Income tax expense	6,179,029	3,796,334	9,388,533	4,479,575
Depreciation and amortization	3,238,252	3,788,573	6,332,159	6,833,722
EBITDA	25,827,554	26,580,138	50,781,767	50,301,880



Energy moves us

Contact information

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