



2Q21 Results Conference Call

August 13, 2021



Disclaimer

This 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.



MSU Energy | 2Q21 Highlights

- › **Best-in-class operational performance delivered in 2Q21**

Average availability factor reached 99.2%; consistently one of the highest amongst our peers

- › **Solid financial performance**

EBITDA in 2Q21 reached USD 44.1 million, 71% higher than 2Q20

- › **Successful Local Bond Issuance Improved Debt Amortization Profile**

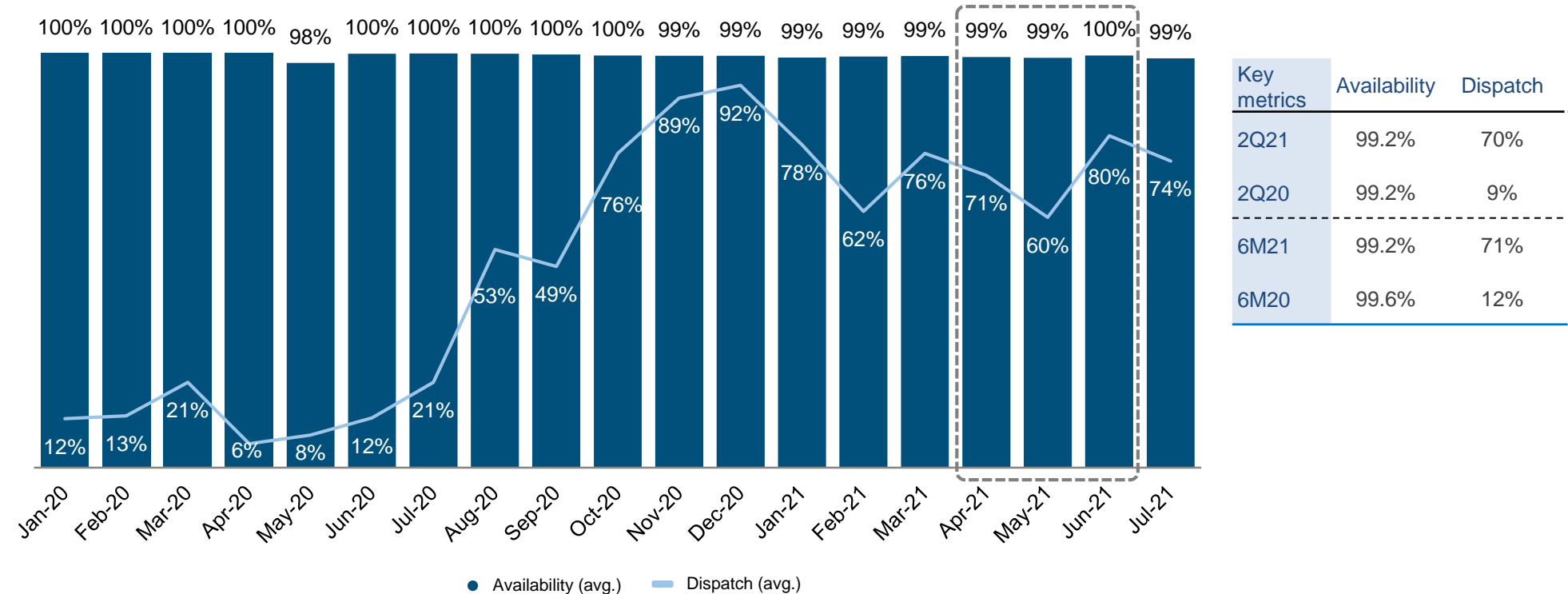
Proceeds of USD 31 million will be used to partially cancel outstanding vendor financing



Solid operational performance

Commercial availability

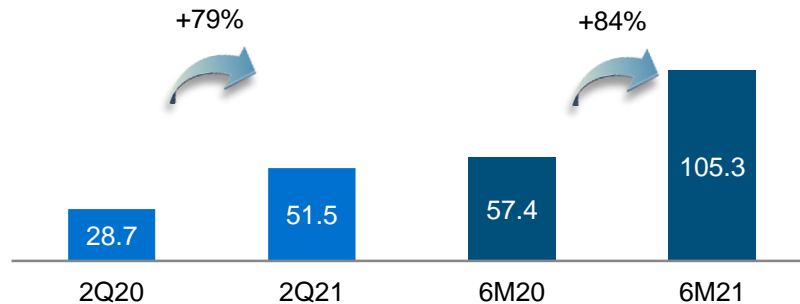
- › Availability factor, our key performance driver, reached 99.2% during 2Q21.
- › Energy demand increased by 13.5% in 2Q21 year-over-year, and 7.3% when compared to the same period of 2019.
- › Dispatch averaged 70% in 2Q21. Fine-tuning and maintenance activities of the combined cycle equipment partially affected operational performance.





Stable and predictable dollar denominated revenues

Revenues – USD millions



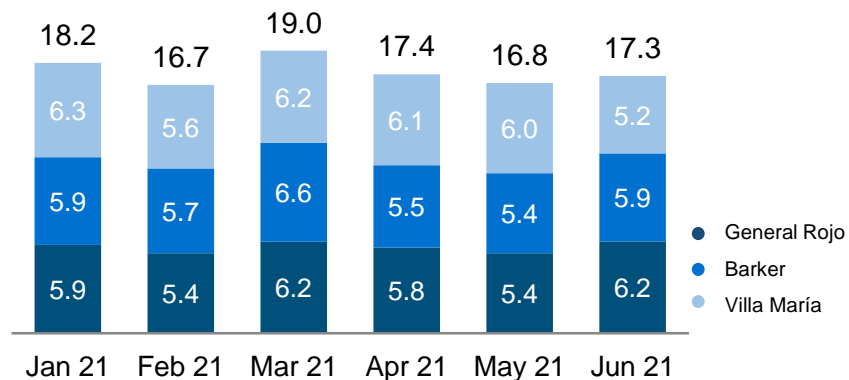
> Revenues reached USD 51.5 million in 2Q21 and USD 105.3 million during 6M21, 79% and 84% higher year-over-year, respectively. The increase is mainly explained by the incremental capacity and higher dispatch resulting from the combined cycle operation in all three plants.

Natural Gas and Diesel Oil usage during 2Q21 averaged 59% and 41%, respectively. The increased use of diesel oil resulted in a reduction in revenues of USD 2 million.

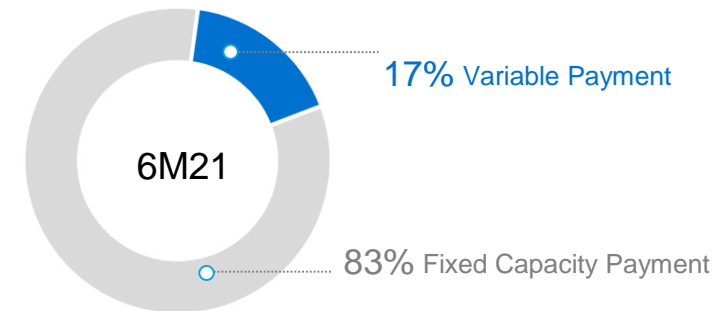
Fixed Capacity payments represented 83% of total revenues in 6M21.

2Q21 Revenues breakdown - USD millions

By Month/Plant



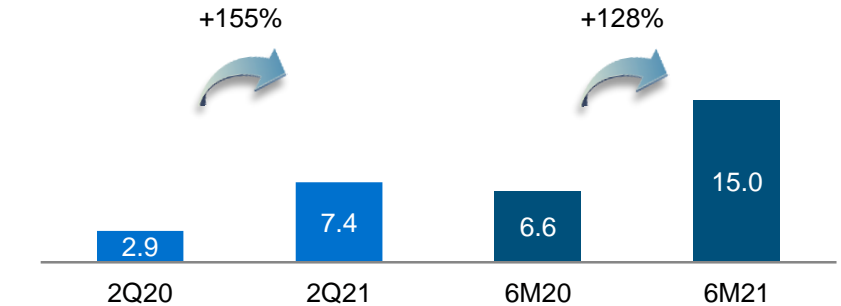
By type





Efficient costs structure

Cash Costs ⁽ⁱ⁾ - USD millions

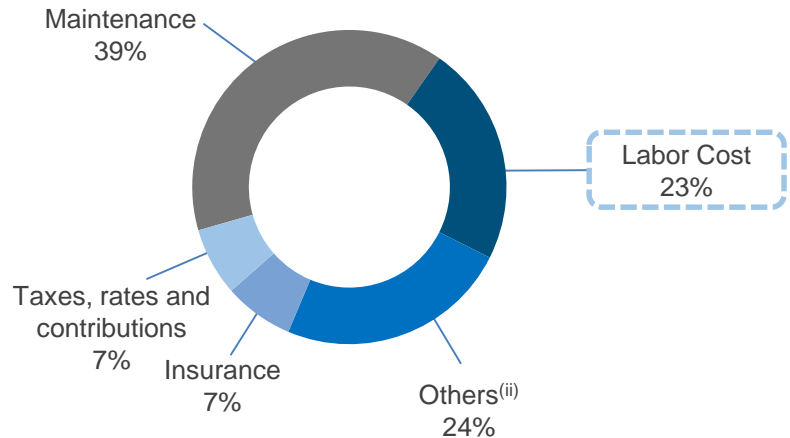


⁽ⁱ⁾ Cost of sales plus General and Administrative Expenses net of DD&A

> Cash Costs⁽ⁱ⁾ reached USD 15.0 million in 6M21, USD 8.4 million higher year-over-year. The increase is mainly driven by:

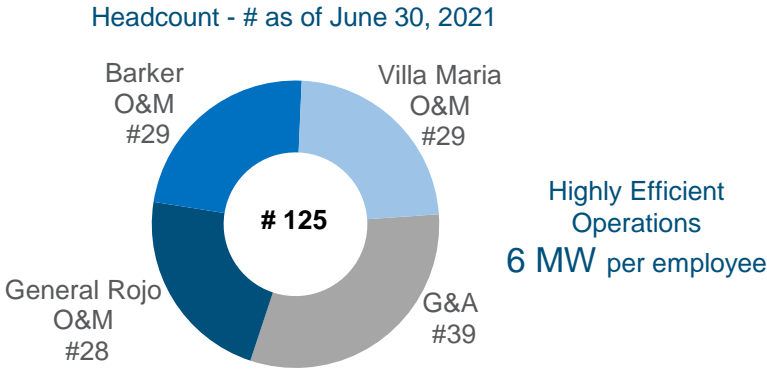
- (i) higher variable maintenance expenses and consumables connected with higher combined cycle dispatch rates;
- (ii) an increase in labor costs related to the incorporation of new employees at each plant for the combined cycle operation; and
- (iii) an increase in plant insurance related to the new combined cycle equipment.

6M21 Costs Breakdown



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

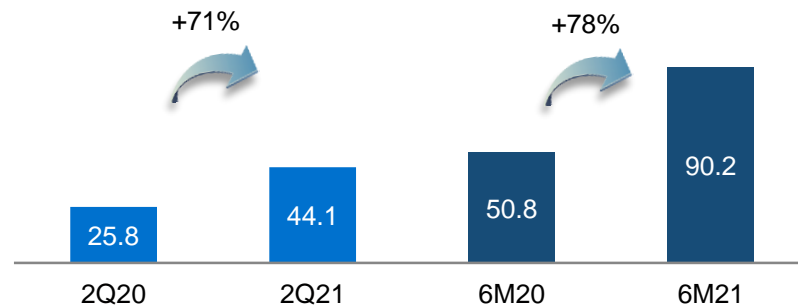
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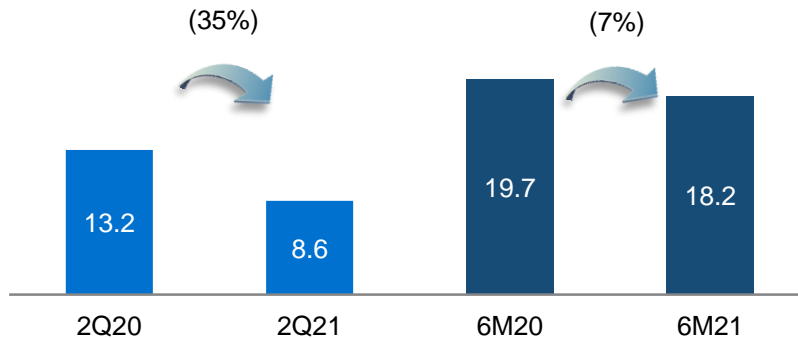
Solid financial performance

EBITDA - USD millions



EBITDA reached USD 44.1 million during 2Q21 and USD 90.2 million during 6M21, 71% and 78% higher year-over-year, respectively. The increase is mainly explained by the incremental capacity coupled with higher variable revenues resulting from the efficiency gained with the conversions to combined cycle offset by higher variable costs.

Net Income - USD millions



Net Income reached USD 18.2 million in 6M21, USD 1.5 million lower year-over-year.

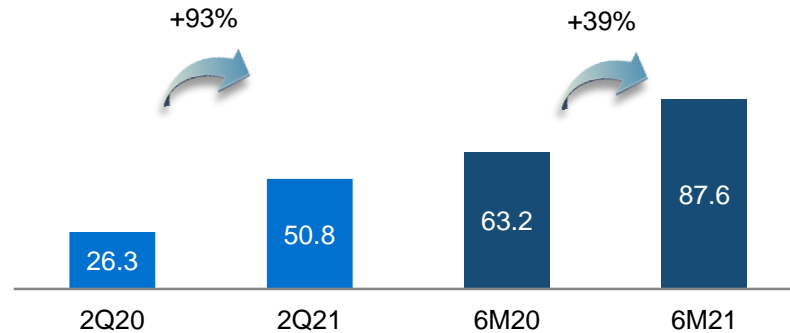
The decrease in 6M21 is mainly explained by (i) a USD 26.6 million increase in Net Financial Costs; (ii) a USD 7.5 million increase in income tax expense; and (iii) a USD 6.8 million increase in DD&A, partially offset by a USD 39.5 million increase in EBITDA.

Net Finance Costs breakdown (USD mm)	2Q20	2Q21	6M20	6M21
Net interest expense	(12.7)	(19.6)	(24.2)	(39.0)
Foreign exchange (loss)	9.5	(1.5)	8.8	(3.0)
Net financial cost	(3.2)	(21.1)	(15.4)	(42.0)



Cash Flow

Adjusted Operating Cash Flow ⁽ⁱ⁾ - USD millions

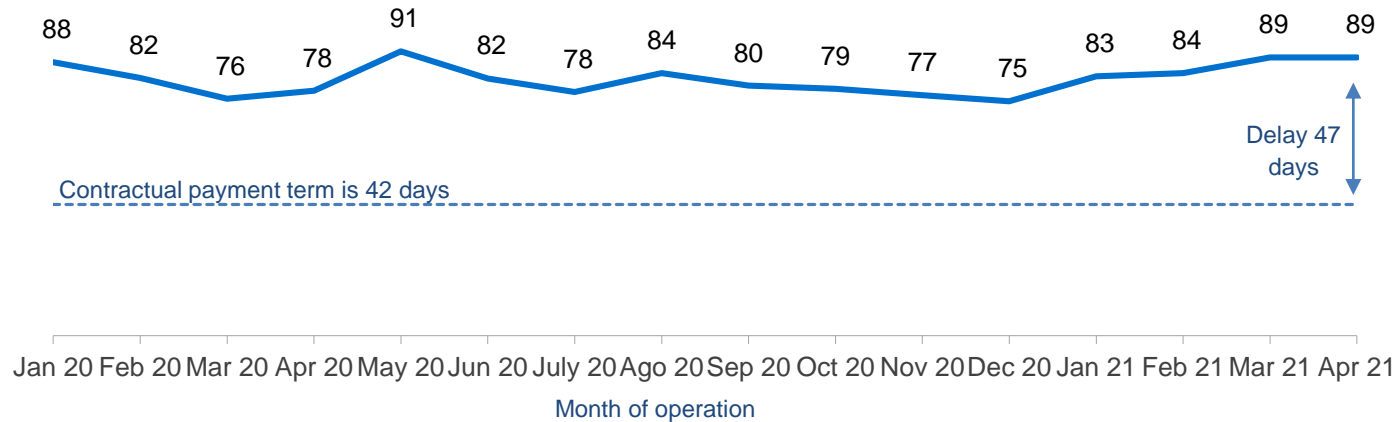


⁽ⁱ⁾ Net Cash Flow Provided by Operating Activities net of Tax Receivables related to investments in PP&E
(Line item: "Increase in tax assets due to recoverable taxes related to property, plant and equipment")

> Adjusted Operating Cash Flow⁽ⁱ⁾ ("AOCF") reached USD 50.8 million during 2Q21 and USD 87.6 million during 6M21, 93% and 39% higher year-over-year, respectively, mainly explained by the ramp up resulting from combined cycle operation.

As of June 30, 2021 overdue Cammesa receivables amounted to USD 33.2 million which were paid during July and August at a weighted average of 89 days.

Cammesa payment days – weighted average



Cammesa avg. monthly collections

Jul-20	100%
Aug-20	39%
Sep-20	161%
Oct-20	100%
Nov-20	87%
Dec-20	113%
Jan-21	100%
Feb-21	100%
Mar-21	100%
Apr-21	69%
May-21	107%
Jun-21	73%
Jul-21	105%



Balance Sheet highlights

Net debt - USD millions

Debt breakdown (USD MM)	As of June 30, 2021
2025 Senior secured notes	(600.0)
2024 Senior secured FRN	(250.3)
Accrued interest, net ⁽ⁱ⁾	(10.3)
Short term debt and others	(4.4)
Total financial debt	(865.0)
Cash	18.7
Net financial debt	(846.3)

(i) Net of capitalized issuance expenses

> Commercial combined cycle debt

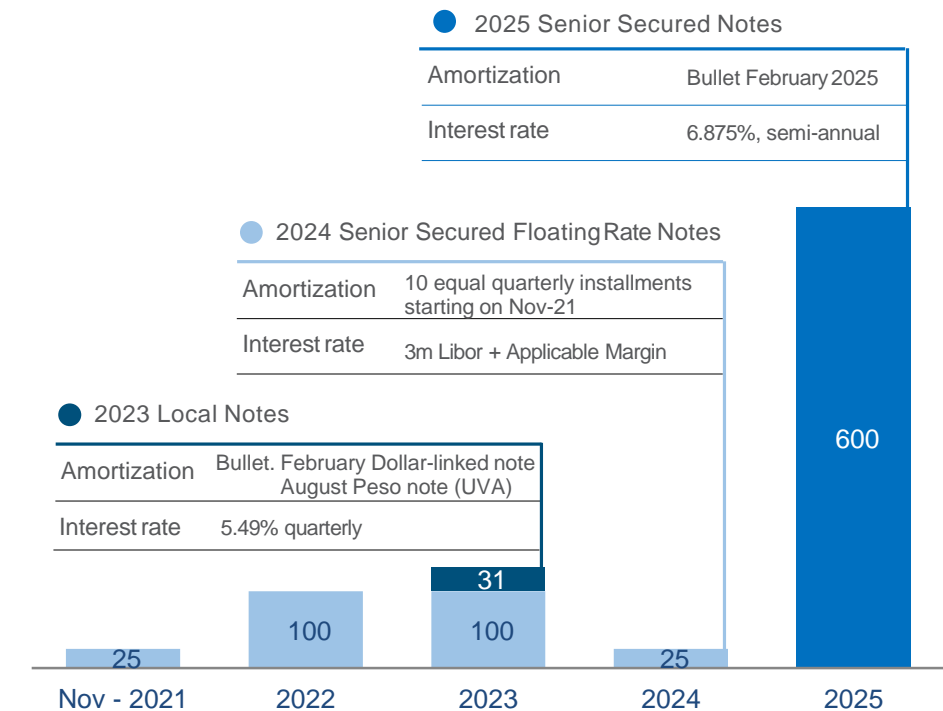
The first six installments of the vendor financing related to the combined cycle expansion with General Electric, AESA (YPF) and other minor suppliers (February-July) were paid in a timely manner.

> Local Bonds issued on August 6 for a total of USD31MM

Proceeds from the local bond issuances will be used to partially cancel the outstanding commercial debt.

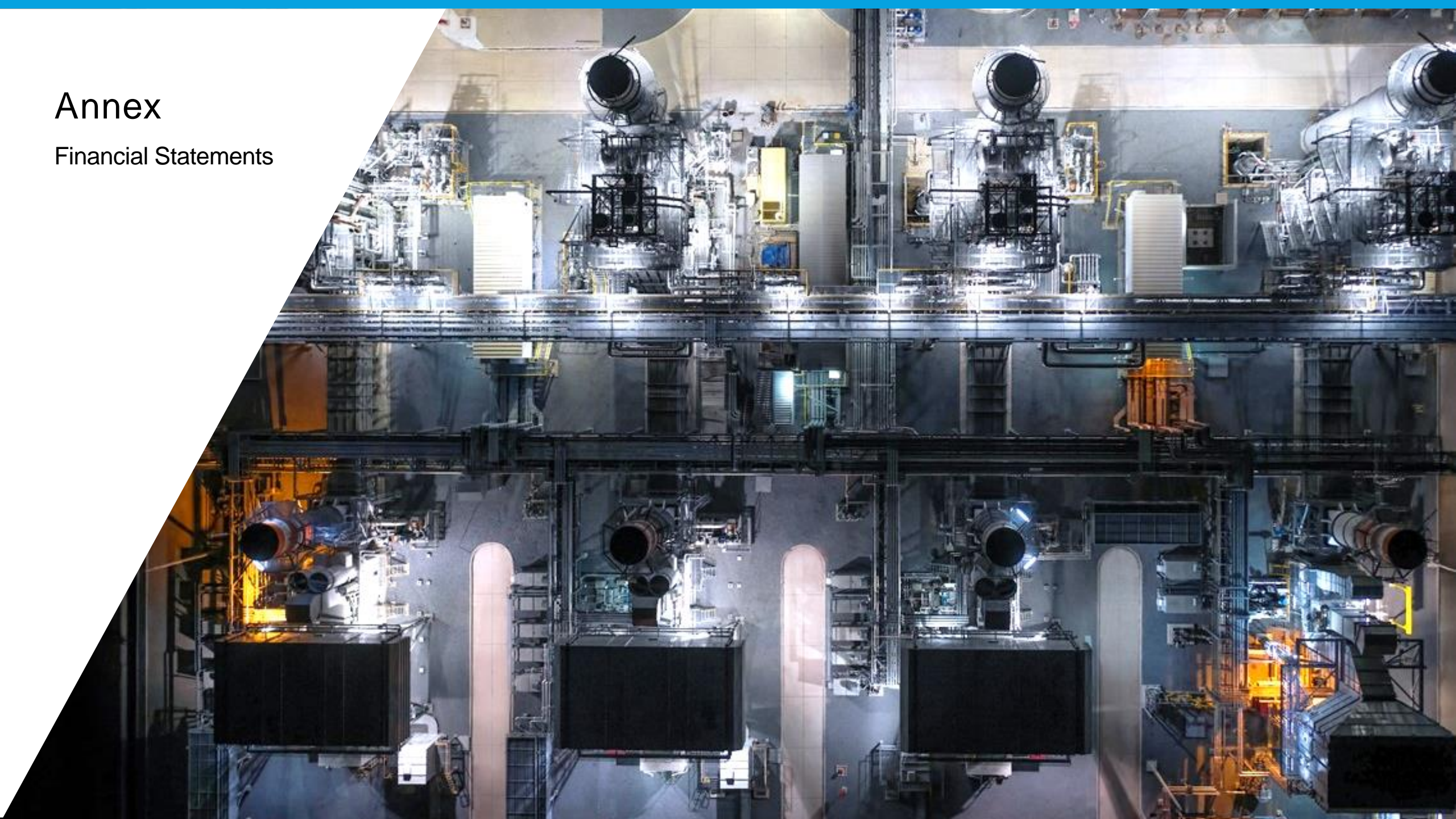
Amortization of Financial Debt- USD millions

- > Debt amortization profile is well aligned with the incremental combined cycle cash flows
- > Steep deleveraging curve as of 2021



Annex

Financial Statements



Financial Highlights - Income Statement



In thousands of USD	2Q21	2Q20	6M21	6M20
Net revenue	51,489	28,729	105,257	57,358
Cost of sales	(12,080)	(5,404)	(24,717)	(11,113)
Gross profit	39,409	23,325	80,541	46,245
General and administrative expenses	(1,798)	(736)	(3,414)	(1,796)
Operating profit	37,611	22,589	77,126	44,450
Net finance costs	(21,099)	(3,166)	(41,994)	(15,396)
Net income before income tax	16,512	19,424	35,132	29,054
Income tax expenses	(7,919)	(6,179)	(16,935)	(9,389)
Net income for the period	8,593	13,245	18,197	19,665
Other comprehensive income	-	-	-	-
Comprehensive income for the period	8,593	13,245	18,197	19,665



Financial Highlights - Cash Flows

In thousands of USD	As of June 30, 2021	As of June 30, 2020
Cash Flow from operating activities		
Income for the period	18,197	19,665
Adjustments for:		
Income tax expense	16,935	9,389
Depreciation of property, plant and equipment	13,122	6,332
Foreign exchange, differences	3,020	(8,774)
Accrued interest, net	38,974	24,170
Changes in operating assets and liabilities		
Decrease in trade receivables	18,265	10,285
Decrease in other assets	1,861	6,317
Decrease in tax assets	6,071	11,190
Decrease in trade and other payable	(28,972)	(15,514)
(Decrease) increase in taxes payables	26	46
Increase in other liabilities	85	114
Net cash flows provided by operating activities before Tax payments for PP&E	87,585	63,219
Increase in tax assets due to recoverable taxes related to property, plant and equipment	(5,144)	(2,933)
Net cash flows from operating activities	82,441	60,286
Cash flow from investing activities		
Interest received and other financials receivables	439	16,146
Payments for acquisition of property, plant and equipment, net of capitalized interest	(54,108)	(16,406)
Net cash flows used in investing activities	(53,669)	(260)
Cash flow from financing activities		
Proceeds from senior secured floating rate notes	-	300
Loans received	10,365	3,132
Payments of loans	(12,021)	(6,002)
Payments of financial leasing	(48)	-
Payments of interest and financing expenses	(43,742)	(43,653)
Net cash flows used in financing activities	(45,446)	(46,224)
Cash and cash equivalents at the beginning of year	35,399	21,126
Cash and cash equivalents at the end of the period	18,724	34,928
Net (decrease) increase in cash	(16,675)	13,802



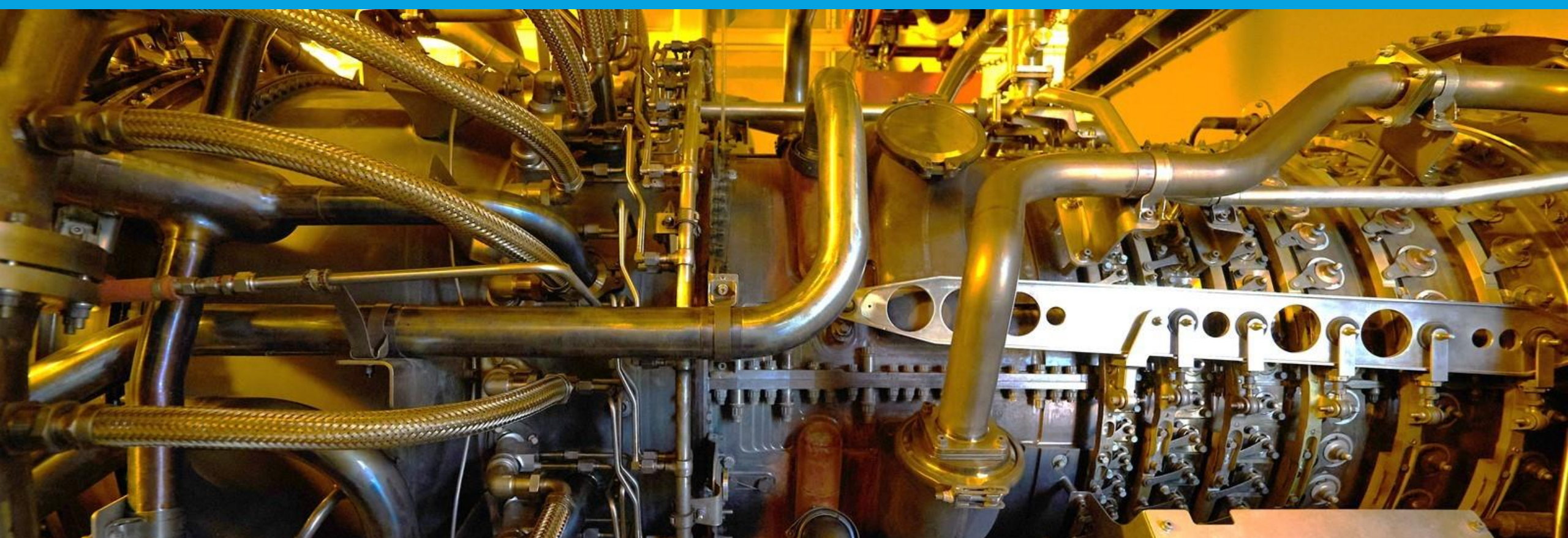
Financial Highlights - Balance Sheet

In thousands of USD	As of June 30, 2021	As of Dec 31, 2020
Assets		
Property, plant and equipment	943,800	953,195
Loans granted	44,083	42,853
Tax assets	1,653	1,299
Other assets	5,545	6,075
Total non-current assets	995,081	1,003,421
Tax assets	3,261	6,637
Other assets	5,120	5,882
Trade receivables	74,826	89,170
Cash and cash equivalents	18,724	35,399
Total current assets	101,931	137,088
Total assets	1,097,012	1,140,509
Shareholders' equity		
Share capital	30,295	30,295
Merger premium	(20,162)	(20,162)
Legal reserve	2,547	1,476
Other reserves	40,254	2,157
Retained earnings	40,672	61,642
Total equity	93,607	75,409
Liabilities		
Deferred tax payable	32,204	15,269
Loans	768,019	816,503
Taxes payable	4,687	4,390
Trade and other payables	2,261	3,422
Total non-current liabilities	807,170	839,583
Loans	96,994	49,179
Other liabilities	994	900
Taxes payable	1,841	2,218
Trade and other payable	96,405	173,219
Total current liabilities	196,235	225,516
Total liabilities	1,003,406	1,065,099
Total liabilities and equity	1,097,012	1,140,509

Financial Highlights - EBITDA Reconciliation



In thousands of USD	2Q21	2Q20	6M21	6M20
Net income for the period	8,593	13,244	18,197	19,665
Net finance costs	21,100	3,166	41,994	15,396
Income tax expense	7,918	6,179	16,935	9,389
Depreciation and amortization	6,489	3,238	13,122	6,332
EBITDA	44,101	25,828	90,249	50,782



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