



# 1Q22 Results Conference Call

May 12, 2022



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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.

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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.

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## MSU Energy | 1Q22 Highlights

- › **Best-in-class operational performance delivered in 1Q22**

Average availability factor reached 99.8%; consistently one of the highest amongst our peers

- › **Solid financial performance**

EBITDA in 1Q22 reached USD 43.1 million

- › **2024 bond february amortization fully paid**

December's hard-dollar issuance secured the necessary funds to meet February and the upcoming May amortizations.

- › **Cammesa's payments accelerated since March**

Weighted average payment days currently stands at 54 days

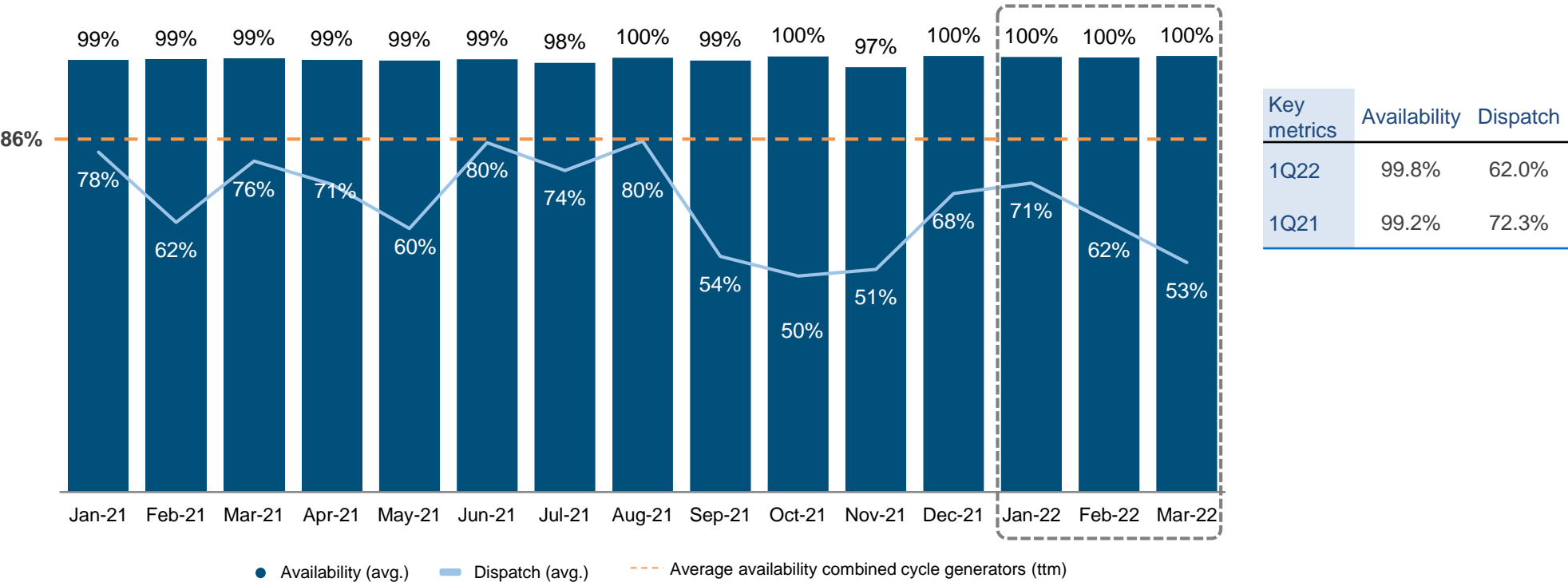




# Solid operational performance

## Key Performance Indicators

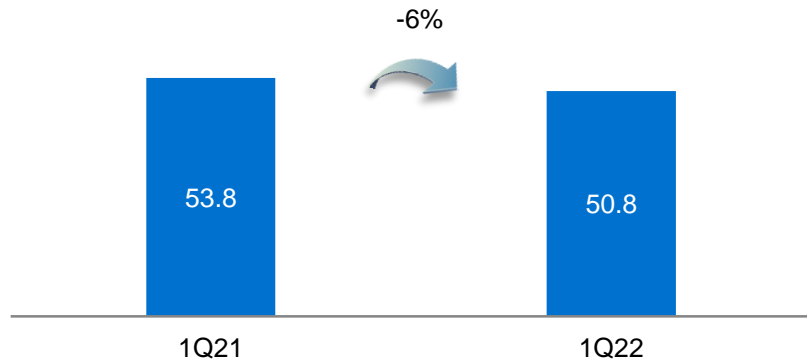
- > Availability factor, our key performance driver, reached 99.8% during 1Q22, consistently one of the highest in the sector.
- > Our average dispatch rate in 1Q22 reached 62%, partially affected by programmed annual maintenance performed during February and March in two plants. Scheduled maintenance of GTs agreed with Cammesa does not affect fixed capacity payments.
- > Aggregate energy demand during 1Q22 increased by 4.3% compared to the same period of 2021. The growth in demand is mainly explained by higher residential and commercial consumption.





## Stable and predictable dollar denominated revenues

### Revenues – USD millions

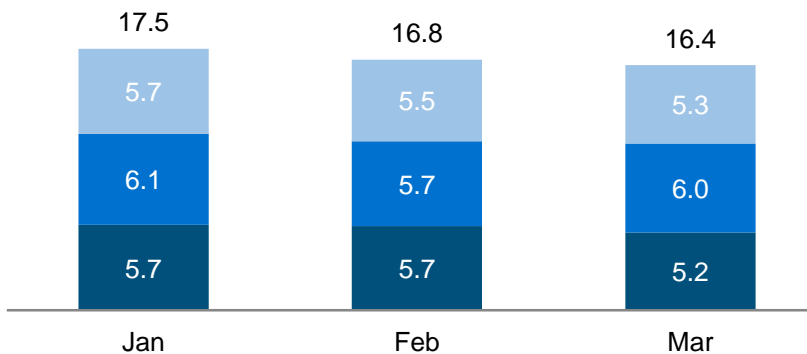


> Revenues reached USD 50.8 million in 1Q22, 6% lower year-over-year mainly explained by lower dispatch rate and higher diesel oil utilization.

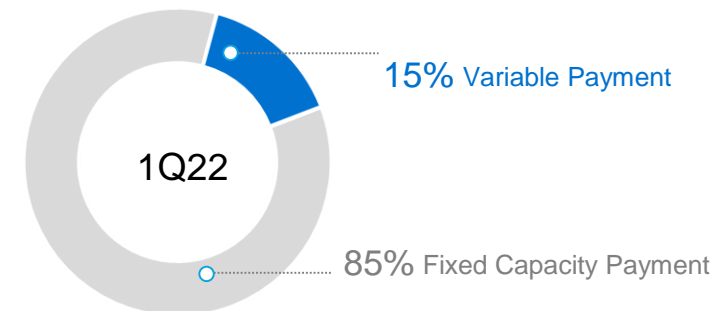
> Fixed Capacity payments, driven by availability factor, represented 85% of total revenues in 2022.

### 1Q22 Monthly revenues breakdown - USD millions

By Month/Plant



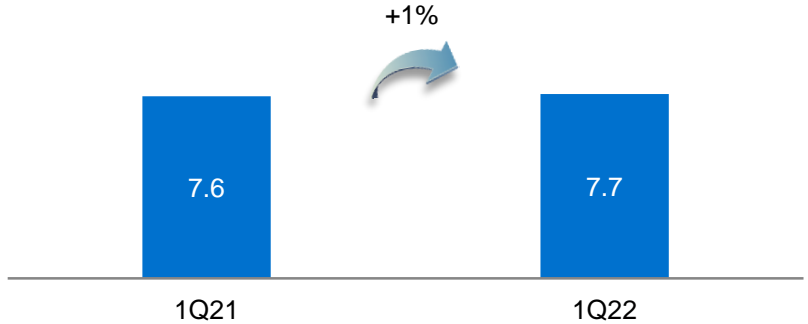
By type





# Efficient costs structure

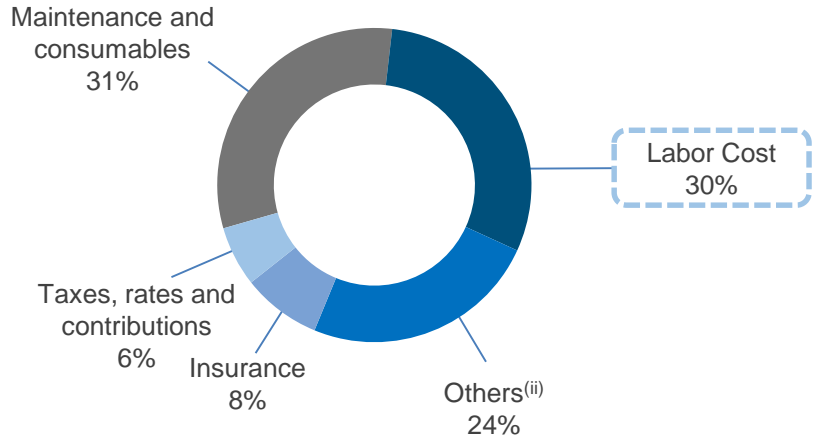
## Cash Costs <sup>(i)</sup> - USD millions



<sup>(i)</sup> Cost of Sales plus General and Administrative Expenses net of DD&A

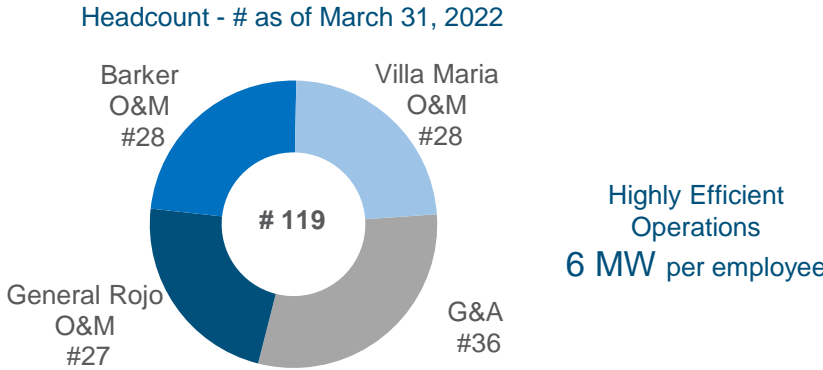
> Cash Costs<sup>(i)</sup> reached USD 7.7 million in 1Q22, USD 0.1 million higher year-over-year. The slight increase is mainly driven by: (i) an increase in labor costs related to the appreciation in real terms of the ARS peso, (ii) higher maintenance expenses related to the programmed annual maintenance, partially compensated by (iii) lower CSA variable costs and consumables due to lower dispatch.

## 1Q22 Costs Breakdown



<sup>(ii)</sup> Other expenses includes: selling expenses, professional fees, office, vehicles and travel

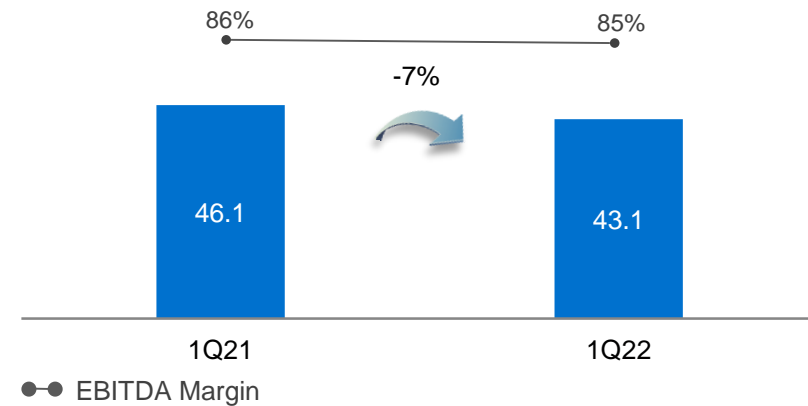
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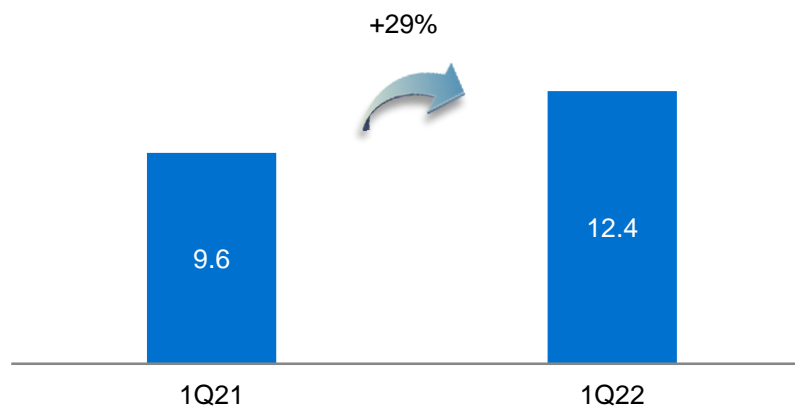


## Solid financial performance

### EBITDA - USD millions



### Net Income - USD millions



EBITDA was USD 43.1 million in 1Q22, 7% or USD 3 million lower year-over-year as a result of lower dispatch in connection with annual maintenance and lower natural gas utilization.

Net Income reached USD 12.4 million during 1Q22, USD 2.8 million higher year-over-year.

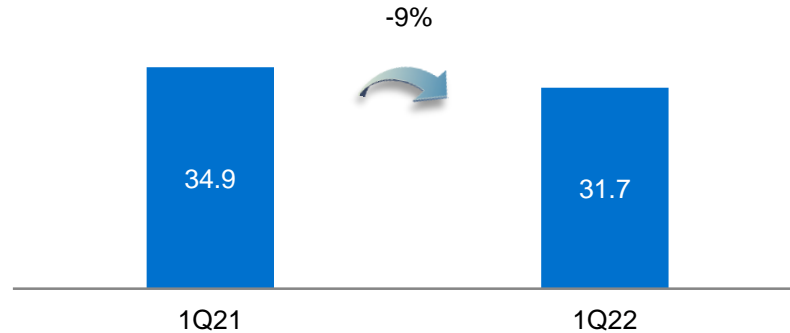
The increase in 1Q22 is mainly explained by: (i) a USD 5.9 million decrease in income tax expense and (ii) USD 0.3 million decrease in DD&A, partially offset by (iii) a USD 3 million decrease in EBITDA, and (iv) a USD 0.4 million increase in Net Financial Costs.

Net Finance Costs breakdown (USD mm)	1Q21	1Q22
Net interest expense	(19.4)	(18.9)
Foreign exchange (loss)	(1.5)	(2.4)
Net financial cost	(20.9)	(21.3)



## Cash Flow

### Adjusted Operating Cash Flow <sup>(i)</sup> - USD millions

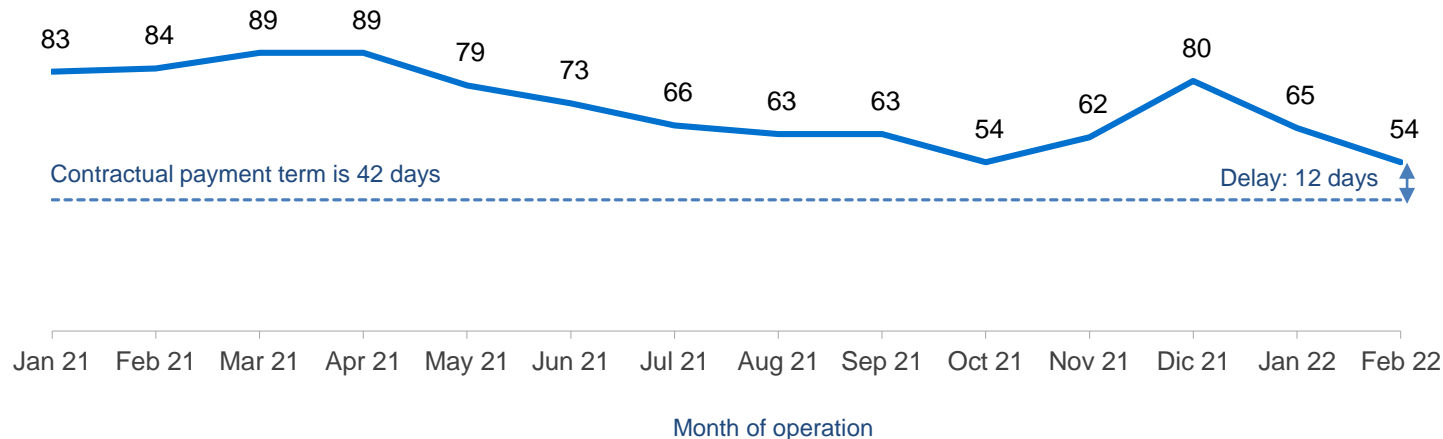


<sup>(i)</sup> Net Cash Flow Provided by Operating Activities net of Tax Receivables related to investments in PP&E  
(Line item: "Increase in tax assets due to recoverable taxes related to property, plant and equipment")

> Adjusted Operating Cash Flow<sup>(i)</sup> ("AOCF") reached USD 31.7 million during 1Q22 and USD 34.9 million in 1Q21, 9% lower year-over-year.

> As of March 31, 2022 overdue Cammesa receivables amounted to USD 10 million, which were paid during April at a weighted average of 54 days.

### Cammesa payment days – weighted average



#### Average monthly collections from Cammesa

Jan-21	100%
Feb-21	100%
Mar-21	100%
Apr-21	69%
May-21	107%
Jun-21	73%
Jul-21	105%
Aug-21	146%
Sep-21	148%
Oct-21	106%
Nov-21	46%
Dec-21	190%
Jan-22	58%
Feb-22	52%
Mar-22	153%
Apr-22	147%





# Balance Sheet highlights

## Net debt - USD millions

Debt breakdown (USD MM)	As of March 31, 2022
2025 Senior secured notes	(600.0)
2024 Senior secured FRN	(200.2)
2023 Local notes	(63.2)
Loans	(14.8)
Accrued interest, net <sup>(i)</sup>	(2.1)
<b>Total financial debt</b>	<b>(880.3)</b>
<b>Cash</b>	<b>38.4</b>
<b>Net financial debt</b>	<b>(841.9)</b>
<b>Net leverage ratio (over LTM EBITDA)</b>	<b>4.75x</b>

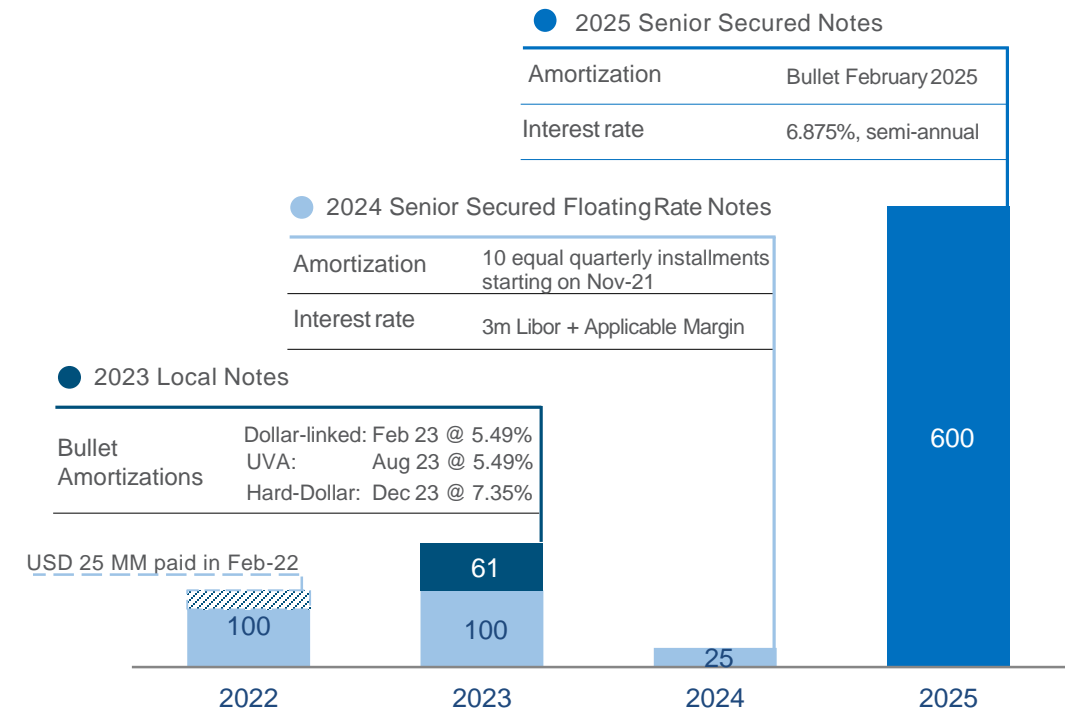
(i) Net of capitalized issuance expenses

### 2024 Senior secured FRN

- > First two amortizations of the 2024 Notes (Nov-21 and Feb-22) already paid.
- > Upcoming May amortization of USD 25 million on May 31, has the funds already secured by December's hard-dollar local issuance.

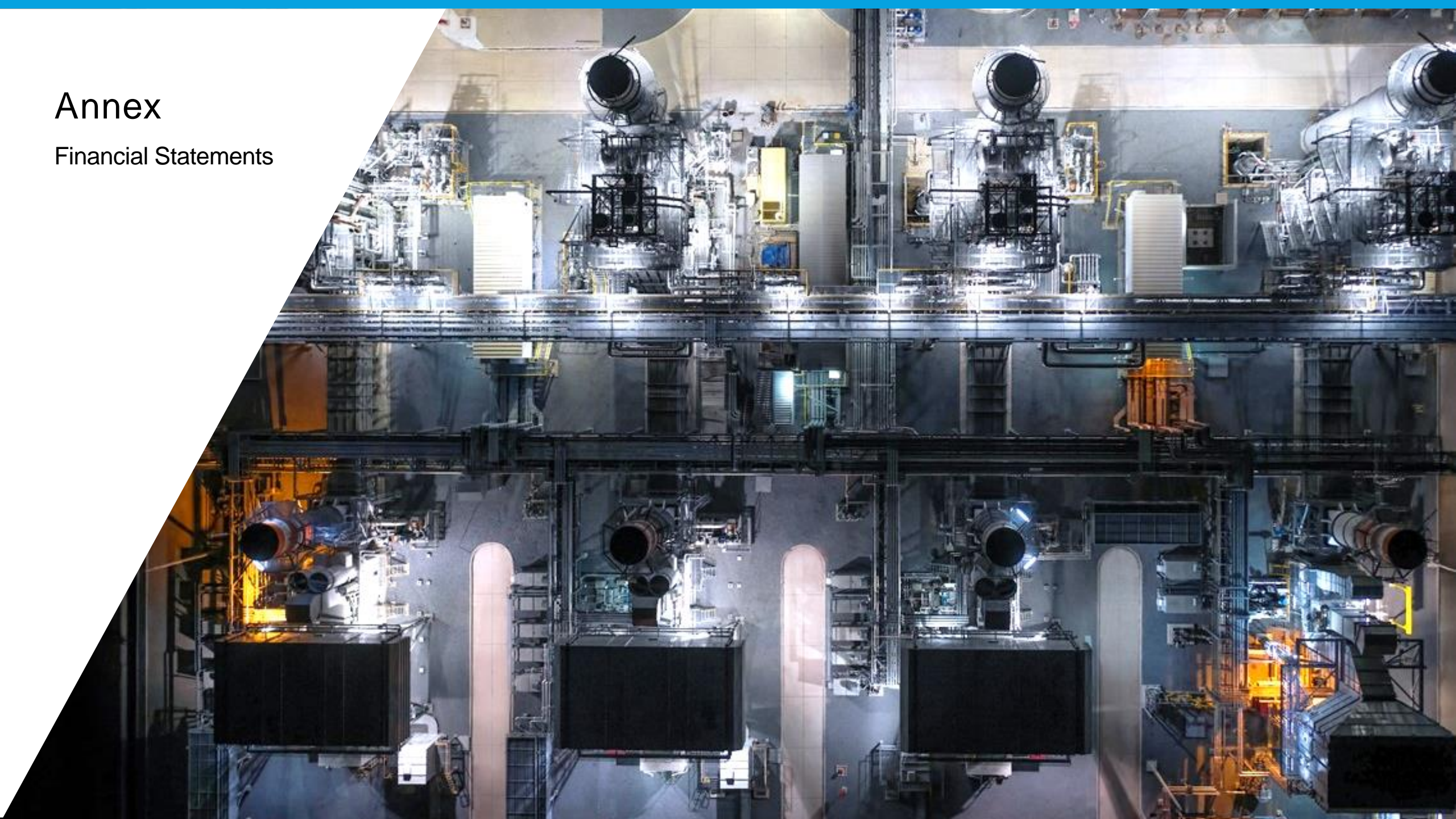
## Debt amortization of financial debt – USD millions

- > Debt amortization profile is well aligned with the incremental combined cycle cash flows.
- > Steep deleveraging to continue throughout 2022-2023.



# Annex

## Financial Statements



# Financial Highlights - Income Statement



In thousands of USD	1Q22	1Q21
Net revenue	50,799	53,769
Cost of sales	(12,337)	(12,637)
<b>Gross profit</b>	<b>38,462</b>	<b>41,132</b>
General and administrative expenses	(1,696)	(1,617)
<b>Operating profit</b>	<b>36,767</b>	<b>39,515</b>
Net finance costs	(21,273)	(20,894)
<b>Net income before income tax</b>	<b>15,494</b>	<b>18,620</b>
Income tax expenses	(3,074)	(9,017)
<b>Net income for the period</b>	<b>12,420</b>	<b>9,604</b>
Other comprehensive income	-	-
<b>Comprehensive income for the period</b>	<b>12,420</b>	<b>9,604</b>





# Financial Highlights - Cash Flows

In thousands of USD	As of Mar 31, 2022	As of Mar 31, 2021
<b>Cash Flow from operating activities</b>		
Income for the period	12,420	9,604
<b>Adjustments for:</b>		
Income tax expense	3,074	9,017
Depreciation of property, plant and equipment	6,318	6,633
Foreign exchange, differences	2,405	1,525
Accrued interest, net	18,868	19,370
<b>Changes in operating assets and liabilities</b>		
Decrease in trade receivables	(9,208)	17,385
Decrease in other assets	1,220	1,648
Decrease in materials and spare parts	(2,459)	(752)
Decrease (increase) in tax assets	(1,537)	(5,065)
Decrease in trade and other payable	368	(24,195)
Increase in other liabilities	21	42
Increase (decrease) in taxes payables	184	(291)
<b>Net cash flows provided by operating activities before Tax payments for PP&amp;E</b>	<b>31,673</b>	<b>34,921</b>
Increase in tax assets due to recoverable taxes related to property, plant and equipment	-	(4,698)
<b>Net cash flows from operating activities</b>	<b>31,673</b>	<b>30,223</b>
<b>Cash flow from investing activities</b>		
Interest received and other financials receivables	753	685
Payments for acquisition of property, plant and equipment, net of capitalized interest	(756)	(26,831)
<b>Net cash flows used in investing activities</b>	<b>(3)</b>	<b>(26,146)</b>
<b>Cash flow from financing activities</b>		
Payments of senior secured floating rate notes	(25,030)	-
Payments of financial leasing	(7)	(23)
Loans received	-	10,365
Payments of loans	-	(5,674)
Payments of interest and financing expenses	(30,625)	(31,776)
<b>Net cash flows used in financing activities</b>	<b>(55,662)</b>	<b>(27,107)</b>
Cash and cash equivalents at the beginning of year	62,819	35,399
Exchange rate difference	(470)	(531)
Cash and cash equivalents at the end of the period	38,357	11,837
<b>Net (decrease) increase in cash</b>	<b>(23,992)</b>	<b>(23,031)</b>

# Financial Highlights - Balance Sheet



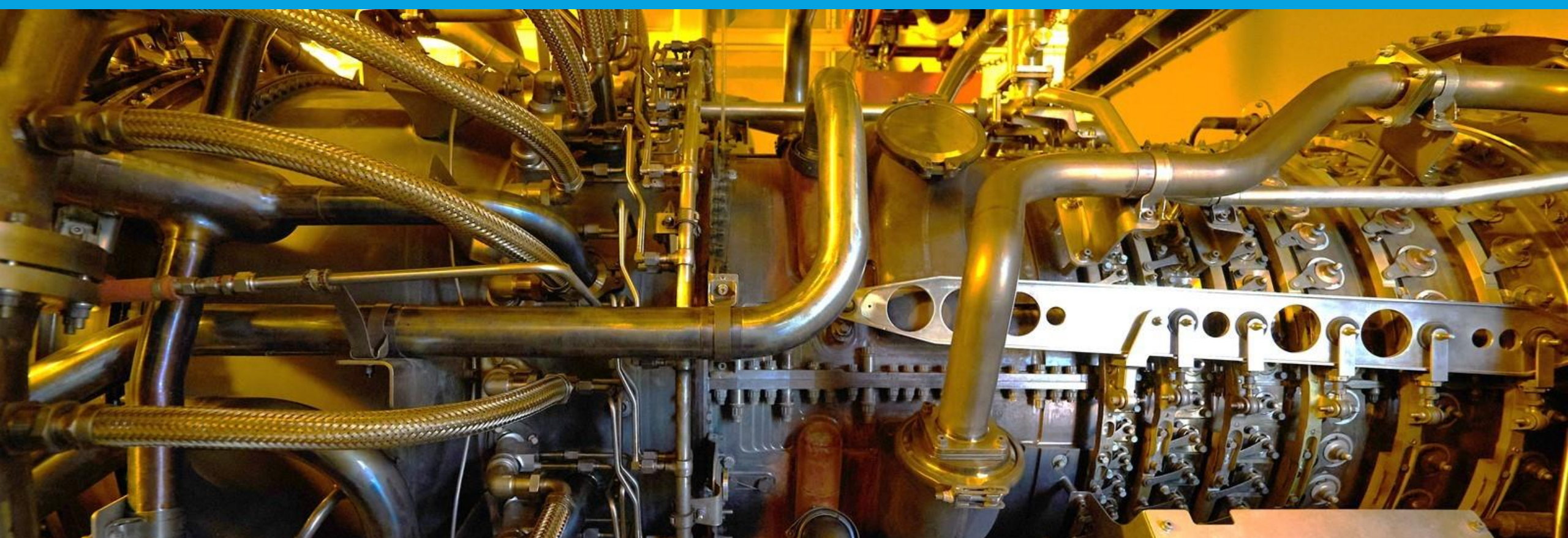
	As of March 31, 2022	As of Dec 31, 2021
<b>Assets</b>		
Property, plant and equipment	915,257	921,392
Loans granted	45,947	45,335
Other assets	4,777	4,903
Tax assets	2,076	2,097
<b>Total non-current assets</b>	<b>968,058</b>	<b>973,727</b>
Tax assets	3,841	2,649
Other assets	5,553	6,459
Materials and spare parts	15,027	12,568
Trade receivables	52,342	43,040
Cash and cash equivalents	38,357	62,819
<b>Total current assets</b>	<b>115,121</b>	<b>127,535</b>
<b>Total assets</b>	<b>1,083,178</b>	<b>1,101,261</b>
<b>Shareholders' equity</b>		
Share capital	30,295	30,295
Merger premium	(20,162)	(20,162)
Legal reserve	2,547	2,547
Other reserves	40,254	40,254
Retained earnings	87,607	75,187
<b>Total equity</b>	<b>140,542</b>	<b>128,121</b>
<b>Liabilities</b>		
Deferred tax payable	31,386	28,313
Loans	760,084	796,295
Taxes payable	4,613	4,790
<b>Total non-current liabilities</b>	<b>796,083</b>	<b>829,397</b>
Loans	120,266	116,960
Other liabilities	1,113	1,087
Taxes payable	1,827	1,935
Trade and other payables	23,348	23,761
<b>Total current liabilities</b>	<b>146,554</b>	<b>143,743</b>
<b>Total liabilities</b>	<b>942,637</b>	<b>973,140</b>
<b>Total liabilities and equity</b>	<b>1,083,178</b>	<b>1,101,261</b>

# Financial Highlights - EBITDA Reconciliation



In thousands of USD	1Q22	1Q21
Net income for the period	12,420	9,604
Net finance costs	21,273	20,894
Income tax expense	3,074	9,017
Depreciation and amortization	6,318	6,633
<b>EBITDA</b>	<b>43,085</b>	<b>46,148</b>





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