



# 3Q24 Results Conference Call

Nov 5, 2024



# 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.

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## MSU Energy | 3Q24 Highlights & Recent Developments

- > **Operational performance**

Average availability factor reached 99.1% during 3Q24 compared to a sector average of combined cycle plants of 87%.

- > **Financial performance**

EBITDA in 3Q24 reached USD 41.0 million with an EBITDA margin of 84%.

- > **Ongoing deleveraging**

Class V local Notes for USD 12.5 million and Class VI local Notes for USD 45.5 million have been fully paid on July 22 and on November 4, respectively.

- > **Gas turbine 25,000 hour overhaul in progress**

Maintenance of seven gas-turbines successfully completed, the remaining 5 GTs are expected to be overhaul during 2025.

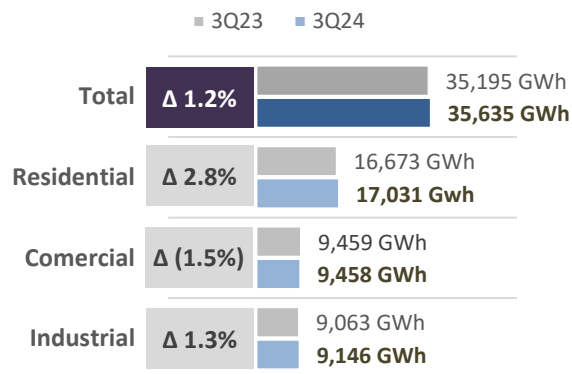
# Operational performance



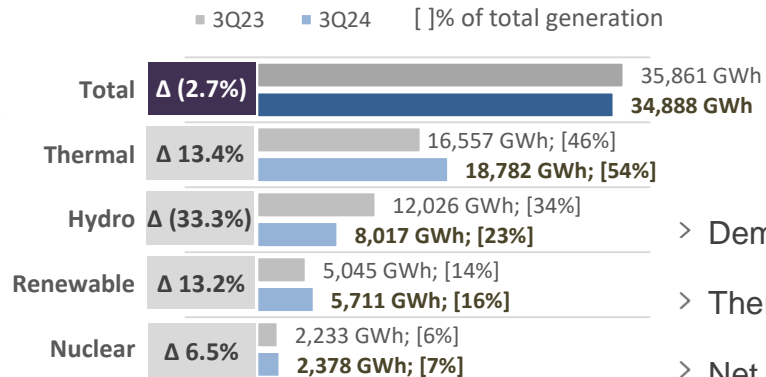
## Key Performance Indicators

### Argentina Power S&D

#### > Demand year-over-year comparison



#### > Generation year-over-year comparison

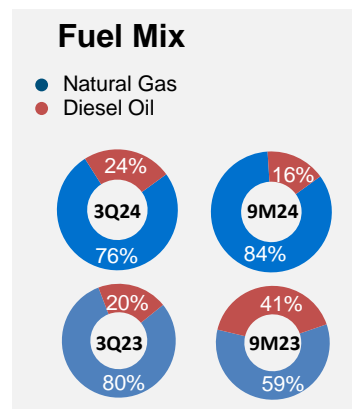
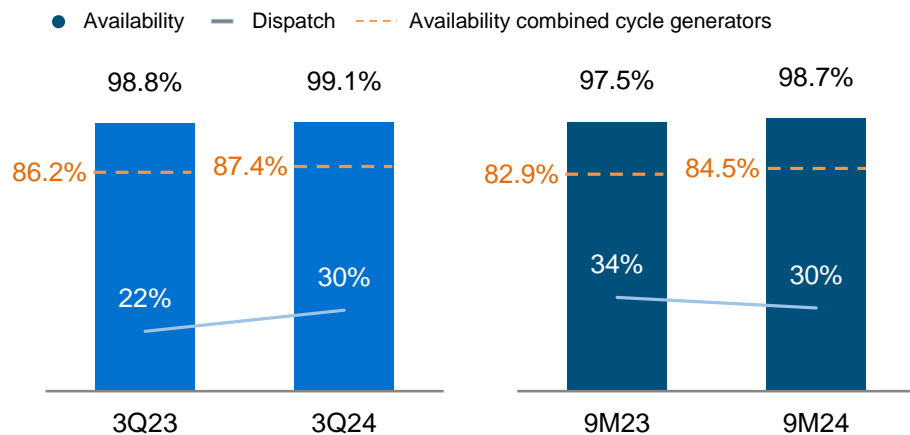


#### > Electricity trade

	Impo [GWh]	Expo [GWh]	Net
3Q23	(1,223)	16	(1,207) GWh
3Q24	(2,298)	94	(2,204) GWh

- > Demand increased 1.2% driven by residential consumption
- > Thermal power represented 54% of total generation
- > Net import balance reached a total of 2,204 GWh

### MSU Energy Performance | Availability & Dispatch (avg.)



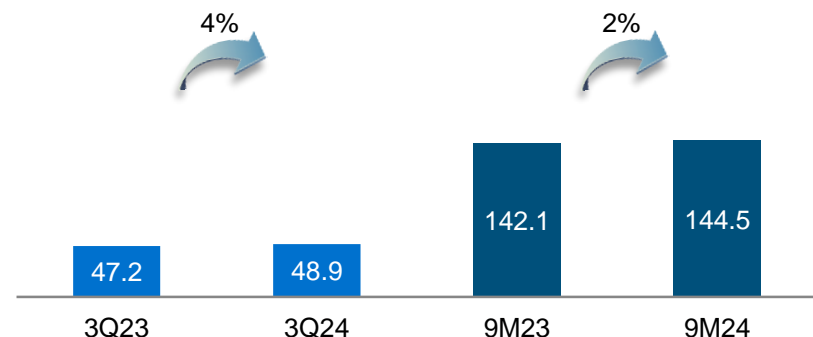
- > Availability factor, averaged 99.1% during 3Q24
- > Dispatch rate in 3Q24 reached 30%
- > Natural gas utilization reached 76% in 3Q24





# Stable and predictable dollar denominated revenues

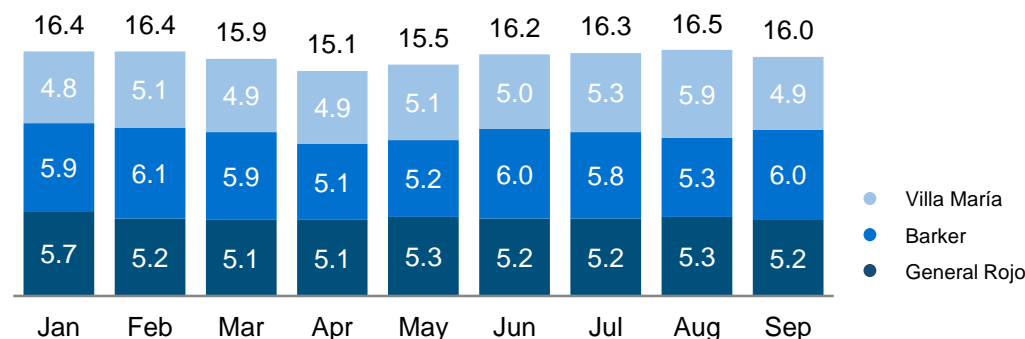
## Revenues – USD millions



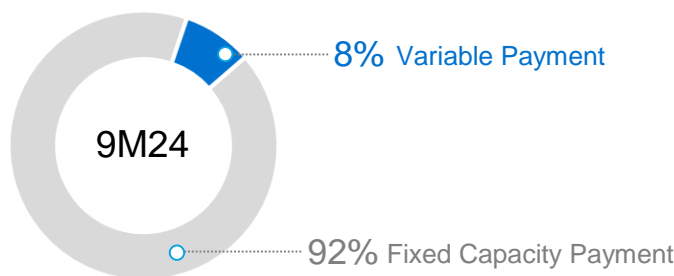
- > Revenues reached USD 48.9 million in 3Q24, 4% higher year-over-year as a result of higher availability and dispatch.
- > Fixed Capacity payments, driven by availability factor, represented 92% of total revenues in 9M24.

## 3Q24 Monthly revenues breakdown - USD millions

By Month/Plant



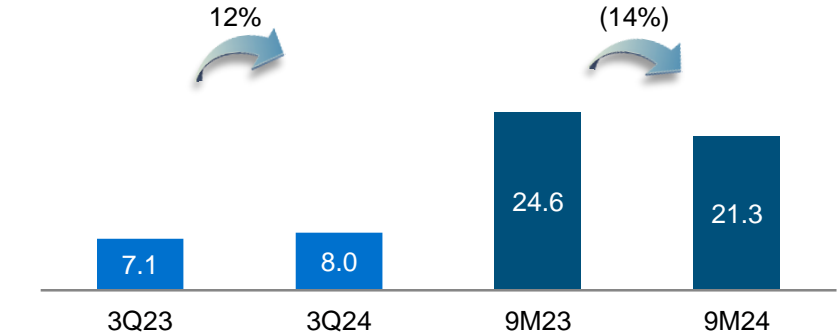
By type





# Efficient costs structure

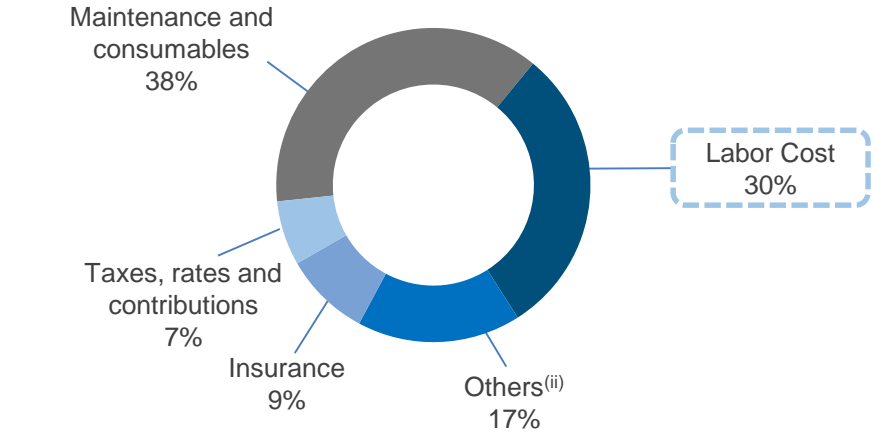
## Cash Costs <sup>(i)</sup> - USD millions



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

> Cash Costs<sup>(i)</sup> reached USD 8.0 million in 3Q24, USD 0.8 million higher year-over-year. The increase is mainly driven by higher variable costs and consumables associated with increased dispatch and higher performance-based payments to GE.

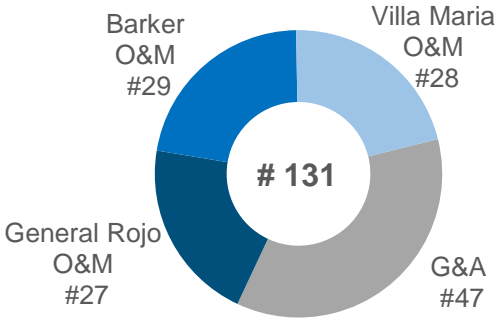
## 9M24 Costs Breakdown



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

## Headcount - # as of September 30, 2024

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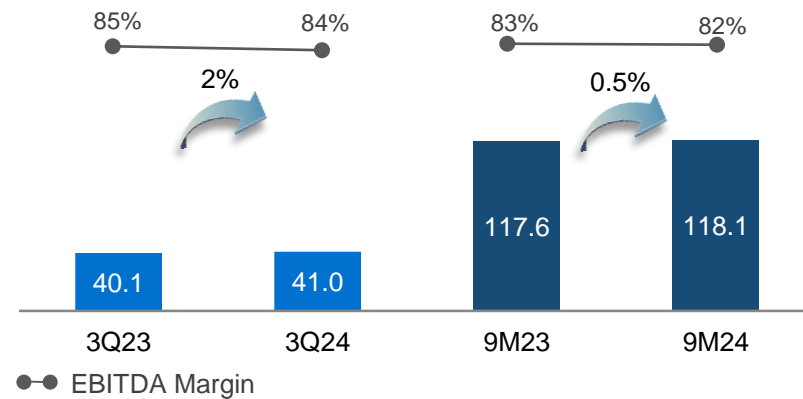


Highly Efficient Operations  
6 MW per employee

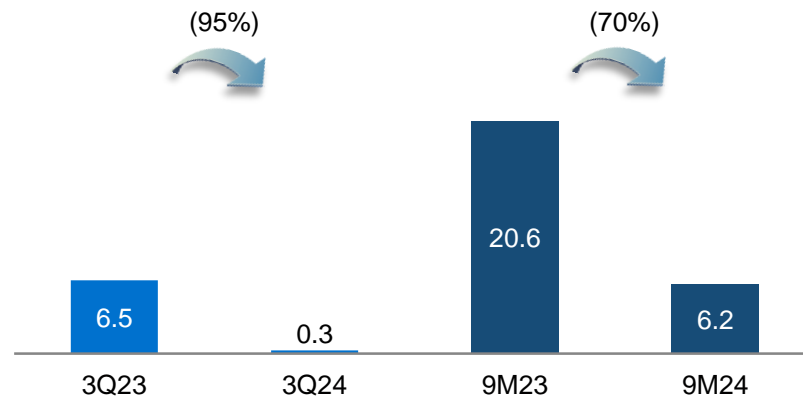


## Financial performance

### EBITDA - USD millions



### Net Income - USD millions



EBITDA reached USD 41.0 million in 3Q24, 2% or USD 0.9 million higher year-over-year. The increase is mainly explained by: (i) a USD 1.1 million increase in variable revenues, and (ii) a USD 0.6 million increase in fixed revenues, partially offset by (iii) a USD 0.8 million increase in costs.

Year-to-date EBITDA reached USD 118.1 million, 0.5% or USD 0.5 million higher year-over-year. This increase is driven by (i) higher availability, resulting in a USD 3.1 million increase in fixed payments, and (ii) a USD 3.3 million reduction in costs, partially offset by the impairment net of expense adjustments described in our previous quarter.

Net Income reached USD 0.3 million during 3Q24, USD 6.2 million lower year-over-year.

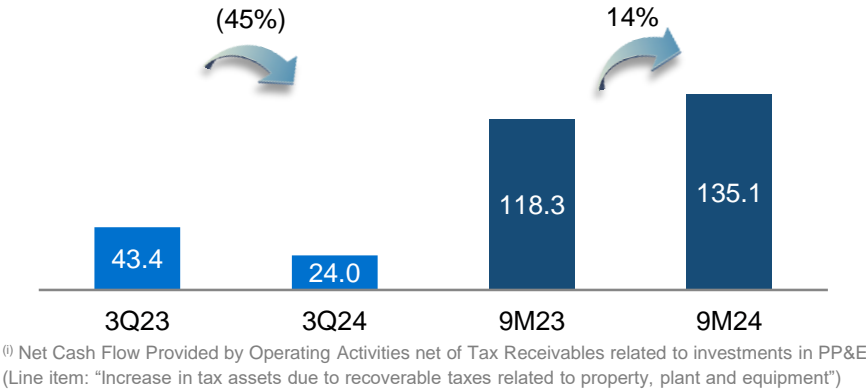
The decrease in 3Q24 is mainly explained by (i) a USD 12.1 million increase in income tax expense, (ii) a USD 2.3 million increase in depreciation and amortization charges, partially offset by (iii) a USD 7.3 million decrease in Net Financial Costs and (iv) a USD 0.9 million increase in EBITDA.

Net Finance Costs breakdown -USD MM	3Q23	3Q24	9M23	9M24
Net interest expense	(7.9)	(13.8)	(29.0)	(55.4)
Foreign exchange and fair value (loss)	(17.8)	(4.7)	(40.9)	(6.9)
Net financial cost	(25.8)	(18.5)	(69.9)	(62.3)



# Cash Flow

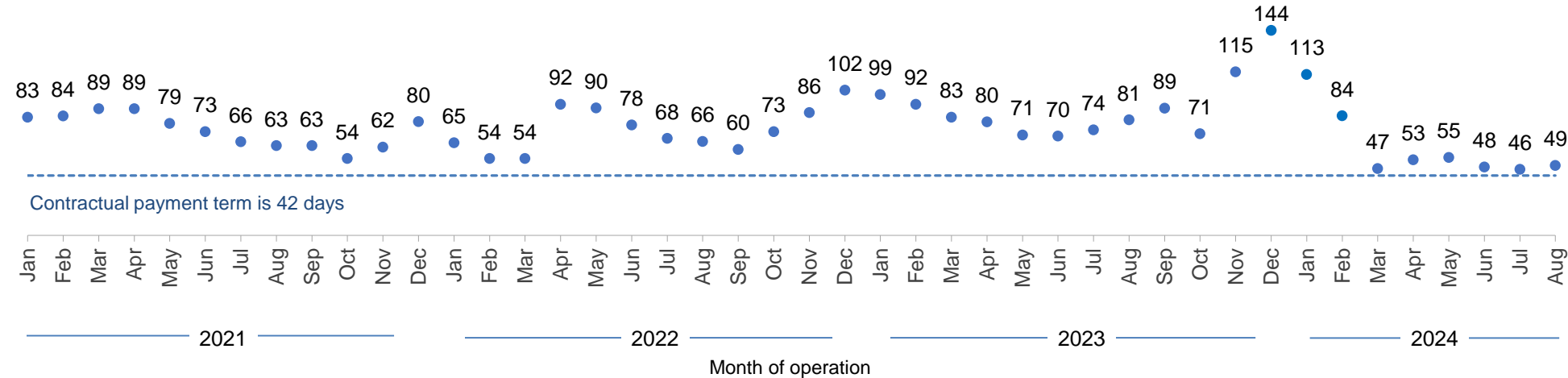
## Adjusted Operating Cash Flow <sup>(i)</sup> - USD millions



- > Adjusted Operating Cash Flow<sup>(i)</sup> ("AOCF") reached USD 24 million during 3Q24 and USD 43 million in 3Q23, 45% lower year-over-year. The decrease was primarily driven by: (i) lower trade receivables due to non-recourse invoice factoring operations, which led to the pre-collection of USD 26.6 million in June for invoices maturing in July and August, partially offset by (ii) a USD 0.9 million increase in EBITDA.
- > As of September 30, 2024, Cammesa's had zero accounts receivable. July invoice that matured on September 11 was fully paid within the month at a weighted average of 46 days.

## Cammesa payment delays – weighted average days

> As of the date of this presentation, Cammesa continues to be up-to-date with payments.







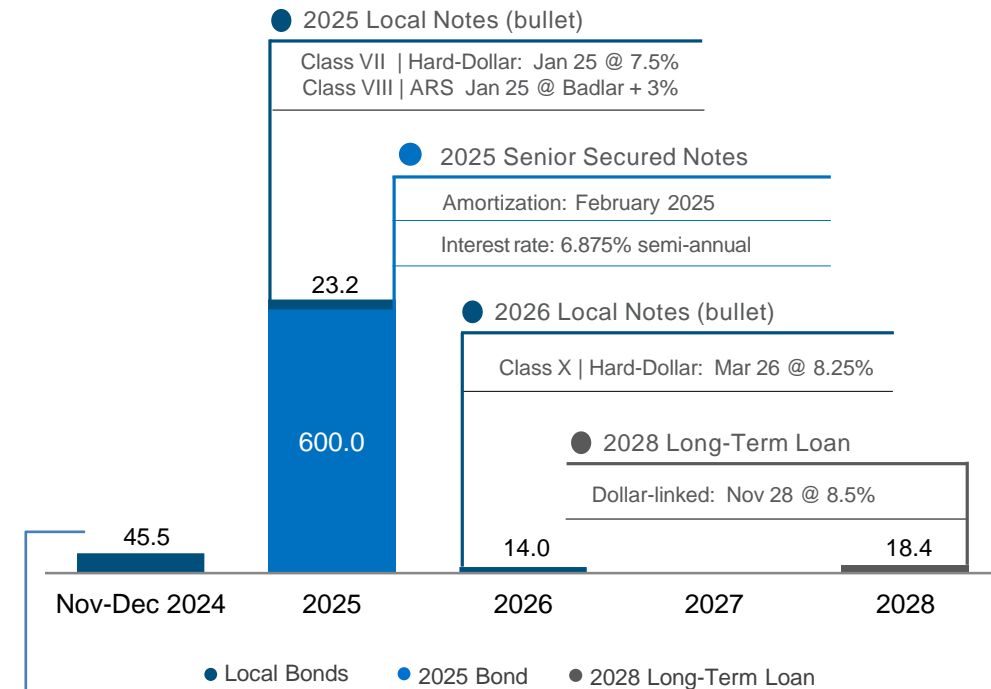
## Balance Sheet highlights

### Net debt - USD millions

Debt breakdown (USD MM)	As of September 30, 2024
2025 Senior unsecured notes	(600.0)
Short-term Local notes	(68.7)
Long-term local notes & loans	(32.4)
<b>Total financial debt <sup>(i)</sup></b>	<b>(701.1)</b>
<b>Cash</b>	<b>15.1</b>
<b>Net financial debt</b>	<b>(686.0)</b>
Net leverage ratio (over LTM EBITDA)	4.3x

(i) Net of accrued unpaid interest and capitalized issuance expenses

### Debt amortization of financial debt – USD millions

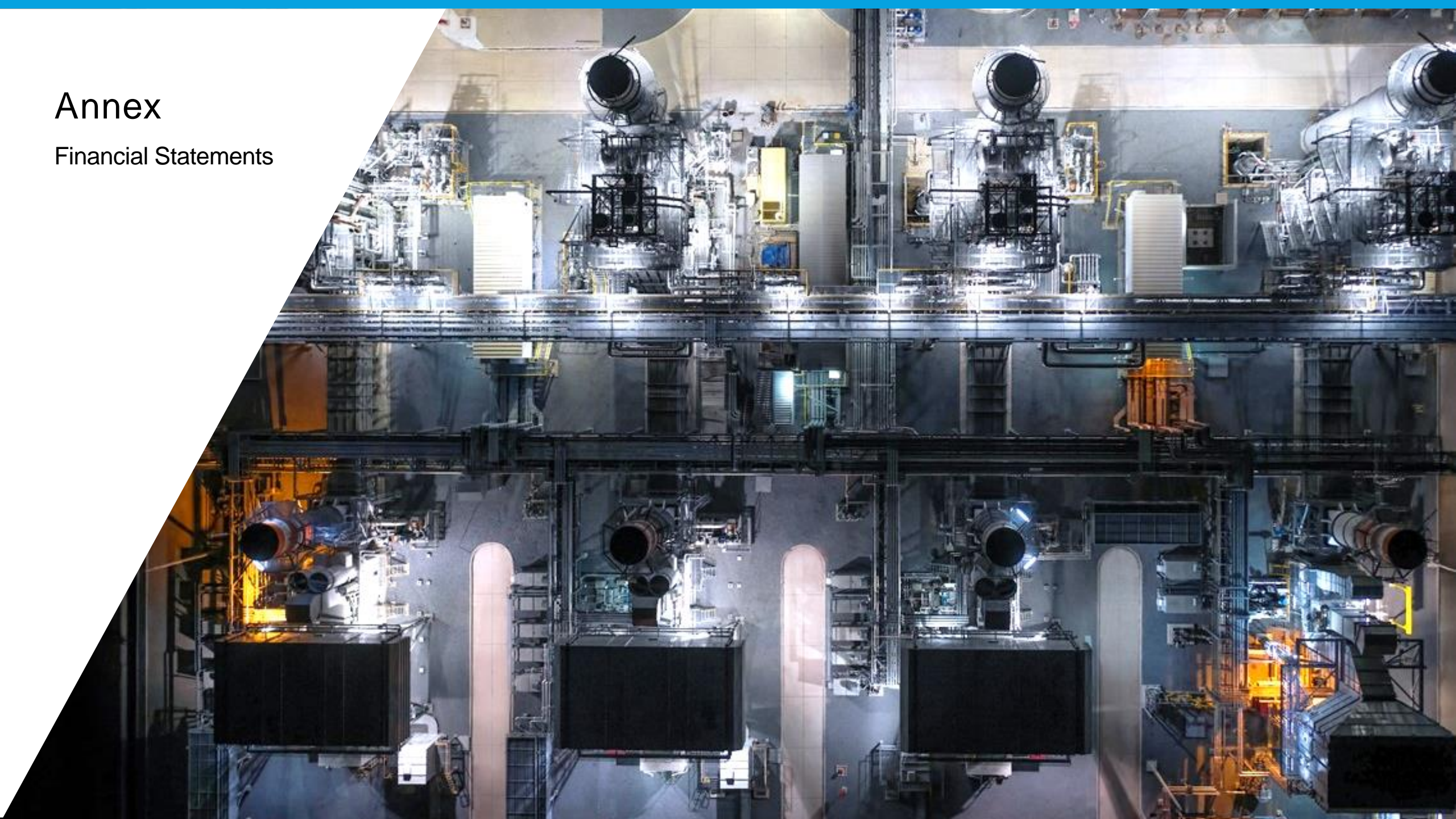


#### > Subsequent events:

- On November 4<sup>th</sup>, the Class VI notes, amounting to USD 45.5 million, were fully paid at maturity.

# Annex

## Financial Statements



# Financial Highlights - Income Statement



In thousands of USD	3Q24	3Q23	9M24	9M23
Net revenue	48,920	47,171	144,485	142,115
Cost of sales	(13,735)	(10,512)	(36,717)	(39,845)
<b>Gross profit</b>	<b>35,185</b>	<b>36,660</b>	<b>107,768</b>	<b>102,270</b>
General and administrative expenses	(1,539)	(1,657)	(4,385)	(5,441)
Impairment loss on trade receivables	-	-	(11,263)	-
Other income	-	38	6,174	89
<b>Operating profit</b>	<b>33,646</b>	<b>35,040</b>	<b>98,294</b>	<b>96,918</b>
Net finance costs	(18,487)	(25,756)	(62,290)	(69,905)
<b>Net income before income tax</b>	<b>15,159</b>	<b>9,284</b>	<b>36,005</b>	<b>27,012</b>
Income tax expenses	(14,856)	(2,760)	(29,848)	(6,368)
<b>Net income for the period</b>	<b>303</b>	<b>6,524</b>	<b>6,157</b>	<b>20,645</b>
Other comprehensive income	-	-	-	-
<b>Comprehensive income for the period</b>	<b>303</b>	<b>6,524</b>	<b>6,157</b>	<b>20,645</b>





# Financial Highlights - Cash Flows

In thousands of USD	As of September 30, 2024	As of September 30, 2023
<b>Cash Flow from operating activities</b>		
Profit for the period	6,157	20,645
<b>Adjustments for:</b>		
Income tax expense	29,848	6,368
Depreciation of property, plant and equipment	19,848	20,678
Impairment loss on trade receivables	14,892	-
Foreign exchange, differences	2,660	42,876
Accrued interest, net	55,410	28,983
Other income	(6,174)	(89)
Change in fair value of derivative instruments and financial assets	591	(1,954)
<b>Changes in operating assets and liabilities</b>		
Increase in trade receivables	(8,197)	(4,342)
Decrease (increase) in other assets	2,456	(632)
Increase in materials and spare parts	(2,026)	(2,749)
(Increase) decrease in tax assets	(1,770)	2,482
Increase in trade and other payable	21,239	4,734
Increase in taxes payables and other	181	1,283
<b>Net cash flows from operating activities</b>	<b>135,114</b>	<b>118,282</b>
<b>Cash flow from investing activities</b>		
Interest received and other financials receivables	2,440	14,841
Net proceeds for sell and acquisition of investments, derivative financial instruments and others	813	2,874
Payments for acquisition of property, plant and equipment	(5,737)	(10,015)
<b>Net cash flows used in investing activities</b>	<b>(2,485)</b>	<b>7,701</b>
<b>Cash flow from financing activities</b>		
Proceeds from new loans	59,489	8,052
Payments of loans	(86,009)	-
Payments of senior secured floating rate notes	(25,030)	(75,090)
Payments of local unsecured notes	(21,833)	(34,352)
Proceeds from local unsecured notes	14,753	15,100
Payments of financial leasing	(2)	(14)
Dividends paid (withholding tax)	(3,648)	-
Payments of interest and financing expenses	(68,489)	(62,712)
<b>Net cash flows used in financing activities</b>	<b>(130,768)</b>	<b>(149,016)</b>
Cash and cash equivalents at the beginning of year	15,295	78,489
Effect of exchange rate changes on cash and cash equivalents	(2,075)	(19,361)
Cash and cash equivalents at the end of the period	15,080	36,095
<b>Net decrease in cash</b>	<b>1,860</b>	<b>(23,034)</b>



# Financial Highlights - Balance Sheet

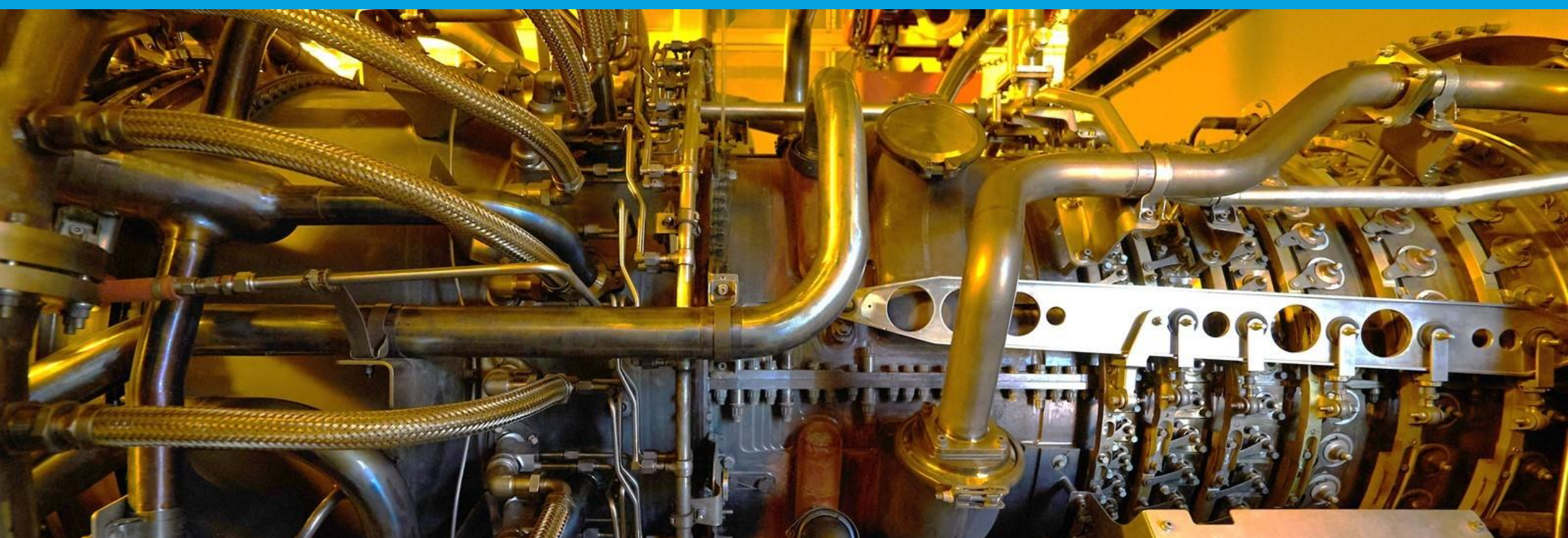
	As of September 30, 2024	As of December 31, 2023
<b>Assets</b>		
Property, plant and equipment	875,218	887,427
Loans granted	-	50,299
Tax assets	1,170	974
Other assets	1,353	4,170
<b>Total non-current assets</b>	<b>877,741</b>	<b>942,870</b>
Materials and spare parts	20,026	18,000
Tax assets	3,415	2,294
Other assets	4,820	7,043
Trade receivables	43,342	51,496
Investments	-	1,429
Cash and cash equivalents	15,080	15,295
<b>Total current assets</b>	<b>86,683</b>	<b>95,557</b>
<b>Total assets</b>	<b>964,424</b>	<b>1,038,427</b>
<b>Shareholders' equity</b>		
Share capital	30,295	30,295
Merger premium	(20,162)	(20,162)
Legal reserve	4,863	2,027
Other reserves	160,154	158,381
Retained earnings	6,157	56,730
<b>Total equity</b>	<b>181,308</b>	<b>227,271</b>
<b>Liabilities</b>		
Loans	32,851	632,720
Taxes payable	771	840
Deferred tax payable	33,005	3,157
<b>Total non-current liabilities</b>	<b>66,627</b>	<b>636,718</b>
Loans	676,437	147,638
Other liabilities	474	1,165
Taxes payable	315	486
Trade and other payables	39,263	25,148
<b>Total current liabilities</b>	<b>716,490</b>	<b>174,437</b>
<b>Total liabilities</b>	<b>783,117</b>	<b>811,155</b>
<b>Total liabilities and equity</b>	<b>964,424</b>	<b>1,038,427</b>



# Financial Highlights - EBITDA Reconciliation



In thousands of USD	3Q24	3Q23	9M24	9M23
Net income for the period	303	6,524	6,157	20,645
Net finance costs	18,487	25,756	62,290	69,905
Income tax expense	14,856	2,760	29,848	6,368
Depreciation and amortization	7,304	5,027	19,848	20,678
<b>EBITDA</b>	<b>40,950</b>	<b>40,068</b>	<b>118,142</b>	<b>117,596</b>



#### **Investor Relations – Contact Information**

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