

EMGESA S.A E.S.P AND ITS SUBSIDIARIES**Consolidated Balance Sheet**

As of March 31, 2020 and December 31, 2019

(In thousand pesos)



ASSETS	March 2020	December 2019
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CURRENT ASSETS

Net available and equivalents	640.056.545	287.544.909
Net other financial assets	13.457.457	13.471.927
Net other non-financial assets	49.123.829	24.118.654
Net commercial accounts receivable and other receivables	218.890.654	239.035.049
Net accounts receivable from related entities	5.979.960	182.940.465
Net Inventories	67.978.326	82.219.623
Income tax assets	23.170	10.006
TOTAL CURRENT ASSETS	995.509.941	829.340.633

NON CURRENT ASSETS

Net other financial assets	546.940	554.417
Net other non-financial assets	31.240.997	32.564.696
Net commercial accounts receivable and other receivables	12.052.522	12.315.176
Net intangible assets other than capital gains	107.994.327	106.999.707
Property, plant and equipment	8.120.860.695	8.138.458.413
Deferred tax assets	257.717	-
TOTAL NON CURRENT ASSETS	8.272.953.198	8.290.892.409

TOTAL ASSETS	9.268.463.139	9.120.233.042
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LIABILITIES AND EQUITY		
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CURRENT LIABILITIES

Financial liabilities	1.012.844.749	329.192.028
Commercial accounts payable and other payables	302.106.143	350.856.268
Accounts payable to related entities	920.564.492	227.557.833
Provisions	82.622.107	102.533.817
Income tax liabilities	258.468.654	207.188.045
Provisions for employee benefits	34.056.776	36.624.002
Other non-financial liabilities	41.184.144	30.258.940
TOTAL CURRENT LIABILITIES	2.651.847.065	1.284.210.933

NON CURRENT LIABILITIES

Financial liabilities	1.951.805.455	2.688.684.643
Provisions	159.780.649	147.259.379
Provisions for employee benefits	89.249.333	88.556.371
Net deferred tax	181.151.437	168.260.483
TOTAL NON CURRENT LIABILITIES	2.381.986.874	3.092.760.876

TOTAL LIABILITIES	5.033.833.939	4.376.971.809
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EQUITY

Issued capital	655.222.313	655.222.313
Issue premiums	113.255.816	113.255.816
Other reserves	551.693.678	560.353.525
Other comprehensive income (OCI)	(31.150.886)	(31.398.646)
<i>Net income</i>	362.298.440	1.232.152.218
<i>Retained earnings</i>	1.113.058.151	743.412.486
<i>Earnings from CFRS conversion effect</i>	1.470.220.530	1.470.220.530
Accumulated earnings and profit	2.945.577.121	3.445.785.234
Equity attributable to owners of the parent company	4.234.598.042	4.743.218.242

Non-controlling interest	31.158	42.991
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TOTAL EQUITY	4.234.629.200	4.743.261.233
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TOTAL LIABILITIES AND EQUITY	9.268.463.139	9.120.233.042
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EMGESA S.A E.S.P AND ITS SUBSIDIARIES**Statement of Comprehensive Income, by Nature**

Three-month period from January 1 to March 31, 2020 and 2019

(In thousand of pesos)



Income Statement	Three-month period from January 1 to March 31	
	2020	2019
Total revenues from ordinary activities and other operating revenues	1.070.146.678	956.810.885
Revenues from ordinary activities	1.067.507.981	955.829.362
Other operating revenues	2.638.697	981.523
PROVISIONING AND SERVICES	(362.026.854)	(355.634.760)
CONTRIBUTION MARGIN	708.119.824	601.176.125
Works for fixed assets	1.782.318	1.520.232
Personnel expenses	(25.708.516)	(23.352.940)
Other fixed operating expenses	(31.695.785)	(26.748.734)
GROSS OPERATING PROFIT	652.497.841	552.594.683
Depreciations and amortisations	(59.323.356)	(57.476.343)
Impairment losses	(2.965.192)	960.702
OPERATING PROFIT	590.209.293	496.079.042
NET FINANCIAL EARNINGS	(58.046.721)	(63.734.632)
Financial revenues	5.144.309	4.466.941
Financial expenses	(59.211.345)	(70.798.320)
Capitalised financial expenses	3.114.652	3.271.849
Exchange difference	(7.094.337)	(675.102)
Earnings from other investments	10.960	3.960
Earnings from sale of assets	(1.445.319)	(345.671)
EARNINGS BEFORE TAXES	530.728.213	432.002.699
Income tax expense	(168.430.648)	(140.821.819)
NET INCOME	362.297.565	291.180.880
Non-controlling interest	875	(22)
NET INCOME	362.298.440	291.180.858

EMGESA S.A E.S.P AND ITS SUBSIDIARIES
Statement of Cash Flows, Direct Method

Three-month period from January 1 to March 31, 2020 and 2019

(In thousand of pesos)



Statement of Cash Flows, Direct Method	Three-month period from January 1 to March 31	
	2020	2019
Cash flows from operating activities		
Types of collections by operating activity		
<i>Collections from sales of goods and services</i>	1.209.312.908	738.666.449
<i>Collections from royalties, fees, commissions and other revenues from ordinary activities</i>	2.684.261	2.634.232
<i>Other collections from operating activities</i>	-	34.578
Types of cash payments from operating activities		
<i>Payments to vendors for supply of goods and services</i>	(386.833.102)	(203.248.873)
<i>Payments to and on behalf of employees</i>	(25.717.217)	(28.080.540)
<i>Payments of bonuses and compensations, annuities and other obligations from subscribed policies</i>	(23.983.502)	(22.554.752)
<i>Other payments for operating activities</i>	(5.294.749)	(4.819.440)
Net cash flows from operating activities	770.168.599	482.631.654
Paid income taxes	(101.974.943)	(101.839.641)
Other cash outflows	(24.249.198)	(12.456.542)
Net cash flows from operating activities	643.944.458	368.335.471
Other payments to acquire equity or debt instruments from other entities	-	69.400.000
Purchase of property, plant and equipment	(99.807.407)	(79.242.165)
Collections from related entities	92.658.471	81.000.000
Interest received from investment activities	3.932.317	3.666.186
Net cash flows used in investment activities	(3.216.619)	74.824.021
Net Cash flows from (used in) financing activities		
Amounts from loans	-	214.463.119
Loan payments	-	(618.378.697)
Dividends paid to shareholders	(178.336.911)	(154.284.402)
Interest paid financing	(106.256.161)	(115.137.870)
Payments of finance lease liabilities	(277.085)	(1.181.707)
Payments of liabilities for leases (IFRS 16)	(1.083.699)	-
Other cash outflows financing	(2.262.347)	(2.479.587)
Net cash flows used in financing activities	(288.216.203)	(676.999.144)
Net increase (decrease) in cash and cash equivalents	352.511.636	(233.839.652)
Cash and cash equivalents initial balance	287.544.909	642.057.649
Cash and cash equivalents final balance	640.056.545	408.217.997