

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

As of June 30, 2021 and December 31, 2020

(In thousand pesos)



ASSETS	June 2021	December 2020
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**CURRENT ASSETS**

Net available and equivalents	454.144.255	821.190.708
Net other financial assets	15.705.376	14.934.264
Net other non-financial assets	40.925.158	43.377.785
Net commercial accounts receivable and other receivables	229.748.179	227.849.855
Net accounts receivable from related entities	3.422.495	3.065.649
Net Inventories	116.126.311	102.199.837
Income tax assets	6.704.731	-
<b>TOTAL CURRENT ASSETS</b>	<b>866.776.505</b>	<b>1.212.618.098</b>

**NON CURRENT ASSETS**

Net other financial assets	498.904	517.050
Net other non-financial assets	33.396.547	28.668.245
Net commercial accounts receivable and other receivables	13.241.924	13.767.293
Net intangible assets other than capital gains	106.787.259	111.059.264
Net Property, plant and equipment	8.077.170.482	8.128.459.665
Deferred tax assets	3.962	955
<b>TOTAL NON CURRENT ASSETS</b>	<b>8.231.099.078</b>	<b>8.282.472.472</b>

<b>TOTAL ASSETS</b>	<b>9.097.875.583</b>	<b>9.495.090.570</b>
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LIABILITIES AND EQUITY		
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**CURRENT LIABILITIES**

Financial liabilities	761.016.783	906.950.399
Commercial accounts payable and other payables	259.528.489	315.037.310
Accounts payable to related entities	627.375.113	265.504.246
Provisions	65.263.948	99.567.986
Income tax liabilities	8.447	241.244.349
Provisions for employee benefits	35.243.958	38.215.623
Other non-financial liabilities	138.924.356	93.418.672
<b>TOTAL CURRENT LIABILITIES</b>	<b>1.887.361.094</b>	<b>1.959.938.585</b>

**NON CURRENT LIABILITIES**

Financial liabilities	1.857.934.362	1.858.512.467
Provisions	205.290.056	212.052.096
Provisions for employee benefits	77.166.697	90.438.803
Net deferred tax	249.602.847	217.924.275
<b>TOTAL NON CURRENT LIABILITIES</b>	<b>2.389.993.962</b>	<b>2.378.927.641</b>

<b>TOTAL LIABILITIES</b>	<b>4.277.355.056</b>	<b>4.338.866.226</b>
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**EQUITY**

Issued capital	655.222.313	655.222.313
Issue premiums	113.255.816	113.255.816
Other reserves	542.975.682	551.693.678
Other comprehensive income (OCI)	(21.248.374)	(31.165.913)
<i>Net income</i>	818.689.952	1.283.908.535
<i>Retained earnings</i>	1.241.373.362	1.113.058.150
<i>Earnings from CFRS conversion effect</i>	1.470.220.530	1.470.220.530
Accumulated earnings and profit	3.530.283.844	3.867.187.215
<b>Equity attributable to owners of the parent company</b>	<b>4.820.489.281</b>	<b>5.156.193.109</b>

<b>Non-controlling interest</b>	<b>31.246</b>	<b>31.235</b>
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<b>TOTAL EQUITY</b>	<b>4.820.520.527</b>	<b>5.156.224.344</b>
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<b>TOTAL LIABILITIES AND EQUITY</b>	<b>9.097.875.583</b>	<b>9.495.090.570</b>
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**EMGESA S.A E.S.P AND ITS SUBSIDIARIES****Statement of Comprehensive Income, by Nature**

Six- month period from January 1 to June 30, 2021 and 2020

(In thousand of pesos)



Income Statement	Three-month period from January 1 to June 30	
	2021	2020
<b>Total revenues from ordinary activities and other operating revenues</b>	<b>2.164.813.967</b>	<b>2.137.222.304</b>
Revenues from ordinary activities	2.148.435.315	2.136.607.320
Other operating revenues	16.378.652	614.984
<b>PROVISIONING AND SERVICES</b>	<b>(691.618.017)</b>	<b>(754.020.514)</b>
<b>CONTRIBUTION MARGIN</b>	<b>1.473.195.950</b>	<b>1.383.201.790</b>
<b>Other work carried out by the entity and capitalized</b>	<b>4.608.623</b>	<b>3.754.046</b>
<b>Personnel expenses</b>	<b>(54.598.339)</b>	<b>(51.743.063)</b>
<b>Other fixed operating expenses</b>	<b>(64.561.238)</b>	<b>(62.959.963)</b>
<b>GROSS OPERATING PROFIT</b>	<b>1.358.644.996</b>	<b>1.272.252.810</b>
<b>Depreciations and amortisations</b>	<b>(122.637.652)</b>	<b>(119.782.804)</b>
<b>Financial and non-financial recovery (losses)</b>	<b>(104.439)</b>	<b>417.807</b>
<b>OPERATING PROFIT</b>	<b>1.235.902.905</b>	<b>1.152.887.813</b>
<b>NET FINANCIAL EARNINGS</b>	<b>(75.021.153)</b>	<b>(110.705.749)</b>
Financial revenues	5.465.461	11.097.152
Financial expenses	(77.388.186)	(119.634.174)
Net Exchange difference	(3.098.428)	(2.168.727)
<b>Earnings from companies accounted for using the equity method</b>	<b>756.426</b>	<b>10.854</b>
<b>Earnings from sale of assets</b>	<b>(279.321)</b>	<b>(1.461.223)</b>
<b>EARNINGS BEFORE TAXES</b>	<b>1.161.358.857</b>	<b>1.040.731.695</b>
Income tax expense	(342.668.893)	(321.511.330)
<b>NET INCOME</b>	<b>818.689.964</b>	<b>719.220.365</b>
Non-controlling interest	(12)	990
<b>NET INCOME</b>	<b>818.689.952</b>	<b>719.221.355</b>

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

Six-month period from January 1 to June 30, 2021 and 2020

(In thousand of pesos)



Statement of Cash Flows, Direct Method	Six-month period from January 1 to June 30	
	2021	2020
<b>Cash flows from operating activities</b>		
<b>Types of collections by operating activity</b>		
<i>Collections from sales of goods and services</i>	2.229.822.088	2.340.305.662
<i>Collections from royalties, fees, commissions and other revenues from ordinary activities</i>	34.749.964	8.704.006
<i>Collections from premiums and benefits, annuities and other underwritten policy benefits</i>	-	-
<b>Types of cash payments from operating activities</b>		
<i>Payments to vendors for supply of goods and services</i>	(756.799.813)	(750.405.898)
<i>Payments to and on behalf of employees</i>	(55.825.433)	(52.973.273)
<i>Payments of bonuses and compensations, annuities and other obligations from subscribed policies</i>	(25.259.609)	(23.983.502)
<i>Other payments for operating activities</i>	(6.979.706)	(5.992.524)
<b>Net cash flows from operating activities</b>	<b>1.419.707.491</b>	<b>1.515.654.471</b>
Paid income taxes	(572.289.568)	(468.004.155)
Other cash outflows	(21.955.380)	(35.108.547)
<b>Net cash flows from operating activities</b>	<b>825.462.543</b>	<b>1.012.541.769</b>
<b>Cash flows used in investment activities</b>		
Purchase of property, plant and equipment	(170.360.898)	(188.177.073)
Collections from related entities	-	92.658.471
Interest received from investment activities	3.297.901	8.833.295
<b>Net cash flows used in investment activities</b>	<b>(167.062.997)</b>	<b>(86.685.307)</b>
<b>Net Cash flows used in financing activities</b>		
Amounts from loans	650.000.000	55.670.291
Loans to related entities	45.000.000	-
Loans reimbursement	(736.760.000)	(291.788.325)
Dividends paid to shareholders	(801.373.251)	(511.001.466)
Interest paid financing	(132.367.178)	(151.769.408)
Payments of finance lease liabilities	(48.398)	(557.288)
Payments of liabilities for leases (IFRS 16)	(3.103.287)	(2.514.403)
Loan payments to related entities	(45.000.000)	-
Other cash outflows financing	(1.793.885)	(2.741.404)
<b>Net cash flows used in financing activities</b>	<b>(1.025.445.999)</b>	<b>(904.702.003)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(367.046.453)</b>	<b>21.154.459</b>
Cash and cash equivalents initial balance	821.190.708	287.544.909
<b>Cash and cash equivalents final balance</b>	<b>454.144.255</b>	<b>308.699.368</b>