

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

As of September 30, 2021 and December 31, 2020

(In thousand pesos)



ASSETS	September 2021	December 2020
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CURRENT ASSETS

Net available and equivalents	383.394.002	821.190.708
Net other financial assets	9.655.833	14.934.264
Net other non-financial assets	55.645.281	43.377.785
Net commercial accounts receivable and other receivables	280.593.892	227.849.855
Net accounts receivable from related entities	12.983.254	3.065.649
Net Inventories	109.955.570	102.199.837
TOTAL CURRENT ASSETS	852.227.832	1.212.618.098

NON CURRENT ASSETS

Net other financial assets	489.362	517.050
Net other non-financial assets	28.885.439	28.668.245
Net commercial accounts receivable and other receivables	14.165.884	13.767.293
Net intangible assets other than capital gains	104.678.164	111.059.264
Net Property, plant and equipment	8.083.793.290	8.128.459.665
Deferred tax assets	5.613	955
TOTAL NON CURRENT ASSETS	8.232.017.752	8.282.472.472

TOTAL ASSETS	9.084.245.584	9.495.090.570
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LIABILITIES AND EQUITY		
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CURRENT LIABILITIES

Financial liabilities	985.529.797	906.950.399
Commercial accounts payable and other payables	249.659.355	315.037.310
Accounts payable to related entities	658.271.773	265.504.246
Provisions	69.541.521	99.567.986
Income tax liabilities	136.488.220	241.244.349
Provisions for employee benefits	37.338.046	38.215.623
Other non-financial liabilities	146.006.532	93.418.672
TOTAL CURRENT LIABILITIES	2.282.835.244	1.959.938.585

NON CURRENT LIABILITIES

Financial liabilities	1.582.698.691	1.858.512.467
Provisions	202.676.492	212.052.096
Provisions for employee benefits	76.387.804	90.438.803
Net deferred tax	305.682.750	217.924.275
TOTAL NON CURRENT LIABILITIES	2.167.445.737	2.378.927.641

TOTAL LIABILITIES	4.450.280.981	4.338.866.226
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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)	(23.819.409)	(31.165.913)
<i>Net income</i>	1.250.187.130	1.283.908.535
<i>Retained earnings</i>	615.482.071	1.113.058.150
<i>Earnings from CFRS conversion effect</i>	1.480.629.747	1.470.220.530
Accumulated earnings and profit	3.346.298.948	3.867.187.215
Equity attributable to owners of the parent company	4.633.933.350	5.156.193.109

Non-controlling interest	31.253	31.235
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TOTAL EQUITY	4.633.964.603	5.156.224.344
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TOTAL LIABILITIES AND EQUITY	9.084.245.584	9.495.090.570
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EMGESA S.A E.S.P AND ITS SUBSIDIARIES
Statement of Comprehensive Income, by Nature
 Nine-month period from January 1 to September 30, 2021 and 2020
 (In thousand of pesos)



Income Statement	Nine-month period from January 1 to September 30	
	2021	2020
Total revenues from ordinary activities and other operating revenues	3.437.391.905	3.228.018.061
Revenues from ordinary activities	3.424.608.987	3.223.570.216
Other operating revenues	12.782.918	4.447.845
PROVISIONING AND SERVICES	(1.100.532.948)	(1.132.319.150)
CONTRIBUTION MARGIN	2.336.858.957	2.095.698.911
Other work carried out by the entity and capitalized	7.343.989	6.637.739
Personnel expenses	(78.947.111)	(78.816.326)
Other fixed operating expenses	(100.150.721)	(118.487.375)
GROSS OPERATING PROFIT	2.165.105.114	1.905.032.949
Depreciations and amortisations	(184.775.446)	(182.300.128)
Financial and non-financial recovery (losses)	(4.151.139)	253.214
OPERATING PROFIT	1.976.178.529	1.722.986.035
NET FINANCIAL EARNINGS	(126.340.091)	(224.171.558)
Financial revenues	7.469.480	15.053.177
Financial expenses	(129.713.485)	(236.662.719)
Net Exchange difference	(4.096.086)	(2.562.016)
Earnings from companies accounted for using the equity method	756.425	10.976
Earnings from sale of assets	(739.391)	(1.873.742)
EARNINGS BEFORE TAXES	1.849.855.472	1.496.951.711
Income tax expense	(599.668.323)	(538.931.502)
NET INCOME	1.250.187.149	958.020.209
Non-controlling interest	(19)	858
NET INCOME	1.250.187.130	958.021.067

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

Nine- month period from January 1 to September, 2021 and 2020

(In thousand of pesos)



Statement of Cash Flows, Direct Method	Nine- month period from January 1 to September	
	2021	2020
Cash flows from operating activities		
Types of collections by operating activity		
<i>Collections from sales of goods and services</i>	3.464.175.791	3.409.794.138
<i>Collections from royalties, fees, commissions and other revenues from ordinary activities</i>	66.023.630	16.021.725
Types of cash payments from operating activities		
<i>Payments to vendors for supply of goods and services</i>	(1.185.301.530)	(1.227.015.390)
<i>Payments to and on behalf of employees</i>	(81.018.620)	(74.557.525)
<i>Payments of bonuses and compensations, annuities and other obligations from subscribed policies</i>	(25.458.585)	(23.983.502)
<i>Other payments for operating activities</i>	(8.173.259)	(6.803.924)
Net cash flows from operating activities	2.230.247.427	2.093.455.522
Paid income taxes	(622.046.676)	(508.463.446)
Other cash outflows	(31.121.553)	(41.452.792)
Net cash flows from operating activities	1.577.079.198	1.543.539.284
Cash flows used in investment activities		
Other payments to acquire equity or debt instruments of other entities	(105.000.000)	-
Other proceeds from the sale of equity or debt instruments of other entities	105.000.000	-
Loans to related entities	-	(80.000.000)
Purchase of property, plant and equipment	(237.598.254)	(255.418.119)
Collections from related entities	-	172.658.471
Interest received from investment activities	4.521.710	11.163.062
Net cash flows used in investment activities	(233.076.544)	(151.596.586)
Net Cash flows used in financing activities		
Amounts from loans	650.000.000	-
Loans to related entities	45.000.000	-
Loans reimbursement	(870.865.658)	(241.070.000)
Dividends paid to shareholders	(1.378.959.115)	(511.001.466)
Interest paid financing	(133.117.234)	(185.200.398)
Interest paid on operating leases (NIIF 16)	(306.622)	-
Payments of finance lease liabilities	(48.398)	(621.501)
Payments of liabilities for leases (IFRS 16)	(4.679.009)	(4.039.442)
Loan payments to related entities	(45.000.000)	-
Other cash outflows financing	(43.823.324)	(2.324.181)
Net cash flows used in financing activities	(1.781.799.360)	(944.256.988)
Net decrease in cash and cash equivalents	(437.796.706)	447.685.710
Cash and cash equivalents initial balance	821.190.708	287.544.909
Cash and cash equivalents final balance	383.394.002	735.230.619