

**2Q - 2024
Earnings Report**



September 26, 2024

AES ARGENTINA 2Q 2024 RESULTS & HIGHLIGHTS

- AES Argentina Generación S.A. (AES Argentina, AAG, or the Company) reported a Gross Profit for the second quarter of 2024 of AR\$17,879 million, a 42% increase compared to same period in 2023. This positive variation is mainly due to lower Cost of Sales of AR\$7,748 million, attributable to lower coal consumption, partially offset by lower Operating Revenue of AR\$2,486 million.
- AAG reported EBITDA of AR\$13,065 million for the second quarter of 2024, flat over of the second quarter of 2023's.
 - This EBITDA recorded is mainly due to higher Gross Profit of AR\$5,262 million is offset by a negative variation of AR\$3,964 million in lower other income and expenses.
 - The later due to the sale at lower fair value of the government bonds received from CAMMESA
- The Company reported a Net Loss of AR\$3,192 million in the second quarter of 2024, compared to the second quarter of 2023's Net loss of AR\$342 million.
 - The variation was mainly due to a higher Pre- tax Loss, wich was was mainly driven by Non Operational Results, were a negative variation of AR\$26,386 million in Financial Income, was partially offset by lower loss of AR\$21,044 million in Inflation Effect.
 - The negative variation in Financial Income is primarily due to an decrease of AR\$15,551 million in Interest income, which is mainly due lower interest rate on short term investment and lower cash balance.
- As of June 30 2024, outstanding FONINVEMEM III Receivables totaled AR\$79,841 million, net of VAT, which will be fully repaid in April 2026. In second quarter of 2024, FONINVEMEM III collections, including interest, totaled approximately AR\$10,995 million, net of VAT.

REVIEW OF SECOND QUARTER 2024 RESULTS

Income Statement (AR\$ Million)	2Q			
	2024	2023	Var (\$)	Var (%)
Operating Revenue	58,611	61,097	(2,486)	(4)%
Cost of Sales	(40,732)	(48,480)	7,748	(16)%
Gross Profit	17,879	12,617	5,262	42 %
Administrative Expenses	(5,949)	(6,184)	235	(4)%
Trading Expenses	(2,151)	(2,653)	502	(19)%
Other income and expenses	(4,194)	(230)	(3,964)	1,723 %
Operating Income	5,585	3,550	2,035	57 %
Financial Income	2,395	28,781	(26,386)	(92)%
Financial Expense	(15,451)	(12,116)	(3,335)	28 %
Effect of FX differences	2,203	(2,601)	4,804	(185)%
Inflation effect	(1,586)	(22,630)	21,044	(93)%
Income from Investments in Associates	31	226	(195)	(86)%
Other income and expenses	200	(52)		
Income (Loss) before Taxes	(6,623)	(4,842)	(1,781)	37 %
Income Tax	3,431	4,500	(1,069)	(24)%
Net Income	(3,192)	(342)	(2,850)	---
EBITDA	13,065	13,065	—	— %

It is worthy to note that numbers in the analysis along with business explanations are presented in AR\$ rounded to millions; therefore, differences may arise with the financial statements which are presented in thousands AR\$ as of June 30 2024, to comply with local authorities' requirements. AR\$ Figures have been adjusted for local inflation to be presented in AR\$ of equal purchasing power as of June 30 2024.

Generation

During the second quarter of 2024 the Company generated 1,192 GWh, a 4% increase compared to the same period last year, mostly explained by an increase in hydro generation, partially offset by a decrease in thermal generation and wind generation. The hydro generation grew 114%, due to higher inflows in the Comahue Region which led to a 241% increase in production at Alicura. Total thermal generation fell 12%, mainly due to lower demand and dispatch in addition to higher renewable generation in the system. The wind generation decrease 11% between both periods, due to lower wind in Vientos Bonaerenses.

Net Generation by Plant (GWh)	2Q			
	2024	2023	Var (GWh)	Var (%)
Paraná	491	571	(80)	(14)%
San Nicolás	237	249	(12)	(5)%
Alicurá	273	80	193	241 %
Cabra Corral	15	27	(12)	(44)%
El Tunal	7	9	(2)	(22)%
Ullum	17	30	(13)	(43)%
Sarmiento	3	10	(7)	(70)%
Vientos Bonaerenses	80	98	(18)	(18)%
Vientos Neuquinos	69	69	—	— %
Total Generation / Sales	1,192	1,143	49	4 %

Operating Revenue

Operating revenues reached AR\$58,611 million in the second quarter of 2024, a 4% decrease compared to the second quarter of 2023, which totaled AR\$61,097 million. This negative variation was mainly due a decrease of AR\$1,769 million in energy Sales and a decrease of AR\$1,218 in Contracted Sales. Both due to a lower dispatch of the Paraná and San Nicolas power plants, which implied a decrease in physical sales of 80 GWh and 12 GWh, respectively.

The adjustments to energy and capacity tariffs from Argentina's Secretariat of Energy, through resolutions 750/2023 of September 2023, with an increase of 23%, the Resolution 869/2023 of October 2023, with an increase of 28%, the Resolution 9/2024 of February 2024 with an increase of 74% and the Resolution 99/2024 of June 2024 with an increase of 25% prevented revenues from decreasing.

On February 7, 2023, Resolution 59/2023 was issued allowing to convert part of combined cycles' remuneration to US dollars for up to 5 years. This portion would be paid in Argentine pesos at the official exchange rate. The new remuneration scheme is voluntary and the counterparty is the market administrator, CAMMESA, which requires an availability commitment of 85% from the units. AES Argentina agreed to adhere to this new scheme in March 2023. Updated capacity prices are 2,000 US\$/MW-month plus 65% of capacity price set by Resolution 826/22 in winter and summer, and 85% of said prices during spring and autumn. The price of energy generated is established at the equivalent of 3.5 US\$/MWh with natural gas and 6.1 US\$/MWh with diesel.

On February 07, 2024 the Ministry of Economy - Secretariat of Energy published Resolution 9/2024 which establishes a 74% increase of the remunerations established in Resolution 869/2023 published on October 27, 2023, this new resolution became effective as from the economic transactions corresponding to the month of February 2024. On June 14, 2024, the Ministry of Economy - Secretariat of Energy published Resolution 99/2024 which establishes a 25% increase of the remunerations established in Resolution 9/2024.

Operating Revenue (AR\$ Million)	2Q			
	2024	2023	Var (\$)	Var (%)
Energy Sales	30,076	31,845	(1,769)	(6)%
Capacity Sales	20,674	20,370	304	1 %
Contract Sales	7,193	8,411	(1,218)	(14)%
Other Revenue	668	471	197	42 %
Total Operating Revenue	58,611	61,097	(2,486)	(4)%

Cost of Sales

Cost of Sales reached AR\$40,732 million in the second quarter of 2024, a 16% decrease compared to the second quarter of 2023. This decrease was mainly due to a decrease of AR\$2,496 million in fuel costs attributable to lower coal consumption as a result of lower San Nicolas power plant dispatch, a decrease of AR\$2,364 million in the cost of insurance and a decrease in depreciation of AR\$1,531 million.

It is important to mention that as per Resolution 12/2019, enacted in December 2019, the company can no longer opt to source its own natural gas for its plants, as was permitted under Resolution 70/2018, leaving CAMMESA as the sole supplier for natural gas. The Company does not incur costs for the natural gas and diesel fuel supplied by CAMMESA. The Company continues to source its own fuel for the coal fired units (1, 2 and 5) at San Nicolás.

Cost of Sales (AR\$ Million)	2Q			
	2024	2023	Var (\$)	Var (%)
Fuel cost	16,773	19,269	(2,496)	(13)%
Maintenance	4,943	6,084	(1,141)	(19)%
Personnel costs	5,560	5,450	110	2 %
Insurance	3,809	6,173	(2,364)	(38)%
Depreciation	5,777	7,308	(1,531)	(21)%
Rights and royalties	386	185	201	109 %
Amortization of intangible assets	757	1,280	(523)	(41)%
Purchases of energy and power	362	408	(46)	(11)%
Related-Party Services	347	260	87	33 %
Operator Fee	155	312	(157)	(50)%
Transmission charges	473	326	147	45 %
Fees and remuneration to third parties	88	78	10	13 %
Frequency Regulation	(231)	85	(316)	(372)%
Travel and transportation	172	189	(17)	(9)%
Safety services	332	189	143	76 %
Others	1,029	884	145	16 %
Total Cost of Sales	40,732	48,480	(7,748)	(16)%

Gross Profit

Gross profit in the second quarter of 2024 amounted to AR\$17,879 million, 42% higher than the profit of AR\$12,617 million of the second quarter of the 2023. This positive variation is mainly due to lower Cost of Sales of AR\$7,748 million, partially offset by lower Operating Revenue of AR\$2,486 million.

Administrative & Trading Expenses

Administrative and Trading Expenses reached AR\$8,100 million in the second quarter of 2024, a 8% decrease compared to the AR\$8,837 million registered in the second quarter of 2023. The decrease is primarily due to a lower AR\$1,727 million expense in Taxes, rates and contribution expenses during the second quarter of 2024, partially offset by higher Bad Debt Expenses of for the second quarter of 2024. The bad debt provisions are associated to changes in the factors taken into consideration in the expected credit losses calculations.

Administrative & Trading Expenses (-AR\$ Million)	2Q			
	2024	2023	Var (\$)	Var (%)
Personnel costs	1,435	1,321	114	9 %
Depreciation	946	927	19	2 %
Taxes, rates and contributions	1,738	3,465	(1,727)	(50)%
Related-Party Services	1,886	1,900	(14)	(1)%
Fees and remuneration to third parties	649	812	(163)	(20)%
Bad Debt Expense	845	90	755	839 %
Others	601	322	279	87 %
Total Administrative & Trading Expenses	8,100	8,837	(737)	(8)%

EBITDA

The Company reported EBITDA of AR\$13,065 million for the second quarter of 2024, the same EBITDA of the second quarter of 2023's EBITDA. This EBITDA recorded is mainly due to higher Gross Profit of AR\$5,262 million is offset by a negative variation of AR\$3,964 million lower in other income and expenses. The latter due to the sale at lower fair value of the government bonds received from CAMMESA from payment of the invoices of December 2023 and January 2024.

EBITDA (AR\$ Million)	2Q			
	2024	2023	Var (\$)	Var (%)
Net Income	(3,192)	(342)	(2,850)	833 %
Income tax	(3,431)	(4,500)	1,069	(24)%
Other Income	(200)	52	(252)	---
Income from Investments in Associates	(31)	(226)	195	(86)%
Financial Income	(2,395)	(28,781)	26,386	(92)%
Financial Expense	15,451	12,116	3,335	28 %
Effect of FX differences	(2,203)	2,601	(4,804)	(185)%
Inflation effect	1,586	22,630	(21,044)	(93)%
Depreciation and Amortization	7,480	9,515	(2,035)	(21)%
EBITDA	13,065	13,065	—	---

Non-Operating Results

The Non-Operating Results of the Company in the second quarter of 2024 totaled a AR\$11,595 million loss, a negative variation compared to the AR\$8,566 million loss registered in the same period in 2023. The decrease is mainly due to a AR\$26,386 million decrease in Financial Income and an AR\$2,491 million decrease in Financial Expense. This decrease was partially offset by a AR\$21,044 million positive variation in Inflation Effect and a AR\$4,804 million positive variation in FX Differences

Financial Income decrease AR\$26,386 million. This variance is primarily due to an decrease of AR\$15,551 million in Interest income, which is mainly due lower interest rate on short term investment and lower cash balance.

Financial Expense grew AR\$2,491 million mainly due to an increase in AR\$2,472 million in Interest on financial debt, which is mainly driven by higher interest expenses related to a new syndicated loan, used to pay the debt exchange at the beginning of 2024.

Total FX differences registered a AR\$4,804 million positive variance compared to the same quarter in 2023. This variance is explained by a positive variance of AR\$21,587 million in FX Differences on liabilities due to the devaluation of the Argentine peso in the second quarter of 2024 partly offset by lower FX gains on assets of AR\$16,783 in the second quarter of 2024.

A AR\$1,586 million negative inflation adjustment was registered in the second quarter of 2024, a positive variation of AR\$21,044 compared to the AR\$22,630 million registered in the second quarter of 2023, this variance is associated to the change in the functional currency of the company to AR\$ in February 2020.

Non-Operating Results (AR\$ Million)	2Q			
	2024	2023	Var (\$)	Var (%)
Interest Income	1,106	16,657	(15,551)	(93)%
Other finance income	1,278	12,116	(10,838)	(89)%
Interest income from related companies	11	8	3	38 %
Financial Income	2,395	28,781	(26,386)	(92)%
Interest on financial debt	(13,872)	(11,400)	(2,472)	22 %
Interest on tax debts	(10)	—	(10)	---
Interest on commercial loans	(195)	(104)	(91)	88 %
Interest on obligations for long-term benefits	(530)	(612)	82	(13)%
Financial Expense	(14,607)	(12,116)	(2,491)	21 %
FX difference generated by assets	13,433	30,216	(16,783)	(56)%
FX difference generated by liabilities	(11,230)	(32,817)	21,587	(66)%
Total FX Differences	2,203	(2,601)	4,804	(185)%
Inflation Effect	(1,586)	(22,630)	21,044	(93)%
Total Non-Operating Results	(11,595)	(8,566)	(3,029)	35 %

Exchange Rate

	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023
Argentine Peso EOP (ARS/US\$)	912	858	808	350
	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022
Argentine Peso EOP (ARS/US\$)	257	209	177	147

	2Q		
	2024	2023	Var (%)
Argentine Peso AVG (ARS/US\$)	904	249	263%

Net Income

AES Argentina's Pre-tax Loss reached AR\$6,623 million in the second quarter of 2024 a negative variation compared to the AR\$4,842 million Pre-tax Loss in the second quarter of 2023. This variation was mainly driven by Non Operational Results, were a negative variation of AR\$26,386 million in Financial Income, was partially offset by a positive variation of AR\$21,044 million in Inflation Effect.

AAG recorded a AR\$3,431 million Income tax gain in the second quarter of 2024 a negative variation compared to the Income tax gain of AR\$4,500 million registered in the same period of 2023. Lower Tax benefits is mainly due to the effect of unrecognized deferred assets and the effect of the integral tax adjustment resulting from inflation.

AAG reported a Net Loss of AR\$3,192 million in the second quarter of 2024, compared to the second quarter of 2023's Net Loss of AR\$342 million primarily due to the higher Loss before Taxes and a lower Tax benefits explained above.

Cash Flow

Net Cash flow from operations reached AR\$2,746 million in inflows in the six-month period ended in June 30, 2024, a negative variation compared to AR\$28,478 million outflow in the same period in 2023. Operating cash flows decrease AR\$19,537 million. This variation is mainly explained by a negative impact on trade accounts receivable and accounts payable.

Investing cash inflows totaled AR\$64,715 million in the six-month period ended in June 30, 2024, a positive variation compared to the cash outflow of AR\$13,395 million in the same period last year. The variance is primarily due to the redemption of mutual funds in 2024, offset by lower interest income in short term investments

AES Argentina reported an outflow from financing activities of AR\$79,209 million in the six-month period ended in June 30, 2024, negative variation compared to the net outflow of AR\$27,871 million in the same period in 2023. The main variation is attributable to higher payments of third-party loans (repayment of 2024 144A/Reg S Notes) and higher interest payment due to new debt in local currency

The net outflow in cash and cash equivalents during the six-month period ended in June 30, 2024, was AR\$20,636 million, a negative variation compared to the AR\$12,706 million outflow registered in the same period of 2023.

Total cash and cash equivalents on the Cash Flow statement at the end of June 30, 2024, reached AR\$2,263 million, a negative variation of AR\$20,957 million compared to the AR\$23,220 million as of the period ended June 30 2023.

Cash Flow Statement Summary (AR\$ Million)	YTD			
	2024	2023	Var (\$)	Var (%)
Net cash from operating activities	2,746	22,283	(19,537)	(88)%
Net cash from investing activities	64,715	(13,395)	78,110	---
Net cash from financing activities	(79,209)	(27,871)	(51,338)	184 %
Effects of Foreign Exchange Variations	(8,888)	6,277	(15,165)	---
Total Net Cash Flow for the Period	(20,636)	(12,706)	(7,930)	62 %
Cash at the beginning of the period	22,899	35,926	(13,027)	(36)%
Total Cash at the End of the Period	2,263	23,220	(20,957)	(90)%

Total cash and cash equivalents on the Balance Sheet as of June 30 2024, reached AR\$13,617 million, compared to the AR\$108,029 million as of December 31, 2023. This variation is explained mainly by the decrease in debt, associated with the repayment in full of 2024 Notes, plus other negative variances mentioned above

The difference between the balance sheet and Cash Flow figures is explained primarily by the treatment of investment funds balances, which are included in the balance sheet cash and cash equivalents balance, however not included in the cash flow. For more details see the Note 15 of the Financial Statements. It is important to mention that as of June 30 2024, the company had US\$12 million pledged as collateral for the bank loan with Goldman Sachs, according to the pledge agreement dated February 12, 2020, which is registered as other financial assets, and not cash and cash equivalent on the balance sheet, nor cash flow statement.

FONINMEM Receivables

As of June 30 2024, outstanding FONINMEM III Receivables totaled AR\$79,841 million, net of VAT, which will be fully repaid in April 2026.

In second quarter of 2024, FONINMEM III collections, including interest, totaled approximately AR\$10,995 million, net of VAT.

AES Argentina received a 6% stake in the 865MW José de San Martín and a 7% stake in the 868MW Manuel Belgrano, combined cycle plants associated with FONINVEMEM I and II, as per the agreements reached in May 2020 between the Argentine authorities, AES Argentina and the rest of the generation companies who participate in the operating companies who manage the aforementioned plants. Final transfer of these assets has not been formalized as of June 30 2024. For more details please see Note 3.c.1. of the Financial Statements.

Dividends

The Company paid AR\$322 million in dividends in the period ended June 30 2024 and AR\$471 million as of June 30 2023, mainly to fund tax payments of holding companies.

Financial Debt

As of June 30 2024, AES Argentina has a total financial debt of US\$241 million. As of June 30 2024, 63% of the Company's financial debt liabilities were at fixed interest rates and 68% were US\$-denominated.

On January 26, 2017, the Company issued US\$300 million of 144A/RegS Senior Notes at 7.750% annual interest rate with 7-year tenor and bullet amortization. Since the third quarter of 2021, the Company has acquired a nominal amount of US\$25.5 million of this bond, US\$22.5 million were acquired in 2021 and US\$3 million in the first quarter of 2022.

In February 2020, a cash collateralized short-term loan for US\$20 million was raised with Goldman Sachs, at LIBOR + 1.75% Spread interest Rate with due date in February 2021. In February 2021, the Company paid US\$8 million of the outstanding US\$20 million Goldman Sachs Secured Loan. The remaining US\$12 million was refinanced to be paid in August 2023. As of the close of this report, this debt was refinanced to be paid in December 2024.

On July 13, 2023, the company launched an exchange offer for its US\$275 million class A senior notes due 2024, offering 2 options including up to US\$30.5 million in cash and new callable 2027 notes due August 2027 with a coupon of 9.50%. The participation in the exchange reached 53%. The final cash payable was USD 29.2 million, while the new debt issued reached USD 122 million which will be amortized in 4 semiannual installments from February 2026 to August 2027. The remaining USD 129 million at December 31, 2023 as a result of this 7.750% exchange maturing on February 2, 2024 was paid in full on that date.

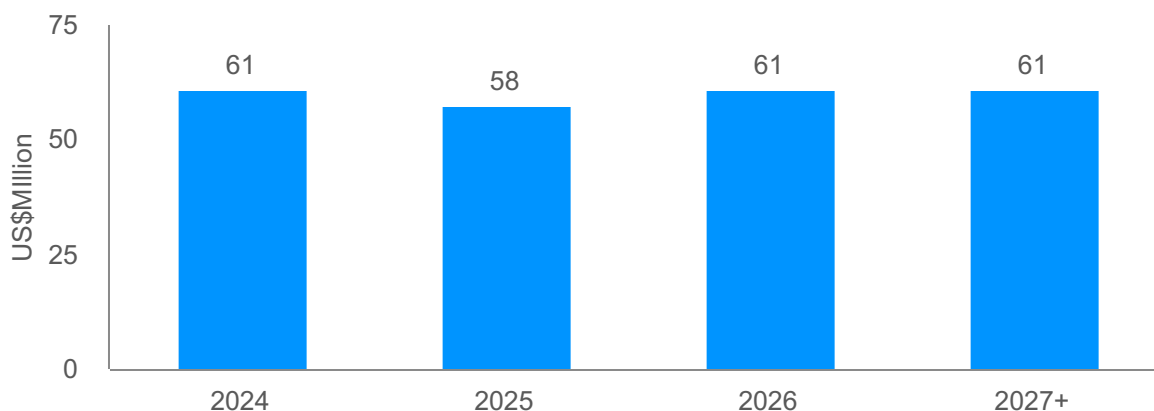
On January 29, 2024, the company signed a syndicated loan (Club Deal) with 3 local banks for approximately USD 27 million, denominated in AR\$, with 50% due in December 2024 and 4 quarterly, equal and consecutive amortizations in March, June, September and December 2025. The agreed rate was BADCOR (Badlar corrected) + 4.5%. These funds were applied to pay the debt of ON Class A 144/A due in February 2024.

In addition, during 2024, the company raised approximately US\$22 million short-term bank loans denominated in AR\$ with local banks to finance fuel purchases and fortify the company's liquidity position, with maturities during 3Q 2024.

For more details please see Note 19 of the Financial Statements.

The following graph details AES Argentina's debt maturity profile, as of June 30 2024:

AES Argentina Debt Maturity



Debt Amortization (US\$ Million)		Average Interest Rate	2024	2025	2026	2027+
AAG ON Class 2 2027	122	9.50%			61	61
AAG ON Class 1 2025	31	8.00%		31		
GS Secured Loan	12	7.18%	12			
AR\$ Debt	76	45%*	49	27		
Total	241	9.00%	61	58	61	61

- Rates calculated in ARS

RISK ANALYSIS

Details of financial and operational risks can be found in the AES Argentina 2Q - 2024 financial statements.

Power Sector Energy Prices and Tariffs

AES Argentina Generación is subject to several different aspects of regulation in Argentina. Modifications to the existing legislation could adversely affect the Company's financial results.

Resolution 1/2019 was enacted by Argentina's Secretariat of Electric Energy in March 2019, modifying the regulatory framework for the Energía Base market, under which the Company's thermal and hydro assets operate. The new framework established different thermal plant capacity tariff structures for peak (summer and winter) and non-peak seasons (spring and fall). During peak seasons January, February, June, July, August and December, the capacity price remained unchanged, at US\$7,000/MW/month, while during non-peak seasons, March, April, May, September, October and November, capacity prices were reduced to US\$5,500/MW/month. A new usage factor was also included a capacity payment structure, which is determined by the plants' usage over the previous 12 months. In addition, Resolution 1/2019 reduced energy prices by US\$1.6/MWh compared to Resolution 19/2017.

In February 2020, Resolution 31/2020 modified the tariff structure established by Resolution 1/2019. Energía Base rates were converted from US Dollars to Argentine Pesos, an inflation-based indexation mechanism was introduced, capacity rates were reduced, and an additional remuneration mechanism was added for plants operating during hours of peak thermal requirement on the system. Energy and Capacity Rates from resolution 1/2019 were converted to Argentine pesos at an exchange rate of 60 AR\$/US\$ under Resolution 31/2020.

All rates are to be adjusted on a monthly basis for local inflation based on an index made up of 60% Consumer price index (IPC) and 40% Wholesale Internal Price Index (IPIM). In April 2020 however, amid the COVID-19 Pandemic, the Argentine authorities postponed until new notice the inflation adjustments. On May 21, 2021, Resolution 440/2021 was issued which's main modification was a 29% inflation related increase in energy and capacity prices under the Energía Base regime, retroactive from February 2021.

Capacity rates for thermal units were reduced between 14% and 45%, while hydro units' capacity rates were reduced approximately 45%. The thermal capacity offered guaranteed availability rate (DIGO) during peak seasons, was reduced 14% to US\$6,000/MW/month (AR\$360,000/MW/month), while during non-peak seasons, the rate was reduced 18% to US\$4,500/MW/month (AR\$270,000/MW/month). Thermal capacity base rates, applicable to plants that do not offer a guaranteed availability (DIGO), were reduced 45%.

The usage factor introduced under Resolution 1/2019 was maintained in the thermal capacity rate structure. The usage factor adjusts thermal capacity rates between 60% and 100% according to the plants' usage over the previous 12 months. Capacity rates for hydro assets were reduced to US\$1,650/MW/month (AR\$99,000/MW/month) for Large hydro (Alicurá), to US\$3,025/MW/month (AR\$181,500/MW/month) for Small hydro (Cabra Corral) and to US\$4,950/MW/month (AR\$297,000) for Renewable hydro (Ullum and El Tunal).

An additional remuneration mechanism was introduced for plants operating during hours of peak requirement on the system. Plants operating during the first and second 25 hours per month of peak thermal demand on the system in summer / winter months and the first 25 hours of maximum thermal requirement in autumn / spring are eligible for the new remuneration framework. The remuneration amount under this mechanism is determined by four factors: the average capacity of the plant during the first or second 25 hours of peak thermal requirement on the system, a capacity rate based on the type of plant, an adjustment factor for the first and second 25 hours of each month, and finally the month of the year in question which are categorized by season. The average capacity of the plant is based on the energy produced, in the case of thermal plants, and operated energy, in the case of hydroelectric plants during the hours of peak thermal requirement on the system.

Rates for generated and operated energy for both hydro and thermal plants under Res 31/2020 were not changed in US\$ terms compared to Resolution 1/2019, however they were converted into AR\$ as were all rates under Energía Base.

On May 29, 2021, Resolution 440/2021 was issued which's main modification was a 29% inflation related increase in energy and capacity prices under the Energía Base regime, retroactive from February 2021. It additionally suppressed

an inflation-based indexation mechanism. The prices rates continue to be denominated in Argentine pesos. The rates increase was reflected starting in the second quarter of 2021.

On November 2, 2021, Resolution 1037/2021 was issued, which mainly establishes an additional and transitory remuneration will be recognized for Generation Companies with regards to energy exports from September 2021. This regulation also establishes a Utilization Factor equal to 70% for the determination of the Power Availability Remuneration.

On April 18, 2022 the Secretariat of Energy modified the pricing scheme of the electric energy commercialized in the "Energía Base" regulatory framework established by Resolution 440/2021 by means of Resolution 238/2022, effective as from the economic transactions of the months of February and June 2022. Additionally, the application of the Usage Factor that could reduce the capacity payment based on the generation of the last 12 months was eliminated and a new charge "Remuneration to Exports" related to energy exports from Argentina to Brazil was created.

In December 2022, the Energy Secretariat issued Resolution 826/2022, which updates the prices established in Resolution 238/2022. This Resolution was retroactively effective as from September 2022 and establishes the increases to be made in the remuneration of energy in the months of November and December 2022, and February and August 2023. To date, work continues on updating the price for the months after August 2023.

On December 12, 2022, Resolution 826/2022 was issued, once again modifying energy and capacity prices under the Energía Base regime, increasing tariffs by 20% and 10% since November 2022 and December 2022, respectively, in addition to establishing tariff increases in advance of 25% and 28% from February 2023 and August 2023, respectively. On September 6, 2023 and on October 27, 2023, the Ministry of Energy issued Resolutions 750/2023 and 869/2023, through which tariffs were increased by 23% and 28% from September and November 2023, respectively.

On February 07, 2024 the Ministry of Economy - Secretariat of Energy published Resolution 9/2024 which establishes a 74% increase of the remunerations established in Resolution 869/2023 published on October 27, 2023, this new resolution became effective as from the economic transactions corresponding to the month of February 2024. On June 14, 2024, the Ministry of Economy - Secretariat of Energy published Resolution 99/2024 which establishes a 25% increase of the remunerations established in Resolution 9/2024.

		Capacity (Price per MW/Month)						
		(AR\$/MW/month)	(AR\$/MW/month)	(AR\$/MW/month)	(AR\$/MW/month)	(AR\$/MW/month)	(AR\$/MW/month)	
		Res 99/2024	Res 9/2024	Res 869/2023	Res 750/2023	Res 826/2022*	Res 440/2021	
Hydro	Large Hydro	AR\$ 1,320,019	AR\$ 1,056,015	AR\$ 607,254	AR\$ 474,417	AR\$ 385,705	AR\$ 127,710	
	Small Hydro	AR\$ 1,760,025	AR\$ 1,936,025	AR\$ 1,113,298	AR\$ 869,764	AR\$ 707,125	AR\$ 234,135	
	Renewable Hydro	AR\$ 3,960,051	AR\$ 3,168,041	AR\$ 1,821,760	AR\$ 1,423,250	AR\$ 1,157,114	AR\$ 383,130	
Thermal	DIGO Rate	Winter/Summer	AR\$ 4,800,060	AR\$ 3,840,048	AR\$ 2,208,195	AR\$ 1,725,152	AR\$ 1,402,562	AR\$ 464,400
		Spring/Fall	AR\$ 3,600,048	AR\$ 2,880,038	AR\$ 1,656,146	AR\$ 1,293,864	AR\$ 1,051,922	AR\$ 348,300
	Base Rate	Large CCGT	AR\$ 1,342,024	AR\$ 1,073,619	AR\$ 617,337	AR\$ 482,326	AR\$ 392,135	AR\$ 129,839
		Large Steam Turbine	AR\$1,914,030	AR\$ 1,531,224	AR\$ 880,520	AR\$ 687,906	AR\$ 559,273	AR\$ 185,180
		Small Steam Turbine	AR\$ 2,288,030	AR\$ 1,830,424	AR\$ 1,052,573	AR\$ 822,323	AR\$ 668,555	AR\$ 221,364
		Small GAS Turbine	AR\$ 2,024,026	AR\$ 1,619,221	AR\$ 591,414	AR\$ 727,439	AR\$ 591,414	AR\$ 195,822
	Utilization Factor	No	No	No	No	No	Yes	

* Resolution 826/2022 issued in December 2022, retroactive to September, with adjustments in December 2022, February 2023 and August 2023.

		Generated Energy					
		(AR\$/MWh)	(AR\$/MWh)	(AR\$/MWh)	(AR\$/MWh)	(AR\$/MWh)	(AR\$/MWh)
		Res 99/2024	Res 9/2024	Res 869/2023	Res 750/2023	Res 238/2022*	Res 440/2021
Hydro		AR\$ 2,800	AR\$ 2,240	AR\$ 1,283	AR\$ 1,006	AR\$ 388	AR\$ 271
Thermal	Natural Gas	AR\$ 3,203	AR\$ 2,562	AR\$ 1,473	AR\$ 1,151	AR\$ 443	AR\$ 310
	Fuel Oil / Gas Oil	AR\$ 5,604	AR\$ 4,483	AR\$ 2,578	AR\$ 2,014	AR\$ 775	AR\$ 542
	Mineral Coal	AR\$ 8,001	AR\$ 7,681	AR\$ 4,417	AR\$ 3,541	AR\$ 1,328	AR\$ 929

* Resolution 826/2022 issued in December 2022, retroactive to September, with adjustments in December 2022, February 2023 and August 2023.

	Generated Energy						
	(AR\$/MWh)	(AR\$/MWh)	(AR\$/MWh)	(AR\$/MWh)	(AR\$/MWh)	(AR\$/MWh)	(AR\$/MWh)
	Res 99/2024	Res 9/2024	Res 869/2023	Res 826/2022***	Res 826/2022**	Res 238/2022*	Res 440/2021
Hydro	AR\$ 1,115	AR\$ 892	AR\$ 892	AR\$ 326	AR\$ 204	AR\$ 154	AR\$108
Thermal	AR\$ 1,115	AR\$ 892	AR\$ 892	AR\$ 326	AR\$ 204	AR\$ 154	AR\$ 108

* Includes all tariff increases of Res 238/2022

** Includes tariff increases as of December 31, 2022

*** Includes tariff increases as of August 2023

Peak System Thermal Requirement Capacity Rate (AR\$/MW)						
		Res 238/2022*	Res 440/2021	Res 31/2020	Res 1/2019	
Hydro	Large Hydro	50,729	35,475	27,500	—	
	Small Hydro	59,953	41,925	32,500	—	
	Renewable Hydro	64,565	45,150	35,000	—	
Thermal	All Fuels	69,176	48,375	37,500	—	

* Includes all tariff increases of Res 238/2022

Peak System Thermal Requirement Adjustment Factor			
		Summer & Winter Months	Fall & Spring Months
Hydro & Thermal	First 25 hours	1.2x	0.2x
	Second 25 hours	0.6x	0.0x

For more details of the regulatory framework of Energía Base please see Notes 3 of the Financial Statements or Resolution 31/2020 available [here](#).

Resolution 59/2023

On February 7, 2023, the Energy Secretariat published Resolution 59/2023, which allows to dollarize part of the remuneration of combined cycle plants for a period of up to 5 years, to be paid in Argentine pesos at the official exchange rate. The new remuneration scheme is voluntary and the agreement has as counterpart the market administrator CAMMESA, which requires a unit availability commitment of 85%. AES Argentina agreed to adhere to this new scheme during March 2023. The updated power prices are 2,000 USD + 65% of the power price set by Resolution 826/22 in winter and summer, and 2,000 U\$S + 85% of said prices for spring and autumn. The price of energy generated with natural gas is set at the equivalent of 3.5 U\$S/MWh and with diesel oil at 6.1 U\$S/MWh.

AES ARGENTINA GENERACIÓN BALANCE SHEET

As of June 30 2024, and December 31, 2023

International Financial Reporting Standards (IFRS).

(End of period exchange rate used to convert AR\$ into US\$ for referential purposes is 912 AR\$/US\$.)

Assets	AR\$ Million			US\$ Million
	June 30, 2024	December 31, 2023	Var. %	June 30, 2024
Non- Current Assets				
Investments in subsidiaries and associates	769	777	(1)%	1
Property, plant & equipment	357,134	494,254	(28)%	416
Intangible Assets	20,893	23,230	(10)%	24
Inventory	16,690	16,690	— %	19
Accounts receivable from related parties	16	25	(36)%	0
Other financial assets	145	259	(44)%	0
Other non-financial assets	765	428	79 %	1
Trade & Other accounts receivable	33,215	83,626	(60)%	39
Tax assets	1,440	1,420	1 %	2
Deferred tax assets	14,141	5,323	166 %	16
Total Non-Current Assets	445,208	626,032	(29)%	519
Current Assets				
Inventory	21,952	30,669	(28)%	26
Accounts receivable from related parties	1,528	1,253	22 %	2
Other financial assets	13,722	27,203	(50)%	16
Other non-financial assets	3,464	3,464	— %	4
Trade & Other accounts receivable	94,908	99,246	(4)%	111
Cash & Cash equivalents	13,617	108,029	(87)%	16
Tax assets	10,066	7,799	29 %	12
Total Current Assets	159,257	277,663	(43)%	186
TOTAL ASSETS	604,465	903,695	(33)%	705

AES ARGENTINA GENERACIÓN BALANCE SHEET

As of June 30, 2024, and December 31, 2023

International Financial Reporting Standards (IFRS).

(End of period exchange rate used to convert AR\$ into US\$ for referential purposes is 912 AR\$/US\$)

Liabilities and Shareholders' Equity	AR\$ Million			US\$ Million
	June 30, 2024	December 31, 2023	Var. %	June 30, 2024
Equity				
Issued Equity	1,153	1,153	— %	1
Equity Adjustment	71,242	71,242	— %	83
Irrevocable contributions	1,798	1,798	— %	2
Additional paid-in capital	17,441	17,441	— %	20
Legal Reserve	17,967	17,967	— %	21
IFRS special reserve	41,355	41,355	— %	48
Optional Reserves	54,162	230,074	(76)%	63
Other Reserves	120,822	161,939	(25)%	141
Retained Earnings	(7,540)	(175,422)	(96)%	(9)
Equity Attributable to Shareholders of Parent	318,400	367,547	(13)%	371
Non-controlling Interest in Controlled Subsidiaries	572	692	(17)%	1
TOTAL EQUITY	318,972	368,239	(13)%	372
Non-Current Liabilities				
Employee benefits	2,457	2,523	(3)%	3
Tax liabilities	514	1,039	(51)%	1
Deferred tax liabilities	47	8,600	(99)%	—
Provisions	1,808	2,151	(16)%	2
Accounts payable to related parties	311	1,021	(70)%	—
Interest-accruing liabilities	153,500	226,976	(32)%	179
Total Non-Current liabilities	158,637	242,310	(35)%	185
Current Liabilities				
Employee benefits	6,511	8,769	(26)%	8
Tax liabilities	1,262	2,507	(50)%	1
Accounts payable to related parties	23,790	21,084	13 %	28
Trade & other accounts payable	27,330	42,538	(36)%	32
Interest-accruing liabilities	67,963	218,248	(69)%	79
Total Current liabilities	126,856	293,146	(57)%	148
TOTAL LIABILITIES	285,493	535,456	(47)%	333
Total Liabilities and Equity	604,465	903,695	(33)%	705

AES ARGENTINA GENERACIÓN INCOME STATEMENT

For the periods ended June 30, 2024, and June 30 2023

International Financial Reporting Standards (IFRS)

(Average exchange rate used to convert AR\$ into US\$ for referential purposes is 860.46 AR\$/US\$ for the six-month periods ended June 30, 2024 and 886.47 AR\$/US\$ for the three-month periods ended June 30, 2024 June 30, 2024)

Income Statement	AR\$ Million			US\$ Million
	2Q			2Q
	2024	2023	Var (%)	2024
Operating Revenue	58,611	61,097	(4)%	66
Cost of Sales	(40,732)	(48,480)	(16)%	(46)
Gross Profit	17,879	12,617	42 %	20
Administrative Expenses	(5,949)	(6,184)	(4)%	(7)
Trading Expenses	(2,151)	(2,653)	(19)%	(2)
Other income and expenses	(4,194)	(230)	1,723 %	(5)
Operating Income	5,585	3,550	57 %	6
Financial Income	2,395	28,781	(92)%	3
Financial Expense	(15,451)	(12,116)	28 %	(17)
Effect of FX differences	2,203	(2,601)	(185)%	2
Inflation effect	(1,586)	(22,630)	---	(2)
Income from Investments in Associates	31	226	(86)%	0
Other income and expenses	200	(52)	(485)%	0
Income (Loss) before Taxes	(6,623)	(4,842)	37 %	(8)
Income Tax	3,431	4,500	(24)%	4
Net Income	(3,192)	(342)	833 %	(4)
EBITDA	13,065	13,065	— %	15

AES ARGENTINA GENERACIÓN CASH FLOW STATEMENT

For the six months period ended June 30, 2024, and June 30 2023 (cumulative results)
 International Financial Reporting Standards (IFRS)
 (Average exchange rate used to convert AR\$ into US\$ for referential purposes is \$860.46 AR\$/US\$ for the six-month period ended in June 30, 2024)

	AR\$ Million		US\$ Million	
	June 30		June 30	
	2024		Var (%)	2024
Operating Activities				
Net income	(7,379)	3,740	(297)%	(9)
Earnings reconciliation adjustments				
Depreciation & amortization expenses	18,483	20,864	(11)%	21
Result due to loss of property, plant and equipment and intangibles	—	19	(100)%	—
FX differences and conversion differences	24,754	36,230	(32)%	29
Loss for partial repurchase of negotiable obligations	—	—	---	—
Interest gains and other financial income	(17,722)	(46,748)	(62)%	(21)
Income from investments in other companies	(196)	(436)	(55)%	—
Income tax expenses	(17,077)	(6,570)	160 %	(20)
Provision expenses	62	375	(83)%	—
Accrued interest expenses	35,661	23,417	52 %	41
Bad debt provision	1,052	193	---	1
Pension plan	1,327	1,550	(14)%	2
Adjustments for balance sheet accounts variations				
Inventory	9,023	(6,947)	(230)%	10
Trade & other account receivables	(26,475)	(14,939)	77 %	(31)
Account receivables from related parties	12,584	(8,473)	(249)%	15
Other non-financial assets	1,643	(7,052)	(123)%	2
Trade & other account payables	(42,192)	9,675	(536)%	(49)
Accounts payable to related parties	2,809	1,666	69 %	3
Provisions	8	41	(80)%	0
Tax Assets	558	2,667	(79)%	1
Tax Liabilities	(6,768)	4,110	(265)%	(8)
Employee benefits	1,568	(163)	(1062)%	2
Income tax paid	(792)	3,599	(122)%	(1)
Interests received on trade accounts	4,023	5,465	(26)%	5
Net cash flow from operations	(1,419)	22,283	(106)%	(2)

AES ARGENTINA GENERACIÓN CASH FLOW STATEMENT (CONTINUED)

For the years ended June 30, 2024, and June 30 2023 (cumulative results)

International Financial Reporting Standards (IFRS)

(Average exchange rate used to convert AR\$ into US\$ for referential purposes is \$860.46 AR\$/US\$ for the six-month period ended June 30, 2024)

	AR\$ Million		US\$ Million	
	June 30		June 30	
	2024	2023	2024	2023
Investment Activities				
Purchase of Property, Plant & Equipment	(5,724)	(10,491)	(45)%	(7)
Purchase of intangible assets	(591)	(330)	79 %	(1)
Interests received	9,698	21,680	(55)%	11
Dividend Received	199	657	---	—
Capital contribution in a subsidiary	(242)	—	---	—
Net decrease of common investment funds	62,538	(24,781)	(352)%	73
Loans granted to related parties	—	(130)	---	—
Collections from loan to related parties	—	—	---	—
Net cash flows used in investment activities	64,715	(13,395)	(583)%	75
Financing Activities				
Proceeds from third-party loans	138,337	46,629	197 %	161
Payments of third-party loans	(186,807)	(52,712)	254 %	(217)
Interests paid on third-party loans	(35,954)	(21,291)	69 %	(42)
Payment of financial leases	(26)	(26)	— %	0
Dividend payments	(322)	(471)	---	—
Net Cash flows from (used in) financing activities	(79,209)	(27,871)	184 %	(92)
Effect of FX difference on cash & cash equivalents	(8,888)	6,277	(242)%	(10)
Net Increase in cash & cash equivalents	(20,636)	(12,706)	62 %	(24)
Opening Cash & Cash Equivalent	22,899	35,926	(36)%	27
Ending Cash & Cash Equivalent	2,263	23,220	(90)%	3

ABOUT AES ARGENTINA GENERACIÓN

AES Argentina Generación S.A. is a wholly owned subsidiary of the AES Corporation, engaged in power generation in Argentina. It owns and operates a portfolio of seven power plants, four hydro-electrical plants, three thermal power plants and two wind farms located in the Provinces of Buenos Aires, Salta, San Juan, and Neuquén, with a total installed capacity of 2,985 MW, in addition to 16 MW of battery energy storage systems,.

To learn more, please visit www1.aesargentina.com.ar/en

ABOUT THE AES CORPORATION

The AES Corporation (NYSE: AES) is a Fortune 500 global energy company accelerating the future of energy. Together with our many stakeholders, we're improving lives by delivering the greener, smarter energy solutions the world needs. The company's diverse workforce is committed to continuous innovation and operational excellence while partnering with our customers on their strategic energy transitions and continuing to meet their energy needs today.

In 2022, The AES Corporation reported \$12.6 billion in revenues and owned and managed \$38 billion in total assets.

To learn more, please visit www.aes.com