

YPF LUZ

YPF ENERGÍA ELÉCTRICA S.A.

CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS AS OF SEPTEMBER 30,
2021 AND COMPARATIVE INFORMATION

TABLE OF CONTENT

GLOSSARY OF TERMS	1
LEGAL INFORMATION	2
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION	3
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME	4
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGE IN SHAREHOLDERS' EQUITY	5
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOW	7
1. GENERAL INFORMATION AND MAIN ACTIVITIES	8
2. BASIS OF PREPARATION OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS	9
3. SEASONALITY OF OPERATIONS	13
4. ACQUISITIONS AND DISPOSITIONS	13
5. FINANCIAL RISK MANAGEMENT	14
6. FINANCIAL INSTRUMENTS BY CATEGORY	14
7. QUANTITATIVE AND QUALITATIVE INFORMATION ON FAIR VALUES	16
8. PROPERTY, PLANT AND EQUIPMENT	18
9. INTANGIBLE ASSETS	19
10. RIGHT OF USE ASSETS	20
11. INVESTMENT IN JOINT VENTURES	20
12. OTHER RECEIVABLES	22
13. TRADE RECEIVABLES	22
14. CASH AND CASH EQUIVALENTS	22
15. INCOME TAX	23
16. LEASE LIABILITIES	24
17. LOANS	25
18. TRADE PAYABLES	27
19. REVENUES	27
20. EXPENSES BY NATURE	28
21. OTHER OPERATING RESULTS, NET	29
22. NET FINANCIAL RESULTS	30
23. SHAREHOLDERS' EQUITY	30
24. EARNINGS PER SHARE	30
25. RESTRICTION ON RETAINED EARNINGS	31
26. ASSETS AND LIABILITIES IN CURRENCY IN CURRENCIES OTHER THAN ARGENTINE PESO	31
27. MAIN CONTRACTUAL COMMITMENTS AND GUARANTEES GRANTED	32
28. CONTINGENT LIABILITIES	32
29. REGULATORY FRAMEWORK	35
30. RELATED PARTIES INFORMATION	38
31. COVID-19 PANDEMIC IMPACT	40
32. SUBSEQUENT EVENTS	42

English translation of the separated financial statements originally filed in Spanish with the Argentine Securities Commission (“CNV”). In case of discrepancy, the separated financial statements filed with the CNV prevail over this translation.

YPF LUZ

YPF ENERGÍA ELÉCTRICA S.A.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2021 AND COMPARATIVE INFORMATION

GLOSSARY OF TERMS

Term	Definition
ADR	American Depositary Receipt
AESA	Related party A-Evangelista S.A.
AFIP	Argentine Tax Authority
Associate	Company over which YPF EE has significant influence as provided for in IAS 28
BNR	BNR Infrastructure Co-Investment Limited
CAEE	Electric Energy Supply contract
CAMMESA	Compañía Administradora del Mercado Mayorista Eléctrico S.A.
CDS	Joint Venture Central Dock Sud S.A.
CGU	Cash Generation Unit
CNV	Argentine Securities Commission
COD	Respect to a thermal Power Plant, the commercial operation date
Energía Base	Power generation from SEE Resolution 440/2021 and earlier
ENRE	National Regulatory Entity of Electricity
EUR - €	Euro
FACPECE	Argentine Federation of Professional Councils of Economic Sciences
FONINVEMEM	Funds of Necessary Investments that allow the Electric Energy Supply in the Wholesale Electricity Market
GE	General Electric Corporation, Inc., or any of its subsidiaries and/or affiliates
GE EFS	GE EFS Power Investments B.V., an affiliate of GE
Group	YPF EE and its subsidiaries
GW	Gigawatts
GWh	Gigawatts per hour
IAS	International Accounting Standard
IASB	International Accounting Standards Board
IDS	Joint Venture Inversora Dock Sud S.A.
IFRIC	International Financial Reporting Standards Committee
IFRS	International Financial Reporting Standard
IGJ	Argentine Superintendence of Corporations
CPI	Consumer Price Index (“IPC” for its acronym in Spanish)
Joint Venture	Company jointly owned by YPF EE as provided for in IFRS 11
LGS	Argentine General Corporations Act No. 19,550 (T.O. 1984), as amended
Loma Campana I	Loma Campana I thermal power plant located in the district of Añelo, Province of Neuquén.
Loma Campana II	Loma Campana II thermal power plant located in the district of Añelo, Province of Neuquén.
Luz del León	Subsidiary Luz del León S.A.
MATER	Renewable energy forward market
MEM	Wholesale Electricity Market
MW	Megawatts
MWh	Megawatts per hour
NO	Negotiable Obligations
OPESSA	Related party and non controlling interest Operadora de Estaciones de Servicios S.A.
PEN	National Executive Branch
PPA	Capacity and/or power purchase agreements
SADI	Argentine Interconnection System
SE	Secretariat of Energy
SEE	Secretariat of Energy Electric
SGE	Government Secretary of Energy
SIC	Standing Interpretation Committee
Subsidiary	Company controlled by YPF EE in accordance with the provisions of IFRS 10.
US\$	US dollars
VAT	Value added tax
Y-GEN	Subsidiary Y-GEN Eléctrica S.A.U. (previously Y-GEN ELÉCTRICA S.R.L.)
Y-GEN II	Subsidiary Y-GEN Eléctrica II S.A.U. (previously Y-GEN ELÉCTRICA II S.R.L.)
Y-GEN III	Subsidiary Y-GEN Eléctrica III S.R.L.
Y-GEN IV	Subsidiary Y-GEN Eléctrica IV S.R.L.
YPF	YPF Sociedad Anónima
YPF EE or the Company	YPF Energía Eléctrica S.A.
YPF EE Comercializadora	Subsidiary YPF EE Comercializadora S.A.U.
WPI	Wholesale internal Price index (“IPIM” for its acronym in Spanish)

English translation of the separated financial statements originally filed in Spanish with the Argentine Securities Commission (“CNV”). In case of discrepancy, the separated financial statements filed with the CNV prevail over this translation.



YPF ENERGÍA ELÉCTRICA S.A.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2021 AND COMPARATIVE INFORMATION

LEGAL INFORMATION

Legal address

Macacha Güemes No. 515, 3rd Floor – Buenos Aires – Argentina

Fiscal year

N° 9 beginning on January 1, 2021.

Main business of the Company

Generation, transport and commercialization of electric power from all kind of primary sources of production.

Tax identification code (“CUIT”): 30-71412830-9.

Registration date with the Public Commerce Registry:

- Of the articles of incorporation: August 26, 2013.
- Last amendment to bylaws: March 20, 2018.

Registration with the IGJ:

16,440 of Book 65, Volume A of Corporations (“Sociedades Anónimas”).

Duration of the company: Through August 26, 2112.

Capital Stock

(Amounts expressed in Argentine pesos - See Note 23)

Class of shares	Subscribed, paid-in, issued and registered
Common, book entry shares, with a nominal value of 1 each and entitled to one vote per share:	
Class A	2,810,302,991
Class B	936,767,364
	3,747,070,355

English translation of the separated financial statements originally filed in Spanish with the Argentine Securities Commission ("CNV"). In case of discrepancy, the separated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.



CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS OF SEPTEMBER 30, 2021 AND DECEMBER 31, 2020

(Amounts expressed in thousands of Argentine Pesos)

	Notes	September 30, 2021	December 31, 2020
ASSETS			
Non-current assets			
Property, plant and equipment	8	165,665,008	137,105,039
Intangible assets	9	492,498	440,000
Right of use assets	10	1,641,073	1,334,330
Investments in joint ventures	11	7,149,729	5,410,422
Other receivables	12	848,878	3,536,959
Deferred income tax assets, net	15	1,124,834	557,598
Total non-current assets		176,922,020	148,384,348
Current assets			
Other receivables	12	4,111,023	3,539,253
Trade receivables	13	13,568,903	9,082,345
Restricted cash and cash equivalents	14	908,234	3,741,094
Cash and cash equivalents	14	7,818,169	14,296,594
Total current assets		26,406,329	30,659,286
TOTAL ASSETS		203,328,349	179,043,634
SHAREHOLDERS' EQUITY			
Shareholders' contributions		8,411,982	8,411,982
Reserves, other comprehensive income and non-retained earnings		76,845,900	62,382,821
TOTAL SHAREHOLDERS' EQUITY		85,257,882	70,794,803
LIABILITIES			
Non-current liabilities			
Provisions		197,933	132,636
Deferred income tax liability, net	15	17,361,170	10,333,778
Lease liabilities	16	1,025,249	862,149
Loans	17	69,042,589	58,855,627
Other financial liabilities	7	-	5,962
Total non-current liabilities		87,626,941	70,190,152
Current liabilities			
Taxes payable		74,974	132,628
Income tax payable		3,372,419	466,866
Salaries and social security		643,158	458,161
Lease liabilities	16	270,944	227,930
Loans	17	18,316,179	29,030,649
Other financial liabilities	7	21,098	75,843
Trade payables	18	7,744,754	7,666,602
Total current liabilities		30,443,526	38,058,679
TOTAL LIABILITIES		118,070,467	108,248,831
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		203,328,349	179,043,634

Accompanying notes are an integral part of these interim condensed consolidated financial statements.

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission ("CNV"). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.



CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE NINE AND THREE-MONTH PERIODS ENDED SEPTEMBER 30, 2021 AND 2020

(Amounts expressed in thousands of Argentine Pesos)

	Notes	For the nine-month periods ended September 30,		For the three-month periods ended September 30,	
		2021	2020	2021	2020
Revenues	19	30,933,416	14,486,093	11,681,017	5,321,732
Production costs	20	(14,371,932)	(6,757,098)	(5,410,281)	(2,540,231)
Gross profit		16,561,484	7,728,995	6,270,736	2,781,501
Administrative and selling expenses	20	(2,081,228)	(1,491,576)	(564,106)	(465,328)
Other operating results, net ⁽²⁾	21	1,615,368	635,761	468,149	187,133
Operating profit		16,095,624	6,873,180	6,174,779	2,503,306
Income from equity interest in joint ventures	11	(260,185)	203,968	14,633	140,194
Net financial results					
- Financial income	22	4,779,574	6,254,475	1,584,273	2,330,513
- Financial costs	22	(9,791,040)	(6,883,746)	(2,967,551)	(2,365,976)
Net financial results ⁽²⁾	22	(5,011,466)	(629,271)	(1,383,278)	(35,463)
Profit before income tax		10,823,973	6,447,877	4,806,134	2,608,037
Income tax	15	(9,660,762)	(2,447,953)	(5,413,929)	(1,008,120)
Net profit for the period		1,163,211	3,999,924	(607,795)	1,599,917
Other comprehensive income for the period					
<i>Items that may not be reclassified to net income in subsequent periods</i>					
Translation differences from assets and liabilities held for disposal		-	149,205	-	-
Translation differences		12,185,092	12,826,364	2,384,085	4,752,603
<i>Items that may be reclassified to net income in subsequent periods</i>					
Joint ventures' net monetary position results		1,999,492	773,499	624,430	245,597
Translation differences from joint ventures		(939,136)	(1,015,832)	(165,726)	(353,729)
Fair value changes on derivatives instruments, net of tax effect ⁽¹⁾		54,420	(49,174)	13,443	19,766
Net variation of other comprehensive income for the period		13,299,868	12,684,062	2,856,232	4,664,237
Total comprehensive income for the period		14,463,079	16,683,986	2,248,437	6,264,154
Net income for the period attributable to shareholders		1,163,211	3,999,924	(607,795)	1,599,917
Total comprehensive income for the period attributable to shareholders		14,463,079	16,683,986	2,248,437	6,264,154
Basic and diluted earnings per share					
- Basic and diluted (ARS)	24	0.310	1.067	(0.162)	0.427

(1) Net of income tax charges for the nine and three-month periods ended September 30, 2021 of (13,721) and (6,037), respectively, and September 30, 2020 of 20,688 and (4,525), respectively.

(2) See Note 2.2.

Accompanying notes are an integral part of these interim condensed consolidated financial statements.

SANTIAGO MARTÍNEZ TANOIRA
President

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission (“CNV”). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.



CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS’ EQUITY FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2021 AND 2020

(Amounts expressed in thousands of Argentine Pesos)

	For the nine-month period ended September 30, 2021								
	Shareholders’ contributions			Reserves			Other comprehensive income	Retained earnings	Total
	Subscribed capital	Share premium	Other shareholders’ contributions	Legal reserve	Special reserve RG No. 609 ⁽¹⁾	Reserve for future investments			
As of January 1, 2021	3,747,070	4,604,483	60,429	489,355	11,532	9,095,741	46,875,545	5,910,648	70,794,803
As decided by the General Ordinary Shareholders’ Meeting on April 28, 2020:									
- Appropriation to legal reserve	-	-	-	260,059	-	-	-	(260,059)	-
- Appropriation to reserve for future investments	-	-	-	-	-	5,650,589	-	(5,650,589)	-
Other comprehensive income for the period	-	-	-	-	-	-	13,299,868	-	13,299,868
Net profit for the period	-	-	-	-	-	-	-	1,163,211	1,163,211
As of September 30, 2021	3,747,070	4,604,483	60,429	749,414	11,532	14,746,330	60,175,413	1,163,211	85,257,882

(1) Corresponds to the initial adjustment arising from the first time adoption of IFRS.

Accompanying notes are an integral part of these interim condensed consolidated financial statements.

SANTIAGO MARTÍNEZ TANOIRA
President

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission (“CNV”). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.



CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS’ EQUITY FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2021 AND 2020

(Amounts expressed in thousands of Argentine Pesos)

	For the nine-month period ended September 30, 2020								
	Shareholders’ contributions			Reserves					
	Subscribed capital	Share premium	Other shareholders’ contributions	Legal reserve	Special reserve RG No. 609 ⁽¹⁾	Reserve for future investments	Other comprehensive income	Retained earnings	Total
As of January 1, 2020	3,747,070	4,604,483	60,429	278,026	11,532	5,080,494	27,530,150	4,226,576	45,538,760
As decided by the General Ordinary Shareholders’ Meeting on April 29, 2020:									
- Appropriation to legal reserve	-	-	-	211,329	-	-	-	(211,329)	-
- Appropriation to reserve for future investments	-	-	-	-	-	4,015,247	-	(4,015,247)	-
Other comprehensive income for the period	-	-	-	-	-	-	12,684,062	-	12,684,062
Net profit for the period	-	-	-	-	-	-	-	3,999,924	3,999,924
As of September 30, 2020	3,747,070	4,604,483	60,429	489,355	11,532	9,095,741	40,214,212	3,999,924	62,222,746

(1) Corresponds to the initial adjustment arising from the first time adoption of IFRS.

Accompanying notes are an integral part of these interim condensed consolidated financial statements.

SANTIAGO MARTÍNEZ TANOIRA
President

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission ("CNV"). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.



CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOW
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2021 AND 2020

(Amounts expressed in thousands of Argentine Pesos)

	For the nine-month periods ended	
	September 30,	
	2021	2020
OPERATING ACTIVITIES		
Net profit for the period	1,163,211	3,999,924
Adjustments to reconcile net profit to net cash flows from operating activities:		
Income from equity interest in joint ventures	260,185	(203,968)
Depreciation of property, plant and equipment	6,269,773	2,991,300
Depreciation of right of use assets	116,094	57,331
Depreciation of intangible assets	22,591	-
Decreases of property, plant and equipment	497,992	115,674
Net financial results	5,011,466	629,271
Net increase in provisions	12,903	24,439
Charge on income tax	9,660,762	2,559,380
Charge on income tax related with assets held for disposal	-	(111,427)
Provision for materials and equipment in warehouse	69,641	-
Dividend collected	-	374,849
Changes in operating assets and liabilities:		
Trade receivables	(3,923,174)	480,183
Other receivables	(529,928)	(548,894)
Trade payables	1,589,310	(1,285,304)
Salaries and social security	184,997	101,810
Taxes payable	(244,400)	282,027
Assets and liabilities held for disposal	-	(229,232)
Payments of income tax	(766,042)	-
Interest collected	749,973	391,128
Net cash flows from operating activities	20,145,354	9,628,491
INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(11,269,833)	(9,352,724)
Acquisition of property, plant and equipment related with assets held for disposal	-	(1,478,081)
Advances to suppliers of property, plant and equipment	(7,603)	(2,081,511)
Advances to suppliers of property, plant and equipment related with assets held for disposal	-	(34,400)
Acquisition of financial assets	(471,969)	(7,481,898)
Settlements of financial assets	829,150	10,930,818
Restricted cash and cash equivalents	3,296,799	(164,618)
Net cash flows used in investing activities	(7,623,456)	(9,662,414)
FINANCING ACTIVITIES		
Proceeds from loans	39,541,924	5,874,918
Proceeds from loans related with assets held for disposal	-	3,685,453
Payments of loans	(53,563,301)	(9,302,110)
Payments of lease liabilities	(191,264)	(81,123)
Payment of interest and other financial costs	(6,767,321)	(5,058,048)
Net cash flows from financing activities	(20,979,962)	(4,880,910)
Net decrease in cash and cash equivalents	(8,458,064)	(4,914,833)
Effect of exchange rate variations and financial results on cash and cash equivalents	1,979,639	2,635,415
Cash and cash equivalents of assets held for disposal	-	21,194
Cash and cash equivalents at the beginning of fiscal year (Note 14)	14,296,594	14,700,487
Cash and cash equivalents at the end of the period (Note 14)	7,818,169	12,442,263
Non-cash transactions		
	2021	2020
Acquisitions of property, plant and equipment pending of cancellation at the end of the period	1,861,427	3,255,628
Transfers of advances to suppliers of property, plant and equipment	2,997,689	1,051,172
Capitalized borrowing cost	444,061	1,413,890
Negotiable Obligations integrated in kind	6,615,069	-

Accompanying notes are an integral part of these interim condensed consolidated financial statements.

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission (“CNV”). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.



NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2021 AND COMPARATIVE INFORMATION

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

1. GENERAL INFORMATION AND MAIN ACTIVITIES

General Information

YPF Energía Eléctrica S.A. (hereinafter “the “Company”) is a Sociedad Anónima (Argentine business association type akin to a stock corporation) organized under the laws of Argentina. Its registered office is at Macacha Güemes No. 515, 3rd Floor, Buenos Aires City.

YPF EE and the companies that make up the business Group are mainly engaged in generating and selling electric power through the following assets:

Power Plant	Location (Province)	Installed Capacity (MW)	Regulatory Framework	Technology
Tucumán Thermal Power Plant ⁽¹⁾	Tucumán	447	Energía Base	Combined Cycle
San Miguel de Tucumán ⁽¹⁾	Tucumán	382	Energía Base	Combined Cycle
El Bracho TG ⁽¹⁾	Tucumán	274	PPA with CAMMESA ⁽⁵⁾	Open Cycle
El Bracho TV ⁽¹⁾	Tucumán	199	PPA with CAMMESA	Steam Turbine
Loma Campana I	Neuquén	105	PPA with YPF ⁽⁶⁾	Open Cycle
Loma Campana II	Neuquén	107	PPA with CAMMESA ⁽⁵⁾	Open Cycle
Loma Campana Este ⁽²⁾	Neuquén	17	PPA with YPF	Moto Generators
La Plata Cogeneration I	Buenos Aires	128	Energía Base ⁽³⁾	Cogeneration
La Plata Cogeneration II	Buenos Aires	90	CAMMESA – YPF ⁽³⁾	Cogeneration
Central Dock Sud ⁽⁴⁾	Buenos Aires	279	Energía Base	Combined Cycle / Open Cycle
Manantiales Behr Wind Farm	Chubut	99	PPA with YPF and other large users ⁽⁷⁾	Wind Farm
Los Teros I Wind Farm	Buenos Aires	123	MATER	Wind Farm
Los Teros II Wind Farm ⁽⁸⁾	Buenos Aires	52	MATER	Wind Farm
Manantiales Behr Thermal Power Plant	Chubut	58	PPA with YPF	Moto Generators
Total		2,360		

(1) Part of Tucumán Generation Complex.

(2) Not connected to SADI.

(3) Steam sales are contracted with YPF.

(4) It represents our indirect participation of 30% in Central Dock Sud through Inversora Dock Sud S.A., that has a Combined Cycle with an installed capacity of 797.5 MW and two Open Cycle turbines with an installed capacity of 36 MW each, in addition to a participation of 1.4% in Termoeléctrica San Martín and 1.3% Termoeléctrica Manuel Belgrano.

(5) Resolution No. 21/2016.

(6) Distributed self-generator.

(7) This Wind Farm’s generation is under 10 PPA contracts with the private sector. The term of these contracts have effectiveness up to 21 years.

(8) Between May and the beginning of June, CAMMESA granted the COD ,in stages, to achieve the full commercial operation of the plant.

The Group’s generation capacity, at the date of issuance of these consolidated financial statements, represents 5.5% of the installed capacity, including our interest in Central Dock Sud, and 7.7% of the energy demanded in Argentina, according to information published by CAMMESA.

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission (“CNV”). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.



NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2021 AND COMPARATIVE INFORMATION

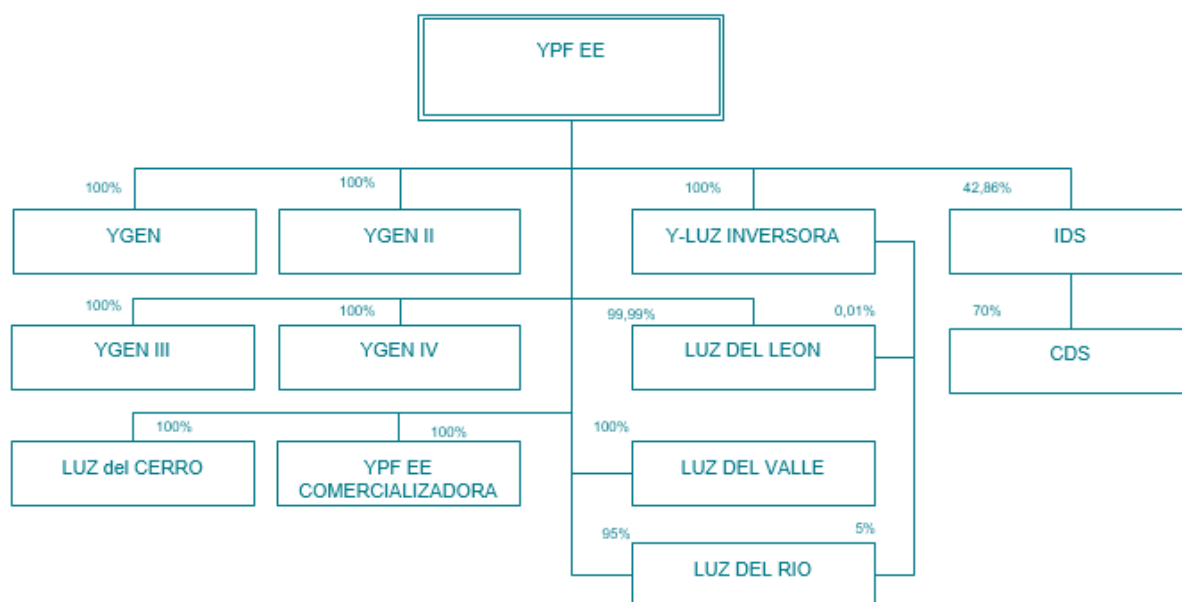
(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

Additionally, the Group has the following project under construction:

Power Plant	Location (Province)	Installed Capacity (MW)	Buyers	Technology
Cañadón León Wind Farm	Santa Cruz	122	CAMMESA / MATER (YPF)	Wind Farm
Total		122		

Structure and organization of the economic group

The following chart shows the organizational structure, including the main companies of the Group, as of September 30, 2021:



2. BASIS OF PREPARATION OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

2.1. Basis of presentation

The condensed interim consolidated financial statements (“interim financial statements”) of YPF EE for the nine-month period ended September 30, 2021, are presented in accordance with IAS 34 “Interim Financial Reporting”. These condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements of the Group as of December 31, 2020 (“annual consolidated financial statements”) prepared in accordance with IFRS as issued by IASB and interpretations issued by the IFRIC.

Additional disclosures required by the LGS and/or CNV regulations have been included with the only purpose of complying with such regulatory requirements.

These interim financial statements were approved by the Board of Directors’ meeting and authorized to be issued on November 8, 2021.

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission ("CNV"). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.

YPF LUZ

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2021 AND COMPARATIVE INFORMATION

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

These interim financial statements for the nine-month period ended September 30, 2021 are unaudited. The Company's Management believes that they include all necessary adjustments to reasonably present the results of each period on a basis consistent with the audited annual consolidated financial statements. Net income for the nine and three-month periods ended on September 30, 2021 do not necessarily reflect the proportion of the Group's full-year income.

2.2. Summary of significant accounting policies

The most significant accounting policies are described in Note 2.3 to the annual consolidated financial statements.

The accounting policies adopted for the preparation of these interim financial statements are consistent with those used in the preparation of the annual consolidated financial statements.

Likewise, are consistent with those used in the preparation of the interim financial statements as of September 30, 2020, except for the following:

Presentation of commercial interests in the statement of comprehensive income:

The Company's Management understands that interest for late payment in the cancellation of trade receivables of CAMMESA, provide relevant information on the operation and operating cash flows of the business, rather than the Company's financial performance and, therefore, since the fourth quarter of 2020, they are presented within the caption "Other operating results, net" of the statement of comprehensive income and as net cash flow from operating activities in the statement of cash flow. Management considers that this presentation better reflects the impacts of the operating cycle, allowing a consistent presentation together with other expenses already disclosed under operating results, particularly considering the current context that deepened the delay in the payment terms to electricity generators and distributors. Consequently, the figures corresponding to commercial interests presented in a comparative manner were reclassified from the caption "Financial results, net" to the caption "Other operating results, net" for 468,786, in order to maintain consistency with the figures for this period.

2.3. Functional and presentation currency

As mentioned in Note 2.3 to the annual consolidated financial statements, YPF EE has defined the US dollar as its functional currency. Additionally, according to CNV Resolution No. 562, YPF EE must present its financial statements in Argentine pesos.

Assets and liabilities in functional currency have been converted into the presentation currency using the following exchange rates, which arise from the average of the buyer and seller from Banco de la Nación Argentina:

	09.30.2021	12.31.2020
Argentine peso (ARS)	98.64	84.05

2.4. Judgements, significant accounting estimates and assumptions

The preparation of the Group's consolidated financial statements requires Management to make significant estimates and assumptions that affect the recorded amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent assets and liabilities as of the end of each period. In this sense, the uncertainties related to the estimates and assumptions adopted could give rise in the future to final results that could differ from those estimates and may require significant adjustments to the amounts of the assets and liabilities affected.

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission ("CNV"). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.



NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2021 AND COMPARATIVE INFORMATION

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

In preparing these interim financial statements, significant estimates and judgments were made by Management in applying the Group's accounting policies and the main sources of uncertainty were consistent with those applied by the Group in the preparation of the annual consolidated financial statements, which are disclosed in Note 2.4 to the annual consolidated financial statements about estimates and accounting judgements.

2.5. IFRS issued

2.5.1. New standards and interpretations issued by the IASB which are not effective as of September 30, 2021 and have not been early adopted by the Group

The new and / or modified standards and interpretations issued by the IASB and approved by the FACPCE but which are not effective on the date of issuance of these financial statements are listed below. In this sense, only the new and / or modified standards and interpretations that the Company reasonably foresees will be applicable in the future are indicated. In general, the Company intends to adopt these standards, as appropriate, when they become effective.

• **Amendments of limited scope to the IFRS**

The IASB issued a set of limited scope amendments to the IFRS on February 12, 2021.

The individual amendments are:

Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)

It amends IAS 1 in the following ways:

- An entity is now required to disclose its material accounting policy information instead of its significant accounting policies;
- several paragraphs are added to explain how an entity can identify material accounting policy information and to give examples of when accounting policy information is likely to be material;
- the amendments clarify that accounting policy information may be material because of its nature, even if the related amounts are immaterial;
- the amendments clarify that accounting policy information is material if users of an entity's financial statements would need it to understand other material information in the financial statements; and
- the amendments clarify that if an entity discloses immaterial accounting policy information, such information shall not obscure material accounting policy information.

Definition of Accounting Estimates (Amendments to IAS 8)

The changes to IAS 8 focus entirely on accounting estimates and clarify the following:

- The definition of a change in accounting estimates is replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty".
- Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.
- The Board clarifies that a change in accounting estimate that results from new information or new developments is not the correction of an error. In addition, the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors.

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission ("CNV"). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.



NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2021 AND COMPARATIVE INFORMATION

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

- A change in an accounting estimate may affect only the current period's profit or loss, or the profit or loss of both the current period and future periods. The effect of the change relating to the current period is recognised as income or expense in the current period. The effect, if any, on future periods is recognised as income or expense in those future periods.

The amendments are all effective for annual reporting periods beginning on or after January 1, 2023 and earlier application is permitted.

The Company's Board of Directors anticipates that the application of the aforementioned amendments will not have a significant impact on the financial statements of the Group.

• **Deferred tax related to assets and liabilities arising from a single transaction (Amendments to IAS 12)**

On May 7, 2021 was issued an amendment to IAS 12 "Income Tax" related to deferred tax from assets and liabilities arising from a single transaction.

The IFRS Interpretations Committee received a submission about the recognition of deferred tax in relation to leases (when a lessee recognises an asset and a liability at the lease commencement) and decommissioning obligations (when an entity recognises a liability and includes the decommissioning costs in the cost of the item of Property, plant and equipment). The submitted fact pattern assumed that lease payments and decommissioning costs were deductible for tax purposes when paid and identified different approaches in practice.

Before the amendments, it was not clear whether IAS 12 required recognition of deferred taxes for these temporary differences or whether the initial recognition exemption applied. Following the amendments to IAS 12, an entity is required to recognise the related deferred tax asset and liability.

The amendments are effective for annual reporting periods beginning on or after January 1, 2023 and early adoption is permitted. The amendment is applicable to transactions that occur on or after the beginning of the earliest comparative period presented. It also, at the beginning of the earliest comparative period presented, recognises deferred tax for all temporary differences related to leases and decommissioning obligations and recognises the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at that date.

The Company's Board of Directors anticipates that the application of the aforementioned amendment will not have a significant impact on the financial statements of the Group.

2.5.2. Adoption of new standards and interpretations effective as of January 1, 2021

The Group has adopted new and revised standards and interpretations, issued by the IASB, relevant to its operations and whose application is effective as of September 30, 2021. The aforementioned new standards and interpretations that have become effective during the current period are described below:

• **COVID-19 related rent concessions (Amendment to IFRS 16)**

On May 28, 2020 the IASB published an amendment which provides lessees with an exemption from assessing if a deferring or relieving of the amounts due by a COVID-19-related rent concession is a lease modification. The amendment is effective for annual reporting periods beginning on or after June 1, 2020 and are to be applied retrospectively. Earlier application is permitted.

The aforementioned amendment had not an impact on the interim financial statements of the Group.

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission (“CNV”). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.

YPF LUZ

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2021 AND COMPARATIVE INFORMATION

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

• Interest Rate Benchmark Reform — Phase 2 - Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 17, IFRS 4 and IFRS 16 (the “Reform”)

In August 2020, the IASB issued amendments effective for annual reporting periods beginning on or after January 1, 2021. These amendments address issues when the LIBOR reference rate is effectively replaced and relate to the following key areas:

Financial assets, financial liabilities and lease liabilities: A practical expedient was issued for financial assets and liabilities measured at amortized cost, which are modified as a direct result of the Reform. As a practical expedient, the IASB provides that the modification of these financial instruments be estimated prospectively at the updated effective interest rate. To this end, the change is required to be a direct consequence of the Reform and the basis used to determine cash flows is economically equivalent to the prior basis to the rate replacement.

Hedge accounting: The IASB issued practical expedient in addition to those issued in Phase 1, so that the Reform does not result in the interruption of hedge accounting or the designation of a new hedging relationship. The hedging relationships (and related documentation) must be modified to reflect the effects on (i) the hedged item, (ii) the hedging instrument, and (iii) the risk covered. Any measurement adjustment resulting from the modifications is recognized as part of the ineffectiveness.

Disclosure: Information is required to enable the user to understand the nature and extent of the risks to which the entity is exposed generated by the Reform and how such risks are managed,. It is also necessary to inform on the progress and management of the transition to alternative reference rates.

The only financial assets or liabilities that use the LIBOR as reference refer to the financial debts and interest rate hedging instruments detailed in Note 17 to the annual consolidated financial statements. The Company does not anticipate significant effects at the time of effective replacement of the reference rate considering that a substantial portion of the loans and related hedging instruments will be cancelled by June 2023. With respect to loans with maturity after June 2023, at the date of issuance of these condensed consolidated interim financial statements, the Group’s Management does not have available elements to analyze the impact of the aforementioned changes. In addition, in the new loan contracts signed, where applicable, the Company has incorporated clauses to calculate alternative rates to LIBOR if it is not available.

3. SEASONALITY OF OPERATIONS

The demand for electric energy fluctuates according to the season of the year and may be affected significantly and adversely by climatic factors. In summer (from December to March), the demand for electric energy can increase substantially due to the use of air conditioning equipment. In winter (from June to August), the demand for electric energy may fluctuate, due to lighting and heating needs. Consequently, seasonal changes may affect the results of operations and the financial situation of the Group.

4. ACQUISITIONS AND DISPOSITIONS

During the nine-month period ended September 30, 2021, there were no significant acquisitions or disposals.

On August 5, 2019, YPF EE, Y-Luz Inversora S.A.U., Luz del León S.A. (“Luz del León”) and Wind Power AS, a subsidiary of Equinor ASA, a company established in the Kingdom of Norway, (“Equinor”), entered into an agreement for the

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission (“CNV”). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.



NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2021 AND COMPARATIVE INFORMATION

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

subscription of shares in Luz del León, a company 100% controlled by the Company (the “Stock Subscription Agreement”).

The Stock Subscription Agreement established that, subject to the fulfillment of certain precedent conditions, Equinor would subscribe shares in Luz del León in order to obtain a 50% participation equity in such company. The parties had originally agreed that such conditions should be satisfied before December 31, 2019, but this period was successively postponed until April 30, 2020.

A written communication was required from either party to terminate the agreement. On May 28, 2020, the agreement was terminated upon the communication by Equinor to the Company of its intention to exercise this right of termination.

5. FINANCIAL RISK MANAGEMENT

The Group’s activities involve various types of financial risks: market risk (including exchange rate risk, interest rate risk and price risk), credit risk and liquidity risk. The Group maintains an organizational structure and systems that allow the identification, measurement and control of the risks to which it is exposed.

As of September 30, 2021 the Group had a negative working capital of 4,037,197, as a consequence of the financing of the construction of new generation assets, most of which started operations at the mentioned date. The Group estimates that the cash flow from its operating assets will allow to decrease this negative working capital. Likewise, the Group has different sources of financing in case it is necessary to raise additional funds to meet its short-term needs, to the extent that operating cash flows may not be sufficient.

The interim financial statements do not include all the information and disclosures on financial risk management. Therefore, they should be read in conjunction with the Group’s annual consolidated financial statements.

There are no significant changes in risk management or risk management policies applied by the Group since the last fiscal year end. See Note 5 to the annual consolidated financial statements.

6. FINANCIAL INSTRUMENTS BY CATEGORY

The following tables show the financial assets and liabilities by category of financial instrument and a reconciliation with the corresponding accounts in the financial statement, as appropriate. Since the account “Other receivables” contain financial instruments, as well as non-financial assets (such as taxes receivables and advances to property, plant and equipment), the reconciliation is shown within the “Non-financial assets” column.

Financial Assets

	September 30, 2021			
	Financial assets at amortized cost	Financial assets at fair value through profit or loss	Non-financial assets	Total
Other receivables	216,070	-	4,743,831	4,959,901
Restricted cash and cash equivalents	908,234	-	-	908,234
Trade receivables	13,568,903	-	-	13,568,903

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission ("CNV"). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.



NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2021 AND COMPARATIVE INFORMATION

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

Cash and cash equivalents	4,041,913	3,776,256	-	7,818,169
	18,735,120	3,776,256	4,743,831	27,255,207

December 31, 2020				
	Financial assets at amortized cost	Financial assets at fair value through profit or loss	Non-financial assets	Total
Other receivables	1,213,910	-	5,862,302	7,076,212
Restricted cash and cash equivalents	3,741,094	-	-	3,741,094
Trade receivables	9,082,345	-	-	9,082,345
Cash and cash equivalents	6,639,324	7,657,270	-	14,296,594
	20,676,673	7,657,270	5,862,302	34,196,245

Financial Liabilities

September 30, 2021			
	Financial liabilities at amortized cost	Financial liabilities at fair value through comprehensive income	Total
Loans	87,358,768	-	87,358,768
Lease liabilities	1,296,193	-	1,296,193
Other financial liabilities	-	21,098	21,098
Trade payables	7,744,754	-	7,744,754
	96,399,715	21,098	96,420,813

December 31, 2020			
	Financial liabilities at amortized cost	Financial liabilities at fair value through comprehensive income	Total
Loans	87,886,276	-	87,886,276
Lease liabilities	1,090,079	-	1,090,079
Other financial liabilities	-	81,805	81,805
Trade payables	7,666,602	-	7,666,602
	96,642,957	81,805	96,724,762

Financial gains and losses on financial instruments are allocated to the following categories:

For the nine-month period ended September 30, 2021				
	Financial assets / liabilities at amortized cost	Financial assets at fair value through profit or loss	Non-financial assets / liabilities	Total
Interest income and others	17,157	1,220,569	56,093	1,293,819
Interest loss and others	(5,697,473)	-	-	(5,697,473)
Net exchange differences	(436,210)	(976,177)	933,849	(478,538)
Finance accretion	(124,458)	-	-	(124,458)
Other financial results	(361,997)	357,181	-	(4,816)
	(6,602,981)	601,573	989,942	(5,011,466)

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission ("CNV"). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.



NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2021 AND COMPARATIVE INFORMATION

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

For the nine-month period ended September 30, 2020				
	Financial assets / liabilities at amortized cost	Financial assets at fair value through profit or loss	Non-financial assets / liabilities	Total
Interest income and others	101,614	334,768	-	436,382
Interest loss and others	(3,105,487)	-	-	(3,105,487)
Net exchange differences	(241,934)	(363,981)	(645,111)	(1,251,026)
Finance accretion	(29,212)	-	-	(29,212)
Other financial results	(128,848)	3,448,920	-	3,320,072
	(3,403,867)	3,419,707	(645,111)	(629,271)

7. QUANTITATIVE AND QUALITATIVE INFORMATION ON FAIR VALUES

Fair value measurements

Fair value measurements are described in Note 7 to the annual consolidated financial statements.

As of September 30, 2021 and December 31, 2020, the Group maintained the following financial assets and liabilities measured at fair value in its consolidated statement of financial position:

September 30, 2021		
Financial assets	Level 1	Total
Cash and cash equivalents:		
- Mutual funds	3,776,256	3,776,256
	3,776,256	3,776,256

September 30, 2021		
Financial liabilities	Level 3	Total
Other financial liabilities		
- Hedging instruments	21,098	21,098 ⁽¹⁾
	21,098	21,098

(1) Classified as Current liabilities as of September 30, 2021.

December 31, 2020		
Financial assets	Level 1	Total
Cash and cash equivalents:		
- Mutual funds	7,657,270	7,657,270
	7,657,270	7,657,270

December 31, 2020		
Financial liabilities	Level 3	Total
Other financial liabilities		
- Hedging instruments	81,805	81,805 ⁽¹⁾
	81,805	81,805

(1) As of December 31, 2020, 5,962 were classified as Non-current liabilities and 75,843 were classified as Current liabilities.

There have been no transfers of financial assets between different fair value hierarchies during the nine-month period ended September 30, 2021 and the year ended December 31, 2020.

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission (“CNV”). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.



NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2021 AND COMPARATIVE INFORMATION

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

Fair value of financial assets and financial liabilities measured at amortized cost

The estimated fair value of loans, considering interest rates offered to the Group for its financial loans, amounted approximately to 78,653,308 and 79,949,710 as of September 30, 2021 and December 31, 2020, respectively.

The fair value of other receivables, trade receivables, cash and cash equivalents, restricted cash and cash equivalents, trade payables, lease liabilities and other financial liabilities do not differ significantly from their book value.

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission ("CNV"). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.



YPF ENERGÍA ELÉCTRICA S.A.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2021 AND COMPARATIVE INFORMATION

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

8. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings	Production facilities, machinery, equipment and spare parts of power plants	Transportation equipment	Materials and equipment in warehouse	Work in progress	Furniture, fixtures, computer and communication equipment	Total
Cost	101,633	55,916,376	62,971	2,979,190	33,771,773	54,304	92,886,247
Accumulated depreciation	(15,108)	(10,802,542)	(26,040)	-	-	(22,743)	(10,866,433)
Balances as of December 31, 2019	86,525	45,113,834	36,931	2,979,190	33,771,773	31,561	82,019,814
<u>Cost</u>							
Increases	3,094	358,069	4,824	732,076	13,336,401 ⁽¹⁾	-	14,434,464
Translation effect	41,317	26,772,110	25,779	1,117,273	13,957,248	22,891	41,936,618
Transfers	-	49,061,245	-	(796,763)	(48,272,429)	7,947	-
Disposals and reclassifications	-	(30,419)	-	(92,636)	8,828,464 ⁽²⁾	(158)	8,705,251
<u>Accumulated depreciation</u>							
Increases	(2,001)	(4,639,879)	(13,645)	-	-	(6,474)	(4,661,999)
Translation effect	(6,597)	(5,298,945)	(13,162)	-	-	(10,477)	(5,329,181)
Disposals and reclassifications	-	-	-	-	-	72	72
Cost	146,044	132,077,381	93,574	3,939,140	21,621,457	84,984	157,962,580
Accumulated depreciation	(23,706)	(20,741,366)	(52,847)	-	-	(39,622)	(20,857,541)
Balances as of December 31, 2020	122,338	111,336,015	40,727	3,939,140	21,621,457	45,362	137,105,039
<u>Cost</u>							
Increases	-	124,360	4,613	1,627,631	9,771,414 ⁽¹⁾	-	11,528,018
Translation effect	25,351	23,853,585	16,380	724,228	3,260,767	14,971	27,895,282
Transfers	-	14,235,940	-	(1,028,751)	(13,212,310)	5,121	-
Disposals and reclassifications	-	(186,504)	(4,755)	(309,601)	-	-	(500,860)
<u>Accumulated depreciation</u>							
Increases	(1,890)	(6,246,832)	(13,070)	-	-	(7,981)	(6,269,773)
Translation effect	(4,225)	(3,999,488)	(9,773)	-	-	(7,332)	(4,020,818)
Disposals and reclassifications	-	-	2,868	-	-	-	2,868
Cost	171,395	170,104,762	109,812	4,952,647	21,441,328	105,076	196,885,020
Accumulated depreciation	(29,821)	(30,987,686)	(72,822)	-	-	(54,935)	(31,145,264)
Balances as of September 30, 2021	141,574	139,117,076	36,990	4,952,647	21,441,328	50,141	165,739,756

(1) Includes 444,061 and 2,165,218 of financial cost related to financing from third parties for extended works in progress for the nine-month period ended September 30, 2021, and the fiscal year ended December 31, 2020, respectively.

(2) Corresponds to work in progress related to assets held for disposal as of June 30, 2020 reclassified to Property, plant and equipment from that date thereon.

SANTIAGO MARTÍNEZ TANOIRA
President

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission ("CNV"). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.



NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2021 AND COMPARATIVE INFORMATION

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

	September 30, 2021	December 31, 2020
Net book value of property, plant and equipment	165,739,756	137,105,039
Provision for materials and equipment in warehouse	(74,748)	-
	165,665,008	137,105,039

Set forth below is the evolution of the provision for materials and equipment in warehouse for the nine-month period ended September 30, 2021 and the year ended December 31, 2020:

	Provision for materials and equipment in warehouse
Balances as of December 31, 2019	-
Increase charged to profit or loss	-
Balances as of December 31, 2020	-
Increase charged to profit or loss (Note 21)	69,641
Translation effect	5,107
Balances as of September 30, 2021	74,748

9. INTANGIBLE ASSETS

Changes in the Group's intangible assets for the nine-month period ended September 30, 2021 and the fiscal year ended December 31, 2020 are as follows:

	Intangible assets
Balances as of December 31, 2019	312,999
<u>Cost</u>	
Translation effect	127,001
Cost	440,000
Balances as of December 31, 2020	440,000
<u>Cost</u>	
Translation effect	76,377
<u>Accumulated depreciation</u>	
Increases	(22,591)
Translation effect	(1,288)
Cost	516,377
Accumulated depreciation	(23,879)
Balances as of September 30, 2021	492,498

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission ("CNV"). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.



NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2021 AND COMPARATIVE INFORMATION

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

10. RIGHT OF USE ASSETS

Changes in Group's right of use assets for the nine-month period ended September 30, 2021 and the fiscal year ended December 31, 2020 are as follows:

	Buildings	Land	Machinery and equipment	Total
Cost	89,546	305,262	765,454	1,160,262
Accumulated depreciation	(33,580)	(5,735)	(55,237)	(94,552)
Balances as of December 31, 2019	55,966	299,527	710,217	1,065,710
<u>Cost</u>				
Translation effect	36,333	123,861	310,585	470,779
<u>Accumulated depreciation</u>				
Increases	(39,617)	(13,906)	(93,716)	(147,239)
Translation effect	(21,213)	(4,992)	(28,715)	(54,920)
Cost	125,879	429,123	1,076,039	1,631,041
Accumulated depreciation	(94,410)	(24,633)	(177,668)	(296,711)
Balances as of December 31, 2020	31,469	404,490	898,371	1,334,330
<u>Cost</u>				
Increases	191,665	-	-	191,665
Translation effect	27,905	74,491	186,787	289,183
<u>Accumulated depreciation</u>				
Increases	(50,885)	(10,502)	(54,707)	(116,094)
Translation effect	(15,617)	(8,357)	(34,037)	(58,011)
Cost	345,449	503,614	1,262,826	2,111,889
Accumulated depreciation	(160,912)	(43,492)	(266,412)	(470,816)
Balances as of September 30, 2021	184,537	460,122	996,414	1,641,073

11. INVESTMENT IN JOINT VENTURES

The following table shows the value of the investments in joint ventures at an aggregate level, as of September 30, 2021 and December 31, 2020:

	September 30, 2021	December 31, 2020
Amount of investments in joint ventures	7,149,729	5,410,422

The main movements during the nine-month period ended September 30, 2021 and the fiscal year ended December 31, 2020, which affected the value of the aforementioned investments, correspond to:

	Investments in joint ventures
Balance as of December 31, 2019	4,064,410
Income on investments in joint ventures	355,876
Dividend distribution	(374,849)
Other comprehensive income	1,364,985
Balance as of December 31, 2020	5,410,422
Income on investments in joint ventures	(260,185)
Other comprehensive income	1,999,492
Balance as of September 30, 2021	7,149,729

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission ("CNV"). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.



NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2021 AND COMPARATIVE INFORMATION

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

The following table shows the principal amounts of the results of the investments in joint ventures of the Group, calculated according to the equity method therein, for the nine-month periods ended September 30, 2021 and 2020. The Group has adjusted, if applicable, the figures reported by these companies to adapt them to the accounting principles used by the Group for the calculation of the equity method as of such dates:

	Joint ventures	
	September 30, 2021	September 30, 2020
Net (loss) / income	(260,185)	203,968
Other comprehensive income	1,999,492	777,627
Comprehensive income for the period	1,739,307	981,595

The Group does not have significant investments in joint ventures, apart from the investment in IDS.

Inversora Dock Sud S.A.

The following table presents summary financial information for investments in IDS as of September 30, 2021 and December 31, 2020:

	September 30, 2021	December 31, 2020
Non-current assets	16,678,163	12,630,257
Current assets	54,204	36,892
Total assets	16,732,367	12,667,149
Non-current liabilities	42,707	36,567
Current liabilities	8,618	7,652
Total liabilities	51,325	44,219
Shareholders' equity	16,681,042	12,622,930
Investment book value	7,149,495	5,410,188

	September 30, 2021	September 30, 2020
Net income for the period	(607,059)	475,894
Share interest in net (loss) income of subsidiaries	(260,185)	203,968

The following table shows information of investment in joint ventures as of September 30, 2021 and December 31, 2020:

Name and issuer	Class	Face Value	September 30, 2021			December 31, 2020	
			Amount	Book value	Cost	Book value	Cost
Investments under joint control:							
Inversora Dock Sud S.A.	Ordinary shares	1	355,270,372	7,149,495	538,065	5,410,188	538,065
Other companies:							
Miscellaneous ⁽¹⁾				234	234	234	234
			7,149,729	538,299	5,410,422	538,299	

(1) Includes Y-GEN Eléctrica III S.R.L. (in liquidation process), Y-GEN Eléctrica IV S.R.L. (in liquidation process), Y-Luz Inversora S.A.U. and Luz del Río S.A.

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission (“CNV”). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.

YPF LUZ

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2021 AND COMPARATIVE INFORMATION

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

Name and issuer	Registered address	Main business	Issuers' information				Holding in capital stock
			Last available financial statements				
			Date	Capital stock	Net profit / (loss)	Shareholders' equity	
Investments under joint control:							
Inversora Dock Sud S.A.	San Martín 140, P.2°, Bs. Aires.	Realization of financial and investment operations.	09.30.2021	828,942	(744,666)	18,757,371	42.86%

12. OTHER RECEIVABLES

	September 30, 2021		December 31, 2019	
	Non-current	Current	Non-current	Current
Loans and advances to employees	-	7,007	-	5,479
Advances to suppliers of property, plant and equipment	309,592	-	3,028,631	-
Minimum presumed income tax (Note 15)	167,219	-	167,219	-
Related parties (Note 30)	-	-	-	71,085
Tax credits	372,067	3,127,040	341,109	2,147,236
Advances to suppliers and custom agents	-	722,141	-	97,622
Trust	-	190,987	-	1,005,765
Prepaid insurance	-	4,212	-	34,067
Prepaid expenses	-	44,262	-	31,407
Miscellaneous	-	19,150	-	149,648
	848,878	4,114,799	3,536,959	3,542,309
Allowance for doubtful other receivables	-	(3,776)	-	(3,056)
	848,878	4,111,023	3,536,959	3,539,253

13. TRADE RECEIVABLES

	September 30, 2021	December 31, 2020
	Current	Current
Trade receivables from third parties	841,238	476,113
Related parties (Note 30)	12,776,437	8,655,004
	13,617,675	9,131,117
Allowance for doubtful trade receivables	(48,772)	(48,772)
	13,568,903	9,082,345

14. CASH AND CASH EQUIVALENTS

For the purpose of the consolidated statement of financial position and the consolidated statement of cash flow, cash and cash equivalents comprise the following items:

	September 30, 2021	December 31, 2020
Mutual funds	3,776,256	7,657,270
Fixed interest deposits	9,786	2,781,652
Cash and bank deposits	4,032,127	3,857,672
	7,818,169	14,296,594

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission ("CNV"). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.



NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2021 AND COMPARATIVE INFORMATION

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

Bank balances accrue interest at variable rates based on the bank deposits daily rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash needs of the Group and bear interest at the respective fixed rates for short-term deposits.

Likewise, the restricted cash and cash equivalents line of the consolidated statement of financial position as of September 30, 2021 and December 31, 2020 includes 908,234 and 3,741,094, respectively, corresponding to restricted financial assets that are not considered cash and cash equivalents for the purposes of the consolidated statement of cash flow.

15. INCOME TAX

The calculation of the income tax expense for the nine-month periods ended September 30, 2021 and 2020 is as follows:

	For the nine-month periods ended	
	September 30,	
	2021	2020
Current income tax	(3,858,341)	(320,313)
Deferred income tax	(5,802,421)	(2,127,640)
Income Tax	(9,660,762)	(2,447,953)

Under IAS 34, income tax expense is recognised in each interim period based on the best estimate of the effective income tax rate expected at the end of the fiscal year, adjusted by the fiscal effects of certain items fully recognised in the period. The amounts calculated for income tax expense for the nine-month period ended September 30, 2021 may need to be adjusted in the subsequent period in case the projected effective tax rate estimate is modified based on new elements of judgment. Considering the current economic context and future prospects, the Group has adjusted the projections used to estimate the effective tax rate. The Group has also reviewed the recoverability of tax losses carry-forwards, not having recorded impairment charges for the nine-month period ended on September 30, 2021.

The Group's effective tax rate for the nine-month period ended September 30, 2021 was approximately 89.3% and the effective tax rate for the fiscal year ended December 31, 2020 was approximately 39.1%. The change in the effective rate was mainly caused by the change in the income tax rate established by Law No. 27,630, whose effect was recognised in the statement of comprehensive income during the nine-month period ended September 30, 2021 (see Note 29.3), a higher impact of non-monetary assets in its functional currency measurement and a higher deferred tax liability originated by the fiscal adjustment for inflation on monetary assets and liabilities, as a consequence of the inflation and devaluation patterns projected at the end of the fiscal year.

As of September 30, 2021, 1,124,834 were classified as deferred tax assets and 17,361,170 as deferred tax liabilities. As of December 31, 2020, 557,598 were classified as deferred tax assets and 10,333,778 were classified as deferred tax liabilities. This classification corresponds to net deferred tax positions of each of the individual companies that are included in these interim financial statements.

Deferred tax assets and liabilities are disclosed net when: a) a legal right to compensate tax asset and liabilities exists and; b) when deferred tax charges are related to the same tax authority and legal entity.

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission (“CNV”). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.

YPF LUZ

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2021 AND COMPARATIVE INFORMATION

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

As of December 31, 2020, the Group had a tax loss carryforward of 5,935,836 at the tax rate. The group estimated a tax loss carryforward consumption of 3,751,526 at the tax rate during the nine-month period ended September 30, 2021. Deferred income tax assets are recognized for tax loss carryforwards to the extent their set off through future taxable profits is probable. Tax loss carryforwards in Argentina expire within 5 years.

In order to fully realize the deferred income tax asset, the Group will need to generate taxable income. Based upon the level of historical taxable income and projections for future years in which the deferred income tax is deductible, Management believes that as of September 30, 2021 it is probable that the Group will realize all the deferred income tax assets.

As of December 31, 2018 YPF Energía Eléctrica recorded a tax loss carry-forward and a net income for accounting purposes. Therefore, it has recognized a credit for the Minimum Presumed Income Tax of 167,219, which may be used until 2028.

The evolution of net deferred tax asset and liability as of September 30, 2021 and December 31, 2020 is as follows:

	Deferred income tax liability	Deferred income tax asset
Balance as of December 31, 2019	(5,687,365)	-
Other comprehensive income	15,880	-
Translation effect on business combination assets	(983,832)	-
Reclassification to assets held for disposal (Note 4)	-	134,515
Charge to net income of the fiscal year	(3,678,461)	423,083
Balance as of December 31, 2020	(10,333,778)	557,598
Other comprehensive income	(13,721)	-
Translation effect on business combination assets	(644,014)	-
Charge to net income of period	(6,369,657)	567,236
Balance as of September 30, 2021	(17,361,170)	1,124,834

16. LEASE LIABILITIES

The evolution of the lease liability during the nine-month period ended September 30, 2021 and the fiscal year ended December 31, 2020 is as follows:

	Lease liabilities
Lease liability as of December 31, 2019	930,855
Finance accretion	104,908
Payments	(140,694)
Translation effect	195,010
Lease liability as of December 31, 2020	1,090,079
Increases	191,665
Finance accretion	72,064
Payments	(191,264)
Translation effect	133,649
Lease liability as of September 30, 2021	1,296,193

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission ("CNV"). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.



NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2021 AND COMPARATIVE INFORMATION

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

The following is a breakdown of the lease liabilities recorded by the Group as of September 30, 2021 and December 31, 2020, with identification of the term of the lease and each rates:

Lease term	Annual effective rate used	September 30, 2021	December 31, 2020
Two to three year	9.87%	5,373	35,354
Three to four year	7.75% - 8.35%	155,635	230,900
Four to five years	4.53%	188,059	-
More than five years	9.88% - 10.2%	947,126	823,825
Total		1,296,193	1,090,079

The financial accretion accrued in the nine-month periods ended September 30, 2021 and 2020, arising from lease contracts is exposed in the line "Financial accretion" in the line "Financial loss" included in "Net financial results" of the statement of comprehensive income.

As of September 30, 2021 and December 31, 2020, the maturities of the liabilities related to lease agreements are:

	September 30, 2021	December 31, 2020
Up to one year	270,944	227,930
Current lease liabilities	270,944	227,930
One to five years	537,566	436,620
From the 6th year onwards	487,683	425,529
Non-current lease liabilities	1,025,249	862,149
Total	1,296,193	1,090,079

17. LOANS

	Interest rate ⁽¹⁾	September 30, 2021		December 31, 2020	
		Non-current	Current	Non-current	Current
Negotiable obligations	⁽²⁾	54,080,026	8,824,132	37,296,657	14,212,033
Loans	⁽³⁾	14,962,563	9,492,047	21,558,970	14,818,616
		69,042,589	18,316,179	58,855,627	29,030,649

(1) Applicable rate as of September 30, 2021.

(2) Includes 1,755 million that accrue interest at a variable rate Badlar + 4.5% and the remaining balance corresponds to Negotiable Obligations in US dollars that accrue interest at a fixed rate between 0% and 10.24%.

(3) Corresponds to bank loans in US dollars that accrue interest at a fixed rate between 6.99% and 8.65%.

The breakdown of the Group's borrowings during the nine-month period ended September 30, 2021 and the fiscal year ended on December 31, 2020 is as follows:

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission ("CNV"). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.



NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2021 AND COMPARATIVE INFORMATION

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

	Loans
Balance as of December 31, 2019	60,505,278
Proceeds from loans	9,759,720
Payments of loans	(12,001,606)
Payments of interest	(5,520,341)
Accrued interest ⁽¹⁾	6,230,388
Net exchange differences and translation effect	24,615,872
Reclassifications ⁽²⁾	4,296,965
Balance as of December 31, 2020	87,886,276
Proceeds from loans	39,541,924
Payments of loans	(53,563,301)
Payments of interest	(6,405,324)
Accrued interest ⁽¹⁾	5,876,344
Net exchange differences and translation effect	14,022,849
Balance as of September 30, 2021	87,358,768

(1) Includes accrued transaction costs that amount 389,195 and 329,260, for the nine-month period ended September 30, 2021 and the fiscal year ended December 31, 2020, respectively, and capitalized financial costs.

(2) Corresponds to the reclassification of the loans of Luz del León S.A. as of June 30, 2020.

The description of the Group's principal loans is included in Note 17 to the annual consolidated financial statements. Updates for the nine-month period ended September 30, 2021 and until the date of issuance of these interim condensed consolidated financial statements are described below:

- Local issuance - Negotiable Obligations

On May 7, 2019 and June 12, 2019, the Company issued Class I Negotiable Obligations. The placements reached a total amount of US\$ 100 million, at a 10.24% fixed rate with a maturity date on May 2021 and interest payable quarterly since August 10, 2019.

In compliance with the provisions of point 1 of Communication "A" 7230 of the BCRA, on April 9, 2021, the Company was able to refinance 60% of its maturity required by current regulations, accepting all offers of the Par option. for approximately US\$ 45.3 million, which consisted of the exchange of 100% of the Class I Negotiable Obligations for Class VI Negotiable Obligations, and approximately US\$ 14.7 million which corresponds to 83.16% of the total of new cash offers received.

Consequently, on April 16, 2021, the Company issued the new Class VI Negotiable Obligations for a nominal value of US\$ 60 million at a fixed rate of 10.24% maturing in April 2023 and quarterly interest payable since July 16, 2021.

The remaining amount of Class I Negotiable Obligations that was not exchanged was paid upon maturity with its respective interests accrued.

Subsequently, on May 20, 2021, the Company issued additional Class IV Negotiable Obligations for an amount of US\$ 16.9 million at a fixed rate of 2% denominated in US dollars and payable in Argentine pesos at the applicable exchange rate maturing in October 2022 and interests quarterly payable since July 2021. Likewise, in the same date a new Class VII Negotiable Obligation was issued for a nominal value of ARS 1,755 million at a Badlar rate + 4.5% maturing in May 2022 and interests quarterly payable since August 20, 2021.

Finally, on August 30, 2021, the Company issued additional Class VIII Negotiable Obligations for an amount of US\$ 36.9 million at a fixed rate of 0%, denominated in dollars and payable in pesos at the applicable exchange rate with maturity in August 2022. Likewise, on the same date a new Class IX Negotiable Obligations was issued for a face value of US\$ 27.7 million payable in pesos at the applicable exchange rate maturing in February

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission (“CNV”). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.

YPF LUZ

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2021 AND COMPARATIVE INFORMATION

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

(33%), May (33%) and August (34%) of 2024 that accrue interest at a fixed rate of 3.5% and interest payable quarterly from November 30, 2021 thereon. Approximately US\$ 11 million and US\$ 13.6 million of the aforementioned Class VIII and IX Negotiable Obligations, respectively, were integrated in kind through the delivery of Class III Negotiable Obligations of the Company.

The Company assessed for both Class I and III Negotiable Obligations refinancing if the conditions were substantially different, considering both qualitative aspects (for example, currency, term and interest rate) and quantitative aspects (if the present value of the cash flows discounted under the new conditions, including any commission paid net of any commission received, and using the original effective interest rate to make the discount, differs by at least 10% from the discounted present value of the cash flows that still remain from the original financial liabilities). Based on this analysis, the Company has not recognized the refinancing as an extinguishment in accordance with IFRS 9 “Financial Instruments”.

- Citi NY Loans

In March 2018, the Company took out a loan from Citibank NY for a total amount of US\$ 30 million with quarterly interest at 3-month LIBOR rate + 1.6%, and principal bullet repayment at maturity, on August 28, 2018. After such date, the Company extended the maturity of the loan through February 28, 2019, at 3-month LIBOR rate + 2.25%. On the due date, the Company renewed such loan up to February 26, 2021 at 3-month LIBOR rate + 4.875%. Finally, on February 26, 2021 the due date was extended to March 5, 2021 and has already been agreed with the bank the payment as of that date of US\$ 12 million, corresponding to 40% of the outstanding balance, and the extension of US\$ 18 million, corresponding to 60% of the outstanding balance, until March 6, 2023.

18. TRADE PAYABLES

	September 30, 2021	December 31, 2020
	Current	Current
Trade ⁽¹⁾	1,725,292	1,564,380
Related parties (Note 30) ⁽¹⁾	6,019,462	6,102,222
	7,744,754	7,666,602

(1) Trade payables are non-interest bearing and are normally settled on 90-day terms.

19. REVENUES

Type of good or services	For the nine-month periods ended September 30,	
	2021	2020
Energía Base ⁽¹⁾	6,458,745 ⁽²⁾	5,080,860
Revenues under PPA	21,475,357	8,226,908
Steam sales	2,763,534	986,920
Other income for services	235,780	191,405
	30,933,416	14,486,093

(1) Includes 2,396,252 and 1,209,428 related to fuel costs and other production cost recognition corresponding to the nine-month periods ended September 30, 2021 and 2020 respectively, according to the current regulatory framework.

(2) Includes the retroactive effect corresponding to the period between February and May 2021 for the application of Resolution No. 440/2021 (see Note 29.1) by approximately 355,794.

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission (“CNV”). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.



NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2021 AND COMPARATIVE INFORMATION

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

By Customer	For the nine-month periods ended September	
	2021	2020
CAMMESA ⁽¹⁾	21,173,151	10,454,484
YPF S.A. ⁽¹⁾	6,838,235	3,316,369
U.T. Loma Campana ⁽¹⁾	85,243	114,432
Profertil S.A. ⁽¹⁾	595,381	147,408
Coca- Cola FEMSA de Buenos Aires S.A.	175,363	77,540
Toyota Argentina S.A.	304,572	74,584
CT Barragán S.A. ⁽¹⁾	127,043	92,407
CAF S.A.	108,737	98,997
Holcim Argentina S.A.	529,348	17,443
Other	996,343	92,429
	30,933,416	14,486,093

(1) Related parties (Note 30).

Target Market

The Group's revenues are aimed at the domestic market as a whole.

20. EXPENSES BY NATURE

The Group presents the condensed interim consolidated statement of comprehensive income by classifying expenses according to their function as part of the “Production costs” and “Administrative and selling expenses” lines. The following additional information is disclosed as required, on the nature of the expenses and their relation to the function within the Group for the nine-month periods ended September 30, 2021 and 2020:

	For the nine-month period ended September 30, 2021		
	Production costs	Administrative and selling expenses	Total
Depreciation of property, plant and equipment	6,258,718	11,055	6,269,773
Depreciation of right of use assets	59,054	57,040	116,094
Depreciation of intangible assets	22,591	-	22,591
Consumable materials and supplies	378,119	10,695	388,814
Banking expenses	-	9,415	9,415
Rentals	4,876	7,328	12,204
Fees and compensation for services	11,402	109,142	120,544
Other personnel expenses	15,535	167,585	183,120
Preservation, repair and maintenance	822,967	15,175	838,142
Insurance	527,973	6,115	534,088
Salaries and social security taxes	1,000,108	769,445	1,769,553
Operation services and other contracts	190,358	176,567	366,925
Transportation, products and charges	777,787 ⁽¹⁾	6,875	784,662
Fuel, gas, energy and miscellaneous	4,269,223 ⁽¹⁾	-	4,269,223
Taxes, rates and contributions	20,922	717,192	738,114
Publicity and advertising expenses	7	4,334	4,341
Miscellaneous	12,292	13,265	25,557
Total	14,371,932	2,081,228	16,453,160

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission ("CNV"). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.



NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2021 AND COMPARATIVE INFORMATION

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

For the nine-month period ended September 30, 2020			
	Production costs	Administrative and selling expenses	Total
Depreciation of property, plant and equipment	2,985,353	5,947	2,991,300
Depreciation of right of use assets	22,119	35,212	57,331
Consumable materials and supplies	144,321	5,576	149,897
Banking expenses	-	2,905	2,905
Rentals	2,171	4,425	6,596
Fees and compensation for services	2,416	99,290	101,706
Other personnel expenses	16,005	106,047	122,052
Preservation, repair and maintenance	479,443	8,873	488,316
Insurance	240,470	837	241,307
Salaries and social security taxes	670,575	465,267	1,135,842
Operation services and other contracts	246,724	105,632	352,356
Transportation, products and charges	551,205 ⁽¹⁾	207	551,412
Fuel, gas, energy and miscellaneous	1,384,223 ⁽¹⁾	-	1,384,223
Taxes, rates and contributions	10,385	644,784	655,169
Publicity and advertising expenses	-	1,509	1,509
Miscellaneous	1,688 ⁽¹⁾	5,065	6,753
Total	6,757,098	1,491,576	8,248,674

(1) Includes 2,396,252 and 1,209,428 related to fuel costs and other production cost recognition corresponding to the nine-month periods ended September 30, 2021 and 2020 respectively, according to the current regulatory framework.

21. OTHER OPERATING RESULTS, NET

	For the nine-month periods ended September 30,	
	2021	2020
Commercial interests - CAMMESA (Note 30) ⁽¹⁾	961,261	468,786
Contractual penalties (Note 30)	-	162,254
Provision for materials and equipment in warehouse	(69,641)	-
Insurance ⁽²⁾	720,675	-
Miscellaneous	3,073	4,721
	1,615,368	635,761

(1) See Note 2.2.

(2) On March 31, 2021 YPF EE, Y-GEN Eléctrica II S.A.U. and Allianz Argentina Cía. de Seguros S.A. reached a conciliatory agreement through which the latter on April 15, 2021, paid a single, total and definitive compensation for the delay in the COD of the El Bracho cycle closure caused by the sinking of the ship that transported equipment necessary for said project.

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission ("CNV"). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.

YPF LUZ

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2021 AND COMPARATIVE INFORMATION

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

22. NET FINANCIAL RESULTS

	For the nine-month periods ended September 30,	
	2021	2020
Finance income		
Interest income and others ⁽¹⁾	1,293,819	436,382
Exchange rate differences	3,128,574	2,369,173
Other financial income	357,181	3,448,920
Total finance income	4,779,574	6,254,475
Finance loss		
Interest loss and others	(5,697,473)	(3,105,487)
Exchange rate differences	(3,607,112)	(3,620,199)
Finance accretion	(124,458)	(29,212)
Other financial expenses	(361,997)	(128,848)
Total finance loss	(9,791,040)	(6,883,746)
Total net financial results	(5,011,466)	(629,271)

(1) See Note 2.2.

23. SHAREHOLDERS' EQUITY

As of September 30, 2021 the shareholders of YPF EE is as follows:

Shareholder	Number of Shares	Participation in the capital stock	Class of Share
YPF	2,723,826,879	72.69218%	A
OPESSA	86,476,112	2.30783%	A
GE EFS Power Investment B.V.	936,767,364	24.99999%	B
Total	3,747,070,355	100.00000%	

24. EARNINGS PER SHARE

Earnings per share amounts are calculated by dividing net income for the period attributable to equity holders of the parent by the weighted average number of ordinary shares during the period, net of treasury stock.

The following reflects information on income and the number of shares used in the earnings per share computations:

	For the nine-month periods ended September 30,	
	2021	2020
Net income for the period attributable to holders of the parent company:	1,163,211	3,999,924
Weighted average number per share (in thousands)	3,747,070	3,747,070
Basic and diluted earnings per share - Basic and diluted (ARS)	0.310	1.067

There have been no transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of issuance of these interim financial statements that may produce a dilution effect.

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission ("CNV"). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.



NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2021 AND COMPARATIVE INFORMATION

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

25. RESTRICTION ON RETAINED EARNINGS

Pursuant to the Argentine General Corporate Law and the corporate bylaw, 5% of the net profit for the year must be allocated to the legal reserve until such reserve reaches 20% of the capital stock.

In this sense, the General Ordinary Shareholders' Meeting held on April 28, 2021, allocated 260,059 to constitute the legal reserve in the terms of Art. 70 of the LGS, reaching an amount equal to 20% of the capital stock.

In accordance with General Resolution 609 of the CNV the Special reserve RG N° 609 was created, which contains the positive difference resultant from the first-time adoption of IFRS. Special reserve RG N° 609 is not allowed to be distributed in cash or in kind and it can only be dipped into a capitalization or an absorption of any negative balances of retained earnings.

26. ASSETS AND LIABILITIES IN CURRENCY IN CURRENCIES OTHER THAN ARGENTINE PESO

The following table provides the assets and liabilities in currencies other than Argentine peso for the financial statement as of September 30, 2021 and December 31, 2020:

Account	September 30, 2021			December 31, 2020			
	Class and amount of currencies other than ARS (in thousands)	Exchange rate ⁽¹⁾	Booked amount in pesos	Class and amount of currencies other than ARS (in thousands)	Booked amount in pesos		
CURRENT ASSETS							
Trade receivables	US\$	109,763	98.54	10,816,046	US\$	82,269	6,906,483
Restricted cash and cash equivalents	US\$	9,217	98.54	908,234	US\$	44,563	3,741,094
Cash and cash equivalents	US\$	40,073	98.54	3,948,793	US\$	68,481	5,748,980
Total of current assets				15,673,073			16,396,557
Total of assets				15,673,073			16,396,557
NON-CURRENT LIABILITIES							
Loans	US\$	724,189	98.74	71,506,422 ⁽²⁾	US\$	724,372	60,955,904 ⁽²⁾
Lease liabilities	US\$	10,383	98.74	1,025,249	US\$	10,245	862,149
Provisions	US\$	932	98.74	92,026	US\$	492	41,402
Other financial liabilities	-	-	-	-	US\$	71	5,962
Total of non-current liabilities				72,623,697			61,865,417
CURRENT LIABILITIES							
Trade payables	US\$	50,211	98.74	4,957,834	US\$	65,406	5,503,915
	€	338	114.36	38,654	€	1,002	103,737
Loans	US\$	170,840	98.74	16,868,742 ⁽³⁾	US\$	351,671	29,593,115 ⁽³⁾
Lease liabilities	US\$	2,744	98.74	270,944	US\$	2,709	227,930
Other financial liabilities	US\$	214	98.74	21,098	US\$	901	75,843
Total of current liabilities				22,157,272			35,504,540
Total of liabilities				94,780,969			97,369,957

(1) At the Banco de la Nación Argentina exchange rate prevailing as of September 30, 2021.

(2) Corresponds to the nominal amount owed, which is disclosed under loans for the amounts of 69,042,589 and 58,855,627 as of September 30, 2021 and December 31, 2020 respectively, net of transaction fees and cost.

(3) Corresponds to the nominal amount owed, which is disclosed under loans for the amounts of 18,316,179 and 29,030,649 as of September 30, 2021 and December 31, 2020 respectively, net of transaction fees and cost.

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission (“CNV”). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.

YPF LUZ

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2021 AND COMPARATIVE INFORMATION

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

27. MAIN CONTRACTUAL COMMITMENTS AND GUARANTEES GRANTED

Main contractual commitments are described in Note 27 to the annual consolidated financial statements. Below are the estimated commissioning dates for the projects under development:

Project	Company	Estimated Committed Commercial Operations date
Cañadón León Wind Farm	Luz del León S.A.	4Q 2021

28. CONTINGENT LIABILITIES

Contingent liabilities are described in Note 29 to the annual consolidated financial statements.

As follows, the description of the developments during the nine-month period ended September 30, 2021:

a) Cañadón León Wind Farm

On February 27, 2019, LDL entered into a Contract for the Assembly and Start-up of the Cañadón León Wind Farm and Services with General Electric International Inc. Suc. Arg. (“GESA”) (“Construction Contract”), an Equipment Supply Contract with GE Wind Energy GmbH (“GEWE”) (“Supply Contract”) and an Integration Agreement entered into with such companies in order to coordinate the Construction Contract and Supply Contract (“Integration Agreement”).

Within the framework of the Construction Contract, Supply Contract and the Integration Agreement, since March 20, 2020, GESA, GEWE and LDL exchanged several letters related to the effects of COVID-19.

In those letters, GESA and GEWE argued that the COVID-19 situation might constitute a change of law and/or force majeure event under the Construction Contract and Supply Contract, respectively, and, therefore, LDL was bound to bear the higher costs and larger terms arising from such situation. LDL rejected that such situations might constitute a change of law event under the corresponding contracts and stated, among other arguments, that GESA and GEWE had to prove compliance with the legal and contractual requirements for such circumstances to constitute an event of force majeure under their corresponding contracts. Besides, LDL stated that should the situation constitute a force majeure event, each party had to face its own costs.

On January 8, 2021, GESA notified LDL of the termination of the Construction Contract for alleged essential and deliberate breach of the Construction Contract by LDL derived from the non-approval of certain change orders in relation to the recognition of higher costs caused as a result of the COVID-19 pandemic, climate issues and other pending claims regarding the project. On this occasion, GESA estimated that the higher costs caused by the COVID-19 pandemic amounted to an approximate amount of US\$ 12,760,000.

Given this notification, LDL supports once again its position in relation to said claims according to the grounds previously detailed. Due to the above mentioned, LDL ordered GESA to retract the notification of the resolution issued, being that uncaused, abusive, unfounded and contrary to the law, and, likewise, it ordered that GESA proceed to continue with the execution of the works to complete the work in a whole in accordance with the provisions of the Construction Contract, under penalty of making it responsible for all damages that said resolution could cause to LDL.

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission (“CNV”). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.

YPF LUZ

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2021 AND COMPARATIVE INFORMATION

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

For its part, GESA ratified the notified contractual resolution, having made it effective on January 25, 2021. It is important to note that, although GESA has ratified the resolution without cause, LDL agreed that GESA's subcontractors continue with the work in order not to affect the current schedule as explained in the following paragraph.

In this sense, on January 26, 2021 and April 9, 2021, Conciliation and Work Continuation Agreements were signed between LDL and Grid Solutions Argentina S.A. (“GRID”) and Electrificadora del Valle S.A. (“EDVSA”) respectively, by means of which the parties agreed to resolve all the disputes of said subcontractors with the main contractor of the work and arrange the direct hiring of GRID and EDVSA for the completion of the works.

Likewise, without prejudice to maintaining and ratifying LDL's position regarding the lack of legitimacy of the resolution provided, LDL has agreed with GESA an independent service contract that ensures the mechanical completion of the wind turbines and commissioning services for the wind farm.

Finally, it should be noted that the mentioned situation will not generate negative consequences under the contract of the project's financing as long as the contract resolved by GESA is being replaced by other contracts with subcontractors that cover the necessary scope to the termination of the work in progress within the due dates agreed with the financial debtors. To that end, these debtors had granted an original due date which past due on April 1, 2021 and it was consecutively postponed until November 30, 2021, to analyse the contractual clauses related to the project.

On the other hand, considering the delays in the commercial operation date of Cañadón León Wind Farm, a breach has occurred, which was waived as long as the aforementioned commercial operation date occurs up to November 30, 2021.

Additionally, it should be noted that for a potential breach to occur that could accelerate the due dates of LDL's loans, it is required a written communication by the debtor according to the established conditions in the contract. Therefore, in the Company's Board of Director's view, the payments of capital and its respective interests will be made according to the schedule originally fixed in the contract, as timely amended.

Likewise, the Company, is negotiating an amendment to the contract that would definitively eliminate the mentioned breaches.

Under the executed renewable power purchase contracts, energy off-takers were notified about the existence of a force majeure event as a consequence of the health crisis caused by the coronavirus pandemic, which might affect the scheduled commercial operation date of the wind farm. On October 16, 2020, LDL sent YPF S.A. an offer letter in which it proposes to modify the committed commercial operation date, setting it for April 30, 2021. Likewise, in accordance with the terms and conditions of the renewable purchase contract, on April 19, 2021 LDL notified YPF S.A. the extension of the COD, estimating at that time that it would occur on August 31, 2021. Notwithstanding this and in spite of not having reached the commercial operation date of the project, on August 4, 2021, YPF S.A. agreed in writing to not execute its right to terminate the purchase contract for this reason, until March 31, 2022.

In relation to the PPA with CAMMESA, by virtue of LDL's adhesion to Resolution SGE No. 52/2019 of the Secretariat of Energy that established the extension of the scheduled commercial operation date and the subsequent notes of the Secretariat of Energy that ordered the suspension of the calculation of the periods corresponding to the execution of the contracts of the RenovAr Programs that had not been commercially

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission ("CNV"). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.

YPF LUZ

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2021 AND COMPARATIVE INFORMATION

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

enabled before March 12, 2020, no penalties will be incurred as long as the COD is reached on or before January 30, 2022, except that due to the COVID-19 situation (see Note 31), suspensions or extensions of additional terms are granted.

As of the date of issuance of these interim condensed consolidated financial statements the Group estimated that there will not be significant negative effects regarding the Group's financial position as consequence of the previously described situation.

b) High Voltage Line 132kV Santa Cruz Norte Caleta Olivia

The Cañadón León Wind Farm will be connected to the Argentine Distribution System through the construction of a 132-kV-line and the expansion of Santa Cruz Norte – Caleta Olivia Transformer Station.

On May 21, 2019, the Company entered into a construction and expansion contract with TEL3 S.A. ("TEL3") for the construction of the Work.

On March 20, 2020, TEL3 notified the Company about a force majeure event as a consequence of the coronavirus pandemic and the restrictions imposed under national, provincial and municipal regulations. It also informed that for such reasons, the performance of on-site works and the construction schedule might be affected and that, due to the health requirements ordered by government authorities, the costs established in the contracts might be modified, claiming the higher costs incurred as a consequence thereof.

The Company requested TEL3 to do comply with the legal and contractual requirements for the situation to constitute a force majeure event and to prove the impact of the events on TEL3 obligations.

On January 29, 2021, the Company and TEL3 reached an agreement by means of which the parties reconciled all pending disputes among themselves regarding claims derived from the COVID-19 pandemic, TEL3 waived to make any claim in relation to what is previously exposed.

On March 26, 2021, TEL3 submitted a new change order under the Contract for a total sum of \$ 25.8 million due to the higher costs incurred from November 1, 2020 to February 28, 2021 as consequence of the implementation of sanitary measures for the prevention of COVID-19 as well as the sanitary requirements imposed by the government authorities.

On September 13, 2021, an amendment of the construction contract was signed, through which the Company will pay TEL3 the amount of US\$ 1,700,000 for variation and change orders.

Finally, it should be noted that on June 27, 2021, the work period of industrial operation took place, after which the final tests for the commissioning of the facilities are concluded with satisfactory results.

c) Los Teros II Wind Farm

Los Teros II Wind Farm reached its operation date of the total of wind turbines on June 3, 2021. Therefore, the committed deadlines were accomplished in the framework of assigned dispatch priority according to Resolution S.E.E. No. 281/2017, as this deadlines were extended.

The Company and General Electric were maintaining cross-claims regarding higher costs linked to delays in the completion of the works as a consequence of COVID-19 and others; and on the other hand the application of contractual penalties accrued for not reaching the contractually committed reception date.

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission ("CNV"). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.

YPF LUZ

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2021 AND COMPARATIVE INFORMATION

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

Finally, on August 13, 2021, the parties reached to an agreement through which they reconciled all the disputes regarding the contract and construction. Based on this agreement, YPF LUZ will pay General Electric the amount of US\$ 1,200,000 for change orders derived from costs and terms variations to definitively resolve these disputes and resigned to demand General Electric the payment of accrued penalties.

d) Manantiales Behr Thermal Power Plant

On December 28, 2018, the Company entered into an Equipment and Supply Contract with Wärtsila Projects Oy ("Wartsila Oy") ("Supply Contract"), Assembly and Start-up Contract of Manantiales Behr Thermal Power Plant with Wartsila Argentina S.A. ("Wartsila Arg.") ("Construction Contract") and an Integration Agreement entered into with such companies in order to coordinate the Supply Contract and Construction Contract ("Integration Agreement").

Thus, and within the framework of the Supply Contract, the Construction Contract and the Integration Agreement, since March 13, 2020, Wartsila Oy, Wartsila Arg. and the Company exchanged several letters related to the effects of COVID-19.

In those letters, Wärtsila Oy and Wartsila Arg. argued that the COVID-19 situation might constitute a force majeure event under the Supply Contract and the Construction Contract, respectively, and that, therefore, the Company was bound to bear the higher costs and larger terms arising from such situation. The Company stated, among other arguments, that Wartsila Oy and Wartsila Arg. had to prove compliance with the contractual and legal requirements for such circumstances to constitute an event of force majeure under these contracts. The Company stated that, should the force majeure event be confirmed, each party had to support its own costs.

As of the date of issuance of these interim condensed consolidated financial statements, the Group has settled this claim through the payment of \$ 42.5 million and € 22,640 related to indirect costs derived from COVID-19.

29. REGULATORY FRAMEWORK

Main regulations and others are described in Note 30 to the annual consolidated financial statements. Updates for the nine-month period ended September 30, 2021 are described below:

29.1 Regulatory framework for the electric industry

On March 10, 2021, through Resolution SE 169/2021, the Secretariat of Energy resolved the award of bids in Round II of the GasAr Plan to deliver natural gas during the winter months for the period 2021-2024, for a price of 4.73 US\$/MMBTU. Likewise, by means of the clarifying Circular No. 1 it had been defined that for the buyer the amount of the Take or Pay will be 75% per month, multiplied by the number of days of the month. Gas that could not be made available or that was not taken due to a major cause, or those that the supplier has not been able to make available due to force majeure or unscheduled maintenance, must be deducted from these quantities.

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission ("CNV"). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.

YPF LUZ

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2021 AND COMPARATIVE INFORMATION

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

Resolution SE-MEC No. 440/2021

On February 26, 2020, the Secretariat of Energy published in the Official Gazette the Resolution SE No. 31/2020 that adjusts the remuneration criteria for the generation not compromised in any kind of contract, under the terms economically reasonable, efficient and that are assignable and/or transferable to demand.

Through this resolution, it was established that all concepts that are remunerated to the included generators will be nominated in Argentine pesos, and will be updated monthly according to the IPC (60%) and IPIM (40%) published by INDEC.

This update was suspended until further decision due to the economic situation generated by the declared pandemic.

On May 21, 2021 the Resolution No. 440/2021 of the Secretariat of Energy was published in the Official Gazette in which the remuneration established by Resolution No. 31/2020 is adjusted in approximately 29% with effectiveness since the economic transactions corresponding to February, 2021.

In order to perceive the remuneration defined in the mentioned regulation, the Generation Agents that are reached by it, had to abandon through Note to CAMMESA any administrative claim or legal process in course raised by them against the National State, the Secretariat of Energy and/or CAMMESA and any related administrative and/or legal claim and resign to any future claim in this regard.

On June 11, 2021, the Company presented the Note mentioned in the previous paragraph. The retroactive effect corresponding to the elapsed period between February to May 2021 for the application of Resolution No. 440/2021 rises to approximately 355,794 and was accounted in the Energía Base line within the item Revenues of the condensed interim consolidated statements of comprehensive income for the nine-month period ended September 30, 2021.

Resolution No. 551/2021

Under the framework of MATER there are projects in execution with assigned dispatch priority that present delays or does not show any advance at all. As a consequence of this, on June 15, 2021, the Resolution No. 551/2021 was issued and it establishes measures that tend to the conclusion of the projects that are not yet operative, so they do not retain any dispatch priority, enabling the transport capacity to be assigned to other projects.

From this, it is performed a restructuration of ordeal and administration of assigned dispatch priorities and to be assigned in the future, reviewing the criteria of demand of established guarantee. The Generators Agents with assigned dispatch priority under MATER in the framework of Resolution No. 281/2017 from the former Ministry of Energy and Mining and amendments, with projects with commercial operation or in construction, will be able to choose until August 27, 2021, to adhere to the terms established under the new Resolution making payments that correspond for extensions, according to Resolution No. 551, retroactively, since the deadline of the original declared period and until the commercial operation date, applying the payments that would had been performed under the previous regime as a down payment of that is established under the mentioned Resolution.

We emphasize that the Company decided that it will benefit from the aforementioned regime in order to maintain the priority of dispatch appropriately assigned and since the new fine regime is retroactively applied

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission ("CNV"). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.

YPF LUZ

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2021 AND COMPARATIVE INFORMATION

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

and would mean a lower cost for the Company. However, this Resolution has not had a significant impact on the Group's financial statements.

29.2 Exchange Market Regulation

On February 25, 2021, the BCRA issued Communication "A" 7230, extending point 7 of Communication "A" 7106 for those with capital maturities scheduled between April 1 and December 31, 2021. The refinancing plan must be submitted to the BCRA by March 15, 2021 for capital maturities scheduled between April 1 and April 15, 2021. In all other cases, it must be presented at least 30 days before the maturity of capital to be refinanced.

In addition, since April 1, 2021, the amount per calendar month by which the debtor would access the foreign exchange currency market for the cancellation of principal of indebtedness covered by point 7 of Communication "A" 7106 rises from US\$ 1 million to US\$ 2 million.

Finally, the presentation of the restructuring plan will not be necessary to cancel:

- Indebtedness originated since January 1, 2020 and whose funds have been deposited and settled on the local exchange market,
- Indebtedness originated since January 1, 2020 and constituting refinancing of capital maturities after that date, to the extent that refinancing has enabled to achieve the parameters of point 7 of Communication "A" 7106.
- The remaining maturities already refinanced while such refinancing has enabled to reach the parameters set out in point 7 of Communication "A" 7106.

The Group had two financings affected by communications of the BCRA: (i) a financial loan with Citibank NA for a remaining value of 30 million dollars maturing on March 5, 2021 affected by Communication "A" 7106 (for which 60% was extended until March 6, 2023) and; (ii) Class I ON Notes for a remaining value of US\$ 100 million maturing on May 10, 2021 affected by communication 7230 (for which Negotiable Obligations Class VI by 60% of the outstanding balance were issued with maturity on April 16, 2023).

29.3 Tax Amendment

On June 16, 2021, Law No. 27,630 was issued, approved by the National Executive Branch through the Decree 387. One of the main changes is the instauration of a progressive scale of income tax based on accumulated net taxable income of the Company. The amounts of this scale will be adjusted annually, since January 1, 2022 according to the variations of IPC provided by INDEC corresponding to October of the year prior to the adjustment. The adjusted amounts will be applicable for subsequent fiscal years beginning after this. The progressive scale is applicable also for permanent establishments, notwithstanding the additional rate of 7% at the moment of remitting incomes to their parent company.

This dispositions of this Law are applicable since June 16, 2021 and are effective for fiscal years beginning since January 1, 2021, inclusively.

The main impact of this legal change is (i) the measurement of deferred income tax assets and liabilities (including accumulated tax loss carryforward), since they have to be recognised applying the tax rate in force at the date in which the differences between accounting and fiscal values and tax loss carryforward will be reverted or used and (ii) the estimate of the provision for income tax payable. The impact of the regulatory change has been recognized in the nine-month period ended September 30, 2021 in the condensed interim consolidated statements of comprehensive income.

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission ("CNV"). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.

YPF LUZ

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2021 AND COMPARATIVE INFORMATION

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

Hereinafter, the net deferred income tax assets and liabilities, and the current income tax, as of September 30, 2021, was measured at an approximate rate of 35%.

29.4 Other Regulations

- CNV Regulatory Framework (N.T. 2013)

In accordance with Section 1, Chapter III, Title IV of the General Resolution, the notes to the interim condensed consolidated financial statements for the nine-month period ended September 30, 2021, disclosing the information required by the Resolution in the form of Exhibits, are detailed below.

Exhibit A – Fixed Assets	Note 8 Property, plant and equipment
Exhibit B – Intangible assets	Note 9 Intangible assets
Exhibit C – Investments in shares	Note 11 Investments in associates and joint ventures
Exhibit D – Other Investments	Note 6 Financial instruments by category
Exhibit E – Provisions	Note 8 Property, plant and equipment
Exhibit G – Assets and liabilities in foreign currency	Note 26 Assets and liabilities in other currencies than Argentine peso
Exhibit H – Expenses by nature	Note 20 Expenses by nature

30. RELATED PARTIES INFORMATION

The following table show the balances with related parties as of September 30, 2021 and December 31, 2020:

	September 30, 2021	
	Trade receivables	Trade payables
	Current	Current
Joint controlling shareholder:		
YPF S.A.	4,147,478	2,323,505
Associates:		
Refinería del Norte S.A.	42,633	-
Metroenergía S.A.	4,588	-
A-Evangelista S.A.	-	32,076
U.T. Loma Campana	16,824	45,884
C.T. Barragán S.A.	36,091	-
GE Global Parts and Products GmbH	-	893,886
GE International Inc. Sucursal Argentina	-	1,657,297
GE Packaged Power Inc.	-	547,832
GE Sensing & Inspection Technologies	-	17,058
GE Water & Process Technologies SC	-	15,104
GE Wind Energy Equipment	-	373,193
Innio Jenbacher GmbH & CO. OG.	-	3,615
Profertil S.A.	143,212	-
Alstom Power Inc.	-	7,845
Alstom Power Service S.A.	-	2
Alstom Power Systems	-	4
Grid Solutions Argentina S.A.	-	102,161
Argentine federal government-controlled entities:		
CAMMESA	8,385,611	-
Total	12,776,437	6,019,462

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission ("CNV").
In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.



NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2021 AND COMPARATIVE INFORMATION

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

	December 31, 2020		
	Other receivables	Trade receivables	Trade payables
	Current	Current	Current
Joint controlling shareholder:			
YPF S.A.	59,013	2,802,680	1,358,864
Associates:			
Refinería del Norte S.A.	-	42,633	-
Metroenergía S.A.	-	4,588	-
A-Evangelista S.A.	8,291	-	185,338
U.T. Loma Campana	-	23,692	39,371
C.T. Barragán S.A.	-	15,153	-
GE International Inc.	-	-	1,483,725
GE Global Parts and Products GmbH	-	-	1,562,716
GE International Inc. Sucursal Argentina	3,781	-	438,100
GE Packaged Power Inc.	-	-	452,054
GE Water & Process Technologies SC	-	-	16,851
GE Wind Energy Equipment	-	-	317,994
GE Wind GmbH	-	-	84,678
GE Senging & Inspection Technologies	-	-	2,948
Innio Jenbacher GmbH & CO. OG.	-	-	11,641
Profertil S.A.	-	193,848	-
Alstom Power Inc.	-	-	15,431
Grid Solutions Argentina S.A.	-	-	128,185
Jenbacher International B.V.	-	-	4,326
Argentine federal government-controlled entities:			
CAMMESA	-	5,572,410	-
Total	71,085	8,655,004	6,102,222

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission ("CNV"). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.



NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2021 AND COMPARATIVE INFORMATION

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

The following table shows transactions with related parties for the nine-month periods ended September 30, 2021 and 2020:

	For the nine-month periods ended September 30,							
	2021				2020			
	Revenues	Purchases of goods and services	Other operating results, net	Interest income (loss), net and others	Revenues	Purchases of goods and services	Other operating results, net	Interest income (loss), net and others
Joint controlling shareholder:								
YPF S.A.	6,838,235	4,472,312 ⁽¹⁾	-	-	3,316,369	1,364,028	-	-
Associates:								
A-Evangelista S.A.	-	111,481	-	-	-	1,250,165	-	-
U.T. Loma Campana	85,243	-	-	-	114,432	1,823	-	-
C.T. Barragán S.A.	127,043	-	-	-	92,407	-	-	-
GE International Inc.	-	264	-	-	-	1,503,197	-	-
GE Global Parts and Products GmbH	-	989,965	-	9,192	-	269,211	43,670	(18,366)
GE Water & Process Technologies S.C.	-	20,394	-	-	-	36,406	-	-
GE Wind Energy Equipment	-	-	-	-	-	69,187	-	-
GE Wind GmbH	-	108,672	-	-	-	2,382,231	-	-
GE Packaged Power Inc.	-	163,089	(128)	(2,760)	-	336,503	113,327	-
GE Sensing Inspection & Technologies	-	9,972	-	-	-	-	-	-
GE International Inc. Suc.Argentina	-	2,910,398	-	-	-	1,103,707	5,257	-
Innio Jenbacher GmbH & CO. OG.	-	8,538	-	-	-	11,157	-	-
YPF Tecnología S.A.	-	449	-	-	-	-	-	-
Profertel S.A.	595,381	-	-	-	147,408	-	-	-
Alstom Power Inc.	-	15,071	-	-	-	53,843	-	-
Grid Solutions Argentina S.A.	-	376,758	-	-	-	368,906	-	-
Jenbacher International B.V.	-	5,463	-	-	-	9,711	-	-
Argentine federal government-controlled entities:								
CAMMESA	21,173,151	69,218	961,261	-	10,454,484	119,601	468,786	-
Total	28,819,053	9,262,044	961,133	6,432	14,125,100	8,879,676	631,040	(18,366)

(1) Includes the recognition for the excess of budgeted gas costs according to Plan GasAr.

Regarding the business of generation and sale of electricity, the Company's main customer is CAMMESA, an entity controlled by National Government. Taking into consideration that National Government is also YPF's controlling shareholder, CAMMESA is considered a related party.

31. COVID-19 PANDEMIC IMPACT

On March 11, 2020, the World Health Organization declared the Coronavirus (Covid-19) outbreak a Pandemic, given its fast propagation worldwide, affecting 190 countries. Most governments are implementing restrictive actions to contain its propagation.

On March 12, 2020, in Argentina, where the Company operates, Argentina's Executive Branch (PEN) issued Decree No. 260/2020, as amended, establishing the health emergency to control the crisis caused by the COVID-19, and on March 19, 2020 the PEN issued Decree No.297/2020 declaring the mandatory and preventive social isolation, which was extended consecutively until the mandatory and preventive social distancing was effective. Power generation was declared an essential service and was allowed to operate since the beginning of the isolation, while electric infrastructure works were declared essential since April 6, 2020. Among the measures derived from the pandemic were included, among others, the prohibition of dismissals without

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission ("CNV"). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.

YPF LUZ

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2021 AND COMPARATIVE INFORMATION

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

cause, or for reasons of work reduction or force majeure, general restriction to the free circulation of persons not engaged in essential activities, general travel restrictions, visa suspensions, partial or total closing of public and private institutions, suspension of sport events and restrictions to museums and tourist attractions.

Through Decree 576/2020, on June 29, 2020 the PEN determined more restrictive measures in the area of the City of Buenos Aires and surroundings (AMBA) and allowed the provincial governments to release or restrict activity according to certain parameters of evolution of Covid. Although all the provinces and cities have allowed the activity of essential services, many apply restrictions or periods of isolation that hinder the normal development of the activities of the Company and its contractors.

Since the month of April 2021, due the continuity of the pandemic and in a context of sustained increase in cases, the National Government established a set of general prevention measures and a classification of risk areas based on epidemiological criteria with the unavoidable objective of reducing the circulation of the virus and thus decompressing the health system. Based on the indicators of "reason" (increase in cases in the last 14 days), "incidence" (number of cases over population) and "occupation of ICU beds", four situations were established in relation to risk, which order the prevention measures in the territory in areas of: Low, Medium, High risk and Epidemiological and Sanitary Alarm. In this way, prevention parameters common to the entire national territory and new measures were established based on the classification mentioned. Thus, depending on the epidemiological and sanitary risk, the parties or urban conglomerates had different restrictions for mobility and commercial activity.

During the month of September 2021, the National Government announced certain flexibilizations of the sanitary measures with effect from October 1, 2021 to the extent that they were adopted by the provincial governments. Among these measures, the non-obligatory usage of the face mask in open spaces as long as there are not many people together, enabling social events without limits of people, total capacity in economic, industrial, commercial, service, religious, cultural, sports, recreational and social activities and massive events of more than a thousand people with half of the capacity and specific protocol. Likewise, since September 24, isolation was eliminated for Argentines, residents and foreigners who return from abroad for work. In the same sense, from October 1 the quarantine for any reason is eliminated for foreigners from neighbouring countries and from November 1 for foreigners from other countries. In all cases of travel from abroad, certain conditions related to the vaccination scheme and PCR and antigen tests must be met.

These measures due to the Covid-19 pandemic are having a significant impact on national, regional and global economy, due to difficulties in the supply chains and the significant increase of economic uncertainty, evidenced by a higher volatility in asset prices, exchange rates and a decline in long-term interest rates.

Notwithstanding that as of the date of issuance of these interim condensed consolidated financial statements, there have not been significant present impacts, there is still uncertainty regarding the final impacts that these events could have on the assets and financial position of the Company, on its results or its cash flows. Hence, the Company's Management considers that the situations described above do not impact the application of the accounting policies corresponding to a going concern in the preparation of the interim condensed consolidated financial statements as of September 30, 2021.

The potential impacts from the uncertainty previously mentioned that might be expected on the Group's activity are the following:

- Decrease in our power generation sales as a consequence of a general decline in electric power demand.

English translation of the consolidated financial statements originally filed in Spanish with the Argentine Securities Commission ("CNV"). In case of discrepancy, the consolidated financial statements filed with the CNV prevail over this translation.

YPF ENERGÍA ELÉCTRICA S.A.

YPF LUZ

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2021 AND COMPARATIVE INFORMATION

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

- Collection difficulties from power distribution companies, by CAMMESA affecting its capacity to meet its payment commitments with the Group.
- Impairment in the financial position of the Group's wholesale customers, adversely affecting their capacity to pay the accounts due to the Group and, therefore, affecting the Group's financial position.
- Delays in the execution of our development projects due to mobilization problems faced by our contractors and possible higher construction costs, affecting the Group's financial condition and exposing the Group to the potential claims and penalties.
- Difficulties in the supply chain, due to the suspension in the production of the basic supplies used by the Company in its production process and impact on associated expenses.

The Management of the Company has implemented health measures - with Covid-19 prevention protocols applicable both for operations and work projects - to guarantee continuity of its activities, ensuring production and seeking minimization of costs, optimization of current contracts and securing earnings. The Group's Management will conduct an assessment to analyse how the aforementioned situations and possible future events might impact on its assets and financial position, the results of its operations and the respective cash flows.

32. SUBSEQUENT EVENTS

Resolution No. 1037/2021

In order to guarantee the supply of additional energy for export purposes and preserve the availability of Generating Agents, on October 31, 2021, the Secretariat of Energy issued Resolution No. 1037/2021 that establishes an additional and transitory increase in remuneration to Generating Agents included in Resolution No. 440 of the Secretariat of Energy, among which is the Company, which will be effective for economic transactions from September 1, 2021 to February 28, 2022, and that will be defined by said Secretariat through the corresponding regulatory instructions.

The Company is awaiting for the aforementioned regulatory instructions in order to quantify the impact of the Resolution.

As of the date of issuance of these condensed interim consolidated financial statements, there have not been other significant subsequent events whose effect on the Group's financial position or results of operations as of September 30, 2021, or its disclosure in a note to these interim condensed consolidated financial statements, if corresponds, have not been considered in accordance with IFRS.